



# Core Plus Fixed Income

## Management Team

### Portfolio Manager

Peter W. Palfrey, CFA  
Richard G. Raczkowski

### Associate Portfolio Manager

Michael Gladchun

## Objective

Seeks to outperform the Bloomberg US Aggregate Index while maintaining a benchmark-aware risk return objective

## Highlights

- Portfolio guidelines are broad, offering considerable investment flexibility
- Top-down macroeconomic analysis combined with bottom-up security selection helps drive portfolio construction
- Individual investment ideas are evaluated on the basis of their investment return potential and contribution to portfolio risk
- Duration bands: +/- 1.5 years relative to the index
- May invest up to 20% of the portfolio in high yield securities
- May invest up to 10% in non-US dollar denominated securities
- Allocations to emerging markets debt securities are allowed
- Issuer maximum of 5% or the benchmark weight plus 2% (whichever is greater at the time of purchase), Treasuries and GSEs excluded
- Industry maximum of 25% or the benchmark weight plus 10% (whichever is greater at the time of purchase)
- Investment universe typically includes US Treasuries, agencies, mortgage-backed securities (MBS), asset-backed securities (ABS), commercial mortgage-backed securities (CMBS), investment grade corporate bonds, Yankee bonds, high yield corporate bonds, emerging markets debt and non-US dollar bonds

## Benchmark

Bloomberg US Aggregate Index

### Facts

Strategy inception	1/1/86
Composite inception	1/1/89
Strategy assets	\$40,648.4M
Composite assets	\$33,867.9M

### Portfolio Characteristics<sup>^</sup>

	Composite	Index
Average maturity	8.59 yrs	8.17 yrs
Average duration	6.19 yrs	6.00 yrs
Average yield	4.89%	4.37%
Average credit quality	A1	AA3
Average number of issues	412	-
Weighted average coupon	3.47%	3.60%
OAS	61 bps	28 bps

## Composite Performance (%) as of September 30, 2025

	CUMULATIVE RETURN		ANNUALIZED TOTAL RETURN				
	3 MO	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION
<b>GROSS</b>	2.39	7.41	3.70	5.87	0.59	3.31	6.48
<b>NET</b>	2.31	7.14	3.35	5.52	0.28	3.01	6.20
<b>BENCHMARK</b>	2.03	6.13	2.88	4.93	-0.45	1.84	5.31

## Calendar Year Performance (%)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
<b>GROSS</b>	1.19	6.52	-12.23	-0.85	11.49	9.66	-0.25	5.62	7.29	-2.82
<b>NET</b>	0.85	6.16	-12.46	-1.10	11.19	9.36	-0.52	5.33	6.99	-3.08
<b>BENCHMARK</b>	1.25	5.53	-13.01	-1.54	7.51	8.72	0.01	3.54	2.65	0.55

*\*Associate Portfolio Managers do not have discretion over the portfolio*

*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 Advisers Act of 1940. For additional information on this and other Loomis Sayles strategies, please visit our website at [www.loomissayles.com](http://www.loomissayles.com).*

*<sup>^</sup>Performance and risk metrics are calculated on a gross-of-fee basis and do not reflect the deduction of fees and expenses. Please see the Composite trailing returns for standard gross and net performance. Performance data shown represents past performance and is no guarantee of future results. Current performance may be lower or higher than quoted. Returns for one and multi-year periods are annualized. Gross returns are net of trading costs. Net returns are gross returns less effective management fees. Returns may increase or decrease as a result of currency fluctuations. Indices are unmanaged and do not incur fees. It is not possible to invest directly in an index. 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
US Treasurys	35.9	45.4
Securitized Agency	23.9	25.2
Investment Grade Corporate	18.7	23.9
Securitized Credit	9.7	1.2
High Yield Corporate	5.1	-
Non-US Dollar	2.8	-
Government Related	2.1	3.2
Bank Loans	0.4	-
US Agency	0.1	0.6
Municipals	0.1	0.5
Cash & Equivalents	1.3	-

CURRENCY DISTRIBUTION (%)		
	Composite	Index
US Dollar	97.2	100
Developing Countries	2.8	-

COUNTRY DISTRIBUTION (%)		
	Composite	Index
United States	81.6	93.4
Cayman Islands	3.8	-
Brazil	2.3	0.1
Mexico	1.8	0.3
United Kingdom	1.2	0.9
Uruguay	1.0	0.1
Chile	1.0	0.1
Germany	0.8	0.3
France	0.7	0.1
Other	5.8	4.7

CREDIT QUALITY (%)		
	Composite	Index
US Treasurys	35.9	45.4
AAA	4.7	3.6
AA	26.9	29.9
A	7.9	11.3
BAA	16.2	9.8
BA	6.1	-
B	0.4	-
CAA & Lower	0.1	-
Not Rated	0.5	-
Cash & Equivalents	1.3	-

DURATION DISTRIBUTION (%)		
	Composite	Index
Less than 1 Yr.	0.8	1.6
1 to 3 Yrs.	26.6	26.6
3 to 5 Yrs.	19.2	22.5
5 to 7 Yrs.	20.4	17.0
7 to 10 Yrs.	15.0	16.0
10 Yrs. or more	16.6	16.3
Cash & Equivalents	1.3	-

MATURITY DISTRIBUTION (%)		
	Composite	Index
Less than 1 Yr.	6.6	1.1
1 to 3 Yrs.	13.9	23.2
3 to 5 Yrs.	17.7	20.1
5 to 7 Yrs.	15.6	13.3
7 to 10 Yrs.	22.3	24.1
10 Yrs. or more	22.7	18.2
Cash & Equivalents	1.3	-

## 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 investment guidelines which seek a maximum total return and allow a limited, yet discretionary, use of non-investment grade issues (greater than 10% up to a maximum of 25%). Investment in other non-benchmark sectors are also utilized, including non-USD denominated securities (typically ranging between 5% and 20%). As of 1/1/2021 the Composite was redefined to include commingled vehicles, previously only separate accounts were included. Prior to June 1, 2015 the Composite minimum account size requirement was \$5 million. The Composite inception date is January 1, 1989. The Composite was created in 1993. For additional information on this and other Loomis Sayles strategies, please visit our web site at [www.loomisayles.com](http://www.loomisayles.com).*