

# US CORPORATE FIXED INCOME

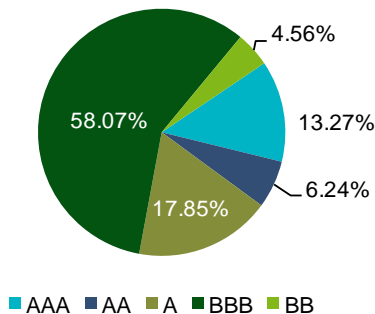


December 31, 2018  
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## SECTOR ALLOCATION<sup>1</sup>

	Portfolio	Benchmark
Industrial	49.64%	50.43%
Financial	27.70%	27.42%
Agency	7.45%	4.86%
Treasury	7.43%	0.00%
Utility	6.78%	6.00%
Sov'n & Supra	0.53%	8.21%
Cash & Equiv	0.29%	0.00%
ABS	0.18%	0.00%
Local Auth	0.00%	3.09%

## QUALITY<sup>1</sup>



## COMPOSITE INFORMATION

GIPS inception date	September 1, 2010
Strategy assets	\$2,862.4m
Composite assets	\$75.2m
Benchmark	Bloomberg Barclays US Credit Index

## STRATEGY OBJECTIVE

- Maximize risk-adjusted total return combining income and capital appreciation

## STRATEGY HIGHLIGHTS

- Invests in a diversified portfolio of US investment-grade fixed income securities
- Dynamic sector allocation and security selection
- Ability to invest in out-of-benchmark sectors
- Typically targets +/- 1 year versus benchmark duration

## RISK RETURN STATISTICS (5 YEAR)

	Composite
Alpha	0.63
Beta	1.03
Excess return	0.71
Standard deviation	3.74
Sharpe ratio	0.92
Tracking error	0.87
Information ratio	0.82
Up-market capture	105.79
Down-market capture	90.71

## CHARACTERISTICS<sup>1</sup>

	Portfolio	Benchmark
Effective duration (yrs)	6.74	6.87
Average maturity (yrs)	11.17	10.30
Average quality	A3/BAA1	A2/A3
Yield to worst (%)	4.39	4.09
Below IG (%)	4.56	0.00

## PERFORMANCE

	Annualized					
	Q4	YTD	1 Yr	3 Yrs	5 Yrs	SI
US corporate composite (gross)	-0.38%	-2.26%	-2.26%	3.98%	3.93%	4.74%
US corporate composite (net)	-0.47%	-2.60%	-2.60%	3.61%	3.57%	4.38%
Bloomberg Barclays US Credit Index	0.01%	-2.11%	-2.11%	3.16%	3.22%	3.61%

## CALENDAR-YEAR PERFORMANCE

	2018	2017	2016	2015	2014	2013
US corporate composite (gross)	-2.26%	7.06%	7.42%	-0.92%	8.86%	-0.24%
US corporate composite (net)	-2.60%	6.69%	7.05%	-1.27%	8.49%	-0.59%
Bloomberg Barclays US Credit Index	-2.11%	6.18%	5.63%	-0.77%	7.53%	-2.01%

## FIXED INCOME GROUP

	Years experience
<b>Lead portfolio manager</b>	
Jesse L. Fogarty, CFA, FRM	25
115 investment professionals	Avg. 17

## ABOUT INSIGHT INVESTMENT

Insight Investment is a leading investment manager with key operations in London, New York and Sydney. Through its predecessor companies, Insight has over a 25-year history in North America and manages \$791bn<sup>2</sup> globally. It is built on three main pillars: fixed income; absolute return and unconstrained investment; and risk management solutions:

- Insight's global fixed income team has a demonstrated, long-term track record both for performance and innovation.
- Risk management solutions have played a significant role in the Insight story. In Europe, members of Insight were pioneers in liability-driven investment.
- Insight has been managing currency risk for two decades.
- Insight has a decade-long history of applying institutional quality processes and governance to absolute return and unconstrained mandates.
- We understand the complex requirements of insurers through substantive team experience.

Source: Insight Investment, as of December 31, 2018. **Past performance is not indicative of future results. Investment in any strategy involves a risk of loss which may partly be due to exchange rate fluctuations.** The performance results shown are net and gross of investment management fees and reflect the reinvestment of dividends and/or income and other earnings. Gross of fees performance results do not reflect the deduction of investment advisory fees; as such, client's returns will be reduced by the investment advisory fees and other expenses. The quoted benchmark does not reflect deductions for fees, expenses or taxes. The benchmark is unmanaged and does not reflect actual trading. There could be material factors relevant to any such comparison such as differences in the volatility, and regulatory and legal restrictions between the index shown and the strategy. Please refer to the important disclosures at the back of this presentation.<sup>1</sup>The portfolio information shown above is that of a representative portfolio from the US Corporate Fixed Income composite. <sup>2</sup>Insight's assets under management (AUM) are represented by the value of cash securities and other economic exposures, and are calculated on a gross notional basis. Insight North America (INA) is part of "Insight" or "Insight Investment", the corporate brand for certain asset management companies operated by Insight Investment Management Limited including, among others, Insight Investment Management (Global) Limited and Insight Investment International Limited. Advisory services referenced herein are available in the US only through INA. Figures shown in USD. FX rates as per WM Reuters 4pm spot rates.

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### Firm-wide disclosures

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### USC5004: GIPS® - US Corporate Fixed Income

The investment objective of our US corporate fixed income strategy, formerly known as the Corporate strategy, is to maximize risk-adjusted total return with a combination of income and capital appreciation. The portfolio seeks to achieve its objective by primarily investing in a diversified portfolio of investment-grade fixed income securities while managing duration within +/- 20% of its benchmark, the Barclays US Credit index. This is an unmanaged index considered representative of publicly issued, SEC-registered US corporate and specified foreign debentures and secured notes. Composite guidelines allow for out of benchmark allocations. Portfolio strategy will focus on active portfolio management with emphasis on sector allocation and security selection. Both the creation and inception date of this composite was September 1, 2010. The management fee schedule for this composite is as follows: 0.35% on the first \$25 million, 0.30% on the next \$25 million and 0.25% thereafter. All fees are subject to negotiation and are dependent on account services provided and size of portfolio. Actual investment advisory fees incurred by clients may vary. Composite net of fee returns are calculated by deducting the highest rate from the standard fee schedule shown above from the monthly gross composite returns. Client returns will be reduced by investment management fees. Actual fees for new accounts are dependent upon size and any fee or fee schedule applied to existing or prospective clients is subject to negotiation.