

March 2025

Eastspring Investments – Asia ESG Bond Fund ("Fund")

invested in Asia's growing
bond opportunities

Capitalise on Asia's growing bond opportunities with a total return strategy that harnesses rates, credit and currencies for diversified sources of returns.



Insights into Asian bonds

Asian bonds offer investors a balanced mix of stability and growth. Historically, Asian bonds have provided higher returns with lower volatility compared to US bonds.¹ Meanwhile, the diverse and growing economies in Asia contribute to a robust bond market with increasing market depth and liquidity. The region's aging population also drives steady demand for fixed income products. The rise in sustainable bond financing adds further diversity to the region's bond market.

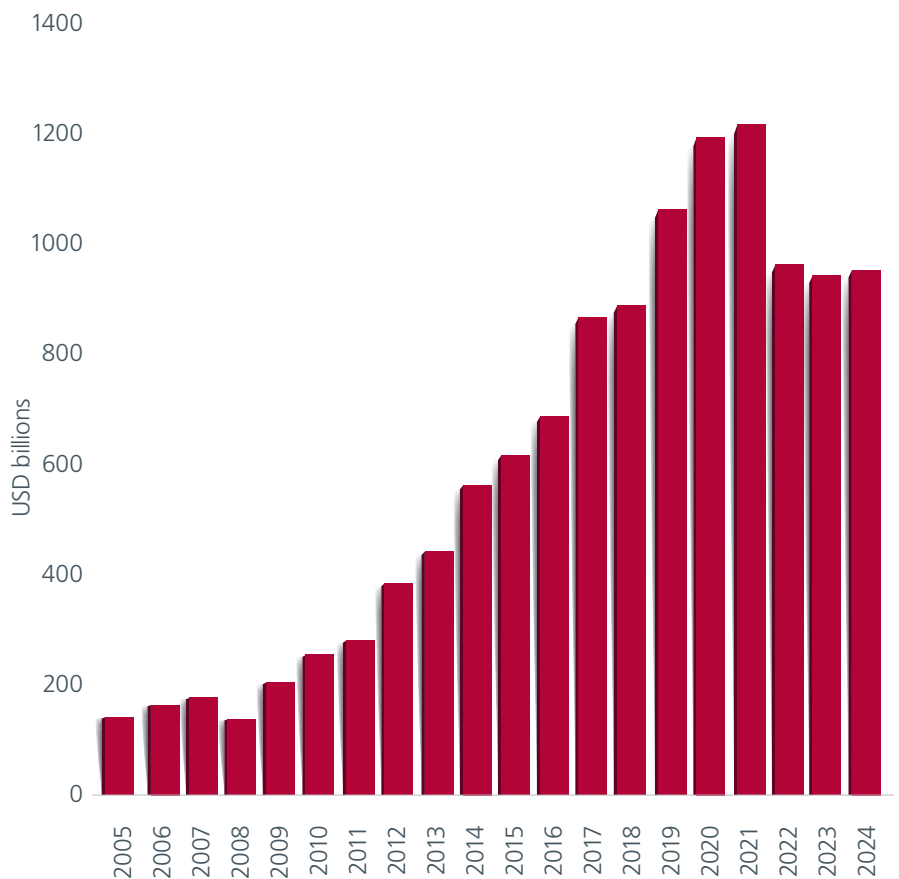
The case for Asian bonds



Growing universe of opportunities

The market capitalisation of the JP Morgan Asia Credit Index has grown 7-fold from 2005 to 2024. Supply of corporate credits by Asian issuers has risen as corporates diversify from traditional bank lending to capital market financing. Steady demand for bonds from Asia's aging population has also supported the market's growth.

Fig 1 – Market capitalisation of JP Morgan Asia Credit Index

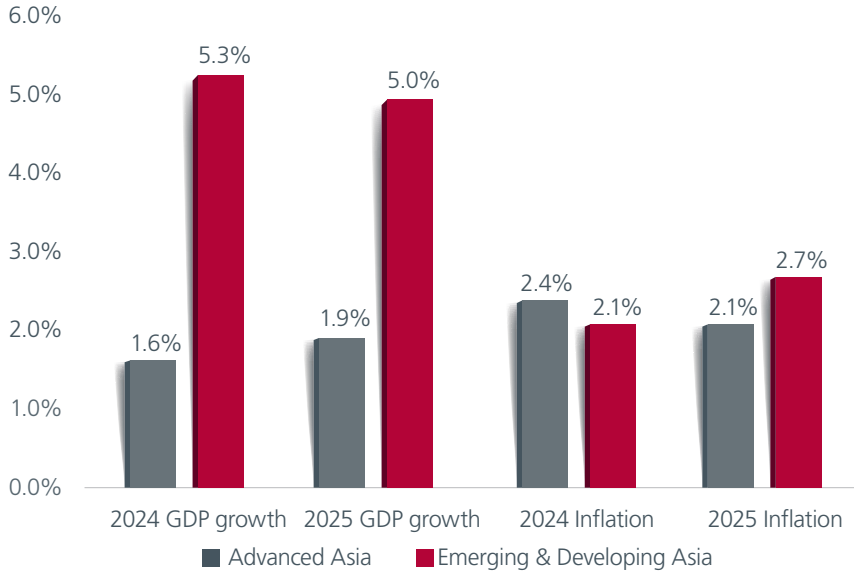


Source: ¹Eastspring Investments, as of 31 December 2024. Volatility is average 90-day volatility from 2005 to November 2024. Return is average annual return from 2005 to November 2024. Asian bonds represented by Asia Blended: JP Morgan Asia Credit Index, Asia IG: JP Morgan Asia Credit Investment Grade sub-Index. US bond represented by US Blended: ICE BofAML US Corporate & Government Index, US IG: Bloomberg Barclays US Aggregate Bond Index. Fig.1. Bloomberg. JP Morgan Asia Credit Index ("JACI") data as of 31 December 2024.

2 Asian issuer's strong fundamentals

Asia's corporate fundamentals are expected to stay stable, underpinned by relatively steady economic growth. Inflation in the region is also expected to stay within or close to Asian central banks' targets, providing room for future rate cuts.

Fig 2 – Growth and inflation forecasts

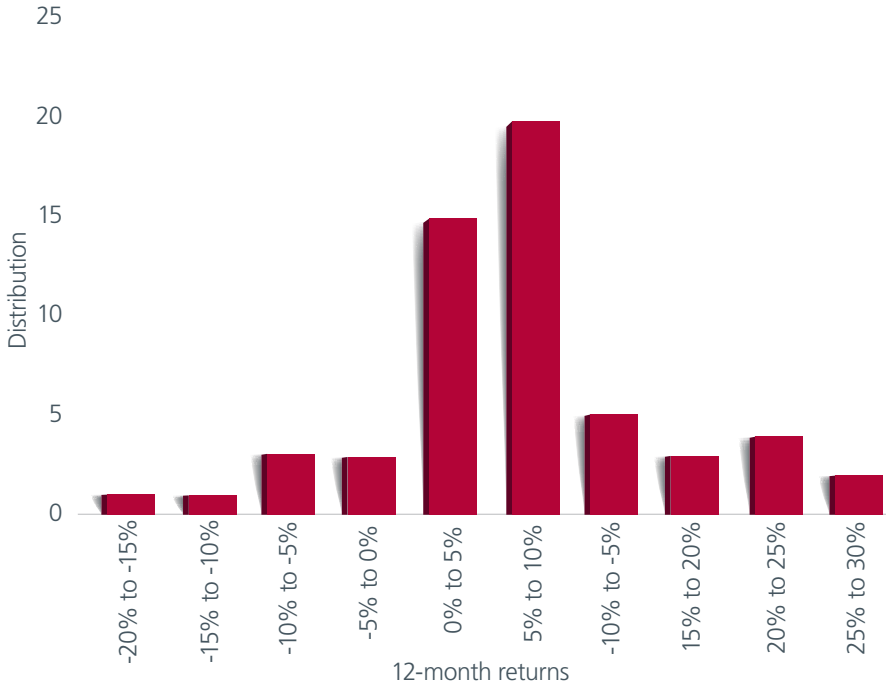


Source: Eastspring Investments, World Economic Outlook, IMF, October 2024 (latest available) Any projection or forecast is not necessarily indicative of the future or likely performance.

3 Attractive potential returns

With current bond yields at multi-year highs, the prospects of future bond returns look attractive. Historically, Asian bonds have delivered positive returns most of the time when starting yields are at least 5%.

Fig 3 – Distribution of 12-month returns when starting yields are at least 5%



Source: Bloomberg. Monthly returns from 30 June 2006 to 28 February 2025. JP Morgan JACI Yield to Worst. Total returns calculated using the JP Morgan JACI Total Return Index. In USD terms. The use of indices as proxies for the past performance of any asset class/sector is limited and should not be construed as being indicative of the future or likely performance.

3 reasons to invest in the Fund

1

Gain from a total return approach

The Fund adopts a total return strategy that harnesses alpha levers of rates, credit and currencies dynamically. The Fund also considers financially material Environmental, Social and Governance (ESG) factors that may have economic implications (Fig. 4).

2

Leverage our fixed income expertise

Our award-winning team is one of the largest fixed income teams in Asia. Our on the ground expertise across 11 key Asian markets give us unique insights while our economies of scale grant us superior market access, helping us to deliver enhanced returns to investors (Fig. 5).

3

Benefit from strong performance

The Fund has outperformed (bid-bid basis) the reference JP Morgan Asia Credit Index since inception (Fig. 6).

1 Fig 4 – Fund's total return approach

Limit excessive volatility

Portfolio duration capped at 8 years

Investing across the credit spectrum

High yield exposure capped at 30%



ESG Lens

The fund seeks to identify issuers that have good ESG practices

Local Currency bonds and FX

Ability to invest in USD, EUR, other Asian currencies to enhance returns

2 Fig 5 – Eastspring Asian Fixed Income team (Singapore based)



3 Fig 6 – Fund Performance, Class A, USD (%)

Fund Performance (USD, Class A, %)	1M	3M	6M	YTD	1Y	3Y (p.a)	S.I. (p.a.)
Offer-Bid	-3.43	-3.62	0.28	2.78	2.78	-0.24	0.91
Bid-Bid	-0.44	-0.64	3.38	5.96	5.96	0.77	1.51
JPMorgan Asia Credit Index (JACI)*	-0.80	-1.34	2.83	5.72	5.72	0.22	0.92

Fund Characteristics



Number of holdings

Fund: 201

Benchmark: Not Applicable

Fund facts

Inception date	16 December 2019 (Class A)
Fund size	USD 521.6 million (as at 31 January 2025)
Benchmark	Not Applicable
Initial sales charge	Max 3.0%
Annual management fee	1.0%
Available share classes	A, ADM, AS (hedged), ASDM (hedged), C^

Source: Eastspring Investments as at 31 January 2025.

Source: Fig 6. Eastspring Investments, JP Morgan, as at 31 December 2024. Class A Inception date: 16 December 2019. YTD = year-to-date; Y = year(s); S.I. = Since Inception. (p.a.): per annum. 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. Past performance is not necessarily indicative of the future or likely performance of the Fund. The use of indices as proxies for the past performance of any asset class/sector is limited and should not be construed as being indicative of the future or likely performance of the Fund. *The Fund has no benchmark, and the JACI is provided solely as an added reference universe for USD currency-denominated fixed income securities issued by entities in the Asia ex Japan region. ^C share classes are for institutional investors only, and are not available to retail investors.

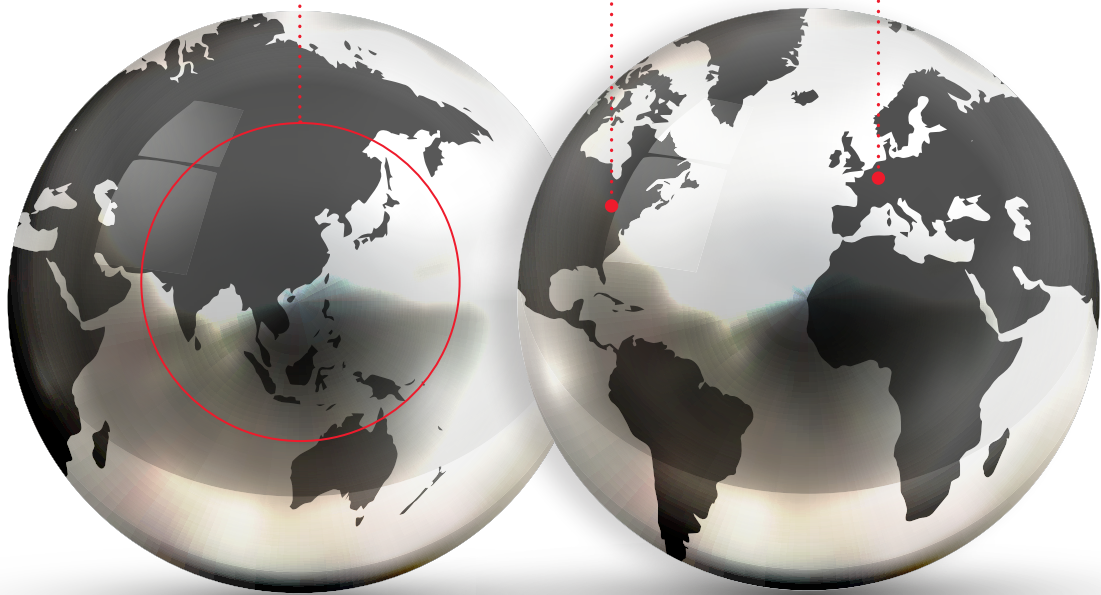
Asian DNA with global perspective

Eastspring Investments, part of Prudential plc, is a leading Asia-based asset manager that manages a total of USD 258 billion (as of 31 December 2024). Operating since 1994, we have built an unparalleled on-the-ground presence in 11 Asian markets, as well as distribution offices in North America and Europe.

- Japan
- Indonesia
- Malaysia
- Singapore
- South Korea
- Taiwan
- Thailand
- Vietnam
- ● Hong Kong
- ● China
- India

● Luxembourg

● United States



● Sales office ● Sales and investment office ● Joint venture



Awards

2025 Best of the Best Awards by Asia Asset Management
Best Bond Manager, Singapore
Eastspring Investments

2024 Asset Benchmark Research Awards
Top Investment House (G3 Bonds), Regional
Eastspring Investments

2024 Asset Benchmark Research Awards
Top Investment House
(Local Currency Bonds), Regional
Eastspring Investments

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The Fund may use derivative instruments for efficient portfolio management and/or hedging purposes.

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