



MERGANSER
CAPITAL MANAGEMENT

SHORT TERM BOND 1-3 YEAR GOV/CREDIT COMPOSITE OVERVIEW

As of June 30, 2020

KEY CHARACTERISTICS

Total Strategy AUM:*	\$5,021 MM
Strategy Inception:*	1/1/1987
Yield to Maturity:	0.98%
Duration:	1.78 Years
Average Quality:	AA

PORTFOLIO MANAGERS

• Peter S. Kaplan, CFA Industry: 1986 Merganser: 1986	• Adam M. Ware, CFA Industry: 1996 Merganser: 2007
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STRATEGY OVERVIEW

Investment Objective

- To exceed the returns of the Bloomberg Barclays 1-3 Year Government/Credit Index over a market cycle
- Emphasize low volatility, high quality and portfolio liquidity

Investment Strategy

- Leverage our boutique size by investing in underappreciated areas of the market
- Employ extensive fundamental research and relative value analysis, with a goal of achieving attractive risk-adjusted returns while preserving liquidity
- Keep duration neutral to the benchmark; generate alpha through sector rotation and security selection decisions

FIRM OVERVIEW

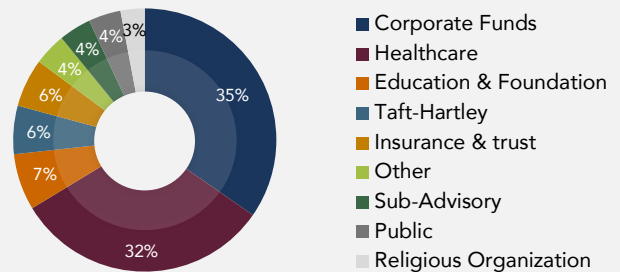
About Merganser

- Formed in 1985, Merganser has been managing institutional fixed income portfolios for over 30 years
- Our strategies are long only, US dollar-denominated and do not utilize complex derivatives
- The investment team is highly collaborative and portfolios are managed on a team basis
- As a boutique manager, we embrace portfolio customization and solving unique issues for our clients

COMPOSITE CHARACTERISTICS VS. BENCHMARK

SECTORS	STB 1-3 YR G/C COMPOSITE	BLOOMBERG BARCLAYS 1-3 YR G/C INDEX
Cash Equivalents**	0.7%	0.0%
Treasury	13.5%	65.2%
Agency	0.3%	3.5%
Credit	36.8%	31.4%
RMBS	8.4%	0.0%
CMBS	10.3%	0.0%
ABS	30.0%	0.0%
QUALITY	STB 1-3 YR G/C COMPOSITE	BLOOMBERG BARCLAYS 1-3 YR G/C INDEX
AAA	58.3%	74.2%
AA	5.9%	3.5%
A	23.2%	12.5%
BBB	11.8%	9.8%
BB	0.7%	0.0%
Below BB	0.2%	0.0%
DURATION (YRS)	STB 1-3 YR G/C COMPOSITE	BLOOMBERG BARCLAYS 1-3 YR G/C INDEX
0-1	29.5%	5.4%
1-2	25.7%	55.5%
2-3	30.8%	39.1%
3-4	10.8%	0.0%
4-5	3.2%	0.0%
5+	0.0%	0.0%

Client Type



Tables may not foot due to rounding.

*Characteristic includes accounts that are not in the Composite. All other characteristics are derived only from accounts that are in the Composite.

**Includes cash, receivables and payables.

Merganser Capital Management has adjusted product names as of 2020. Short Term Bond is now Short Term Bond 1-3 Year Gov/Credit.

Past performance is no guarantee of future results; investments can and may lose money. Investing in the bond market is subject to certain risks which impact performance including Interest-rate Risk, Market Risk, Inflation Risk, Reinvestment Risk, Business Risk, Liquidity Risk, Credit Risk, Extension & Prepayment Risk, Counterparty Risk and Regulatory Risk. Composite benchmarks are selected based on comparable duration and credit quality of US Dollar fixed income securities. Portfolios in the composites will invest in out of index securities which may result in positive or negative performance compared to the benchmark. All client accounts that met the composite criteria during the reporting period are included in the composite performance calculations. A description of composite eligibility is available upon request. Securities and characteristics can and will vary based on market conditions including liquidity, yield curve and ratings changes.