An Opportunistic Approach

Powered by the team’s long-tenured expertise in the securitized market and what we consider to be our unmatched originator relationships, the Mortgage Securities Trust takes an active and opportunistic approach to investing across the global mortgage securities markets. The team’s value-driven approach is structured around five principal risk factors—prepayment, convexity, volatility, spread and interest rate—for a forward-looking valuation of securities that takes advantage of extreme forecasts and market expectations.

Global, Active Approach

The Fund opportunistically invests across the global MBS, ABS, RMBS and CMBS markets, actively seeking mismatches between market expectations and our forward-looking valuation of securities.

Experienced Team

The investment team averages 19 years of experience1 in securitized markets with long-standing issuer, servicer and originator relationships to help source and identify attractive opportunities.

Award-Winning Fund

The Fund was named Best U.S. Mortgage Fund in the 5- and 10-year categories for 2021 (among 31 and 25 funds, respectively), and in the 5-year category 4 years in a row: 2019, 2018, 2017 and 2016.2

Active management across mortgage sectors drives yield:

30-Day SEC Subsidized Yield 2.62%*

Mortgage Securities Trust monthly sector allocation: January 2012 – March 2021

Subject to change.

Performance data quoted represents past performance, which is no guarantee of future results, and current performance may be lower or higher than the figures shown. See next page for performance information.

* As of March 31, 2021. Unsubsidized yield 2.46%.
1 As of December 31, 2020.
2 Lipper Fund Awards from REFINITIV. 2021 Winner United States. MTGDX named Best U.S. Mortgage Fund for the 10-year period in 2020 among 24 funds, the 5-year period for 2019 among 29 funds, the 5-year period in 2018 among 28 funds, the 3-year period in 2017 among 29 funds, the 5-year period in 2017 among 29 funds and the 5-year period in 2016 among 83 funds, based on risk-adjusted performance for the period ended November 30, 2020.
This material is a general communication, which is not impartial and all information provided has been prepared solely for informational and educational purposes and does not constitute or imply any recommendation to buy or sell any particular security or to adopt any specific investment strategy. The information herein has not been based on a consideration of any individual investor circumstances and is not investment advice, nor should it be construed in any way as tax, accounting, legal or regulatory advice. To that end, investors should seek independent legal and financial advice, including advice as to tax consequences, before making any investment decision.

INDEX DEFINITION: The Bloomberg Barclays U.S. Mortgage Backed Securities (MBS) Index (formerly listed as Barclays Mortgage Index) tracks agency mortgage backed pass-through securities (both fixed-rate and hybrid ARM) guaranteed byinnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC). This Index is the Mortgage Backed Securities Fixed Rate component of the Bloomberg Barclays U.S. Aggregate Index. The Index is unmanaged and does not include any expenses, fees or sales charges. It is not possible to invest directly in an index.

DEFINITIONS: Duration is a measure of the sensitivity of the price (the value of principal) of a fixed-income investment to a change in interest rates. Duration can be calculated as a number of years. Rising interest rates mean falling bond prices, while falling interest rates mean rising bond prices. **SEC yield** is a measure of the income generated by the portfolio's underlying asset over the trailing 30 days, relative to the asset base of the portfolio's underlying asset. **SEC 30-DAY yield - subfund** is the SEC 30-day yield of the subfund. Absent such fee waivers, the yield would have been lower. The SEC 30-DAY YIELD - UNSUBSIDIZED does not reflect the fee waivers currently in effect.

RISK CONSIDERATIONS: There is no assurance that a mutual fund will achieve its investment objective. Funds are subject to market risk, which is the possibility that the market values of securities owned by the fund will decline and that the value of fund shares may therefore be less than what you paid for them. Market values can change daily due to economic and other events (e.g. natural disasters, health crises, terrorism, conflicts and social unrest) that affect markets, countries, companies or governments. It is difficult to predict the timing, duration, and potential adverse effects (e.g. portfolio liquidity) of events. Accordingly, you can lose money investing in this fund. Please be aware that this fund may be subject to certain additional risks. Fixed-income securities are subject to the ability of an issuer to make timely principal and interest payments (credit risk), changes in interest rates (interest-rate risk), the creditworthiness of the issuer and the general market liquidity (market risk). In a rising interest-rate environment, bond prices may fall and may result in periods of volatility and increased portfolio redemptions. In a declining interest-rate environment, the portfolio may generate less income. Longer-term bonds are more sensitive to interest rate changes. Some U.S. government securities are backed by the full faith and credit of the U.S., thus these issuers may not be able to meet their future payment obligations. Mortgage and asset-backed securities are sensitive to early prepayment risk and a higher risk of default and may be hard to value and difficult to sell (liquidity risk). They are also subject to credit, market and interest rate risks. Derivative instruments may disproportionately increase losses and have a significant impact on performance. They also may be subject to counterparty, liquidity, valuation, correlation and market risks. Collateralized mortgage obligations can have unpredictable cash flows which can increase the risk of changes. High yield securities ("junk bonds") are lower rated securities that may have a higher degree of credit and liquidity risk. Foreign securities are subject to currency, political, economic and market risks. The risks of investing in emerging market countries are greater than risks associated with investments in foreign developed countries. Restricted and illiquid securities may be more difficult to sell and value than publicly traded securities (liquidity risk).