

NB GLOBAL CORPORATE INCOME TRUST (ASX: NBI)

Global • Income • Diversification

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MONTHLY INVESTMENT REPORT – AS OF 31 August 2023

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

The global high yield bond market finished the month of August with modest positive returns despite yield volatility, negative returns over the first three weeks of the month and concerns over slowing growth in China. In the U.S., Fed Chair Powell's Jackson Hole speech emphasized data dependence and indicated they would be prepared to hike rates further if the labor market was tight. However, a sharp drop in July's U.S. job openings helped reverse losses from earlier in the month. Spreads widened slightly over August but this was not broad-based across ratings tiers. U.S. 10-Year Treasury yields ended the month at 4.09%, rising 12 basis points since the end of July and up 21 basis points since the start of the year. Yields on 10-year U.K. Gilts ended roughly flat and German Bund 10-year yields rose slightly over the month. Broadly, global high yield issuer fundamentals of free cash flow, interest coverage and leverage have remained in favorable ranges with most global high yield issuers well-positioned to navigate the current environment.

While the default rate has risen off the lows reached last year, we expect default rates in 2023 and 2024 to remain in a range that is around the long-term average. This outlook is based on our bottom-up assessment of issuers, and driven by the higher-quality ratings mix in high yield (57% of issuers with credit ratings of BB), less aggressive new issuance, fewer near-term maturities, as well as an energy sector that is far healthier than in the past few cycles. As for EM high yield corporates, the overall default rate started this year in the mid-teens due to non-payment by Russian and Ukrainian issuers, and due to the elevated defaults in the China property sector. Excluding those specific areas, we expect the EM high yield corporate default rate to be relatively benign at around 3.5% in 2023, as EM corporates have entered this period with reasonable liquidity on average.

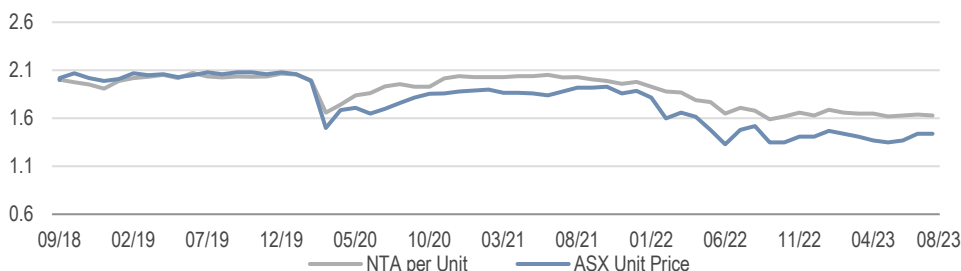
In our view, global high yield valuations and yields are compensating investors for the relatively benign default outlook. While real GDP growth has slowed, it remains positive and slowing real demand has helped inflation come down from last year's peaks. The lagged effects of monetary tightening and changes in consumer behavior are likely to continue to push the rate of inflation in a downward trend which has already led to a pause in some central banks' rate hike campaigns. While the incoming macroeconomic data and overall credit cycle dynamics can move global high yield markets day-to-day, we remain very focused on industry-specific trends and idiosyncratic risks to individual issuers.

PERFORMANCE BASED ON NTA (NET)²

31 August 2023	1 Mth	3 Mth	6 Mth	1 Year	2 Year	3 Year	Since Inception ³
Total Return (%) ⁴	0.25	3.26	3.15	4.96	-4.03	0.28	1.93

Past Performance is not a reliable indicator of future performance. Periods less than one year are not annualized.

NTA PER UNIT / ASX UNIT PRICE PERFORMANCE



PLATFORMS

Asgard	BT Panorama	CFS First Wrap	Hub 24	IOOF
Macquarie Wrap	MLC Wrap	MLC Navigator	Netwealth	

TRUST FACTS

Listing Date	26 September 2018
Market Cap	\$621.37 million
Net Tangible Assets (NTA)	\$703.51 million
ASX Unit Price	\$1.44
NTA per Unit	\$1.63 (cum)
Distributions	Monthly
Management costs	0.85% p.a.
Responsible Entity	Equity Trustees Limited
Manager	Neuberger Berman Australia Limited

ABOUT NEUBERGER BERMAN

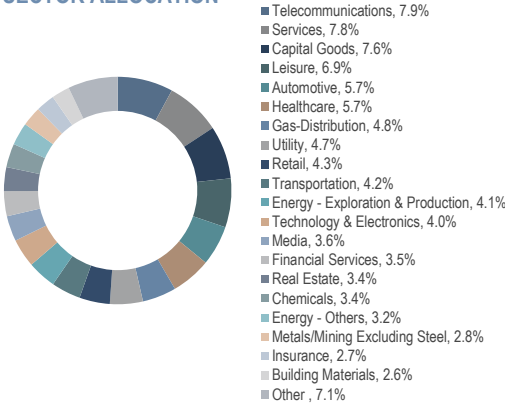
- Founded in 1939; a private, independent, employee-owned investment manager
- US\$443.1 billion in AUM as of Jun 30, 2023
- Located in 39 cities with 20 portfolio management centers across 26 countries
- The firm has considered ESG in investment processes as far back as the 1940s. For more information, please visit www.nb.com/esp

FURTHER INFORMATION AND ENQUIRIES

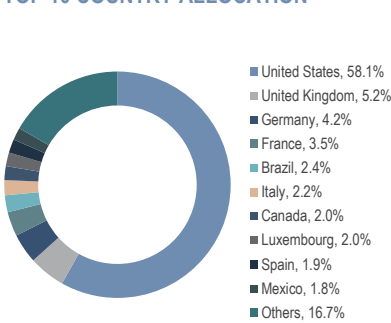
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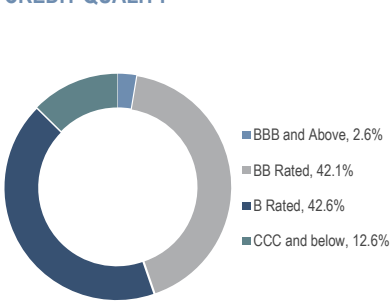
SECTOR ALLOCATION



TOP 10 COUNTRY ALLOCATION



CREDIT QUALITY⁵



TOTAL RETURNS BASED ON NTA (NET) (%) ^{2, 4}

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
FY2020	-0.70	0.04	0.85	0.33	0.69	1.94	-0.15	-2.05	-16.81	5.58	6.17	1.80	-4.22
FY2021	4.27	1.61	-0.96	0.52	4.80	1.55	-0.15	0.43	0.29	0.88	0.49	0.96	15.54
FY2022	-0.20	0.60	-0.73	-0.55	-1.16	1.91	-2.37	-2.02	-0.13	-3.53	-0.71	-7.33	-15.34
FY2023	5.46	-1.33	-4.82	2.63	2.48	-0.87	4.05	-1.46	0.18	0.49	-0.77	1.65	7.51
FY2024	1.33	0.25											

Past Performance is not a reliable indicator of future performance.

DISTRIBUTIONS (¢/unit)⁶

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total
FY2020	0.899	0.899	0.899	0.899	0.899	0.899	0.899	0.899	0.899	0.899	0.899	0.971	10.86
FY2021	0.696	0.696	0.696	0.696	0.696	0.696	0.696	0.696	0.696	0.696	0.696	1.985	9.64
FY2022	0.805	0.805	0.805	0.805	0.805	0.805	0.805	0.805	0.805	0.805	0.805	1.012	9.87
FY2023	0.711	0.711	0.711	0.711	0.711	0.711	0.711	0.711	1.218	1.218	1.218	1.218	10.56
FY2024	1.218	1.218											

TOP 10 ISSUERS

	SECTOR	%
Ford Motor Co	Automotive	1.91%
American Airlines Group	Transportation	1.62%
TransDigm Inc	Capital Goods	1.43%
First Quantum Minerals Ltd.	Basic Industry	1.27%
Prime Security Services	Services	1.14%
AssuredPartners Inc	Insurance	1.13%
Charter Communications	Media	1.06%
Calpine Corp	Utility	1.02%
CSC Holdings LLC	Media	1.02%
OneMain Finance Corp	Financial Services	1.00%

BOND PORTFOLIO SUMMARY

Number of Holdings	633
Number of Issuers	403
Yield to Maturity (%) ⁷	8.44
Yield to Worst (%) ⁸	8.44
Weighted Average Duration (years)	3.79
Average Credit Quality	B+
Current Yield (%)	6.53

1. Investors should review the "Risk Factors" set out in Section 8 of NBI's product disclosure statement dated 21 January 2020 ("2020 PDS"). Section 3.3.1 of the 2020 PDS sets out the Manager's views in relation the interest rate environment and impact on distributions.
2. 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 the PDS for full details of NBI, including, in particular, the "Fees and Other Costs" section of the PDS.
3. Annualised Performance since 26 September 2018 to latest month end.
4. Total Return is calculated based on the pre-distribution month end NTA and assumes all distributions are reinvested.
5. 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.
6. The most recent distribution amount has been announced, and will be paid in the following month. For summary purposes monthly distribution figures have been rounded to 3 decimal places and total financial year distribution figures have been rounded to 2 decimal places. Actual distribution figures can be found on the ASX website. Certain monthly distributions include a return of capital. Please refer to your monthly distribution statement and AMMA statement for further detail.
7. Yield to Maturity — The total annualised return anticipated on a bond if it is held until the end of its lifetime. Yield to maturity is considered a long-term bond yield, but is expressed as an annual rate.
8. 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

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