World Credit Asset

MANAGEMENT TEAM
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OBJECTIVE
Seeks to maximize return potential by investing in what we consider to be attractive issuers in the global investment grade credit, high yield credit, bank loan, securitized, and emerging markets sectors based on the current phase of the global credit cycle.

BENCHMARK

HIGHLIGHTS
• Multi asset credit (MAC) strategy that seeks to capture credit risk premiums in markets that we believe can offer strong risk-adjusted return potential over a full market cycle
• Asset allocation determined by evaluating the current stage of the global credit cycle and the attractiveness of the various sectors
• Top-down analysis driven by real-time market data, economic releases, and market technicals, coupled with our quantitative models
• Bottom-up analysis is driven by the portfolio management team’s daily interaction with sector teams and the insights the teams generate.

PORTFOLIO CONSTRUCTION
• Duration: 0 to 7 years
• Maximum below investment grade: 100%
• Currency: 10% maximum non-US dollar after hedges
• Leverage: None; not including use of futures for duration and interest rate management

TOP DOWN CREDIT CYCLE THEORY
Categorizing country and region by stage of the credit cycle.

FACTS
Strategy inception 8/1/13
Strategy assets $2,943.9M
Composite assets $1,284.7M

SECTOR RANGES (%)
Investment grade investments
(US & non-US) 0-100
High yield investments
(US & non-US) 0-100
• High yield credit 0-75
• Bank loans 0-75
Securitized
(RMBS/CMBS/ABS) 0-50
Emerging markets 0-50

*Non-US-dollar-denominated investments may not exceed 10% of the Composite excluding The Senior Floating Rate Fund, LLC, which allows for up to 5% of its total assets in senior loans denominated in currencies other than USD.
KEY RISKS


Due to rounding, Sector and Credit Quality 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: Asset-Backed Securities. CMBS: Commercial Mortgage-Backed Securities. RMBS: Residential Mortgage-Backed Securities.

The World Credit Asset Composite includes all discretionary accounts with market values greater than $75 million managed by Loomis Sayles that seek to maximize risk-adjusted returns by allocating across the credit spectrum based on macro analysis of economic regimes and the global credit cycle. Accessing a broad investment opportunity set allows the product team to seek to create a diversified portfolio with what the team believes are the most attractive issuers in the global investment grade credit, high yield credit, bank loan, securitized and emerging markets. Interest rate duration is managed from zero to five years. The Composite was created in 2014. For additional information on this and other Loomis Sayles strategies, please visit our website at www.loomissayles.com.