



Inflation Protected Securities Fund

Fund Facts

OBJECTIVE

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

Share Class	I
Inception	5/20/1991
Ticker	LSGSX
CUSIP	543495766
Benchmark	Bloomberg US Treasury Inflation Protected Securities Index

Bloomberg US Treasury Inflation Protected Securities Index covers the most liquid portion of the global investment grade fixed-rate bond market, including government, credit and collateralized securities. The liquidity constraint for all securities in the index is \$300 million. Indexes are unmanaged and do not incur fees. It is not possible to invest directly in an index.

Market Conditions

- Most segments of the bond market produced positive total returns in the second quarter, albeit with elevated volatility. The first week of April brought significant disruptions across the financial markets, as President Donald Trump's "Liberation Day" trade plan levied tariffs well in excess of what investors had been anticipating. Risk assets initially plunged on expectations that the protectionist policy shift would lead to rising inflation and slower economic growth. The downturn proved short-lived, however, as President Trump responded to market turmoil by enacting a 90-day pause on new tariffs within a week of the initial announcement. The markets quickly stabilized following the pivot, and volatility subsided over the remainder of the period as investors returned their attention to the backdrop of steady growth and slowing inflation. The fixed-income market further benefited from an emerging consensus that the US Federal Reserve was poised to begin resume cutting interest rates in the second half of the year. Credit-oriented market segments performed well in this environment and generally outpaced government debt.
- Most segments of the US Treasury market posted positive total returns in the second quarter. Yields, after falling sharply in the first week of April due to uncertainty surrounding trade policy, reversed course and turned higher through mid-May amid renewed optimism about the economic outlook. (Prices and yields move in opposite directions.) Yields then began to trend lower thanks to the combination of weaker-than-expected economic data and growing expectations that the US Federal Reserve would begin to ease policy in the latter half of the year. Five- and 10-year issues delivered the best performance, but rising yields on the long end of the curve resulted in negative total returns for 30-year bonds.

Class I Performance as of June 30, 2025 (%)

	CUMULATIVE TOTAL RETURN		ANNUALIZED TOTAL RETURN			
	3 MONTH	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR
FUND	0.51	4.47	5.53	2.26	1.33	2.65
BENCHMARK	0.48	4.67	5.84	2.34	1.61	2.67

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 0.64% (Class I). Net expense ratio 0.40%. 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 5/20/1991. Class I shares are only available to certain institutional investors only; minimum initial investment of \$100,000.

The fund revised its investment strategies on 12/15/2004; performance may have been different had the current investment strategies been in place for all periods shown.



- After an initial downturn caused by worries about the potential impact of tariffs, investment-grade corporate bonds recovered to post gains for the second quarter. The positive total return was driven by the combination of falling US Treasury yields, a contraction in yield spreads, and income return. While all major segments of the corporate bond market gained ground, the best returns came from lower-rated debt, bonds with maturities in the five- to 10-year range, and more economically sensitive issuers.

Portfolio Review

- The fund outperformed its benchmark, the Bloomberg U.S. Treasury Inflation Protected Securities Index, primarily due to issue selection and yield curve positioning.

Contributors

- Our out of benchmark exposure to USD investment grade – industrials contributed to positive returns.
- Our slight US Treasuries underweight contributed to overall positive portfolio performance.

Detractors

- Sector allocation was flat returns over the period.

Outlook

- We expect growth to slow and inflation to rise in the second half, though we haven't seen much evidence in the hard data yet. Payrolls have been solid and unemployment remains low. Inflation prints have been well contained with softer services inflation; we expect goods prices to jump in the near-term.
- The One Big Beautiful Bill should provide some offset to the tariff drag, but we don't expect a significant positive impulse on net.
- Corporate health remains in good shape overall. The outlook for margins has declined, but we don't expect a profits rollover that leads to major layoffs.
- The Fed looks to remain on hold for now. We still expect some cuts later this year assuming the labor market shows more signs of softening.
- The European fiscal transition should provide a tailwind for medium-term growth prospects even if tariffs become disruptive in the nearer-term. The US-China tariff truce is positive, but China growth headwinds may intensify given payback of front-loaded exports and the policy-led consumption boost.



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. **Below investment grade fixed income securities** may be subject to greater risks (including the risk of default) than other fixed income securities. **Inflation protected securities** move with the rate of inflation and carry the risk that in deflationary conditions (when inflation is negative) the value of the bond may decrease. **Derivatives** involve risk of loss and may entail additional risks. Because derivatives depend on the performance of an underlying asset, they can be highly volatile and are subject to market and credit risks. **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. **Currency** exchange rates between the US dollar and foreign currencies may cause the value of the fund's investments to decline. **Commodity-related** investments, including derivatives, may be affected by a number of factors including commodity prices, world events, import controls and economic conditions, and therefore may involve substantial risk of loss.

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.

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.

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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