

Global Credit/Corporate in USD

MANAGEMENT TEAM

Kenneth M. Buntrock, CFA, CIC
David W. Rolley, CFA
Lynda Schweitzer, CFA
Scott M. Service, CFA

OBJECTIVE

Seeks to identify undervalued securities worldwide and create diversified global credit portfolios that provide risk-adjusted performance superior to the benchmark through balanced contributions of top-down and bottom-up sources

HIGHLIGHTS

- Follows a broad global universe of securities including corporate credits, asset-backed securities including mortgages, as well as government, quasi-government and agency securities
- Invests primarily in higher-quality fixed income securities of corporate issuers worldwide
- Value-driven approach implemented within a risk budgeting framework
- Seek to identify and create diversified portfolios with undervalued and preferably discount securities across relevant risk factors, including sector, country, currency, curve and specific credit
- Invests in investment grade corporate and other credit sectors
- Seeks to manage risk through diversification and continuous monitoring of absolute risk and tracking error from benchmark
- Below investment grade: typically less than 20%
- Typical tracking error: 1% to 3%, depending on the market environment
- Typical portfolio: greater than 200 issues

BENCHMARK

Bloomberg Barclays Global
Aggregate - Credit Index

FACTS

Strategy inception	1/31/09
Composite inception	2/1/09
Strategy assets*	\$12,215.6M
Composite assets	\$1,276.8M

PORTFOLIO CHARACTERISTICS

	Composite	Index
Average maturity	8.28 yrs	8.64 yrs
Average duration	6.21 yrs	6.30 yrs
Average yield	3.42%	3.08%
Average credit quality	BAA1	A2
Average number of issues	409	-

COMPOSITE PERFORMANCE (%)

	CUMULATIVE RETURN		AVERAGE ANNUALIZED RETURN				
	3 MO	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
GROSS	0.66	-2.44	-0.94	4.25	2.78	-	6.72
NET	0.60	-2.62	-1.18	4.01	2.56	-	6.49
BENCHMARK	0.34	-2.61	-1.30	2.94	2.01	-	4.99

COMPOSITE PERIOD PERFORMANCE (%)

	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
GROSS	10.41	5.60	-3.74	2.89	1.33	13.80	2.61	7.32	31.07	-
NET	10.15	5.36	-3.95	2.73	1.18	13.63	2.43	7.02	30.67	-
BENCHMARK	8.93	3.67	-3.55	2.94	-0.11	10.81	4.59	5.62	19.97	-

2009: since composite inception 2/1/2009

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.
For Institutional Use Only. Not For Further Distribution.

*Strategy assets are comprised of Loomis Sayles Global Credit style accounts including Global Credit/Corporate in USD and Global Credit/Corporate GBP Hedged and other Global Credit investment styles.

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

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

Loomis, Sayles & Company, L.P. ("Loomis Sayles") is an independent advisory firm registered under the Investment Advisors Act of 1940. For additional information on this and other Loomis Sayles strategies, please visit our website at www.loomissayles.com.



SECTOR DISTRIBUTION (%)		
	Composite	Index
Corporates	76.0	74.7
Global Treasuries	8.4	-
Government Related	8.0	25.3
Securitized	5.6	-
Cash & Equivalents	2.0	-

CURRENCY DISTRIBUTION (%)		
	Composite	Index
US Dollar	66.5	63.9
Euro Countries	26.2	25.0
British Pound		
Sterling	4.7	5.2
Canadian Dollar	1.3	2.9
Australia & New Zealand	0.5	1.1
Japanese Yen	0.5	1.0
Non-Euro	0.3	0.8
Developing Countries	-	0.1

COUNTRY DISTRIBUTION (%)		
	Composite	Index
United States	50.0	40.5
United Kingdom	12.0	6.7
Germany	10.2	5.8
France	6.4	5.5
Italy	2.4	1.2
Canada	2.2	4.9
Spain	2.0	1.2
Netherlands	1.3	2.3
Australia	1.3	1.9
Other	12.3	30.0

CREDIT QUALITY (%)		
	Composite	Index
AAA	10.8	10.2
AA	5.7	13.7
A	37.4	33.6
BAA	42.0	42.4
BA	1.8	-
B	0.3	-
CAA & Lower	-	-
Not Rated	-	-
Cash & Equivalents	2.0	-

DURATION DISTRIBUTION (%)		
	Composite	Index
Less than 1 Yr.	2.6	1.4
1 to 3 Yrs.	19.2	25.8
3 to 5 Yrs.	24.5	23.0
5 to 7 Yrs.	20.4	16.7
7 to 10 Yrs.	14.1	13.3
10 Yrs. or more	17.1	19.8
Cash & Equivalents	2.0	-

MATURITY DISTRIBUTION (%)		
	Composite	Index
Less than 1 Yr.	2.2	1.1
1 to 3 Yrs.	18.5	24.5
3 to 5 Yrs.	21.3	21.1
5 to 7 Yrs.	14.0	14.0
7 to 10 Yrs.	21.1	16.5
10 Yrs. or more	20.9	22.7
Cash & Equivalents	2.0	-

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.

The Composite includes all discretionary accounts with market values greater than \$20 million managed by Loomis Sayles with guidelines prescribing investment in foreign bonds as well as U.S. dollar denominated bonds, that are benchmarked against the Bloomberg Barclays Global Aggregate – Credit or similar index, and with the following characteristics. The Composite's focus is on 'spread' product, and the predominant 'spread' product instruments being used are corporate bonds, securitized bonds or both. The accounts and the benchmarks associated with the Composite are all unhedged and expressed in U.S. Dollars. The Composite was created in 2010. For additional information on this and other Loomis Sayles strategies, please visit our web site at www.loomisayles.com.

ERISA FIDUCIARY DISCLOSURE

(For ERISA accounts only)

We are not undertaking to provide impartial advice or advice in a fiduciary capacity in connection with the sales and distribution of our investment products or services.

We have a financial interest in connection with the sale of our products and services. We are compensated through the receipt of investment management fees with respect to the assets we manage, which can be found in our Form ADV and other documents provided to clients pertaining to the provision of our investment products and services.

MALR020786-0918