Alpha Strategies Team

Emerging Markets Debt Blended Total Return

PERFORMANCE AS OF 07/2026	1M	3M	YTD	1Y	3Y	5Y	7Y	INCEPTION[2]
Composite (gross)	-0.50%	1.47%	4.53%	11.45%	9.34%	2.16%	4.02%	3.62%
Composite (net)	-0.55%	1.31%	4.13%	10.74%	8.64%	1.55%	3.45%	3.06%
Blended Index[1]	-0.54%	0.65%	1.82%	7.73%	7.69%	2.38%	2.70%	3.46%
Excess return (gross)	0.04%	0.82%	2.71%	3.72%	1.65%	-0.21%	1.32%	0.16%
Excess return (net)	-0.02%	0.66%	2.32%	3.01%	0.95%	-0.82%	0.74%	-0.40%

Data Source: Loomis Sayles, as of 07/31/2026. Returns for 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.

[1] The Blended Index is 1/3 JPM EMBI; 1/3 JPM GBI-EM; 1/3 JPM CEMBI. Indices are unmanaged and do not incur fees. It is not possible to invest directly in an index.

[2] The Emerging Markets Debt Blended Total Return Composite Inception Date is 03/01/2017.

Past performance is no guarantee of future results

EM Credit & FX Regime Identification

The panel below illustrates the current 'regimes' we are in, either risk-on or risk-off for EM Credit and EM FX, respectively. The regimes strongly influence (but do not mechanistically dictate) top-down asset allocation. Through our research, we have also found that the majority of value-add can typically be captured within the first six months of a signal switching, which is why we include the date at which the respective signal last changed. The additional information relates to what is driving the current regimes (value and momentum signals) and the directional trend.

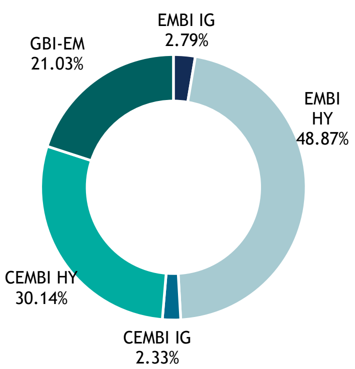
SIGNAL	REGIME[2]	VALUE SIGNAL	SHIFT DATE	TREND	MOMENTUM SIGNAL	SHIFT DATE	TREND
EM CREDIT[1]	RISK-ON	+	03/20/26	IMPROVING	-	07/24/26	IMPROVING
EM FX	RISK-ON	-	07/17/26	IMPROVING	+	07/31/26	IMPROVING

Data Source: Loomis Sayles, as of 07/31/2026

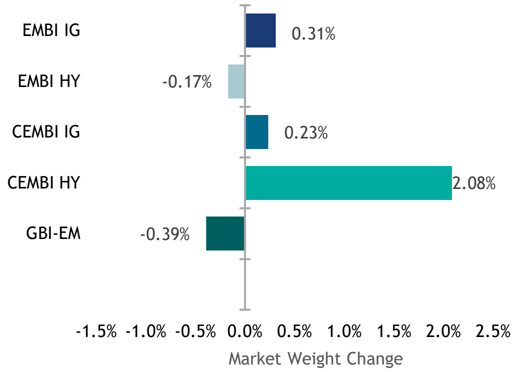
[1] EM Credit (sovereign and corporate) [2] Risk-On = Value OR Momentum (+). Risk-Off = Value AND Momentum (-). The table presented above is shown for illustrative purposes only. Views and opinions expressed are as of the date indicated and are subject to change at any time without notice. Other industry analysts and investment personnel may have different views and opinions.

Asset Class Exposure

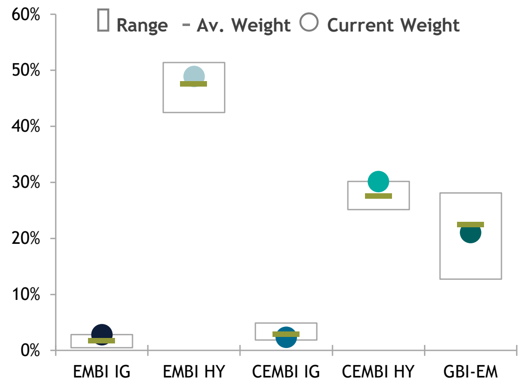
CURRENT WEIGHTS



1-MONTH MARKET WEIGHT CHANGE



12-MONTH WEIGHT CHANGE



■ Hard Currency Sov. IG (JPM EMBI IG) ■ Hard Currency Sov. HY (JPM EMBI HY) ■ Hard Currency Corp. IG (JPM CEMBI IG) ■ Hard Currency Corp. HY (JPM CEMBI HY) ■ Local Currency Sov. (JPM GBI-EM)

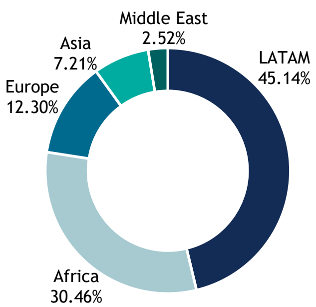
Data Source: Loomis Sayles, as of 07/31/2026. Due to active management, characteristics evolve over time. Due to rounding, totals may not equal 100%. Indices are unmanaged and do not incur fees. It is not possible to invest directly in an index. The charts presented above are shown for illustrative purposes only.

Past performance is no guarantee of future results. Please see important disclosure page, an integral part of this presentation, which follows.

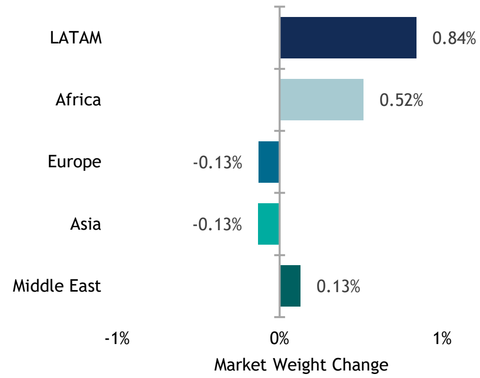
Regional Exposures

■ Latin America (LATAM) ■ Africa ■ Europe ■ Asia ■ United States   ▯ Range – Av. Weight ○ Current Weight

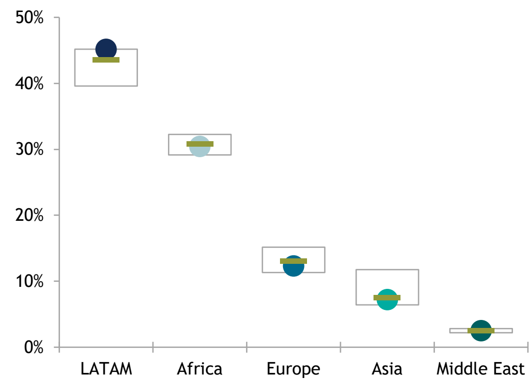
TOP 5 REGION OF RISK (MARKET WEIGHT%)



1-MONTH MARKET WEIGHT CHANGE



12-MONTH PORTFOLIO WEIGHT RANGE



Data Source: Loomis Sayles, as of 07/31/2026. Due to active management, characteristics evolve over time. Due to rounding, totals may not equal 100%. The charts presented above are shown for illustrative purposes only.

Past performance is no guarantee of future results

Commentary

JULY POSITIONING

- We entered July with a constructive outlook, while maintaining a clear preference for idiosyncratic reform stories over passive emerging market (EM) beta. Our highest conviction exposures included Argentina, Turkey, Egypt, Nigeria, and Ivory Coast, where improving policy credibility, fiscal adjustment, and reform momentum offered the potential for continued spread compression independent of broader market direction.
- We remained focused on frontier hard currency and local currency sovereigns, which we viewed as one of the more attractive potential sources of alpha within the emerging market debt (EMD) universe in a risk-on environment. The combination of elevated carry, improving credit fundamentals, and declining refinancing concerns continued to provide a compelling risk-reward profile, in our view. In local markets, high real yields and the prospect of eventual US dollar weakness created a constructive medium-term opportunity for investors.
- Positioning reflected the view that EM carry remained underappreciated relative to developed market (DM) fixed income alternatives. Despite tighter spreads across parts of the asset class, yields remained historically attractive and continued to offer the potential for meaningful income generation, particularly in BB/B sovereign and local market sectors.
- We anticipated that geopolitical developments would remain the primary macro risk factor. Renewed US-Iran hostilities, uncertainty surrounding the Strait of Hormuz, and elevated oil prices had the potential to generate volatility across rates, currencies, and inflation expectations. As a result, the team emphasized countries where carry and fundamentals could help offset periods of headline-driven risk aversion.
- We viewed net long US dollar (USD) positioning as increasingly crowded, reaching levels last observed during the dollar rally of late 2024. Markets were broadly positioned for a return to US exceptionalism and additional Federal Reserve (Fed) tightening, leaving investors vulnerable to a reversal should inflation moderate or Fed communication become less hawkish than expected.
- We remained constructive on EM technicals. The asset class continued to attract institutional capital through both primary and secondary markets, supported by oversubscribed issuance, favorable supply dynamics, and investor demand for income at attractive all-in yields (~8-10%). The team viewed these technical conditions as an important stabilizer during periods of volatility.
- Overall, July positioning was built around three themes: carry, reform, and de-escalation optionality. The portfolio management team sought to balance income generation with exposure to countries capable of benefiting from improving fundamentals, while maintaining flexibility to capture upside should geopolitical tensions ease, the dollar weaken, or global investors continue reallocating toward higher-yielding EM assets.
- Strategy beta was approximately 1.5.

Source: Loomis, Sayles & Co; Bloomberg

^ The Blended Index is 1/3 JPM EMBI; 1/3 JPM GBI-EM; 1/3 JPM CEMBI. Indices are unmanaged and do not incur fees. It is not possible to invest directly in an index.

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.

Views and opinions expressed reflect the current opinions of the Emerging Markets Debt Blended Total Return Team, and views are subject to change at any time without notice. Other industry analysts and investment personnel may have different views and opinions.

Past performance is no guarantee of future results.

Please see important disclosure page, an integral part of this presentation, which follows.

Commentary (cont'd)

HOW DID JULY UNFOLD

- July was dominated by a balance between escalating Middle East risks and improving EM technicals. The rally in oil prices produced clear "winners" and "losers", with exporting countries in Latin America (LatAm) and Africa outperforming importing countries in Asia. EM market technicals strengthened materially during the second half of July, supported by improved flows and oversubscribed issuance.
- With EM foreign exchange (FX) markets shifting back toward a risk-off environment, we reduced strategy beta to approximately 1.3 in early July by trimming local and frontier sovereign exposures and reallocating to BB/BBB corporates and quasi-sovereigns. This repositioning also reduced duration.
- The market narrative shifted repeatedly throughout the month, moving from stronger employment data and concerns over additional Fed tightening to softer Consumer Price Index (CPI) and Producer Price Index (PPI) data and easing inflation expectations.
- Fed communication became the defining macro event, as Chair Warsh reduced explicit forward guidance, contributing to a steeper US Treasury curve and a weaker dollar.
- EM local markets experienced increased volatility as investors recalibrated expectations for Fed policy and the dollar, but ended the month with positive total returns, led by LatAm FX, particularly Colombia.
- Institutional capital increasingly differentiated among countries rather than treating EM debt as a homogeneous asset class.
- By month-end, market sensitivity to geopolitical headlines appeared to be declining.
- EM credit outperformed DM credit despite elevated Middle East tensions and macroeconomic volatility. The strategy's bias toward higher-yielding EM credit benefited from persistent demand for carry.
- Frontier sovereigns and local debt remained the primary anticipated alpha drivers heading into August.

AUGUST EXPECTED POSITIONING[1]

- Strategy beta remains approximately 1.3 following the July rebalance, and the portfolio management team is positioned with full risk-on exposure across EM credit and FX. The team maintains a constructive EMD outlook, with an emphasis on carry, reform-oriented opportunities, and selective high-yield exposures.
- Frontier hard currency sovereigns remain our highest-conviction source of alpha potential.
- Local currency sovereign debt remains a key allocation, supported by softer dollar momentum and high real yields. The portfolio management team believes crowded USD positioning remains vulnerable to further unwinds should signs of disinflation emerge, including in wage growth and oil prices.
- Energy markets appear less disruptive than investors feared in July, and average monthly prices are trending lower. In the team's view, diplomatic developments are exerting a greater influence than hawkish rhetoric.
- Strategy construction increasingly differentiates between countries exposed to emerging El Niño risks, and the portfolio management team will monitor potential effects on Latin American inflation dynamics in the coming months.
- Key macroeconomic factors remain Fed communication, inflation data, and the path of the dollar. The portfolio management team believes the current environment of a Federal Reserve on hold and a stable-to-weaker dollar remains supportive ahead of September's Federal Open Market Committee (FOMC) meeting.
- Key return drivers for the month ahead include US rates volatility, long-duration US Treasuries (30-year), US investment grade (IG) corporates associated with artificial intelligence (AI) issuance, EM FX volatility, and industrial metals linked to AI-related capital expenditure.

[1] *As of 08/08/2026*
Source: Loomis, Sayles & Co; Bloomberg

Past performance is no guarantee of future results.
Please see important disclosure page, an integral part of this presentation, which follows.

Important Disclosure

Past performance is no guarantee of future results.

There is no guarantee that the investment objective will be realized or that the strategy will generate positive or excess return.

Any investment that has the possibility for profits also has the possibility of losses, including the loss of principal .

Key Risks:
Credit Risk, Issuer Risk, Interest Rate Risk, Liquidity Risk, Non-US Securities Risk, Currency Risk, Derivatives Risk, Leverage Risk, Counterparty Risk, Prepayment Risk and Extension Risk.

Indices are unmanaged and do not incur fees. It is not possible to invest directly in an index.

Commodity, interest and derivative trading involves substantial risk of loss. This is not an offer of, or a solicitation of an offer for, any investment strategy or product.

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

Charts and tables are created by Loomis Sayles for illustrative purposes only. Our analysis is based on data obtained from outside sources and we believe that it is correct. However, Loomis Sayles cannot guarantee accuracy of third-party data.

This marketing communication is provided for informational purposes only and should not be construed as investment advice. Any opinions or forecasts contained herein, reflect the subjective judgments and assumptions of the authors only, and do not necessarily reflect the views of Loomis, Sayles & Company, L.P. Investment recommendations may be inconsistent with these opinions. Investment decisions should consider the individual circumstances of the particular investor. There is no assurance that developments will transpire as forecasted and actual results will be different. Information, including that obtained from outside sources, is believed to be correct, but Loomis cannot guarantee its accuracy. This information is subject to change at any time without notice.

For additional information about Loomis Sayles strategies, please visit www.loomissayles.com

Meet the Team

ANDREA DICENSO
Portfolio Manager

PETER YANULIS
Portfolio Manager

ALEX THOMPSON
Investment Director