



Core Fixed Income with Securitized Asset Fund Managed Account

Management Team

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Objective

Seeks to outperform the Bloomberg US Aggregate Index while maintaining a benchmark-aware risk return objective

Benchmark

Bloomberg US Aggregate Index

Highlights

- Individual investment ideas are evaluated on the basis of their investment return potential and contribution to portfolio risk
- Top-down macroeconomic analysis combined with bottom-up security selection helps drive portfolio construction
- Create portfolios diversified by sector, industry and issuer
- Investment flexibility is constrained to the investment grade portion of the US fixed income markets
- Duration bands: +/- 1 year (typically within +/- 0.25 year) relative to the index
- Typical portfolio: approximately 50 to 70 issuers, 70 to 90 issues
- All investments must be US dollar denominated
- Issuer maximum of 1%, Treasuries and GSEs excluded
- Industry maximum of 25% or the benchmark weight plus 10% (whichever is greater at the time of purchase)
- May invest up to 45% in the LS Securitized Asset Fund for diversification purposes
- Investment universe typically includes US Treasuries, agencies, asset-backed securities (ABS), commercial mortgage backed securities (CMBS), investment grade corporate bonds, mortgage-backed securities (MBS), and Yankee bonds

Facts

Strategy inception	3/1/07
Composite inception	11/1/20
Strategy assets	\$18,635.3M
Composite assets	\$791.6M

Portfolio Characteristics

	Composite	Index
Average maturity	7.71 yrs	8.35 yrs
Average duration	5.95 yrs	6.10 yrs
Average yield	5.33%	5.00%
Average credit quality	AA3	AA2
Average number of issues	73	-
OAS	65 bps	40 bps

Composite Performance (%)

	CUMULATIVE RETURN		AVERAGE ANNUALIZED RETURN				
	3 MO	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
GROSS	0.33	-0.19	3.28	-2.72	-	-	-2.24
NET WRAP FEE	-0.04	-0.93	1.75	-4.16	-	-	-3.69
BENCHMARK	0.07	-0.71	2.63	-3.02	-	-	-2.61

Composite Period Performance (%)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
GROSS	5.92	-13.02	-1.06	1.16	-	-	-	-	-	-
NET WRAP FEE	4.36	-14.32	-2.52	0.91	-	-	-	-	-	-
BENCHMARK	5.53	-13.01	-1.54	1.12	-	-	-	-	-	-

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2020: since composite inception of 11/1/20

Performance data shown represents past performance and is no guarantee of future results. Current performance may be lower or higher than quoted. Returns are shown in US dollars and are annualized for one and multi-year periods. Gross returns are net of trading costs. Net of total wrap fee results reflect the highest applicable wrap fee for the period. Net of total wrap fee results reflect the deduction of an annual fee of 1.50%.

There is no guarantee that the investment objective will be realized or that the strategy will generate positive or excess return.



SECTOR DISTRIBUTION (%)		
	Composite	Index
Investment Grade		
Corporate	43.3	24.6
Securitized Agency	23.0	26.5
US Treasurys	17.0	42.8
Securitized Credit	13.2	1.3
US Agency	0.9	0.9
Other	0.4	-
Government Related	-	3.4
Municipals	-	0.5
Cash & Equivalents	2.0	-

CURRENCY DISTRIBUTION (%)		
	Composite	Index
US Dollar	100	100

COUNTRY DISTRIBUTION (%)		
	Composite	Index
United States	91.8	93.0
Canada	3.1	1.1
Cayman Islands	2.0	-
Japan	1.0	0.6
Australia	0.9	0.2
Belgium	0.9	0.2
Ireland	0.2	0.1
Bermuda	0.1	-
China	-	0.1
Other	-	4.6

CREDIT QUALITY (%)		
	Composite	Index
US Treasurys	17.0	42.8
AAA	30.8	30.9
AA	11.6	4.4
A	22.9	11.3
BAA	14.0	10.5
BA	0.2	-
B	-	-
CAA & Lower	-	-
Not Rated	1.4	-
Cash & Equivalents	2.0	-

DURATION DISTRIBUTION (%)		
	Composite	Index
Less than 1 Yr.	7.0	1.4
1 to 3 Yrs.	22.7	24.0
3 to 5 Yrs.	19.2	23.2
5 to 7 Yrs.	13.5	19.7
7 to 10 Yrs.	23.1	15.8
10 Yrs. or more	12.5	15.9
Cash & Equivalents	2.0	-

MATURITY DISTRIBUTION (%)		
	Composite	Index
Less than 1 Yr.	6.9	1.0
1 to 3 Yrs.	23.1	22.1
3 to 5 Yrs.	14.8	19.1
5 to 7 Yrs.	13.6	13.7
7 to 10 Yrs.	11.2	26.1
10 Yrs. or more	28.4	18.1
Cash & Equivalents	2.0	-

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KEY RISKS: Credit Risk, Issuer Risk, Interest Rate Risk, Liquidity Risk, Prepayment Risk and Extension Risk. Investing involves risk including possible loss of principal.

Due to rounding, Currency, Sector, Credit Quality, Duration and Maturity distribution totals may not equal 100%. This portfolio is actively managed and characteristics are subject to change. Credit Quality reflects the highest credit rating assigned to individual holdings of the composite among Moody’s, S&P or Fitch; ratings are subject to change. Cash & Equivalents may include unsettled trades, fees and/or derivatives. ABS/RMBS: Asset-Backed Securities/Residential Mortgage-Backed Securities. Agency MBS: Agency Mortgage-Backed Securities. CMBS: Commercial Mortgage-Backed Securities.

The Composite includes all discretionary Managed Accounts with market values greater than \$100,000 managed by Loomis Sayles with investment guidelines prescribing investment in liquid U.S. dollar denominated bonds that do not allow high yield, may invest up to 45% in the Loomis Sayles Securitized Asset Fund and has a benchmark of the Bloomberg U.S. Aggregate Index. Proprietary quantitative models are employed in portfolio construction and risk assessment. Loomis Sayles’s security level research and tactical sector allocation are primary alpha sources for this product. Yield curve and duration management are additional tools utilized by the portfolio management team. The Composite inception date is November 1, 2020. The Composite was created in 2020. For additional information on this and other Loomis Sayles strategies, please visit our web site at www.loomisayles.com.