

# Loomis Sayles Senior Floating Rate and Fixed Income Fund

Q1 • March 31, 2019

## Fund Highlights

- A fund investing primarily in loans and debt securities (minimum 65% of net assets) that have floating or variable interest rates that are tied to a base market lending rate, plus an additional spread to compensate for credit-specific risk
- Floating rate bank loan focused, but has flexibility to allocate to other fixed-income asset classes such as high yield, convertibles, securitized issues or government securities
- Fund managers allocate tactically across floating rate bank loans and other fixed-income asset classes including high yield, convertibles, securitized issues and government securities based on their economic and market outlook: In strong economic markets – Allocations favor riskier assets such as high yield bonds. In weak economic markets – Allocations favor less risky assets such as Treasuries

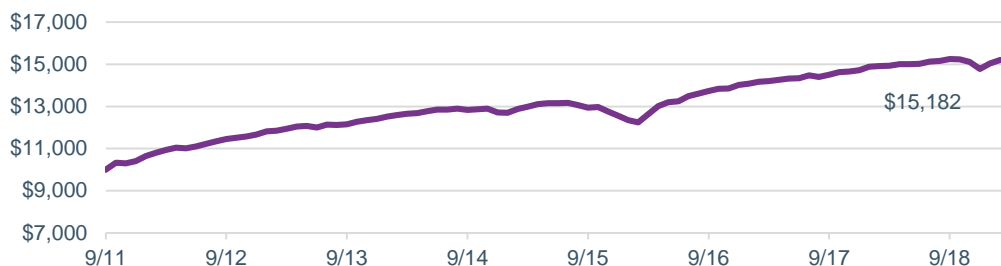
## Average annualized total returns† (%)

	3 months	YTD	1 year	3 years	5 years	Life of class 09/30/2011
Class Y	2.72	2.72	1.70	6.31	3.71	5.72
Class A at NAV	2.67	2.67	1.35	6.01	3.43	5.46
Class A with 3.50% maximum sales charge	-0.93	-0.93	-2.21	4.76	2.69	4.95
S&P/LSTA Leveraged Loan Index <sup>5</sup>	3.96	3.96	2.92	5.65	3.60	4.89

## Calendar year returns (%)

	2009	2010	2011 <sup>1</sup>	2012	2013	2014	2015	2016	2017	2018
Class Y	-	-	4.12	12.04	6.39	2.41	-1.14	11.51	5.06	0.39
S&P/LSTA Leveraged Loan Index <sup>5</sup>	-	-	2.88	9.66	5.29	1.60	-0.69	10.16	4.12	0.44

## Investment return – Hypothetical growth of \$10,000 investment<sup>4</sup>



Performance data shown represents past performance and is no guarantee of, and not necessarily indicative of, future results. Total return and value will vary, and you may have a gain or loss when shares are sold. Current performance may be lower or higher than quoted. For most recent month-end performance, visit [im.natixis.com](http://im.natixis.com). Performance for other share classes will be greater or less than shown based on differences in fees and sales charges. You may not invest directly in an index. †Performance for periods less than one year is cumulative, not annualized. Returns reflect changes in share price and reinvestment of dividends and capital gains, if any.

1 The calendar year performance shown for 2011 is a partial year of performance since inception on 9/30/2011 through 12/31/2011. 2 Unsubsidized 30-day SEC yield is calculated using the gross expenses of the fund. Gross expenses do not include any fee waivers or reimbursement. 3 As of the most recent prospectus, the investment advisor has contractually agreed to waive fees and/or reimburse expenses (with certain exceptions) once the expense cap of the fund has been exceeded. This arrangement is set to expire on 03/31/2020. When an expense cap has not been exceeded, the gross and net expense ratios and/or yields may be the same. 4 This chart tracks the hypothetical growth of a \$10,000 investment in Class Y shares. Investment returns would be lower for Class A share investments, which are subject to higher fees and may also include sales charges.

Not all share classes are available for purchase by all investors. Class Y shares are available to institutional investors with a minimum initial investment of \$100,000 and through certain wrap-fee programs, retirement plans and investment advisory accounts with no minimum. See the prospectus for more details.

For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating™ used to rank the fund against other funds in the same category. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly excess performance, without any adjustments for loads (frontend, deferred, or redemption fees), placing more emphasis on downward variations and rewarding consistent performance. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star (each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages). Past performance is no guarantee of future results. ©2019 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete, or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

## Morningstar Rating

### Bank Loan – Class Y

Overall rating derived from weighted average of the 3-, 5- and 10-year (if applicable) Morningstar Rating metrics; other ratings based on risk-adjusted returns

Overall out of 215 funds **★★★★★**  
 Three years out of 215 funds **★★★★★**  
 Five years of 196 funds **★★★★★**

## Fund Facts

### Objective

Seeks to provide a high level of current income

Share Class	Ticker	Cusip
Class Y	LSFYX	63872T-55-4
Class A	LSFAX	63872T-57-0
Class C	LSFCX	63872T-56-2
Class N	LSFNX	63873P-86-6

Class A maximum sales charge of 3.50%  
 Class C maximum CDSC of 1.00%

Total net assets	\$3.4 billion
Inception date	09/30/2011
Turnover as of 11/30/2018	65%
30 Day SEC Yield (Y, Subsidized)	7.18%
30 Day SEC Yield (Y, Unsubsidized) <sup>2</sup>	7.18%
Distribution frequency	Monthly
Gross Expense Ratios (Y/A) <sup>3</sup>	0.80%/1.05%
Net Expense Ratios (Y/A) <sup>3</sup>	0.80%/1.05%

## Portfolio Overview

## Sector breakdown

Sector	% of Portfolio
Bank Loans	90.42
High Yield	5.48
Cash & Equivalents	3.73
Other Fixed Income	0.26
Equity	0.10

Credit quality<sup>6</sup>

	% of Portfolio
BBB	0.17
BB	9.71
B	73.95
CCC & Lower	11.17
Not Rated	1.28
Cash & Equivalents	3.73

Top ten holdings<sup>7</sup>

Company	% of Portfolio
1. Asurion LLC	1.00
2. Advantage Sales & Marketing, Inc.	0.77
3. Windstream Services, LLC	0.76
4. Covia Holdings Corp.	0.75
5. Bass Pro Group LLC	0.71
6. Staples, Inc.	0.67
Midas Intermediate Holdco II LLC/Midas Intermediate Holdco II Finance, Inc.	0.66
8. Ardonagh Midco 3 PLC	0.66
9. Quad/Graphics, Inc.	0.66
10. EIG Investors Corp.	0.65



## Manager Overview

**Investment Manager**  
Loomis, Sayles & Company helps fulfill the investment needs of institutional and mutual fund clients worldwide. The firm's performance-driven investors integrate deep proprietary research and integrated risk analysis to make informed, judicious decisions. Loomis Sayles looks for value across traditional asset classes and alternative investments to pursue attractive, sustainable returns.

**Headquarters:** Boston, MA

**Founded:** 1926

**Assets under management:**  
\$234.4 billion (as of 12/31/2018)<sup>8</sup>

Portfolio Managers<sup>9</sup>

**John R. Bell**

**Michael L. Klawitter CFA<sup>®</sup>**

## Risks

**Floating rate loans** are often lower-quality debt securities and may involve greater risk of price changes and greater risk of default on interest and principal payments. The market for floating rate loans is largely unregulated and these assets usually do not trade on an organized exchange. As a result, floating rate loans can be relatively illiquid and hard to value. **Fixed income securities** may carry one or more of the following risks: credit, interest rate (as interest rates rise bond prices usually fall), inflation and liquidity. **Below investment grade fixed income securities** may be subject to greater risks (including the risk of default) than other fixed income securities. **Leverage** can increase market exposure and magnify investment risk. **Foreign and emerging market securities** may be subject to greater political, economic, environmental, credit, currency and information risks. Foreign securities may be subject to higher volatility than US securities, due to varying degrees of regulation and limited liquidity. These risks are magnified in emerging markets. **Non-diversified funds** invest a greater portion of assets in fewer securities and therefore may be more vulnerable to adverse changes in the market.

<sup>5</sup> The S&P/LSTA Leveraged Loan Index (LLI) covers loan facilities and reflects the market-value-weighted performance of U.S. dollar-denominated institutional leveraged loans. <sup>6</sup> Credit Quality is ranked highest to lowest. Credit quality reflects the highest credit rating assigned to individual holdings of the fund among Moody's, S&P or Fitch; ratings are subject to change. The fund's shares are not rated by any rating agency and no credit rating for fund shares is implied. <sup>7</sup> The portfolio is actively managed and holdings are subject to change. References to specific securities or industries should not be considered a recommendation. For current holdings, please visit our website. <sup>8</sup> Assets under management ("AUM"), as reported, may include notional assets, assets serviced, gross assets and other types of non-regulatory AUM. <sup>9</sup> CFA<sup>®</sup> and Chartered Financial Analyst<sup>®</sup> are registered trademarks owned by the CFA Institute.

Before investing, consider the fund's investment objectives, risks, charges, and expenses. Visit [im.natixis.com](http://im.natixis.com) or call 800-225-5478 for a prospectus or a summary prospectus containing this and other information. Read it carefully.

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