PRIVATE DEBT

Quarterly Investment Update

MetLife Investment Management

MIM's Private Securities first half 2019 origination volume was $7.7 billion,[1] exceeding our record achieved in 2018 where first half production was $7.0 billion. The historically stronger second half of the year is still ahead. Spreads have closely followed the public markets, with premiums to publics holding steady despite robust demand from investors. Structural protection have remained robust, unlike some other capital market sectors which have seen some structural weakening. Our pipeline remains healthy, with a diverse set of potential transactions in both corporates and infrastructure. We believe the second half of the year can help augment the first half, with healthy deal flow met with increased investor appetite.

Corporate Private Placement Market

Private market strength continues into the second quarter:[2] Preliminary first half 2019 private debt issuance volume was reported at approximately $39 billion, up $3 billion from midyear 2018. These numbers are still being accumulated and upward revisions are expected. The average deal size was $274 million among 143 issuers vs. $280 million among 129 issuers in 2018. Issuance was met with healthy investor appetite and broadly syndicated deals continued to be oversubscribed and competitively priced in our view.

Ratings and delayed funding: BBB-rated companies (NAIC-2) comprised 62% of issuance with A-rated (NAIC-1) names responsible for 38%. Continuing with the theme of delayed fundings in the private market, 30% of issuers elected some component of delayed funding.

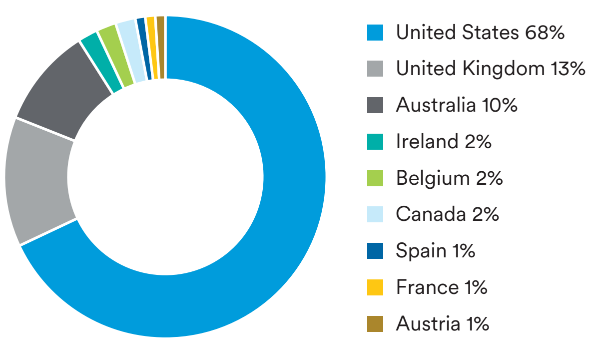
Spreads and Treasuries: Over the quarter, private placement corporate spreads tightened 5bps and 10bps across A-rated and BBB-rated credits, respectively, which was in-line with public bonds. However, yields on the 10-year and 30-year treasuries tightened much more significantly, driving overall yields lower.

MIM Corporate Private Placement:[2] MIM activity for the first half of 2019 was strong with $5.1 billion in allocations. YTD 2019 transactions averaged a MA3 (internal rating)[3] credit quality, 11.25 year weighted average life and an average UST equivalent spread of +160bps. MIM transactions were primarily issued out of the US (68%), the UK (13%) and Australia (10%), with REITs and Consumer Cyclical the largest sectors.

Outlook for Second Half 2019:[2] We anticipate several Fed cuts in 2019 in an attempt to insulate a still-healthy US economy from a slowing global economy. We believe the fundamental credit outlook remains positive with a healthy consumer and business confidence and an unemployment rate near a 50-year low. The expectations of a low-rate environment has the potential to drive steady private placement debt issuances by companies throughout the year, and we anticipate continued strong demand, as these deals can benefit from structural protections, which may be favorable in a downturn.

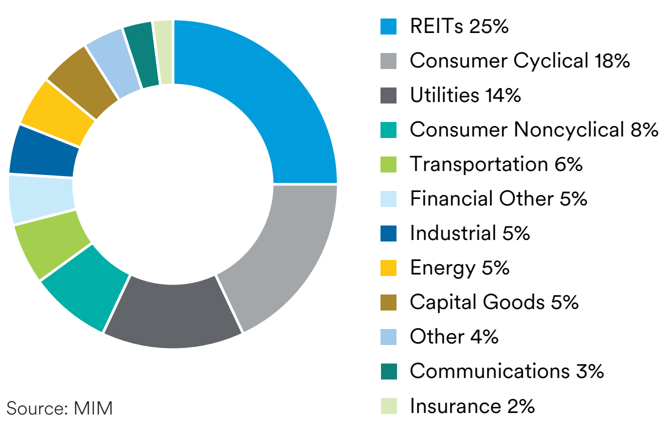
MIM's investment strategy remains (and will continue to remain) the same, with a focus on disciplined structures while seeking out profitable new business and staying in close contact with our existing credits for both credit insights and new deal opportunities.

MIM First Half 2019 Origination by Country of Risk



Source: MIM

MIM First Half 2019 Origination by Sector



Source: MIM

Infrastructure Market

First Half 2019:[4] The global infrastructure capital markets issued $32 billion in the first half 2019, up from $26 billion in 1H2018. The increase in activity was driven by some large brownfield M&A transactions in Latin America, Europe, and Asia. Total infrastructure funding for the first half, including bank financings, was estimated at $264 billion, down slightly from first half 2018 ($275 billion). Within the total infrastructure market, energy was the largest sector in the market representing 27% of the overall volume followed by transportation (25%), renewables (21%), power (15%), telecom (5%), social infrastructure (5%), and other (2%). Activity remained focused in EMEA (36%) followed by Asia Pacific (26%), North America (25%), and Latin America (13%).

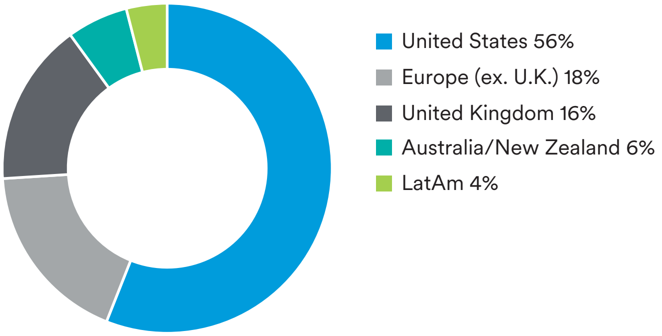
The US infrastructure market gained some momentum with a $2 trillion proposal on an infrastructure plan between Democrats and the Trump Administration. However, the uncertainty around the funding remains an ongoing challenge. To fill the funding gap for ongoing infrastructure needs, the U.S. market continues to see an increased role of public-private-partnerships (PPP) procured by states, municipalities, and public authorities for transportation and social infrastructure projects. In addition to PPPs, the US market remains active in the utilities, power, and energy space.

The UK market remains cautious and MIM will closely monitor any potential impacts of Brexit on economic and regulatory policies. Due to the uncertainty, there has been a slowdown in UK issuance in 2019. Despite some slowdown in the UK market, MIM has been active and continues to see a pipeline in UK and Europe in the transportation and utilities space. Australia has been active in refinancing social infrastructure assets as well as traditional airports, ports, and utilities. The market continues to see an increase in Latin American activity through the first half of 2019, primarily in the transportation and renewables space.

Outlook for Second Half 2019:[4] MIM's expects deal flow in the second half 2019 to remain robust as MIM continues to leverage its relationships with sponsors, agents, and advisors to develop and execute on a solid pipeline for 2019. The North American market is expected to have activity in PPP, transportation, and power sectors. MIM remains selective in Latin America with a focus on investment grade rated countries and stable sectors.

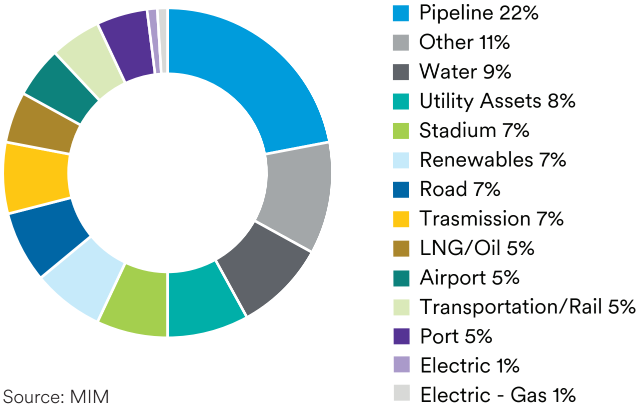
MIM Transaction Activity:[4] MIM circled $2.6 billion across 32 transactions in the first half. The transactions averaged a MBaa1 (internal rating) credit quality, 15.8 year weighted average life and an average UST equivalent spread of +186bps. MIM transactions were diverse by geography and sector as illustrated further below.

MIM First Half 2019 Origination by Country of Risk



Source: MIM

MIM First Half 2019 Origination by Sector



Source: MIM

Summary

Given the uncertainty investors face as a result of trade disputes and a challenging interest rate environment, MIM feels that corporate and infrastructure private placements may offer investors some protection against an uncertain credit environment. We believe sound underwriting and proper structural protections could result in outperformance in the next credit downturn.

1 Represents assets originated by MIM on behalf of MetLife general accounts and unaffiliated investors. There can be no assurances that such origination volume will be achieved in the future. Actual results may vary. Origination is defined as all commitments made during the period, some of which will be unfunded.

2 MetLife Investment Management, Private Placement Monitor.

3 Any internal ratings (i.e., MetLife ratings) presented in this document were developed internally by MIM. Such ratings are not recognized ratings used by other investment managers or funds, including those investing in the sectors in which MIM invests. Other ratings may be more relevant in evaluating creditworthiness or may present the credit quality of issuers or assets in a less favorable manner than such internal ratings do. Accordingly, such internal ratings should be viewed as one factor among other factors for evaluating creditworthiness, and you should make your own determination as to the weight you place on such internal ratings

4 MetLife Investment Management, InfraDeal, 1H 2019

About MetLife Investment Management

MetLife Investment Management (MIM)[1] is a public fixed income, private debt, and real estate manager providing differentiated investment solutions to institutional investors worldwide. MIM is the institutional asset management business of MetLife, Inc., one of the world's leading financial services companies. To support our goal of providing clients with strong risk adjusted returns and tailored solutions across our core competencies, MIM leverages the broader resources of the MetLife enterprise, which has more than 150 years of experience. Our robust fundamental research and risk management capabilities have been time tested across market cycles and support our investment process and deal sourcing.

For more information, visit: **metlife.com/investmentmanagement**

[1] MetLife Investment Management ("MIM") is MetLife, Inc.'s institutional management business and the marketing name for the following affiliates that provide investment management services: Metropolitan Life Insurance Company, MetLife Investment Management, LLC, MetLife Investment Management Limited, MetLife Investments Limited, MetLife Investments Asia Limited, MetLife Latin America Asesorias e Inversiones Limitada, MetLife Asset Management Corp. (Japan), and MIM I LLC.

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