


Eastspring Investments – US Investment Grade Bond Fund



A member of Prudential plc (UK) 

Key information

| | |
|--|---|
| Morningstar Overall Rating ^{▲▲} | ★★★ |
| Fund size (mil) | 425.0 |
| Fund base currency | USD |
| Fund dealing frequency | Daily |
| Net asset value (Class A) | USD 20.856 |
| ISIN (Class A) | LU0149983909 |
| Inception date (Class A) | 01-Mar-05 |
| Benchmark (BM) | ICE BofAML 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

| | |
|---------------------------------------|-----|
| Number of Securities | 448 |
| 3 year tracking error(%) (Class A) | 0.9 |
| 3 year sharpe ratio (Class A) | 0.5 |
| 3 year volatility(%) (Class A) | 7.5 |

*Source: Morningstar

Investment objective

This Sub-Fund aims to maximise long-term return by investing 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. The Sub-Fund may invest up to 15% of its net assets in CMBS, MBS and ABS. The Sub-Fund may invest no more than 25% of its net assets in debt instruments with loss absorption features out of which up to 5% of its net assets may be invested in CoCos with loss absorption features (such as Additional Tier 1 capital and Tier 2 capital instruments with mechanical triggers (i.e. debt instruments with write-down or conversion into equity features with pre-specified triggers)) and up to 20% of its net assets in non-preferred senior debt and other subordinated debts with loss absorption features. The Sub-Fund may continue to hold securities that are downgraded below the minimum indicated rating after purchase but may not make additional purchases of such securities. 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 Performance

Returns (%)

| | 1 m | 3 m | YTD | 1 y | 3 y (p.a.) | 5 y (p.a.) | 10 y (p.a.) | Since inception (p.a.) |
|-----------|------|------|-----|-----|---------------|---------------|----------------|------------------------------|
| Bid-bid | -0.3 | 1.2 | 5.9 | 7.1 | 5.4 | 5.1 | 4.4 | 4.7 |
| Offer-bid | -3.3 | -1.9 | 2.8 | 3.9 | 4.3 | 4.5 | 4.1 | 4.5 |
| Benchmark | -0.3 | 1.8 | 6.1 | 7.7 | 6.4 | 6.1 | 5.3 | 5.8 |

Calendar year returns (%)

| Year | 2019 | 2018 | 2017 | 2016 | 2015 |
|-----------|------|------|------|------|------|
| Bid-bid | 14.0 | -4.1 | 6.0 | 5.9 | -3.0 |
| Offer-bid | 10.6 | -7.0 | 2.8 | 2.7 | -6.0 |
| Benchmark | 15.3 | -2.8 | 7.2 | 6.7 | -1.5 |

(p.a.): per annum. Source: Eastspring Investments (Singapore) Limited. Returns are based in share class currency and computed on bid-bid basis with net income reinvested, if any. Offer-bid is inclusive of sales charge which is subject to changes. 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. 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. Past performance information presented is not indicative of future performance.

Top 10 holdings (%)

| | | |
|-----|---|-----|
| 1. | BNYMELLON USD LIQUIDITY FUND | 1.6 |
| 2. | CITIGROUP INC 4.45% 29/09/2027 | 1.6 |
| 3. | US TREASURY N/B 0.375% 31/03/2022 | 1.3 |
| 4. | VERIZON COMMUNICATIONS 4.4% 01/11/2034 | 1.1 |
| 5. | US TREASURY N/B 0.25% 31/07/2025 | 1.0 |
| 6. | ANHEUSER-BUSCH CO/INBEV 4.9% 01/02/2046 | 0.9 |
| 7. | MORGAN STANLEY 3.625% 20/01/2027 | 0.9 |
| 8. | FREDDIE MAC 0.25% 24/08/2023 | 0.9 |
| 9. | WELLS FARGO & COMPANY 3.196% 17/06/2027 | 0.9 |
| 10. | SABINE PASS LIQUEFACTION 5.75% 15/05/2024 | 0.8 |

Sector allocation (%)

| | |
|----------------------------|------|
| Industrials | 55.6 |
| Financials | 28.0 |
| Utilities | 8.2 |
| Quasi & foreign government | 3.5 |
| Government | 2.5 |
| Asset backed | 1.3 |
| Others | 1.5 |
| Cash and cash equivalents | -0.6 |

Ratings allocation (%)

| | |
|---------------------------|------|
| AAA | 3.3 |
| AA | 6.7 |
| A | 26.0 |
| BBB | 62.6 |
| BB | 0.2 |
| B | 0.1 |
| Non-Rated | 1.7 |
| Cash and cash equivalents | -0.6 |

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

Maturity allocation (%)

| | |
|---------------------------|------|
| 0 - 1 year | 0.3 |
| 1 - 3 years | 10.6 |
| 3 - 5 years | 18.5 |
| 5 - 10 years | 30.5 |
| 10+ years | 39.2 |
| Others | 1.5 |
| Cash and cash equivalents | -0.6 |

Due to rounding, the allocation table may not add up to 100% or may be negative. 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 | Subscription method | Annual management fee% (Current) | Distribution frequency | Ex-date | Dividend per share | Annual dividend yield % |
|---------------------------|----------|--------------|---------------------|----------------------------------|------------------------|-----------|--------------------|-------------------------|
| A | USD | LU0149983909 | Cash | 1.250 | N.A. | N.A. | N.A. | N.A. |
| A _{ADM} (hedged) | AUD | LU0795476380 | Cash | 1.250 | Monthly | 01-Oct-20 | 0.0302237 | 3.50 |
| A _S | SGD | LU0228368030 | Cash | 1.250 | N.A. | N.A. | N.A. | N.A. |

Distributions are not guaranteed. Distributions may be paid out of distributable income, capital or both. Important Notes: (i) Payment of distributions out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment; and (ii) Any distributions involving payment out of the Fund's capital may result in an immediate reduction of 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%. "N.A." means that this share class does not distribute dividends.

IMPORTANT INFORMATION

Investment manager
Eastspring Investments (Singapore) Limited

Investment Sub-manager
PPM America, Inc.

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