

# US Bank Loans Strategy

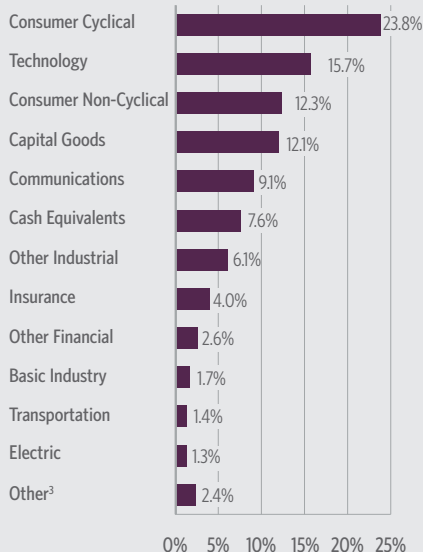
## STRATEGY AT-A-GLANCE<sup>1</sup>

Inception Date	01.01.2003
Benchmark	Credit Suisse Leveraged Loan Index
Total AUM	\$9.2 bn
Effective Duration	0.17 years
Average Coupon	4.6%
Average Market Price	\$96.76
Average YTM	5.5%
Average Quality <sup>2</sup>	BB-
WAL	4.44 years

## RETURN AND RISK STATISTICS<sup>1</sup> (SINCE INCEPTION)

	US Bank Loans Composite (Gross)	Credit Suisse Leveraged Loan Index
Annualized Return	7.0%	4.9%
Standard Deviation	5.3%	6.7%

## INDUSTRY ALLOCATION<sup>1</sup>



## Strategy Overview

Guggenheim Investments has \$66 billion in corporate credit assets. The U.S. Bank Loan strategy benefits from our leadership in leveraged finance, deep industry research and expertise in structuring transactions. The strategy primarily invests in senior secured debt that is first in right of repayment and has floating rate coupons that reset quarterly.

## Competitive Edge

### Unified Platform

Our Corporate Credit investment team is fully integrated and responsible for all of Guggenheim's corporate credit strategies. Our analysts are organized by industry and focus on the entire capital structure, spanning large cap investment grade debt to middle market high yield.

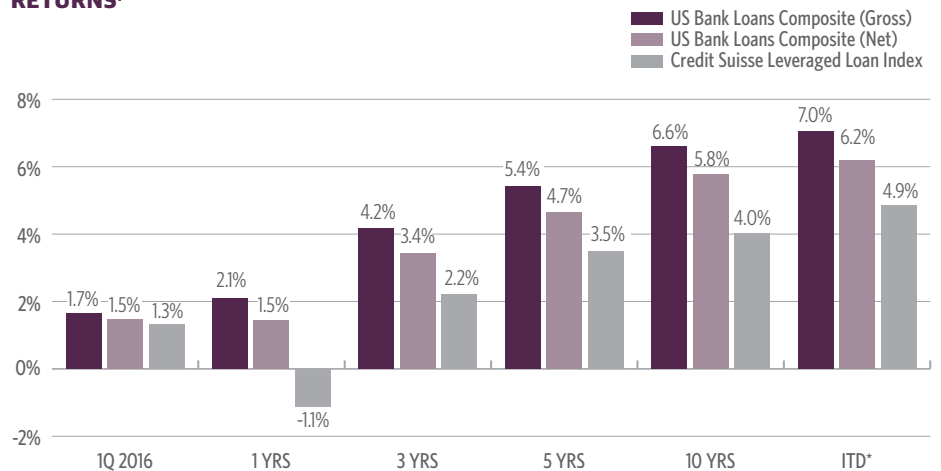
### Deep Resources

With over 100 investment professionals, Guggenheim's Corporate Credit team is one of the largest and most experienced in the industry. Our investment team includes a large in-house legal team that works to secure the most favorable terms for our portfolio holdings.

### Deal Structuring Expertise

Our upper middle-market and private debt expertise enables a research- and negotiation-intensive approach across investments. Our broad-based leadership in the credit market enables us to uncover complex and underfollowed investment opportunities where we believe we can drive better investment outcomes and generate higher yield without taking undue credit risk.

## RETURNS<sup>1</sup>



<sup>1</sup>Inception to date. Source: Guggenheim Investments, Credit Suisse. <sup>2</sup>Performance inception, Benchmark and AUM are for the US Bank Loans Composite (the "Composite"). Remaining characteristics and industry allocation are based on a representative account of the US Bank Loans Composite as of 03.31.2016. The representative account was chosen since, in our view, it is the account within the composite which most closely reflects the portfolio management style of the composite. <sup>3</sup>Ratings based on Barclay's rating methodology and exclude non-related securities. Barclays uses the middle rating of Moody's, S&P, and Fitch. If only two of the agencies rate a security, the lower rating is used and if only one agency rates a security, that rating is used. <sup>4</sup>Other includes Finance Companies, Brokerage, Banking, Energy and Equity. Past performance does not guarantee future returns. The value of any investment may rise or fall over time. Principal is not guaranteed, and investors may receive less than the full amount of principal invested at the time of redemption if asset values have declined. Individual account performance may be greater than or less than the performance presented for this composite. Gross returns are presented net of non-reclaimable foreign withholding taxes applicable to the U.S. investors and include the reinvestment of income. Net returns are calculated by reducing gross returns with a model fee that includes 1) the greater of a) the highest management fee charged to an account in the Composite or b) the highest tier of the current management fee schedule, and 2) estimated performance fees where applicable. For the period 2008, the net returns presented reflect actual fees on a cash basis, not a model fee. Performance numbers for time periods greater than one year are annualized. All performance is expressed in U.S. dollars. For comparison purposes the Composite is measured against the Credit Suisse Leveraged Loan Index.

## Guggenheim Investments

Guggenheim Investments is the global asset management and investment advisory division of Guggenheim Partners, with \$199 billion<sup>1</sup> in assets across fixed income, equity and alternative strategies. We focus on the return and risk needs of insurance companies, corporate and public pension funds, sovereign wealth funds, endowments and foundations, wealth managers and high net worth investors. Our 275+ investment professionals perform rigorous research to understand market trends and identify undervalued opportunities in areas that are often complex and underfollowed. This approach to investment management has enabled us to deliver innovative strategies providing diversification and attractive long-term results.

## Guggenheim Partners

Guggenheim Partners is a global investment and advisory firm with more than \$240 billion<sup>2</sup> in assets under management. Across our three primary businesses of investment management, investment banking and insurance services, we have a track record of delivering results through innovative solutions. We have 2,500 professionals serving our clients from more than 25 offices around the world. Our commitment is to advance the strategic interests of our clients and to deliver long-term results with excellence and integrity.

### IMPORTANT INFORMATION AND DISCLOSURES

<sup>1</sup>Guggenheim Investments total asset figure is as of 03.31.2016. The assets include leverage of \$11.4 bn for assets under management and \$0.5 bn for assets for which we provide administrative services. Guggenheim Investments represents the following affiliated investment management businesses: Guggenheim Partners Investment Management, LLC, Security Investors, LLC, Guggenheim Funds Investment Advisors, LLC, Guggenheim Funds Distributors, LLC, Guggenheim Real Estate, LLC, Transparent Value Advisors, LLC, GS GAMMA Advisors, LLC, Guggenheim Partners Europe Limited and Guggenheim Partners India Management.

<sup>2</sup>Assets under management are as of 03.31.2016 and include consulting services for clients whose assets are valued at approximately \$56 bn.

The information presented herein has been prepared for informational purposes only and is not an offer to buy or sell, or a solicitation of an offer to buy or sell, any security or fund interest. Guggenheim Partners Investment Management, LLC (GPIM) serves as the investment adviser to the Bank Loans Strategy.

Guggenheim Investments Asset Management (GIAM) claims compliance with the Global Investment Performance Standards (GIPS®). GIAM is a global investment management firm providing fixed income, equity and alternative investment services primarily to institutional investors and is comprised of the following affiliated entities of Guggenheim Partners, LLC: Guggenheim Partners Investment Management, LLC (GPIM), Guggenheim Partners Europe Limited (GPE), Transparent Value Advisors, LLC (TVA), and, as of February 2012, Security Investors, LLC (SI). To receive a full list of GIAM compliant composite descriptions and/or a GIPS compliant presentation, please contact institutional@guggenheiminvestments.com.

The US Bank Loans Composite is comprised of accounts that predominantly invest in U.S.-based corporate bank loans. The creation date for this composite is September 1, 2010. The composite has a minimum asset level of \$10 million.

No representation or warranty is made by Guggenheim Investments or any of their related entities or affiliates as to the sufficiency, relevance, importance, appropriateness, completeness, or comprehensiveness of the market data, information or summaries contained herein for any specific purpose. The views expressed in this presentation are subject to change based on market and other conditions. The opinions expressed may differ from those of other entities affiliated with Guggenheim Investments that use different investment philosophies. All material has been obtained from sources believed to be reliable, but its accuracy is not guaranteed.

No assurance can be given that the investment objectives described herein will be achieved and investment results may vary substantially on a quarterly, annual or other periodic basis. The views and strategies described herein may not be suitable for all investors. All investments have inherent risks. Investments in floating rate senior secured syndicated bank loans and other floating rate securities involve special types of risks, including credit risk, interest rate risk, liquidity risk and prepayment risk.

The market value of fixed income securities will change in response to interest rate changes and market conditions among other things. In general, bond prices rise when interest rates fall and vice versa. High yield securities present more liquidity and credit risk than investment grade bonds and may be subject to greater volatility.

Index Data Sources: RIMES. The referenced indices are unmanaged and not available for direct investment. Index performance does not reflect transaction costs, fees or expenses. Indices are shown for comparison purposes only.

The Credit Suisse Leveraged Loan Index is designed to mirror the investable universe of the US dollar denominated leveraged loan market.

Whilst this document may be issued outside the United Kingdom directly by Guggenheim Partners Investment Management, LLC, which is responsible for its contents, wherever issued, it is being issued inside and outside the United Kingdom by Guggenheim Investment Advisors (Europe) Limited (which is authorized and regulated by the Financial Conduct Authority ("FCA") only to and/or is directed only at persons who are professional clients or eligible counterparties for the purposes of the FCA's Conduct of Business Sourcebook.

Applicable to Middle East Investors: Contents of this report prepared by Guggenheim Partners Investment Management, LLC, Transparent Value Advisors, LLC and Guggenheim Partners Europe Limited, all registered entities in their respective jurisdictions, and affiliates of Guggenheim KBBO Partners Limited, the Authorised Firm regulated by the Dubai Financial Services Authority. This report is intended for qualified investor use only as defined in the DFSA Conduct of Business Module.

© 2016 Guggenheim Partners, LLC. All Rights Reserved. No part of this document may be reproduced, stored, or transmitted by any means without the express written consent of Guggenheim Partners, LLC.

## Contact Us

### NEW YORK

330 Madison Avenue | 10017  
212 739 0700

### CHICAGO

227 W Monroe Street | 60606  
312 827 0100

### SANTA MONICA

100 Wilshire Boulevard | 90401  
310 576 1270

### LONDON

5 Wilton Road | SW1V 1AN  
+44 203 059 6621

## Key Investment Professionals

### Scott MinerD

Managing Partner  
Chairman of Investments and  
Global Chief Investment Officer

### CORPORATE CREDIT INVESTMENT COMMITTEE

### Kevin Gundersen, CFA

Senior Managing Director  
US Bank Loans Portfolio Manager

### Jeffrey Abrams

Senior Managing Director

### Zachary Warren

Senior Managing Director

### Thomas Hauser

Managing Director

### Matthew Bloom

Managing Director

