

# Multisector Credit

## MANAGEMENT TEAM

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## OBJECTIVE

Seeks to maximize total return and higher levels of portfolio income through research driven security selection while managing downside risk through careful portfolio construction

## HIGHLIGHTS

- Consistent approach with flagship Multisector Full Discretion strategy, but with structural emphasis on corporate credit exposure
- Value-driven, opportunistic approach begins with bottom-up research and incorporates top-down macro inputs
- Focus on long-term investment horizon
- Broad opportunity set within credit sectors, making use of out-of-benchmark securities for value and diversification
- Security selection is a primary driver of performance; other sources of excess return consist of sector allocation, country management and yield curve/duration positioning
- Seasoned management team with each portfolio manager having over of 25 years of industry experience, and over 22 years of experience at Loomis Sayles

## BENCHMARK

Bloomberg Barclays US Credit Bond Index

### FACTS

Strategy inception	1/1/89
Composite inception	1/1/10
Strategy assets	\$163.7M
Composite assets	\$63.3M

### PORTFOLIO CHARACTERISTICS

	Composite	Index
Average maturity	6.78 yrs	11.64 yrs
Average duration	5.20 yrs	8.39 yrs
Average yield	2.17%	2.00%
Average credit quality	BAA2	A3
Average number of issues	369	-

## COMPOSITE PERFORMANCE (%)

	CUMULATIVE RETURN		AVERAGE ANNUALIZED RETURN				
	3 MO	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
<b>GROSS</b>	2.65	0.06	6.61	8.28	6.97	6.79	7.85
<b>NET</b>	2.54	-0.17	6.14	7.80	6.49	6.31	7.37
<b>BENCHMARK</b>	3.32	-1.28	2.99	7.42	4.63	4.92	5.31

## COMPOSITE PERIOD PERFORMANCE (%)

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b>GROSS</b>	14.75	10.19	0.08	7.20	10.81	-2.28	7.60	5.71	17.67	5.22
<b>NET</b>	14.24	9.70	-0.37	6.72	10.32	-2.72	7.13	5.24	17.15	4.75
<b>BENCHMARK</b>	9.35	13.80	-2.11	6.18	5.63	-0.77	7.53	-2.01	9.37	8.35

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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.**



SECTOR DISTRIBUTION (%)		
	Composite	Index
Investment Grade Corporate	47.9	85.4
High Yield Corporate	23.4	-
US Treasuries	15.5	-
Other	7.2	-
Securitized Credit	4.1	-
Government Related	0.3	12.3
Municipals	-	2.3
Cash & Equivalents	1.5	-

CURRENCY DISTRIBUTION (%)		
	Composite	Index
US Dollar	100	100

COUNTRY DISTRIBUTION (%)		
	Composite	Index
United States	90.2	74.6
United Kingdom	1.6	3.7
Australia	1.4	0.5
Cayman Islands	1.2	-
Mexico	0.9	1.1
France	0.8	0.4
Israel	0.7	0.2
Spain	0.6	0.4
Germany	0.6	1.5
Other	2.1	17.5

CREDIT QUALITY (%)		
	Composite	Index
US Treasuries	15.5	-
AAA	1.6	7.6
AA	1.5	16.4
A	10.7	37.4
BAA	43.1	38.7
BA	15.3	-
B	6.0	-
CAA & Lower	0.4	-
Not Rated	4.4	-
Cash & Equivalents	1.5	-

DURATION DISTRIBUTION (%)		
	Composite	Index
Less than 1 Yr.	8.4	1.7
1 to 3 Yrs.	27.9	18.0
3 to 5 Yrs.	18.3	19.5
5 to 7 Yrs.	18.4	12.8
7 to 10 Yrs.	15.1	13.7
10 Yrs. or more	10.3	34.3
Cash & Equivalents	1.5	-

MATURITY DISTRIBUTION (%)		
	Composite	Index
Less than 1 Yr.	7.4	1.7
1 to 3 Yrs.	25.7	17.1
3 to 5 Yrs.	14.8	18.1
5 to 7 Yrs.	15.6	11.1
7 to 10 Yrs.	22.9	15.4
10 Yrs. or more	12.0	36.6
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.*

*The Composite includes all discretionary separate accounts with market values greater than \$20 million managed by Loomis Sayles with the objective of maximizing total return and higher levels of portfolio income through individual security selection with a 50% limit in high yield securities and use of out-of-benchmark sectors including but not limited to emerging market debt, convertibles, government debt, bank loans, and securitized debt (but excluding non-dollar and equity securities). 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 200-600 basis points. The Composite inception date is January 1, 2010. 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](http://www.loomisayles.com).*