

Q1 2019

Floating-Rate Loan Chart Book

FLOATING-RATE LOAN GROUP



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A leader in floating-rate loan investment management, Eaton Vance presents Floating-Rate Loan Chart Book, an in-depth review of the loan market through clear and impactful charts. Providing timely information across a broad array of topics relating to this distinctive asset class, Floating-Rate Loan Chart Book serves as a helpful resource in providing connectivity between changing market events and implications for investors' loan allocation.

Use Floating-Rate Loan Chart Book to educate on the loan market, provide updates on loan market conditions and explain the role of loans within portfolios.



Asset Class Review



Asset class review

Floating-Rate Loan primer

- Corporate debt issued by below-investment-grade borrowers
- Most issuers are significant in size and scale – and many are familiar household names
- Companies undertake loans for recapitalizations, acquisitions and refinancings
- Coupon income from floating-rate loans resets regularly (about every 40-60 days on average) to maintain a fixed spread over a variable base rate, usually LIBOR
- Loans are often referred to as “senior and secured”: They typically have the highest priority of claims in an issuer’s capital structure and are secured by specific collateral
- Other common monikers: bank loans, leveraged loans, senior loans (all are synonymous)

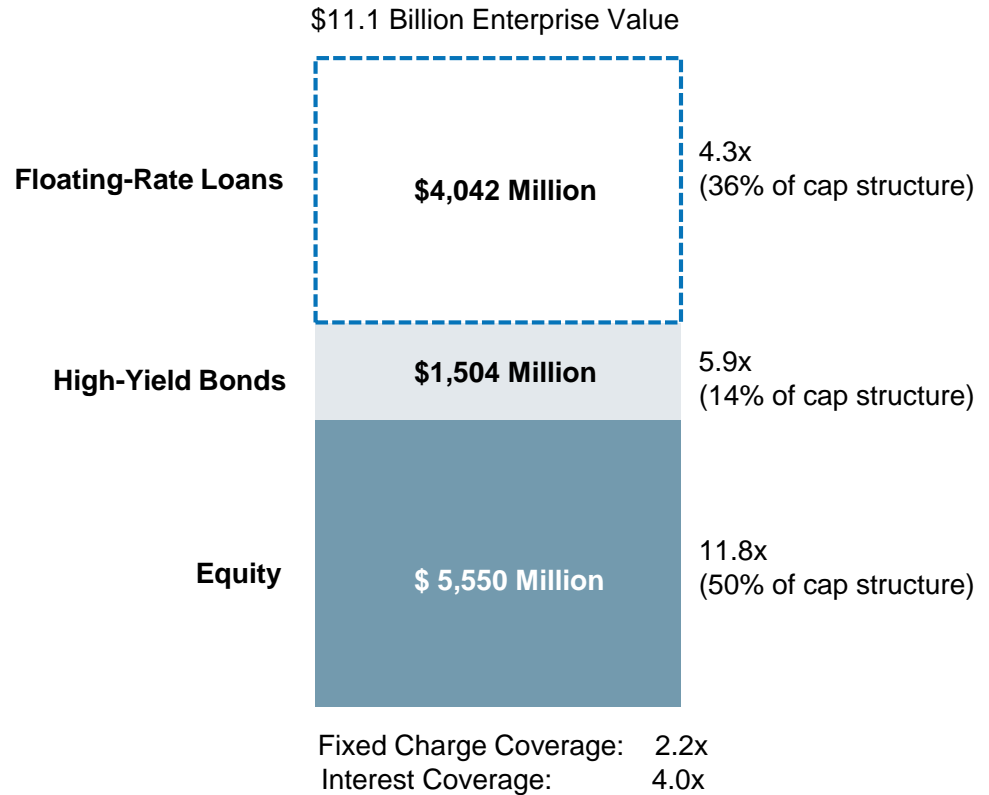


Asset class review

Fundamental lending proposition

- Floating-rate loans represent a senior layer of issuer capital structure
- Substantial junior capital cushion provides low loan-to-value
- Secured by collateral including issuer accounts receivable, inventory, property, plant, equipment and/or stock

Weighted Average Company Capital Structure: Sample
 \$4.3B Revenue & \$940M EBITDA



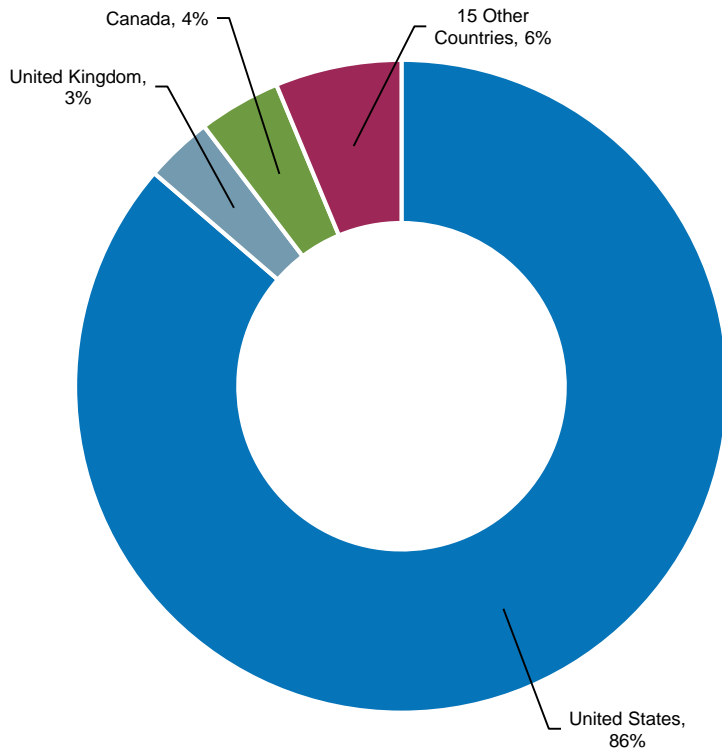
Source: Eaton Vance, 12/31/18. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures. This information is for illustrative purposes only, is subject to change at any time and should not be considered investment advice or a recommendation to buy or sell any particular security or adopt any particular strategy. The sample is an average of all loans currently tracked across the Eaton Vance loan platform as of 12/31/2018. Does not represent any particular issuer or product. EBITDA is defined as earnings before interest taxes depreciation and amortization.



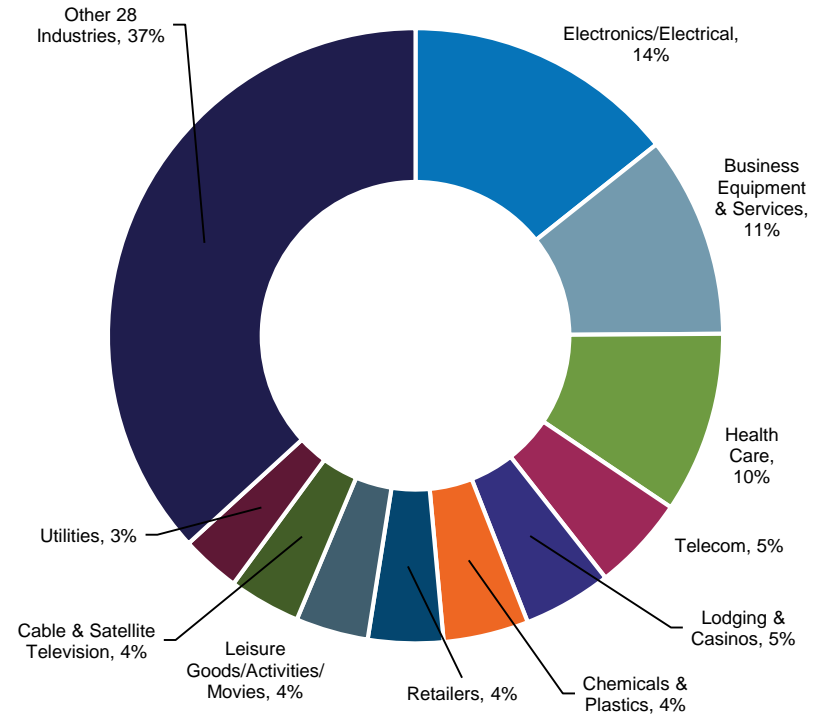
Asset class review

Well-rounded by sector and primarily U.S. issuers

Country Composition



Sector Composition



Source: LCD, an offering of S&P Global Market Intelligence, 3/31/19. **Past performance is not a reliable indicator of future results.** Loans measured by the S&P/LSTA Leveraged Loan Index. Data provided is for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures.



Asset class review

Sample loan market issuers

Issuer	Industry	Maturity Date	Spread	Corp. Ratings
Avolon Aerospace	Equipment Leasing	Jan 2025	L+200	BB+/Ba2
BMC Software	Electronics/Electrical	Oct 2025	L+425	B/B3
Charter Communications	Cable & Satellite Television	Apr 2025	L+200	BB+/Ba2
Dell	Electronics/Electrical	Sep 2023	L+200	BB+/Ba1
First Data	Business Equipment & Services	Apr 2024	L+225	B+/Ba3
HCA	Health Care	Mar 2023	L+175	BB/Ba1
Intelsat Jackson	Telecom	Nov 2023	L+375	CCC+/Caa2
inVentiv	Health Care	Jun 2024	L+225	BB-/B3
Nielsen Finance	Publishing	Oct 2023	L+200	BB+/Ba3
Refinitiv	Electronics/Electrical	Sep 2025	L+375	B/B3
Reynolds Group	Containers & Glass Products	Jan 2023	L+300	B+/B2
Scientific Games	Lodging & Casinos	Aug 2024	L+275	B/B2
Univision	Radio & Television	Mar 2024	L+275	B+/B2
Valeant Pharmaceuticals	Drugs	Jun 2025	L+300	B/B3
Vici Properties	Lodging & Casinos	Dec 2024	L+225	BB/Ba3

Source: LCD, an offering of S&P Global Market Intelligence, 3/31/19. **Past performance is not a reliable indicator of future results.** Data provided is for informational and illustrative purposes only. This is an example only and is not intended to represent the allocation of any fund/account/strategy. This list represents a sample of some of the larger and more liquid loans in the S&P/LSTA Leveraged Loan Index as determined by LCD. This sample is not necessarily representative of the other issuers in this index, which will vary based on factors including size and liquidity. This information is not to be construed as investment advice or a recommendation to buy or sell any particular security. Investors should consult an investment professional prior to making any investment decisions. It is not possible to invest directly in an index. See end of material for important additional information and disclosures.

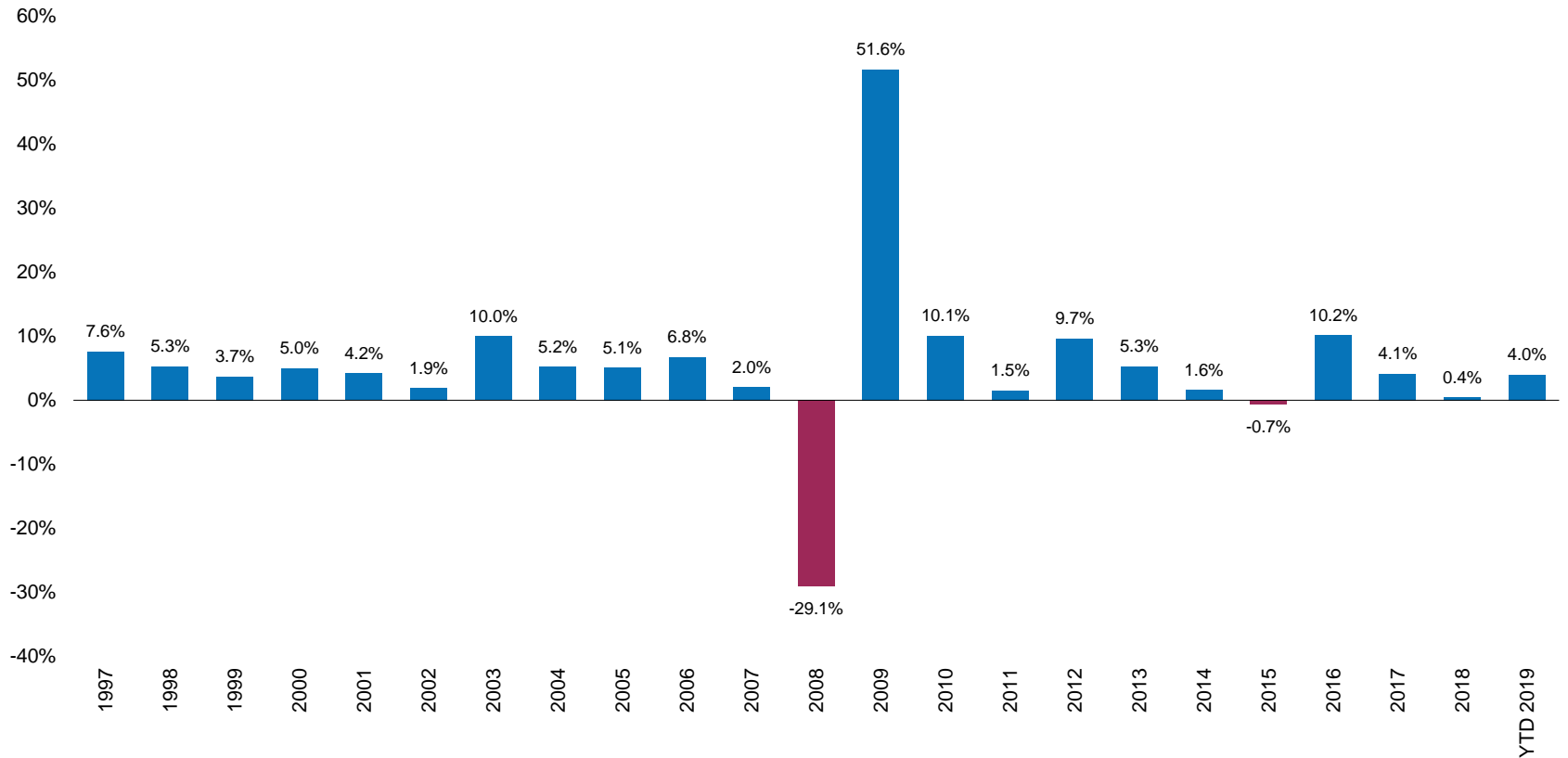


Market Update



Market update

Performance: Calendar year index performance



Sources: LCD, an offering of S&P Global Market Intelligence, as of 3/31/19. **Past performance is not a reliable indicator of future results.** Performance measures the S&P/LSTA Leveraged Loan Index. Data provided is for informational use only. Indexes are unmanaged, do not reflect the deduction of fees and expenses, and are not available for direct investment.



Market update

Performance: Corporate credit market update

	Averages						Total Returns (%)						
	Coupon (%)	Price (\$)	Yield to Worst (%)	Spread (bps)	Maturity (yrs.)	Duration (yrs.)	1-Mo.	3-Mo.	YTD	1Y	3Y	5Y	10Y
Bloomberg Barclays U.S. Corp. IG Index	4.04	103.3	3.63	119	11.0	7.4	2.51	5.14	5.14	4.94	3.64	3.72	6.66
AAA Index	3.45	104.6	3.18	64	18.0	11.0	3.32	5.01	5.01	6.13	3.14	4.13	4.77
AA Index	3.24	102.7	3.01	60	9.5	6.5	2.00	3.69	3.69	5.08	2.58	3.27	4.99
A Index	3.78	104.1	3.34	91	10.7	7.4	2.33	4.70	4.70	4.78	2.90	3.55	6.25
BBB Index	4.39	102.8	3.97	153	11.3	7.4	2.70	5.73	5.73	4.97	4.51	3.90	7.72
ICE BofAML US High Yield Index	6.36	97.7	6.48	405	5.8	3.7	0.98	7.40	7.40	5.94	8.69	4.70	11.24
BB Index	5.53	101.2	4.89	244	6.2	4.0	1.31	7.38	7.38	6.50	7.01	5.13	10.05
B Index	6.74	97.9	6.80	438	5.4	3.5	0.88	7.27	7.27	6.11	8.77	4.31	10.26
CCC Index	8.00	85.2	11.71	936	5.4	3.3	-0.03	7.90	7.90	3.05	14.55	4.63	14.97
S&P/LSTA Leveraged Loan Index	L+3.39	96.4	6.85	463	5.1	-	-0.17	4.00	4.00	2.97	5.67	3.62	7.98
BBB Index	L+1.95	98.9	4.83	236	4.9	-	-0.05	3.98	3.98	3.11	3.63	3.27	4.43
BB Index	L+2.57	98.3	5.59	321	5.2	-	-0.28	4.33	4.33	2.69	4.25	3.53	5.84
B Index	L+3.76	96.8	7.20	498	5.2	-	-0.27	3.91	3.91	3.27	5.96	3.78	9.04
CCC Index	L+5.93	86.3	13.58	1219	4.3	-	0.74	3.58	3.58	3.18	14.86	7.24	16.30
D Index	-	67.7	-	-	-	-	1.56	6.54	6.54	-5.92	7.91	-10.09	5.10

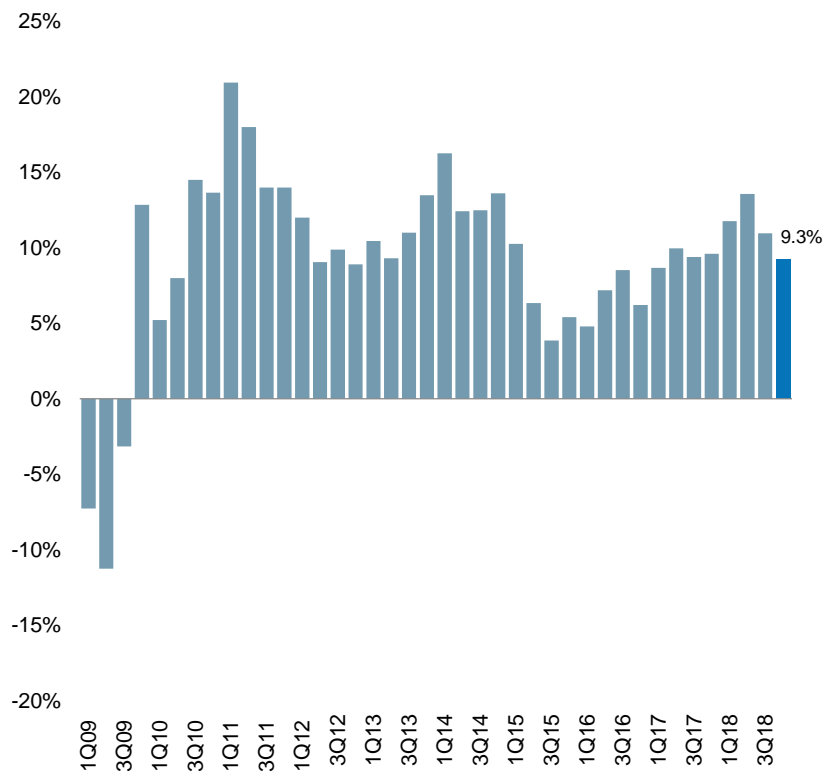
Sources: Bloomberg Barclays, ICE Data Indices, LLC, and LCD, an offering of S&P Global Market Intelligence, as of 3/31/19. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. All spreads are in basis points and measure option-adjusted yield spread relative to comparable maturity U.S. Treasuries with the exception of floating-rate loans, which is the average three-year discounted spread over LIBOR. Yield to worst is generally calculated by making worst-case scenario assumptions by calculating the returns that would be received if certain provisions, including prepayment, call or others, are used by issuers. Yield to maturity is shown for the S&P/LSTA Leveraged Loan Index. Loan Index coupon value includes LIBOR (shown as "L+"). Loan Index spread represents the three-year discounted spread over LIBOR.



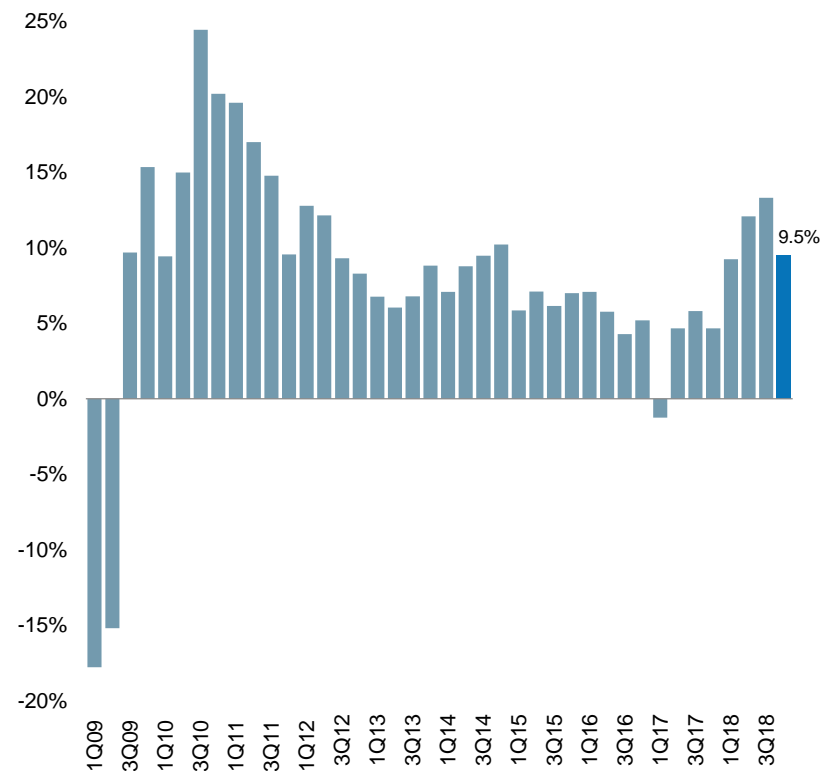
Market update

Fundamental conditions: Revenue and earnings growth

Year-Over-Year Revenue Growth



Year-Over-Year EBITDA Growth



Source: LCD, an offering of S&P Global Market Intelligence, 3/31/19. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. EBITDA refers to earnings before interest, taxes, depreciation and amortization. The data are based on approximately 180 public issuers included in the S&P/LSTA Leveraged Loan Index. See end of material for important additional information and disclosures.

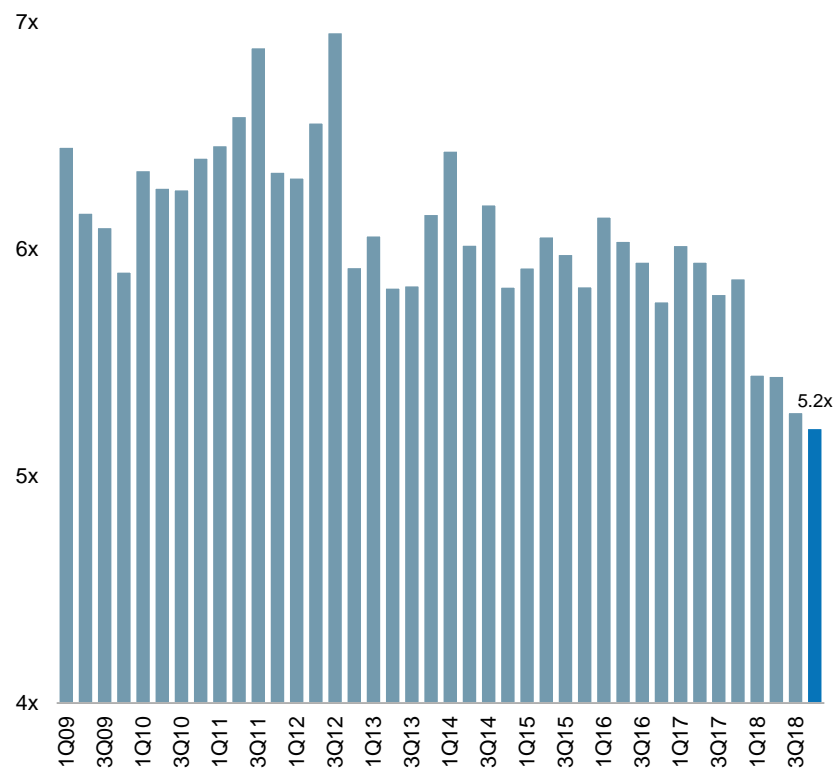


Market update

Fundamental conditions: Leverage and interest coverage

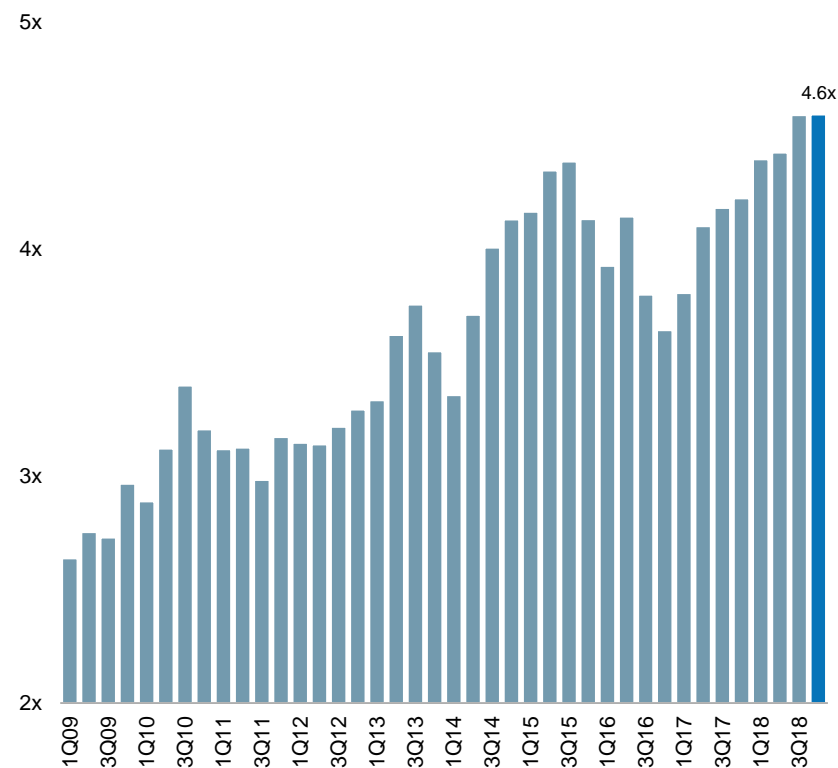
Total Leverage

Weighted average leverage of outstanding loans



Interest Coverage

Weighted average interest coverage of outstanding loans



Source: LCD, an offering of S&P Global Market Intelligence, 3/31/19. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. The data are based on approximately 180 public issuers included in the S&P/LSTA Leveraged Loan Index. See end of material for important additional information and disclosures.

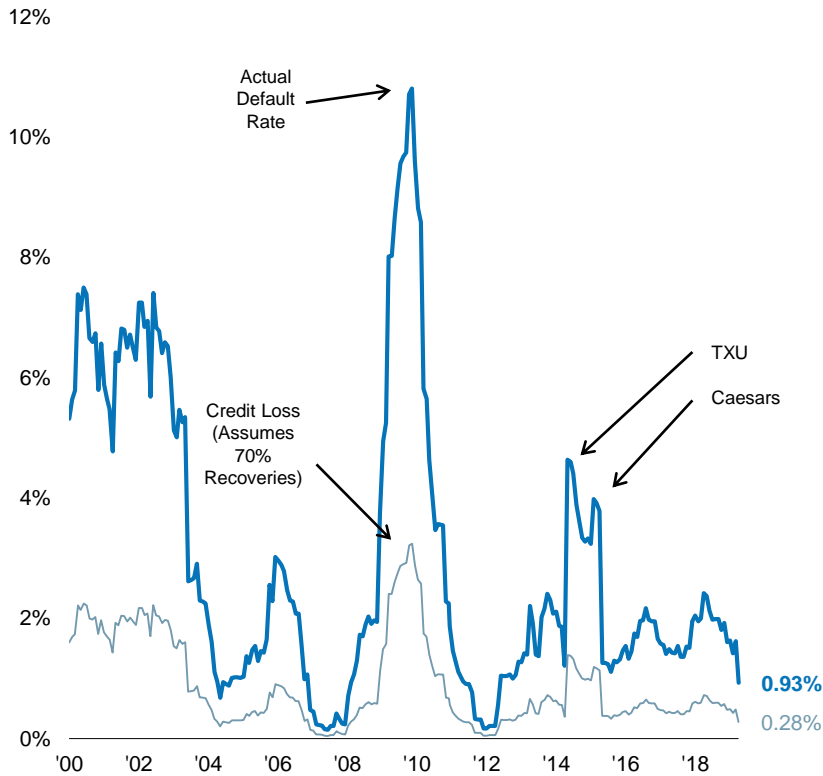


Market update

Fundamental conditions: Default rate and distress ratio

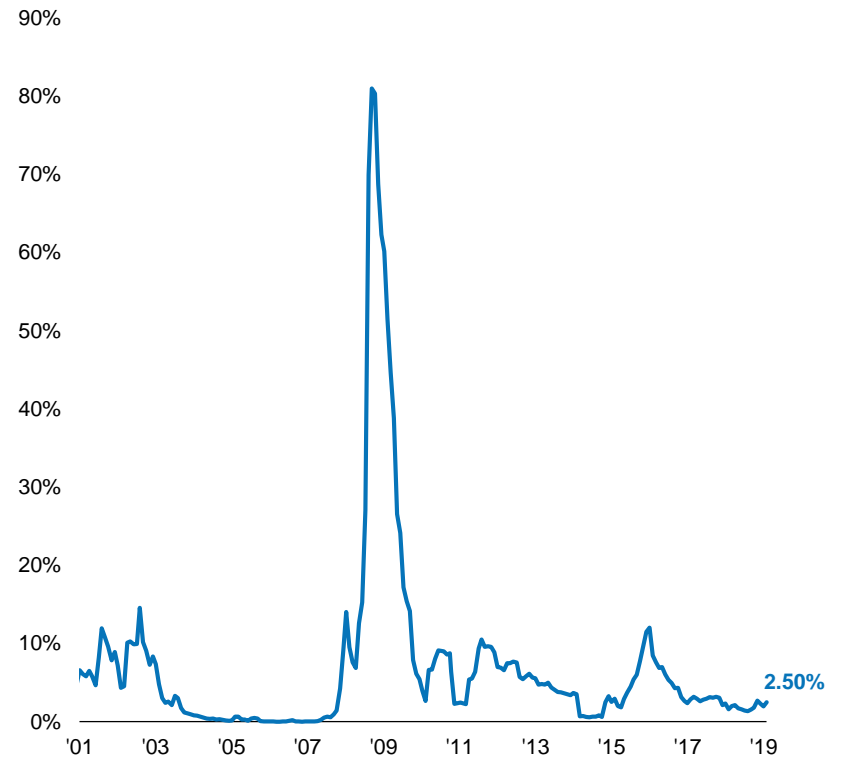
Default Rate

Last 12 Months By Principal Amount



Distress Ratio

Percent of Loans Below \$80



Source: LCD, an offering of S&P Global Market Intelligence, 3/31/19. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures.

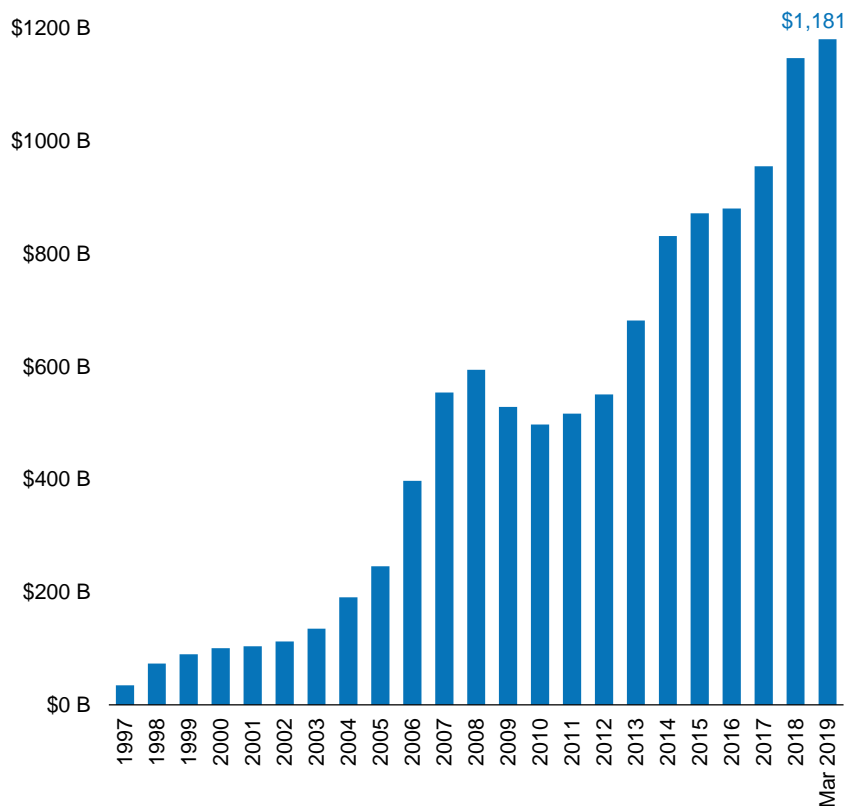


Market update

Technical factors: Market size and flows

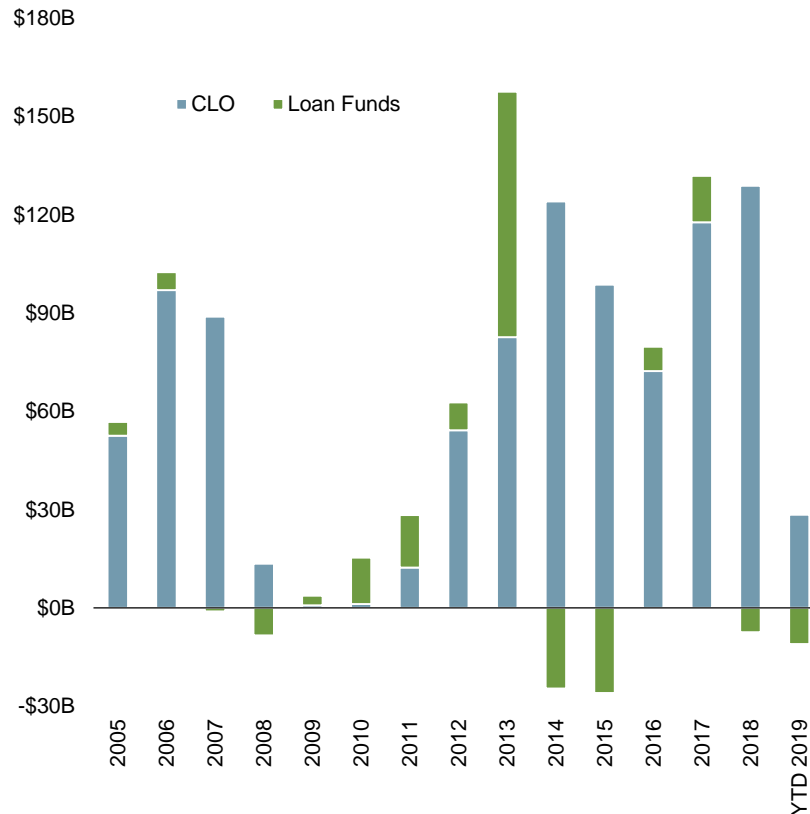
Market Size

Amount of Outstanding Loan Market



Visible Inflows

Retail & Institutional Flows

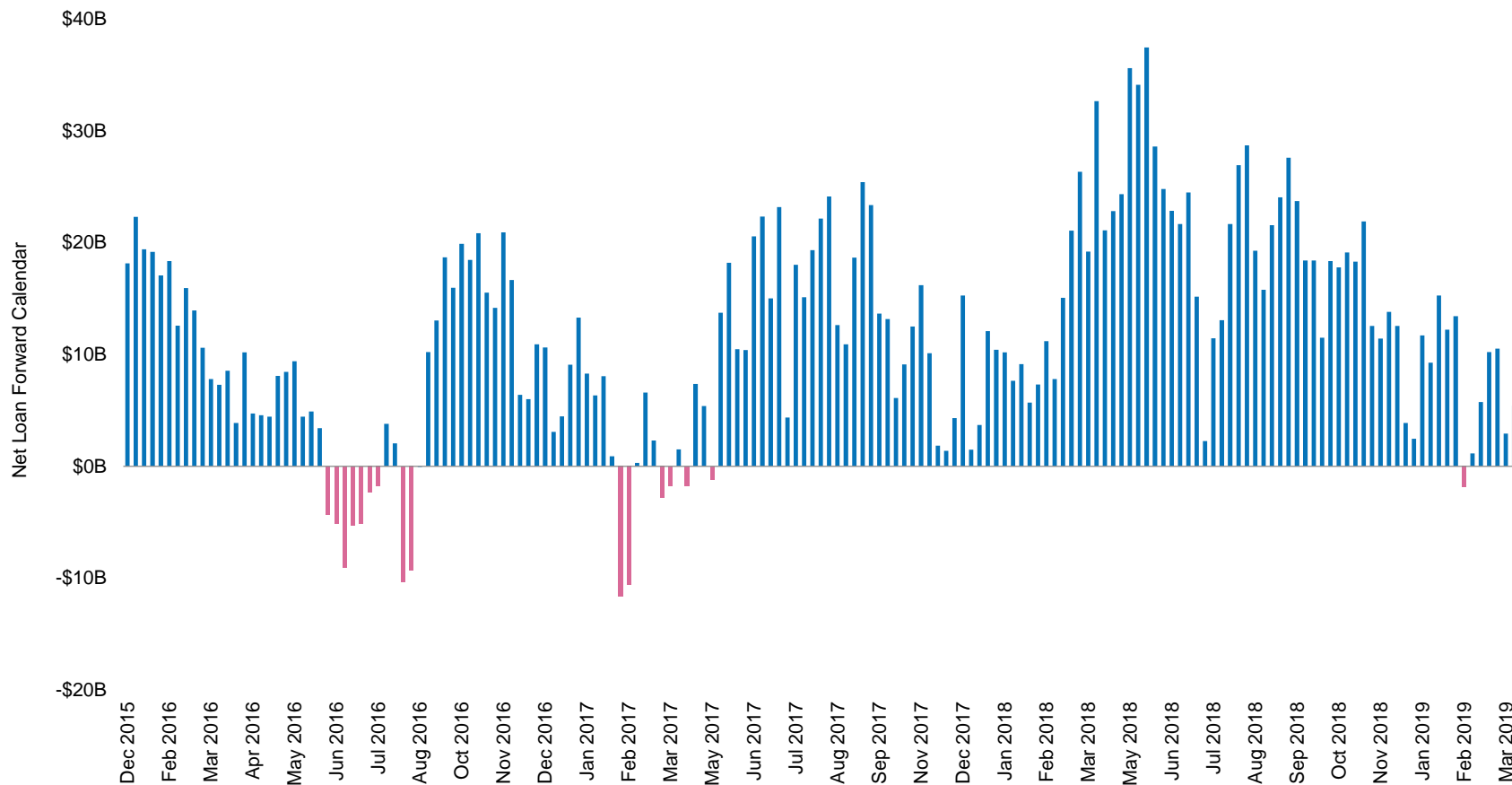


Source: LCD, an offering of S&P Global Market Intelligence, 3/31/19. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures.



Market update

Technical factors: New deal pipeline

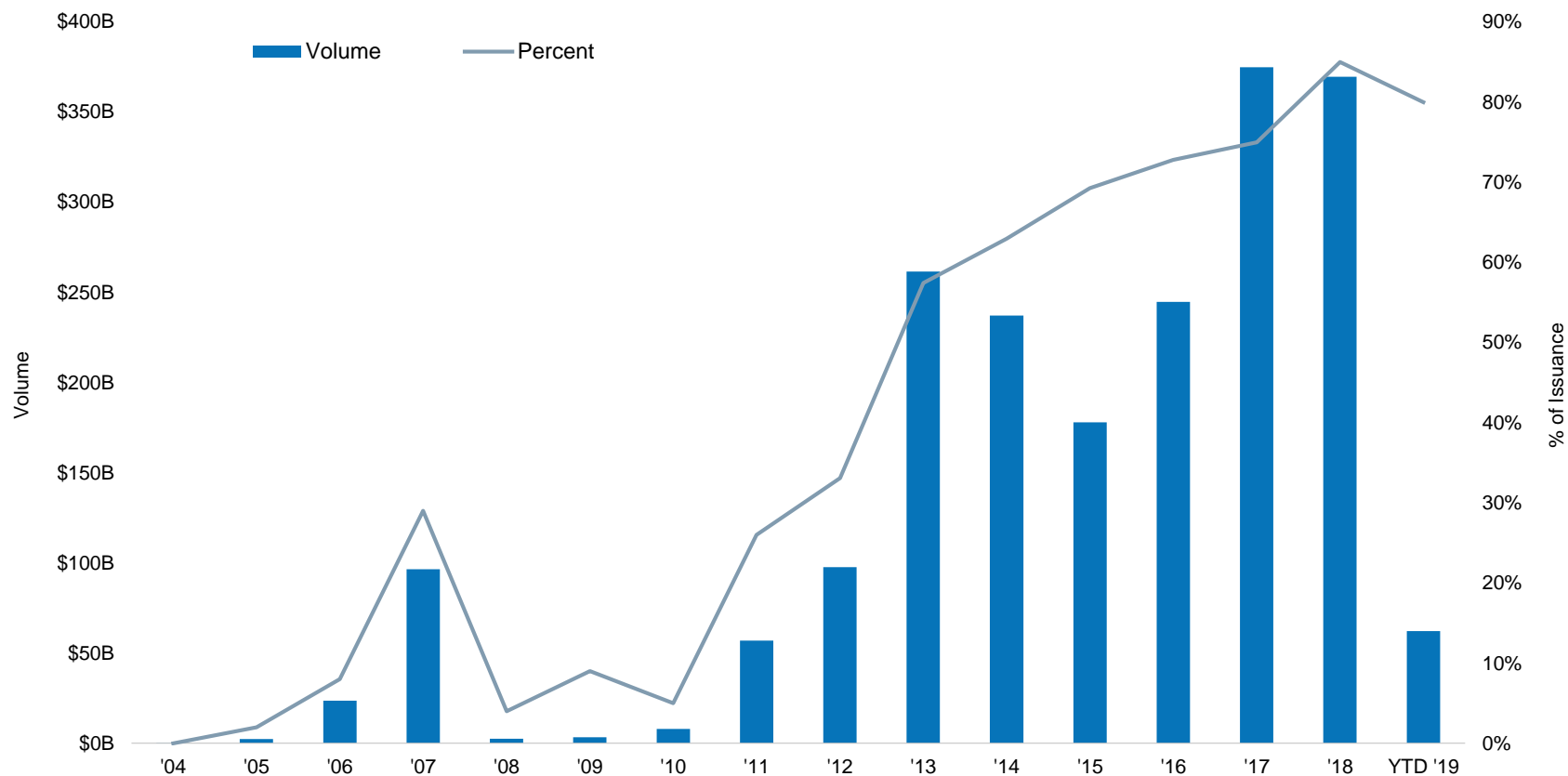


Source: LCD, an offering of S&P Global Market Intelligence, 3/27/19. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. Net loan forward calendar includes all institutional loans in the pipeline minus any visible repayments associated with the pipeline of planned new deals and anticipated repayments not associated with the forward calendar.



Market update

Covenant-lite loans: Volume and percent of issuance

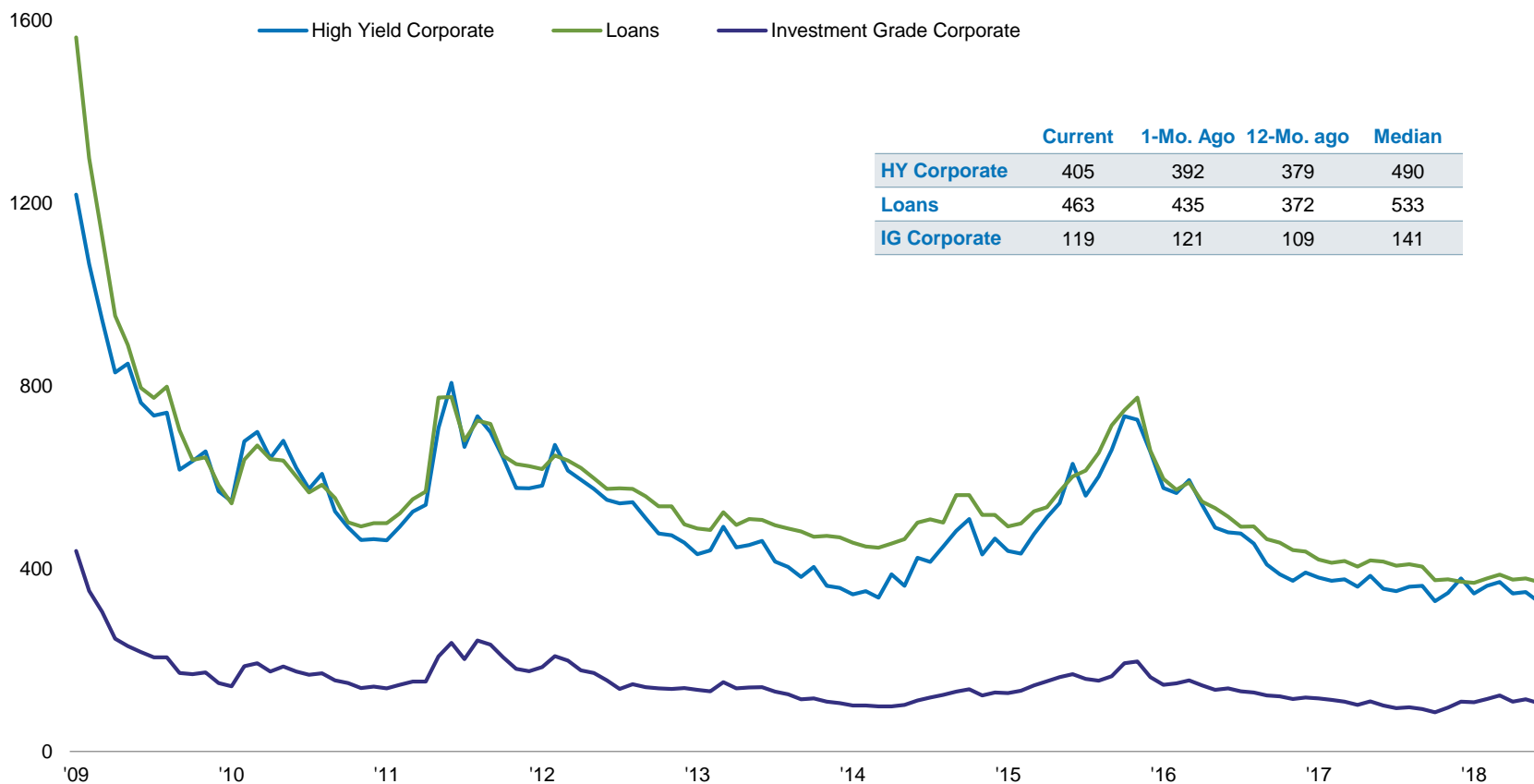


Source: LCD, an offering of S&P Global Market Intelligence, 3/31/19. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. See end of material for important additional information and disclosures.



Market update

Valuations: Credit spreads

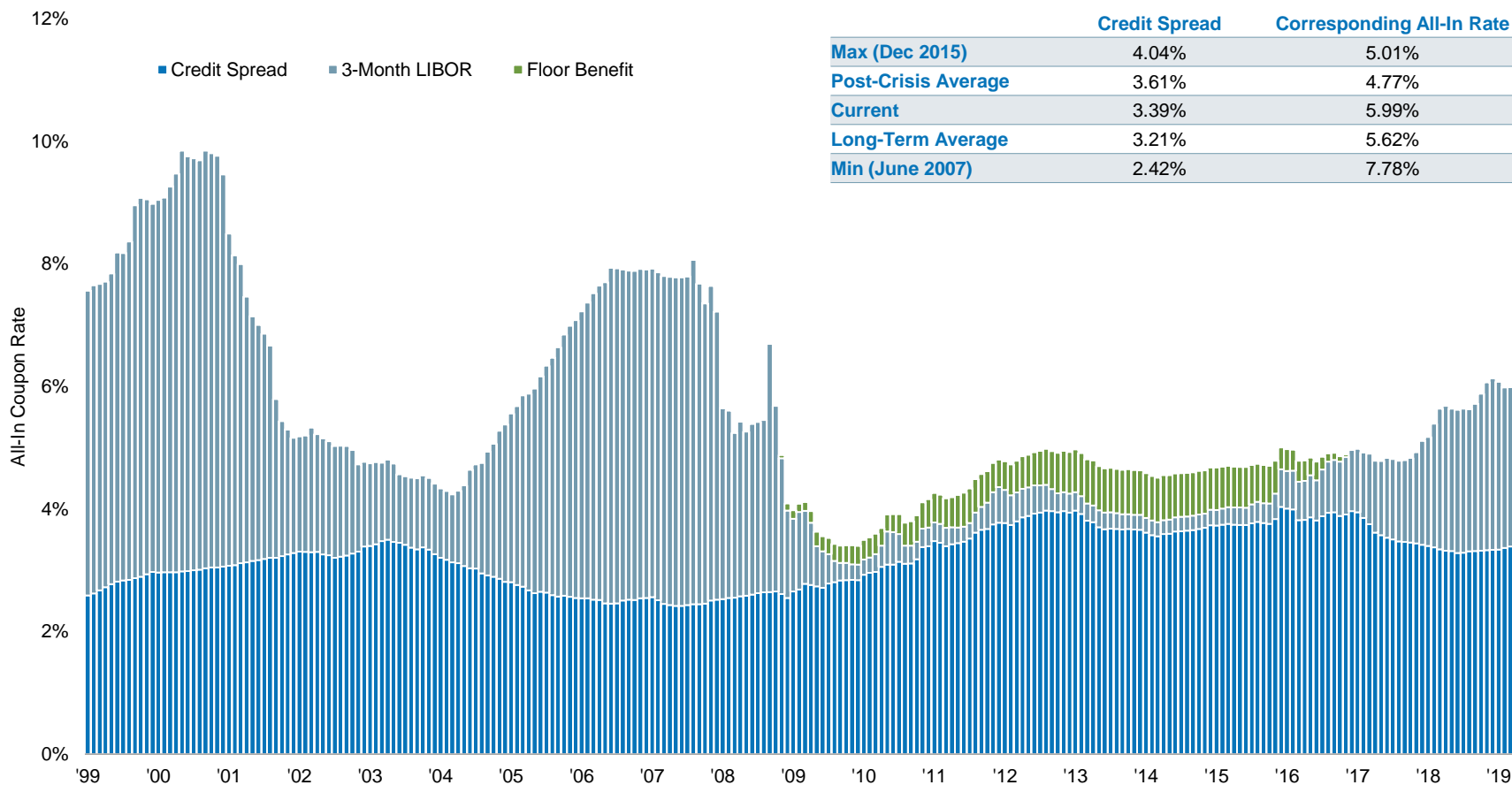


Sources: Bloomberg Barclays, ICE Data Indices, LLC, and LCD, an offering of S&P Global Market Intelligence, 3/31/19. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. See end of material for important additional information and disclosures. Corporate spreads are in basis points and measure option-adjusted yield spread relative to comparable maturity U.S. Treasuries. Loan Index spread represents the three-year discounted spread over LIBOR. Loans represented by S&P/LSTA Leveraged Loan Index. High Yield Corporate measured by ICE BofA/Merrill Lynch US High Yield Index. Investment Grade Corporate measured by Bloomberg Barclays U.S. Corporate High Yield Index.



Market update

Valuations: Composition of loan coupon



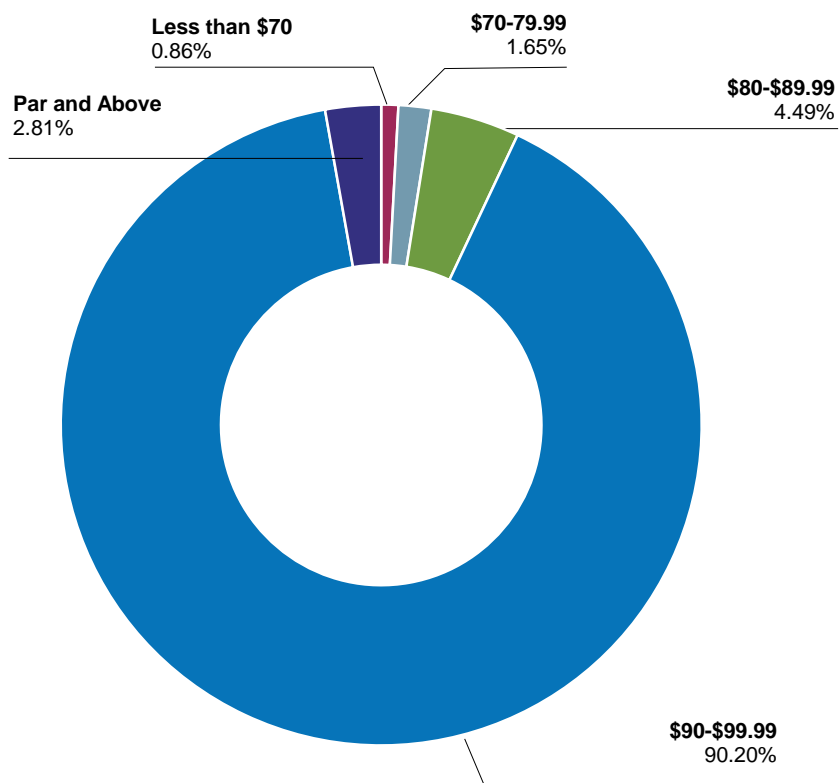
Sources: Eaton Vance, St. Louis Federal Reserve, and LCD, an offering of S&P Global Market Intelligence, 3/31/19. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. Credit spread and floor benefit data are shown on a weighted average basis. LIBOR floor benefit is measured as the difference between prevailing LIBOR rates and the average LIBOR floor. *Excludes Facilities in Default.



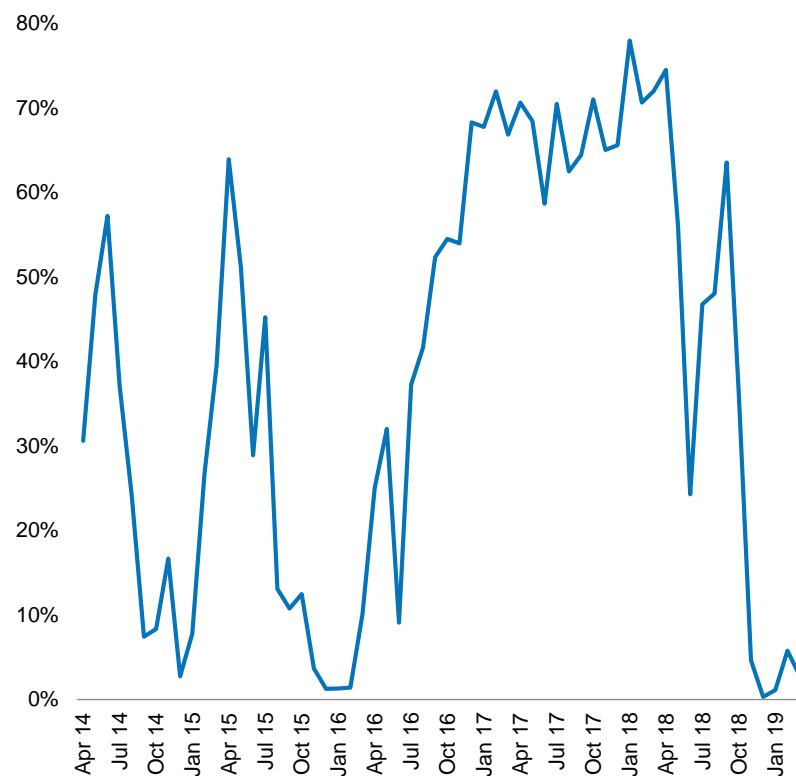
Market update

Valuations: Composition by Loan Prices

Breakdown by Bid Price (Performing Loans)



Amount of Loan Market Bid at Par or Above (Performing Loans)



Source: LCD, an offering of S&P Global Market Intelligence, 3/31/19. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures. Data excludes facilities in default.

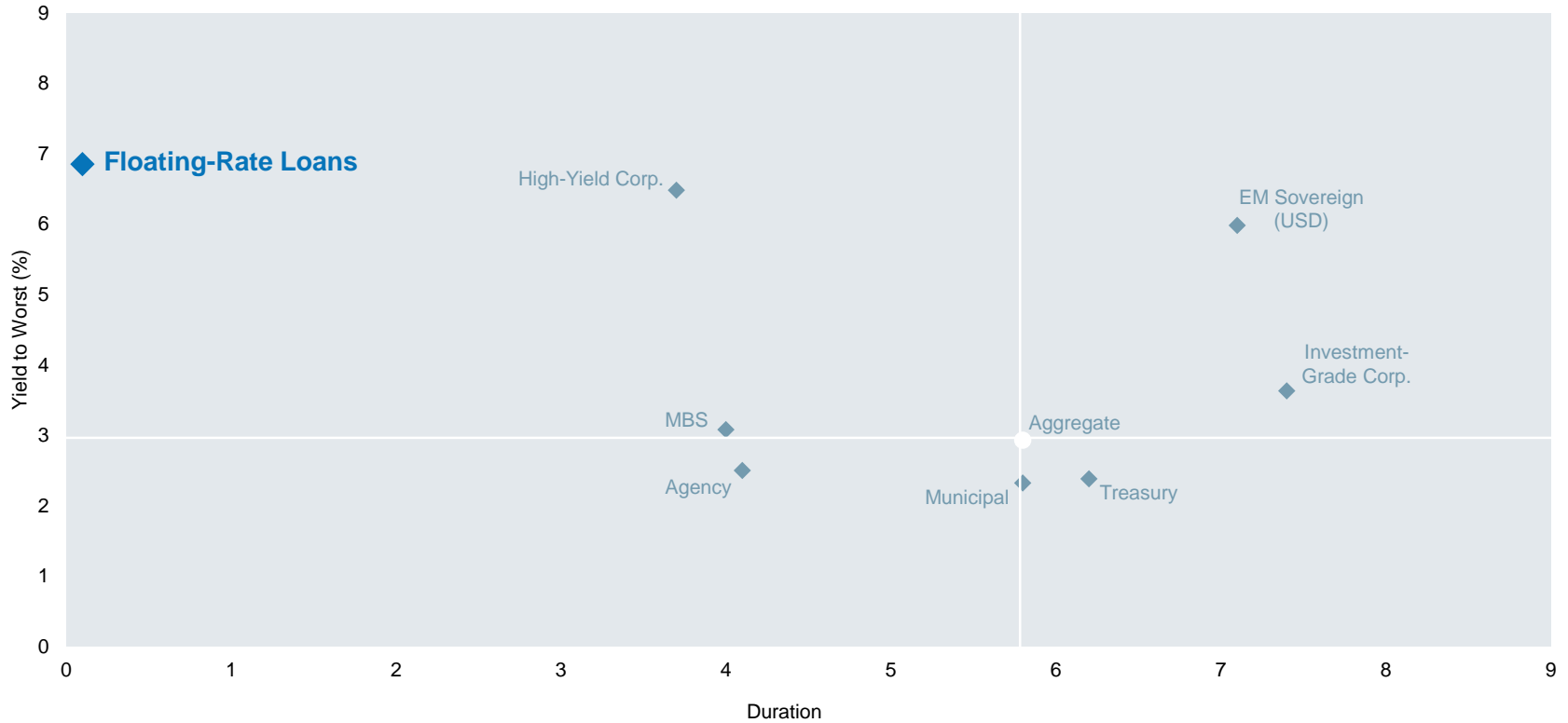


Portfolio Applications



Portfolio applications

Floating-rate loans vs. select asset classes

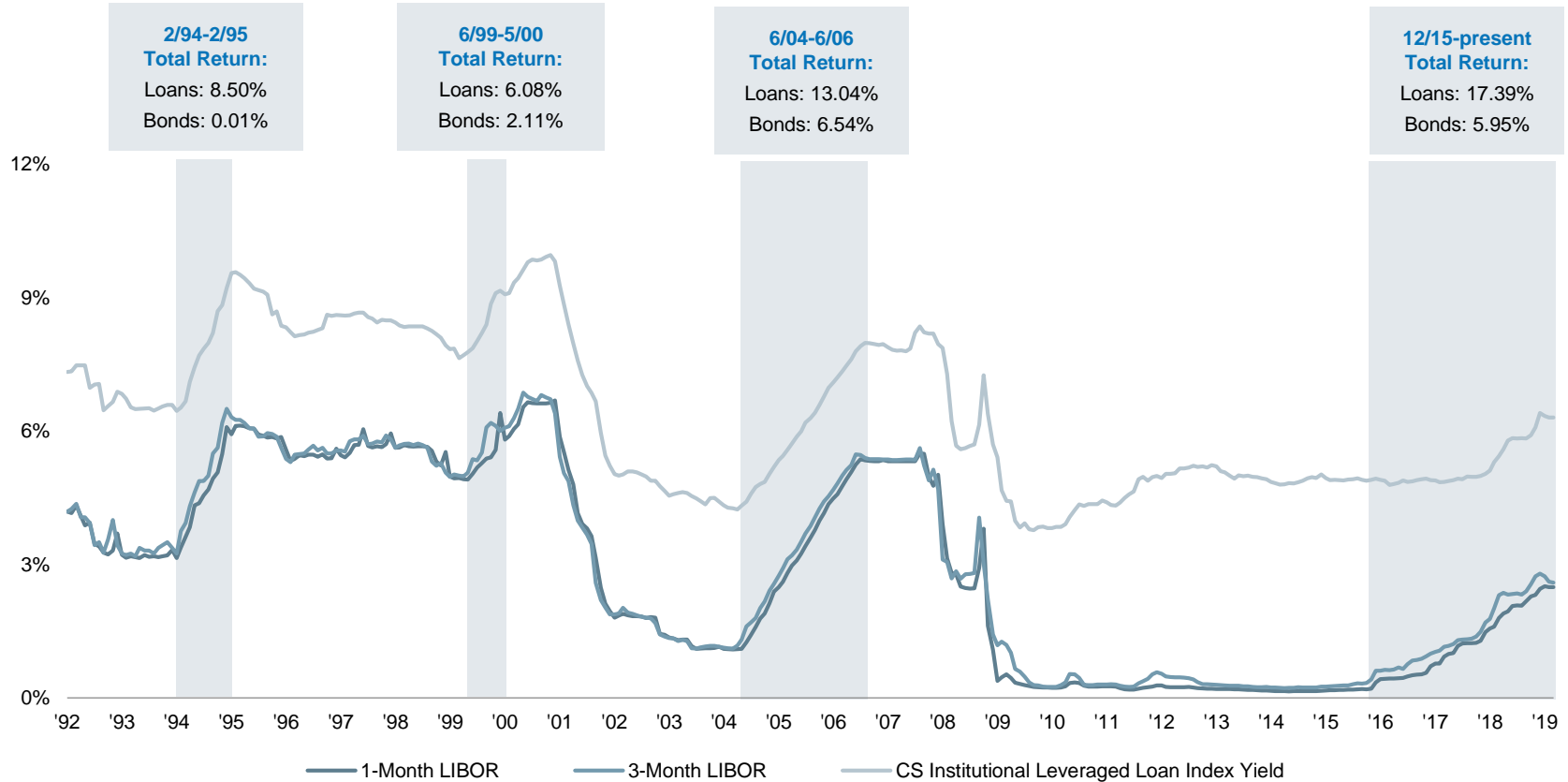


Sources: Eaton Vance, Bloomberg Barclays, JPMorgan, ICE Data Indices, LLC, and LCD, an offering of S&P Global Market Intelligence, 3/31/19. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. Yield to worst is the lowest potential yield that can be received on a bond without an issuer actually defaulting. Duration is a measure of the sensitivity of a bond's price to a change in interest rates. Treasury represented by Bloomberg Barclays U.S. Treasury Index. Agency represented by Bloomberg Barclays U.S. Agency Index. Aggregate represented by Bloomberg Barclays U.S. Aggregate Index. MBS represented by Bloomberg Barclays U.S. Mortgage Backed Securities (MBS) Index. Investment-Grade Corp. represented by Bloomberg Barclays U.S. Corporate Index. Municipal represented by Bloomberg Barclays Municipal Bond Index. EM Sovereign (USD) represented by JPMorgan Emerging Markets Bond Index Plus (EMBI+). High-Yield Corp. represented by Bloomberg Barclays U.S. Corporate High Yield Index. Floating-Rate Loans represented by S&P/LSTA Leveraged Loan Index.



Portfolio applications

Historical loan yields and short-term rates

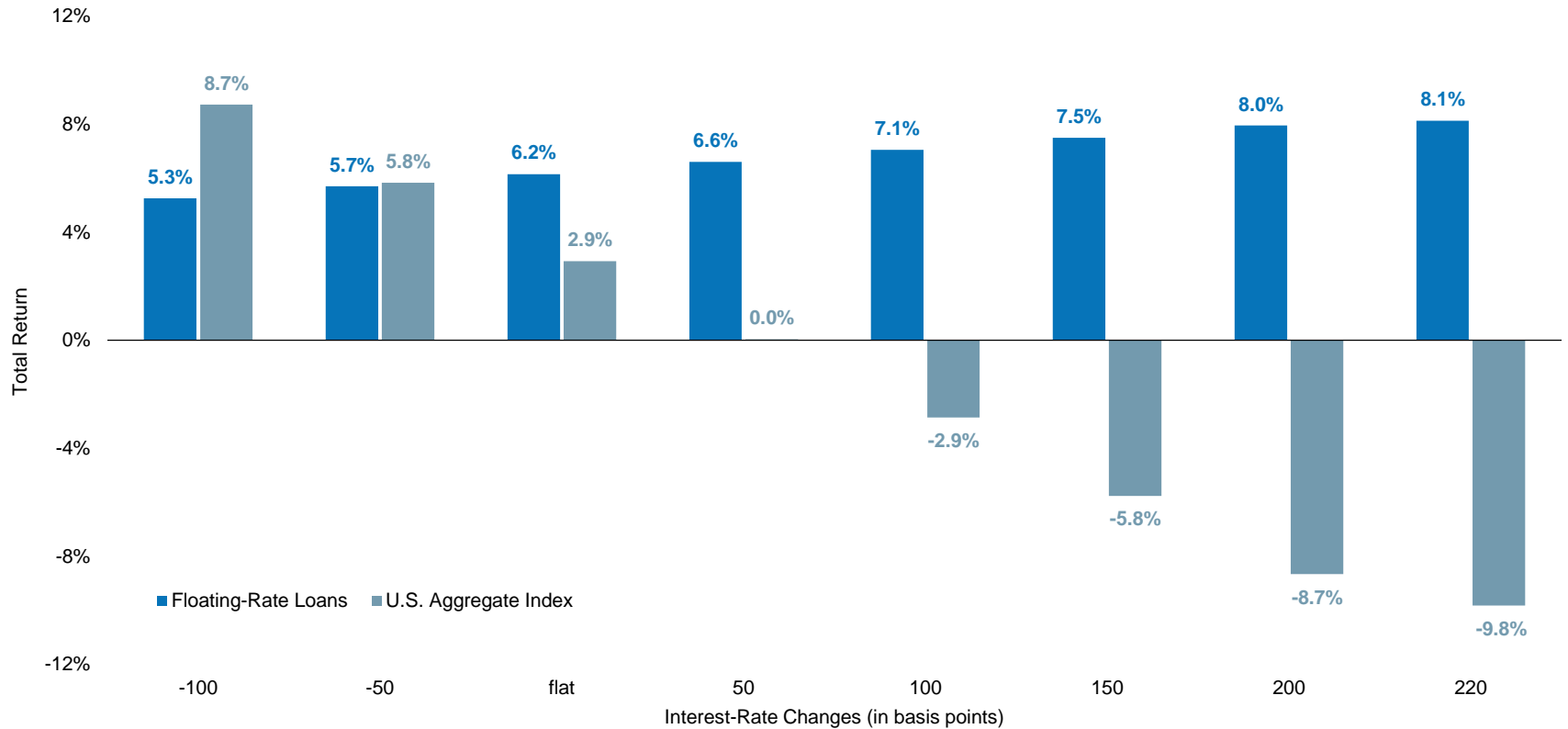


Sources: Eaton Vance, Credit Suisse, Federal Reserve Bank of St. Louis Economic Data (FRED), and Morningstar, 3/31/19. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures. Performance is cumulative and rising rates are defined as any period where rates increased at least 1%. Loan performance is represented by Credit Suisse Institutional Leveraged Loan Index (which has a longer history than the S&P/LSTA Leveraged Loan Index) represents the investable universe of the U.S. dollar denominated leveraged loan market and bond performance is represented by Bloomberg Barclays U.S. Aggregate Index, an unmanaged index of domestic investment-grade bonds, including corporate, government and mortgage-backed securities.



Portfolio applications

Loans vs. bonds: Hypothetical returns in various rate scenarios

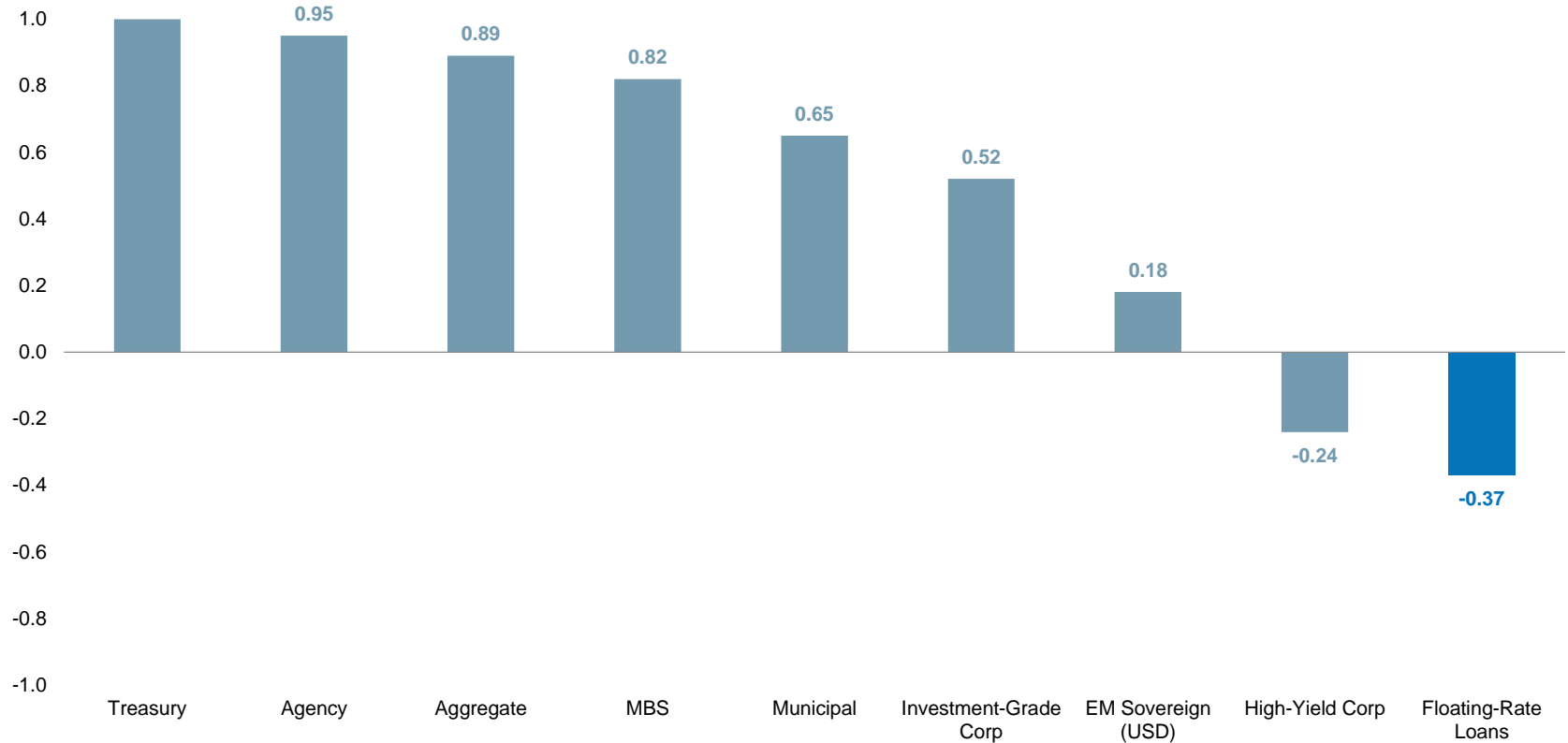


Source: Eaton Vance, 3/31/19. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures. Bonds are represented by the Bloomberg Barclays U.S. Aggregate Index, with a yield of 2.93% and duration of 5.8 years. For loans, we use the S&P/LSTA Leveraged Loan Index, with a net yield of 6.15%, based on a market yield of 6.85%, reduced by 0.7% to account for expected defaults and recoveries—the average level observed by Eaton Vance over 20 years. Duration is 0.1 years. Calculations are based on standard duration formula, assuming instantaneous rises in interest rates and adjustments of benchmark yields on loans. Chart represents projections based on various interest rate scenarios but is not intended to predict any particular scenario. The information is based, in part, hypothetical assumptions and the experience of Eaton Vance. Certain of the assumptions have been made for modeling purposes and are unlikely to be realized. Changes in the assumptions and scenarios may have a material impact on the information shown.



Portfolio applications

10-year correlation with U.S. Treasuries

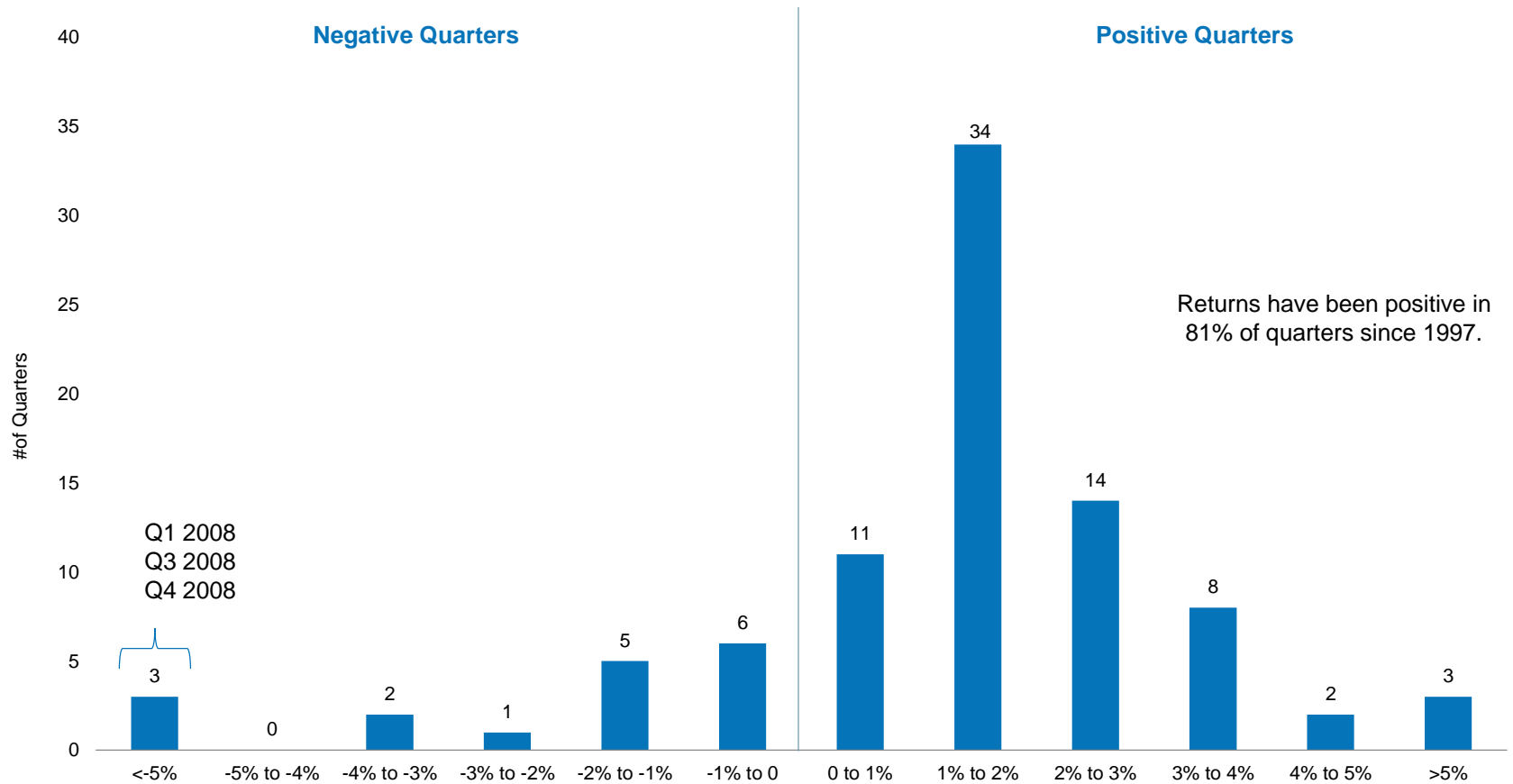


Source: Morningstar, 3/31/19. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures. Correlation is a statistical measure of how two securities perform in relation to each other. Treasury represented by Bloomberg Barclays U.S. Treasury Index. Agency represented by Bloomberg Barclays U.S. Agency Index. Aggregate represented by Bloomberg Barclays U.S. Aggregate Index. MBS represented by Bloomberg Barclays U.S. Mortgage Backed Securities (MBS) Index. Investment-Grade Corp. represented by Bloomberg Barclays U.S. Corporate Index. Municipal represented by Bloomberg Barclays Municipal Bond Index. EM Sovereign (USD) represented by JPMorgan Emerging Markets Bond Index Plus (EMBI+). High-Yield Corp. represented by Bloomberg Barclays U.S. Corporate High Yield Index. Floating-Rate Loans represented by S&P/LSTA Leveraged Loan Index.



Portfolio applications

Distribution of all quarterly total returns: Q1 1997 – Q1 2019



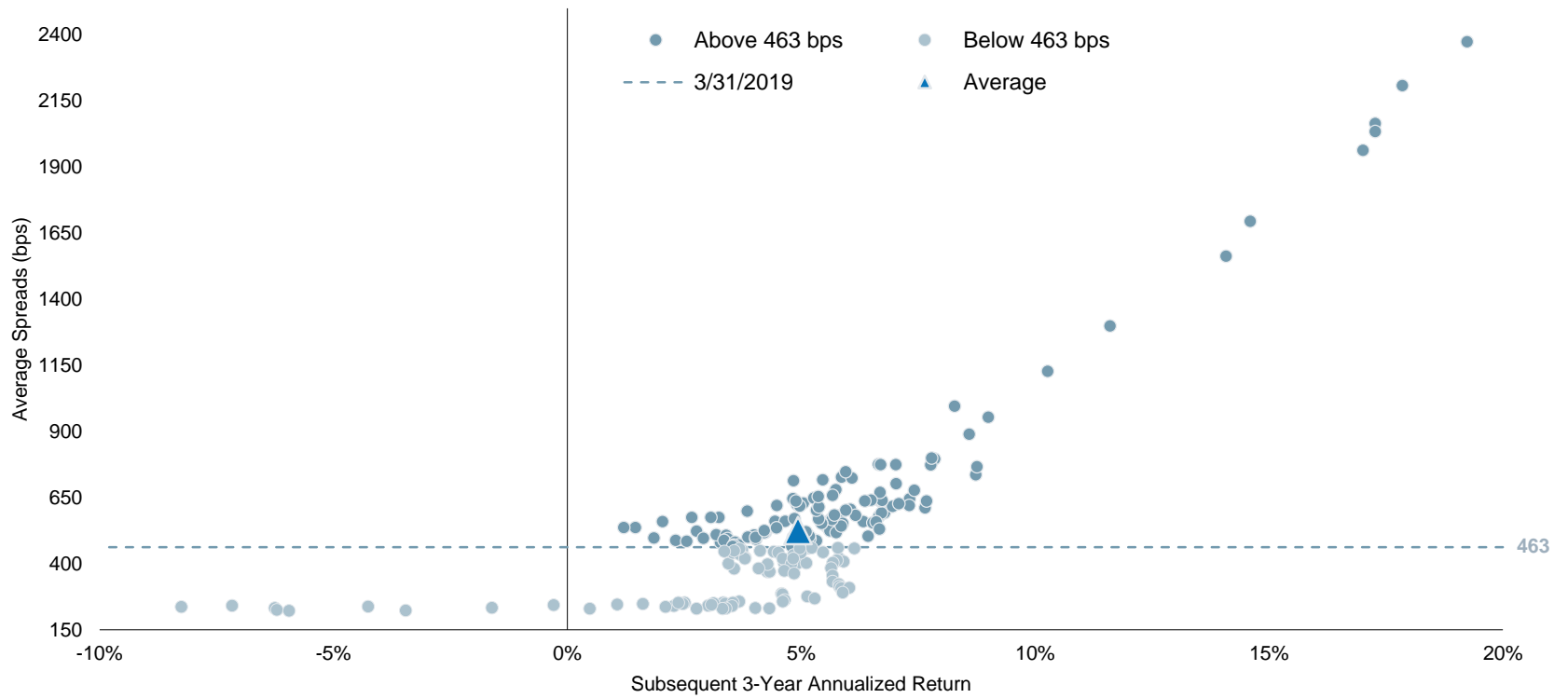
Sources: Eaton Vance and LCD, an offering of S&P Global Market Intelligence, 3/31/19. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures. Loan performance is represented by the S&P/LSTA Leveraged Loan Index.



Portfolio applications

Performance perspectives

Spreads and Subsequent Rolling 3-Year Returns (12/31/98 - 3/31/19)



Sources: Eaton Vance and LCD, an offering of S&P Global Market Intelligence, 3/31/19. **Past performance is not a reliable indicator of future results.** Data provided are for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures. Loans represented by S&P/LSTA Leveraged Loan Index.



Portfolio applications

Fixed income asset class return analysis (%)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	YTD 3/19
Higher ↑	High Yield 57.51	EM (Local Currency) 15.68	Municipal 10.70	EM (Local Currency) 16.76	High Yield 7.42	Municipal 9.05	Municipal 3.30	High Yield 17.49	EM (Local Currency) 15.21	Municipal 1.28	High Yield 7.40
	Bank Loan 51.62	High Yield 15.19	Treasury 9.81	High Yield 15.58	Bank Loan 5.29	Investment Grade 7.46	MBS 1.51	Bank Loan 10.16	Global Agg Ex-U.S. 10.51	MBS 0.99	Investment Grade 5.14
	EM (Local Currency) 21.98	Bank Loan 10.13	Investment Grade 8.15	Investment Grade 9.82	MBS -1.41	MBS 6.08	Treasury 0.84	EM (Local Currency) 9.94	High Yield 7.48	Treasury 0.86	Bank Loan 4.00
	Investment Grade 18.68	Investment Grade 9.00	MBS 6.23	Bank Loan 9.66	Investment Grade -1.53	Treasury 5.05	Investment Grade -0.68	Investment Grade 6.11	Investment Grade 6.42	Bank Loan 0.44	EM (Local Currency) 2.92
	Municipal 12.91	Treasury 5.87	High Yield 4.38	Municipal 6.78	Municipal -2.55	High Yield 2.50	Bank Loan -0.69	MBS 1.67	Municipal 5.45	Global Agg Ex-U.S. -2.15	Municipal 2.90
	Global Agg Ex-U.S. 7.53	MBS 5.37	Global Agg Ex-U.S. 4.36	Global Agg Ex-U.S. 4.09	Treasury -2.75	Bank Loan 1.60	High Yield -4.64	Global Agg Ex-U.S. 1.49	Bank Loan 4.12	High Yield -2.26	MBS 2.17
	MBS 5.89	Global Agg Ex-U.S. 4.95	Bank Loan 1.52	MBS 2.59	Global Agg Ex-U.S. -3.08	Global Agg Ex-U.S. -3.08	Global Agg Ex-U.S. -6.02	Treasury 1.04	MBS 2.47	Investment Grade -2.51	Treasury 2.11
Lower ↓	Treasury -3.57	Municipal 2.38	EM (Local Currency) -1.75	Treasury 1.99	EM (Local Currency) -8.98	EM (Local Currency) -5.72	EM (Local Currency) -14.92	Municipal 0.25	Treasury 2.31	EM (Local Currency) -6.21	Global Agg Ex-U.S. 1.52

Source: Morningstar, 3/31/19. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. See end of material for important additional information and disclosures. Investment Grade represented by Bloomberg Barclays U.S. Corporate Index. MBS represented by Bloomberg Barclays U.S. Mortgage Backed Securities (MBS) Index. Treasury represented by Bloomberg Barclays U.S. Treasury Index. High Yield represented by Bloomberg Barclays U.S. Corporate High Yield Index. Municipal represented by Bloomberg Barclays Municipal Bond Index. Bank Loan represented by S&P/LSTA Leveraged Loan Index. Global Agg Ex-U.S. represented by Bloomberg Barclays Global Aggregate Ex-USD Index. EM(Local Currency) represented by JPMorgan Government Bond Index-Emerging Markets (GBI-EM) Global Diversified. It is not possible to invest directly in an Index.



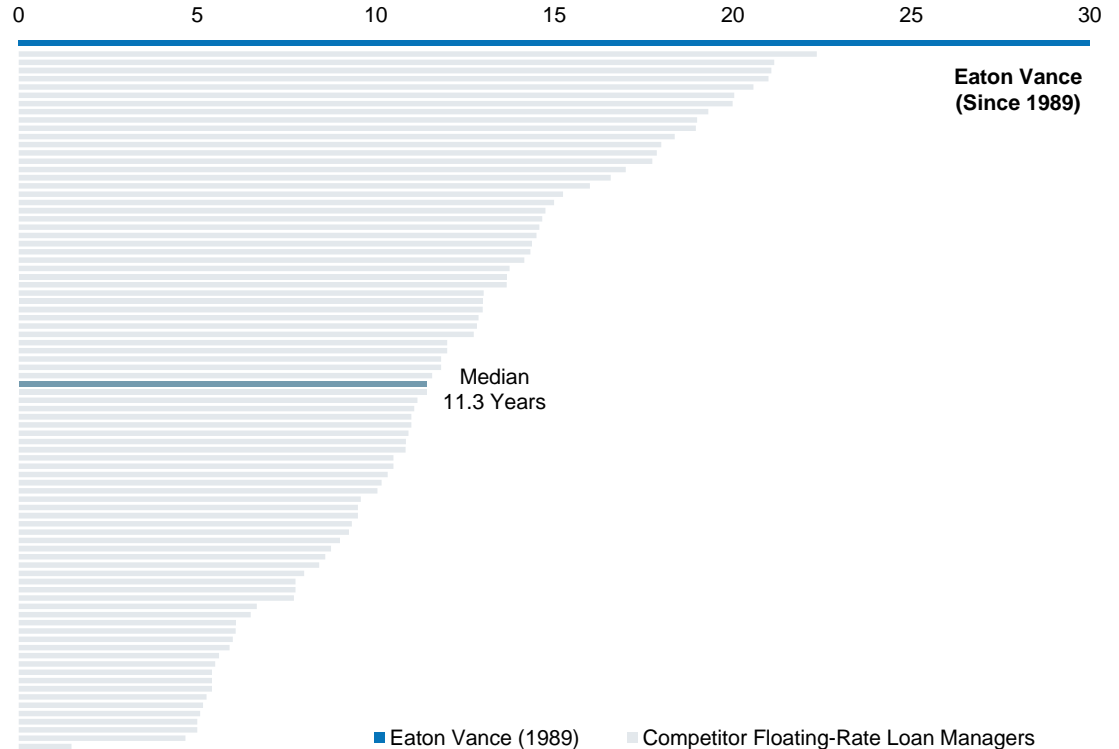
About Eaton Vance



Eaton Vance for floating-rate loans

The advantage of Eaton Vance's experience

- Measurable track record since 1989
- Significant floating-rate loan investment resources and specialization
- Extensive contiguous experience of investment team
- Strong long-term record of delivering incremental outperformance with lower volatility than the S&P/LSTA Leveraged Loan Index and peers
- Continuity of philosophy, process and team over time
- Systematic risk-weighted portfolio construction underpinned by bottom-up credit research



Source: eVestment, 12/31/18. **Past performance is not a reliable indicator of future results.** Data provided is for informational use only. It is not possible to invest directly in an Index. See end of material for important additional information and disclosures. Based on eVestment Floating-Rate Bank Loan Fixed Income universe using oldest investment offering for each firm.



Eaton Vance for floating-rate loans

Investment team leadership



From left to right: Craig Russ, Andrew Sveen

Craig Russ

- Co-Director of Floating-Rate Loans, Portfolio Manager
- 33 years of industry experience
- 22 years with Eaton Vance
- BA from Middlebury College

Andrew Sveen, CFA

- Co-Director of Floating-Rate Loans, Portfolio Manager
- 24 years of industry experience
- 20 years with Eaton Vance
- BA from Dartmouth College; MBA from University of Rochester Simon Graduate School of Business

John Redding

- Portfolio Manager
- 34 years of industry experience
- 21 years with Eaton Vance
- BS from State University of New York at Albany

Scott Page, CFA

- Senior Portfolio Advisor, Portfolio Manager
- 37 years of industry experience
- 29 years with Eaton Vance
- BA from Williams College; MBA from Amos Tuck School of Dartmouth College

Michael Kinahan, CFA

- Head of Structured Products, Portfolio Manager
- 32 years of industry experience
- 21 years with Eaton Vance
- BS, University of Southern California

Ralph Hinckley, CFA

- Portfolio Manager, Senior Research Analyst
- 21 years of industry experience
- 15 years with Eaton Vance
- BA from Bates College, MBA from Boston University Graduate School of Management



Eaton Vance for floating-rate loans

Investment team with extensive contiguous experience

Team Leadership

Craig Russ
33 Years of Ind. Experience
22 Years with Eaton Vance

Andrew Sveen, CFA
24 Years of Ind. Experience
20 Years with Eaton Vance

John Redding
34 Years of Ind. Experience
21 Years with Eaton Vance

Michael Kinahan, CFA
32 Years of Ind. Experience
21 Years with Eaton Vance

Scott Page, CFA
37 Years of Ind. Experience
29 Years with Eaton Vance

Credit Research

Catherine McDermott
Auto, Gaming, Packaging
30 Years of Ind. Experience
18 Years with Eaton Vance

Ralph Hinckley, CFA
Broadcast/Cable TV, Telecom, Publishing
21 Years of Ind. Experience
15 Years with Eaton Vance

Michael Turgel, CFA
Food, Metals, Utilities
16 Years of Ind. Experience
12 Years with Eaton Vance

John Brodbine
18 Years of Ind. Experience
14 Years with Eaton Vance

Jake Lemle, CFA
11 Years of Ind. Experience
11 Years with Eaton Vance

Jeff Hesselbein, CFA
Healthcare, Pharmaceuticals
22 Years of Ind. Experience
19 Years with Eaton Vance

Heath Christensen, CFA
Aerospace/Defense, Software/Technology, Transportation
18 Years of Ind. Experience
15 Years with Eaton Vance

William Holt, CFA
Financials, Technology, Semiconductors
17 Years of Ind. Experience
14 Years with Eaton Vance

Edward Greenaway, CFA
13 Years of Ind. Experience
11 Years with Eaton Vance

Elizabeth McDonough
5 Years of Ind. Experience
5 Years with Eaton Vance

Daniel McElaney, CFA
Oil & Gas, Metals & Mining, Chemicals/Plastics
15 Years of Ind. Experience
14 Years with Eaton Vance

Michael Ferrante, CFA
Telecom, Business Services, Broadcast/Cable TV, Building & Development
14 Years of Ind. Experience
5 Years Total with Eaton Vance

Cyril Legrand, CFA
European Issuers
8 Years of Ind. Experience
8 Years with Eaton Vance

Maria van Heeckeren
4 Years of Ind. Experience
4 Years with Eaton Vance

Michael Botthof
29 Years of Ind. Experience
22 Years with Eaton Vance

Brad Richards, CFA
Restaurants, Industrials
7 Years of Ind. Experience
7 Years with Eaton Vance

Audrey Grant, CFA
Retailers, Theaters, Payment Processors
5 Years of Ind. Experience
5 Years with Eaton Vance

Emily Cetlin
Packaging, Gaming
4 Years of Ind. Experience
4 Years with Eaton Vance

Product & Portfolio Strategy

Christopher Remington
18 Years of Ind. Experience
11 Years with Eaton Vance

Additional Staff:
7 operations/compliance professionals

Alexandros Apostolidis
European Issuers
3 Years of Ind. Experience
3 Years with Eaton Vance

David Lee
Telecom, Broadcast /Cable TV, Theme Parks, Health Care
2 Year of Ind. Experience
2 Year with Eaton Vance

Anish Guha
<1 Year of Ind. Experience
<1 Year with Eaton Vance

Robert Holmes, CFA
7 Years of Ind. Experience
7 Years with Eaton Vance

Credit Advisory

David Aloise
43 Years of Ind. Experience
18 Years with Eaton Vance

Erik Manditch
<1 Year of Ind. Experience
<1 Year with Eaton Vance



Additional Information



Additional information

Important information and disclosure

ABOUT RISK:

Floating-Rate Loans: An imbalance in supply and demand in the income market may result in valuation uncertainties and greater volatility, less liquidity, widening credit spreads and a lack of price transparency in the market. There can be no assurance that the liquidation of collateral securing an investment will satisfy the issuer's obligation in the event of nonpayment or that collateral can be readily liquidated. The ability to realize the benefits of any collateral may be delayed or limited. Investments in income securities may be affected by changes in the creditworthiness of the issuer and are subject to the risk of non-payment of principal and interest. The value of income securities also may decline because of real or perceived concerns about the issuer's ability to make principal and interest payments. Borrowing to increase investments (leverage) will exaggerate the effect of any increase or decrease in the value of investments. Investments rated below investment grade (typically referred to as "junk") are generally subject to greater price volatility and illiquidity than higher rated investments. As interest rates rise, the value of certain income investments is likely to decline. Bank loans are subject to prepayment risk. Investments in foreign instruments or currencies can involve greater risk and volatility than U.S. investments because of adverse market, economic, political, regulatory, geopolitical or other conditions. Changes in the value of investments entered for hedging purposes may not match those of the position being hedged.

Duration – Securities with longer durations tend to be more sensitive to interest rate changes than securities with shorter durations. **Equity** – Equity investment values are sensitive to stock market volatility. **Gov't Agency** – While certain U.S. Government-sponsored agencies may be chartered or sponsored by acts of Congress, their securities are neither issued nor guaranteed by the U.S. Treasury. **Maturity** – Longer-term bonds typically are more sensitive to interest rate changes than shorter-term bonds. **Prepayment** – **MBS** – Mortgage-backed securities are subject to prepayment risk. **Smaller Companies** – Smaller companies are generally subject to greater price fluctuations, limited liquidity, higher transaction costs and higher investment risk than larger, established companies.

INDEX DEFINITIONS:

Bloomberg Barclays Global Aggregate Ex-USD Index is a broad-based measure of global investment grade fixed-rate debt investments, excluding USD-denominated debt.

Bloomberg Barclays Municipal Bond Index is an unmanaged index of municipal bonds traded in the U.S.

Bloomberg Barclays U.S. Agency Index measures agency securities issued by U.S. government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. government.

Bloomberg Barclays U.S. Aggregate Index is an unmanaged index of domestic investment-grade bonds, including corporate, government and mortgage-backed securities.

Bloomberg Barclays U.S. Corporate Index is an unmanaged index that measures the performance of investment-grade corporate securities within the Bloomberg Barclays U.S. Aggregate Index.

Bloomberg Barclays U.S. Mortgage Backed Securities (MBS) Index measures agency mortgage-backed pass-through securities issued by GNMA, FNMA, and FHLMC.

Bloomberg Barclays U.S. Treasury Index measures public debt instruments issued by the U.S. Treasury.

Credit Suisse Institutional Leveraged Loan Index is an unmanaged index of the institutional leveraged loan market.

JPMorgan Emerging Markets Bond Index Plus (EMBI+) is a market-cap weighted index that measures USD-denominated Brady Bonds, Eurobonds, and traded loans issued by sovereigns.

Standard & Poor's 500 Index is an unmanaged index of large-cap stocks commonly used as a measure of U.S. stock market performance.

S&P/LSTA Leveraged Loan Index is an unmanaged index of the institutional leveraged loan market.



Additional information

Important information and disclosure

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Elements of this report include comparisons of different asset classes, each of which has distinct risk and return characteristics. Every investment carries risk, and principal values and performance will fluctuate with all asset classes shown, sometimes substantially. Asset classes shown are not insured by the FDIC and are not deposits or other obligations of, or guaranteed by, any depository institution. All asset classes shown are subject to risks, including possible loss of principal invested.

The principal risks involved with investing in the asset classes shown are interest-rate risk, credit risk and liquidity risk, with each asset class shown offering a distinct combination of these risks. Generally, considered along a spectrum of risks and return potential, U.S. Treasury securities (which are guaranteed as to the payment of principal and interest by the U.S. government) offer lower credit risk, higher levels of liquidity, higher interest-rate risk and lower return potential, whereas asset classes such as high-yield corporate bonds and emerging market bonds offer higher credit risk, lower levels of liquidity, lower interest-rate risk and higher return potential. Other asset classes shown carry different levels of each of these risk and return characteristics, and as a result generally fall varying degrees along the risk/return spectrum.

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Additional information

Important information and disclosure

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