

# Allianz US High Yield

28/02/2018

- The Fund is exposed to significant risks which include investment/general market, country and region, emerging market, creditworthiness/credit rating/downgrading, interest rate, default, valuation and sovereign debt risks.
- The Fund is also exposed to risks relating to securities lending transactions, repurchase agreements and reverse repurchase agreements.
- The Fund may invest in high-yield (non-investment grade and unrated) investments which may subject to higher risks, such as volatility, loss of principal and interest, creditworthiness and downgrading, default, interest rate, general market and liquidity risks and therefore may increase the risk of loss of original investment.
- The Fund may invest in financial derivative instruments ("FDI") for efficient portfolio management (including for hedging) which may expose to higher leverage, counterparty, liquidity, valuation, volatility, market and over the counter transaction risks. The Fund will not invest extensively in FDI for investment purpose.
- Dividend payments may, at the sole discretion of the Investment Manager, be made out of the Fund's capital or effectively out of the Fund's capital which represents a return or withdrawal of part of the amount investors originally invested and/or capital gains attributable to the original investment. This may result in an immediate decrease in the NAV per share and the capital of the Fund available for investment in the future and capital growth may be reduced.
- This investment may involve risks that could result in loss of part or entire amount of investors' investment.
- In making investment decisions, investors should not rely solely on this material.

BENCHMARK Fund of the Year Awards 2014, Best-in-Class,  
US Fixed Income <sup>1</sup>BENCHMARK Fund of the Year Awards 2012, Outstanding  
Achiever - US Fixed Income <sup>2</sup>

## Investment Objective

The Fund aims at long-term capital growth and income by investing in high yield rated corporate bonds of the United States of America ("US") bond markets.

## Performance Overview

### Indexed Performance over 5 Years (NAV-NAV)



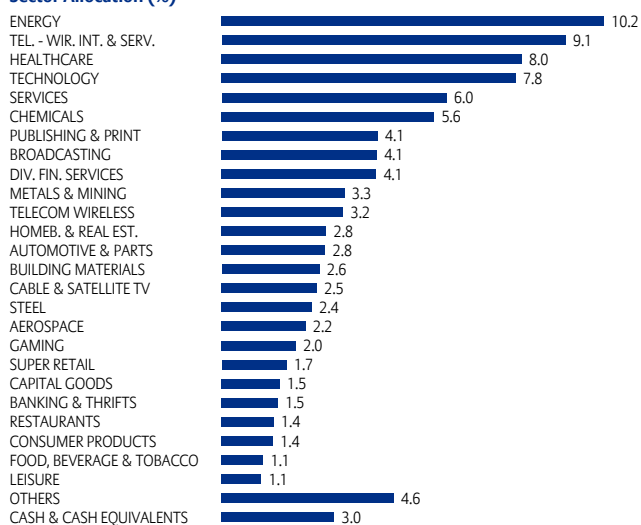
■ Class AM (USD) Dis.

Cumulative Returns	Year to Date	1 Year	3 Years	5 Years	Since Inception
NAV-NAV (%)	-1.28	1.51	5.02	11.61	41.77
Benchmark (%)	-0.28	4.12	16.52	29.80	69.35

Calendar Year Returns	2017	2016	2015	2014	2013
NAV-NAV (%)	4.85	13.83	-8.75	-0.89	6.08
Benchmark (%)	7.47	17.49	-4.64	2.50	7.42

## Portfolio Analysis

### Sector Allocation (%)



### Credit Rating Allocation (%)



+852 2238 8000

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## Portfolio Analysis

Top 10 Holdings <sup>9</sup>	Sector	%
SPRINT COMMUNICATIONS 11.5% 11/15/21	TELECOM WIRELESS	2.1
CENTURYLINK INC 7.5% 04/01/24	TEL. - WIR. INT. & SERV.	1.0
TRANSDIGM INC 6.5% 05/15/25	AEROSPACE	1.0
CONSOLIDATED COMMUNICATIONS 6.5% 10/01/22	TEL. - WIR. INT. & SERV.	1.0
LEVEL 3 FINANCING INC 5.375% 05/01/25	TEL. - WIR. INT. & SERV.	0.9
CINCINNATI BELL INC 7% 07/15/24	TEL. - WIR. INT. & SERV.	0.9
CONTINENTAL RESOURCES 5% 09/15/22	ENERGY	0.9
J2 CLOUD LLC/GLOBAL INC 6% 07/15/25	TECHNOLOGY	0.9
NEXSTAR BROADCASTING INC 5.625% 08/01/24	BROADCASTING	0.9
TUTOR PERINI CORP 6.875% 05/01/25	HOME. & REAL EST.	0.9
<b>Total</b>		<b>10.5</b>

## Statistics Summary

Average Coupon	6.40%	Effective Maturity	6.10 years
Average Credit Quality	B+	Effective Duration	4.20 years
Yield to Maturity	6.10%		

Dividend History <sup>4</sup> Class AM Dis.	Dividend / Share	Annualised Dividend Yield <sup>5</sup>	Ex-Dividend Date
USD	USD 0.05500	9.01%	15/02/2018
HKD	HKD 0.05500	9.03%	15/02/2018
H2-AUD	AUD 0.06333	10.18%	15/02/2018
H2-CAD	CAD 0.05083	8.12%	15/02/2018
H2-EUR	EUR 0.03833	6.07%	15/02/2018
H2-GBP	GBP 0.04667	7.43%	15/02/2018
H2-SGD	SGD 0.05083	8.34%	15/02/2018
H2-NZD	NZD 0.06333	10.75%	15/02/2018

## Fund Details

Share Class <sup>A</sup>	Class AM (USD) Dis.	Class AM (HKD) Dis.	Class AM (H2-AUD) Dis.	Class AM (H2-CAD) Dis.	Class AM (H2-EUR) Dis.	Class AM (H2-GBP) Dis.	Class AM (H2-SGD) Dis.	Class AM (H2-NZD) Dis.
Benchmark	BofA Merrill Lynch US High Yield Master II Index							
Fund Manager	Doug Forsyth							
Fund Size <sup>6</sup>	USD 3,390.83m							
Number of Holdings	184							
Base Currency	USD							
Subscription Fee (Sales Charge)	Up to 5%							
Management Fee (All-in-Fee <sup>7</sup> )	1.39% p.a.	1.39% p.a.	1.39% p.a.	1.39% p.a.	1.39% p.a.	1.39% p.a.	1.39% p.a.	1.39% p.a.
Total Expense Ratio <sup>8</sup>	1.43%	1.43%	1.43%	1.43%	1.43%	1.43%	1.43%	1.44%
Unit NAV	USD 7.68	HKD 7.66	AUD 7.86	CAD 7.84	EUR 7.83	GBP 7.84	SGD 7.63	NZD 7.47
Inception Date	02/08/2010	16/08/2011	02/12/2011	02/12/2011	02/12/2011	02/12/2011	15/06/2012	17/07/2012
Dividend Frequency <sup>4</sup>	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly	Monthly
ISIN Code	LU0516397667	LU0648978533	LU0649033221	LU0676280554	LU0676280711	LU0676280802	LU0761598746	LU0788519618
Bloomberg Ticker	AUSHYAM LX	AUSHIAM LX	AUSHAAM LX	AUSHCAM LX	AUSHEAM LX	AUSHGAM LX	AUAMH2S LX	AUAMH2N LX
Cumulative Returns (%)								
Year to Date	-1.28	-1.28	-1.41	-1.48	-1.67	-1.58	-1.52	-1.35
1 Year	1.51	2.28	1.88	0.97	-0.57	0.23	0.92	2.22
3 Years	5.02	5.85	8.52	4.30	0.94	3.27	5.28	10.69
5 Years	11.61	12.44	21.31	12.80	7.00	10.19	11.80	24.32
Since Inception	41.77	30.60	45.89	31.17	22.93	27.51	22.19	34.30
Calendar Year Returns (%)								
2017	4.85	5.80	5.49	4.46	2.87	3.69	4.47	5.87
2016	13.83	13.82	15.18	13.65	12.31	13.34	14.10	15.62
2015	-8.75	-8.82	-6.84	-8.50	-9.07	-8.55	-8.18	-5.71
2014	-0.89	-0.89	1.40	-0.06	-0.84	-0.57	-0.88	2.20
2013	6.08	6.13	9.02	6.89	5.71	6.29	5.99	8.61

Opportunities <sup>9</sup>Risks <sup>9</sup>

Particular yield potential of high-yielding corporate bonds	High-yielding corporate bonds entail above-average risk of volatility and capital loss. The Fund unit price may be subject to sharply increased volatility
Capital gains opportunities on declining market yields	Bonds suffer price declines on rising interest rates
Currency gains against investor currency possible in unhedged unit classes	Currency losses against investor currency possible in unhedged unit classes
Broad diversification in securities	Limited participation in the potential of securities
Potential extra returns through single security analysis and active management	No guarantee that single security analysis and active management will be successful

Source: All fund data quoted are Allianz Global Investors/IDS GmbH/Morningstar, as at 28/02/2018, unless stated otherwise.

Fund performance is calculated on NAV to NAV basis in denominated currency of the respective share class with gross dividends re-invested. HKD/USD based investors are exposed to foreign exchange fluctuations.

^ The currency-hedged share classes are not recommended for investors whose base currency of investment is not in respective hedged currencies.

- 1 Source: Benchmark, the house award is based on analysis of the quantitative data and qualitative factors of the company's overall capabilities. The award is based on the reference data as at 30 September 2014.
- 2 Source: Benchmark, the house award is based on the quantitative and qualitative analysis of the company in the area of expertise. The award is based on the reference data as at 31 October 2012.
- 3 Securities may be held directly or indirectly via other investment vehicles.
- 4 Dividend payments are applicable for Class AM Dis (monthly distribution) and for reference only. Yields are not guaranteed, dividend may be paid out from capital (Class AM). This may result in an immediate decrease in the NAV per share and may reduce the capital available for the Fund for future investment and capital growth. Positive distribution yield does not imply positive return.
- 5 Annualised Dividend Yield =  $[(1 + \text{Dividend Per Share} / \text{Ex-Dividend Date NAV})^{12} - 1] \times 100$ . The annualised dividend yield is calculated based on the latest dividend distribution with dividend reinvested, and may be higher or lower than the actual annual dividend yield. Positive distribution yield does not imply positive return. Dividend is not guaranteed.
- 6 The Fund Size quoted includes all share classes of the Fund.
- 7 The All-in-Fee includes the expenses previously called management and administration fees.
- 8 Total Expense Ratio (TER): Total cost (except transaction costs) charged to the Fund during the last financial year (as at 30/09/2017) expressed as a ratio of the Fund's average NAV. For share classes that have been incepted for less than one year as at close of the last financial year (please refer to the Inception Date in the Fund Details table), the TER will be annualised. For share classes incepted after the close of the last financial year, the TER will be reflected as N/A.
- 9 The investment opportunities described herein are for reference only but not guaranteed and are not indicative of future performance. The risks described herein are not meant to be exhaustive, please refer to the offering documents for details of risk factors.

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