

# STAMP 1-3 Year Fixed Income

December 31, 2019

## STRATEGY INFORMATION

### Inception Date

January 1, 1997

### Total Strategy Assets<sup>1</sup>

\$2,844.5 million

### Portfolio Managers

Scott D. Pavlak, CFA

Peter E. Mahoney

Juan Peruyero

### Benchmark<sup>2</sup>

ICE BofA 1-3 Year U.S. Treasury Index

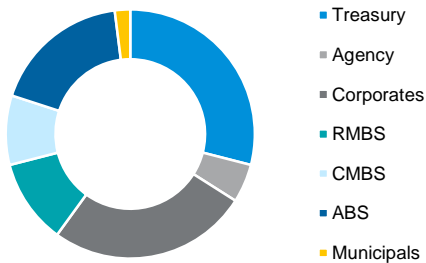
### Investment Approach

- Utilize a top-down approach to systematically generate excess returns through actively managed sector, security and yield curve level strategies while containing duration risk
- Broadly diversify portfolios across U.S. investment grade sectors (Treasury, Agency, Corporate, Securitized, and Money Market) with opportunistic allocations to the municipal and inflation-linked sectors
- At a minimum, the average portfolio quality is Aa3 or AA-<sup>5</sup>
- Risk is evaluated and managed at both the strategy and portfolio levels

### Key Differentiators

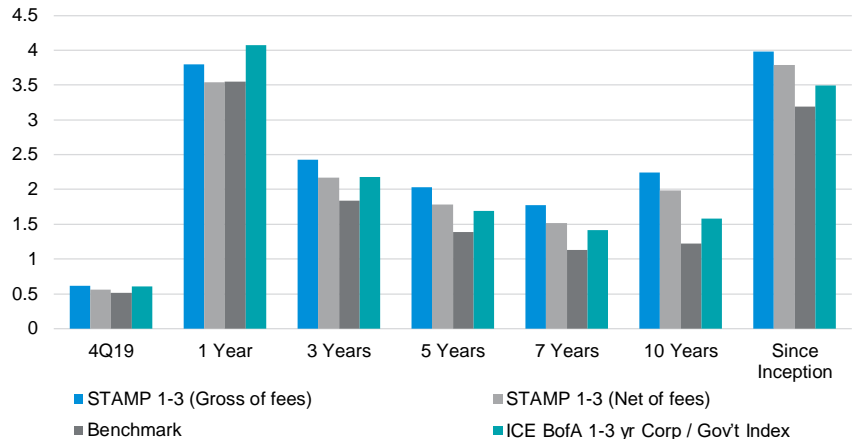
- Dedicated solely to the institutional marketplace
- The senior portfolio managers have worked together for more than 20 years
- Deep fundamental credit research capabilities with sector dedicated credit research analysts

## SECTOR DISTRIBUTION (MV%)<sup>4</sup>



	STAMP 1-3
Treasury	29
Agency	5
Corporates	26
RMBS	11
CMBS	9
ABS	18
Municipals	2

## COMPOSITE PERFORMANCE (%)<sup>3</sup>



	4Q19	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception
STAMP 1-3 (Gross of fees)	0.62	3.80	2.43	2.03	1.77	2.24	3.98
STAMP 1-3 (Net of fees)	0.56	3.54	2.17	1.78	1.52	1.99	3.79
Benchmark	0.51	3.55	1.84	1.39	1.13	1.22	3.19
ICE BofA 1-3 yr Corp / Gov't Index	0.61	4.07	2.18	1.69	1.42	1.58	3.49

## PORTFOLIO STATISTICS<sup>4</sup>

	STAMP 1-3	ICE BofA 1-3 Year U.S. Treasury Index
Yield (%)	1.96	1.60
Effective Duration	1.75	1.87
Average Quality	Aa2	Govt
Fixed / Floating (%)	92 / 7	N/A

## HISTORICAL YIELD CURVE DISTRIBUTION (%)<sup>4</sup>

	4Q19	2018	2017	2016	2015	2014	2013	2012
0-1 Year	23	48	35	19	24	26	30	44
1-2 Years	33	21	25	28	40	23	28	20
2-3 Years	36	16	26	39	34	44	24	24
3-5 Years	8	15	15	14	2	7	18	12

1. Stated at estimated fair value (unaudited). STAMP 1-3 Year Fixed Income is a strategy of public fixed income assets. Total Strategy Assets for STAMP 1-3 include all assets managed by MIM in the STAMP 1-3 strategy and may include certain assets that are not included in Composite Assets (as presented in GIPS® Composite Statistics and Performance table on the following page) for STAMP 1-3.

2. The performance benchmark for the Short-Term Actively Managed Program 1-3 Year Fixed Income ("STAMP 1-3") composite is the ICE BofA 1-3 Year U.S. Treasury Index, which is a broad based index that consists of short-term Treasury Notes and Bonds with a maturity range between one and three years. The benchmark may not reflect holdings in all sectors targeted within the STAMP 1-3 strategy and is presented here for discussion purposes only. Please see GIPS® disclosures on the following page.

3. Past performance is not indicative of future results. Net of fee returns reflect the deduction of investment advisory fees and are calculated in the same manner as gross of fee returns. Net of fee returns are calculated using the highest fee rate disclosed in the Form ADV. Please see GIPS® disclosures on the following page.

4. The characteristics displayed are for a representative account for this investment strategy. Actual account characteristics may differ. All data above is provided for illustrative purposes only. This data is supplemental to the information required in a GIPS® compliant document. Credit ratings reflect the index provider's credit quality methodology. Average quality excludes cash and securities that are not rated.

5. Any portfolio targets and/or limits are used to illustrate the Investment Manager's current intentions and may be subject to change without notice. Target Alpha is an investment objective and not a promise of future results or performance. This target is considered gross of fees and over a 3 to 5 year time horizon under normal market conditions. There can be no assurance that a portfolio will achieve its target alpha.

## COMPOSITE STATISTICS AND PERFORMANCE

Year	Gross-of-Fee Return	Net-of-Fee Return	Benchmark Return <sup>1</sup>	Number of Portfolios	Dispersion STDV <sup>2</sup>	Composite 3 Yr STDV <sup>3</sup>	Benchmark 3 YR STDV <sup>3</sup>	Composite Assets	% Total Firm Assets <sup>4</sup>
1/1/1997(Inception) to 12/31/1997	6.80%	6.64%	6.66%	≤ 5	N/A	N/A	N/A	\$389,490,106	-
1998	7.02%	6.90%	7.00%	≤ 5	N/A	N/A	N/A	\$ 715,307,163	-
1999	3.37%	3.22%	3.06%	≤ 5	N/A	N/A	N/A	\$ 960,548,703	-
2000	7.38%	7.24%	8.00%	7	N/A	N/A	N/A	\$1,279,714,996	-
2001	8.62%	8.49%	8.30%	7	N/A	N/A	N/A	\$1,078,770,231	-
2002	6.22%	6.08%	5.76%	6	N/A	N/A	N/A	\$1,516,445,124	-
2003	2.36%	2.24%	1.90%	7	N/A	N/A	N/A	\$1,839,108,577	-
2004	1.53%	1.40%	0.91%	9	N/A	N/A	N/A	\$1,667,397,641	-
2005	2.29%	2.16%	1.67%	9	0.05%	N/A	N/A	\$1,661,565,106	-
2006	4.63%	4.50%	3.96%	9	0.10%	N/A	N/A	\$1,165,644,028	-
2007	6.66%	6.50%	7.32%	7	N/A	N/A	N/A	\$887,887,442	-
2008	3.91%	3.75%	6.61%	≤ 5	N/A	N/A	N/A	\$258,228,338	-
2009	8.99%	8.79%	0.78%	≤ 5	N/A	N/A	N/A	\$234,455,656	-
2010	4.72%	4.53%	2.35%	≤ 5	N/A	N/A	N/A	\$433,553,476	-
2011	2.20%	1.99%	1.55%	≤ 5	N/A	1.63%	1.04%	\$743,948,864	-
2012	3.09%	2.83%	0.43%	6	N/A	1.13%	0.74%	\$1,865,533,273	-
2013	1.02%	0.77%	0.36%	9	0.03%	0.91%	0.51%	\$1,862,768,457	-
2014	1.22%	0.97%	0.62%	10	0.04%	0.77%	0.43%	\$1,902,179,546	-
2015	0.96%	0.70%	0.54%	11	0.05%	0.72%	0.56%	\$2,714,081,820	-
2016	1.93%	1.68%	0.89%	11	0.10%	0.75%	0.75%	\$1,669,402,928	-
2017	1.60%	1.34%	0.42%	11	0.03%	0.69%	0.74%	\$1,735,946,427	-
2018	1.90%	1.65%	1.58%	12	0.04%	0.70%	0.84%	\$2,069,224,964	-
2019	3.80%	3.54%	3.55%	11	N/A	N/A	N/A	\$1,797,433,025	-

Past performance is not indicative of future results. Please see the full GIPS® disclosures below.

1. The performance benchmark for the Short-Term Actively Managed Program 1-3 Year Fixed Income ("STAMP 1-3 Year") composite is the ICE BofA 1-3 Year U.S. Treasury Index. The benchmark does not reflect holdings in all sectors targeted within the STAMP 1-3 Year strategy.
2. The dispersion of annual returns is measured by the standard deviation among asset-weighted portfolio returns represented in the composite for the full year. "N/A" is an indication that the information is not statistically meaningful due to an insufficient number of portfolios (five or fewer) in the composite for the entire year. Standard deviation is only presented for accounts managed for a full calendar year.
3. The three-year annualized standard deviation measures the variability of the composite and the benchmark returns over the preceding 36 month period. The standard deviation is not presented for 1997 through 2010 because it is not required for periods prior to 2011. It is also not presented for quarter-ends.
4. Prior to November 1, 2007, the investment team was part of another firm and therefore the percentage of Firm assets (as defined on the following page) is not available for periods prior to that date.

The performance presented is through June 30, 2019 for Logan Circle Partners, L.P. ("Logan Circle" or the "Firm"). The Firm is a registered investment adviser and began managing assets on November 1, 2007. On September 15, 2017, the Firm became a wholly owned subsidiary of MetLife, Inc. and is part of MetLife Investment Management, MetLife, Inc.'s institutional investment management business. From April 16, 2010 to September 15, 2017, the Firm was a subsidiary of Fortress Investment Group LLC. Additionally, on December 19, 2011, the Firm formed a new subsidiary, Logan Circle Partners I LLC, which is a wholly-owned entity of the Firm. The Firm is defined to include all accounts managed by Logan Circle and Logan Circle Partners I LLC. Prior to November 1, 2008 the above composite returns are based on portfolio management while at Bear Stearns Asset Management. The track record presented represents the team's performance at Bear Stearns Asset Management while it managed the Short-Term Active Management Program (1-3 Year) strategy from January 1, 1997 ("inception date") to October 31, 2008. From November 1, 2008 ("creation date") to the present, the performance presented is for the Short-Term Actively Managed Program 1-3 Year Fixed Income ("STAMP 1-3 Year") composite that the investment team managed for the Firm. Effective July 1, 2019 the Firm became part of MetLife Investment Management and performance for future periods will be included as part of the GIPS Firm defined as MetLife Investment Management.

The Firm claims compliance with the Global Investment Performance Standards ("GIPS®") and has prepared and presented this report in compliance with the GIPS® standards. The Firm has been independently verified for the periods November 1, 2007 to December 31, 2017. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS® standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS® standards. The STAMP 1-3 Year composite has been examined for the periods November 1, 2008 to December 31, 2017. The verification and performance examination reports are available upon request. The Firm maintains a complete list and description of composites, policies for valuing portfolios, calculating performance and preparing compliant presentations all of which are available upon request.

The STAMP 1-3 Year strategy seeks to generate excess returns over the short duration benchmarks through the active management of sector, yield curve, security and duration allocations within the investment grade universe, with a target duration of +/- 20% to the stated benchmark. The STAMP 1-3 Year composite includes all fee-paying portfolios equal to or over \$20 million, managed on a discretionary basis according to the applicable composite strategy except as otherwise excluded herein.

Performance returns are based on fully discretionary accounts under management and may include terminated accounts. Returns are presented gross and net of fees, include the reinvestment of all income and are calculated in U.S. dollars. Dividend income has been recorded net of all applicable foreign withholding taxes. Net of fee returns reflect the deduction of investment management fees and are calculated in the same manner as gross of fee returns. The investment management fee schedule for the STAMP 1-3 Year strategy is 0.25% on the first \$25 million, 0.20% on amounts from \$25 million to \$100 million and 0.15% on amounts over \$100 million. Net returns have been calculated by reducing the monthly gross returns by the highest stated ADV fee of 0.25%. For periods prior to January 1, 2013, net returns have been calculated using actual management fees. Fees have a compounding effect on cumulative results. Investment management fees are described in greater detail in the Firm's ADV. Actual investment management fees incurred by clients may vary and returns will be reduced by investment management fees and other expenses that the account may incur.

The performance benchmark for the STAMP 1-3 Year composite is the ICE BofA 1-3 Year U.S. Treasury Index (the "ICE BofA 1-3"). The ICE BofA 1-3 is an unmanaged index comprised of short-term Treasury Notes and Bonds with an outstanding par that is greater than or equal to \$25 million with a maturity range from one to three years, reflecting total return, and is presented for discussion purposes only. The index does not reflect holdings in all sectors targeted within the STAMP 1-3 Year strategy, which also includes government agencies, municipal, corporate, mortgage and asset back sectors in the investment grade universe. It is not possible to invest directly in an unmanaged index. All index returns presented are provided to represent the investment environment existing during the time periods shown and will not be covered by the future report of independent verifiers. For comparison purposes, the indices are fully invested and include the reinvestment of income. The returns for the indices do not include any transaction costs, management fees or other costs. Investors cannot purchase interests directly in an index.

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