Global Bond Fund

Fund Facts

OBJECTIVE

Seeks high total investment return through a combination of high current income and capital appreciation

Share class	I
Inception	5/10/1991
Ticker	LSGBX
CUSIP	543495782
Benchmark	Bloomberg Global Aggregate Index

Bloomberg Global Aggregate Index *provides a broad-based measure of the global investment grade fixed income markets. The three major components of this Index are the US Aggregate, the Pan-European Aggregate and the Asian-Pacific Aggregate Indices. The Index also includes Eurodollar and Euro-Yen corporate bonds, Canadian government, agency and corporate securities, and USD investment grade 144A securities. Indexes are unmanaged and do not incur fees. It is not possible to invest directly in an index.*

Market Conditions

- The first quarter brought a change in leadership across the world financial markets, with a reversal of the key trends that were in place during 2024. Most notably, US mega-cap technology stocks lagged other segments of the equity market, rate-sensitive fixed-income assets outpaced the credit sectors, and the US dollar weakened considerably.
- US trade policy was one of the key catalysts for the shift in tone. The Trump administration announced a series of tariffs on the United States' global trading partners, increasing the probability that the US economy could fall into a recession later in the year if the policies aren't reversed. The weakening growth outlook revived expectations that the US Federal Reserve (Fed) would be compelled to cut interest rates as 2025 progresses. This marked a meaningful contrast to the start of the year, when the consensus view was that the Fed would have limited ability to reduce rates due to the White House's pro-growth policies.
- The prospects for Europe's economy appeared to brighten, which represented an important contrast to the United States. The German government passed a substantial fiscal stimulus bill, and there appeared to be progress toward an end to the war in Ukraine. The outlook for the emerging markets also improved thanks to rising commodity prices, an uptick in economic data in China, and the Chinese government's ongoing commitment to reviving the nation's growth.

Portfolio Review

- The fund outperformed its benchmark, the Bloomberg Global Aggregate Index, primarily due to duration and yield curve positioning, security specific selection, and currency allocation.

Class I Performance as of March 31, 2025(%)

	CUMULATIVE TOTAL RETURN		AVERAGE ANNUALIZED RETURN			
	3 MONTH	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
FUND	2.87	2.87	2.66	-2.32	-0.52	0.70
BENCHMARK	2.64	2.64	3.05	-1.63	-1.38	0.61

Performance data shown represents past performance and is no guarantee of future results. Investment return and value will vary and you may have a gain or loss when shares are sold. Current performance may be lower or higher than quoted. For most recent month-end performance, visit www.loomissayles.com.

Additional share classes may be available for eligible investors. Performance will vary based on the share class. Performance for periods less than one year is cumulative, not annualized. Returns reflect changes in share price and reinvestment of dividends and capital gains, if any. You may not invest directly in an index.

Gross expense ratio 0.80% (Class I). Net expense ratio 0.69%. As of the most recent prospectus, the investment advisor has contractually agreed to waive fees and/or reimburse expenses (with certain exceptions) once the expense limitation of the fund has been exceeded. This arrangement is set to expire on 1/31/2026. When an expense limitation has not been exceeded, the fund may have similar expense ratios and/or yields.

The Class I inception date is 5/10/1991. Class I shares are only available to certain institutional investors only; minimum initial investment of $100,000.

Contributors

- Positive excess return during the period was primarily the result of duration and yield curve positioning. Targeted local market positioning in select emerging market countries such Brazil, Mexico, and China had a positive impact on relative performance. More specifically, the fund benefited from the targeted overweights in the Brazilian real and Mexican peso-pay markets and the underweight in the Chinese renminbi-pay market. Within developed markets, the duration underweight in the Japanese yen-pay market was beneficial as yields continued to move higher throughout the period.
- From a currency allocation standpoint, active currency positioning contributed to positive excess return, led by overweights to the Brazilian real, Japanese yen, and British Pound sterling, which benefited from broad US dollar weakness during the period.
- In credit, security specific selection within global treasuries contributed as holdings of select core euro area and euro area periphery issuers outperformed comparable risk. Within investment grade corporate credit, a risk-adjusted overweight to non-US dollar insurance names and positive issuer specific selection within US investment grade banking names contributed to positive excess return.

Detractors

- The allocation to US investment grade corporate credit had a negative impact on relative performance. Within US investment grade corporate credit, the risk-adjusted overweights to the communications and technology industries detracted as credit spreads broadly widened amid risk-off sentiment.
- Within emerging market credit, the overweight to select hard currency sovereign issuers in countries such as South Africa, Colombia and Panama detracted from relative performance.
- While overall duration and yield curve positioning contributed to relative performance, positioning along the US dollar-pay curve detracted as an underweight to the front-end of the curve modestly offset the positive impact from the overweight to the belly of the curve.
- From a currency allocation standpoint, an underweight to the euro and overweight to the Indonesian rupiah detracted modestly from relative performance.

Outlook

- Prior to trade-war impacts, the global disinflationary trend had been stalling at the margin with services and shelter inflation remaining elevated with only crawl speed deceleration. Goods disinflation can clearly no longer be assumed. Early estimates of a bump in US inflation of 0.25-0.5% from tariff impacts now look far too low, but retaliation and goods flow responses muddy the waters for inflation elsewhere.
- The credit markets have the potential to remain volatile in response to headlines. We believe risk premiums across the corporate bond market will likely rise as markets digest tariffs and an expected US growth slowdown. However, we are entering this period of likely volatility from a good corporate fundamental standpoint. On a longer-term basis, we believe credit remains supported by corporations' overall health and the potential for more favorable monetary policy.
- The higher and broader range of reciprocal US import tariffs is a negative global growth impulse. While non-US economies are more export reliant on average than is the U.S., the exceptional U.S. economic performance in recent years is under threat with an increased risk of recession. Following the US presidential election, rising trade tensions and protectionist policy was presumed to be a catalyst for US dollar strength, especially with deregulation and favorable tax policy supporting the US economy. However, the story of US exceptionalism is increasingly under threat, and diverging fiscal policies and weaker global growth may see the currencies of developed countries make further headway against the dollar.

- We believe bottom-up consensus expectations for US corporate profit growth are likely to slip from the current +10% rate. Consumers and businesses are pulling back on consumption and investment in the face of tariff uncertainty, which will hit earnings.
- US equities have provided significant outperformance in recent years. We think the S&P 500 Index's forward-price-to-earnings ratio is unlikely to expand, meaning that positive total returns will depend on earnings growth. On the other hand, we believe global indexes may outperform given that valuations are slightly beneath the five-year averages.

About Risk

Fixed income securities may carry one or more of the following risks: credit, interest rate (as interest rates rise bond prices usually fall), inflation and liquidity. **Currency** exchange rates between the US dollar and foreign currencies may cause the value of the fund's investments to decline. **Below investment grade fixed income securities** may be subject to greater risks (including the risk of default) than other fixed income securities. **Foreign securities** may involve heightened risk due to currency fluctuations. Additionally, they may be subject to greater political, economic, environmental, credit and information risks. Foreign securities may be subject to higher volatility than US securities due to varying degrees of regulation and limited liquidity. **Mortgage-related and asset-backed securities** are subject to the risks of the mortgages and assets underlying the securities. Other related risks include prepayment risk, which is the risk that the securities may be prepaid, potentially resulting in the reinvestment of the prepaid amounts into securities with lower yields.

Important Disclosure

Outlook as presented in this material reflects subjective judgments and assumptions of the portfolio team and does not necessarily reflect the views of Loomis, Sayles & Company, L.P. There is no assurance that developments will transpire as stated. Opinions expressed will evolve as future events unfold. These perspectives are as of the date indicated and may change based on market and other conditions. Actual results may vary. Please refer to the Fund prospectus for a comprehensive discussion of risks.

This marketing communication is provided for informational purposes only and should not be construed as investment advice. Investment decisions should consider the individual circumstances of the particular investor Investment recommendations may be inconsistent with these opinions. Information, including that obtained from outside sources, is believed to be correct, but we cannot guarantee its accuracy. This information is subject to change at any time without notice.

Market conditions are extremely fluid and change frequently.

Diversification does not ensure a profit or guarantee against a loss.

Commodity, interest and derivative trading involves substantial risk of loss.

Any investment that has the possibility for profits also has the possibility of losses, including the loss of principal.

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

Past performance is no guarantee of future results.

S&P 500® Index is a widely recognized measure of U.S. stock market performance. It is an unmanaged index of 500 common stocks chosen for market size, liquidity, and industry group representation, among other factors. It also measures the performance of the large cap segment of the US equities market.

Before investing, consider the fund's investment objectives, risks, charges, and expenses. Please visit www.loomissayles.com or call 800-633-3330 for a prospectus and a summary prospectus, containing this and other information. Read it carefully.

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