

HY Corp – The U.S. Corporate High-Yield Index measures the market of USD-denominated, non-investment grade, fixed-rate, taxable corporate bonds.

Securities are classified as high yield if the middle rating of Moody’s, Fitch, and S&P is Ba1 /BB+ /BB+ or below, excluding emerging market debt.

IG Corp – The U.S. Corporate Index is a broad-based benchmark that measures the investment grade, U.S. dollar-denominated, fixed –rate, taxable corporate bond market. It includes USD-denominated securities publicly issued by U.S. and non-U.S. industrial, utility, and financial issuers that meet specified maturity, liquidity, and quality requirements.

MUNI – The U.S. Municipal Index covers the USD-denominated long-term tax exempt bond market. The index has four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and prerefunded bonds.

TIPS – The US Treasury Inflation-Linked Bond Index measures the performance of the US Treasury Inflation Protected Securities (TIPS) market. Federal Reserve holdings of US TIPS are not index eligible and are excluded from the face amount outstanding of each bond in the index.

US Gov’t – The U.S. Government Index is comprised of the U.S. Treasury and U.S. Agency Indices. The U.S. Government Index includes Treasuries (public obligations of the U.S. Treasury that have remaining maturities of more than one year) and U.S. agency debentures (publicly issued debt of U.S. Government agencies, quasi-federal corporations, and corporate or foreign debt guaranteed by the U.S. Government). The U.S. Government Index is a component of the U.S. Government/Credit Index and the U.S. Aggregate Index.

Each of these asset classes has its own set of investment characteristics and risk and investors should consider these risks carefully prior to making any investment decisions. The value of the fixed income securities will fluctuate with changes in interest rates. Defaults by fixed income issuers could also harm performance. Lower-quality bonds known as “high yield” or “junk” bonds, present greater risk than bonds of higher quality, including an increased risk of default. An economic downturn or period of rising interest rates could adversely affect the market for these bonds.

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About BTS Asset Management

Founded in 1979, BTS Asset Management is one of the oldest risk managers, managing traditional assets with a nontraditional approach. BTS has a multi-year track record in tactical fixed income and equity management. Our goal is to find opportunities with the potential to take advantage of rising markets while working to manage losses during downturns.

BTS:

- Seeks to preserve capital
- Aims to offer downside risk management and upside potential
- Strives to reduce volatility while delivering consistent long-term returns



FIXED INCOME SECTOR PERFORMANCE



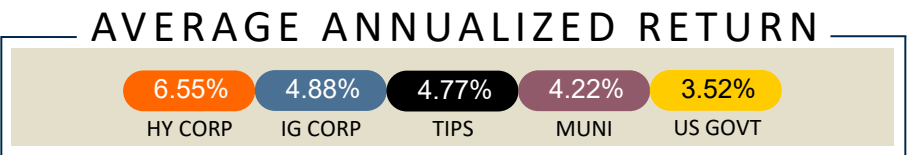
*Tactically Managing
Traditional Fixed Income
Since 1979*

Find Opportunity

FIXED INCOME SECTOR PERFORMANCE

2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
13.24% US GOVT	10.31% IG CORP	16.57% TIPS	28.97% HY CORP	11.13% HY CORP	3.51% MUNI	11.85% HY CORP	11.64% TIPS	12.39% US GOVT	58.21% HY CORP	15.12% HY CORP	13.56% TIPS	15.81% HY CORP	7.44% HY CORP	9.05% MUNI	3.30% MUNI	17.13% HY CORP	7.50% HY CORP	1.28% MUNI	14.54% IG CORP	10.99% TIPS	5.96% TIPS	-8.53% MUNI	13.45% HY CORP	8.19% HY CORP
13.18% TIPS	7.90% TIPS	11.50% US GOVT	8.40% TIPS	8.46% TIPS	2.84% TIPS	4.84% MUNI	8.66% US GOVT	-2.35% TIPS	18.68% IG CORP	9.00% IG CORP	10.70% MUNI	9.82% IG CORP	-1.53% IG CORP	7.46% IG CORP	0.86% US GOVT	6.11% IG CORP	6.42% IG CORP	0.88% US GOVT	14.32% HY CORP	9.89% IG CORP	5.28% HY CORP	-11.19% HY CORP	8.52% IG CORP	2.13% IG CORP
11.68% MUNI	7.23% US GOVT	10.12% IG CORP	8.24% IG CORP	5.39% IG CORP	2.74% HY CORP	4.30% IG CORP	4.56% IG CORP	-2.47% MUNI	12.91% MUNI	6.31% TIPS	9.02% US GOVT	6.98% TIPS	-2.55% MUNI	4.92% US GOVT	-0.68% IG CORP	4.68% TIPS	5.45% MUNI	-1.26% TIPS	8.43% TIPS	7.94% US GOVT	1.52% MUNI	-11.85% TIPS	6.40% MUNI	1.84% TIPS
9.08% IG CORP	5.28% HY CORP	9.60% MUNI	5.31% MUNI	4.48% MUNI	2.65% US GOVT	3.48% US GOVT	3.36% MUNI	-4.94% IG CORP	11.41% TIPS	5.52% US GOVT	8.15% IG CORP	6.78% MUNI	-2.60% US GOVT	3.64% TIPS	-1.44% TIPS	1.05% US GOVT	3.01% TIPS	-2.08% HY CORP	7.54% MUNI	7.11% HY CORP	-1.04% IG CORP	-12.32% US GOVT	4.09% US GOVT	1.05% MUNI
-5.86% HY CORP	5.13% MUNI	-1.41% HY CORP	2.36% US GOVT	3.48% US GOVT	1.68% IG CORP	0.41% TIPS	1.87% HY CORP	-26.16% HY CORP	-2.20% US GOVT	2.38% MUNI	4.98% HY CORP	2.02% US GOVT	-8.61% TIPS	2.45% HY CORP	-4.47% HY CORP	0.25% MUNI	2.30% US GOVT	-2.51% IG CORP	6.83% US GOVT	5.21% MUNI	-2.28% US GOVT	-15.76% IG CORP	3.90% TIPS	0.62% US GOVT

All bonds are NOT created equal.



Fixed income sectors tend to get mistakenly lumped into one bond category. No matter what the general direction of the market is, many bond sectors perform differently from each other, exposing opportunities.

LEGEND

HY Corp

IG Corp

MUNI

TIPS

US Gov't

Bloomberg US Corporate High Yield TR USD

Bloomberg US Corp Bond TR USD

Bloomberg Municipal TR USD

Bloomberg Treasury US TIPS TR US

Bloomberg US Government TR USD

Source: Morningstar

PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS

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