



Fixed Income Sector Performance

ANNUAL PERIODS										ANNUALIZED		
2015	2016	2017	2018	2019	2020	2021	2022	2023	2024 YTD	3-YEAR	5-YEAR	10-YEAR
Muni 3.55%	High Yield 17.49%	Emerging Mkts 13.55%	Term Loans 3.65%	High Yield 14.4%	TIPS 11.53%	TIPS 6.04%	Term Loan -1.06%	Emerging Mkts 14.24%	Term Loan 2.52%	Term Loan 5.81%	Term Loan 5.30%	Term Loan 4.56%
Real Estate 1.55%	Emerging Mkts 10.41%	Global Credit 9.26%	ABS 2.24%	Invest Grade 14.2%	Global Credit 10.33%	Term Loan 5.40%	ABS -3.77%	High Yield 13.46%	CMBS 1.76%	High Yield 2.21%	High Yield 4.03%	High Yield 4.36%
MBS 1.46%	Term Loans 9.88%	High Yield 7.47%	Agency 1.37%	Emerging Mkts 13.7%	Invest Grade 9.81%	High Yield 5.36%	Agency -8.20%	Term Loan 13.04%	High Yield 1.51%	ABS 1.35%	TIPS 2.41%	Real Estate 2.93%
CMBS 1.13%	Invest Grade 5.96%	Invest Grade 6.47%	CMBS 1.28%	Real Estate 12.2%	Real Estate 8.43%	Muni 1.83%	Muni -9.04%	Global Credit 9.48%	ABS 1.36%	Muni -0.44%	ABS 2.06%	Muni 2.71%
Agency 0.99%	TIPS 4.85%	Real Estate 5.66%	Muni 1.04%	Global Credit 11.4%	Treasury 8.22%	ABS 0.50%	CMBS -10.20%	Invest Grade 8.40%	Real Estate 0.38%	Emerging Mkts -0.58%	Real Estate 1.74%	Invest Grade 2.67%
Treasury 0.51%	Real Estate 4.72%	Muni 5.42%	MBS 1.00%	TIPS 8.8%	CMBS 6.76%	Real Estate -0.03%	High Yield -11.22%	Real Estate 8.25%	Agency 0.09%	TIPS -0.69%	Invest Grade 1.62%	TIPS 2.25%
ABS 0.42%	Global Credit 4.27%	Term Loans 3.85%	Treasury 0.80%	Term Loans 8.2%	High Yield 6.17%	CMBS -0.33%	MBS -11.88%	Muni 6.50%	TIPS 0.02%	Agency -1.01%	Muni 1.61%	ABS 1.94%
Term Loans -0.38%	CMBS 3.24%	CMBS 3.34%	Real Estate -0.12%	CMBS 8.0%	Agency 5.75%	Invest Grade -0.95%	TIPS -12.61%	ABS 6.44%	Invest Grade -0.08%	CMBS -1.06%	CMBS 1.32%	CMBS 1.75%
Invest Grade -0.63%	ABS 1.97%	TIPS 3.34%	TIPS -1.50%	Muni 7.7%	Muni 5.26%	Agency -1.15%	Treasury -12.85%	MBS 4.98%	Muni -0.32%	Real Estate -1.18%	Emerging Mkts 0.99%	Agency 1.52%
TIPS -1.71%	MBS 1.67%	Treasury 2.54%	Invest Grade -2.25%	Treasury 7.0%	MBS 4.09%	MBS -1.21%	Real Estate -14.10%	Agency 4.90%	Emerging Mkts -0.62%	Invest Grade -1.70%	Agency 0.93%	Global Credit 1.40%
Global Credit -3.77%	Agency 1.50%	MBS 2.44%	High Yield -2.26%	MBS 6.5%	ABS 3.48%	Treasury -2.38%	Emerging Mkts -14.29%	CMBS 4.71%	Global Credit -0.72%	Global Credit -2.79%	Global Credit 0.74%	MBS 1.11%
High Yield -4.64%	Treasury 1.02%	ABS 2.32%	Global Credit -3.48%	Agency 5.9%	Term Loans 2.78%	Global Credit -2.95%	Invest Grade -15.44%	Treasury 3.87%	Treasury -0.94%	Treasury -2.82%	Treasury -0.16%	Treasury 1.08%
Emerging Mkts -9.80%	Muni 0.44%	Agency 2.14%	Emerging Mkts -5.82%	ABS 3.8%	Emerging Mkts 2.73%	Emerging Mkts -4.67%	Global Credit -16.69%	TIPS 3.59%	MBS -1.07%	MBS -2.93%	MBS -0.40%	Emerging Mkts 0.40%

Source: Merrill Lynch, ABS: BofA Merrill Lynch U.S. Fixed & Floating Rate Asset Backed Securities Index, Agency: BofA Merrill Lynch U.S. Agency Index, CMBS: BofA Merrill Lynch U.S. Fixed Rate CMBS Index, Emerging Markets: PIMCO Emerging Markets Advantage Local Currency Bond Index, Global Credit: BofA Merrill Lynch Global Corporate Index, High Yield: BofA Merrill Lynch U.S. High Yield Index, Investment Grade: BofA Merrill Lynch U.S. Corp Master, MBS: BofA Merrill Lynch U.S. Mortgage Backed Securities Index, Muni: BofA Merrill Lynch U.S. Municipal Securities Index, REIT: BofA Merrill Lynch U.S. Real Estate Index, TIPS: BofA Merrill Lynch U.S. Inflation-Linked Treasury Index, Term Loans: Credit Suisse Leverage Loan Index, Treasury: BofA Merrill Lynch Liquid U.S. Treasury Index

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Sector Descriptions

ABS	Asset-Backed Securities - A security whose income payments and value are derived from and collateralized (or backed) by a specified pool of underlying assets. The pool of assets is typically a group of small and illiquid assets which are unable to be sold individually.
Agency	Agency - Debt issued by a federal agency or a government-sponsored enterprise (GSE) for financing purposes. These types of debentures are not backed by collateral, but by the integrity and credit worthiness of the issuer. Officially, agency debentures issued by a Federal Agency are backed by the full faith and credit of the United States government.
CMBS	Commercial Mortgage-Backed Securities (CMBS) - A type of mortgage-backed security backed by commercial mortgages rather than residential real estate. CMBS tend to be more complex and volatile than residential mortgage-backed securities due to the unique nature of the underlying property assets.
Emerging Markets	Emerging Markets - International government bonds issued by emerging market countries that are considered sovereign (issued in something other than local currency) and that meet specific liquidity and structural requirements.
Global Credit	Global Credit - A global bond may be issued in the domestic currency, but the same issue may be offered in several countries at the same time. Global bonds may be traded either in domestic or foreign markets.
High Yield	High Yield - A high-yield corporate or credit bond is a high-income paying bond with a below investment grade rating. Because of the higher risk of default, these bonds pay a higher yield than investment grade bonds.
Investment Grade	Investment Grade - Bonds issued by corporations which are rated BBB- or higher by Standard & Poor's or Baa3 by Moody's. These corporate bonds have a relatively low risk of default.
MBS	Mortgage-Backed Securities (MBS) - A bond secured by a residential mortgage or collection of these mortgages. These bonds can be issued by either GNMA, Fannie Mae or Freddie Mac and have maturities of either 15, 20 or 30 years
Muni	Municipal Bonds (Muni)- A municipal bond is a debt security issued by a state, municipality or county to finance its capital expenditures. Municipal bonds are exempt from federal taxes and from most state and local taxes, especially if the holder resides in the state of issue.
Real Estate	Real Estate - Real estate is property made up of land and the buildings on it, as well as the natural resources of the land, including uncultivated flora and fauna, farmed crops and livestock, water and mineral deposits.
Term Loans	Term Loans - A term loan is a loan to a corporation which generally has a floating interest rate, is senior in the capital structure and is secured by a pledge of assets as collateral in the event of default.
TIPS	Treasury Inflation Protected Securities (TIPS) - A treasury security that is indexed to inflation in order to protect investors from the negative effects of inflation. TIPS are considered an extremely low-risk investment since they are backed by the U.S. government and since their par value rises with inflation, as measured by the Consumer Price Index, while their interest rate remains fixed.
Treasury	Treasury - A treasury instrument is a marketable, fixed-interest U.S. government debt obligation. Treasury securities make interest payments semi-annually and the income that holders receive is only taxed at the federal level.

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There are special considerations associated with international investing, including the risk of currency fluctuations and political and economic events. Investing in emerging markets may involve greater risk and volatility than investing in more developed countries. When investing in real estate companies, property values can fall due to environmental, economic, or other reasons, and changes in interest rates can negatively impact the performance. When investing in bonds, it is important to note that as interest rates rise, bond prices will fall. High yield bonds have greater credit risk than higher quality bonds.

The BofA Merrill Lynch U.S. Fixed & Floating Rate Asset Backed Securities Index tracks the performance of U.S. dollar denominated investment grade asset backed securities publicly issued in the U.S. domestic market. Index constituents are capitalization-weighted based on their current amount outstanding times the market price plus accrued interest. Accrued interest is calculated assuming same-day settlement.

The BofA Merrill Lynch U.S. Agency Index tracks the performance of U.S. dollar denominated U.S. agency senior debt issued in the U.S. domestic market. The BofA Merrill Lynch U.S. Fixed Rate CMBS Index tracks the performance of U.S. dollar denominated investment grade fixed rate commercial mortgage backed securities publicly issued in the U.S. domestic market. Index constituents are capitalization-weighted based on their current amount outstanding times the market price plus accrued interest.

The PIMCO Emerging Markets Advantage Local Currency Bond Index tracks the performance of a GDP-weighted basket of locally-denominated government debt and currencies of emerging market countries. A country's weight in the index is set initially, and reset annually on October 31 of each year, to the ratio of its average world GDP weight over the last five years to the total of the same for all countries included in the index.

The BofA Merrill Lynch Global Corporate Index tracks the performance of investment grade corporate debt publicly issued in the major domestic and eurobond markets. The BofA Merrill Lynch U.S. High Yield Index tracks the performance of U.S. dollar denominated below investment grade corporate debt publicly issued in the U.S. domestic market.

The BofA Merrill Lynch U.S. Corporate Index tracks the performance of U.S. dollar denominated investment grade corporate debt publicly issued in the U.S. domestic market. Index constituents are capitalization-weighted based on their current amount outstanding times the market price plus accrued interest.

The BofA Merrill Lynch U.S. Mortgage Backed Securities Index tracks the performance of U.S. dollar denominated fixed rate and hybrid residential mortgage pass-through securities publicly issued by U.S. agencies in the U.S. domestic market.

The BofA Merrill Lynch U.S. Municipal Securities Index tracks the performance of U.S. dollar denominated investment grade tax-exempt debt publicly issued by U.S. states and territories, and their political subdivisions, in the U.S. domestic market. Index constituents are capitalization-weighted based on their current amount outstanding times the market price plus accrued interest.

The BofA Merrill Lynch U.S. Real Estate Index is a subset of The BofA Merrill Lynch U.S. Corporate Index including all securities of Real Estate issuers.

The BofA Merrill Lynch U.S. Inflation-Linked Treasury Index tracks the performance of U.S. dollar denominated inflation-linked sovereign debt publicly issued by the U.S. government in its domestic market.

The Credit Suisse Leveraged Loan Index is designed to mirror the investable universe of the U.S. dollar-denominated leveraged loan market. Loans are removed from the index when they are upgraded to investment grade or when they exit the market.

The BofA Merrill Lynch Liquid U.S. Treasury Index tracks the performance of the three most recently issued 2-year, 3-year, 5-year, 7-year, 10-year and 30-year U.S. Treasury notes and bonds.