

Eastspring Investments – US High Yield Bond Fund



A Prudential plc company

Key information

Asset class	Fixed Income
Fund launch date	15-Jul-02
Fund size (mil)	444.9
Fund base currency	USD
Benchmark (BM)	ICE BofA US High Yield Constrained Index
Domicile	Luxembourg
Fund type	UCITS
SFDR Classification*	Article 8 fund
Portfolio manager	PPM America, Inc.
Investment manager	Eastspring Investments (Singapore) Limited
Investment Sub-manager	PPM America, Inc.
Summary risk indicator (SRI)†	
(Class C)	



Key measures

	Fund	BM
Number of securities	271	1,884
3 year tracking error (%)	2.0 [#]	–
3 year sharpe ratio (%)	0.2 [#]	0.3
3 year standard deviation (%)	7.7 [#]	7.9
Current yield (%)	7.1	6.8
Yield to maturity (%)	7.8	7.7
Yield to worst (%)	7.4	7.5
Credit quality	BB–	B+
Duration	3.6	3.8

■ The risk indicator assumes you keep the product for 5 years. The actual risk can vary significantly if you cash in at an early stage and you may get back less. The summary risk indicator is a guide to the level of risk of this product compared to other products. It shows how likely it is that the product will lose money because of movements in the markets or because we are not able to pay you. We have classified this product as 3 out of 7, which is a medium-low risk class. This rates the potential losses from future performance at a medium-low level, and poor market conditions are unlikely to impact the capacity to pay you. **Be aware of currency risk.** You will receive payments in a different currency, so the final return you will get depend on the exchange rate between the two currencies. This risk is not considered in the indicator shown above. There are other risks materially relevant to the PRIIP which are not included in the summary risk indicator. For more information, please refer to the prospectus. This product does not include any protection from future market performance so you could lose some or all of your investment.

Strategy overview

The Fund seeks to actively invest in a diversified portfolio of primarily fixed income/debt securities denominated in US dollars, issued in the US market by corporations rated below BBB-. The team seeks to add value over the long-term primarily through sector rotation and security selection.

Performance

Returns (%)

Class	1 m	3 m	YTD	1 y	3 y (p.a.)	5 y (p.a.)	10 y (p.a.)	Since inception (p.a.) [†]
Class C	1.4	0.3	2.3	8.2	6.1	5.3	3.9	5.5
Benchmark (BM)	1.7	0.6	2.6	9.3	6.6	5.8	4.9	6.9
Relative	-0.3	-0.3	-0.3	-1.1	-0.5	-0.5	-1.0	-1.4

Calendar year returns (%)

Year	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Class C	7.8	12.9	-11.9	5.5	3.6	16.1	-4.6	7.1	17.3	-8.4
Benchmark (BM)	8.2	13.5	-11.2	5.3	6.1	14.4	-2.3	7.5	17.5	-4.7
Relative	-0.4	-0.6	-0.7	0.2	-2.5	1.7	-2.3	-0.4	-0.2	-3.7

Performance Disclosure:

(p.a.): per annum. Source: Eastspring Investments (Singapore) Limited. Returns are based in share class currency and computed on NAV-NAV basis with net income reinvested, if any. Since inception returns for periods less than a year are not annualised. The benchmark for the hedged share classes, if any, is also calculated on a hedged basis. Benchmark is for information purposes only unless specifically referenced in the Investment Objective. From inception to 30-Jun-11, the benchmark was The BofA Merrill Lynch US High Yield 70% BB Rated and 30% B Rated custom Index. Wef July 2018, the monthly fund and benchmark returns calculated are aligned to the last NAV date of the fund for the month. Returns may increase or decrease as a result of currency fluctuations. **Past performances is not a guide to future performance and should not be the sole factor of consideration when selecting a product.**

Benchmark: This Sub-Fund aims to outperform the return of ICE BofA US High Yield Constrained Index ("Benchmark"). The Sub-Fund is actively managed. The Benchmark has been selected because it is representative of the investment universe of the Sub-Fund and it is therefore an appropriate performance comparator. The majority of the Sub-Fund's exposure to bonds will not necessarily refer to, nor have weightings derived from the Benchmark. The Investment Manager may use its discretion to invest in bonds not included in the Benchmark in order to take advantage of specific investment opportunities. It is thus expected that the performance of the Sub-Fund will moderately deviate from the Benchmark.

[†]Class C Inception date: 15-Jul-02

Top 10 holdings (%)

1.	BNYMELLON USD LIQUIDITY FUND	5.8
2.	CARNIVAL CORP 4% 01/08/2028	2.0
3.	CCO HLDGS LLC/CAP CORP 4.25% 15/01/2034	0.9
4.	MARB BOND CO PLC 3.95% 29/01/2031	0.9
5.	DIRECTV FIN LLC/COINC 5.875% 15/08/2027	0.9
6.	ENERGEAN ISRAEL FINANCE 4.875% 30/03/2026	0.8
7.	AHEAD DB HOLDINGS LLC 6.625% 01/05/2028	0.8
8.	ALTICE FINANCING SA 5.75% 15/08/2029	0.8
9.	CITGO PETROLEUM CORP 8.375% 15/01/2029	0.8
10.	RAVEN ACQUISITION HOLDIN 6.875% 15/11/2031	0.8

♦Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability - related disclosures in the financial services.

[#]Source: Morningstar

Sector allocation (%)¹

	Fund
Industrials	75.0
Financials	14.9
Utilities	3.1
Quasi & foreign government	0.3
Others	5.7
Cash and cash equivalents	1.0

Ratings allocation (%)¹

	Fund
BBB	8.0
BB	35.5
B	39.9
CCC	8.7
CC	0.7
D	0.4
Non-Rated	5.8
Cash and cash equivalents	1.0

Maturity allocation (%)¹

	Fund
0 - 1 year	2.2
1 - 3 years	15.5
3 - 5 years	36.4
5 - 10 years	31.1
10+ years	8.0
Others	5.8
Cash and cash equivalents	1.0

Share class details³

Class	Currency	Bloomberg ticker	ISIN	Inception date	Annual management fee% (Current)	Distribution frequency	Ex-date	Dividend per share	Annual dividend yield %
Class A	USD	PRUHYBA LX	LU0149984543	26-Aug-05	1.250	N.A.	N.A.	N.A.	N.A.
Class A _{ADM} (hedged)	AUD	ESUHADM LX	LU0795476117	18-Jun-12	1.250	Monthly	02-Jun-25	0.0333139	6.50
Class A _{ADMC1} (hedged)	AUD	ESHYAAD LX	LU0995084182	09-Dec-13	1.250	Monthly	02-Jun-25	0.0327077	7.50
Class A _{DM}	USD	IOHYADM LX	LU0428352420	02-Jun-09	1.250	Monthly	02-Jun-25	0.0511356	8.00
Class A _{DMC1}	USD	ESHYADM LX	LU0995082210	09-Dec-13	1.250	Monthly	02-Jun-25	0.0441389	10.00
Class A _{NDM} (hedged)	NZD	ESUHAND LX	LU0965088833	09-Sep-13	1.250	Monthly	02-Jun-25	0.0347150	6.50
Class A _{NDMC1} (hedged)	NZD	ESHYAND LX	LU0995084935	09-Dec-13	1.250	Monthly	02-Jun-25	0.0347722	7.50
Class A _{ZDM} (hedged)	ZAR	ESUHAZD LX	LU0911417367	02-Apr-13	1.250	Monthly	02-Jun-25	0.0445166	8.00
Class A _{ZDMC1} (hedged)	ZAR	ESHYAZD LX	LU0995084695	09-Dec-13	1.250	Monthly	02-Jun-25	0.0465235	10.00
Class C	USD	PRUUHYB LX	LU0149984626	15-Jul-02	0.625	N.A.	N.A.	N.A.	N.A.
Class C _{DM}	USD	ESUSCDM LX	LU1987066476	02-May-19	0.625	Monthly	02-Jun-25	0.0553753	8.00
Class T _{3DMC1}	USD	EAHYBTA LX	LU2386887447	12-Oct-21	1.250	Monthly	02-Jun-25	0.0780000	–

Important information

Prior to investing, Investors should read the Prospectus and Key Information Document (KID), or the UCITS Key Investor Information Document / KIID (for UK based investors).

¹Due to rounding, the allocation table may not add up to 100%. Credit ratings by S&P/Moody's/Fitch.

³**Share class details:** Distributions are not guaranteed and may fluctuate. Past distributions are not necessarily indicative of future trends, which may be lower. Distribution payouts and its frequency are determined by the Board of Directors, and can be made out of (a) income; or (b) net capital gains; or (c) capital of the Fund or a combination of any of (a) and/or (b) and/or (c). The payment of distributions should not be confused with the Fund's performance, rate of return or yield. Any payment of distributions by the Fund will result in an immediate reduction in the net asset value per share. Funds with Monthly and Quarterly Distribution Frequency: Annualised Dividend yield = (Dividend per share / Reference NAV at start of distribution period) x (No. of calendar days in a year / No. of calendar days in distribution period) x 100%. Funds with Yearly Distribution Frequency: Annualised Dividend Yield = (Dividend amount / Total Net Assets) x (No. of calendar days in a year / No. of calendar days in distribution period) x 100%. *Or their near equivalent in any major freely convertible currency of the amounts specified. "N.A.": This share class does not distribute dividends. The charges are the fees the fund charges to investors to cover the costs of running the Fund. Additional costs are paid out by the Fund, which will impact on the overall return of the Fund. Fund charges will be incurred in multiple currencies, meaning that payments may increase or decrease as a result of currency exchange fluctuations. NOT all costs are presented. Further information on costs can be found in the SICAV Prospectus.

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All transactions into the SICAV should be based on the current Prospectus and the Key Information Document (KID), or the UCITS Key Investor Information Document / KIID (for UK based investors) of the relevant sub-fund in applicable local language. Such documents, together with the articles of incorporation, the most recent annual and semi-annual reports of the SICAV as well as information on investor rights, collective redress mechanisms at Union and national level in the event of litigation may be obtained in English free of charge from the Management Company. All above documents are also available under www.eastspring.com (please select your jurisdiction and accept the disclaimers). According to the applicable regulatory requirements, KIDs are made available in one of the official languages of each jurisdiction where the sub-funds are registered for offering.

The SICAV may be actively marketed and is actually registered for offering in Austria, Belgium, Denmark, Finland, France, Germany, Italy, Luxembourg, the Netherlands, Norway, Spain, Sweden, Portugal, Switzerland and the United Kingdom. **Please ask your usual contact for the full list of sub-funds and relevant share classes available in your country.**

Where applicable, the SICAV has been notified and registered with the local European authorities in accordance with Directive 2009/65/EC, as amended. This **marketing communication** only refers to sub-fund(s) and share classes of the SICAV which have been passported for marketing and sale in the country of distribution of this material.

Prospective investors are invited to further consider the risk warnings section of the Prospectus. This document is solely for information and does not have any regard to the specific investment objectives, financial or tax situation and the particular needs of any specific person who may receive this document. It is not intended as an offer, a solicitation of offer or a recommendation, to deal in shares of securities or any financial instruments.

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There are limitations to the use of indices as proxies for the past performance in the respective asset classes/sector.

Any sub-fund of the SICAV may use derivative instruments for efficient portfolio management and hedging purposes.

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Facilities Agent for European Economic Area:

Eastspring Investments (Luxembourg) S.A., 26 Boulevard Royal, L-2449, Luxembourg

Switzerland - Representative and Paying Agents

The above-mentioned documents are available free of charge from the Representative Agent.

Representative Agent: First Independent Fund Services Ltd, Klausstrasse 33, 8008 Zurich

Paying Agent: NPB-New Private Bank Ltd, Limmatquai 1/am Bellevue, 8024 Zurich

United Kingdom - Facility Agent

Eastspring Investments (Luxembourg) SA – UK branch, 1, Angel Court EC2R 7AG, London. Eastspring Investments (Luxembourg) SA – UK branch is not an FCA regulated entity.

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Eastspring Investments companies (excluding JV companies) are ultimately wholly-owned / indirect subsidiaries / associates of Prudential plc in the United Kingdom. Eastspring Investments companies (including JV's) and Prudential plc are not affiliated in any manner with Prudential Financial, Inc., a company whose principal place of business is in the United States of America or with Prudential Assurance Company, a subsidiary of M&G plc, a company incorporated in the United Kingdom.

The Summary Risk Indicator (SRI) is composed by Market Risk Measure (MRM) and Credit Risk Measure (CRM) and is calculated according to the methodology of Annex III of Regulation (EU) 2017/653. UK investors may consult the UCITS KIID for further information on the fund's Synthetic Risk and Reward Indicator (SRRI).

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Benchmark: The ICE BofA US High Yield Index is an index that is designed to represent the performance of below investment grade, USD-denominated fixed rate corporate debt. It includes corporate bonds with risk exposures to countries that are members of the FX-G10, Western Europe or territories of the US and Western Europe.

Eastspring Investments (Luxembourg) S.A.

26 Boulevard Royal
L-2449 Luxembourg
Grand-Duchy of Luxembourg
Tel: +352 22 99 99 5763

Email: info.europe@eastspring.com
facebook.com/eastspring.investments
linkedin.com/company/128876/
eastspring.com/lu

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