



**MERGANSER**  
CAPITAL MANAGEMENT

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

As of March 31, 2024

## KEY CHARACTERISTICS

<b>Total Strategy AUM:*</b>	\$6,775 MM
<b>Strategy Inception:*</b>	1/1/1987
<b>Yield:</b>	5.34%
<b>Duration:</b>	1.82 Years
<b>Average Quality:</b>	AA

## PORTFOLIO MANAGERS

• <b>Peter S. Kaplan, CFA</b>	• <b>Adam M. Ware, CFA</b>
Industry: 1986	Industry: 1996
Merganser: 1986	Merganser: 2007

## STRATEGY OVERVIEW

### Investment Objective

- To exceed the returns of the Bloomberg 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

## COMPOSITE CHARACTERISTICS VS. BENCHMARK

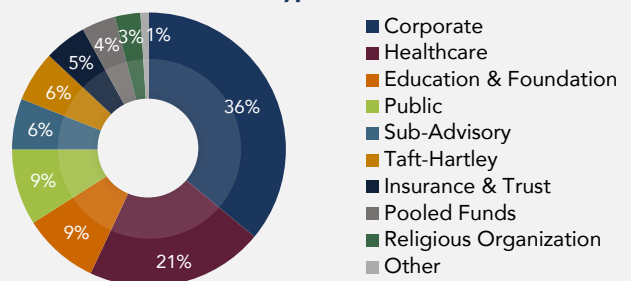
SECTORS	STB 1-3 YR G/C COMPOSITE	BLOOMBERG 1-3 YR G/C INDEX
Treasuries & Cash**	12%	67%
Agencies	2%	3%
Credit	34%	31%
RMBS	14%	0%
CMBS	15%	0%
ABS	23%	0%
QUALITY	STB 1-3 YR G/C COMPOSITE	BLOOMBERG 1-3 YR G/C INDEX
Gov't Gtd	28%	69%
AAA	34%	4%
AA	3%	3%
A	22%	13%
BBB	13%	11%
Below BBB	0%	0%
DURATION (YRS)	STB 1-3 YR G/C COMPOSITE	BLOOMBERG 1-3 YR G/C INDEX
0-1	23%	7%
1-2	32%	58%
2-3	31%	35%
3-4	13%	0%
4-5	0%	0%
5+	0%	0%

## FIRM OVERVIEW

### About Merganser

- Formed in 1985, Merganser has been managing institutional fixed income portfolios for over 35 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

### 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.

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.