

Principal Ultra Short Term Fund[£]

An Open Ended Ultra Short Term Debt Scheme Investing In Instruments Such That The Macaulay Duration Of The Portfolio Is between 3 Months And 6 Months[^]

[^]Please Refer Page No. 23 of SID on which the concept of Macaulay's Duration has been explained.

Make your idle money work harder!

November, 2020

To generate regular income & capital appreciation through investments in debt securities and money market instruments.

Why should you invest?

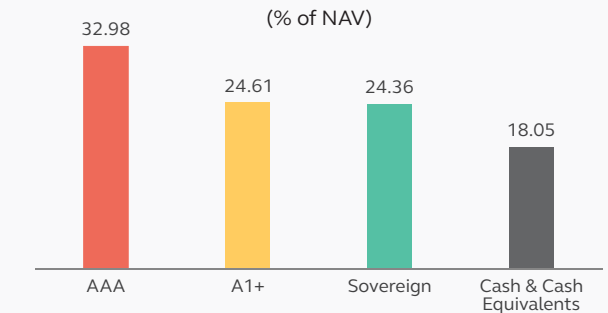
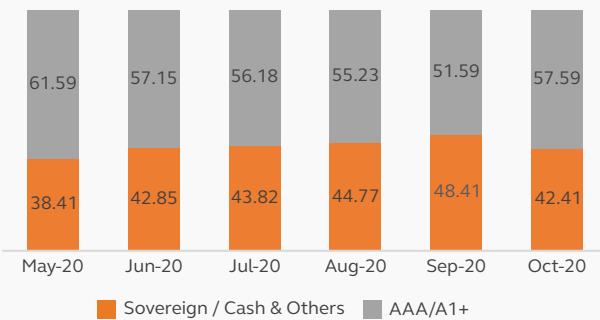
- This Fund is an Ultra Short Term Fund, with a Macaulay Duration in the range of 3 month – 6 month.
- The Fund aims to take advantage of the steepness of the curve.
- Steepness of the curve is the increase in yields from 2 month vs 6 month vs 12 months' papers.
- The mark-to-market component of the fund is managed within defined maturity profile of the scheme. Thus the investors know in advance the risk profile of the Fund and can suitably invest for appropriate investment horizon.

Outlook

The fund continue to run with very high credit quality exposures in the form of treps, tbills and NCDs with long term rating of AAA. We will continue to look for opportunities in the 3 month to 1 yr segment for this fund carefully weighing the risk reward benefit.

The fund invests in high credit quality papers.

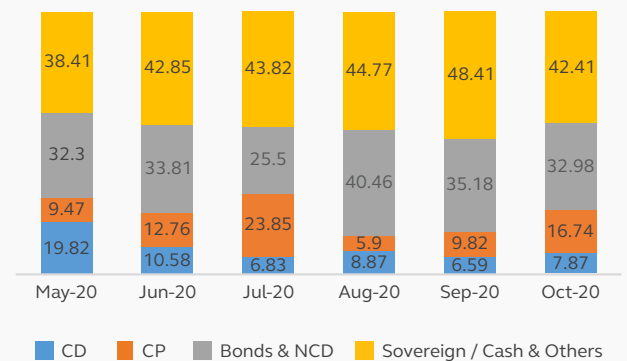
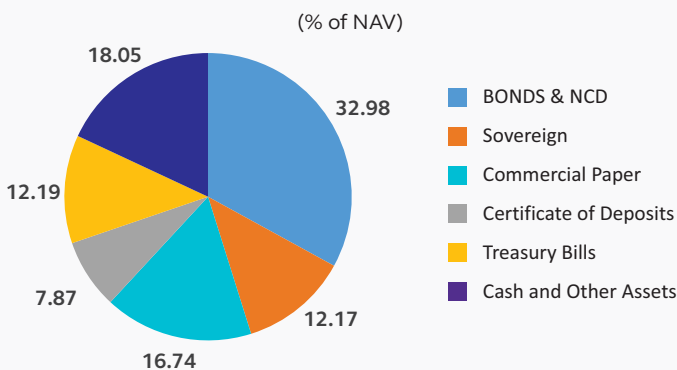
Rating Profile (as on October 31, 2020)



Source: Internal

The fund invests predominantly in highly liquid debt instruments.

Top Composition by Assets (as on October 31, 2020)



Investing Facts

Fund Manager



Bekxy Kuriakose
Total work experience of 20 years.
Managing this scheme since May, 2019

Plans: Regular and Direct Plan

***Options:** Both the Plans offer Dividend & Growth Option. Dividend Frequency - Regular Plan: Daily & Weekly Dividend - Reinvestment Facility, Monthly Dividend - Payout, Reinvestment and Sweep facility. Direct Plan: Monthly Dividend - Payout, Reinvestment and Sweep facility.

Minimum Investment Amount: New Investor: ₹ 5,000 | Existing Investor: ₹ 1,000

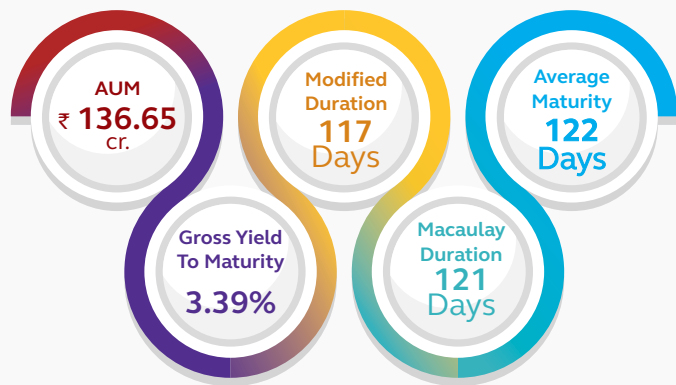
Exit Load: Nil

SIP/STP/RWP- Available

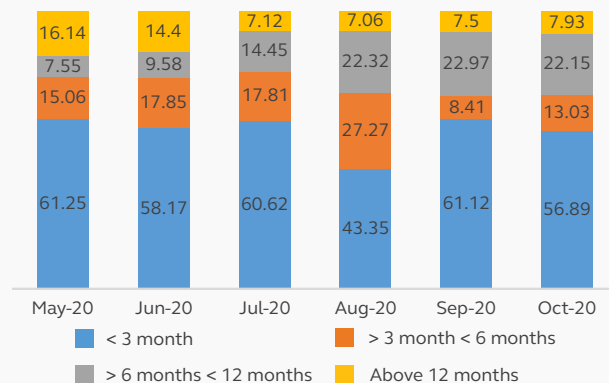
***Note:** Effective October 21, 2011 fresh subscriptions/switch-in in any mode (including Systematic Investment Plan [SIP] / Systematic Transfer Plan [STP]) under Daily & Weekly Dividend Option and Payout & Sweep facility to Monthly Dividend Option under the Regular Plan of the Scheme are not available. The same may however be open and available for subscription at a later date.

[£]Formerly known as Principal Money Manager Fund (w.e.f. May 16, 2018)

Key Statistics (as on October 31, 2020)



The scheme portfolio has a staggered maturity profile to mitigate re-investment risk and manage flows efficiently.



Performance of Scheme (as on October 29, 2020)

Period	Principal Ultra Short Term Fund		Nifty Ultra Short Duration Debt Index (Scheme's Benchmark)		CRISIL 1 Year T-Bill Index (Additional Benchmark)	
	Returns (%)	\$PTP Returns	Returns (%)	\$PTP Returns	Returns (%)	\$PTP Returns
1 Year (31-10-2019 to 29-10-2020)	4.36	10435.25	5.95	10593.13	6.23	10621.31
3 Years (31-10-2017 to 29-10-2020)	4.04	11261.63	7.28	12342.88	6.89	12211.72
5 Years (30-10-2015 to 29-10-2020)	5.35	12981.19	7.38	14279.42	6.80	13895.59
Since Inception (28-12-2007 to 29-10-2020)	6.15	21530.62	8.33	27967.50	6.56	22632.21

Different plans shall have a different expense structure. The performance details provided herein are of Regular Plan - Growth option. **Past performance may or may not be sustained in future.** Returns (in %) are calculated on Compounded Annualised Basis (CAGR). \$PTP (Point to Point) Returns are based on standard investment of ₹ 10,000/- made at the beginning of relevant period. Performance of the dividend option for the investors would be net of dividend distribution tax, as applicable.

Annexure of returns for all schemes managed by fund manager (as on October 29, 2020)

	1 Year return (%)		3 Years returns (%)		5 Years returns (%)	
	Scheme	Benchmark	Scheme	Benchmark	Scheme	Benchmark
Bekxy Kuriakose						
PRINCIPAL Balanced Advantage Fund² Benchmark - 50% Nifty 100 Index - TRI + 35% CRISIL Short Term Bond Index + 15% Nifty Arbitrage Index Managing since - January 2018 (Debt Portion)	5.33	4.23	3.55	6.43	5.37	8.60
PRINCIPAL Low Duration Fund Benchmark - CRISIL Low Duration Debt Index Managing since - May 2019	5.30	7.50	-0.03	7.86	3.17	7.98
PRINCIPAL Cash Management Fund Benchmark - CRISIL Liquid Fund Index Managing since - May 2019 (as on 31st Oct 2020)	4.10	4.97	2.85	6.50	4.61	6.77
PRINCIPAL Hybrid Equity Fund¹ Benchmark - CRISIL Hybrid 35+65 - Aggressive Index** Managing since - March 2016 (Debt Portion)	1.72	5.60	0.93	6.40	8.77	9.56

Past performance may or may not be sustained in future. Different plans shall have a different expense structure. The performance details provided herein are of Regular Plan - Growth option. Returns (in %) are calculated on Compounded Annualised Basis (CAGR).

Mr. Ashish Aggarwal manage Principal Hybrid Equity Fund (Equity Portion) (w.e.f October 2019) & Mr. Ravi Gopalakrishnan Principal Balanced Advantage Fund (Equity Portion) - (w.e.f July 2019).

Ms. Bekxy Kuriakose manages Principal Cash Management Fund (w.e.f. May 2019), Principal Low Duration Fund (w.e.f. May 2019), and Principal Ultra Short Term Fund (w.e.f. May 2019).

** The equity component of CRISIL Hybrid 35+65 - Aggressive Index is represented by total returns variant of S&P BSE 200.

¹ Formerly known as Principal Balanced Fund (w.e.f. June 11, 2018) & ² Formerly known as Principal SMART Equity Fund (w.e.f. June 04, 2018)

DISCLAIMER: The investment strategy stated above may change from time to time without any notice and shall be in accordance with the strategy as mentioned in the Scheme Information Document of the scheme. The views contained herein are not to be taken as an advice or recommendation to buy or sell any investment or interest thereto. Reliance upon information in this material is at the sole discretion of the reader. This material should not be relied upon by you in evaluating the merits of investing in any securities or products. Diversification does not guarantee investment returns and does not eliminate the risk of loss. It should be noted that the value of investments and the income from them may fluctuate in accordance with market conditions and taxation agreements and investors may not get back the full amount invested. **Past performance may or may not be sustained in future.** The views and strategies described may not be suitable for all investors. Furthermore, whilst it is the intention to achieve the investment objective of the investment product(s), there can be no assurance that those objectives will be met. Investors are advised to consult their Investment advisors for determining their risk appetite and Tax Advisor before taking any investment decision.

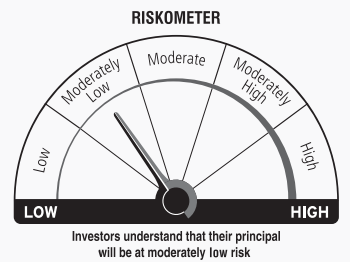
Principal Ultra Short Term Fund:

(An open ended ultra short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 months and 6 months)

This product is suitable for investors who are seeking -

- Income over a short term investment horizon
- Investment in Debt & Money Market instruments.

- Investors should consult their financial advisors if in doubt about whether the product is suitable for them.



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