

OVERALL  
MORNINGSTAR RATING™\*



## FUND FACTS

**NAV (\$m)**  
118.2

**Inception Date**  
February 17, 2016

**Domiciled**  
Ireland, UCITS Fund

**Dealing Frequency**  
Daily

**Management Company**  
Baring International Fund  
Managers (Ireland) Limited

**Investment Manager**  
Barings LLC

**Currency Tranches**  
EUR/GBP/USD/AUD/CHF/SEK  
/JPY/SGD/CAD/NOK/DKK  
(accumulating and distributing)

**Distribution Frequency**  
Quarterly

**Base Currency**  
USD

**Benchmark**  
Bloomberg Barclays U.S.  
Corporate High Yield Index

## PORTFOLIO MANAGERS

**Sean Feeley**  
24 years of experience

**Scott Roth**  
27 years of experience

## JULY 2020 / FACTSHEET

### OBJECTIVE

The Barings U.S. High Yield Bond Fund (“the Fund”) seeks to provide high current income generation and, where appropriate, capital appreciation.

### STRATEGY

The Fund will invest in a portfolio of High Yield fixed and floating rate corporate debt instruments, focusing primarily on North American High Yield instruments which are listed or traded on recognized markets in North America. Relative value opportunities are captured using a bottom-up credit selection process performed by our in-house team of research analysts.

### MARKET OPPORTUNITY

- U.S. high yield bond spreads have remained attractive relative to a stable fundamental picture in this low interest environment relative to other income producing investments
- Inefficiencies and pricing discrepancies may exist in the U.S. high yield market due to market volatility
- Smaller issuers may present unique investment opportunities for managers with significant resources and a deep research team

FUND PERFORMANCE (%) <sup>1</sup>	Barings U.S. High Yield Bond Fund (Gross of Fees)	Barings U.S. High Yield Bond Fund (Net of Fees)	Bloomberg Barclays U.S. Corporate High Yield Index
July 2020	4.85	4.82	4.69
3 Months	10.02	9.92	10.37
Year to Date	-1.34	-1.57	0.71
1 Year	1.67	1.28	4.14
3 Years	3.04	2.67	4.54
5 Years	5.21	4.82	5.88
10 Years	7.47	7.00	6.80
Since Inception	6.86	6.39	7.08

**PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.** An investment entails a risk of loss. Performance reflects the deduction of fees and expenses based upon the lowest fee share class available within the periods provided. Please note that this does not reflect what a new investor will experience, as their returns will be reduced by the deduction of such fees and expenses of the applicable share class. Returns for periods greater than one year are annualized.

1. Fund inception date: February 17, 2016. In February 2016, the U.S. High Yield Bond Fund transferred from a US Delaware based LLC to Ireland and became regulated under the European Union’s UCITS (Undertaking for Collective Investment in Transferable Securities) regulation. Performance inception date is November 2004. Performance figures are shown in USD on a NAV per unit basis, with gross income reinvested.
2. Please refer to page 3 for additional detail.

## MANAGEMENT FEE SCHEDULE

	Commitment	Management Fee (p.a.)
Share Tranche A*	≥\$1M	0.25%
Share Tranche B	≥\$50M	0.40%
Share Tranche C	\$10M – \$50M	0.50%
Share Tranche I	\$1M – \$10M	0.60%
Share Tranche E	\$100k (or equivalent)	1.00%

Annual Expenses capped at 20 bps per annum. Please refer to Prospectus for more information.

\* Tranche A only available for subscription during the launch phase until the Fund reaches \$300M.

## GLOBAL HIGH YIELD PLATFORM<sup>1,2</sup>

Barings manages \$346+ billion of fixed income, real estate, and alternative assets globally

Market leading franchise across the U.S. and European high yield and structured credit markets by consistently applying a bottom-up fundamental approach to each investment opportunity

Barings manages \$69 billion in global high yield credit across structured vehicles, separate accounts and commingled funds

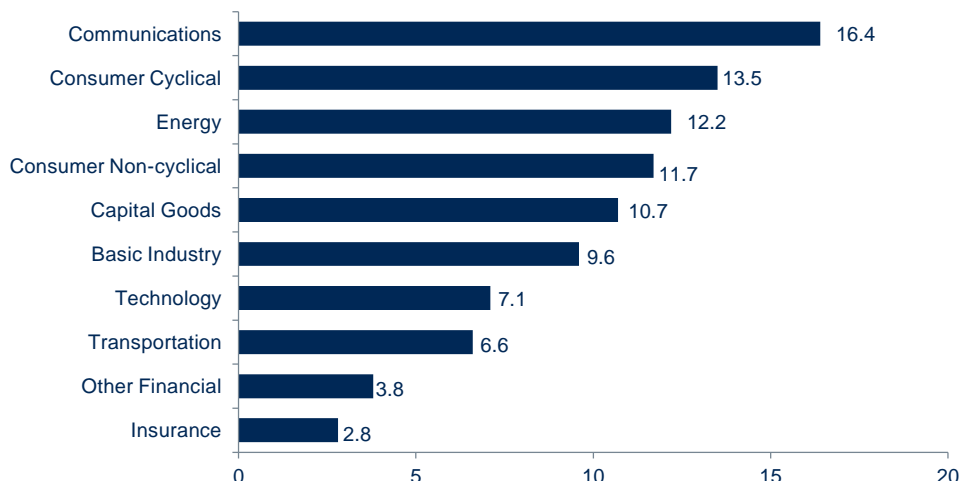
Over a 10 year track record in managing high yield loan and bond assets

83 investment professionals dedicated to global high yield with significant presence in the U.S. and European markets

- 47 in U.S. High Yield
- 23 in European High Yield
- 13 in Structured Credit

CHARACTERISTICS <sup>3,4</sup>	BARINGS U.S. HIGH YIELD BOND FUND	BLOOMBERG BARCLAYS U.S. CORPORATE HIGH YIELD INDEX
Yield to Maturity (%)	6.80	6.04
Yield to Worst (%)	6.30	5.37
Option Adjusted Spread (bps)	604	488
Average Price	98.62	100.36
Modified Duration to Worst (yrs)	3.74	3.53
Years to Maturity (yrs)	6.67	6.31
Average Coupon (%)	6.41	6.09
Average Rating	B+	BA3/B1
Number of Issuers	155	859

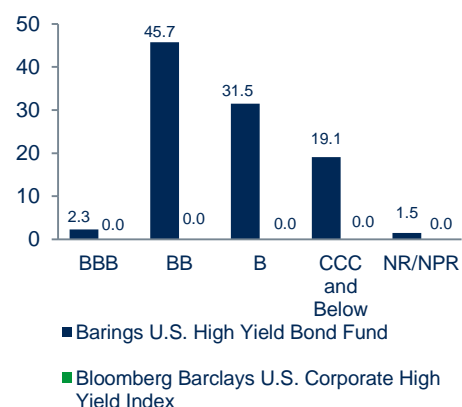
## TOP 10 SECTOR DISTRIBUTION (% OF MV)<sup>4</sup>



## TOP 10 ISSUERS (% OF NAV)

JBS	3.55
Kenan Advantage	2.93
Ford Motor Co.	2.78
Icahn Enterprises	2.73
Sprint Corporation	2.43
LBC Tank Terminals	2.15
TransDigm Group, Inc.	2.00
Occidental Petroleum Corp.	1.83
Veritas	1.74
Charter Communications	1.70

## RATING DISTRIBUTION (% OF MV)<sup>4</sup>



1. Source: Barings, assets as of June 30, 2020.
2. Source: Barings, number of professionals as of July 31, 2020.
3. Based on market value of invested assets.
4. Average rating and sector distribution based on Barclays methodology.

## ACTIVE SHARE TRANCHE IDS

Name	ISIN	Bloomberg	Lipper
Tranche A USD ACC	IE00BYZRN158	BAUHAUA	68357971
Tranche I USD ACC	IE00BYZRQG19	BAUHDDA	68399886

\*Please refer to prospectus for additional information.

### Key Risks:

- Country specific funds have a narrower focus than those which invest broadly across markets and are therefore considered to be more risky
- Debt securities are subject to risks that the issuer will not meet its payment obligations (ie, default). Low rated (high yield) or equivalent unrated debt securities of the type in which the fund will invest generally offer a higher return than higher rated debt securities, but also are subject to greater risks that the issuer will default.
- Derivative instruments can make a profit or a loss and there is no guarantee that a financial derivative contract will achieve its intended outcome. The use of derivatives can increase the amount by which the Fund's value rises and falls and could expose the Fund to losses that are significantly greater than the cost of the derivative as a relatively small movement may have a larger impact on derivatives than the underlying assets
- Changes in exchange rates between the currency of the Fund and the currencies in which the assets of the Fund are valued can have the effect of increasing or decreasing the value of the Fund and any income generated

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Barings U.S. High Yield Bond Fund tranche A USD Acc share was rated 4 stars against the following numbers of EAA Fund USD High Yield Bond investments over the following time periods: 536 investments in the last three years, 424 investments in the last five years, and 167 investments in the last ten years. Past performance is no guarantee of future results.

Morningstar Rating is for the A share tranche only; other tranches may have different performance characteristics.

## TO LEARN MORE PLEASE CONTACT YOUR LOCAL BARINGS TEAM

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