Gold Fund

Market Overview

Despite a sluggish start to the year, gold ended the first quarter solidly higher, as Russia's invasion of Ukraine highlighted the metal's historical appeal as a potential hedge against geopolitical risks. The price of gold increased 5.9% in the first quarter, while gold-related stocks, whose performance tends to be leveraged to changes in the gold price, rose 17.4%.[1]

Market Summary	1st Quarter 2022
FTSE Gold Mines Index	+17.39%
MSCI World Index	-5.15%
S&P 500 Index	-4.60%
German DAX Index	-9.25%
French CAC 40 Index	-6.68%
Nikkei 225 Index	-2.48%
Brent Crude Oil	+38.74% $107.91 a barrel
Gold	+5.92% $1,937.44 an ounce
US Dollar	+5.40% vs. yen +2.21% vs. euro

Source: Bloomberg, WM/Reuters.

The price of gold in January and early February were influenced by the increasingly hawkish bias of the Federal Reserve. With consumer prices in the US accelerating at rates not seen in four decades, domestic economic growth strong and unemployment low, the Fed was poised to introduce its first policy rate hike in more than three years. While there was some concern that emergent volatility in the financial markets would prompt the Fed to ease up on its aggressive rhetoric, the central bank remained unbowed—even as war broke out in eastern Europe. It raised its target federal funds rate by 25 basis points at its March meeting and signaled that six more hikes of that magnitude were likely over the balance of the year, which would bring fed funds rate to near 2%. The minutes from the latest Fed meeting suggest that even more aggressive action is possible, and futures markets are pricing in an additional 225 basis points of tightening this year. The Fed also is finalizing a plan to pare back its $9 trillion balance sheet through a monthly run-off of up to $95 billion of maturing securities.[2]

While under normal conditions, policy tightening would tend to be a headwind to the price of gold, Russia's late-February attack on Ukraine was an extraordinary development that prompted investors to seek perceived safe-haven assets, driving gold's strong performance for the balance of the quarter. It's worth noting that previous geopolitical crises over the past few decades—in Crimea, Syria, Iran and North Korea, for example—have caused temporary spikes in the price of gold; as these threats eased, however, the gold price has generally returned to its previous trend line. In response to the current discord, the price of gold rallied to near $2050 on March 8 but has been rangebound since. It's trajectory from here is uncertain.

One striking element in the recent behavior of the gold price is its tight positive correlation with the US dollar during March, in contrast with its historically inverse relationship. This unusual correlation has occurred in the past at times when European risks were pronounced and the euro was relatively weak, such as 2009–10 during the European sovereign debt crisis, and we are watching developments in Europe closely. The war's economic impact on Europe may be more serious than initially thought, especially if sanctions against Russia broaden to include the oil and natural gas exports upon which Europe relies heavily.

As we consider our strategy in the face of much uncertainty, we have to recognize that the price of gold faces a headwind in the form of a Fed that appears determined to get inflation under control. While higher interest rates historically have been a negative for gold, we maintain our faith in the value of a strategic allocation to gold and gold-related securities as potential hedge, and we continue to implement our strategy with a focus on resilience. We invest primarily in miners and royalty companies we consider to be of high quality, with interests in mines that are in or close to production in generally favorable jurisdictions and business models that can operate profitably even if the price of gold were to decline. Further, we target companies with clean balance sheets and proven management teams that maintain their "social license to operate" through strong relationships with local communities and governments.

1. Source: FactSet; data as of March 31, 2022.
2. Source: The Wall Street Journal; as of April 6, 2022.

Portfolio Review

Gold Fund A Shares (without sales charge*) posted a return of 12.11% in first quarter 2022. Gold-related equities and gold bullion were the biggest contributors to performance. The Gold Fund underperformed the FTSE Gold Mines Index in the period.

Leading contributors in the First Eagle Gold Fund this quarter included Newmont Corporation, Barrick Gold Corporation, Agnico Eagle Mines Limited, Royal Gold, Inc. and gold bullion.

Gains by Colorado-based Newmont, the largest gold miner in the world, were supported by both the rising price of gold and idiosyncratic corporate developments. In February, Newmont acquired Buenaventura's stake in the Yanacocha mine in Peru, which gave Newmont 95% ownership of the mine; in early April, it acquired the remaining 5% from Japanese trading house Sumitomo. In addition, Newmont reported strong fourth quarter results and reiterated its production guidance through 2026. We remain constructive on the stock, which offers steady production anchored in good jurisdictions, a good pipeline of organic projects, a strong balance sheet, proven management and a commitment to returning cash to shareholders.

Barrick Gold, the world's second largest gold producer, reported better-than-expected earnings during the quarter. The Toronto-based company has successfully met its production goals for the past three years and during the quarter provided 2022 guidance in line with market expectations. Barrick recently introduced a performance dividend that would be paid on top of its base dividend should certain net cash thresholds be met by the company, and also announced a $1 billion stock-buyback authorization. We continue to like Barrick's organic growth opportunities, ability to execute in a Covid-challenged environment and focus on returning cash to shareholders.

Canadian miner Agnico Eagle completed a merger of equals with Kirkland Lake Gold in February and is now the third largest gold miner in the world by production. This merger has created what we view as a high quality, senior gold producer operating in such favorable jurisdictions as Australia, Canada, Finland and Mexico, and its improved scale could result in synergies that lower production costs.

The leading detractors in the quarter were Fresnillo plc, Kirkland Lake Gold Ltd., Dundee Precious Metals Inc., Kinross Gold Corporation and Pan American Silver Corp Contingent Value Rights 2019-22.02.29.

Fresnillo is a large gold and silver producer that has its headquarters in London and its mines in Mexico. The company reported disappointing production for 2021 and weaker-than-expected production goals for 2022, citing pandemic-related disruptions, Mexican labor reform and the delayed tie-in of its new Juanicipio mine to the national power grid. We continue to believe that Fresnillo is a high-quality precious metal producer and think its strong balance sheet may provide a cushion until the company is able to get past current production challenges.

Kirkland Lake Gold traded for less than half the first quarter before completing its previously announced merger with Angico Eagle, in which shareholders received 0.7935 shares of Angico Eagle for each share of Kirkland Lake Gold. Though the price of Kirkland shares declined on merger-arbitrage activity, Agnico shares rallied sharply; for the quarter, the aggregate performance of these two names was solidly positive.

Dundee is a junior miner headquartered in Toronto with assets in Bulgaria and a smelter in Namibia. Although the company reported solid results for 2021, the stock experienced weakness because of slightly lower-than-expected production guidance for 2022 and reported concerns over higher costs for ocean freight and electricity. The company was forced to stop drilling in Ecuador's Loma Larga gold, copper and silver deposit because of the suspension of its environmental permit. We believe that Dundee will be able to reverse this suspension given the company's history of good environmental stewardship.

We appreciate your confidence and thank you for your support.

Sincerely,

First Eagle Investments

* Performance for Class A shares without the effect of sales charges and assumes all distributions have been reinvested, and if a sales charge was included values would be lower.

Average Annual Returns as of Mar 31, 2022

				YTD	1 Year	5 Years	10 Years	Expense Ratio*
First Eagle Gold Fund	Class A	without sales charge	SGGDX	12.11%	14.03%	9.11%	-0.59%	1.22%
First Eagle Gold Fund	Class A	with sales charge	SGGDX	6.52%	8.35%	7.99%	-1.10%	1.22%
FTSE Gold Mines Index				17.39%	16.26%	9.74%	-2.58%	

Disclosure

The performance data quoted herein represent past performance and do not guarantee future results. Market volatility can dramatically impact the Fund's short-term performance. Current performance may be lower or higher than figures shown. The investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Past performance data through the most recent month-end are available at www.firsteagle.com or by calling 800-334-2143. The average annual returns are historical and reflect changes in share price, reinvested dividends and are net of expenses.

*The average annual returns for Class A Shares "with sales charge" of First Eagle Gold Fund give effect to the deduction of the maximum sales charge of 5.00%.

The annual expense ratio is based on expenses incurred by The Fund, as stated in the most recent prospectus.

Diversification does not guarantee investment returns and does not eliminate the risk of loss.

Risk Disclosures

All investments involve the risk of loss of principal.

Investment in gold and gold-related investments present certain risks, including political and economic risks affecting the price of gold and other precious metals like changes in U.S. or foreign tax, currency or mining laws, increased environmental costs, international monetary and political policies, economic conditions within an individual country, trade imbalances and trade or currency restrictions between countries. The price of gold, in turn, is likely to affect the market prices of securities of companies mining or processing gold, and accordingly, the value of investments in such securities may also be affected. Gold related investments as a group have not performed as well as the stock market in general during periods when the U.S. dollar is strong, inflation is low and general economic conditions are stable. In addition, returns on gold related investments have traditionally been more volatile than investments in broader equity or debt markets. Investment in gold and gold related investments may be speculative and may be subject to greater price volatility than investments in other assets and types of companies.

Strategies whose investments are concentrated in a specific industry or sector may be subject to a higher degree of risk than funds whose investments are diversified and may not be suitable for all investors.

There are risks associated with investing in securities of foreign countries, such as erratic market conditions, economic and political instability and fluctuations in currency exchange rates.

One cannot invest directly in an index. Indices do not incur management fees or other operating expenses.

The **MSCI World Index** is a widely followed, unmanaged group of stocks from 23 developed markets and is not available for purchase. The index provides total returns in U.S. dollars with net dividends reinvested. The **FTSE Gold Mines Index Series** is designed to reflect the performance of the worldwide market in the shares of companies whose principal activity is the mining of gold. The FTSE Gold Mines Index encompasses all gold mining companies that have a sustainable, attributable gold production of at least 300,000 ounces a year and that derive 51% or more of their revenue from mined gold. The Index is unmanaged, is available with dividends reinvested and is not available for purchase. **Standard & Poor's 500 Index** is a widely recognized unmanaged index including a representative sample of 500 leading companies in leading sectors of the U.S. economy and is not available for purchase. Although the Standard & Poor's 500 Index focuses on the large-cap segment of the market, with approximately 80% coverage of U.S. equities, it is also considered a proxy for the total market. The **Nikkei 225** is an unmanaged price-weighted equity index, which consists of 225 stocks in the first section of the Tokyo Stock Exchange. The German **DAX Index** is unmanaged and tracks the segment of the largest and most important companies—known as blue chips—on the German equities market. It contains the shares of the 30 largest and most liquid companies admitted to the FWB® Frankfurt Stock Exchange in the Prime Standard segment. The DAX® represents about 80% of the aggregated prime standard's market cap. The French **CAC 40** is an unmanaged market index designed to reflect the evolution of the Euronext Paris market. It is made up of the 40 highest ranking shares listed on the Paris market, according to criteria based on free float market capitalization and trading volume. The index is reviewed and adjusted every quarter in order to take into account changes concerning the size and the volume of the constituent companies.

The holdings mentioned herein represent the following percentage of the total assets of the First Eagle Gold Fund as of March 31, 2022: Newmont Corporation 10.27%; Barrick Gold Corporation 6.97%; Agnico Eagle Mines Limited 7.83%; Royal Gold, Inc. 5.54%; gold bullion 23.58%; Fresnillo plc 1.70%; Kirkland Lake Gold Ltd. 0.00%; Dundee Precious Metals Inc. 3.32%; Kinross Gold Corporation 1.05% ; Pan American Silver Corp Contingent Value Rights 2019-22.02.29 0.24%.

This commentary represents the opinion of the First Eagle Gold Fund portfolio managers as of March 31, 2022 and is subject to change based on market and other conditions. The opinions expressed are not necessarily those of the entire firm. These materials are provided for informational purposes only. These opinions are not intended to be a forecast of future events, a guarantee of future results, or investment advice. Any statistics contained herein have been obtained from sources believed to be reliable, but the accuracy of this information cannot be guaranteed.

The Fund's portfolio is actively managed and holdings can change at any time. Current and future portfolio holdings are subject to risk.

The Fund may invest in gold and precious metals through investment in a wholly-owned subsidiary of the Fund organized under the laws of the Cayman Islands (the "Subsidiary"). Gold Bullion and commodities include the Fund's investment in the Subsidiary.

Third-party marks are the property of their respective owners.

FEF Distributors, LLC (Member SIPC) distributes certain First Eagle products; it does not provide services to investors. As such, when FEF Distributors, LLC presents a strategy or product to an investor, FEF Distributors, LLC does not determine whether the investment is in the best interests of, or is suitable for, the investor. Investors should exercise their own judgment and/or consult with a financial professional prior to investing in any First Eagle strategy or product.

Investors should consider investment objectives, risks, charges and expenses carefully before investing. The prospectus and summary prospectus contain this and other information about the Funds and may be viewed at www.firesteagle.com or by calling us at 800-747-2008. Please read our prospectus carefully before investing. Investments are not FDIC insured or bank guaranteed and may lose value.

The First Eagle Funds are offered by **FEF Distributors, LLC**, a subsidiary of First Eagle Investment Management, LLC, which provides advisory services.

1345 Avenue of the Americas, New York, NY 10105 | www.firsteagle.com

First Eagle Investments