NEUBERGER BERMAN

Fixed Income Investment Outlook 3Q 2020

The Changing Path to Credit Opportunities

Aggressive fiscal and monetary actions combined with better-than-expected news on the economic recovery have contributed to a narrowing of credit spreads, while central banks now appear committed to zero (or negative) rates for the foreseeable future. Given these dynamics, much of the "low-hanging fruit" previously available to investors has been removed from the market. However, we believe that significant opportunities still exist in credit markets, coming increasingly from sector and security selection.

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Investment Implications

In the current environment of aggressive monetary and fiscal intervention, improving economic data, low rates and narrowed credit spreads, we see particular opportunities in the following credit sectors:

U.S. Investment Grade Credit: Despite a likely diminished opportunity set relative to the second quarter, we believe the sector should continue to perform well in an environment of ongoing central bank support, heightened global demand for yield and reduced supply. Quality remains important given elevated uncertainty, while subsector and security selection will continue to be vital to generating value.

U.S. High-Quality High Yield Credit: Our focus remains on "up-in-quality" companies that have access to liquidity to help navigate elevated episodic volatility in the near term, with a heightened research emphasis on avoiding defaults and differentiating among credits. The return to the zero lower bound in the U.S. and low-to-negative rates globally underscores the forward-looking value of the asset class. Heightened idiosyncratic risk due to defaults is likely; however, default expectations have moderated somewhat given improved capital markets access and regional economic reopenings, while a record proportion of BB credits within high yield provides ample quality names to choose from.

U.S. Agency MBS: The Federal Reserve's ongoing asset purchase program and increased demand for high-quality spread product in a zero interest-rate policy regime remain key positives for the asset class. While prepayment risk remains, heightened Treasury issuance appears to be an additional positive technical support.

Municipal Bonds: We anticipate a strong technical tailwind due to sustained demand for new issue paper, especially on the short end (10 years and in). We expect the Fed's Municipal Liquidity Facility to continue to help alleviate potential strains in the municipal market. Though fundamentals are challenged in some states and sectors, we remain constructive on taxable municipals overall, particularly higher-quality longer-dated paper.

European Investment Grade Credit: With the ECB's Pandemic Emerging Purchase Program (PEPP) and the EU's proposed recovery fund, monetary and fiscal support appear robust for the euro area economy. Fundamental, technical and macroeconomic factors suggest continued strong demand for European credit overall. We believe opportunities to add risk exist, but patience is important as volatility persists and the risk of reemergence of the virus remains high.

European Peripheral Debt: The PEPP's massive size and explicit objective of supporting more pressured EU countries should benefit government debt issued by Spain, Italy, Portugal and other peripheral countries, ultimately leading to narrower spreads versus German Bunds.

The Changing Path to Credit Opportunities

Reduced spreads suggest that sector and security selection will be the focus of potential fixed income returns from here.

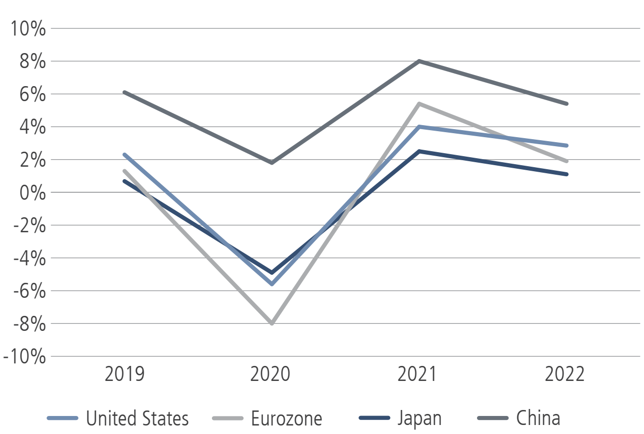
With aggressive fiscal and monetary actions and better-than-expected news on the economic recovery, the second quarter saw a narrowing of credit spreads on a global basis. Central banks appear committed to zero (or negative) rates for the foreseeable future. And while the "low-hanging fruit" that was available to investors has largely been removed from the market, we believe that significant opportunities still exist in credit markets, but will come increasingly from sector and security selection.

Second Quarter: Initial Recovery and Optimism

The global economy suffered from continued, broad effects of pandemic-driven shutdowns early in the second quarter, with consumer, travel and industrial activity showing sharp declines. However, the world is now moving toward recovery, albeit an uneven one, led by Northeast Asia and especially China, where the worst impacts of the virus were felt in the first quarter. As indicated in the chart below, in developed markets, economic data has improved more rapidly than many had anticipated. Europe is experiencing improving consumer demand and PMIs. Although further behind in recovery, the U.S. saw estimated Manufacturing PMI for June rise to 49 from 38 in May, while retail sales grew 17% in May, well above the estimated 8%. In contrast, India and Latin America remain mired in pandemic conditions.

MARKET VIEW: ECONOMIC DECLINE AND SHARP RECOVERY

Annual GDP Growth Forecasts



Source: Bloomberg.

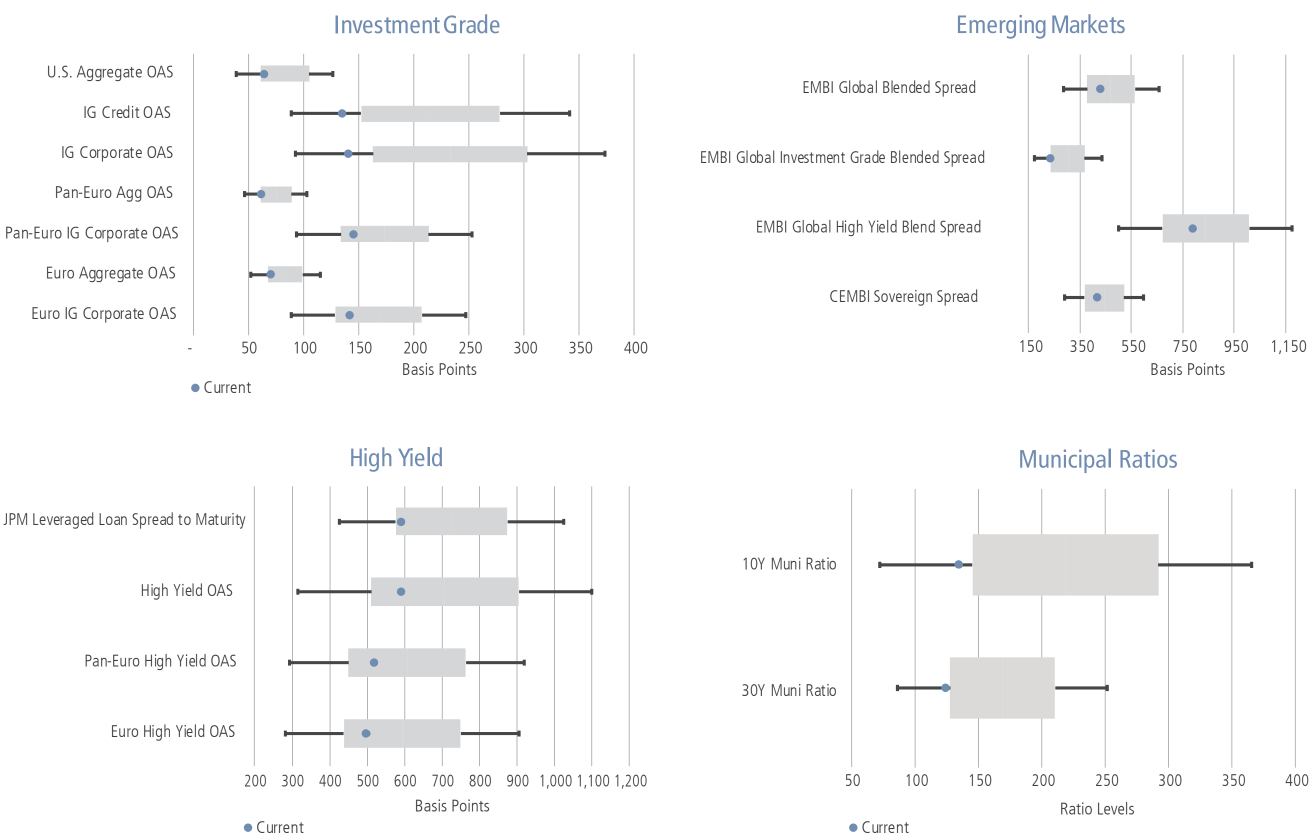
This faster-than-expected stabilization and economic recovery was a key driver of surging financial markets during the quarter. Also supporting them was continued, massive intervention from central banks, which are committed to zero-range short-term interest rates, extensive bond purchases and an array of newly created credit facilities. The Federal Reserve has pledged essentially unlimited resources to ensure that credit-worthy bond sectors, companies and institutions can access liquidity and credit. In June, the ECB expanded its bond purchases by an additional €675 billion, for a total of €1.35 trillion through at least June 2021. On the fiscal front, the U.S. Congress will likely be considering a new round of stimulus in July to augment the $3 trillion already approved (and largely spent), while Europe is on the verge of a historic agreement to potentially share fiscal resources across the European Union. In emerging markets, alongside steep across-the-board rate cuts, several central banks are buying domestic bonds, providing comfort to investors in the face of large supply, while the IMF has led international support efforts that include debt cash-flow relief.

In general, these measures are geared toward reducing market risk, easing financial conditions to promote consumption and investment, and, where possible, protecting incomes and incentivizing hiring. The programs do not ensure an economic recovery, but are a necessary pre-condition to accelerate growth, given the extent of economic contraction.

The net result of the encouraging economic news and ongoing support of fiscal and monetary authorities was a rapid narrowing of spreads after touching historically wide levels only weeks earlier, as indicated in the chart on the next page. This trend was evident across most fixed income sectors, although particularly where central banks have pledged their support.

CREDIT SPREADS ARE GENERALLY FAR OFF WIDES

Current Spread Levels Relative to the Past 12 Months



Source: Bloomberg.

What's Next for Economic Growth and Fixed Income Markets?

Given the unusual circumstances driven by the pandemic, gauging the potential outlook for the economy is particularly challenging and prone to a wide range of potential outcomes. The recent strength of risk assets reflects a broad assumption of recovery in late 2020 and beyond, but whether conditions meet those expectations is an open question. Of course, a related issue is how the path of growth affects the fixed income universe and investment strategy going forward, especially in light of narrower credit spreads.

To us, the answer on growth largely depends on the path of the virus. After an initial reopening phase across the U.S., a number of states were forced to backtrack in light of an acceleration of COVID-19 cases and increased hospitalization rates. If trends continue, it may require broader restrictions that could inhibit large swaths of the economy and curtail consumer demand. On the other hand, more success in managing the virus could help maintain growth.

In the event of repeated shutdowns, whether governments provide new rounds of stimulus could make a meaningful difference to the recovery and, by extension, credit sectors. At this stage, Europe is gradually reopening with reduced border and travel restrictions, although any negative impacts may become evident later. While China's draconian interventions were largely successful in fighting the first wave of the virus, it continues to battle periodic mini-outbreaks; and both domestic and global demand levels are inhibiting recovery. For the year, the country is likely to eke out positive growth of close to 2%, which is far better than many peers. In general, emerging market countries with high debt ratios and/or balance-of-payment deficits are facing a much harder time on growth as these issues will constrain policy makers' ability to provide support for some time to come.

Even assuming relatively positive outcomes on COVID-19, various data still indicate extensive capacity in the global economy, and it will take time to gather momentum and gradually absorb the many who are now out of work. After matching nearly 50-year lows, the U.S. saw the number of unemployed persons spike from 5.8 million in February to 23.1 million in April, with a current level of 17.8 million, while the unemployment rate went from 3.5% to 14.7% and is currently at 11.1%. In Europe, the change has been much less severe, largely due to the structure of the labor market and the social safety net, which has helped keep employees in their jobs. Eurozone unemployment (lagging the U.S. by a month) moved from a low of 7.1% in March to 7.4% in May, while the number of unemployed rose from 11.7 million to 12.1 million—much more muted than in the U.S.

Returning to pre-crisis levels of output will be a multiyear process. That said, potential additional support legislation, including infrastructure pending, could maintain an economic floor and possibly accelerate improvement. In Europe, increased fiscal cooperation could also improve the path of the recovery. All told, we anticipate highly correlated growth for the major economies over the coming two years. Assuming a base case of continued fiscal and monetary support—with steady rates across the globe as central banks maintain easy monetary policy to assist the economic recovery—and a managed level of COVID-19 cases and gradual medical progress, we anticipate 2020 GDP growth of -6% in the U.S., -9% in Europe and -4% on a global basis. While uncertainty is high for 2021, growth rates in the major economies of +4% to +5% would not be an unreasonable expectation.

Investment Strategy: Selectivity at a Premium

With central banks likely on hold for the foreseeable future, and with yield curves close to flat on a global basis, government yields appear to offer minimal return potential. We see an environment of range-bound rates, where central bank policies keep government yields relatively stable over the next few years. And despite a generally less turbulent market environment, credit investors face a trickier third quarter. On the one hand, valuations are such that returns are likely to be more muted than in the second quarter. On the other hand, central bank support and a persistent low-yield environment should continue to drive flows into a range of fixed income credit assets.

In this environment, we believe that a focus on quality remains important given continued uncertainties and vulnerabilities across the credit universe. Reflecting the "have and have not" dynamic in the market, we would emphasize exposures where central banks have a clear presence. At the same time, venturing into select areas of greater beta may provide reasonable risk/reward, especially where markets misunderstand or overemphasize the potential impact of the crisis on issuers.

Impact of COVID-19 on Key Industrial Sectors

Given our perspective that credit differentiation provides a source of potential return for the coming months, we wanted to provide our views on several industry subsectors—across both the investment grade and high yield universes—that have been especially affected by the crisis, to help illustrate the fundamental dynamics for credit in today's market. Generally, we prefer sectors in the "less-COVID-exposed" areas, such as financials, telecommunications and media. And, as highlighted below, we remain cautious about many areas that are either cyclically sensitive or particularly impacted by COVID-related disruptions.

Global Autos: Addressing Demand Shock

- The autos sector could recover faster than during the global financial crisis despite a steeper drop in demand. Fewer visits to dealer lots could pressure auto retailers, but more online purchases would be supportive for OEMs and suppliers. The shift toward electric and autonomous vehicles is a relatively new structural headwind.
- Balance sheets are more stable than in the GFC, with better capitalization and higher liquidity. Cost structures are more flexible and OEM breakeven points have been reduced, but fixed costs remain high relative to other industries. Suppliers are larger and generally healthier, with lower leverage and more liquidity. A potential uptick in individual car ownership and an incremental shift away from ride-sharing could prove supportive.
- Large OEMs have been beneficiaries of government support globally, including access to government facilities designed to improve liquidity.
- Recovery in auto demand to previous highs could take three to five years as employment, consumer sentiment, wages and lease availability gradually recover. The pace and shape of the recovery could largely be a function of future government support, with a new "Cash for Clunkers 2.0" program likely in the coming months. European Union governments have already announced support for the industry.
- Investors appear to be looking past 2Q20, but their focus will be acute on the pace of the production ramp-up, consumer behavior and management commentary for the second half of the year. Consolidation is likely to continue across OEMs and suppliers, with scale and global scope more important than ever.

Bottom Line

We have a neutral view on the auto sector. While cyclical pressures and high fixed cost structures will have a negative impact on the suppliers and levered OEMs, the sector should benefit from government support programs across geographies intended to support key manufacturers and new vehicle purchases. In our view, better-capitalized manufacturers with a focus on electric vehicle development plans should outperform over the near and longer term.

Retail: E-Commerce and Essential Products

- The impact of the COVID-19 pandemic on retailers has varied depending on the strength of their e-commerce capabilities and whether their stores sell "essential" products and thus could stay open during lockdowns.
- Prior to the required closures, many brick-and-mortar retailers were grappling with the challenge of accelerating e-commerce adoption. Those with high leverage and limited liquidity have had difficulty weathering the current storm, leading to numerous bankruptcies. Those with stronger e-commerce capabilities and the ability to stay open have often seen resilient sales, even if offset by a weaker margin mix and higher operating costs. They stand to benefit should e-commerce continue to accelerate.
- Mall-based retailers face difficult reopening trends. They will need to quickly clear seasonal merchandise at a time when consumers are likely cautious about spending and returning to gathering places. Recent data from credit card issuers show signs of a recovery in spending, but generally weak mall traffic.

Bottom Line

We are underweight the retail sector given long-term challenges relating to e-commerce, evolving consumer shopping preferences and potential trade policy changes. In the near term, the COVID-19 pandemic will amplify these challenges for issuers with high levels of exposure to the brick-and-mortar retail model.

Lodging/Leisure/Car Rental: Pent-Up Demand

- COVID-19 had a major impact on the sector due to declining travel and occupancy, and government-mandated closures. U.S. revenues per available room troughed in mid-April and are still down materially. The rental car industry will have to find a way to shrink its fleets, and the rate at which travel returns to previous levels is a major question. Fleet financing structures are also likely to be materially different going forward, utilizing less debt and likely requiring changes to how depreciation levels and fleet value are determined.
- "Drive-to" type destinations such as regional theme parks and regional casinos should outperform "fly-to" destinations such as the Las Vegas strip and Orlando, Florida-based theme parks due to continued consumer hesitancy to travel by air. We are seeing more resilience in mid-tier versus upscale/luxury lodging. Early openings across leisure/gaming reflect pent-up demand, but sustainability of this trend bears watching. Rental cars could regain some market share lost to ride-hailing services for consumers more comfortable with a "touchless" transaction and cleanliness. In leisure/gaming, early openings indicate pent-up demand, but we are watching for sustainability. Leisure travel should recover more quickly and to a higher level than business travel, showing better results in the near to intermediate term.
- Across the sector, customers will demand a higher standard of cleanliness and sanitization; but many businesses will not fully recover until a vaccine has been created and widely distributed.

Bottom Line

We have a neutral view of this group. While access to capital markets and the gradual reopening of the economy have provided most issuers with liquidity through 2020, issuance has increased leverage and interest costs during a period of earnings uncertainty. We are focused on issuers with balance sheets and business models that can withstand a prolonged recovery in travel, as well as issuers that operate "drive-to" leisure assets, which we expect to be the first assets in the sector to recover.

Health Care: Varied Fundamentals

- Providers and medical device companies have been hurt by a decline in hospital and physician office visits and deferral of elective surgeries. With the lifting of these prohibitions, provider volumes have improved. Although adding incrementally to costs, the ongoing ramp-up of COVID-19 tests and the growing supply of personal protective equipment should mitigate the need for another full suspension of elective procedures in the future.

- The reduction of elective surgeries has been positive for insurers as they are paid a per-member, per-month contracted premium, regardless of volume, while membership shifts from the more profitable commercial risk business to Medicaid have been manageable. Pharmaceutical companies have seen resilient demand, with over-the-counter and consumer segments benefiting from stockpiling. Some companies in the sector are at various stages of clinical trials targeted at the development of vaccines and treatments for COVID-19.

- Federal relief funds have helped backfill the impact of lost volumes and reduced profitability. A potential new stimulus bill in July is likely to include additional provider relief; in the event of a "second wave," we would expect more funds to become available.

- Larger and better-capitalized hospitals are likely to manage through the COVID-19 disruption with the help of government relief and the return of volumes. But the shock of the virus has magnified our guarded view of the not-for-profit sector, where large, poorly capitalized hospitals and smaller regional, local and rural hospitals in particular may struggle to recover. The impact of various policy proposals and administrative initiatives around drug pricing and insurance coverage in the U.S. bears watching.

Bottom Line

We have a neutral view of the health care sector. While volumes were affected by the deferral of elective procedures and provider visits, federal support for the industry helped to partially offset the impact. We believe the health care system is now better prepared to manage the ongoing pandemic and that patient willingness/ability to access the health care system will be driven to a greater extent by regional as opposed to national dynamics. These factors reduce the risk that more profitable elective procedures and provider visits are deferred at a national level in the future. Political risk remains a theme for the sector, particularly around surprise billing and drug pricing, with large issuers that are innovative or reduce the cost of providing health care generally enjoying a better position.

Airlines: Slow Ride to Recovery

- Passenger volume declines and credit stresses have resulted in a sharp drop in flights and we expect the recovery to be slow. Air traffic is beginning to increase as restrictions are lifted, but continues to be down roughly 85% year-over-year; airline cash burn rates have come down as new bookings have begun to outpace refunds. Aircraft lessors are important capital providers to the global airline industry in which leased aircraft represent about 40% of the fleet; they have received more rent deferral requests (up to 80% of their customers in some cases) due to the disruption of air travel. Commercial aircraft manufacturers and their suppliers remain pressured as deferrals and cancellations affect cash flows.

- Potential risks include another wave of coronavirus, slow demand recovery and continued travel restrictions, which would hurt airline profitability and increase bankruptcy risk. Longer-term negatives could include a secular shift in demand and permanent reduction in the global fleet. Negotiations with unions to reduce the workforce could prove difficult.

- Near term, leisure travel should drive a ramp-up in demand, although corporate travel is not expected to come back until the fall. Government assistance helped limit the industry's cash burn in the near term, but another large-scale package is not likely. For lessors, factors that could alleviate the risk of customer deferrals include government support for the aviation sector, contractual protections and the quality of owned aircraft assets.

- We think major airlines can avoid bankruptcy, assuming air travel ramps up at a moderate pace in the second half of 2020 and the workforce can be right-sized to match demand. Global passenger traffic, for example in China, is showing signs of recovery. In our view, hub airports that serve large population bases should fare better than smaller, regional airports that operate in more competitive markets. The implementation of health safety measures should contribute to an eventual rise in consumer air travel demand.

Bottom Line

We have a neutral view of the airline sector, with a focus on critical suppliers with scale, airline lessors and, to a lesser extent, major airlines that have benefitted from government assistance and have a path to avoid restructuring with a moderate pace of improvement in passenger traffic.

Energy: Consolidation and Select Opportunity

- Shelter-in-place orders and changes in customer behavior have affected the energy industry, with the degree of impact varying by subsector.
- Oil producers are among the most affected. Actions by OPEC+ helped stabilize the market, but companies are still having to cut output. Reduced reinvestment should support an eventual rebalancing of supply/demand, but a recovery may take time due to inventory builds and changing consumer behavior. We are focused on low-cost producers with maturity and liquidity runways that leave issuers well positioned to navigate a prolonged downturn, and believe larger companies will have an advantaged ability to reduce costs. However, we expect a higher number of defaults from issuers who entered the cycle with elevated leverage, less competitive assets and/or insufficient scale.
- We see opportunity in natural gas-focused producers, as low oil prices support an improvement in longer-term fundamentals. Roughly 25% of U.S. gas supply is produced as a byproduct of oil production. This source of supply is expected to decline sharply relative to prior expectations due to reduced oil drilling.
- Lower levels of upstream investment and production volumes are broadly negative for the midstream sector, but many issuers have traded off despite holding diversified assets with exposure to markets (such as storage and export terminals) less impacted by COVID-19. Also, the reduction of often substantial shareholder distributions has provided proactive managers an opportunity to mitigate deterioration in credit metrics.
- Reduced economic activity has affected the refining sector, but many larger issuers are global industry leaders with diversified operations across the midstream and chemical sectors. They have proactively raised additional liquidity, which has presented an opportunity for investors to benefit from attractive valuations while improving issuer credit quality.
- Oil field services has presented few opportunities, as many product lines are commoditized and were experiencing structural oversupply prior to COVID-19. We expect extensive restructuring in this subsector, but view many larger, more diversified operators as capable of navigating the downturn due to their scale and greater technological differentiation.

Bottom Line

We have a neutral view of the broader energy sector. This includes caution regarding upstream and energy services subsectors given the near-term oversupply of oil and natural gas. Our focus in the upstream sector is on natural gas issuers, where we see the potential for improvement in cash flows in 2021 and beyond, and issuers with the ability to navigate an extended period of earnings volatility. We also favor the midstream sector, where earnings are less sensitive to near-term commodity prices and issuers have a greater ability to retain cash flow through a reduction of dividends and capital expenditures.

Higher Education Municipals: Dichotomy and Disruption

- COVID-19 brought unprecedented disruption to the 3,300 U.S. public and private higher education institutions, accelerating a long-term negative credit trend reflecting high costs, declining demographics and an increasing concern over the return on investment.

- With the potential for off-campus learning again this fall, many schools will have significant revenue declines. Those with on-campus learning will see infrastructure expenditures for social distancing as well as potential litigation liability tied to coronavirus infections. Schools that lack pricing power or are dependent on subsidized tuition may need to increase discounting to support enrollment levels and academic quality, or see continued student attrition. This will likely result in an increasing dichotomy between strong institutions with market/balance sheet strength and revenue diversification, and weaker institutions more affected by macro student and demographic shifts in the higher-education sector, as evidenced by an 11% reduction in students nationally since 2011.

Bottom Line

In our view, there will likely be a meaningful uptick in closures for small, uncompetitive schools, while nationally competitive or internationally recognized schools will have the staying power to survive, albeit with a weaker financial position. We anticipate increased stress on the most vulnerable credit structures in the not-for-profit higher education sector, including some single or limited stream auxiliary revenue pledges, "off-balance sheet" projects and "public-private partnership" engagements with tight construction and ramp-up schedules.

Market Views

Next 12 Months

	UNDER – –	–	NEUTRAL ◇	+	OVER ++	CHANGE NOTES
GOVERNMENT BOND MARKETS						
United States	○	○	●	○	○	
United Kingdom	○	○	●	○	○	
Germany	○	●	○	○	○	Little return potential given low to negative interest rates; improving economic data reflect ongoing recovery.
France	○	●	○	○	○	Expectation of continued policy accommodation; growth prospects improving with reopening, fiscal measures.
Italy	○	○	○	●	○	
Spain	○	○	○	●	○	
Japan	○	●	○	○	○	Recovery timetable may be extended due to structural weakness; CPI expectations have declined; policy remains supportive.
Canada	○	○	●	○	○	
New Zealand	○	○	○	●	○	Asian sentiment and growth is improving; recovery in commodities should help sovereign fundamentals.
Australia	○	○	○	●	○	
U.S. TIPS	○	○	○	●	○	
INVESTMENT GRADE SECTOR						
U.S. Agencies	○	○	●	○	○	
U.S. Agency MBS	○	○	○	●	○	
U.S. CMBS	○	○	●	○	○	
U.S. ABS	○	○	●	○	○	
U.S. Mortgage Credit	○	○	○	●	○	
U.S. Credit	○	○	○	●	○	Spreads have narrowed, but opportunity exists in sector and security selection.
Europe Credit	○	○	○	●	○	Robust monetary and fiscal support; fundamental and technical factors suggest the potential for continued demand. Relatively strong economic recovery compared to other regions.
U.K. Credit	○	○	○	●	○	
Hybrid Financial Capital	○	○	○	●	○	
Municipals	○	○	○	●	○	

	UNDER −−	−	NEUTRAL ◇	+	OVER ++	CHANGE NOTES
HIGH YIELD & EMERGING MARKETS						
U.S. Full-Market High Yield	○	○	○	○ →	●	Default expectations have moderated; opportunity in quality companies; research emphasis on default avoidance, credit differentiation.
U.S. Short-Duration High Yield	○	○	○	●	○	
Pan-Euro High Yield	○	○	○	○ →	●	Reopening of this market is enabling refinancing, cash generation and maturity extension; appealing opportunity for relative performance.
Floating-Rate Loans	○	○	○	○ →	●	Improvement in default expectations, relative yield opportunity in low-rate environment, low supply.
U.S. CLO	○	○	○	○ →	●	Support from strong loan market, low supply and low expected defaults on underlying portfolios.
EM Hard-Currency Sovereigns	○	○	○	●	○	
EM Hard-Currency Corporates	○	○	●	○	○	
EM Hard-Currency Short Duration	○	○	○ →	●	○	With accelerating recovery, corporate issuers in more risky countries should benefit from improved market dynamics.
EM Local-Currency Sovereigns	○	○	○	●	○	
CURRENCY*						
U.S. Dollar	○	●	○	○	○	
Euro	○	○ →	●	○	○	Ample monetary support, recovery fund proposal, undervalued based on PPP; growth is slow with less room for fiscal stimulus.
Pound	○	○	●	← ○	○	Slow lockdown to weigh on growth, risks from Brexit; undervalued, trade balance should improve, pound's interest differential is appealing.
Yen	○	○	○	●	○	
Swiss Franc	○	●	○	○	○	
Australian Dollar	○	●	←	← ○	○	Overvalued after strong performance, tensions with China, bush fires hurt economy prior to COVID-19, no longer a carry currency.
Swedish Krona	○	○	○	●	○	
Norwegian Krone	○	○	○	●	○	
Canadian Dollar	○	●	○	○	○	
Mexican Peso	○	○	○	●	○	
Brazilian Real	○	○	○	●	← ○	Low valuation exacerbated by pandemic vulnerability and political turbulence; central bank has been supportive.
Chinese Yuan	○	○	●	○	○	
Russian Ruble	○	○	●	← ○	○	Dividend outflows, less supportive financial account inflows as market digests government bond supply glut; positives include prudent monetary policy, strong reserves and attractive medium-term valuations.
Turkish Lira	●	○	○	○	○	

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*Currency views are based on spot rates, including carry.

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FIXED INCOME INVESTMENT STRATEGY COMMITTEE

The Neuberger Berman Fixed Income Investment Strategy Committee consists of 15 of our most senior investment professionals who meet monthly to share views on their respective sectors to inform the asset allocation decisions made for our multi-sector strategies. The group covers the full range of fixed income combining deep investment knowledge with an average of 27 years of experience.

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