

Loomis Sayles Strategic Income Fund

Unconstrained approach to pursue income opportunities

Portfolio highlights

- Value-driven, long-term fixed income investing strategy that attempts to exploit price inefficiencies and market volatility to deliver strong performance over a full market cycle.
- Combines bottom-up security selection, which is expected to be the primary driver of alpha⁴, with top-down strategic macroeconomic views.
- Benchmark agnostic portfolio draws on a global investment universe that includes investment grade credit, high yield credit, non-US dollar debt, securitized debt, emerging market debt, convertible bonds, and equities.
- Focuses primarily on fixed income securities with ample flexibility to invest in higher yielding parts of the market to pursue value and enhance diversification.
 - No stated limit on assets in below investment grade fixed income securities.
 - No stated limit on assets in securities of Canadian issuers or other foreign securities, including emerging market securities.
 - May invest up to 35% of assets in preferred and common stocks.

Portfolio applications

As a holding in a diversified fixed income portfolio to address the need for yield and capital appreciation.

As an alpha-generating fixed income fund that leverages the renowned research and experienced portfolio management capabilities of Loomis Sayles.

To complement and provide diversification to a traditional bond allocation, as the Fund has the flexibility to invest in sectors that fall outside the benchmark.

To help minimize the impact of interest rate changes, as the Fund's strategy explicitly manages duration with a focus on credit and valuation.

¹ CFA® and Chartered Financial Analyst® are registered trademarks owned by the CFA Institute. ² The Bloomberg Barclays U.S. Aggregate Bond Index is a broad-based benchmark that measures the investment-grade, U.S. dollar-denominated, fixed-rate taxable bond market, including Treasuries, government-related and corporate securities, MBS (agency fixed-rate and hybrid ARM pass-throughs), ABS, and CMBS. The Bloomberg Barclays U.S. Aggregate Bond Index rolls up into other Bloomberg Barclays flagship indices, such as the multi-currency Bloomberg Barclays Global Aggregate Bond Index and the Bloomberg Barclays U.S. Universal Index, which includes high yield and emerging markets debt. The Bloomberg Barclays U.S. Aggregate Bond Index was created in 1986, with index history backfilled to January 1, 1976. 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 1/31/20. When an expense cap has not been exceeded, the gross and net expense ratios and/or yields may be the same. ⁴ A measure of the difference between a portfolio's actual returns and its expected performance, given its level of systematic market risk. A positive alpha indicates outperformance and negative alpha indicates underperformance relative to the portfolio's level of systematic risk.



ABOUT THE FUND

Objective

Seeks high income with a secondary objective of capital growth

Portfolio manager(s)¹

Brian P. Kennedy
Matthew J. Eagan, CFA®
Elaine M. Stokes
Daniel J. Fuss, CIC, CFA®

Inception date

05/01/1995

Share classes

Admin Class	NEZAX
Class A	NEFZX
Class Y	NEZYX
Class N	NEZNX
Class C	NECZX

Benchmarks²

Bloomberg Barclays U.S. Universal Bond Index
Bloomberg Barclays U.S. Aggregate Bond Index

Expense ratios (gross/net)³

NEZAX	1.20%	1.20%
NEFZX	0.97%	0.97%
NEZYX	0.71%	0.71%
NEZNX	0.63%	0.63%
NECZX	1.71%	1.71%

Philosophy, process, and risk management

Loomis Sayles views fixed income investing as a research-intensive process focused on understanding the fundamentals of each issuer and the factors that influence valuation.

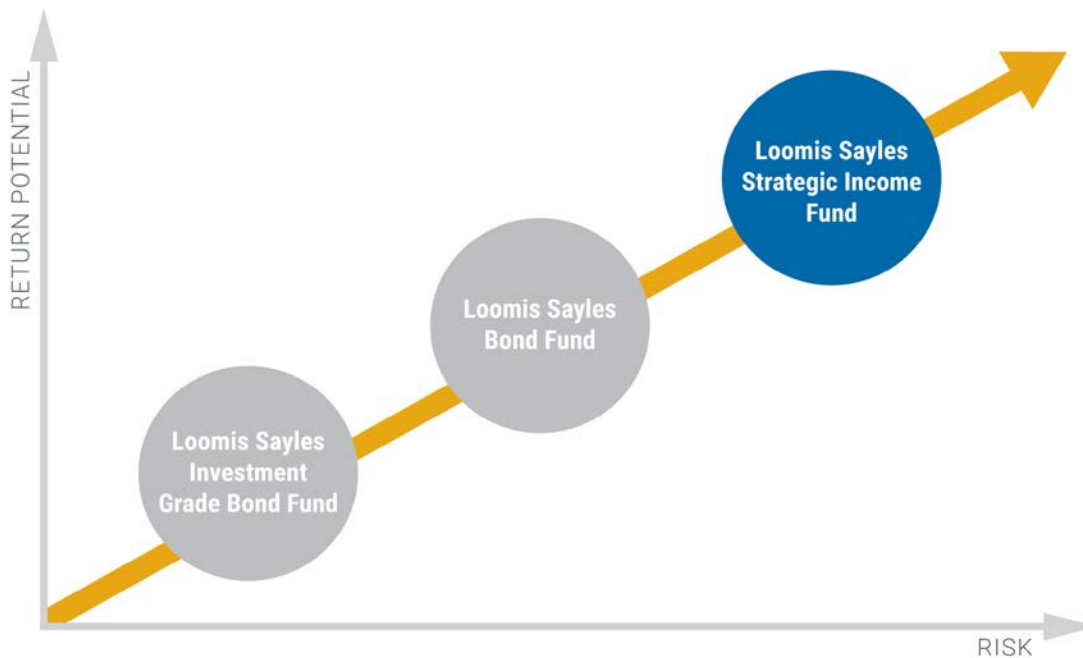
Top-down analysis develops long-term themes and sector outlooks on the global economy, central bank policy expectations, worldwide interest rate differentials and an assessment of geopolitical factors to establish investment bias on duration, yield curve, and credit quality.

Research analysts, portfolio managers, and traders form sector teams to determine the risk/return value and performance potential of individual securities. Collectively, the various sector teams cover a variety of corporate, government, municipal, mortgage- and asset-backed issuers.

The product team focuses on strategy and implementation, developing investment themes that reflect their macro perspective and sector teams' assessments. The product team is also supported by the quantitative research and risk analysis team, which assists in monitoring and evaluating the portfolio's sensitivities and risk profile.



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.



RISKS: 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. **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. **Currency exchange rates** between the US dollar and foreign currencies may cause the value of the Fund's investments to decline. **Equity securities** are volatile and can decline significantly in response to broad market and economic conditions.

Before investing, consider the fund's investment objectives, risks, charges, and expenses. Visit 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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