

# First Eagle High Yield Fund

Quarterly Fact Sheet  
September 30, 2018

## Investment Objective and Philosophy

Seeks to provide investors with a high level of current income. With a bottom-up investment approach and focus on fundamental research, the Fund seeks to maximize risk-adjusted returns by modifying risk exposure throughout the high yield credit cycle.

## Average Annual Returns as of 09/30/2018 (%)

	YTD	1 Year	5 Years	10 Years	Since Inception	Expense Ratio Gross†	Expense Ratio Net	Inception
First Eagle High Yield Fund Class A (FEHAX) w/o load	3.21	3.89	3.62	--	5.19	1.21	1.11	01/03/12
First Eagle High Yield Fund Class A (FEHAX) w/ load	-1.41	-0.84	2.67	--	4.48			
First Eagle High Yield Fund Class C (FEHCX)	1.64	2.13	2.85	--	4.39	1.95	1.85	01/03/12
First Eagle High Yield Fund Class I (FEHIX) <sup>o</sup>	3.43	4.18	3.91	9.60	8.24	0.91	0.81	11/19/07
First Eagle High Yield Fund Class R3 (EARHX)	--	--	--	--	2.27	1.32	1.22	05/01/18
First Eagle High Yield Fund Class R6 (FEHRX)	3.26	3.99	--	--	4.12	0.92	0.82	03/01/17
Bloomberg Barclays U.S. Corporate High Yield Index	2.57	3.05	5.54	9.46	7.69			11/19/07

Had fees not been waived and/or expenses reimbursed in the past, returns would have been lower.

<sup>o</sup> The Fund commenced operations in its present form on December 30, 2011, and is successor to another mutual fund pursuant to a reorganization December 30, 2011. Information prior to December 30, 2011 is for the predecessor fund. Immediately after the reorganization, changes in net asset value of the Class I shares were partially impacted by differences in how the Fund and the predecessor fund price portfolio securities.

† These are the actual fund operating expenses prior to the application of fee waivers and/or expense reimbursements. As of July 1, 2018, the Adviser has contractually agreed to waive its management fee at an annual rate in the amount of 0.10% of the average daily value of the Fund's net assets for the period through February 29, 2020. This waiver has the effect of reducing the management fee shown in the table for the term of the waiver from 0.70% to 0.60%.

## Growth of \$10,000 Since Inception



Results shown are since 11/19/2007.<sup>o</sup> This chart illustrates a hypothetical \$10,000 investment in Class I Shares without the effect of sales charges and assumes all distributions have been reinvested and if sales charge was included values would be lower.

The performance data quoted herein represents past performance and does not guarantee future results. Market volatility can dramatically impact the fund's short term performance. Current performance may be lower or higher than figures shown. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Past performance data through the most recent month end is available at [www.feim.com](http://www.feim.com) or by calling 800.334.2143. The average annual returns are historical and reflect changes in share price, reinvested dividends and are net of expenses. "With sales charge" performance for class A shares gives effect to the deduction of the maximum sales charge of 4.50%. The average annual returns for Class C shares reflect a CDSC (contingent deferred sales charge) of 1.00% in the year-to-date and first year only. Class I shares require \$1MM minimum investment and are offered without sales charge. Class R6 shares are offered without sales charge. Operating expenses reflect the Fund's total annual operating expenses for the share class of the Fund's most current prospectus, including management fees and other expenses.

1. Effective duration represents the change in the value of a fixed-income security that will result from a 1% change in interest rates, adjusted for bonds with embedded options. Effective duration is stated in years.

2. Weighted average maturity is the weighted average of all the maturities of the securities held in the fund. It can be used as a measure of sensitivity to interest rate changes and market changes. Generally, the longer the maturity, the greater the sensitivity to such changes. It is based on the dollar-weighted average length of time until principal payments must be paid.

3. ©2018 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) 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. The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. First Eagle High Yield Fund Morningstar ratings - I Shares: High Yield Bond Category; Three-year rating: 3 stars/592 funds. Five-year rating: 2 stars/502 funds. Ten-year rating: 5 stars/331 funds. Different share classes may have different ratings.

## Portfolio Management

Edward Meigs, CFA

Sean Slein, CFA

## Portfolio Characteristics

Inception	11/19/2007 <sup>o</sup>
Net Assets	\$333MM
Number of Companies	93
Weighted Average Effective Duration <sup>1</sup>	2.60
30-day SEC Yield (w/ Waiver)	4.11%
30-day SEC Yield (w/out Waiver)	4.03%
Weighted Average Maturity <sup>2</sup>	4.10
Income Distribution	Monthly
Turnover - As of October 31, 2017	25.77%

## Morningstar Rating™

Category: High Yield Bond



Class I shares rated four stars overall by Morningstar among 592 High Yield Bond funds for the 3-, 5- and 10-year periods ended 09/30/18. The Overall Morningstar Rating for First Eagle High Yield Fund is derived from a weighted average of the performance figures associated with its 3-, 5- and 10-year Morningstar Rating metric.<sup>3</sup>

**Top 10 Holdings (%)<sup>4,5</sup>**

Cloud Peak Energy Resources LLC 12.0% 11/01/21	2.3	Citgo Petroleum Corp. 6.25% 08/15/22	2.0
Bi-Lo LLC Term Loan 9.0% 05/31/24	2.3	Aircastle Ltd. 4.625% 12/15/18	2.0
Gamestop Corp. 5.5% 10/01/19	2.2	Enquest PLC 7.0% 04/15/22	2.0
Caelus Energy LLC 2nd Lien Term Loan 8.75% 04/15/20	2.1	Sprint Capital Corp. 6.9% 05/01/19	1.9
Osum Production Corp. Term Loan 6.5% 07/31/20	2.0	Open Text Corp. 5.625% 01/15/23	1.8
		<b>Total as % of Net Assets</b>	<b>20.6</b>

4. Top 10 holdings represent high yield securities only.

5. Portfolio holdings are subject to change and should not be considered a recommendation to buy or sell securities. Current and future portfolio holdings are subject to risk.

**10 Year Risk vs. Return**



	Annualized Return (%)	Annualized Standard Deviation (%)
FEHIX	9.60	8.60
Bloomberg Barclays U.S. Corp. High Yield Index	9.46	10.01

Results shown are since 09/30/2008. This chart illustrates risk and return data for Class I Shares without the effect of sales charges and assumes all distributions have been reinvested and if sales charge was included values would be lower.

**Calendar Year Returns (%)**

	Class I (FEHIX)	Bloomberg Barclays US Corp. HY Bond Index		Class I (FEHIX)	Bloomberg Barclays US Corp. HY Bond Index
2017	4.86	7.50	2011	4.08	4.98
2016	17.19	17.13	2010	15.76	15.12
2015	-7.04	-4.47	2009	60.00	58.21
2014	-0.24	2.45	2008	-15.70	-26.16
2013	6.92	7.44	2007*	0.20	0.92
2012	15.19	15.81			

\*2007 performance is for the period 11/19/2007 to 12/31/2007.

Performance information is for Class I Shares without the effect of sales charges and assumes all distributions have been reinvested and if sales charge was included values would be lower.

Funds that invest in bonds are subject to interest-rate risk and can lose principal value when interest rates rise. Bonds are also subject to credit risk, in which the bond issuer may fail to pay interest and principal in a timely manner, or that negative perception of the issuer's ability to make such payments may cause the price of that bond to decline.

The Fund invests in high yield, fixed income securities that, at the time of purchase, are non-investment grade. High yield, lower rated securities involve greater price volatility and present greater risks than high rated fixed income securities. High yield securities are rated lower than investment-grade securities because there is a greater possibility that the issuer may be unable to make interest and principal payments on those securities. High yield securities involve greater risk than higher rated securities and portfolios that invest in them may be subject to greater levels of credit and liquidity risk than portfolios that do not.

There are risks associated with investing in securities of foreign countries, such as erratic market conditions, economic and political instability and fluctuations in currency exchange rates. These risks may be more pronounced with respect to investments in emerging markets.

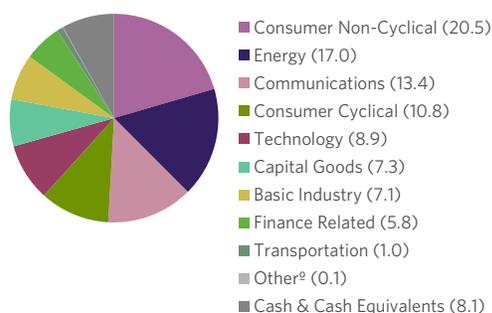
Bank loans are often less liquid than other types of debt instruments. There is no assurance that the liquidation of any collateral from a secured bank loan would satisfy the borrower's obligation, or that such collateral could be liquidated.

30-day SEC Yield is a standard yield calculation developed by the Securities and Exchange Commission (SEC) that allows for fairer comparisons of bond funds. It is based on the most recent 30-day period covered by the fund's filings with the SEC. The yield figure reflects the dividends and interest earned during the period, after the deduction of the fund's expenses. This is also referred to as the "standardized yield." The number is then annualized. This yield does not necessarily reflect income actually earned and distributed by the Fund, and therefore may not be correlated with dividends and distributions paid. Had fees not been waived and/or expenses reimbursed, the SEC Yield would have been lower.

The Bloomberg Barclays U.S Corporate High Yield Bond Index is composed of fixed-rate, publicly issued, non-investment grade debt, is unmanaged, with dividends reinvested, and is not available for purchase. The index includes both corporate and non-corporate sectors. The corporate sectors are Industrial, Utility, and Finance, which include both U.S. and non-U.S. corporations. The index is presented here for comparison purposes only. One cannot invest directly in an index.

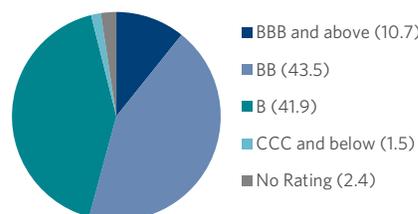
Investors should consider the investment objectives, risks, charges, and expenses of a fund carefully before investing. The prospectus and summary prospectus contain this and other information about the fund, and may be obtained by contacting your financial adviser, visiting our website at [www.feim.com](http://www.feim.com) or calling us at 800.334.2143. Please read the prospectus carefully before investing. Investments are not FDIC insured or bank guaranteed, and may lose value.

**Allocation By Industry (%)<sup>7</sup>**



<sup>9</sup> Industrial Other 0.1%.

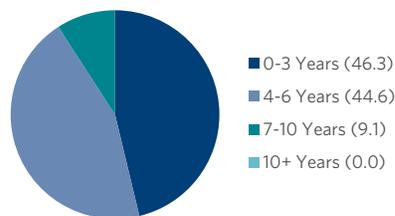
**Allocation By Credit Quality (%)<sup>6,7</sup>**



Ratings Source: Standard & Poor's.

6. A credit rating, as represented by the Credit Quality Breakdown, is an assessment provided by a nationally recognized statistical rating organization (NRSRO) of credit worthiness of an issuer with respect to debt obligations, including specific securities, money market instruments, or other bonds. Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest); ratings are subject to change without notice. Not Rated (NR) indicates that the debtor was not rated and should not be interpreted as indicating low quality. For more information on the Standard & Poor's rating methodology, please visit [standardandpoors.com](http://standardandpoors.com) and select "Understanding Ratings" under Rating Resources.

**Allocation By Maturity (%)<sup>7</sup>**



7. Percentages may not equal 100% due to rounding.