Global Fund

Market Overview

Shaking off the second quarter's volatility, equity markets marched steadily higher throughout the third.

Market Summary	3rd Quarter 2025
MSCI World Index	+7.27%
S&P 500 Index	+8.12%
German DAX Index	-0.12%
French CAC 40 Index	+3.26%
Nikkei 225 Index	+11.79%
Brent Crude Oil	-0.87% $67.02 a barrel
Gold	+16.83% $3,858.96 an ounce
US Dollar	+2.24% vs. yen -0.10% vs. euro

Source: Bloomberg, WM/Reuters.

Though risk and uncertainty remained in ample supply during the summer, stocks continued to rebound off their April "Liberation Day" troughs as investors cheered continued artificial intelligence (AI) spending and the prospect of Federal Reserve easing. For the quarter, the S&P 500 Index gained 8.1%, led to new record highs by the market's tech-oriented growth names. The MSCI EAFE Index returned 4.8% in the third quarter but maintains a year-to-date advantage of more than 1,000 basis points over US stocks.[1]

Market Valuations Suggest Lofty Expectations, Particularly in the US

At the risk of sounding like a broken record, we'll again point out that risk perception in the US markets appears quite low. Equity market valuation multiples are rich, high yield spreads are tight, implied volatility is low, and the price ratio of growth to value stocks is near its all-time high.[2]

In short, we think it's fair to characterize the appetite for risk in the US as full—which is not to say market prices have no foundation in reality. Earnings growth forecasts remain constructive, driven by factors ranging from the impact of the AI capex cycle to fairly accommodative fiscal conditions. In terms of the latter, the rate of growth in government spending and the size of its debt continue to exceed wage growth, imparting some positive nominal drift to the economy that has trickled down into expectations for corporate earnings and margins expectations. At the same time, short-term interest rates have moved lower following September's widely expected 25 basis point reduction in the federal funds rate, and markets are pricing in an additional 50 basis points of cuts by year-end.[3]

Similarly constructive dynamics have emerged in non-US economies, beckoning the return of animal spirits to markets sorely in need of a boost and helping to drive the relative outperformance on non-US equity markets year to date. In Europe, for example, Germany has taken steps to leverage its ample fiscal capacity, notably on defense and infrastructure projects,[4] and NATO countries as a whole agreed to raise annual defense spending to 5% of GDP by 2035.[5] China's multiyear debt-restructuring initiative for local governments—earmarked at 12 trillion yuan—appears to be bearing fruit, enabling local authorities to clear arrears to suppliers rather than debt service.[6] In Japan, the country's likely next—and first female—prime minister has a reputation as a pro-spending conservative who also favors stimulative monetary policy.[7]

Considerable weakness in the dollar over the course of 2025—the ICE US Dollar Index is down nearly 10% year to date—has further supported the outperformance of non-US equity markets. Still, it wasn't until this year that the MSCI EAFE Index broke through its 2007 peak.[8] The MSCI EAFE is trading around 17x trailing earnings—not cheap but well within the realm of normal, from our perspective, and certainly less rich than the S&P 500's 28x.[9] And while it has pulled back marginally, the price ratio of US equities to non-US stocks stands at more than 2.5 times the average since 1970.[10]

Unusually, Gold and Equities Have Surged in Tandem

An interesting feature of the financial markets over the past several quarters has been the concurrent rally in equities and gold prices. Gold's year-to-date gain of nearly 50% puts it on an annual pace not seen in nearly 50 years, as central banks and investors alike have piled into the metal amid elevated risks and the potential for currency

1. Source: FactSet; data as of September 30, 2025.
2. Source: Bloomberg; data as of September 30, 2025.
3. Source: CME FedWatch; data as of October 10, 2025.
4. Source: Reuters; data as of March 21, 2025.
5. Source: NATO; data as of June 27, 2025.
6. Source: Bloomberg; data as of April 16, 2025.
7. Source: Bloomberg; data as of October 4, 2025.
8. Source: YCharts; data as of September 30, 2025.
9. Source: FactSet; data as of October 10, 2025.
10. Source: Bloomberg; data as of September 30, 2025.

debasement. More recently, we've also seen other precious metals—including silver and platinum—break out to the upside.[11]

Historically, equities and gold have both participated in the nominal drift of the global economy, but they typically have done so in a countercyclical manner, as gold has tended to thrive in conditions less supportive of equity investment. There have been exceptions, however, perhaps most notably during the early 1970s. This period was characterized by the fiscal pressures of the Vietnam War, the end of the Bretton Woods gold peg and executive branch pressure on the Fed to ease interest rates despite inflation pressures, a combination of factors that contributed to monetary disequilibrium and a decade of stagflation.

While we don't want to overstate the historical analogies, there are some evident parallels between that period and the current environment, including the fact that the US appears to be a long way from home base in terms of monetary and fiscal settings. For example, we wouldn't expect the federal government to be running at a substantial fiscal deficit over the past several years—including just shy of 6.0% of GDP in the recently completed fiscal year—with sub-4.5% unemployment levels.[12] Meanwhile, Trump is pressuring the Fed to lower the federal funds rate while the fiscal imbalance remains unaddressed and geopolitical tail risks have only grown fatter.

Tending the Garden

Strong markets can create a dilemma for portfolio managers; while you want to let your roses bloom, you must remain true to your investment discipline. Viewing our portfolios from the bottom up, we have looked for opportunities to recycle capital, trimming more successful positions to take advantage of other opportunities in sectors or geographies that have been out of favor.

Of course, the world remains rife with risk, including massive sovereign debt loads, geopolitical frictions and political strife. While an increase in the market's perception of these risks would likely impact both US and international stocks, international markets in general appear to be priced with less expectational risk compared to the US, given current valuations. Regardless, we expect our investment discipline to support our efforts to provide long-term real returns while avoiding the permanent impairment of capital.

11. Source: Bloomberg; data as of September 30, 2025.
12. Source: Bloomberg; data as of October 9, 2025.

Portfolio Review

Global Fund A Shares (without sales charge*) posted a return of 8.93% in third quarter 2025. All regions contributed to performance; North America and emerging markets were the leading contributors, while Japan and developed Asia excluding Japan lagged. Materials and information technology were the largest contributors among equity sectors, while consumer staples and real estate were flattish. The Global Fund outperformed the MSCI World Index in the period.

Leading contributors in the First Eagle Global Fund this quarter included gold bullion, Oracle Corporation, Alphabet Inc. Class C, Alibaba Group Holding Ltd. and C.H. Robinson Worldwide, Inc.

The gold price continued to set new record nominal highs during the quarter, propelled by a rare convergence of monetary policy uncertainty, attacks on Federal Reserve independence, disruptive trade policy, shifting fiscal policies, heightened local and geopolitical tensions, and high sovereign debt levels.

Oracle is one of the world's largest independent enterprise software companies. The company reported a large increase in backlogs during the quarter, including a substantial, five-year cloud-computing contract with OpenAI. In addition to a significant near-term lift to Oracle's top line from this contract, we expect margins on these revenues to expand over time.

Shares of Alphabet, the parent company of Google and YouTube, were strong during the quarter as the Department of Justice delivered favorable rulings on embedding Chrome as the default browser on phones and retaining the company's current corporate structure with no need to divest divisions. Beyond its core ad and search businesses, Alphabet provides a full stack solution within AI: spanning research, infrastructure/data centers and integrated end products. Valuation remains reasonable, in our view, and the company continues to share its ample store of cash with investors through dividends and buybacks.

Shares of tech giant Alibaba were strong during the quarter. With large infrastructure/data centers and leading open-source models, the company's cloud business has accelerated to capitalize on the AI boom in China. Its partnership with Nvidia, announced in September, further underscores Alibaba's commitment to its AI and cloud operations. At the same time, the company's core e-commerce business continues to grow, with improved operating efficiencies that enable it to return cash to shareholders through dividends and stock repurchases.

C.H. Robinson is the largest freight broker in North America, linking transportation providers to businesses across industries. The company has implemented automated AI processes to cut costs and expand margins. Improved pricing may be in prospect as stricter licensing requirements promulgated by the US Department of Transportation in September take hold and capacity tightens.

The leading detractors in the quarter were Shimano Inc., Elevance Health, Inc., Philip Morris International Inc., Comcast Corporation Class A and Salesforce.com, Inc.

Japan's Shimano, which manufacturers bicycle parts, fishing components and rowing equipment, lowered its forward guidance during the quarter because of weakness in overseas markets and ongoing inventory adjustments. Our investment thesis remains intact, as we

* 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.

are confident that Shimano can work through accumulated inventories after the strong but unsustainable demand for its products during the Covid-19 era. In addition to high-quality products and dominant global market share, the company has a strong history of returning capital to investors.

Shares of Elevance Health, the health insurer and healthcare-services provider formerly known as Anthem, traded lower on concerns about reductions in Medicaid coverage and increased utilization of services. The company reported a decline in earnings for its most recent quarter and reduced its forward guidance. We believe that margins will eventually stabilize as higher premiums cycle through its customer base. We continue to view Elevance as a well-managed company positioned to benefit from long-term secular demand for its managed care services in the US.

Tobacco company Philip Morris reported better-than-expected earnings for its most recent quarter, but slightly soft sales weighed on the stock. The company attributed the sales weakness to supply issues in Indonesia and Turkey due to regulatory changes. However, its noncombustible products continue to lead growth. We remain constructive on this cash flow-generative business and are pleased with Philip Morris's commitment to returning cash to shareholders through reliable dividends and stock repurchases.

Comcast is the largest multinational telecommunications and media conglomerate in the US, with brands including Xfinity cable, NBCUniversal (theme parks and TV stations with Peacock streaming service) and UK-based pay-TV company Sky. The company reported better-than-expected results for its most recent quarter, but shares traded lower due to ongoing declines in broadband subscribers. Our investment thesis remains intact, as we believe Comcast has the scale, density and cost advantages to outperform both fixed wireless and other fiber internet providers over the long term. Meanwhile, the other parts of the business have been performing well, and Comcast continues to generate strong cash flows and return capital to shareholders through both dividends and share buybacks.

Shares of enterprise software developer Salesforce traded down after the company provided lower-than-expected forward sales guidance during its most recent earnings release. This prompted concerns about the company's transformation from a software-as-a-service (SaaS) business to an AI-powered enterprise business (its Agentforce platform) and an overall slowdown in revenue growth. We believe that Salesforce is well positioned to grow and scale Agentforce over time, and we continue to like its operational strength, market dominance and focus on balancing growth with improving profitability.

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.

Trailing Returns

Data as of 30-Sep-2025

	Calendar YTD	1 Year	3 Years	5 Years	10 Years	Inception	Gross Expense Ratio[1]	Fund Inception Date[2]
First Eagle Global Fund Class A (SGENX) w/o load	24.89%	18.04%	21.29%	12.91%	9.95%	12.58%	1.10%	Jan 1, 1979
First Eagle Global Fund Class A (SGENX) w/ load	18.64%	12.13%	19.24%	11.75%	9.39%	12.46%	1.10%	Jan 1, 1979
MSCI World Index	17.43%	17.25%	23.72%	14.41%	12.43%	10.05%		

The performance data quoted herein represents past performance and does 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 is 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. "With sales charge" performance for Class A Shares gives effect to the deduction of the maximum sales charge of 3.75% for periods prior to March 1, 2000, and of 5.00% thereafter. The average annual returns for Class C Shares reflect a CDSC (contingent deferred sales charge) of 1.00% in the year-to-date and first year only. Class I Shares require $1MM minimum investment and are offered without sales charge. Class R6 Shares are offered without sales charge. Operating expenses reflect the Fund's total annual operating expenses for the share class as of the Fund's most current prospectus, including management fees and other expenses.

1. The annual expense ratio is based on expenses incurred by the fund, as stated in the most recent prospectus.
2. The Fund commenced operation April 28, 1970. Performance for periods prior to January 1, 2000 occurred while a prior portfolio manager of the Fund was affiliated with another firm. Inception date shown is when this prior portfolio manager assumed responsibilities.

Investments are not FDIC insured or bank guaranteed and may lose value.

Risks

All investments involve the risk of loss of principal.

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

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. These risks may be more pronounced with respect to investments in emerging markets. Investment in **gold and gold-related investments** present certain risks, and returns on gold related investments have traditionally been more volatile than investments in broader equity or debt markets. A principal risk of investing in **value stocks** is that the price of the security may not approach its anticipated value or may decline in value. "Value" investments, as a category, or entire industries or sectors associated with such investments, may lose favor with investors as compared to those that are more "growth" oriented.

Definitions

Federal funds rate is the interest rate at which depository institutions (banks and credit unions) lend reserve balances to other depository institutions overnight on an uncollateralized basis. **Gross domestic product (GDP)** measures the total value of all economic output in goods and services for an economy. **Currency debasement** refers to a reduction in a currency's purchasing power.

MSCI World Index (Net) measures the performance of large and midcap equities across developed markets countries. A net-return index tracks price changes and reinvestment of distribution income net of withholding taxes. **MSCI EAFE Index** (Net) measures the performance of large and midcap equities across developed markets countries around the world excluding the US and Canada. A net-return index tracks price changes and reinvestment of distribution income net of withholding taxes. **US Dollar Index** is a geometrically averaged calculation of six currencies weighted against the US dollar maintained by ICE Futures US. **S&P 500 Index** (Gross/Total) measures the performance of 500 of the top companies in the leading industries of the US economy and is widely recognized as a proxy for the US market as a whole. A total-return index tracks price changes and reinvestment of distribution income. **Nikkei 225** is a price-weighted index composed of 225 stocks in the Prime Market of the Tokyo Stock Exchange. It is widely recognized as a proxy for the Japanese equity market as a whole. German **DAX® Index** measures the performance of the 40 largest companies listed on the Frankfurt Stock Exchange that fulfil certain minimum quality and profitability requirements. It is widely recognized as a proxy for the German equity market as a whole. **CAC 40® Index** is a free-float market capitalization-weighted index that measures the performance of the 40 largest and most actively traded shares listed on Euronext Paris.

Indexes are unmanaged and do not incur management fees or other operating expenses. One cannot invest directly in an index.

The holdings mentioned herein represent the following total assets of the First Eagle Global Fund as of 30-Sep-2025: gold bullion 11.04%; Oracle Corporation 2.67%; Alphabet Inc. Class C 1.82%; Alibaba Group Holding Ltd. 1.24%; C.H. Robinson Worldwide, Inc. 1.47%; Shimano Inc. 0.72%; Elevance Health, Inc. 1.35%; Philip Morris International Inc. 1.09%; Comcast Corporation Class A 1.15%; Salesforce.com, Inc. 0.90%.

Additional Disclosures

This commentary represents the opinion of the Global Value team as of the date noted. The opinions expressed are not necessarily those of the 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 views expressed herein may change at any time subsequent to the date of issue hereof. The information provided is not to be construed as a recommendation to buy, hold or sell or the solicitation or an offer to buy or sell any fund or security.

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.

The opinions expressed are not necessarily those of the 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 views expressed herein may change at any time subsequent to the date of issue hereof.

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

FEF Distributors, LLC ("FEFD") (SIPC), a limited purpose broker-dealer, distributes certain First Eagle products. FEFD does not provide services to any investor but rather provides services to its First Eagle affiliates. As such, when FEFD presents a fund, strategy or other product to a prospective investor, FEFD and its representatives do not determine whether an investment in the fund, strategy or other product is in the best interests of, or is otherwise beneficial or suitable for, the investor. No statement by FEFD should be construed as a recommendation. Investors should exercise their own judgment and/or consult with a financial professional to determine whether it is advisable for the investor to invest in any First Eagle fund, 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 our funds and may be viewed at www.firsteagle.com. You may also request printed copies by calling us at 800-747-2008. Please read our prospectus carefully before investing.

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