

Northeast Investors Trust



October 31, 2018

125 High Street Boston, MA 02110

1-800-225-6704

Fund Overview

Northeast Investors Trust (NTHEX) is a no-load, high yield bond fund whose primary objective is the production of income.

The Trust focuses on marketable securities of established companies that are believed to provide reasonable income and, where consistent with the primary objective, may potentially have capital appreciation. This includes bonds, preferred stocks, dividend paying common stocks, securities convertible into common stocks and securities with warrants attached.

The Trust mainly invests in higher yielding and unrated or lower rated debt securities (commonly referred to as "junk bonds") to produce income for the shareholders.

Fund Facts

Ticker.....	NTHEX
CUSIP.....	664210101
Inception Date.....	3/1/1950
Load.....	None
Dividends.....	Quarterly
Annualized Expense Ratio.....	1.33%
(as of 9/30/18, not including interest expense)	
No. of Holdings.....	49
Total Net Assets.....	\$245,164,754
Shares Outstanding.....	54,407,466

Calendar Year 2018 Prices:

Current (10/31/18).....	\$4.51
High (1/29/18).....	\$4.84
Low (10/31/18).....	\$4.51

30-Day SEC Yield.....	3.82%
Leverage.....	0.00%

Asset Allocation (% of Market Value)

Repurchase Agreement	4.34%
Fixed Income	
Corporate Bonds	75.24%
Preferred Stock	4.37%
Foreign Bonds	0.47%
Asset Backed Securities	0.71%
Total Fixed Income	80.79%
Common Stock & Warrants	14.87%

Top 5 Sectors (% of Market Value)

1. Metals & Mining	15.68%
2. Homebuilders	9.36%
3. Pipeline	8.70%
4. Consumer Finance	8.47%
5. Oil/Gas Drilling	7.84%

Portfolio Management (Tenure)

Ernest E. Monrad, Trustee (57 Years)
Bruce H. Monrad, Chairman (24 Years)

Dividend Information

Dividend Yield* 5.76%

Ex-Date	Dividend Rate	Reinvest Price
8/21/18	\$0.05	\$4.55
5/22/18	\$0.06	\$4.60
2/13/18	\$0.06	\$4.58
11/21/17	\$0.09	\$4.65

*Trailing 12-Month

Top 10 Holdings (% of Net Assets)

1. American Gilsonite (Bonds & Stock)	6.37%
2. Gibraltar Industries (Bonds)	5.89%
3. Tidewater (Bonds)	5.38%
4. Viskase Companies (Stock)	4.48%
5. Pyxus International (Bonds)	4.45%
6. CSC Holdings LLC (Bonds)	4.43%
7. Crestwood Equity (Preferred)	4.32%
8. Targa Resources (Bonds)	4.27%
9. First Data Corp (Bonds)	4.23%
10. Credit Acceptance (Bonds)	4.14%

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Average Annual Returns (%) as of October 31, 2018							
	3 Mo	YTD	1 YR	3 YR	5 YR	10 YR	Inception*
Northeast Investors Trust (NTHEX)	(1.31)	(1.07)	(0.42)	2.96	(0.71)	6.32	7.24
BofA Merrill Lynch US High Yield Index	(0.35)	0.85	0.86	6.63	4.68	11.15	N/A

Calendar Year Returns (%)										
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Northeast Investors Trust (NTHEX)	(37.27)	53.79	14.25	(0.72)	14.63	13.01	(5.36)	(17.99)	16.72	6.28

Past Performance does not guarantee future results, and an investment in the Trust is not guaranteed. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than that quoted. Additional Performance data may be obtained by calling **1-800-225-6704** or by visiting <http://northeastinvestors.com/fund/performance-information>

The BofA Merrill Lynch US High Yield Index is an unmanaged market value-weighted index comprised of approximately 2,200 domestic and yankee high yield bonds, including deferred interest bonds and payment-in-kind securities. Issues included in the index have maturities of one year or more and have a credit rating lower than BBB-/Baa3, but are not in default.

*The inception date for the Trust is 3/1/1950; the inception date for the BofA Merrill Lynch US High Yield Index is 8/31/1986.

Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information about the Trust is contained in the prospectus or summary prospectus, either of which may be obtained by calling **1-800-225-6704** or by visiting www.northeastinvestors.com. Please read either one carefully before investing.

Mutual Fund investing involves risk. The Trust invests in lower rated debt securities which may be subject to increased market volatility based on factors such as: the ability of an issuer to make current interest payments, the potential for principal loss if an issuer declares bankruptcy, and the potential difficulty in disposing of certain securities in a timely manner at a desired price and therefore can present an increased risk of investment loss.