

Eastspring Investments – US Investment Grade Bond Fund (the "Fund")



- Eastspring Investments - US Investment Grade Bond is referred to as the 'Fund'.
- The Fund invests in fixed income/debt securities and is subject to interest rate fluctuation and exposed to credit default, valuation and credit rating risks as well as credit risk of the counterparties with which it trades. Investment grade fixed income/debt securities are subject to the risks of credit rating downgrades.
- The Fund invests in a single country, and may be subject to greater volatility compared to more diversified funds.
- The Fund may incur substantial losses if it is unable to sell those investments with liquidity risks at opportune times or prices.
- The Fund may invest in instruments with loss absorption features, including contingent convertible bonds (CoCos) and senior non-preferred debts, which are subject to greater risks than traditional debt instruments, as they may be written off, written down, or converted to ordinary shares upon trigger events that may be outside the issuer's control and are complex and difficult to predict, and which may result in significant or total reduction in value of such instruments. These instruments may also be exposed to liquidity, valuation and sector concentration risks. Coupon payments on CoCos are discretionary and may be cancelled by the issuer.
- The Fund may invest in asset backed, mortgage backed and commercial mortgage backed securities, all of which have limited recourse to the issuers. These securities are also generally illiquid and subject to market, credit and interest rate risks.
- The Fund may offer currency hedged share classes which involve currency hedging transactions that may, in extreme cases, adversely affect the Fund's net asset value.
- The Fund may use financial derivatives instruments (FDIs) for hedging and efficient portfolio management purposes. Using FDIs may expose the Fund to market risk, management risk, credit risk, counterparty risk, liquidity risk, volatility risk, operational risk, leverage risk, valuation risk and over-the-counter transaction risk. The use of such instruments may be ineffective and the Fund may incur significant losses.
- The Fund's Board of Directors may, at its discretion, pay dividends out of capital or gross income while charging all or part of the fees and expenses to the Fund's capital, resulting in higher distributable income. Thus, the Fund may effectively pay dividends out of capital. Payment of dividends out of capital (effectively or not) amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment, which will result in an immediate reduction of the net asset value per share.
- Investment involves risk. Investors should not rely solely on this document in making investment decision. Past performance information presented is not indicative of future performance.

Key information

Morningstar Overall Rating [▲]	★★★
Fund size (mil)	488.3
Fund base currency	USD
Fund dealing frequency	Daily
Net asset value (Class A)	USD 19.809
ISIN (Class A)	LU0149983909
Inception date (Class A)	01-Mar-05
Benchmark (BM)	
ICE BofA U.S. Corporates BBB3-A3 Rated Index	

▲ Rating should not be taken as a recommendation.

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Morningstar Category: USD Corporate Bond

Key measures

3 year tracking error(%) (Class A)	1.2
3 year sharpe ratio (Class A)	-0.7
3 year volatility(%) (Class A)	8.9

Source: Morningstar

Investment objective

The Fund invests in a diversified portfolio consisting primarily of quality bonds and other fixed income/debt securities denominated in US dollars, issued in the US market (including "Yankee" and "Global" bonds) rated BBB- and above. Yankee bonds mean debt of foreign issuers issued in the US domestic market. Global bonds mean debt issued simultaneously in the eurobond and US domestic bond markets.

Class A Performance¹

Cumulative returns (%)

	1 m	3 m	YTD	1 y	3 y	5 y	10 y	Since inception
Fund	-2.6	0.8	2.6	12.7	-6.3	1.1	19.9	95.1
Benchmark	-2.1	1.1	3.7	14.2	-4.4	5.0	31.5	135.1

Calendar year returns (%)

Year	2023	2022	2021	2020	2019
Fund	8.9	-16.0	-1.9	9.2	14.0
Benchmark	9.0	-15.4	-0.8	9.8	15.3

Top 10 holdings (%)

1.	US TREASURY N/B 3.75% 31/08/2026	2.4
2.	BNYMELLON USD LIQUIDITY FUND	2.1
3.	US TREASURY N/B 4.125% 15/08/2044	1.1
4.	COREBRIDGE GLOB FUNDING 4.65% 20/08/2027	0.8
5.	ROYAL BANK OF CANADA 4.522% 18/10/2028	0.7
6.	ROYAL BANK OF CANADA 4.969% 02/08/2030	0.7
7.	AT&T INC 2.25% 01/02/2032	0.7
8.	QUEST DIAGNOSTICS INC 4.625% 15/12/2029	0.6
9.	JPMORGAN CHASE & CO 5.336% 23/01/2035	0.6
10.	KFW 5% 16/03/2026	0.6

Sector allocation (%)

Industrials	53.6
Financials	30.9
Utilities	9.3
Government	4.5
Quasi & foreign government	0.8
Others	2.1
Cash and cash equivalents	-1.2

Ratings allocation (%)

AAA	0.7
AA	7.5
A	36.6
BBB	53.9
BB	0.4
Non-Rated	2.1
Cash and cash equivalents	-1.2

Credit ratings by S&P/Moody's/
Fitch.

Maturity allocation (%)

0 - 1 year	1.6
1 - 3 years	15.0
3 - 5 years	17.4
5 - 10 years	33.9
10+ years	31.2
Others	2.1
Cash and cash equivalents	-1.2

Due to rounding, the allocation table may not add up to 100%. The weights % for "Cash and cash equivalents" shown in the allocation tables could include fair value pricing adjustments made to the fund.

Fair Value Pricing Adjustments may be made to Fund's NAV per Share when the Board of Directors of the Management Company is of the opinion that the last available price does not truly reflect the fair market value of the Fund due to events that may be occurred between the determination of last available price and the determination of the Fund's NAV per Share at the valuation point.

Share class details

Share class	Currency	ISIN	Annual management fee % (Current)	Distribution frequency	Ex-date	Dividend per share	Annualised dividend rate %
A	USD	LU0149983909	0.750	N.A.	N.A.	N.A.	N.A.
A _{ADM} (hedged)	AUD	LU0795476380	0.750	Monthly	04-Nov-24	0.0207682	2.50
A _{DM}	USD	LU0428352263	0.750	Monthly	04-Nov-24	0.0388492	4.00
A _{DMC1}	USD	LU2729158142	0.750	Monthly	04-Nov-24	0.0429947	4.50

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 rate = (Dividend per share / NAV per share of previous ex-dividend date) x (No. of calendar days in a year / No. of calendar days in distribution period) x 100%. Annualised Dividend Rate is calculated based on the dividend distribution for the relevant distribution period and does not refer to the dividend yield for the preceding 12 months, and it may be higher or lower than the actual annual dividend yield. "N.A.": This share class does not distribute dividends. For details of other fees and charges, please refer to the offering document.

¹ Source: Eastspring Investments (Singapore) Limited. Returns are based in share class currency and computed on NAV-NAV basis with net income reinvested, if any. Calendar year returns are based on the share class performance for the year, and if the share class was incepted during a particular year, the returns shown relate to the performance of the share class since its inception to the end of that calendar year. Wef July 2018, the monthly fund and benchmark returns calculated are aligned to the last NAV date of the fund for the month.

Important information

Investment manager

Eastspring Investments (Singapore) Limited

Investment Sub-manager

PPM America, Inc.

Disclaimer

All data are from Eastspring Investments (Singapore) Limited. The Fund is a sub-fund of the Eastspring Investments (the "SICAV"), an open-ended investment company with variable capital (société d'investissement à capital variable) registered in the Grand Duchy of Luxembourg on the official list of collective investment undertakings pursuant to part I of the Luxembourg law of 17 December 2010 relating to undertakings for collective investment (the "2010 Law") and the Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 (the "UCITS Directive"). The SICAV has appointed Eastspring Investments (Hong Kong) Limited ("Eastspring Investments Hong Kong") as its Hong Kong Representative. This information is not an offer or solicitation of an offer for the purchase of investment units in the Fund. An offering document in relation to the Fund is available and may be obtained through Eastspring Investments Hong Kong or any of its appointed distributors. All applications for units in the Fund must be made on the application forms accompanying the offering document. Potential investors should read the offering document (including the risk factors stated therein in details and the risk factors in particular those associated with investments in emerging markets, if applicable) before deciding whether to subscribe for or purchase units in the Fund. An investment in units of the Fund is subject to investment risks, including the possible loss of the principal amount invested. Past performance is not necessarily a guide to the future or likely performance of the Fund. The value of the units in the Fund and any income accruing to the units, if any, may fall or rise. US/HK dollar-based investors are exposed to currency fluctuations where the Fund is denominated in currencies other than US/HK dollar. The information contained herein does not have any regard to the specific investment objective(s), financial situation or the particular needs of any person. Potential investors may wish to seek advice from a financial adviser before purchasing units in the Fund. In the event that potential investors choose not to seek advice from a financial adviser, they should consider whether the Fund is a suitable investment for them. Eastspring Investments Hong Kong is an ultimately wholly owned subsidiary of Prudential plc of the United Kingdom. Eastspring Investments Hong Kong 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 the Prudential Assurance Company, a subsidiary of M&G plc, a company incorporated in the United Kingdom. This factsheet and information on our website (eastspring.com/hk) have not been reviewed by the SFC. Issued by Eastspring Investments (Hong Kong) Limited.

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