



## OVERALL MORNINGSTAR RATING™

Morningstar rated the Barings U.S. High Yield Fund class Y share 4 stars among 554 High Yield Bond Funds for the overall rating and the 5 year period as of 12/31/20. The Overall Morningstar Rating is derived from a weighted average of the performance figures associated with a fund's three-, five-, and ten-year (as applicable) Morningstar Rating metrics. Past performance is no guarantee of future results. For additional information refer to page three.

CLASS	SYMBOL	CUSIP
A	BXHAX	06759W877
C	BXHCX	06759W885
Y	BXHYX	06759W703

## PORTFOLIO MANAGERS<sup>5</sup>

### Sean Feeley

24 years of experience

### Scott Roth, CFA

27 years of experience

### David Mihalick

16 years of experience

## MORNINGSTAR CATEGORY

High Yield Bond

## CHARACTERISTICS

Total Assets (all classes)	\$51.2M
Net Assets (all classes)	\$51.1M
Average Duration	3.63
Number of Issuers	179
Average Price	101.46
Sub. SEC 30-Day Yield (Y-Class)	4.34%
Unsub. SEC 30-Day Yield (Y-Class)	4.08%

## DECEMBER 2020 / MONTHLY UPDATE

### OVERVIEW

Barings U.S. High Yield Fund seeks to achieve a high level of total return, with an emphasis on current income, by investing primarily in high yield debt and related securities.

### STRATEGY

- Invests in U.S. high yield corporate debt issuers supported by 40 global high yield research analysts
- Seeks to capture the best relative value opportunities across rating categories, industries and within an issuer's capital structure
- Bottom-up, fundamental approach to credit analysis with a targeted approach to high conviction ideas and active portfolio management style to manage risk while optimizing relative value

### MARKET OPPORTUNITY

- U.S. high yield bond spreads have remained attractive 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
- Uncovering unique investment opportunities across the market (i.e., fallen angels, smaller issuers, non-benchmark credits, etc.) by leveraging a dedicated, global high yield research team

### FUND PERFORMANCE (NET)

	1 MONTH	YTD	QUARTER	1 YEAR	3 YEAR	SINCE INCEPTION <sup>1</sup>
	MONTH END AS OF DECEMBER 31, 2020		QUARTER END AS OF DECEMBER 31, 2020			
Class A (NAV)	2.49%	3.96%	7.51%	3.96%	4.45%	6.42%
Class A (MOP) <sup>2</sup>	-1.61%	-0.20%	3.21%	-0.20%	3.04%	5.58%
Class C (NAV)	2.45%	3.23%	7.34%	3.23%	3.67%	5.63%
Class C (CDSC) <sup>2</sup>	1.45%	2.25%	6.34%	2.25%	3.67%	5.63%
Class Y	2.53%	4.27%	7.61%	4.27%	4.71%	6.68%
Benchmark	1.88%	7.11%	6.45%	7.11%	6.24%	7.26%

### EXPENSE RATIOS

	CLASS A	CLASS C	CLASS Y
Gross	1.64%	7.31%	1.10%
Net <sup>4</sup>	1.00%	1.75%	0.75%

1. Inception date: 10/30/2015
2. Class A performance with the sales charges includes the maximum 4.00% sales charge. Class C performance with the sales charges includes the 1.00% contingent deferred sales charge (CDSC) for returns of one year or less.
3. Benchmark: Bloomberg Barclays U.S. Corporate High Yield Index. The benchmark covers the universe of fixed-rate, non-investment grade debt focusing on corporate USD denominated and non-convertible debt. It is not possible to invest directly in an index.
4. The net expense ratio reflects a contractual commitment by the Fund's investment adviser to waive certain fees and reimburse certain expenses through November 1, 2021. Absent the waiver and reimbursement, expenses would be higher and total returns would be less. The gross expense ratio reflects the total annual fund operating expense as of the Fund's most recent prospectus.
5. As of the Fund's most recent prospectus.

**Performance shown is historical and does not guarantee future results. Current performance may be lower or higher. Because share price, principal value, and return will vary, you may have a gain or loss when you sell Fund shares. For current month-end performance information, call 1.855.439.5459. Performance includes the reinvestment of dividends and capital gains. Performance less than one year is cumulative; all other performance is annualized.**

## QUALITY DISTRIBUTION<sup>1,2</sup>

Baa	3.91 %
Ba	45.49 %
B	31.22 %
Caa and Below	15.66 %
Not Publicly Rated	1.38 %
Cash and Accrued Income	2.33 %
<b>TOTAL</b>	<b>100.00%</b>

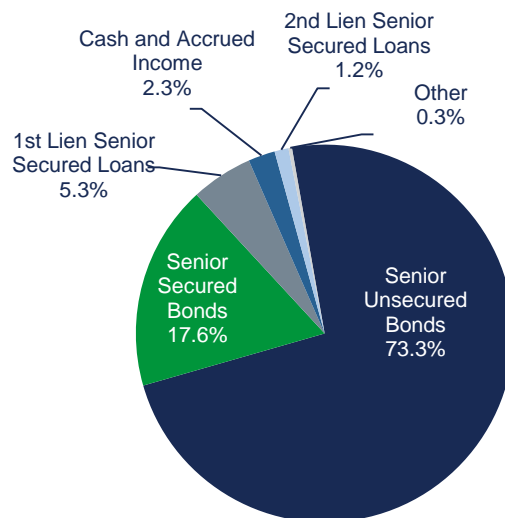
## TOP FIVE COUNTRIES<sup>1</sup>

United States	88.05 %
Canada	2.95 %
United Kingdom	2.48 %
Zambia	1.32 %
Portugal	0.66 %
<b>TOTAL</b>	<b>95.46%</b>

## TOP 10 HOLDINGS<sup>1</sup>

Occidental Petroleum Corp.	2.58 %
Finastra (fka Misys)	2.50 %
Ford Motor Credit Co. LLC	2.17 %
Veritas	2.15 %
JBS	1.97 %
Bausch Health Companies Inc.	1.92 %
Sprint Corporation	1.83 %
Virgin Media	1.77 %
Ford Motor Co.	1.69 %
Triumph Group, Inc.	1.48 %
<b>TOTAL</b>	<b>20.06 %</b>

## PORTFOLIO COMPOSITION<sup>1,3</sup>



## TOP 10 MOODY'S INDUSTRIES<sup>1</sup>

Oil and Gas	13.82 %
Telecommunications	11.97 %
Finance	7.49 %
Healthcare, Education and Childcare	6.45 %
Broadcasting and Entertainment	6.33 %
Mining, Steel, Iron and Non Precious Metals	5.83 %
Diversified / Conglomerate Service	4.97 %
Electronics	4.51 %
Buildings and Real Estate	4.39 %
Hotels, Motels, Inns and Gaming	4.06 %
<b>TOTAL</b>	<b>69.82 %</b>

- Percentages of total assets are expressed by market value including cash, short-term instruments and accrued income, and will vary over time.
- Ratings shown are the highest rating given by one of the following national rating agencies: S&P, Moody's or Fitch. Additional information about ratings can be found at [www.standardandpoors.com](http://www.standardandpoors.com), [www.moody's.com](http://www.moody's.com) and [www.fitchratings.com](http://www.fitchratings.com). Credit ratings are subject to change. AAA, AA, A, and BBB are investment grade ratings categories used by S&P and Fitch; BB, B, CCC/CC/C and D are below investment grade ratings categories used by S&P and Fitch. Aaa, Aa, A and Baa are investment grade ratings categories used by Moody's; Ba, B, Caa/Ca and C are below investment grade ratings categories used by Moody's. Ratings categories may include gradations within each category. Bonds backed by U.S. Government or agency securities are given an implied rating equal to the rating of such securities. Holdings designated Not Publicly Rated are not rated by these national rating agencies
- Debt investments consist of senior secured loans and senior secured bonds, second lien loans, senior unsecured and subordinated loans, senior and subordinated corporate debt obligations and structured products (consisting of collateralized bond and loan obligations). The loans, or bonds, in which the Fund intends to invest may include, but are not limited to, secured loans or bonds that are senior ("first lien") or subordinated ("second lien") loans, and unsecured loans and bonds. Special Situations refers to distressed or stressed securities.

The data in this factsheet relates to the portfolio and the underlying securities held in the portfolio. It should not be construed as a measure of performance for The Fund itself. Duration measures the time-weighted expected cash flows of a security, which can determine a security's sensitivity to changes in the general level of interest rates. Average Market Price is the weighted average market price of the Fund's holdings. The Securities and Exchange Commission 30-Day Yield is computed under an SEC standardized formula. Subsidized (Sub.) yields reflect fee waivers in effect. Without such waivers, yields would be reduced. Unsubsidized (Unsub.) yields do not reflect fee waivers in effect.

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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 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 (if applicable) 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.

## RISKS

**Investing in the Fund involves risks**, including the risk that you may receive little or no return on your investment or that you may lose part or even all of your investment. Fixed income investing is subject to interest rate risks. Bond prices and other fixed income product prices generally fall when interest rates rise. Duration measures the price sensitivity of a bond or a portfolio to changes in interest rates. The Fund invests in **high yield loans and bonds**, commonly referred to as "junk bonds," including **distressed securities**, which are subject to greater credit risk (the risk that an issuer won't make timely payments of principal and interest) and **market risk** (the risk that the value of the Fund's investments may fall, sometimes rapidly or unpredictably, as a result of increasing interest rates or otherwise); **loans and derivative securities**, which may carry market, credit and liquidity risk (the risk that the Fund's investments may be difficult to sell at an advantageous time or price); **foreign securities**, which are subject to additional risks including political and economic risks. The Fund may also invest in **mortgage and asset-backed securities** which may be sensitive to changes in interest rates, subject to early repayment risk, and their value may fluctuate in response to the market's perception of issuer creditworthiness; while generally supported by some form of government or private guarantee there is no assurance that private guarantors will meet their obligations. Although these securities tend to provide higher yields than higher rated securities, there is a greater risk that the Fund's share price will decline.

We believe the information provided here is reliable, but do not warrant its accuracy or completeness. This material is not intended as an offer or solicitation for the purchase or sale of any financial instrument. The views and strategies described may not be suitable for all investors. This material has been prepared for informational purposes only and is not intended to provide, and should not be relied on for, accounting, legal or tax advice. References to future returns are not promises or even estimates of actual returns a client portfolio may achieve. Any forecasts contained herein are for illustrative purposes only and are not to be relied upon as advice or interpreted as a recommendation. Past performance is no guarantee of future results.

**Before investing you should consider carefully the Fund's investment objectives, risks, charges and expenses. A prospectus, which contains this and other information, can be obtained by calling 1.855.439.5459. Read the prospectus carefully before investing.**

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