



# Core Plus Full Discretion

## Management Team

### Portfolio Manager

Matthew J. Eagan, CFA  
Brian P. Kennedy

### Associate Portfolio Manager

Bryan Hazelton, CFA

## Objective

Seeks to maximize total return through research driven security selection while managing downside risk through careful portfolio construction

## Highlights

- High conviction, active credit manager
- Core plus strategy seeking to exploit opportunities across credit qualities and sectors
- Repeatable, deep value equity-like approach to fundamental research and issue selection
- Risk awareness tools overlay fundamental investment process
- May invest up to 20% in non-US dollar denominated securities
- May invest up to 15% in high yield securities
- May invest up to 5% in equity securities
- Maximum of 5% per non-government issuer (GSEs excluded)
- Maximum of 25% per industry

## Benchmark

Bloomberg US Aggregate Index

### Facts

Strategy inception	1/1/89
Composite inception	1/1/89
Strategy assets	\$28,928.5M
Composite assets	\$12,553.5M

### Portfolio Characteristics

	Composite	Index
Average maturity	8.14 yrs	8.35 yrs
Average duration	6.39 yrs	6.17 yrs
Average yield	5.77%	4.85%
Average credit quality	A3	AA2
Average number of issues	890	-
Weighted average coupon	4.28%	3.17%
OAS	124 bps	39 bps

## Composite Performance (%)

	CUMULATIVE RETURN		AVERAGE ANNUALIZED RETURN				
	3 MO	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
<b>GROSS</b>	0.28	0.28	4.87	-0.51	2.72	3.07	7.31
<b>NET</b>	0.18	0.18	4.46	-0.80	2.43	2.78	7.05
<b>BENCHMARK</b>	-0.78	-0.78	1.70	-2.46	0.36	1.54	5.31

## Composite Period Performance (%)

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
<b>GROSS</b>	7.98	-10.95	0.33	11.77	9.44	0.15	6.16	7.15	-1.99	5.62
<b>NET</b>	7.55	-11.14	0.11	11.47	9.13	-0.14	5.86	6.84	-2.27	5.33
<b>BENCHMARK</b>	5.53	-13.01	-1.54	7.51	8.72	0.01	3.54	2.65	0.55	5.97

The composite includes out-of-benchmark allocations to sectors or investments that evolve over time.

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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 returns are gross returns less effective management fees.

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

Average Yield is Yield to Effective Maturity. Duration and Maturity for equity securities are deemed to be zero.



SECTOR DISTRIBUTION (%)		
	Composite	Index
Investment Grade Credit	49.3	27.2
Securitized	18.7	28.2
US Treasury	14.1	41.7
Emerging Market Credit	6.0	1.3
High Yield Credit	4.4	-
Non-US Dollar	4.2	-
Convertibles	1.6	-
Bank Loans	0.2	-
Other	-	0.9
Municipals	-	0.6
Cash & Equivalents	1.5	-

CURRENCY DISTRIBUTION (%)		
	Composite	Index
US Dollar	95.8	100
Developing Countries	1.8	-
Australia & New Zealand	1.0	-
British Pound Sterling	0.5	-
Non-Euro	0.5	-
Euro Countries	0.4	-

COUNTRY DISTRIBUTION (%)		
	Composite	Index
United States	74.3	92.8
United Kingdom	3.2	1.1
Australia	2.8	0.2
Cayman Islands	2.5	-
France	1.9	0.1
Mexico	1.5	0.3
Israel	1.2	-
Norway	1.2	-
South Africa	1.1	-
Other	10.3	5.4

CREDIT QUALITY (%)		
	Composite	Index
US Treasuries	14.1	41.7
AAA	5.6	31.5
AA	5.9	4.6
A	13.3	11.6
BAA	46.5	10.7
BA	6.8	-
B	1.1	-
CAA & Lower	0.7	-
Not Rated	4.4	-
Cash & Equivalents	1.5	-

DURATION DISTRIBUTION (%)		
	Composite	Index
Less than 1 Yr.	-0.6	1.6
1 to 3 Yrs.	27.7	24.3
3 to 5 Yrs.	16.7	22.3
5 to 7 Yrs.	29.3	19.4
7 to 10 Yrs.	1.9	16.4
10 Yrs. or more	23.6	16.0
Cash & Equivalents	1.5	-

MATURITY DISTRIBUTION (%)		
	Composite	Index
Less than 1 Yr.	3.6	1.1
1 to 3 Yrs.	19.1	22.0
3 to 5 Yrs.	17.8	19.4
5 to 7 Yrs.	18.8	13.7
7 to 10 Yrs.	22.5	25.7
10 Yrs. or more	16.7	18.1
Cash & Equivalents	1.5	-

## KEY RISKS

Credit Risk, Issuer Risk, Interest Rate Risk, Liquidity Risk, Non-US Securities Risk, Currency Risk, Prepayment Risk and Extension Risk. Investing involves risk including possible loss of principal.

*Due to rounding, Sector, Currency, Country, 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. Emerging Markets Debt in the sector distribution is defined as US dollar denominated, non-investment grade bonds, which are from a country on the firm approved Emerging Markets list based on Bloomberg Emerging Markets Ex-Aggregate Index.*

*The Composite includes all discretionary accounts with market values greater than \$5 million managed by Loomis Sayles with the objective of maximizing total return through individual security selection with a 15% limit in high yield securities and use of out-of-benchmark sectors including but not limited to non-US dollar denominated, emerging market debt, convertibles, securitized debt and bank loans. Yield curve and duration management provide additional tactical tools for the portfolio management team with strategic allocation to higher yielding credit sensitive sectors employing Loomis Sayles security level research and significant allocation to non-index sectors as primary sources of alpha. Tracking error is not explicitly targeted for this product, however, historically these portfolios have exhibited annualized tracking error of approximately 200-500 basis points. As of 1/1/2021 the Composite was redefined to include commingled vehicles, previously only separate accounts were included. The Composite inception date is January 1, 1989. The Composite was created in 2003. For additional information on this and other Loomis Sayles strategies, please visit our web site at [www.loomisayles.com](http://www.loomisayles.com).*