

# Global Income Builder Fund

## Market Overview

While a number of broad equity indexes established new all-time highs early in the new year, rumors of war and the war itself weighed on investor sentiment.

Relatively benign first quarter declines belie the severity of the selloff experienced following the February 28 attack on Iran by US and Israeli forces. While the S&P 500 Index lost 4.3% for the period as a whole, it was down more than 9% from its peak. Similarly, the MSCI EAFE Index's decline of 1.2% during the quarter obscures a peak-to-trough loss of more than 11%.<sup>1</sup>

### Impulsive Behaviors

Our commentaries in recent quarters have repeatedly called attention to the very low risk perception evident in financial markets broadly, as corroborated by high equity market valuations, tight credit spreads and low implied volatility. As we entered the year, these Goldilocks conditions were not entirely without support.

Corporate earnings expectations were strong, economic activity was picking up, and hyperscalers continued to direct massive levels of capital expenditures (capex) toward supporting their ambitions in artificial intelligence. At the same time, expectations of lower interest rates had investors looking forward to easier financial conditions.

The war in Iran has altered the Goldilocks narrative.

The primary economic disruption of the attack on Iran was the shock to the global energy supply chain. In addition to assaulting major Middle East energy hubs, Iran quickly moved to shut down the Strait of Hormuz, the narrow seaway between the Persian Gulf and the Gulf of Oman through which approximately 20% of the world's oil and liquefied natural gas (LNG) supply passes along with a large range of petrochemical inputs and end products. Commodity prices responded violently, with oil and LNG prices climbing more than 50% and 85%, respectively. Fertilizer prices, too, have soared just in time for spring planting season in the northern hemisphere; the Strait handles a large share of the global seaborne fertilizer trade, while LNG is a key feedstock in nitrogen-based fertilizers.<sup>2</sup>

By prompting what appears to be the largest-ever physical supply disruption to world oil markets, the war with Iran has sent a stagflationary impulse to the global economy that, the longer it persists, is likely to weigh on economic growth while adding to inflationary pressures. The severity of that shock will depend on its duration, each

### Market Summary

1st Quarter 2026

Bloomberg US Aggregate Bond Index	-0.05%
Bloomberg US Corporate High Yield Index	-0.50%
MSCI World Index	-3.57%
S&P 500 Index	-4.33%
German DAX Index	-7.39%
French CAC 40 Index	-3.97%
Nikkei 225 Index	+2.18%
Brent Crude Oil	+94.49%
	\$118.35 a barrel
Gold	+8.07%
	\$4,668.06 an ounce
US Dollar	+1.50% vs. yen
	+1.93% vs. euro

Source: Bloomberg, WM/Reuters.

economy's reliance on imported energy and energy-intensive inputs, and policymakers' ability to cushion the effects of higher energy prices on households and businesses.

Global financial conditions have tightened somewhat, with lower equity prices, wider credit spreads and a stronger dollar, but the moves have been relatively modest on expectations that the disruption of energy flows will be short lived. However, infrastructure damage in the Gulf suggests disruptions could be longer than widely appreciated, and uncertainty remains high. Extended supply disruptions would result in significant demand destruction (which we are already seeing signs of in Asia through fuel rationing and flight cancellations), food-price spikes and shortages of important industrial inputs such as helium and sulfur.

Signs of the war's financial toll have just started to trickle into macro-economic data releases. In the US, for example, the headline consumer price index for March increased to 3.3%, its highest level in nearly two years, driven by a significant increase in gasoline (up 18.9%) and fuel oil (up 44.2%) prices. Though food prices increased a more modest 2.7%, the energy shock is likely to further pressure a US agriculture sector already struggling with the impacts of trade and immigration policy and ultimately contribute to higher food prices.<sup>3</sup>

After entering the year with a dovish bias, markets are now expecting tighter monetary policy in most advanced economies despite the

1. Source: FactSet; data as of March 31, 2026.

2. Source: Center for Strategic and International Studies; data as of April 1, 2026.

3. Source: US Bureau of Labor Statistics; data as of April 10, 2026.

deteriorating macro backdrop. This largely excludes the US, where market expectations have moderated but still imply the Federal Reserve will lower rates marginally by year end.<sup>4</sup> And while the US's relatively balanced energy position should enable it to weather the economic impacts of the energy crisis better than many other economies, oil's nature as a globally traded commodity and a key input into many goods makes some degree of inflationary pressure likely, in our view, and creates challenges for Fed rate cuts absent much tighter financial conditions or substantial labor market deterioration.

### Gold Prices Puzzle but Persevere

We have noted in the past that gold can sometimes serve as a proverbial canary in a coal mine, sensing potential dangers before they are perceived by the financial markets more broadly. With the benefit of hindsight, it seems to us this prognostic ability may help to partially explain gold's substantial appreciation over the past two years.

Essentially, it appears to us that gold had been steadily pricing in the risk of a large-scale geopolitical event—one that ultimately came to fruition when war broke out between the US/Israel and Iran. Notably, gold surged 14% in January alone as the drumbeats of war grew louder, even before advances in assets likely to benefit most directly from eventual disruptions to energy supply, such as the stocks of integrated oil majors and—with a lag to the equities of oil majors—spot oil prices.<sup>5</sup>

Given gold's reputation as a safe haven during challenging times, however, some have expressed disappointment with its subsequent selloff. In our view, such disappointment overlooks the fact that the price of gold had more than doubled over the preceding two years in response to rising geopolitical risk; a correction upon the realization of a priced-in risk is not surprising and consistent with the pattern observed during similar supply shocks in the Middle East in the 1970s. In the near term, the prospect of higher nominal interest rates in an inflationary environment may also weigh on gold. Over the longer

term, however, it is real rather than nominal interest rates that have historically been the more important driver of gold prices.

### Short-Term Windows for Long-Term Values

"Never let us be elated by the fatal hope of the war being quickly ended by a devastation of their lands," warned Thucydides in his recounting of the Peloponnesian War, a conflict that lasted for 27 years. And while the Iran conflict seems unlikely to stretch on for three decades, we'd be wary of a quick declaration of victory and a return to normal conditions.

For example, while hopes of a nearer-term resumption of energy flows through the Strait of Hormuz were temporarily bolstered by the April 8 announcement of a cease fire, the subsequent US naval blockade of ships entering or exiting Iranian ports raised new questions about supply conditions across a range of key commodities. Further, a hostile Iran with the ability to weaponize the Strait at a moment's notice may result in a persistent price premium for commodities dependent upon this shipping route. Meanwhile, the additional financial strains of the war are likely to add to many of the challenges already facing sovereign balance sheets worldwide.

This latest cycle of geopolitical conflict serves as a reminder that the true risk of investing is not quantifiable risk, but uncertainty. In such an uncertain environment, we've been deploying capital at a measured pace and taking advantage of the renewed volatility in markets.

Notably, our investments do not represent bets on the war's duration, but rather a focus on resilient, high-quality businesses with scarce, durable assets or irreplaceable assets and access to secure trade routes and/or proximity to demand centers. We look for idiosyncratic opportunities to acquire companies at market prices we believe are temporarily dislocated from their intrinsic values.<sup>6</sup> While such positioning doesn't necessarily translate into quick, short-term gains, we are confident that owning a diverse collection of resilient businesses at sensible valuations could benefit our investors in the long run.

4. Source: Bloomberg; data as of April 8, 2026.

5. Source: Bloomberg; data as of March 31, 2026.

6. "Intrinsic value" is based on our judgment of what a prudent and rational business buyer would pay in cash for all of a company in normal markets.

## Portfolio Review

Global Income Builder Fund A Shares (without sales charge\*) posted a return of 4.35% in the first quarter 2026. As of March 31, 2026, the Fund's equity allocation was 60.57%, comprising 39.42% international stocks and 21.15% US stocks. The Fund's 26.18% bond allocation included 19.54% in investment grade issues. The Global Income Builder Fund outperformed the composite index in the period.

Leading equity contributors in the First Eagle Global Income Builder Fund this quarter included gold bullion, Exxon Mobil Corporation, and Samsung Electronics Co. Leading fixed income contributors included Government of Brazil 10.0%, due 01-Jan-2027, Mexico Remittances Funding Fiduciary Estate Management Sarl 12.5%, due 15-Oct-2031, and Dnb Boligkredditt As Frn 05-oct-2027.

After surging to a new all-time nominal high in January, the price of gold bullion consolidated in February and ultimately sold off sharply in March with the outbreak of war between the US/Israel and Iran. Despite a significant intra-quarter peak-to-trough decline, however, gold managed to deliver a solid first quarter gain. We believe the sustained rally in gold over the past two-plus years reflected growing concerns about a potential large-scale disruptive event, which came to fruition on February 28. Though gold may continue to face near-term downside risks as energy-driven inflation pressures reverberate throughout the global economy and fuel higher real interest rates, its long-term fundamentals remain strong, in our view, as does the case for strategic portfolio exposure to the metal.

\* 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.

Integrated oil and gas giant Exxon Mobil was strong in the first quarter due to surging oil and natural gas prices following the outbreak of war in the Middle East and the closure of the Strait of Hormuz. We believe Exxon Mobil's long-duration, global asset base is well positioned to benefit from higher commodity prices, with key production sites in stable jurisdictions like Texas, Canada, Guyana and Asia-Pacific.

Samsung Electronics is a global technology company and major manufacturer of diverse electronic components with a dominant presence in memory semiconductors. Shares performed well as dynamic random access (DRAM) memory and NAND memory chip prices reached new all-time highs during the quarter because of persistent demand from hyperscalers driven by AI infrastructure buildouts amid tight supply.

Brazil's short-dated government bonds were driven higher during the quarter by both attractive yield and tailwind from currency. Brazil offers what is among the highest sovereign real yields globally and is priced to yield well above the local neutral real rate. We believe this represents adequate compensation for risk, including the October 2026 presidential election between incumbent Luiz Inácio Lula da Silva and Senator Flávio Bolsonaro, son of the imprisoned former president. The short duration of these bonds further mitigates volatility risk.

These Mexico remittance bonds are secured by money transfers between the US and Latin America/the Caribbean through both physical and electronic delivery. Performance during the quarter reflected robust investor demand, high real yields and a strong track record of debt repayment.

DNB Boligkreditt bonds—issued by Norwegian bank, DNB—are secured by a pool of quality local residential mortgages originated by DNB. Despite their AAA credit rating, these bonds often offer yields in excess of US Treasuries. As a major exporter of oil, Norway and its currency, the krone, have benefitted from recent energy price volatility.

The leading detractors in the quarter were Compagnie Financière Richemont SA, Unilever PLC, and Power Corporation of Canada. Fixed income detractors in the quarter were Government Of South Korea 4.0%, due 12/10/2031, Government Of Australia 4.75% 21-Apr-2027, Acco Brands Corporation 4.25%, due 15-Mar-2029.

Swiss luxury goods company Richemont—with maisons that include Cartier and Van Cleef & Arpels—traded down with the broader Swiss market, as the war in Iran pressured European sentiment and triggered a pullback in crucial Middle Eastern luxury markets. We continue to find valuation compelling because Richemont's diversified portfolio of storied brands combined with a robust balance sheet underpin the company's secular and cyclical resilience.

Shares of consumer staples giant Unilever traded down during the quarter on the announced divestment of the company's food business. In addition to near-term tax implications, uncertainty surrounding Unilever's prospective use of proceeds—such as a large acquisition—may have weighed on shares. Looking through near-term

volatility, we remain confident in management's intent to redeploy into higher-margin operations and consistently fulfill financial obligations.

Power Corporation of Canada is a family-owned holding company with interests in a diversified lineup of insurance and asset management companies in North America, Europe and Asia. Shares in the parent were weak during the quarter despite strength in its major publicly traded holdings, reflecting accounting adjustments and sector rotation away from holding companies. Our investment thesis remains intact. We believe Power Corporation is well managed and owns high quality assets, including Great-West Lifeco and IGM Financial. We expect the holding company discount to eventually contract.

Government of Australia bonds were weak during the quarter as soaring inflation prompted the central bank to initiate two 25 basis point rate hikes. Pressured since the Iran war, the Australian dollar may now be modestly undervalued and poised for appreciation. Safe-haven Australian government bonds offer stable income and a higher yield than US Treasuries.

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Acco Brands manufactures and markets branded office and school supplies—including Swingline (staplers) and Five Star (notebooks)—and peripheral technology accessories. In addition to generally wider spreads for corporate bonds during the quarter, Acco's bonds were pressured by weak operating results. To address this pressure, Acco is focusing on higher-margin businesses—signaled by its definitive purchase agreement for Danish audio solutions company Epos—and has undertaken a multiyear cost-cutting program. Through the transition, we believe the company has the liquidity and expertise to manage a complex balance sheet to address the demands of both its shareholders and lenders.

## Trailing Returns

Period: 1-May-2012 through 31-Mar-2026

	Calendar YTD	1 Year	3 Year	5 Year	10 Year	15 Year	25 Year	Since Inception	Gross Expense Ratio <sup>1</sup>	Inception Date <sup>2</sup>
Class A (FEBAX) w/o Load	4.35%	21.31%	13.42%	9.30%	8.08%	-	-	7.24%	1.12%	May 1, 2012
Class A (FEBAX) w/ Load	-0.86%	15.26%	11.51%	8.18%	7.52%	-	-	6.84%	1.12%	May 1, 2012
Global Equity/Global Bond Composite Index <sup>3</sup>	-2.56%	12.92%	10.99%	5.57%	7.38%	6.51%	6.18%	6.84%		
Global Equity/US Bond Composite Index <sup>4</sup>	-2.14%	12.97%	11.45%	6.34%	7.88%	7.13%	6.33%	7.44%		
MSCI World Index	-3.57%	18.90%	16.77%	10.27%	11.80%	10.01%	7.65%	10.88%		
Bloomberg US Aggregate Bond Index	-0.05%	4.35%	3.63%	0.31%	1.70%	2.39%	3.65%	1.95%		

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](http://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.

3. Global Equity/Global Bond Composite Index consists of 60% MSCI World Index and 40% Bloomberg Global Aggregate Bond Index.

4. Global Equity/US Bond Composite Index consists of 60% MSCI World Index and 40% Bloomberg US Aggregate Bond Index.

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

Performance assumes reinvestment of all distributions and does not account for taxes.

## 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. Funds 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. Investments in **bonds are subject to interest-rate risk** and can lose principal value when interest rates rise, while they typically increase their principal values when interest rates decline. Bonds are also subject to credit risk, in which the bond issuer may fail to pay interest and principal in a timely manner, or that negative perception of the issuer's ability to make such payments may cause the price of that bond to decline. **Bank loans are often less liquid** than other types of debt instruments. There is no assurance that the liquidation of any collateral from a secured bank loan would satisfy the borrower's obligation, or that such collateral could be liquidated. The Fund may invest in **high yield, fixed income securities** that, at the time of purchase, are non-investment grade. High yield, lower rated securities involve greater price volatility and present greater risks than high rated fixed income securities. High yield securities are rated lower than investment-grade securities because there is a greater possibility that the issuer may be unable to make interest and principal payments on those securities. High yield securities involve greater risk than higher rated securities and portfolios that invest in them may be subject to greater levels of credit and liquidity risk than portfolios that do not.

## 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. **Spread** typically is used to express the difference between two interest rates. **Capital expenditure (capex)** is spending on physical, long-term assets, such as property, plant or equipment, to grow or maintain operations, which are capitalized on the balance sheet and depreciated over the asset's useful life.

**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. **Bloomberg US Aggregate Bond Index** (Gross/Total) measures the performance of the investment grade, US dollar-denominated, fixed-rate taxable bond market in the US, including Treasuries, government-related and corporate securities, fixed-rate agency MBS (agency fixed-rate and hybrid ARM passthroughs), ABS, and CMBS. A total-return index tracks price changes and reinvestment of distribution income. **Bloomberg US Corporate High Yield Bond Index** (Gross/Total) measures the US dollar-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below and is composed of fixed-rate, publicly issued, non-investment grade debt, is unmanaged, with dividends reinvested, and is not available for purchase. The index includes both corporate and non-corporate sectors. The corporate sectors are Industrial, Utility and Finance, which include both US and non-US corporations. A total-return index tracks price changes and reinvestment of distribution income. **Consumer price index (CPI)** (Price) measures inflation as experienced by consumers in their day-to-day living expenses by capturing the average change over time in the prices paid for a representative basket of consumer goods and services. A price-return index only measures price changes. Effective 1-Sept-2025 the Fund is compared against the **Global Equity/Global Bond Composite**, 60% of which consists of the MSCI World Index and 40% of which consists of the Bloomberg Global Aggregate Bond Index. The Fund believes these composite indices provide a useful comparison against the performance of the Fund, which currently invests in both equity and fixed income securities. Effective 1-Mar-2016 the Fund is compared against a **Global Equity/US Bond Composite index**, 60% of which consists of the MSCI World Index and 40% of which consists of the Bloomberg US Aggregate Bond Index. The Fund believes these composite indices provide a useful comparison against the performance of the Fund, which currently invests in both equity and fixed income securities. **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.

These holdings represent the top five contributors and detractors to performance for the First Eagle Global Income Builder Fund as of 03/31/2026: gold bullion 8.50%; Exxon Mobil Corporation 1.71%; Samsung Electronics Co., Ltd. 0.66%; Imperial Oil Limited 0.90%; Samsung Electronics Co., Ltd. Pfd Non-Voting 1.24%; Compagnie Financière Richemont SA 1.22%; Unilever PLC 1.74%; Power Corporation of Canada 1.52%; Reckitt Benckiser Group plc 0.65%; Schindler Holding AG Pref 0.76%; Government of Brazil 10.0%, due 01-Jan-2027 0.44%; Mexico Remittances Funding Fiduciary Estate Management Sarl 12.5%, due 15-Oct-2031 0.40%; Dnb Boligkredit As Frn 05-oct-2027 0.41%; Mellon Capital Iv 5.1313%, due 30-Jun-2043 67,400.00%; Government of The United States of America 0.125%, due 4/15/2027 0.40%; Government Of South Korea 4.0%, due 12/10/2031 0.35%; Government Of Australia 4.75% 21-apr-2027 0.25%; Acco Brands Corporation 4.25%, due 15-Mar-2029 0.25%; Iho Verwaltungs Gmbh 7.75% 15-nov-2030 0.15%; Iho Verwaltungs Gmbh 8.0% 15-nov-2032 0.

### Additional Disclosures

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

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