



Portfolio Manager Insights

August 5, 2011

With broad equity market indices down more than 10% from their highs, officially entering correction territory, it is natural for investors to feel somewhat disconcerted. But at times like these, it is important to not let emotions guide decision making. We at First Eagle believe that a patient temperament can be an investor's key asset.

As long-term value investors, volatility is our friend, not our enemy. While markets tend to be dominated by short-term impulses, we remain focused on our long-term practice of purchasing businesses at a discount to what we view as their intrinsic value. As markets have sold off in recent days, discounts have increased, providing us with opportunities to add to existing positions at a measured pace. Situations such as these allow us to deploy the deferred purchasing power of the Funds' holdings in cash and short-term government bonds to take advantage of market distress.

While we are not immune to downdrafts in the market, we attempt to avoid permanent impairment of capital through our margin of safety approach. This approach extends beyond price to an assessment of business model resilience and the strength of the management team. As a result, the businesses we own are predominantly conservatively capitalized, which helps them endure periods of macro uncertainty. Additionally, while it may not always do so, our position in gold bullion has traditionally served as a source of ballast during periods of market turmoil.

For more information on our current investment thinking, please see the transcripts of our recent Semi-Annual Conference Calls for the [Global Value Team](#) and [Fund of America](#), as well as video of portfolio manager [Abhay Deshpande's August 4, 2011 appearance on CNBC](#).



Average Annual Returns as of 09/30/2011:	Year to Date	1 Year	5 Years	10 Years	Expense Ratio
First Eagle Global Fund - Class A (w/o sales charge)(SGENX)	-5.26%	3.40%	5.02%	12.55	1.16%
First Eagle Global Fund - Class A (w/sales charge)(SGENX)	-10.00	-1.77	3.94	11.98	
First Eagle Overseas Fund - Class A (w/o sales charge)(SGOVX)	-6.53	1.73	4.30	13.34	1.17%
First Eagle Overseas Fund - Class A (w/sales charge)(SGOVX)	-11.19	-3.35	3.24	12.76	
First Eagle Gold Fund - Class A (w/o sales charge)(SGGDGX)	-6.33	3.45	15.06	22.92	1.22%
First Eagle Gold Fund - Class A(w/sales charge)(SGGDGX)	-11.02	-1.72	13.88	22.29	
First Eagle U.S. Value Fund - Class A (w/o sales charge)(FEVAX)	-3.12	3.89	3.79	8.87	1.24%
First Eagle U.S. Value Fund - Class A(w/sales charge)(FEVAX)	-7.96	-1.31	2.73	8.32	

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 firsteaglefunds.com or by calling 800.334.2143. The average annual returns for Class A Shares "with sales charge" of First Eagle Funds give effect to the deduction of the maximum sales charge of 5.00%.

There are risks associated with investing in funds that invest in securities of foreign countries, such as erratic market conditions, economic and political instability and fluctuations in currency exchange rates. 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. The event-driven investment style used by First Eagle Fund of America carries the additional risk that the event anticipated occurs later than expected, does not occur at all or does not have the desired effect on the market price of the securities.

The holdings mentioned herein represent the following percentage of the total net assets of the following Funds as of September 30, 2011: First Eagle Global Fund: Gold bullion 6.15%, First Eagle Overseas Fund: Gold bullion 7.66%, First Eagle U.S. Value Fund: Gold bullion 5.48%, First Eagle Gold Fund: Gold bullion 17.37%,

The commentary represents the opinion of the First Eagle Funds' Portfolio Managers and is subject to change based on market and other conditions. The opinions expressed are not necessarily those of the firm. These materials are provided for informational purpose 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 or an offer to buy or sell or the solicitation of an offer to buy or sell any fund or security. The portfolio is actively managed and holdings can change at any time. Current and future portfolio holdings are subject to risk.

The First Eagle Funds are distributed by FEF Distributors, LLC, 1345 Avenue of the Americas, New York, New York 10105. First Eagle Investment Management, LLC (FEIM) became investment adviser to the Fund commencing January 1, 2000.

Investors should consider the investment objectives, risks, charges, and expenses of a fund carefully before investing. The prospectus and summary prospectus contain this and other information about the fund, and may be obtained by contacting your financial advisor, visiting our website at firsteaglefunds.com or calling us 800.334.2143. Please read the prospectus carefully before investing. Investments are not FDIC insured or bank guaranteed, and may lose value.