

First Investors Funds

First Investors Fund For Income

Ticker

FIFIX (Class A)
FIFKX (Advisor)
FIFLX (Institutional)

Fund Inception Date

1/1/1971 (Class A)
4/1/2013 (Advisor and Institutional)

Dividend Distribution

Monthly

Benchmark

ICE BofA Merrill Lynch BB-B
US Cash Pay High Yield
Constrained Index

Morningstar Category

High Yield

Number of Holdings as of 6/30/18

370

Portfolio Managers

Clinton Comeaux, since 2009
Bryan Petermann, since 2010
Foresters Investment Management Company, Inc. is the Fund's investment adviser and Muzinich & Co. Inc. serves as subadviser of the Fund.

Market Overview

U.S. fixed income markets experienced mixed performance for the quarter, as the broad market (measured by the ICE BofA ML U.S. Broad Market Index) lost -0.14% for the quarter, while U.S. Treasury bonds (measured by the ICE BofA ML Treasury Master Index) were marginally positive at 0.11%. As widely anticipated, the Federal Reserve increased its benchmark interest rate by 0.25%, signaling that two more hikes were likely by the end of 2018. The yield curve continued to flatten with the spread between 2- and 10-year U.S. Treasuries narrowing to 0.32%, the tightest range since August 2007. Investment grade corporate bonds (measured by the ICE BofA ML Corporate Master Index) were the weakest domestic fixed income market, down -0.94% for the quarter, and were hurt by widening credit spreads as well as reduced demand from foreign buyers. According to Bloomberg News, the credit metrics of investment-grade companies have weakened as the market has grown bigger, allowing the outstanding debt to more than double to \$5 trillion over the last decade. Municipal bonds (up 0.89% as measured by the ICE BofA ML Municipal Securities Master Index) outperformed U.S. Treasuries, benefiting from lower municipal issuance this year. The high yield market (measured by the ICE BofA ML US HY Cash Pay Constrained Index) was the strongest fixed income market for the quarter (1.00%).

Performance Review

The First Investors Fund for Income returned 0.56% (Advisor Class), performing in-line with its benchmark (ICE BofAML BB-B Cash Pay HY Constrained) for the quarter. High Yield was the top performing fixed income market for the quarter and one of the few that remains positive for the year, due in part to being less sensitive to a rising interest rate environment. An overweight to lower rated credits relative to its benchmark added value as higher rated credits underperformed for the quarter. Given the rising interest rate environment, bond selection in shorter dated maturities added value for the quarter, however the Fund struggled to add value further out on the yield curve. On a sector basis, the Fund added the most value from bond selection within the Basic Materials space.

Calendar Year Returns (%)

	2017	2016	2015	2014	2013	2012
A (without sales charge)	6.41	10.91	-2.28	0.56	6.22	13.11
Advisor	6.68	11.19	-2.29	1.06	6.24	13.11
Institutional	7.17	11.42	-2.08	1.24	6.73	13.11
ICE BofA ML US HY C Pay BB-B Constd Index	6.96	14.76	-2.82	3.48	6.29	14.58
High Yield Bond	6.40	13.18	-4.07	1.11	6.92	14.69

Average Annual Total Return Performance as of 6/30/18 (%)

Class	QTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date	Expense Ratio	
									Gross (%)	Net (%)
A (without sales charge)	0.49	-0.70	1.52	3.74	3.91	5.21	—	1/1/1971	1.23	1.21
A (with sales charge)*	-3.48	-4.53	-2.37	2.28	3.05	4.80	—	1/1/1971	1.23	1.21
Advisor	0.56	-0.56	1.80	4.03	4.16	—	3.63	4/1/13	0.96	0.94
Institutional	0.19	-0.86	1.85	4.20	4.43	—	3.87	4/1/13	0.80	0.78
ICE BofA ML US HY C Pay BB–B Constd Index	0.65	-0.46	1.86	4.96	5.32	7.35	—	12/29/72		
High Yield Bond	0.56	-0.16	2.23	4.20	4.36	6.51	—	9/24/71		

*Effective 6/12/17, the maximum sales charge on Class A Shares was changed from 5.75% to 4.00%. Returns for periods less than one year are cumulative and not annualized.

Top Ten Holdings as of 6/30/18 (%)

Holdings	% of Total
CSC Holdings, LLC, 10.125%, 01/15/2023	1.30
SunCoke Energy Partners, LP, 7.500%, 06/15/2025	1.00
Sprint Communications, Inc., 6.000%, 11/15/2022	0.90
DaVita, Inc., 5.125%, 07/15/2024	0.80
Intelsat Jackson Holdings SA, 8.000%, 02/15/2024	0.80
Ardagh Holdings USA, Inc., 7.250%, 05/15/2024	0.80
Sprint Corp., 7.875%, 09/15/2023	0.70
Midcontinent Communications & Finance Corp., 6.875%, 08/15/2023	0.70
Solera, LLC, 10.500%, 03/01/2024	0.70
T-Mobile USA, Inc., 6.000%, 04/15/2024	0.70

Glossary

The ICE BofA U.S. Cash Pay HY Constrained Index tracks U.S. dollar, Canadian dollar, British Pound, and Euro denominated debt rated BB+, BB, or BB- issued in major domestic or Eurobond markets. Qualifying securities must have 12 months or more until maturity, a fixed coupon, and a minimum outstanding of \$100mm. Index constituents are capitalization-weighted based on current amount outstanding, the current market price, and accrued interest.

The ICE BofA ML U.S. Broad Market Index tracks the performance of U.S. dollar denominated investment grade debt publicly issued in the U.S. domestic market, including U.S. Treasury, quasi-government, corporate, securitized and collateralized securities.

The ICE BofA ML U.S. Corporate Master Index is an unmanaged index comprised of U.S. dollar denominated investment grade corporate debt securities publicly issued in the U.S. domestic market with at least one year remaining to final maturity.

The ICE BofA ML Treasury Master Index measures the total return performance of U.S. Treasury bonds with an outstanding par that is greater than or equal to \$25 million.

The ICE BofA Merrill Lynch Municipal Securities Master Index measures total return on tax exempt investment grade debt publicly issued by U.S. states and territories, and their political subdivisions, including price and interest income, based on the mix of these bonds in the market.

The ICE BofA ML BB-B U.S. Cash Pay High Yield Constrained Index contains all securities in the BofA Merrill Lynch U.S. High Yield Cash Pay High Yield Index rated BB1 through B3, based on an average of Moody's Services, Inc., Standard & Poor's Ratings Services and Fitch Ratings, but caps issuer exposure at 2%.

All investments involve risk, including possible loss of principal. You can lose money by investing in a fund. There is no guarantee that the Fund's investment objective will be achieved. The principal risks of investing in the Fund are: Credit Risk, Floating Rate Loan Risk, High Yield Securities Risk, Interest Rate Risk, Liquidity Risk, Market Risk and Security Selection Risk. Past performance is no guarantee of future results.

The performance data quoted represents past performance. Past performance does not guarantee future results. 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. Current performance and expense ratios may be higher or lower than the data quoted. Performance of share classes will differ because each class is sold pursuant to different sales arrangements and bears different expenses. The Class A returns shown with sales charges are based on the maximum sales charge of 4.00%. Prior to 6/12/2017, the maximum Class A sales charge was 5.75%. Returns may reflect waivers or reimbursements of certain expenses. Absent these waivers or reimbursements, returns would be lower. To obtain more current performance data as of the most recent month-end, please visit foresters.com.

These views represent the opinions of the Portfolio Managers and are not intended as investment advice or to predict or depict the performance of any investment. These views are as of the close of business on June 30, 2018, and are subject to change based on subsequent developments. We disclaim any responsibility to update such views. The Fund's portfolios and strategies are subject to change.

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