

TCW Unconstrained Fixed Income

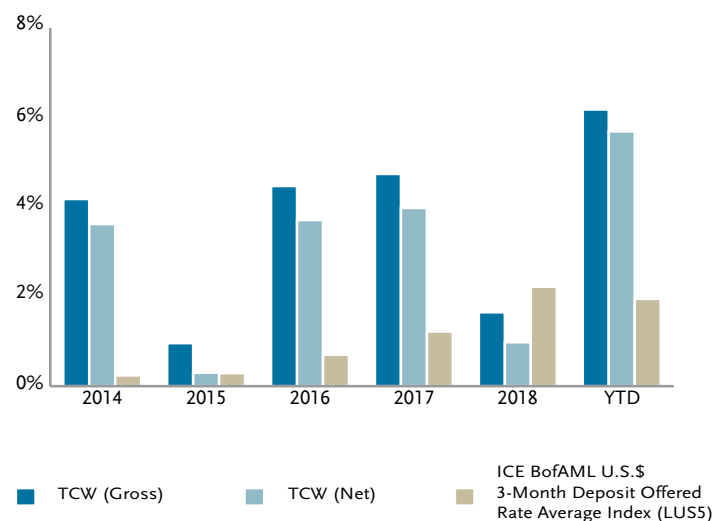
SEPTEMBER 30, 2019 | STRATEGY OVERVIEW AND ANALYSIS

A strategy that invests in all sectors of the global fixed income marketplace. Its goal is to seek high, long-term total return across a wide range of market environments.

Performance Summary (%)

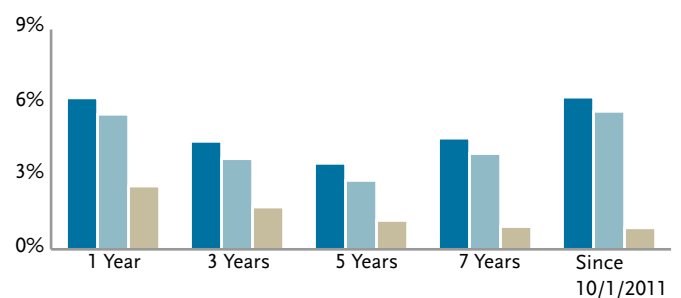
	TCW Unconstrained Fixed Income		ICE BofAML U.S.\$ 3-Month Deposit Offered Rate Average Index (LUS5)
	Gross	Net	
4Q11	8.37	8.37	0.10
2012	16.00	15.84	0.46
2013	3.58	3.08	0.28
2014	4.18	3.62	0.24
2015	0.96	0.30	0.29
2016	4.47	3.71	0.70
2017	4.74	3.98	1.22
2018	1.65	0.98	2.22
YTD	6.18	5.69	1.95
3Q19	1.23	1.07	0.60

Performance Returns



Annualized Returns (%)

	TCW Unconstrained Fixed Income		ICE BofAML U.S.\$ 3-Month Deposit Offered Rate Average Index (LUS5)
	Gross	Net	
1 Year	6.38	5.71	2.59
3 Years	4.30	3.59	1.87
5 Years	3.67	2.97	1.29
7 Years	4.04	3.39	1.00
Since 10/1/2011	6.19	5.61	0.93



Source: TCW

Please see additional disclosures on the last page, which are an integral and important part of this material. Individual results may vary.

This material is for general information purposes only and does not constitute an offer to sell, or a solicitation of an offer to buy, any security. Any issuers or securities noted in this document are provided as illustrations or examples only, for the limited purpose of analyzing general market or economic conditions and may not form the basis for an investment decision, nor are they intended to serve as investment advice. Any such issuers or securities are under periodic review by the portfolio management group and are subject to change without notice. TCW makes no representation as to whether any security or issuer mentioned in this document is now in any TCW portfolio. TCW, its officers, directors, employees or clients may have positions in securities or investments mentioned in this publication, which are subject to change without notice. Any information and statistical data contained herein derived from third party sources are believed to be reliable, but TCW does not represent that they are accurate, and they should not be relied on as such or be the basis for an investment decision. All information is as of the date of this presentation unless otherwise indicated.

An investment in the strategy described herein has risks, including the risk of losing some or all of the invested capital. An investor should carefully consider the risks and suitability of an investment strategy based on their own investment objectives and financial position. There is no assurance that the investment objectives and/or trends will come to pass or be maintained. The information contained herein may include preliminary information and/or "forward-looking statements." Due to numerous factors, actual events may differ substantially from those presented herein. TCW assumes no duty to update any forward-looking statements or opinions in this document. This material comprises the assets under management of The TCW Group, Inc. and its subsidiaries, including TCW Investment Management Company LLC, TCW Asset Management Company LLC, and Metropolitan West Asset Management, LLC. Any opinions expressed herein are current only as of the time made and are subject to change without notice. The investment processes described herein are illustrative only and are subject to change. Past performance is no guarantee of future results. © 2019 TCW

Investment Objective

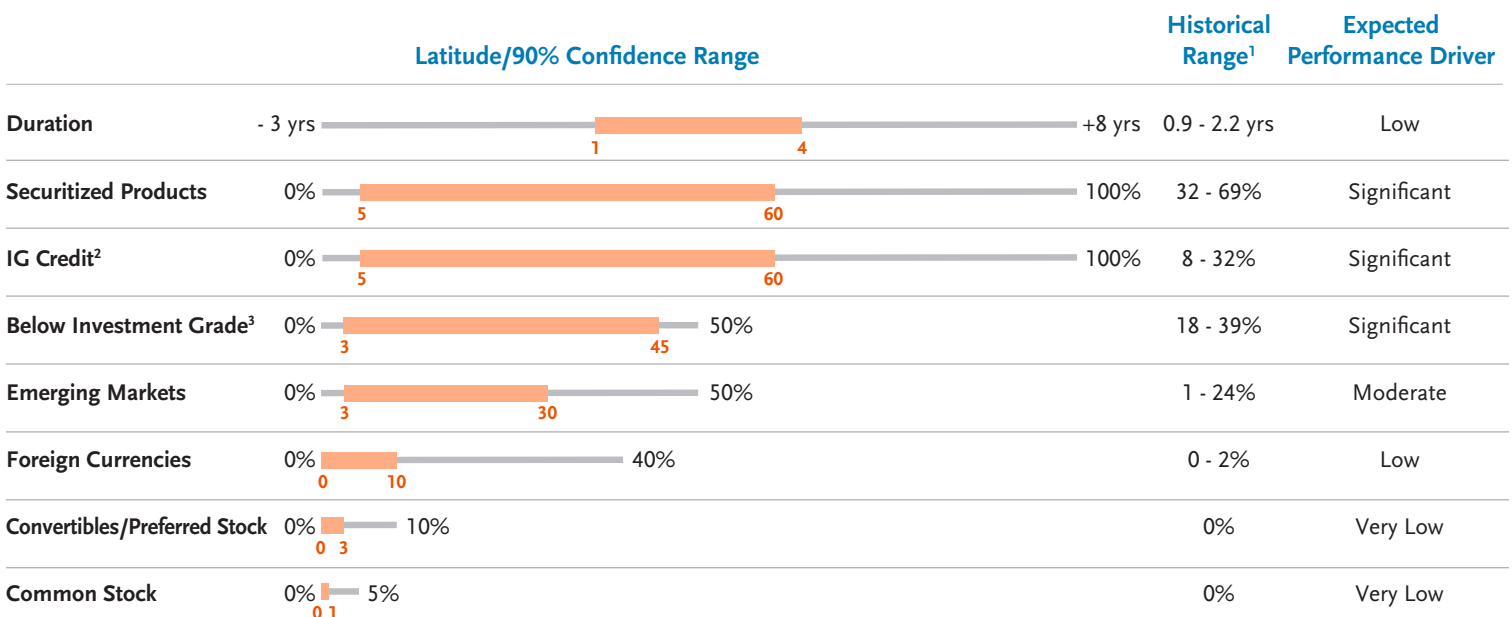
The investment objective is to seek to maximize long-term absolute returns utilizing all sectors of the global fixed income marketplace without being tethered to a traditional fixed income benchmark.

Investment Philosophy

The TCW Unconstrained Fixed Income strategy employs a flexible approach that allocates investments across a range of global investment opportunities and actively manages exposure to interest rates, credit sectors and currencies. Our philosophy applies a long-term value discipline emphasizing fundamental bottom-up research. The most important facet of the investment team’s portfolio construction process is the application of independent, bottom-up research to identify securities that are undervalued and that offer a superior risk/return profile. The strategy is “unconstrained” in that it is not limited to the securities of any particular index and has discretion to invest across the globe, including up to 50% in high yield securities, up to 50% in emerging markets, 40% in securities denominated in foreign currencies, and up to 10% in preferred stock and 5% in common stock and 5% in common stock of domestic and foreign companies.

Representative Strategy Profile

Unconstrained active management focuses on sector and issues selection within U.S. dollar credit markets.



Source: TCW

1 Based upon a representative account.

2 Includes all investment grade credit securities excluding emerging market bonds.

3 Includes below investment grade corporate, emerging markets, and securitized debt.

Portfolio characteristics and holdings are subject to change at any time.

Investment Process

The five value-added strategies include: duration management, yield curve positioning, sector allocation, security selection, and opportunistic execution.

- At the core of the process is the long-term economic outlook, which drives duration, yield curve, and sector positioning
- Duration is “dollar cost averaged” over a cycle to within a 1-4 year range during most market environments. In extreme environments, the strategy can shift duration to as low as -3 and as high as +8 years
- Yield curve strategy based upon fundamental outlook, expectations versus forward curve, yield versus convexity tradeoff, and total return analysis
- Relative value decision made by shifting exposure of the portfolios to the most attractive sectors within the three main categories of credit: U.S. corporate credit, securitized credit, and emerging market credit
- Intensive search for value through security selection
- Sector/sub-sector exposures are scaled based on strongest conviction and thus the strategy is concentrated on “best ideas”

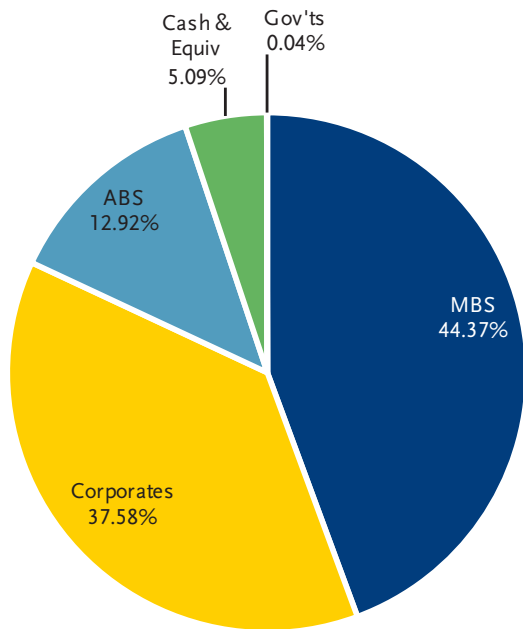
Portfolio Characteristics

	TCW Unconstrained Fixed Income	ICE BofAML U.S.\$ 3-Month Deposit Offered Rate Average Index (LUS5)
Duration	1.80	0.12
Maturity	5.18	0.13
Convexity	0.33	0.00
Quality Rating	A	AAA
Current Yield	4.80%	2.19%
Yield to Mat	2.97%	2.19%
Avg. Coupon	4.49%	2.19%

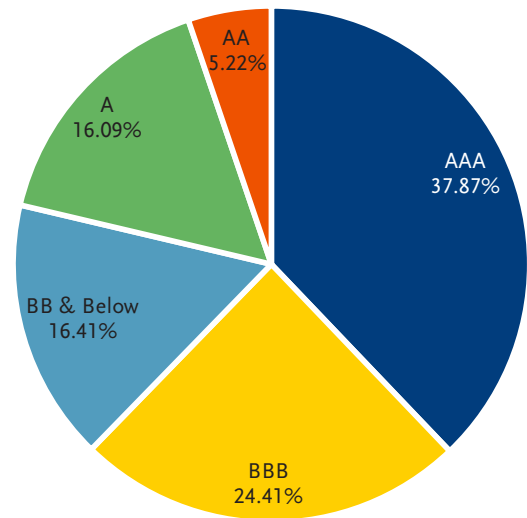
Risk Statistics (Gross)

	3 Year		5 Years	
	TCW Unconstrained Fixed Income	Index	TCW Unconstrained Fixed Income	Index
Information Ratio	2.36	-	2.43	-
Alpha	3.26%	-	1.84%	-
Beta	-1.45	1.00	2.55	1.00
R-Squared	0.29%	100.00%	0.72%	100.00%
Sharpe Ratio	2.6	1.80	2.61	1.29
Standard Deviation	1.07%	0.19%	1.04%	0.26%
Tracking Error	1.03%	-	0.98%	-

Sector Weights



Quality Weights



Source: TCW, Zephyr

Based upon a representative account. Portfolio characteristics and holdings are subject to change at any time.

All projections and estimates are based on current asset prices and are subject to change.

Please see additional disclosures on the last page, which are an integral and important part of this material. Individual results may vary. Past performance is no guarantee of future results.

Portfolio Management

Tad Rivelle

Group Managing Director
Chief Investment Officer - Fixed Income
Co-Director Fixed Income

Laird R. Landmann

Group Managing Director
Co-Director Fixed Income
Fixed Income

Stephen M. Kane, CFA

Group Managing Director
Fixed Income

Bryan T. Whalen, CFA

Group Managing Director
Fixed Income

Mitchell A. Flack

Managing Director
Fixed Income
Fixed Income

Scott A. Austin, CFA

Managing Director
Fixed Income

Harrison S. Choi

Managing Director
Fixed Income

Bret R. Barker

Managing Director
Fixed Income

Jerry Cudzil

Head of U.S. Credit Trading
Managing Director
Fixed Income

Steven J. Purdy

Managing Director
Fixed Income

Penelope D. Foley

Group Managing Director
Emerging Markets

David I. Robbins

Group Managing Director
Emerging Markets

Alex Stanojevic

Managing Director
Emerging Markets

The Firm

TCW is a leading global asset management firm with more than four decades of investment experience and a broad range of products across fixed income, equities, emerging markets and alternative investments. Through the TCW and MetWest Fund Families, TCW manages one of the largest mutual fund complexes in the U.S. TCW's clients include many of the world's largest corporate and public pension plans, financial institutions, endowments and foundations, as well as financial advisors and high net worth individuals. As of September 30, 2019, TCW had total assets under management, including commitments, of \$211 billion. TCW is headquartered in Los Angeles, and has offices in New York, Boston, Chicago, London, Milan, Hong Kong, Tokyo, and Sydney.

Performance Disclosure

The TCW Unconstrained Fixed Income composite includes accounts with the ability to invest across multiple fixed income sectors, including but not limited to investment grade and high yield corporate bonds and bank loans, mortgage-backed securities, and emerging markets debt. Sector allocation are determined through an integration of macroeconomic analysis and fundamental research of individual securities. The overall duration of the accounts are allowed to fluctuate significantly over the course of the business cycle. The ICE BofAML US Dollar 3-Month Deposit Offered Rate Average Index (LUS5) tracks the performance of a basket of synthetic assets paying Libor to a stated maturity. The index is not available for direct investment; therefore its performance does not reflect a reduction for fees or expenses incurred in managing a portfolio. The securities in the index may be substantially different from those in the Composite. This index was formerly known as BofA Merrill Lynch U.S. LIBOR 3-Month Average Index. Returns are calculated in U.S. dollars. Derivatives are not a driving factor in the Composite's strategy, but may be used in certain portfolios where such use is consistent with client investment guidelines. Certain derivative instruments such as credit default swaps, treasury futures, and option contracts may be utilized to add incremental value, to hedge credit risk exposure, and/or to tactically adjust the duration and/or yield curve exposure. Returns include the reinvestment of all earnings. Investment directly into an index is not possible. Investments in the strategy will be subject to fees and expenses that will reduce returns.

The TCW Group, Inc. is divided into three divisions: the Marketable Securities Division; the Alternative Products Division; and the Managed Accounts Division. Effective January 1, 2000, the Marketable Securities Division was established to provide investment advisory services in the marketable securities area. The Marketable Securities Division is defined as the Firm for purposes of reporting performance in accordance with the Global Investment Performance Standards. On February 23, 2010, The TCW Group, Inc. acquired Metropolitan West Asset Management. On January 1, 2011, the Marketable Securities Division and Metropolitan West Asset Management completed a merger. Accordingly, effective January 1, 2011, Metropolitan West Asset Management was included within the Firm definition.

The Marketable Securities Division claims compliance with the Global Investment Performance Standards (GIPS®). To receive a complete list and description of TCW's composites and/or presentation that adheres to the GIPS® standards contact Client Services at 213.244.0000 or contact us by e-mail at PortfolioAnalytics.Group@tcw.com.