

# BARINGS

## Barings Global High Yield Bond Fund



### **The Asset Triple A Awards<sup>1</sup>**

Asset Management Company of the Year,  
Asia—Fixed Income | 2018, 2019, 2020

### **Citywire Asia Asset Management Awards<sup>3</sup>**

Best Global High Yield Fixed Income Manager |  
2022

### **Insight & Mandate Professional Investment Awards<sup>5</sup>**

*Best Global High Yield (3 Years) | 2020*

### **Asian Private Banker Asset Management Award for Excellence<sup>2</sup>**

Best Fund Provider—High Yield Bond | 2024

### **Fund Selector Asia Awards<sup>4</sup>**

Fixed Income House of the Year—Hong Kong |  
2024

### **InsuranceAsia News Institutional Asset Management Awards<sup>6</sup>**

Best Global Fixed Income Manager | 2023

AS OF 29 FEBRUARY 2024

OVERALL MORNINGSTAR RATING™7



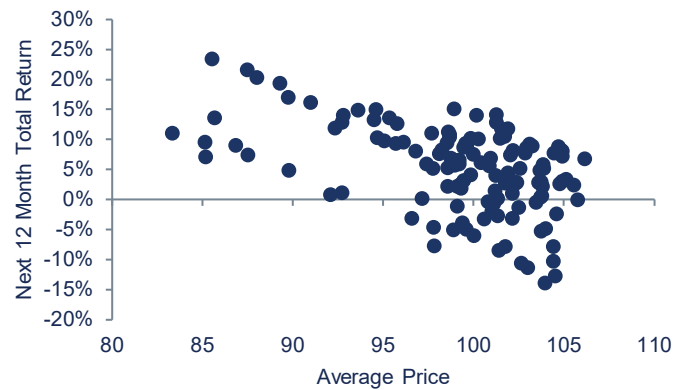
1. The Fund is subject to risks relating to investment, concentration, credit, interest rate fluctuations, downgrading, valuation, credit rating, and currency risks. The Fund's investment may be concentrated in North American and European markets and the value of the Fund may be more volatile. Further, investment in countries within the Eurozone may involve Eurozone sovereign debt crisis risks.
2. The Fund's investment in sub-investment grade or unrated debt instruments may be subject to higher liquidity, volatility and credit risks than investment grade instruments, as well as increased risk of loss of principal and interest.
3. RMB classes are subject to RMB currency risks. RMB is currently not freely convertible and conversion of RMB is subject to foreign exchange control policies and restrictions. There is no guarantee that RMB will not be subject to depreciation. Under exceptional circumstances, payment of realisation proceeds and/or dividend payment from underlying investments to the Fund in RMB may be delayed.
4. The Fund may invest in derivatives for hedging and/or investment purposes which may involve counterparty/credit, liquidity, valuation, volatility and over-the-counter transaction risks. Exposure to derivatives may lead to a high risk of significant loss by the Fund.
5. The Fund's investment in debt instruments with loss-absorption features ("LAP") are subject to risks of contingent write-down or contingent conversion to ordinary shares upon occurrence of complex and unpredictable trigger events which may result in higher price volatility and total loss of amount invested. LAP may also be exposed to liquidity, valuation and sector concentration risk.
6. Dividends, at the discretion of the Directors, may be paid out of unrealised capital gains and/or gross income while charging some or all fees and expenses out of capital (which represent effectively paying dividends out of capital), resulting in an increase in distributable income. The Fund may also pay dividends directly out of capital. Payment of dividends out of capital amounts to a return or withdrawal of part of an investor's original investment or any capital gains attributable to that original investment and results in an immediate reduction of the Fund's net asset value per share.
7. Investors may suffer substantial loss of their investments in the Fund.

## WHY BARINGS GLOBAL HIGH YIELD BOND FUND (THE "FUND")?

### 1. PRICES AT CURRENT LEVELS HAVE HISTORICALLY LED TO STRONG 12-MONTH FORWARD RETURNS

With high yield bond prices currently trading at a discounted level of around 8%, there is the potential for capital appreciation, as well as the regular coupon income that is on offer from high yield bonds.

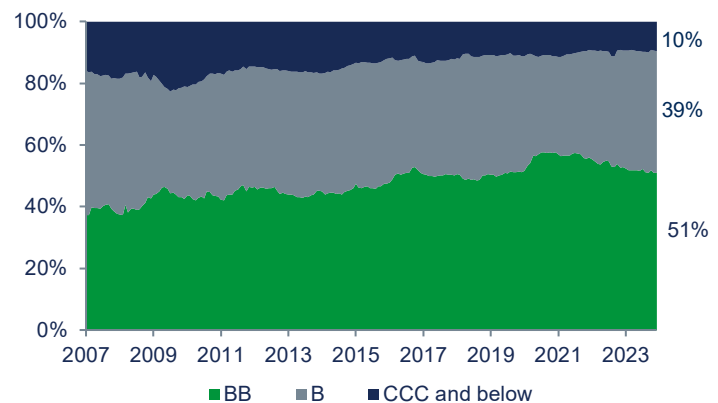
Discounted Prices Provides a Constructive Backdrop<sup>8</sup>



### 2. HIGHER CREDIT QUALITY PROFILE RELATIVE TO HISTORY

It is worth noting that high yield bond markets remain on solid footing and have one of the highest credit rating profiles today relative to history. Many issuers are BB-rated, and only 9% of the market is comprised of CCC-rated companies.

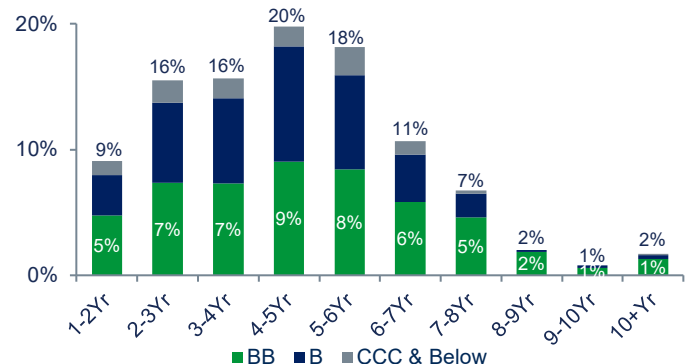
Improved Credit Quality Profile<sup>9</sup>



### 3. MANAGEABLE DEBT MATURITIES WITH SELECT PULL-TO-PAR OPPORTUNITIES

Performing companies will typically refinance bonds at least 12-18 months ahead of final maturity, and given the discounted nature of the high yield bond market today, that can present select compelling pull-to-par opportunities. While re-financings will increase the cost to service debt, this should be manageable for a large segment of the market given the higher quality profile and more resilient corporate balance sheets—but prudent security selection will be important in this environment.

Manageable Debt Maturities with Some Capital Appreciation Opportunities<sup>10</sup>



## FUND OBJECTIVES<sup>12</sup>

The Fund invests principally in a portfolio of high yield (i.e. sub-investment grade) fixed and floating rate corporate bonds, notes and other fixed and floating rate income securities, focusing primarily on North American and European high yield instruments which are listed or traded on recognised markets in Europe or North America.

## PERFORMANCE<sup>15</sup>

Cumulative Performance (%) <sup>13</sup>		YTD	1 Year	3 Years	5 Years
		+1.26	+10.78	+5.84	+19.05
Calendar Year Performance (%) <sup>13</sup>	2023	2022	2021	2020	2019
	+12.89	-11.70	+6.32	+3.55	+13.00

## AVAILABLE SHARE TRANCHE

	Tranche G USD Dist Monthly	Tranche G USD Acc	Tranche G HKD Unhedged Dist Monthly	Tranche G HKD Unhedged Acc	Tranche G EUR Hedged Dist Monthly
ISIN	IE00BFM0MQ22	IE00BFM0MP15	IE00B881PF08	IE00BFM0NG98	IE00BFM0MS46
	Tranche G EUR Hedged Acc	Tranche G SGD Hedged Dist Monthly	Tranche G SGD Hedged Acc	Tranche G RMB Hedged Acc	Tranche G RMB Hedged Dist Monthly
ISIN	IE00BFM0MR39	IE00BFM0NC50	IE00BFM0NB44	IE00BK719R58	IE00BJN4SB86

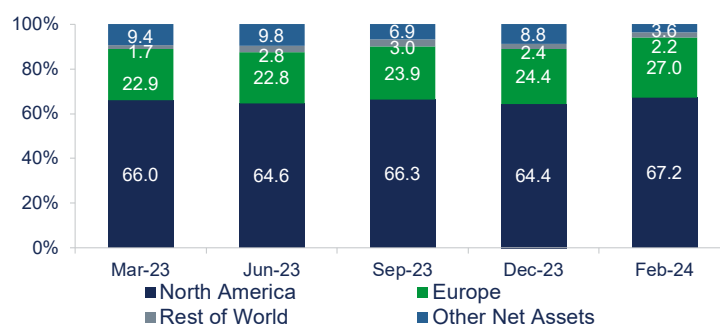
## FUND DETAILS<sup>11</sup>

Portfolio Managers	Scott Roth, Sean Feeley, Chris Sawyer, Craig Abouchar, Christopher Ellis
Fund Size	US\$2,560.8Million
Inception Date of Primary Share Class	30 April 2012
Base Currency	USD
NAV Price <sup>13</sup>	US\$76.83
Minimum Investment	US\$1,000, HK\$10,000, €1,000, £1,000, AU\$1,000, CA\$1,000, SG\$1,000, NZ\$1,000, RMB10,000
Initial Charge	Up to 5.00%
Management Fee	1.25% p.a.
Yield to Maturity (%)—Hedged to USD	8.24
Yield to Worst (%)—Hedged to USD	8.12
Years to Maturity (Years)	5.70
Average Coupon (%)—Hedged to USD	6.73
Average Rating	B+
Number of Issuers	230

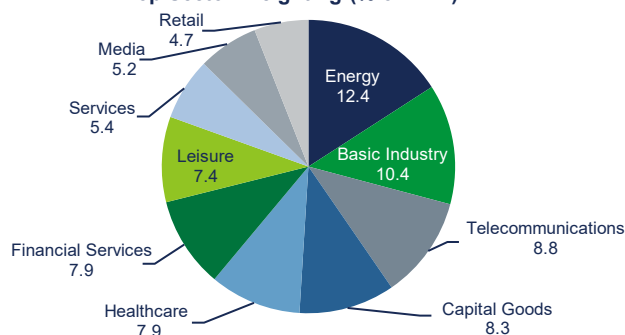
## TOP ISSUERS (% OF NAV)<sup>11</sup>

Icahn Enterprises	1.56
LifePoint Health, Inc.	1.47
Charter Communications Inc.	1.46
Aspen Insurance Holdings Ltd.	1.18
Avolon	1.17

## Geographical Weighting (% of NAV)<sup>11,14</sup>



## Top Sector Weighting (% of NAV)<sup>11,14</sup>



## Sources:

1. Barings was awarded Asset Management Company of the Year, Asia—Fixed Income in The Asset Triple A Awards 2018, 2019 and 2020, based on Barings' performance over the preceding calendar year.
2. Best Fund Provider—High Yield Bond in Asian Private Banker Asset Management Award for Excellence 2024 was issued by Asian Private Banker, reflecting product performance, business performance and service quality over the one-year period to 31 August 2023.
3. Barings was awarded Best Global High Yield Fixed Income Manager in Citywire Asia Asset Management Awards 2022. The award recognizes fund house which has delivered outstanding support, service, performance and innovation in High Yield universe from 1 October 2021 to 30 September 2022.
4. Fixed Income House of the Year – Hong Kong in Fund Selector Asia Awards 2024 was decided by FSA and based on the pitching submissions including (but not limited to) competitive advantage, investment process and fund performance as of 30 September 2023.
5. Barings was awarded Best Global High Yield (3 Years) in Insights & Mandate (I&M) Professional Investment Awards 2020, based on the performance over the three-year period to 31 December 2019.
6. Barings was awarded InsuranceAsia News Institutional Asset Management Awards 2023 - Best Global Fixed Income Manager, based on the performance of preceding calendar year. The award recognizes the exceptional work done by third party asset managers and service providers on behalf of their insurance company clients across the Asia Pacific region.
7. Overall Morningstar rating as of 29 February 2024 (EAA OE Global High Yield Bond). For the Tranche F USD Acc only, other share tranches may have different performance characteristics. Not intended to be offered to the retail public. Tranche F Shares are generally only available to feeder funds or fund of funds. Annual management fee of Tranche F Shares, which is currently 0%, is significantly lower than that of Tranche G Shares. Investors should note that the performance of Tranche F USD Acc is for reference only and does not represent the performance of Tranche G Shares. A rating is not a recommendation to buy, sell or hold a fund.
8. ICE BofA Non-Financial Developed Markets High Yield Constrained Index (HNDC). As of 31 December 2023. The data is from 29 January 2010 to 31 December 2023.
9. ICE BofA Non-Financial Developed Markets High Yield Constrained Index (HNDC). As of 31 December 2023.
10. ICE BofA Non-Financial Developed Markets High Yield Constrained Index (HNDC). As of 31 December 2023.
11. Barings, as of 29 February 2024.
12. A full copy of the investment objective can be obtained from the Manager.
13. Related to the Tranche G USD Dist Monthly share tranche. Share tranche inception date was 1 October 2018. Tranche G return to calendar year 2018 is calculated from 1 October 2018 to 31 December 2018.
14. Numbers may not add up due to rounding.
15. Barings and Morningstar. Data as of 29 February 2024. Performance Source—© 2024 Morningstar, Inc. All Rights Reserved. The information contained herein: (i) is proprietary to Morningstar and/or its content providers; (ii) may not be copied or distributed; and (iii) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. **PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.** Performance is shown in USD on a NAV per share basis, with gross income reinvested.

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