



**FIXED INCOME
SERIES**
Investment Research

The MSFI market deconstructed

Multi Sector Fixed Income survey Q2 2018



CAMRADATA

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RIISING INTEREST RATES are the enemy of fixed income returns. As rates go up, newly issued bonds become more valuable than the ones already held in the market. Investors are incentivised to sell their existing holdings and buy paper at the new, higher rates, causing the value of existing bond portfolios to fall.

Recent months have therefore been challenging for bond holders. As of August, the US Federal Reserve has raised rates twice this year and has indicated another rate rise may come in September. The American economy is growing at such a healthy rate that inflation is likely to exceed its 2% target. To control inflation, the Fed will raise the cost of borrowing.

The Bank of England has also raised rates, albeit from a lower base. At the start of August, the UK base rate climbed from 0.5% to 0.75%.

“NATIXIS INVESTMENT MANAGERS HAD AN ESPECIALLY GOOD QUARTER IN TERMS OF FUND RAISING. THE FIRM GATHERED A NET INFLOW OF MORE THAN £1.5 BILLION.”

Although Governor Mark Carney has suggested he might lower the rate again in response to a disorderly Brexit, he said he was confident the economy had picked up speed after a soft patch earlier in the year.

Multi sector fixed income absolute return (MSFI absolute return) funds offer a potential hedge against rising rates. These funds employ a range of unconventional strategies that seek to maximise returns on bonds in even the most hostile environments. Examples of

such tactics include shorting bonds or making relative value trades.

Data on investor flows suggests MSFI absolute return funds are rising in popularity. This fund type enjoyed a net inflow of £3.5 billion in the second quarter, according to the CAMRADATA universe. That is the ninth consecutive quarter in which this fund type has gained a net inflow.

Natixis Investment Managers had an especially good quarter in terms of fund raising. The firm gathered a net inflow of more than £1.5 billion for its MSFI absolute return funds in the period, putting it far ahead of the second most successful fund raiser in the quarter, which was BlackRock with a net inflow of £399 million.

Performance of these funds appeared to improve compared with the first quarter of the year. Then, less than half the products in the CAMRADATA universe achieved a break-even or positive return. In the second quarter, the proportion rose to 59%.

Despite these gains, total assets in the sector declined by £3.5 billion.

George Mitton,
Research editor, CAMRADATA

CAMRADATA CLEAR, INDEPENDENT ANALYSIS

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The CAMRADATA Multi Sector Fixed Income Survey is based on all up-to-date sterling Multi Sector Fixed Income vehicles in CAMRADATA Live four weeks after the end of the report quarter.

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Investment views: 2018 outlook

OUTLOOK

The second quarter of 2018 underlined the enduring power of the US economy and the mighty dollar to influence global finance. Emerging markets across the globe were forced to adapt as the dollar strengthened, making many of their debts harder to service. Countries such as Turkey and Argentina, whose currencies teetered in crisis territory, were especially challenged.

The ongoing dispute over trade between America and China continued to influence markets. Many onlookers feared the private sector would suspend investment due to the uncertainty.

The Eurozone limped through a disappointing quarter in which growth was as its lowest level in two years.

EQUITIES

The strong dollar was one of several factors that encouraged continued gains in the US equity market. By late August, the S&P 500 index had enjoyed its longest bull run in history. The rally overtook a previous period of exceptional performance that ended with the dotcom crash. How much longer can it go on?

Elsewhere in the world, equity markets were more volatile. The

Eurostoxx 50 index enjoyed a rally in March only to end in a correction in May that gave back most of the gains. Emerging market equities suffered steep declines as investors swapped these “riskier” assets for safer ones such as treasuries. The Shanghai Composite index continued to decline while Japan’s TOPIX index moved sideways.

BONDS

With strong growth and rising inflation, the US Federal Reserve could justify a quarter-point rate rise in June, bringing the rate to 2%. Market watchers speculated there could be a third or even a fourth rate rise later in the year.

The Bank of England also raised rates by a quarter of a percent to 0.75% but the tone from the bank’s governor was cautious as he warned the rate could fall again if Brexit occurred in a disorderly fashion.

The European Central Bank surprised markets by promising to end quantitative easing, but the official line is that interest rates will stay on hold throughout 2019.

The Bank of Japan kept its ultra-low interest rates steady as its inflation target remained out of reach.

OTHER ASSETS

Gold disappointed investors in the second quarter by falling steadily in value. The ability of the precious metal to act as a “safe haven” was called into question when its price dropped at the same time as crises developed in Turkey and elsewhere.

“THE ONGOING DISPUTE OVER TRADE BETWEEN AMERICA AND CHINA CONTINUED TO INFLUENCE MARKETS. SOME FEARED THE PRIVATE SECTOR WOULD SUSPEND INVESTMENT DUE TO THE UNCERTAINTY.”

UNITED STATES

The world’s largest economy stepped up the pace in the second quarter by growing at an annualised rate of 4.1%, its fastest speed in four years. President Trump celebrated the acceleration as “amazing”. Although consumer spending was strong, economists



said the boost was an indirect effect of incoming tariffs, which prompted companies to rush their export orders before new levies came in.

EUROPE

The Eurozone economies posted a growth rate of 0.3% in the second

quarter, which was later upgraded to 0.4%. The European statistics office said industrial output fell sharply in June because of reduced investment in machinery and equipment. Year on year, the economy of the 19-country bloc grew 2.2%.

UK

Britain achieved a growth rate of 0.4% in the second quarter, beating the lacklustre 0.2% seen in the first quarter and matching the Eurozone. The UK is still the slowest growing economy in the G7, having been the fastest before the 2016 Brexit vote.

Highlights



THE NUMBER OF MSFIs

in this survey now stands at 71 products. Around 95% of the vehicles included have more than three years' worth of returns, whereas there are no vehicles with less than one year's track record.

60.64%



NATIXIS

Achieved the largest percentage growth, seeing their assets increase by 60.64% during Q2 2018. Followed by Nomura, Cameron Hume, Payden & Rygel and Newton Investment Management.

NATIXIS INVESTMENT

managers to hold the largest asset inflows totalling £1,508m, in converted sterling, during Q2 2018. They were followed by BlackRock, Newton Investment Management, Payden & Rygel and Bradywine Global Investment Management.

SINCE Q1 2018 MSFI

absolute return assets have decreased by just under...

£3.5BN



GBP products produced a median return of 0.52% over 1 year, whilst achieving an annualised return of 2% over the last three years.

EUR products produced a median return of -0.57% over 1 year, whilst achieving an annualised return of 1.82% over the last three years.

USD products produced a median return of 1.45% over 1 year, whilst achieving an annualised return of 2.68% over the last three years.



OVER THE LAST QUARTER

the MSFI Absolute Return products achieved positive inflows of just over £3.5bn. This continues the positive trend for inflows with this asset class receiving positive inflows for the last 9 quarters.

WESTERN ASSET

has the highest market share in MSFI Absolute Return products with just over £10.79bn, in converted sterling, under management. The others in the Top 5 include BlackRock; Insight Investment Management (Global) Limited, M&G Investment and J.P. Morgan.

MSFI Absolute return vehicles in

GBP saw Insight hold the largest market share with **£6.15bn** at the end of Q2 2018.

EUR again saw Insight hold the largest market share with **€6.18bn** at the end of Q2 2018.

USD saw Western Asset Management hold the largest market share with **\$14.26bn** at the end of Q2 2018.

The **second quarter** of 2018 saw an increase of positive performance with **59%** of products achieving a breakeven or positive return, compared to **47%** in Q1 2018.

96% of products achieved a breakeven or positive return over three years.

USD products within the MSFI universe continue to be slightly more expensive with a maximum fee of 1%, whereas in GBP and EUR the products maximum fees are cheaper at 0.75%. Although the median fee for all three currencies remains at 0.5%.

According to the CAMRADATA IQ Scores...

- for the 3 years to 30th June 2018, the top ranked manager for this period in the GBP universe, with an IQ Score of 0.85, is Payden & Rygel with their Payden Absolute Return Investing (PARI) Composite (GBP). Other standout GBP products are from J. P. Morgan, TwentyFour Asset Management and Kames Capital..

- In the EUR universe La Française is the top manager with an IQ Score of 0.85 with their La Française Lux – Multistratégies Obligataires product.

- In the USD universe TWC is the top manager in this universe with an IQ Score of 0.86 with their TWC Unconstrained Fixed Income. Other standout USD products are from Payden & Rygel, PGIM IM, Nomura Asset Management and AXA.

MSFI products in GBP, EUR and USD have

overall been less volatile in their distribution of returns than their Barclays Aggregate benchmarks over the last 3 years.

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The MSFI market deconstructed

Part 1

The MSFI Universe



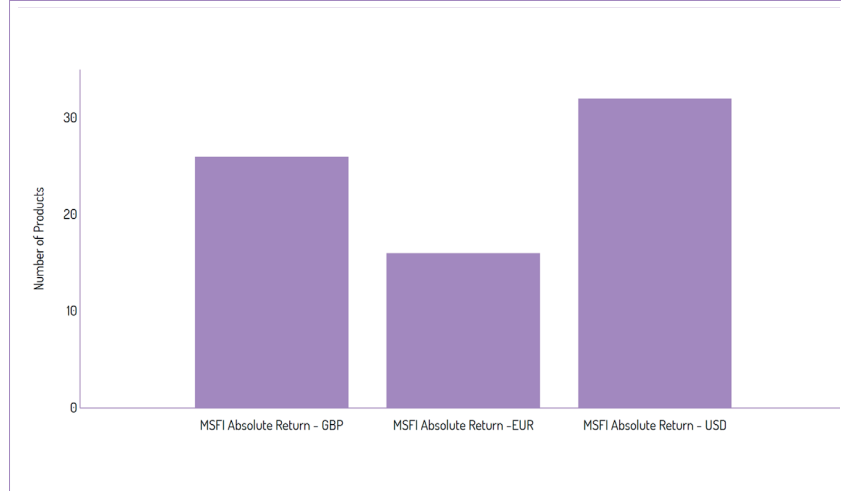
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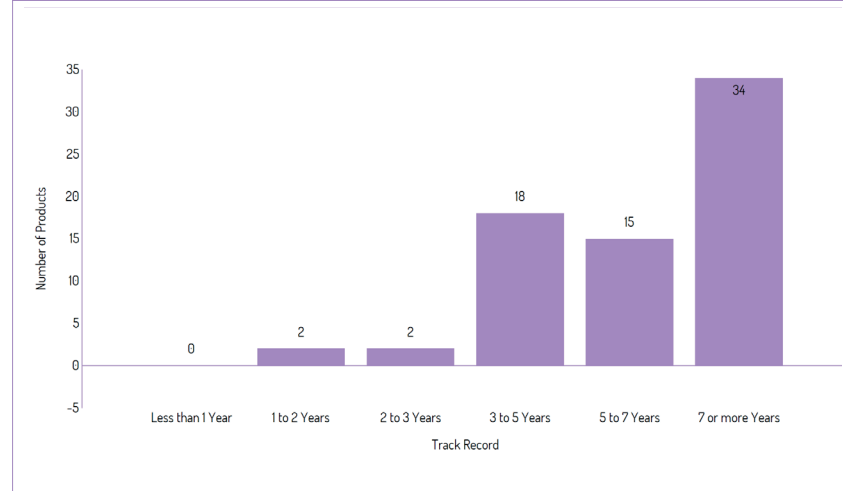


Section 1: MSFI Universe

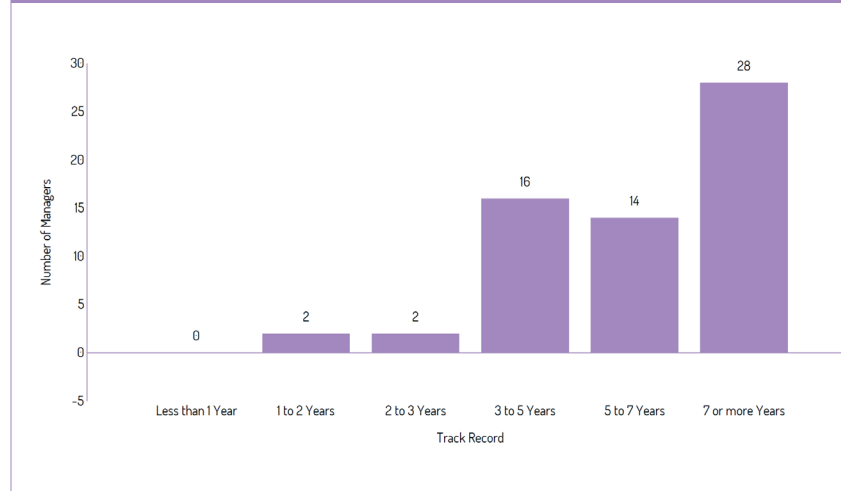
1. Number of Products in the MSFI Universe



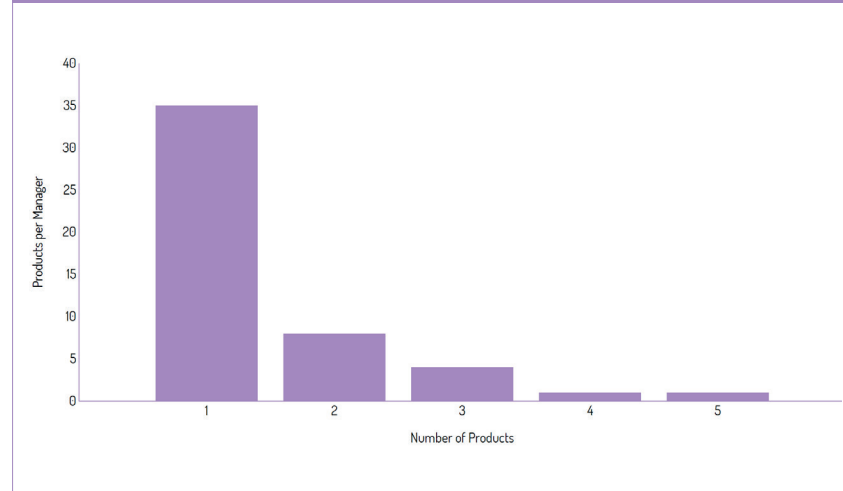
2. Number of Products over time



3. Number of Asset Managers over time

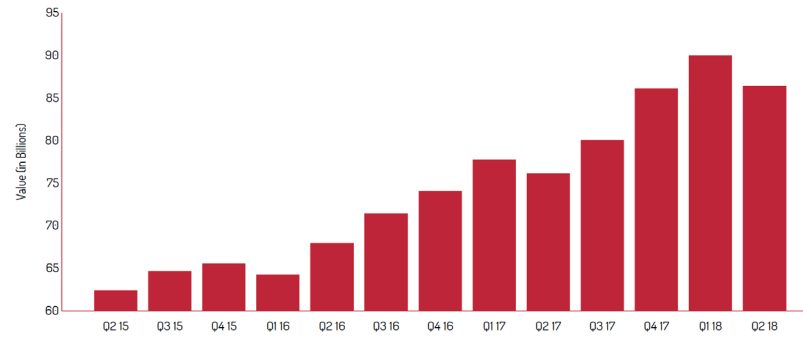


4. Number of Products per Asset Manager

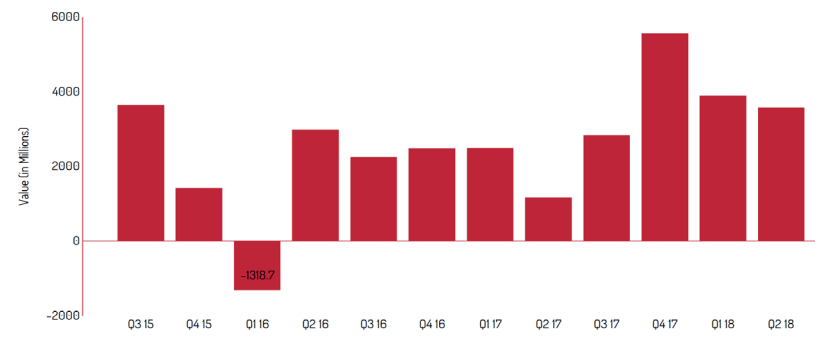


Section 2: Assets Under Management

5: Aum of MSFI Universe



6: MSFI Universe Asset Flows



7: Top 5 Asset Manager Inflows in GBP during the quarter

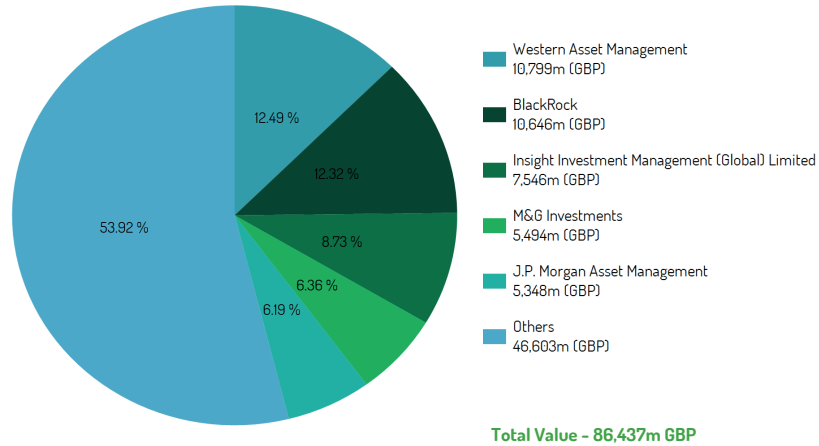
Rank	Manager	Inflows
1	Natixis Investment Managers	£ 1,508m
2	BlackRock	£ 399m
3	Newton Investment Management	£ 347m
4	Payden & Rygel	£ 330m
5	Brandywine Global Investment Management, LLC	£ 294m

8: MSFI Universe Asset Flows Percentage during the quarter

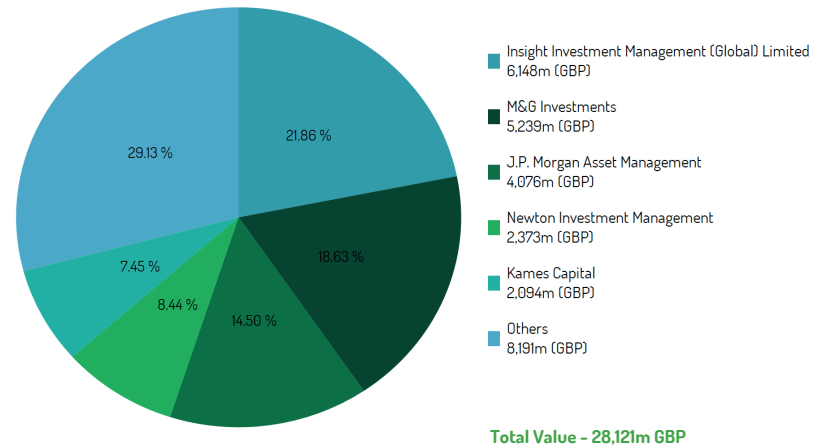
Rank	Manager	Inflows Percent
1	Natixis Investment Managers	60.64
2	Nomura Asset Management Global	46.79
3	Cameron Hume Limited	23.31
4	Payden & Rygel	17.84
5	Newton Investment Management	17.10

Section 3: Market Share

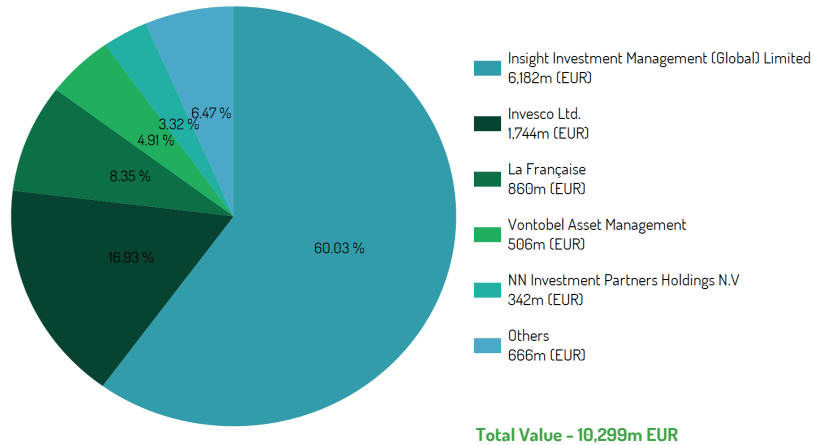
9: All MSFI funds



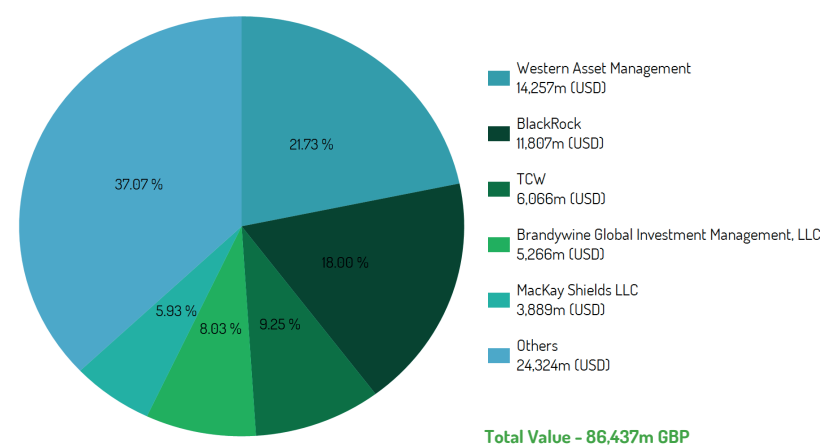
10: MSFI GBP



11: MSFI EUR



12: MSFI USD

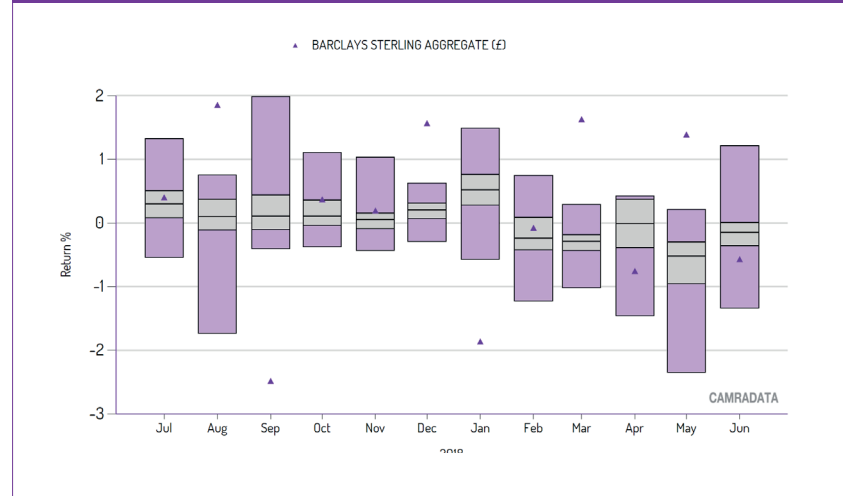


Section 4: Performance

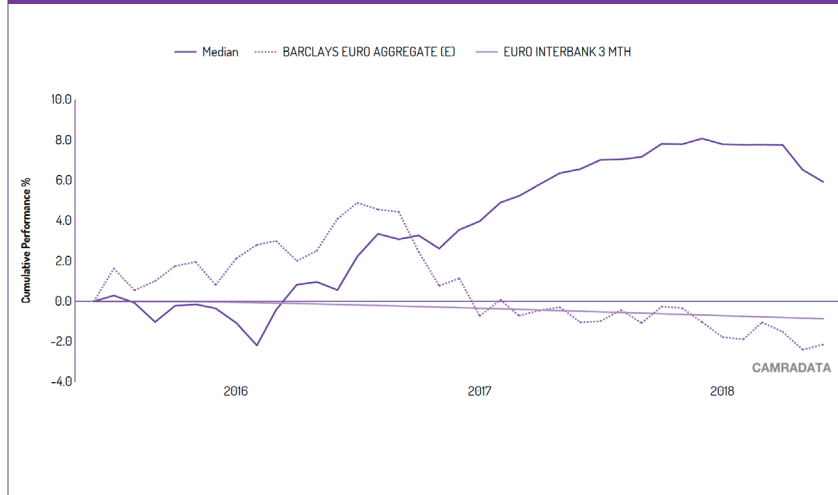
13: Cumulative Returns - MSFI GBP v Market



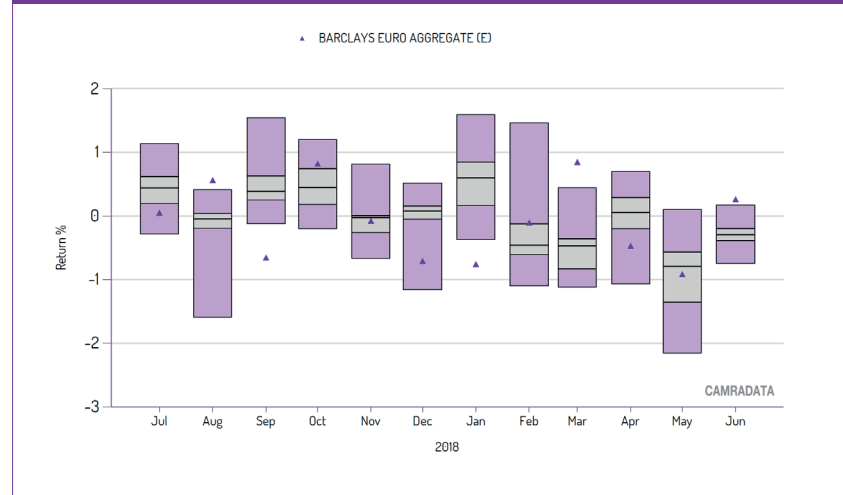
14: Monthly Returns - MSFI GBP



15: Cumulative Returns - MSFI EUR v Market



16: Monthly Returns - MSFI EUR

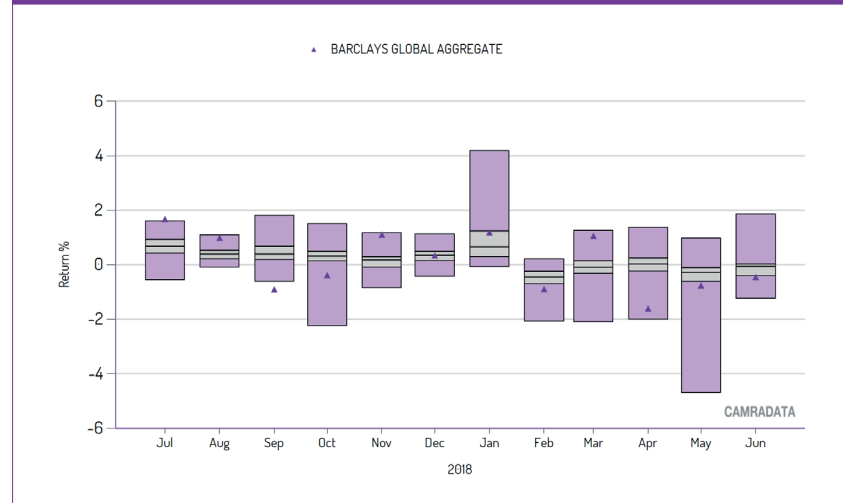


Section 4: Performance

17: Cumulative Returns - MSFI USD v Market

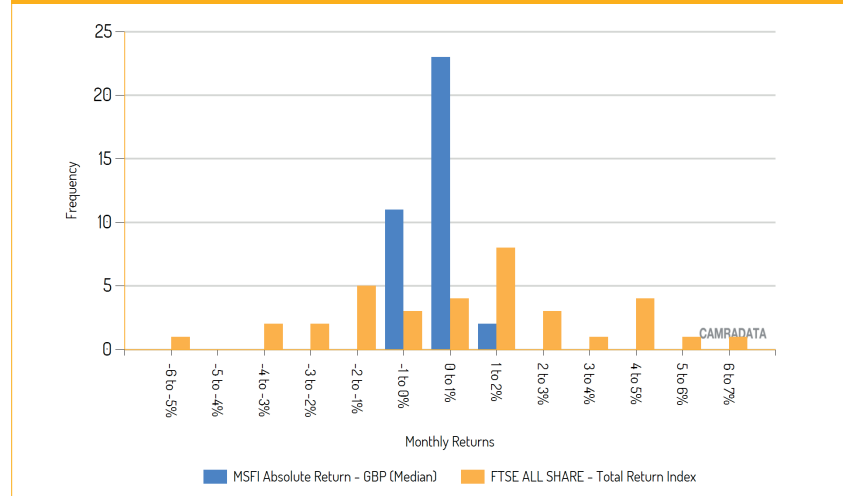


18: Monthly Returns - MSFI USD

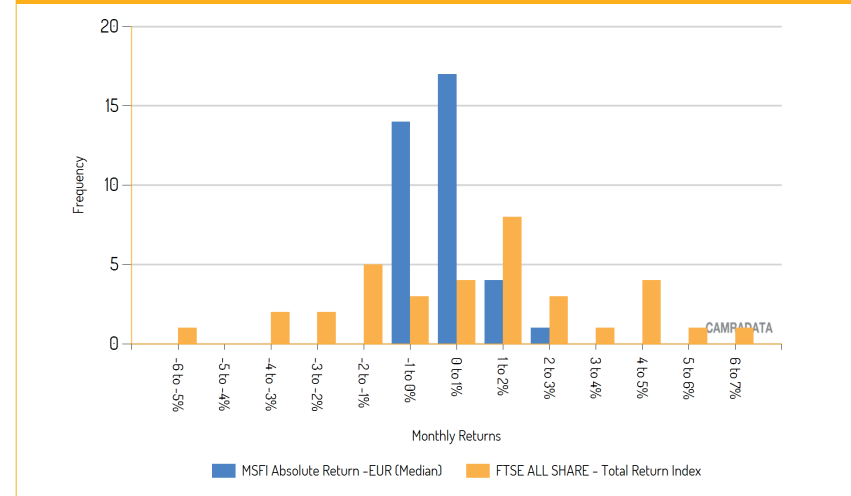


Section 5: Distribution of Returns

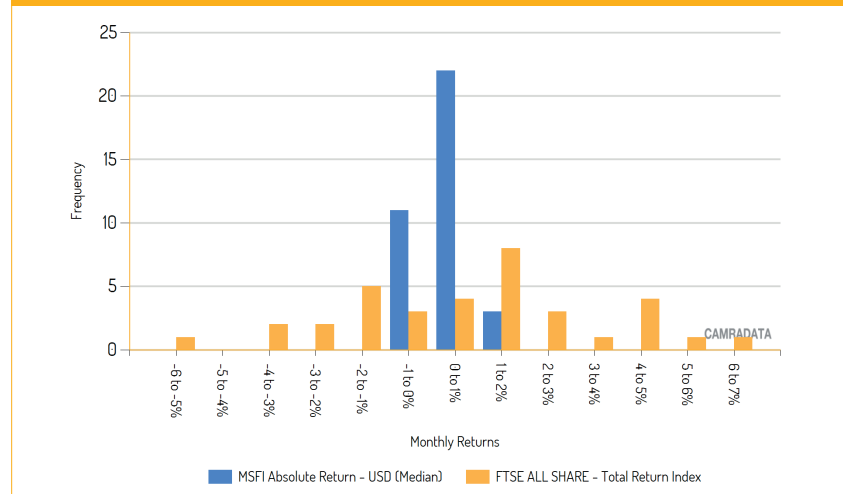
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20: Distribution of Monthly Returns - MSFI EUR



21: Distribution of Monthly Returns - MSFI USD





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Part 2

MSFI in Focus



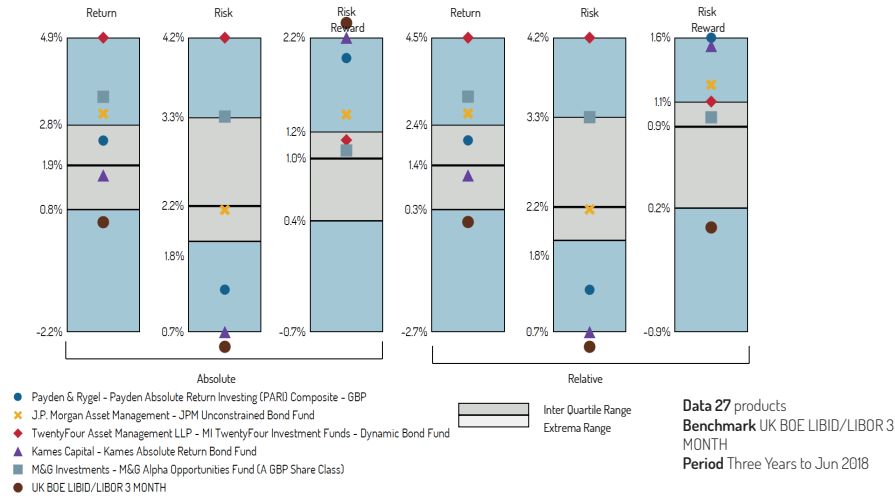
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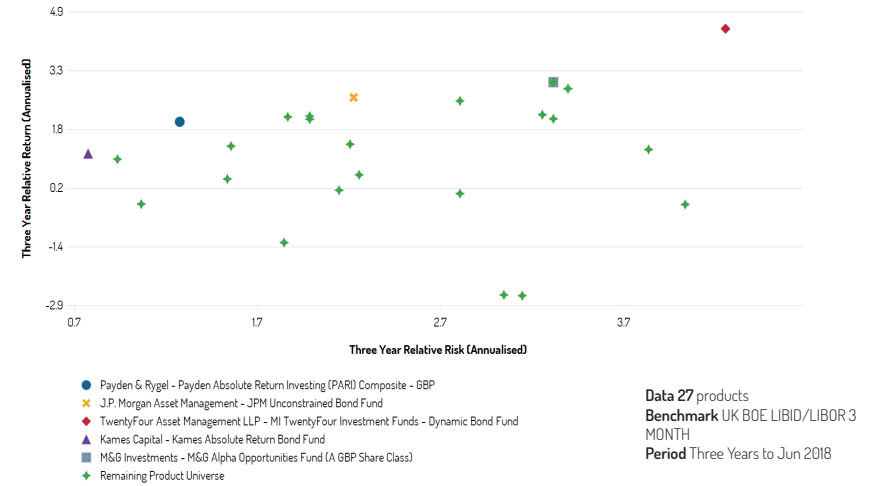


Section 6: CAMRADATA IQ - MSFI GBP - 3 Years

Three Year Returns*: MSFI Absolute Return - GBP



Three Year Relative Risk Return*: MSFI Absolute Return - GBP

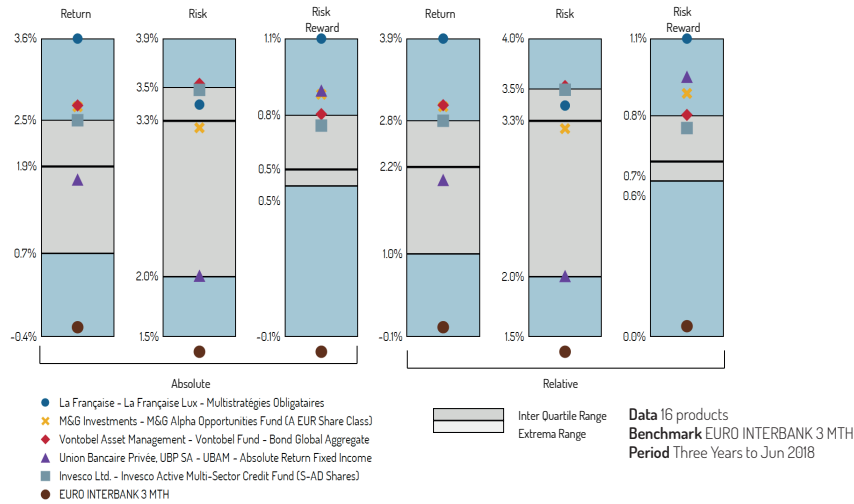


IQ Scores : - Benchmark: UK BOE LIBID/LIBOR 3 MONTH

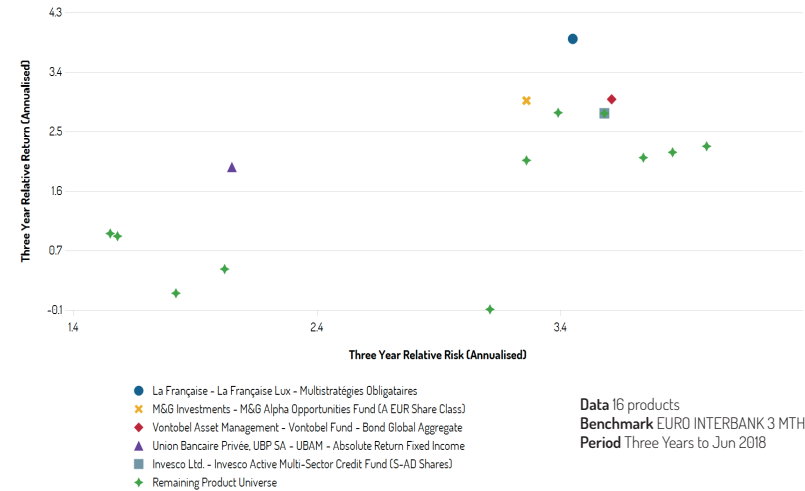
Organization	Product Name	Excess Return %	Information Ratio	Wins - Losses %	Hit Rate %	Drawdown Strength	Score	Excess Risk %	Currency
1 Payden & Rygel	Payden Absolute Return Investing (PARI) Composite - GBP	1.98	1.60	0.10	72.22	1.10	0.85	1.24	GBP
2 J.P. Morgan Asset Management	JPM Unconstrained Bond Fund	2.63	1.20	0.26	58.33	0.14	0.77	2.19	GBP
3 TwentyFour Asset Management LLP	MI TwentyFour Investment Funds - Dynamic Bond Fund	4.47	1.06	0.08	66.67	-0.05	0.76	4.22	GBP
4 Kames Capital	Kames Absolute Return Bond Fund	1.13	1.53	0.05	69.44	0.97	0.74	0.74	GBP
5 M&G Investments	M&G Alpha Opportunities Fund (A GBP Share Class)	3.04	0.93	-0.02	69.44	0.11	0.70	3.28	GBP
6 AB (AllianceBernstein)	AB Diversified Yield Plus	2.13	1.09	0.06	66.67	-0.55	0.67	1.95	GBP
7 Invesco Ltd.	Invesco Perpetual Tactical Bond Fund	2.11	1.15	-0.04	72.22	-0.38	0.64	1.83	GBP
8 MacKay Shields LLC	MacKay Shields Unconstrained Bond Portfolio Class E1 GBP Shares	2.17	0.67	-0.02	63.89	0.03	0.54	3.22	GBP
9 BlackRock	BlackRock Absolute Return Bond Fund	1.33	0.88	0.02	63.89	0.01	0.53	1.52	GBP
10 Loomis Sayles	Loomis Sayles Strategic Alpha Fund - GBP	1.38	0.64	0.03	61.11	-0.15	0.48	2.17	GBP
11 Putnam Investments Limited	Putnam Fixed Income Global Alpha Fund	2.06	0.63	0.04	61.11	-0.66	0.47	3.28	GBP
12 Stone Harbor Investment Partners LP	Stone Harbor Multi Asset Credit QIF Fund - I Share GBP	1.24	0.33	0.02	55.56	-0.72	0.38	3.80	GBP
13 T Rowe Price Group, Inc.	T. Rowe Price Funds SICAV - Dynamic Global Bond Fund	0.56	0.25	0.15	47.22	-2.24	0.35	2.22	GBP
14 Insight Investment Management (Global) Limited	Bonds Plus Fund (C004)	0.15	0.07	0.08	47.22	-1.03	0.32	2.11	GBP
15 Aberdeen Standard Investments	Aberdeen Target Return Bond Fund	0.45	0.30	-0.09	61.11	-1.55	0.25	1.50	GBP
16 Janus Henderson Investors	Janus Henderson Institutional Absolute Return Bond Fund	-0.22	-0.21	-0.09	55.56	-1.06	0.18	1.03	GBP
17 Investec Asset Management	Investec Target Return Fund	-1.25	-0.69	-0.06	41.67	-2.58	0.10	1.81	GBP
18 Threadneedle Asset Management Ltd	Threadneedle Global Opportunities Bond Fund (T6G0BF)	-2.67	-0.86	-0.21	41.67	-1.72	0.07	3.11	GBP

Section 6: CAMRADATA IQ - MSFI EUR - 3 Years

Three Year Returns*: MSFI Absolute Return - EUR



Three Year Relative Risk Return*: MSFI Absolute Return - EUR

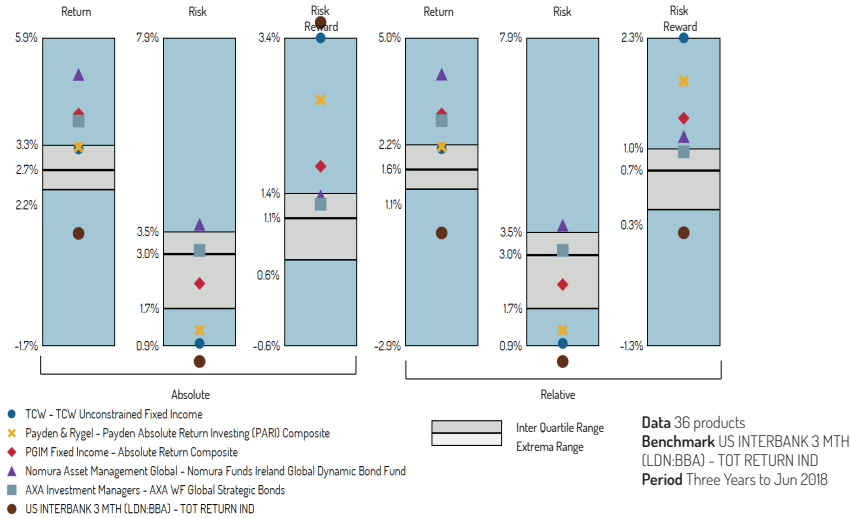


IQ Scores : - Benchmark: EURO INTERBANK 3 MTH

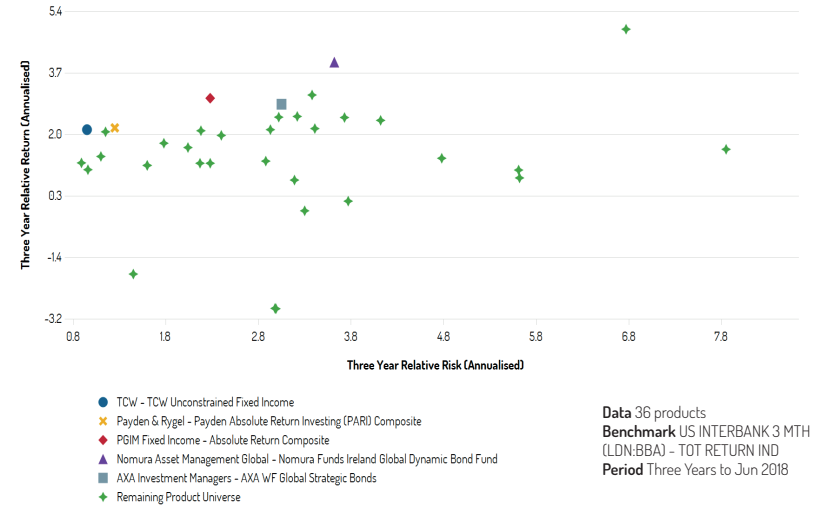
	Organization	Product Name	Excess Return %	Information Ratio	Wins - Losses %	Hit Rate %	Drawdown Strength	Score	Excess Risk %	Currency
1	La Française	La Française Lux - Multistratégies Obligataires	3.90	1.15	0.22	63.89	0.14	0.85	3.40	EUR
2	M&G Investments	M&G Alpha Opportunities Fund (A EUR Share Class)	2.98	0.93	0.07	66.67	0.14	0.81	3.21	EUR
3	Vontobel Asset Management	Vontobel Fund - Bond Global Aggregate	3.00	0.84	0.33	55.56	-0.04	0.68	3.56	EUR
4	Union Bancaire Privée, UBP SA	UBAM - Absolute Return Fixed Income	1.99	1.00	0.13	61.11	0.34	0.67	2.00	EUR
5	Invesco Ltd.	Invesco Active Multi-Sector Credit Fund (S-AD Shares)	2.79	0.79	0.03	63.89	-0.63	0.54	3.53	EUR
6	NN Investment Partners Holdings N.V	NN (L) First Class Yield Opportunities P Cap	2.21	0.58	0.10	58.33	-0.15	0.48	3.81	EUR
7	MacKay Shields LLC	MacKay Shields Unconstrained Bond Portfolio Class E1 EUR Shares	2.09	0.65	-0.02	63.89	0.03	0.47	3.21	EUR
8	Insight Investment Management (Global) Limited	Bonds Plus Fund (EUR)	0.47	0.24	0.04	52.78	-0.78	0.22	1.97	EUR

Section 6: CAMRADATA IQ - MSFI USD - 3 Years

Three Year Returns*: MSFI Absolute Return - USD



Three Year Relative Risk Return*: MSFI Absolute Return - USD



IQ Scores : - Benchmark: US INTERBANK 3 MTH (LDN:BBA) - TOT RETURN IND

	Organization	Product Name	Excess Return %	Information Ratio	Wins - Losses %	Hit Rate %	Drawdown Strength	Score	Excess Risk %	Currency
1	TCW	TCW Unconstrained Fixed Income	2.14	2.25	0.14	72.22	0.63	0.86	0.95	USD
2	Payden & Rygel	Payden Absolute Return Investing (PARI) Composite	2.19	1.75	0.10	75.00	1.32	0.85	1.25	USD
3	PGIM Fixed Income	Absolute Return Composite	3.02	1.32	0.05	69.44	0.23	0.81	2.28	USD
4	Nomura Asset Management Global	Nomura Funds Ireland Global Dynamic Bond Fund	4.03	1.11	0.12	66.67	-0.01	0.81	3.62	USD
5	AXA Investment Managers	AXA WF Global Strategic Bonds	2.85	0.93	0.20	61.11	0.46	0.75	3.05	USD
6	Union Bancaire Privée, UBP SA	UBAM - Absolute Return Low Vol Fixed Income	1.21	1.36	0.04	69.44	0.40	0.69	0.89	USD
7	Invesco Ltd.	Invesco Multi-Sector Credit Composite	3.11	0.92	0.08	63.89	-0.30	0.68	3.38	USD
8	Loomis Sayles	Loomis Sayles Strategic Alpha	2.11	0.97	0.07	63.89	0.03	0.66	2.18	USD
9	MacKay Shields LLC	MacKay Shields Unconstrained Bond Portfolio Class E1 USD Shares	2.51	0.78	0.03	63.89	0.10	0.64	3.22	USD
10	AB (AllianceBernstein)	Multi-Sector Credit	2.49	0.82	-0.05	66.67	-0.21	0.61	3.02	USD
11	BlackRock	BGF Fixed Income Global Opportunities Fund	1.76	0.99	-0.01	66.67	-0.13	0.61	1.78	USD
12	Hermes Investment Management	Hermes Absolute Return Credit Fund	1.39	1.26	0.04	66.67	-0.41	0.59	1.10	USD
13	Western Asset Management	Macro Opportunities Composite	4.95	0.73	0.10	61.11	-0.73	0.59	6.77	USD
14	Stone Harbor Investment Partners LP	Multi Asset Credit - Composite	2.48	0.66	0.11	58.33	-0.22	0.58	3.73	USD
15	J.P. Morgan Asset Management	JPM Global Strategic Bond Fund	1.64	0.80	0.11	58.33	-0.11	0.57	2.04	USD
16	Principal Global Investors	Global Credit Opportunities Composite	2.40	0.58	0.30	52.78	-0.49	0.54	4.12	USD
17	Mirae Asset Global Investments	Mirae Asset Global Emerging Opportunities Bond Fund	1.98	0.83	0.03	63.89	-0.66	0.50	2.40	USD
18	Pictet Asset Management Ltd	Global Fixed Income Absolute Return Consolidated	1.14	0.71	-0.07	66.67	-0.99	0.39	1.60	USD
19	Wellington Management International Limited	Global Total Return Separate Account/Composite	1.20	0.55	0.09	55.56	-1.04	0.36	2.17	USD
20	Logan Circle Partners, L.P.	Long / Short Credit	1.26	0.44	-0.15	63.89	-0.77	0.35	2.88	USD

Section 7: Performance Tables

26: Performance - MSFI GBP

Manager/Fund	3 Years		1 Year		3 Months	
	%	Rank	%	Rank	%	Rank
Ranked by performance over 3 years						
(Median of Universe)	1.995		0.52		-0.72	
TwentyFour AM / MI TwentyFour Investment Funds - Dynamic Bond Fund	4.91	(1)	2.53	(2)	-0.95	(22)
M&G / M&G Alpha Opportunities Fund (B GBP Share Class)	3.49	(2)	1.69	(4)	-0.25	(10)
M&G / M&G Alpha Opportunities Fund (A GBP Share Class)	3.49	(2)	1.67	(5)	-0.24	(9)
M&G / M&G Total Return Credit Investment Fund (C GBP Share Class)	3.32	(4)	1.34	(7)	-0.32	(11)
M&G / M&G Total Return Credit Investment Fund (F GBP Share Class)	3.32	(4)	1.32	(8)	-0.32	(11)
J.P. Morgan / JPM Unconstrained Bond Fund	3.09	(6)	0.72	(14)	-0.68	(16)
Invesco / Invesco Global Unconstrained Bond Fund	3	(7)	-0.58	(24)	-1.45	(23)
MacKay Shields / MacKay Shields Unconstrained Bond Portfolio Class E1 GBP	2.64	(8)	0.54	(16)	-0.44	(14)
AB (AllianceBernstein) / AB Diversified Yield Plus	2.6	(9)	-0.15	(21)	-0.89	(19)
Invesco / Invesco Perpetual Tactical Bond Fund	2.57	(10)	-0.1	(19)	-0.72	(17)
Putnam / Putnam Fixed Income Global Alpha Fund	2.52	(11)	3.13	(1)	1.29	(1)
AB (AllianceBernstein) / Diversified Yield Plus Portfolio - S (GBP) Net	2.52	(11)	-0.23	(23)	-0.91	(21)
Payden / Payden Absolute Return Investing (PARI) Composite - GBP	2.44	(13)	1.14	(9)	-0.23	(8)
Newton / Newton Global Dynamic Bond Fund Exempt Shares 2	2.14	(14)	-0.04	(18)	-0.11	(7)
Loomis Sayles / Loomis Sayles Strategic Alpha Fund - GBP	1.85	(15)	1.45	(6)	-0.39	(13)
BlackRock / BlackRock Absolute Return Bond Fund	1.8	(16)	0.9	(12)	-0.77	(18)
Stone Harbor / Stone Harbor Multi Asset Credit QIF Fund - I Share GBP	1.71	(17)	-1.39	(27)	-2.9	(32)
Kames Capital / Kames Absolute Return Bond Fund	1.6	(18)	1.12	(10)	0.21	(4)
Kames Capital / Kames Absolute Return Bond Global Fund	1.46	(19)	0.77	(13)	0.06	(6)
T. Rowe Price / T. Rowe Price Funds SICAV - Dynamic Global Bond Fund	1.03	(20)	-1.71	(30)	-2	(29)
Aberdeen Standard Investments / Aberdeen Target Return Bond Fund	0.93	(21)	0.93	(11)	0.48	(2)
Insight / Bonds Plus Fund (C004)	0.63	(22)	-1.64	(29)	-2.03	(30)
J.P. Morgan / JPMorgan Investment Funds - Income Opportunity Fund	0.54	(23)	0.55	(15)	0.48	(2)
Janus Henderson / Janus Henderson Institutional Absolute Return Bond Fund	0.26	(24)	0.52	(17)	-0.52	(15)
Insight / Bonds Plus 400 Fund (C0894)	0.25	(25)	-3.46	(31)	-4.13	(33)
Investec / Investec Target Return Fund	-0.76	(26)	-4.05	(33)	-1.93	(28)
Insight / Absolute Insight Currency (C0628)	-2.14	(27)	-3.62	(32)	-1.77	(26)
Threadneedle / Threadneedle Global Opportunities Bond Fund (T660BF)	-2.16	(28)	-1.13	(26)	-2.22	(31)
TwentyFour AM / Vontobel Fund TwentyFour Strategic Income Fund			2.52	(3)	-0.9	(20)
OMGI / Old Mutual Global Strategic Bond Composite			-0.13	(20)	-1.68	(25)
BMO Global Asset Management / BMO Global Absolute Return Bond Fund			-0.18	(22)	0.16	(5)
OMGI / Old Mutual Global Strategic Bond Fund			-0.62	(25)	-1.8	(27)
T. Rowe Price / T. Rowe Price Funds OEIC - Dynamic Global Bond Fund			-1.49	(28)	-1.58	(24)

27: Performance - MSFI EUR

Manager/Fund	3 Years		1 Year		3 Months	
	%	Rank	%	Rank	%	Rank
Ranked by performance over 3 years						
(Median of Universe)	1.82		-0.57		-1.05	
La Française / La Française Lux - Multistratégies Obligataires	3.63	(1)	-0.02	(6)	-1.12	(11)
Vontobel / Vontobel Fund - Bond Global Aggregate	2.72	(2)	0.75	(2)	-0.98	(10)
Amundi / Amundi Funds Credit Unconstrained	2.72	(2)	-0.18	(8)	-2.15	(19)
M&G / M&G Alpha Opportunities Fund (A EUR Share Class)	2.71	(4)	0.79	(1)	-0.48	(2)
M&G / M&G Total Return Credit Investment Fund (A EUR Share Class)	2.52	(5)	0.45	(3)	-0.56	(5)
Invesco / Invesco Active Multi-Sector Credit Fund (A-Acc Shares)	2.52	(5)	-1.46	(17)	-1.63	(13)
NN IP / NN First Class Yield Opportunities	2.02	(7)	-0.82	(14)	-1.94	(17)
NN IP / NN (L) First Class Yield Opportunities P Cap	1.94	(8)	-0.76	(11)	-1.74	(15)
Invesco / Invesco Global Total Return (EUR) Bond Fund	1.85	(9)	-0.38	(10)	-1.49	(12)
MacKay Shields / MacKay Shields Unconstrained Bond Portfolio Class E1 EUR	1.82	(10)	-0.33	(9)	-0.67	(6)
UBP / UBAM - Absolute Return Fixed Income	1.72	(11)	0.45	(3)	-0.69	(7)
Amundi / Multi Asset Credit Representative Account	1.67	(12)	-0.12	(7)	-0.52	(4)
NN IP / NN (L) Absolute Return Bond	0.72	(13)	-0.81	(13)	-0.71	(8)
NN IP / NN Absolute Return Bond	0.67	(14)	-0.76	(11)	-0.73	(9)
Insight / Bonds Plus Fund (EUR)	0.18	(15)	-1.54	(18)	-1.81	(16)
Vontobel / Vontobel Fund - Absolute Return Bond (EUR)	-0.17	(16)	0.19	(5)	-0.48	(2)
Insight / BNY Mellon Absolute Return Bond (C0850)	-0.42	(17)	-2.94	(19)	-2.98	(20)
BNPP AM / V350 (Parvest)	-1.07	(18)	-0.84	(15)	-1.68	(14)
Insight / Absolute Insight Currency (EUR)	-2.96	(19)	-4.5	(20)	-2.03	(18)
Aviva Investors / Aviva Investors Multi Strategy Fixed Income			-1.21	(16)	-0.44	(1)

Section 8: Performance Tables

28: Performance - MSFI USD

Manager/Fund	3 Years		1 Year		3 Months	
	%	Rank	%	Rank	%	Rank
Ranked by performance over 3 years						
(Median of Universe)	2.68		1.45		-0.45	
Western AM / Macro Opportunities Composite	5.93	(1)	-2.03	(40)	-5.59	(42)
NAM Global / Nomura Funds Ireland Global Dynamic Bond Fund	5.02	(2)	4.81	(2)	-0.47	(23)
BlueBay / BlueBay Total Return Credit Fund	4.51	(3)	4.72	(3)	-3.29	(38)
Morgan Stanley / Morgan Stanley Global Fixed Income Opportunities strategy	4.34	(4)	3.91	(7)	-0.45	(21)
Morgan Stanley / MS INV F Global Fixed Income Opportunities Fund	4.33	(5)	3.95	(6)	-0.45	(21)
Invesco / Invesco Multi-Sector Credit Composite	4.13	(6)	1.17	(24)	-1.28	(30)
PGIM Fixed Income / Absolute Return Composite	4.04	(7)	4	(4)	0.09	(10)
AXA IM / AXA WF Global Strategic Bonds	3.87	(8)	2.52	(10)	0.37	(3)
MacKay Shields / MacKay Shields Unconstrained Bond Portfolio Class E1 USD	3.53	(9)	2.26	(14)	-0.02	(17)
AB (AllianceBernstein) / Multi-Sector Credit	3.52	(10)	1.42	(22)	-0.11	(18)
Stone Harbor / Multi Asset Credit - Composite	3.5	(11)	1.16	(25)	-2.17	(36)
Principal / Global Credit Opportunities Composite	3.43	(12)	0.3	(31)	-0.73	(26)
Payden / Payden Absolute Return Investing (PARI) Composite	3.22	(13)	2.6	(9)	0.19	(7)
MacKay Shields / Unconstrained Bond Composite	3.2	(14)	1.99	(18)	0.09	(10)
TCW / TCW Unconstrained Fixed Income	3.17	(15)	2.23	(16)	0.38	(2)
AB (AllianceBernstein) / AB Unconstrained Bond	3.17	(15)	-0.41	(35)	0.05	(14)
Loomis Sayles / Loomis Sayles Strategic Alpha	3.15	(17)	3.66	(8)	0.16	(8)
Payden / Payden Absolute Return Bond Fund	3.11	(18)	2.33	(12)	0.24	(5)
Mirae Asset / Mirae Asset Global Emerging Opportunities Bond Fund	3.02	(19)	0.66	(28)	-1.16	(29)
BlackRock / BGF Fixed Income Global Opportunities Fund	2.8	(20)	2.32	(13)	-0.55	(24)
J.P. Morgan / JPM Global Strategic Bond Fund	2.68	(21)	1.58	(20)	-0.43	(20)
Amundi / Absolute Return Bonds and Currencies High Volatility Composite	2.63	(22)	1.75	(19)	-1.58	(33)
Hermes / Hermes Absolute Return Credit Fund	2.44	(23)	1.48	(21)	0	(15)
Cameron Hume / Fixed Income - Global(Active)	2.39	(24)	2.24	(15)	-2.36	(37)
Logan Circle / Long / Short Credit	2.31	(25)	3.98	(5)	-0.01	(16)
UBP / UBAM - Absolute Return Low Vol Fixed Income	2.27	(26)	2.06	(17)	0.3	(4)
Wellington / Global Total Return Separate Account/Composite	2.26	(27)	6.09	(1)	2.7	(1)
Loomis Sayles / Loomis Sayles Strategic Alpha Fund (Lux)	2.25	(28)	2.5	(11)	-0.2	(19)
RAM AI / RAM (Lux) Tactical Funds - Global Bond Total Return Fund	2.22	(29)	0.88	(27)	-0.58	(25)
Pictet / Global Fixed Income Absolute Return Consolidated	2.19	(30)	0.51	(29)	0.06	(13)
Pictet / Pictet - Absolute Return Fixed Income	2.19	(30)	0.44	(30)	0.08	(12)
TCW / MetWest Unconstrained Bond Fund - UCITS (IU Share Class)	2.07	(32)	1.36	(23)	0.22	(6)
BGIM / Global Unconstrained Fixed Income Composite	2.07	(32)	-0.87	(36)	-4.77	(39)
BGIM / Legg Mason Brandywine Global Fixed Income Absolute Return Fund	1.85	(34)	-1.24	(39)	-5.3	(41)



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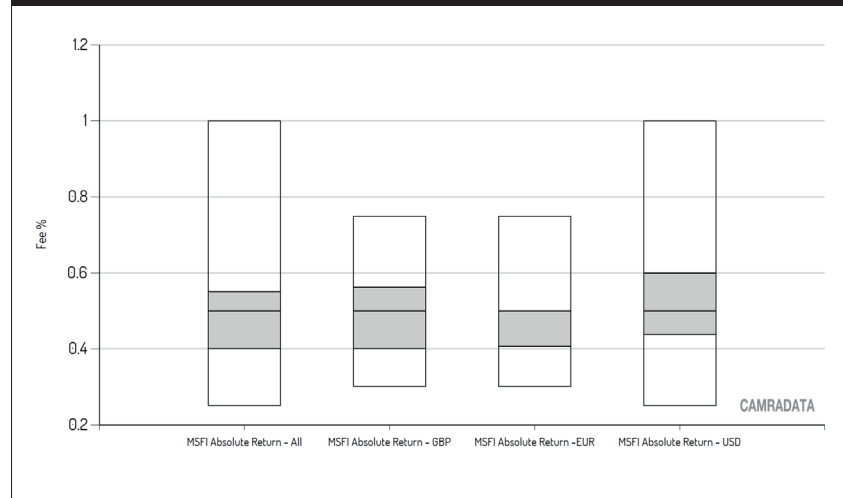


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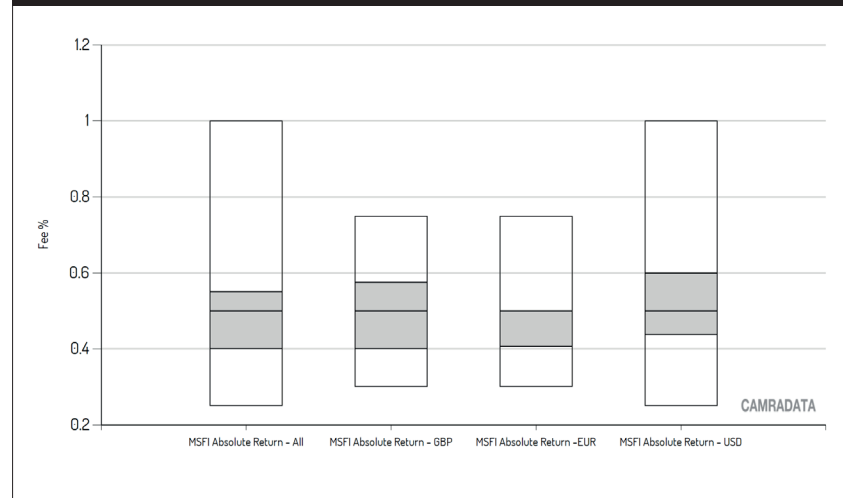
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Section 9: Fees

29: Fees - ALL MSFI



30: Fees - MSFI over 3 years track record



Asset management fees are typically based on a percentage of assets under management.

Whilst management fee structures vary from asset manager to asset manager, most tend to have a tier based approach charging percentages for different amounts. Some may also put in place a minimum investment amount or indeed a minimum fee.

However, for the purposes of the analysis shown here we are only looking at the First Tier percentage fee the asset managers are charging.

Please note asset managers will charge lower percentages for assets they manage above the first tier amount but these are not shown here.

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