

FOURTH QUARTER 2023

### The MacKay Advantage

#### MACKAY SHIELDS

- \$139 Billion AUM<sup>1</sup>
- Experienced boutique investment teams
- Specialty fixed income expertise across global fixed income markets including municipal bonds, structured credit, corporate credit and emerging markets debt
- Acquired by New York Life Insurance Company in 1984

### Global Fixed Income Team

#### Leadership

MICHAEL DEPALMA

NEIL MORIARTY

#### Portfolio Managers

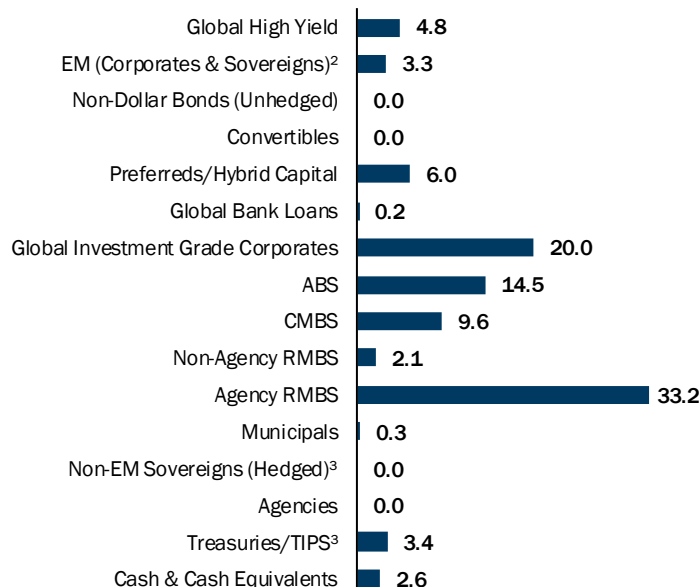
MICHAEL DEPALMA

NEIL MORIARTY

THOMAS MUSMANNO, CFA

LESYA PAISLEY, CFA

### Sector Allocation (Market Value)<sup>1</sup> | December 31, 2023



**RMBS:** Residential Mortgage-Backed Securities

**ABS:** Asset-Backed Securities

**CMBS:** Commercial Mortgage-Backed Securities

**EM:** Emerging Market

### Key Statistics | December 31, 2023

Yield to Worst	6.8%
Notional Value of Futures	13%
Effective Duration with Treasury Futures	4.4 Years
Average Credit Quality <sup>4</sup>	A-/BBB+
Average Dollar Price	\$90.10
Number of Holdings	491

### Quality Ratings<sup>4</sup> | Market Value December 31, 2023

AAA (including cash)	27.1
AA	2.5
A	11.3
BBB	28.0
BB	16.4
B	4.6
CCC and Lower	0.7
Not Rated	9.4

1. Sector exposures include cash bonds, funds and derivatives.

2. Based on country of risk.

3. Excludes the impact of Treasury and other developed market sovereign futures used for duration management.

4. For rated securities, credit quality is assigned as the middle rating of Moody's, S&P and Fitch; when a rating from only two agencies is available, the lower is used; when only one agency rates a bond, that rating is used. Excludes impact from Treasury futures.

Portfolio holdings are subject to change without notice. Due to rounding, the sum of the items shown may not equal 100 or any expressed totals, as applicable.

The representative portfolio utilized for this analysis was selected because it is the oldest account in the MacKay Shields Strategic Bond Composite which allows the purchase of 144A securities. It was not selected based on performance. It may not precisely represent every portfolio in the Composite. The representative portfolio is actively managed and therefore the characteristics shown above are reflective only as of the above referenced date. The representative portfolio is subject to change without notice.

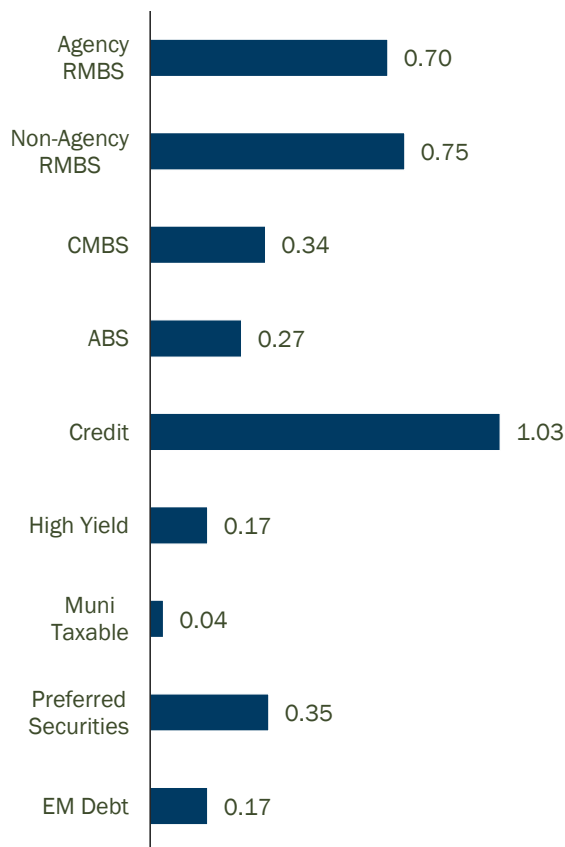
Provided as supplemental information to the GIPS reports at the end of the presentation.

It is not possible to invest directly into an index. See last page for additional disclosures, including disclosures related to comparisons to an index and average credit quality. This document is for informational purposes only.

1. As of December 31, 2023, includes MacKay Shields LLC and its subsidiaries.

## Relative Sector Exposure (%)<sup>1</sup>

Contribution to Spread Duration | December 31, 2023



## Relative Quality Exposure (%)<sup>2</sup>

Contribution to Spread Duration | December 31, 2023



1. Sector exposures include cash bonds, funds and derivatives.

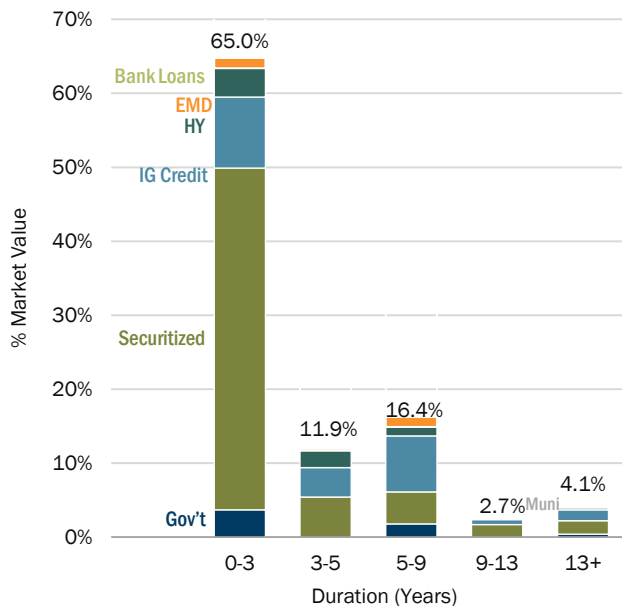
2. For rated securities, credit quality is assigned as the middle rating of Moody's, S&P and Fitch; when a rating from only two agencies is available, the lower is used; when only one agency rates a bond, that rating is used. Excludes impact from Treasury futures.

RMBS = Residential Mortgage-Backed Securities; CMBS = Commercial Mortgage-Backed Securities; ABS = Asset-Backed Securities; EM = Emerging Market. The representative portfolio utilized for this analysis was selected because it is the oldest account in the MacKay Shields Strategic Bond Composite which allows the purchase of 144A securities. It was not selected based on performance. It may not precisely represent every portfolio in the Composite. The representative portfolio is actively managed and therefore the characteristics shown above are reflective only as of the above referenced date. The representative portfolio is subject to change without notice.

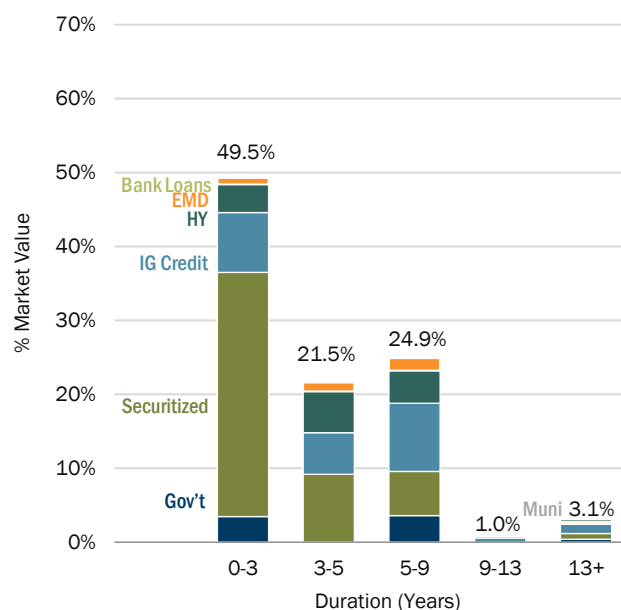
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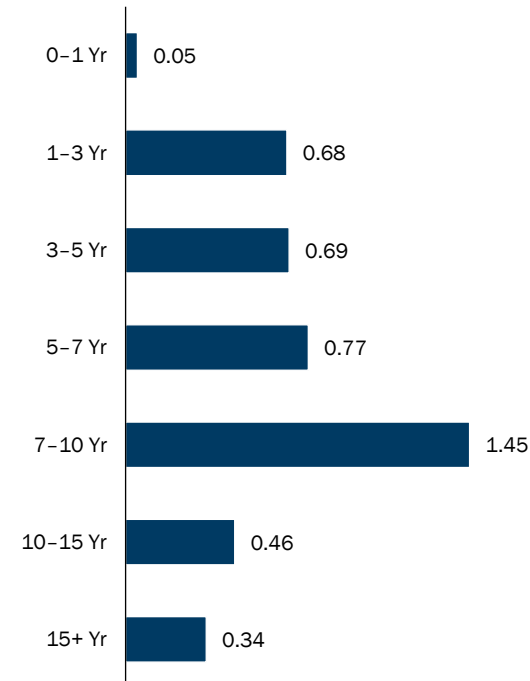
## Duration | December 31, 2023



## Duration | December 31, 2022



## Duration Distribution | In Years | December 31, 2023



## Regions | % Market Value

	December 31,	
	2023	2022
<b>DEVELOPED MARKETS</b>		
CANADA	1.0	0.4
EUROPE	4.6	4.8
UNITED KINGDOM	2.3	2.6
UNITED STATES	87.8	87.1
OTHER	1.0	0.9
<b>EMERGING MARKETS</b>	<b>3.3</b>	<b>4.3</b>
<b>TOTAL</b>	<b>100.0</b>	<b>100.0</b>

1. Portfolio data excludes the use of futures

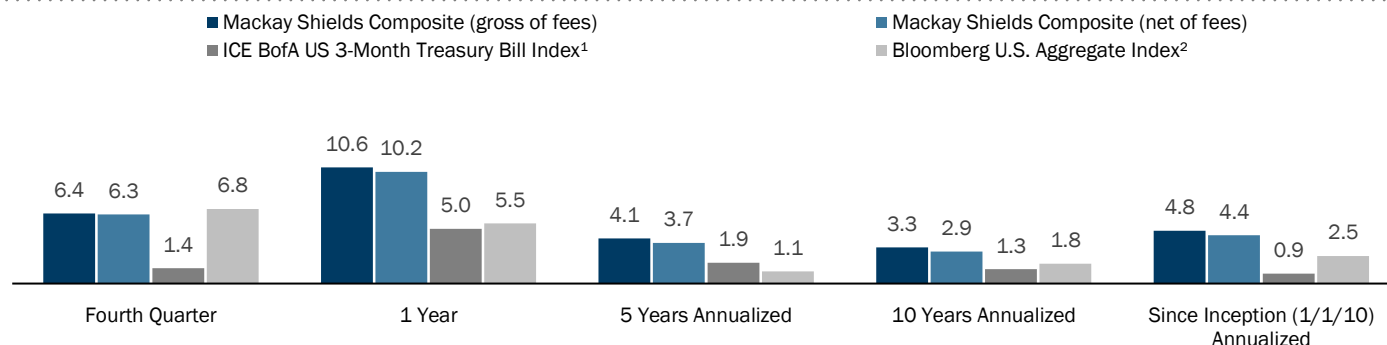
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### Composite Returns (%)

Period Ending December 31, 2023



### Composite Disclosures

Period	Mackay Shields Composite Gross Returns (%)	Mackay Shields Composite Net Returns (%)	ICE BofA US 3-Month Treasury Bill Index <sup>1</sup> Returns (%)	Bloomberg U.S. Aggregate Index <sup>2</sup> Returns (%)	Composite 3-Yr St Dev (%)	ICE BofA US 3-Month Treasury Bill Index <sup>1</sup> 3-Yr St Dev (%)	Bloomberg U.S. Aggregate Index <sup>2</sup> 3-Yr St Dev (%)	No. of Accts.	Composite Assets (\$Mil)	Firm Assets (\$Mil)	Internal Dispersion (%)
2023	10.6	10.2	5.0	5.5	5.5	0.6	7.1	≤5	1,434	139,162	0.5
2022	-6.7	-7.1	1.5	-13.0	6.5	0.3	5.8	≤5	1,451	128,584	0.2
2021	2.7	2.3	0.0	-1.5	5.3	0.3	3.4	6	2,283	163,646	0.4
2020	6.8	6.4	0.7	7.5	5.4	0.3	3.4	7	2,319	153,995	0.8
2019	7.8	7.4	2.3	8.7	1.7	0.2	2.9	8	2,899	131,978	0.3
2018	-0.6	-1.0	1.9	0.0	2.8	0.2	2.8	10	3,184	107,467	0.3
2017	5.6	5.1	0.9	3.5	3.6	0.1	2.8	10	3,624	98,098	0.4
2016	8.3	7.9	0.3	2.6	3.9	0.1	3.0	9	2,417	94,540	0.9
2015	-2.3	-2.7	0.1	0.5	3.7	0.0	2.9	10	3,889	89,196	0.6
2014	2.3	1.9	0.0	6.0	3.8	0.0	2.6	8	3,883	91,626	0.7

1. ICE BofA US 3-Month Treasury Bill Index

2. Bloomberg Aggregate Index

The Strategic Bond Composite includes all discretionary strategic bond accounts managed with similar objectives for a full month, including those accounts no longer with the firm. Strategic Bond is a total return strategy that seeks to exploit opportunities in the global bond markets through a process of multi-sector asset allocation. The strategy invests primarily in debt securities and debt-related derivative instruments offering relatively attractive current market yields based on current and projected economic and market conditions. This investment strategy will not borrow to purchase securities but may engage in short selling or enter into transactions with implied leverage. The strategy may also include derivatives, such as futures, to try to manage interest rate risk or reduce the risk of loss of (that is, hedge) certain of its holdings. The Strategic Bond Composite used to be named the Unconstrained Bond Composite and, before that, the Flexible Bond Fund Composite. As of 1/1/2016, the definition of the Strategic Bond Composite was changed, going forward, to exclude accounts whose investment objectives establish targets verse market benchmarks as their primary benchmark. Gross-of-fees composite performance reflects reinvestment of income and dividends and is a market-weighted average of the time-weighted return, before advisory fees and related expenses, of each account for the period since inception. Net-of-fees composite performance is derived by reducing the monthly gross-of-fees composite returns by .0333%, our highest monthly fee. Policies for valuing investments, calculating performance, and preparing GIPS reports are available upon request. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. Performance is expressed in US Dollars. The composite creation and inception date is 1/1/10. All portfolios in the composite are fee-paying portfolios. There can be no assurance that the rate of return for any account within a composite will be the same as that of the composite presented. **Past performance is not indicative of future results.**

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## Disclosures

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### Index Descriptions

#### BLOOMBERG U.S. AGGREGATE INDEX

A broad-based index that measures the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, mortgage-backed securities (agency fixed-rate and hybrid adjustable-rate mortgage pass-throughs), asset-backed securities, and commercial mortgage-backed securities, with maturities of at least one year. Index results assume the reinvestment of all capital gain and dividend distributions.

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