

MEDIA RELEASE

For immediate release

EASTSPRING INVESTMENTS BERHAD DECLARES INCOME DISTRIBUTION FOR EASTSPRING INVESTMENTS ASIAN HIGH YIELD BOND MY FUND

28 December 2018, Kuala Lumpur - Eastspring Investments Berhad today announced the gross income distribution for Eastspring Investments Asian High Yield Bond MY Fund (“Fund”). The Fund is a wholesale feeder fund which aims to maximise income and capital appreciation by investing in the Eastspring Investments - Asian High Yield Bond Fund (“Target Fund”), which invests primarily¹ in Asian high yield bonds.

The distribution rate is as follows:

Currency Class	Gross Distribution (Respective Currency/Unit)	Dividend Yield (based on net asset value per unit as at 30 Nov 2018)	Type of Distribution
USD Class	0.0067	1.50%	Quarterly

USD Class 0.0067 1.50% Quarterly

All unit holders who have maintained their unit holdings in the Fund as at 27 December 2018 will be entitled to the income distribution.

Market Outlook from the Investment Manager of the Target Fund

Over the month of November, Asian non-investment grade USD-denominated bonds delivered a flattish performance, with the representative JPMorgan Asia Credit – Non Investment Grade Index posting a 0.02% return. Performance was negatively-impacted by a widening of credit spreads, which was partially offset by a decline in risk-free rates over the month.

Investor sentiment fluctuated over the month which was marked by bouts of geopolitical volatility, with investors focusing on the US midterm elections, “Brexit” terms (to be tabled in Parliament), as well as ongoing Sino-US trade tensions. On the monetary policy front, Federal Reserve (Fed) chairman Jerome Powell identified that interest rates currently remain “just below” neutral, hinting at a less hawkish approach by the central bank going forward. With a more dovish signalling from the Fed accompanied by falling global oil prices (which could weigh on inflation going forward), UST yields declined over the month of November. 2-year, 5-year and 10-year UST yields declined by 8 bps, 16 bps and 16 bps respectively (to 2.79%, 2.81% and 2.99%), resulting in a flattening of the UST yield curve. Asian non-investment grade USD bond issuance came in at USD7 billion in November (based on JPMorgan data), down -31.4% year-on-year, but rebounding from the USD3.6 billion in October. Year-to-date issuance of USD62 billion (as of end-November 2018) represents a -37% decline from the same year-ago period, highlighting the weaker investment appetite for primary issuance in 2018.

Asian high yield underperformed as spreads widened more in the non-investment grade segment in November. Within Asian high yield, non-investment grade Asian sovereign bonds were particularly weak, led by weakness in Pakistan and Mongolia. Within the non-investment grade corporate segment, Pulp & Paper outperformed on idiosyncratic performance of a single issuer, while Real Estate was also a notable outperformer, delivering a positive return over the month, led by strength in China and Indonesia real estate developer bonds. Oil & gas high yield bonds weakened

¹primarily means at least 66% of the Target Fund’s net asset value.

MEDIA RELEASE

following the significant decline in oil prices over the month, while Transport and Utilities were amongst the underperformers.

ABOUT EASTSPRING INVESTMENTS

Eastspring Investments is a leading asset manager in Asia that manages over US\$182 billion assets on behalf of institutional and retail clients as at 30 June 2018. Operating in Asia since 1994 in 10 major markets plus offices in North America and Europe. Eastspring Investments is the Asian asset management business of Prudential plc, one of the world's largest financial services companies.

ABOUT EASTSPRING INVESTMENTS BERHAD

Established in 2000 and based in Kuala Lumpur, Eastspring Investments Berhad is one of the leading asset management companies in Malaysia in both institutional and retail, with over RM37.6 billion in assets under management in the country as at 30 June 2018. It manages unit trust funds, wholesale funds as well as private mandates.

Eastspring Investments Berhad (531241-U)
Level 12, Menara Prudential
No. 10, Jalan Sultan Ismail
50250 Kuala Lumpur
T: (603) 2052 3388 F: (603) 2070 6129
eastspring.com/my

MEDIA CONTACT

Catherine Woo, Asst Manager
Brand and Communications
Tel: 03 - 2170 0238
Fax: 03 - 2170 0399
Email: catherine.woo@eastspring.com

Disclaimer: This press release is prepared for information purposes only and may not be published, circulated, reproduced or distributed in whole or part, whether directly or indirectly, to any other person without the prior written consent of Eastspring Investments Berhad.

Investors are advised to read and understand the contents of the Eastspring Investments Asian High Yield Bond MY Fund ("Fund") Replacement Information Memorandum dated 2 October 2017 ("Info Memo") and the Fund's Product Highlights Sheet ("PHS") before investing. The Info Memo and PHS are available at offices of Eastspring Investments Berhad or its authorised distributors. Investors have the right to request for a copy of the Info Memo and PHS.

The Info Memo has been deposited with the Securities Commission Malaysia who takes no responsibility for its contents. Units will only be issued upon receipt of the application form. Past performance of the Fund is not an indication of the Fund's future performance. Unit prices and distributions payable, if any, may go down as well as up. Where a unit split/distribution is declared, investors are advised that following the issue of additional units/distribution, the Net Asset Value ("NAV") per unit will be reduced from pre-unit NAV/cum-distribution NAV to post-unit split NAV/ex-distribution NAV. Where a unit split is declared, investors are advised that the value of their investment in the respective currency class(es), i.e. Malaysian Ringgit, US Dollar and Australian Dollar will remain unchanged after the issue of the additional units.

Investments in the Fund is exposed to fund management of the Target Fund risk, country risk and currency risk. Investors are advised to consider these risks and other general risks as elaborated in the Info Memo as well as fees, charges and expenses involved before investing.

Eastspring Investments companies (excluding JV companies) are ultimately wholly-owned/indirect subsidiaries of Prudential plc of the United Kingdom. Eastspring Investments companies (including JV companies) 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.