

## Investor appetite for High Yield matches birthday celebrations!

**Faced with low bond yields, institutional investors across Europe are showing a strong appetite for high yield fixed income opportunities.**

With both government and corporate bond yields close to historically low levels, many investors are seeking to raise their investment income potential through a risk-return trade off on their asset mix. The Nomura US High Yield Bond Fund has, as a result, enjoyed a significant increase in investor interest, and this trend looks set to continue as economic conditions appear likely to preclude any rise in bond yields in the near future as many countries struggle to restore economic growth.

Alongside this increased interest from institutional investors, our pooled fund\* has passed its third birthday recording very strong peer group results along the way. The Nomura US High Yield Bond Fund has seen steady inflows recently and is the subject of on-going due diligence assessments by a number of potential investors, especially since Nomura also launched a range of currency-hedged share classes.

Recent analysis conducted by eVestment, CAMRA, MPA and Morningstar places us firmly in the top quartile of their rankings. The chart below shows our Morningstar peer group results.

31 <sup>st</sup> March 2012	3 Months	6 Months	1 Year	2 Years	3 Years
<b>Nomura US High Yield Bond</b>	<b>6.93</b>	<b>13.97</b>	<b>7.83</b>	<b>11.21</b>	<b>23.28</b>
Benchmark	5.16	11.67	5.63	9.80	23.69
Excess	+1.77	+2.30	+2.20	+1.41	-0.41
Peer Group Rank	6	2	1	1	6
<b>Quartile</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
Number of Funds Ranked	34	33	32	29	26

Source: Morningstar. Performance is net of fees in base currency. ISIN: IE00B3SHFF36, as at 31 March 2012.

Benchmark: BofAML US HY Master II Constrained TR USD. Performance greater than a year is annualised. Peer Group is comprised of the oldest share class of all open ended funds domiciled in Ireland and Luxembourg. Morningstar categories are used for each specific region relating to that particular fund. Funds with track records over 3 years are rated by Morningstar.

The Nomura US High Yield Bond Fund is managed by our credit research investment boutique NCRAM (Nomura Corporate Research & Asset Management). NCRAM is based in New York and has specialised in the management of US High yield bonds for more than 20 years. Managed on a team basis, NCRAM's approach is opportunistic – seeking to capture credit market returns while minimising losses.

\*Refers to the Nomura Funds Ireland plc. U.S. High Yield Bond Fund, our Ireland-domiciled UCITS Fund.

**Ends**

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**Notes to editors:**

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