

NB GLOBAL CORPORATE INCOME TRUST (ASX: NBI)

Global • Income • Diversification

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MONTHLY INVESTMENT REPORT – AS OF 31 MAY 2019

INVESTMENT OBJECTIVE & STRATEGY

- Aims to provide a consistent and stable monthly income stream
- Invests in high yield bonds issued by large, liquid global companies
- Strong emphasis on capital preservation by focusing on credit quality

Market Review and Outlook

Global capital markets took investors on a volatile ride in May. The declines reflected investor worries about the effect of a prolonged trade war between the U.S. and China. Against this backdrop, risk assets such as equities experienced a sharp sell-off, with the S&P 500 (AUD Hedged) falling approximately 6.5%. The global corporate high yield bond markets exhibited lesser drawdown compared to equities, with the ICE BofAML Global High Yield Index (AUD Hedged) falling approximately 1.1% in May.

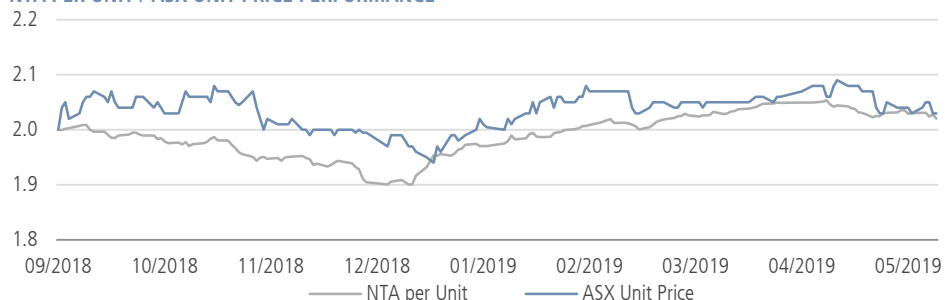
We remain constructive on the fundamentals of high yield credit, which continues to exhibit reasonable leverage levels and strong interest coverage resulting in a benign default outlook for 2019. Operating performance of underlying issuers has been stable; revenue and EBITDA growth remain in positive territory; leverage continues to decline; and, refinancing activity has significantly reduced the amount of bonds maturing in the near term.

NBI Review

NBI holds a diversified portfolio of corporate high yield bonds issued by large, liquid global companies. In this environment, the portfolio has been positioned in higher quality bonds with a small opportunistic allocation to select CCC securities where we see attractive relative value. We believe the portfolio is well-positioned to provide downside protection if market volatility increases.

For May, NBI returned -1.2% and announced a monthly distribution of 0.875 cents per Unit, which keeps it firmly on track to achieving its Target Distribution¹ of 5.25% per annum (net of fees and expenses).

NTA PER UNIT / ASX UNIT PRICE PERFORMANCE



PERFORMANCE (NET)²

31 May 2019	1 Month	3 Months	6 Months	1 Year	Since Inception ³
Total Return (%)⁴	-1.20	1.36	6.31	–	4.19
Distribution (%) *	0.44	1.32	2.64	–	3.08

* Distribution return calculated based on payment date of distribution. (May distribution announced on 27 May 2019, and distributed in June 2019.)

Past Performance is not a reliable indicator of future performance.

RESEARCH



BondAdviser
Invest Intelligently

INDEPENDENT
INVESTMENT RESEARCH

PLATFORMS

Asgard
BT Panorama
BT Wrap
CFS First Wrap

Hub 24
IOOF
Macquarie Wrap
MLC Wrap

MLC Navigator
Netwealth

TRUST FACTS

Listing Date	26 September 2018
Market Cap	\$420.35 million
Net Tangible Assets (NTA)	\$418.35 million
ASX Unit Price	\$2.03
NTA per Unit	\$2.02 (cum)
Distributions	Monthly
Management costs	0.85% p.a.
Responsible Entity	Equity Trustees Limited
Manager	Neuberger Berman Australia Pty Limited

ABOUT NEUBERGER BERMAN

- Founded in 1939; a private, independent, employee-owned investment manager
- US\$323 billion in AUM as of March 31, 2019
- Located in 35 cities with 18 portfolio management centers across 22 countries
- The firm has considered ESG in investment processes as far back as the 1940s. For more information, please visit www.nb.com/esg

FURTHER INFORMATION AND ENQUIRIES

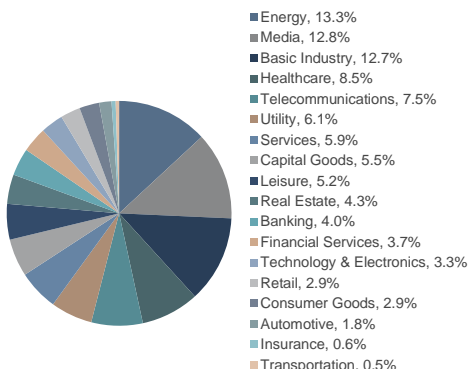
General

Email Info.nbi@nb.com

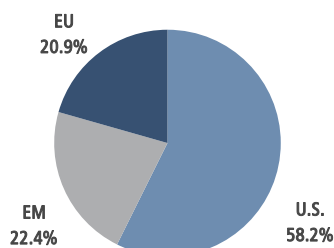
Boardroom (Unit Registry)

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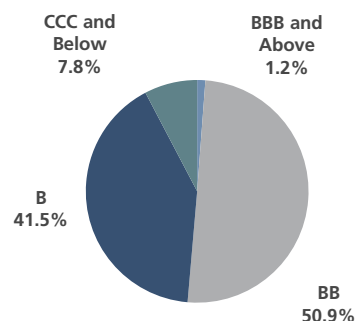
SECTOR ALLOCATION



REGIONAL ALLOCATION



CREDIT QUALITY⁵



TOTAL RETURNS (NET)^{2, 4}

Month	Jul 18	Aug 18	Sep 18	Oct 18 ⁶	Nov 18	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Since Inception ³
(%)	—	—	—	-1.14	-0.87	-1.74	4.71	1.94	1.09	1.48	-1.20	—	4.19

Past Performance is not a reliable indicator of future performance.

DISTRIBUTIONS⁷

Month	Jul 18	Aug 18	Sep 18	Oct 18	Nov 18	Dec 18	Jan 19	Feb 19	Mar 19	Apr 19	May 19	Jun 19	Since Inception ³
(¢/unit)	—	—	—	0.875	0.875	0.875	0.875	0.875	0.875	0.875	0.875	—	7.00
(%)	—	—	—	0.44	0.44	0.44	0.44	0.44	0.44	0.44	0.44	—	3.52

TOP 10 ISSUERS

	Sector	%
Petrobras	Energy	2.41
Cablevision Systems Corporation	Media	1.92
Bausch Health Companies	Healthcare	1.87
Numericable Group	Media	1.64
Charter Communications	Media	1.36
Virgin Media Inc	Media	1.35
Iron Mountain Inc	Services	1.15
Tenet Healthcare	Healthcare	1.14
Sprint Corp	Telecommunications	1.13
Hertz Corp	Services	1.13

BOND PORTFOLIO SUMMARY

Number of Holdings	463
Number of Issuers	308
Yield to Worst (%) ⁸	6.07
Weighted Average Duration (years)	4.32
Average Credit Quality	BB-

- The Target Distribution is only a target and may not be achieved. Actual distributions will be monitored against the Target Distribution. The Target Distribution will be formally reviewed at least annually (as at the end of each financial year) and any reduction in Target Distribution will be notified by way of ASX announcement as required. Investors should review the "Risk Factors" set out in Section 8 of the PDS.
- Performance is calculated net of management costs, which includes the Responsible Entity fee, the Management fee, the Administration fee, along with custodian, audit and legal fees and other transactional and operational costs. Investors should review NBI's Product Disclosure Statement ("PDS") for full details of NBI, including, in particular, the "Fees and Other Costs" section of the PDS.
- Listing Date: 26 September 2018. Performance less than 1 year is not annualized.
- Total Return is calculated based on the pre-distribution month end NTA and assumes all distributions are reinvested.
- Credit quality ratings are based on the Bank of America ("BofA") Merrill Lynch Master High Yield Index composite ratings. The BofA Merrill Lynch composite ratings are updated once a month on the last calendar day of the month based on information available up to and including the third business day prior to the last business day of the month. The BofA Merrill Lynch composite rating algorithm is based on an average of the ratings of three agencies (to the extent rated). Generally the composite is based on an average of Moody's, S&P and Fitch. For holdings that are unrated by the BofA Merrill Lynch Index composite, credit quality ratings are based on S&P's rating. Holdings that are unrated by S&P may be assigned an equivalent rating by the investment manager. No NRSO has been involved with the calculation of credit quality and the ratings of underlying portfolio holdings should not be viewed as a rating of the portfolio itself. Portfolio holdings, underlying ratings of holdings and credit quality composition may change materially over time.
- Calculated from the listing date of 26 September 2018 to 31 October 2018.
- The initial target distribution¹ amount per Unit, which will be paid monthly by the Trust, is 5.25% per annum (net of fees and expenses) on the Subscription Price. The most recent distribution is announced, but not yet paid.
- Yield to Worst — The lowest potential annualised total return that can be received on a bond without the issuer defaulting. This can be different from the yield to maturity because it assumes that the issuer will exercise any option it has to "call" the security at the earliest opportunity (to redeem and repay the principal value to an investor early).

DISCLAIMERS

Equity Trustees Limited ("Equity Trustees") (ABN 46 004 031 298, AFSL 240975), is the Responsible Entity for the NB Global Corporate Income Trust ("NBI"). Equity Trustees is a subsidiary of EQT Holdings Limited (ABN 22 607 797 615), a publicly listed company on the Australian Securities Exchange (ASX: EQT). This publication has been prepared by Neuberger Berman Australia Pty Ltd (ACN 146 033 801) ("NB Australia") to provide you with general information only. In preparing this publication, we did not take into account the investment objectives, financial situation or particular needs of any particular person. It is not intended to take the place of professional advice and you should not take action on specific issues in reliance on this publication. Neither NB Australia, Equity Trustees nor any of its related parties, their employees or directors, provide any warranty of accuracy or reliability in relation to such information or accepts any liability to any person who relies on it. Past performance should not be taken as an indicator of future performance. You should obtain a copy of NBI's Product Disclosure Statement before making a decision about whether to invest in this product.

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