

# Core Plus Bond Strategy

## June 2021

### OBJECTIVE

The Core Plus Strategy seeks to outperform the Bloomberg Barclays Aggregate Index through a corporate credit focused approach.

### INVESTMENT STRATEGY

The Strategy seeks its objective by investing primarily in investment grade corporate bonds, with the ability to invest up to 40% in non-investment grade sectors, primarily high yield bonds and bank loans rated BB/B. The Strategy maintains a duration range of +/- two years to that of the Bloomberg Barclays Aggregate Index.

### DIFFERENTIATING FEATURES

We focus on fundamental corporate credit research across the credit spectrum. Our single integrated research and portfolio management team's coverage through the capital structure provides the perspective to identify opportunities and relative value through all areas of the credit markets.

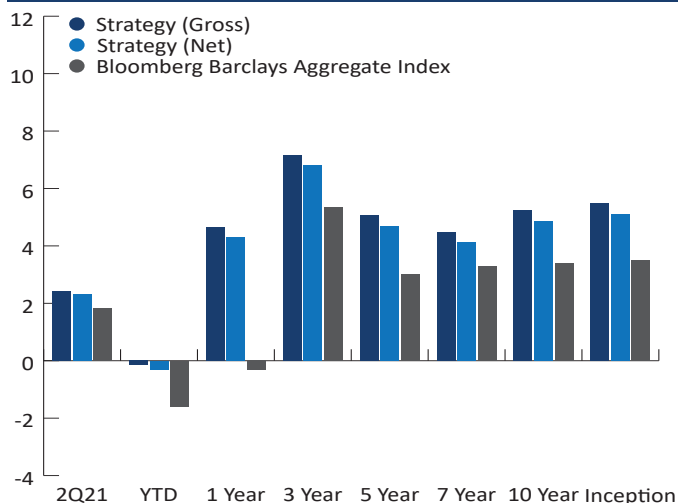
Investment team consists of 22 professionals who, on average, have 17 years investment experience and have worked together for over 9 years.

### STRATEGY BENEFITS

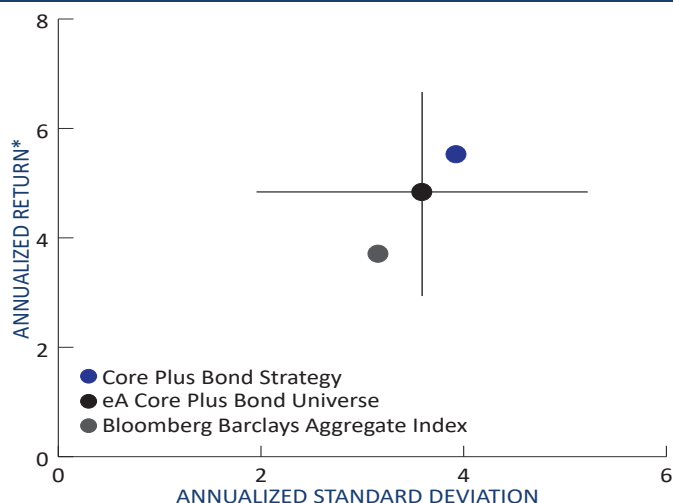
The Strategy provides investors a corporate credit focused portfolio with the ability to invest through the entire capital structure.

This flexible approach provides access to our investment team's expertise throughout the credit spectrum in managing Investment Grade, High Yield, and Bank Loan securities.

### HISTORICAL RETURNS



### RISK-REWARD ANALYSIS



ANNUALIZED - ENDING 2Q21	2Q21	YTD	1 Year	3 Year	5 Year	7 Year	10 Year	INCEPTION
Core Plus Bond Strategy (Gross)	2.41	-0.14	4.66	7.17	5.06	4.48	5.24	5.48
Core Plus Bond Strategy (Net)	2.32	-0.31	4.29	6.80	4.70	4.11	4.87	5.12
Bloomberg Barclays Aggregate Index	1.83	-1.60	-0.33	5.34	3.03	3.28	3.39	3.49

CALENDAR YEAR RETURNS	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Core Plus Bond Strategy (Gross)	9.70	11.86	-1.18	5.78	6.01	0.03	5.36	1.77	10.46	8.89
Core Plus Bond Strategy (Net)	9.32	11.47	-1.52	5.41	5.64	-0.32	4.99	1.42	10.08	8.52
Bloomberg Barclays Aggregate Index	7.51	8.72	0.01	3.54	2.65	0.55	5.97	-2.02	4.22	7.84

Inception of the Core Plus Strategy was January 2011. Past performance is not indicative of future results. Indexes are unmanaged and unavailable for investment. Gross-of-fee returns are presented before management fees but after all trading expenses. Net-of-fee returns are presented after management fees and trading expenses. \* Risk/Reward Analysis chart provides annualized inception return and annualized inception standard deviation. Risk/Reward Analysis performance represents gross-of-fee returns.

# Core Plus Bond Strategy

## June 2021



### Inception

January 2011

### Benchmark

Bloomberg Barclays U.S. Aggregate Index

### Strategy Assets

\$ 1,818m

### Portfolio Managers (experience)

David Weismiller, CFA (24 years)

Brian Robertson, CFA (18 years)

Michael Marzouk, CFA (24 years)

## SINCE INCEPTION

### RISK-REWARD STATISTICS

	Strategy	Index
Standard Deviation	4.03	3.26
Beta	0.77	1.00
Sharpe Ratio	1.22	0.90
Information Ratio	0.61	N/A
Upside Capture	130.22	N/A
Downside Capture	55.80	N/A

Source: eVestment, as of 6/30/2021

Pacific Asset Management claims compliance with the Global Investment Performance Standards (GIPS®).

**FIRM DEFINITION** - Pacific Asset Management LLC, specializes in institutional fixed income management with a focus on corporate credit. The Firm definition changed on December 31, 2019. Prior to that date, the firm definition referred to Pacific Asset Management, a business division of Pacific Life Fund Advisors LLC ("PLFA"). As part of an internal restructuring initiative, the business division of PLFA, known as Pacific Asset Management, was reorganized into Pacific Asset Management LLC, an SEC registered investment adviser and an indirect wholly-owned subsidiary of Pacific Life Insurance Company (Pacific Life).

**COMPOSITE DESCRIPTION** - The Core Plus Strategy consists of fixed income portfolios comprised primarily of corporate bonds.

**RETURNS** - presented gross and net of fees.

**BENCHMARK DESCRIPTION** - The Bloomberg Barclays Aggregate Index covers the U.S. investment grade fixed income bond market.

**CURRENCY** - Valuations are computed and performance is reported in U.S. dollars.

**OBTAINING A COMPLIANT PRESENTATION** along with a list of the firms composite descriptions can be obtained by emailing [compliance@PacificAM.com](mailto:compliance@PacificAM.com).

### CHARACTERISTICS

	Strategy	Index
Duration	5.13	6.58
Yield to maturity (%)	2.58	1.51
Yield to worst (%)	2.52	1.50
Average maturity	10.86	8.53
Average price	102.67	106.24
Average quality	A-	AA+/AA
Average coupon (%)	2.83	2.55
# of issues	347	12,200
# of issuers	239	1,068

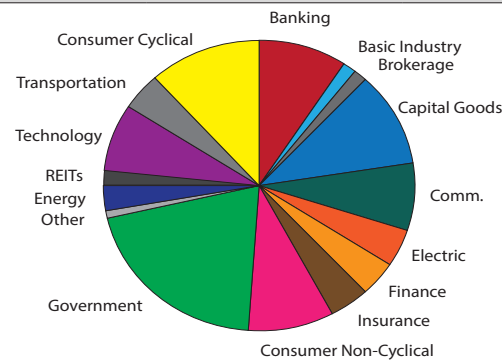
### CREDIT QUALITY (%)

Cash	2	0
AAA	30	71
AA	4	3
A	9	11
BBB	29	15
BB	13	0
B	12	0
CCC or below	0	0

### ASSET BREAKDOWN (%)

Government & Agency	15	44
Corporate	36	27
High Yield	9	0
Bank Loans	19	0
ABS	18	0
CMBS	0	2
Agency MBS	1	27
Cash	2	0

### SECTOR BREAKDOWN



### IMPORTANT NOTES AND DISCLOSURES

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