BARINGS

Emerging Markets Debt

September 2016
Dr. Ricardo Adrogué

BISLDCLS\PUBLIC\SALES-MARKETING\HIDDEN-LABELS

Emerging Markets Debt Platform

Russ Morrison[1]
Managing Director
Head of Global Fixed Income Investments



Emerging Markets Debt Platform
Ricardo Adrogué, PhD.
Head of EM Debt

Local and Sovereign

Portfolio Management
- Ricardo Adrogué (24)[1]
- Cem Karacadag (22)[2]
- Vasiliki Everett (24)

Analysts
- Natig Mustafayev (13)
- Zoe Oemcke, PhD. (10)[4]
- Kawtar Ed-Dahmani (7)
- Mi Lu, PhD. (3)

Trading
- B.C. Tieste (14)
- Natalie Ellestad (16)

Corporates

Brigitte Posch (24)[1]
Head of EM Corporate Debt



Portfolio Management / Trading
- Brigitte Posch (24)[1]
- Novruz Bashirov (14)[2]
- Sean Chang, PhD. (23)
- Jintao Liang (7)

Dedicated EM Analysts*
- Natalia Krol (14)[1]
- Omotunde Lawal (11)[2]
- Kristine Li (20)[2]
- Ashwinder Bakhshi (12)
- Jeremy Tisdall[3] (24)
- Yejide Onabule[3] (8)
- Gabriel Yu, CFA (7)
- Edward Soekamto (4)

+ 58 Global Credit Analysts

Product Management – Darren Goldman (17) + Paolo Dioguardi (2)

EM Sovereign Universe: 75
- Initial EM Sovereign Coverage: 75

EM Corporate Universe: +600
- Initial EM Corporate Coverage: 400

As of September 2016.
(XX) indicates the number of years experience.
*Dedicated EM Analysts are also part of the Global Credit Research Platform.
1. Permanent member of Emerging Markets Corporate Investment Committee.
2. Alternative Member of the Emerging Markets Corporate Investment Committee.
3. Dedicating approximately 30% of time to European IG credits.
4. Zoe Oemcke divides her time between Emerging Markets and Barings' Investment Grade Fixed Income Group.

Emerging Markets Debt Team

Ricardo Adrogue, PhD
PM, models, country coverage
Argentina, Spanish, Portuguese

Portfolio Manager for EM Local, Sovereign and Blended Total Return Strategies

GBI-EM countries, Israel, Ecuador

Cem Karacadag
PM, country coverage
Turkey/US, Turkish

Portfolio Manager for EM Sovereign, Local, and Blended Total Return Strategies

Eastern Europe, Middle East, China, Indonesia, Venezuela and Vietnam

Vasiliki Everett
PM
US, Greek, Spanish

Portfolio monitoring and position management

Trading operation oversight

Natig Mustafayev
Models, country coverage
Azerbaijan, Russian, Turkish

Former Russian Caucasus, Africa, El Salvador, Pakistan, Panama, Saudi Arabia

Kawtar Ed-Dahmani
Country coverage
Morocco, Arabic, French

North Africa, West Africa, Jordan, East Africa, Ukraine

Mi Lu, PhD
Models, country coverage
China, Mandarin, Cantonese

Central American and the Caribbean

Zoe Oemke, PhD Quantitative tools, models
US

Spread implied default probabilities, Rates/FX monitoring tools, EM PM management tools

Brigitte Posch
PM, trading
Brazil, Spanish, Portuguese, German

Portfolio Manager for EM Corporate, Short Duration and Blended Total Return Strategies

Novruz Bashirov
PM, trading
Azerbaijan, Russian, Turkish

Portfolio Manager and trader for EM Corporate and Short Duration strategies

Jintao Liang, CFA
PM, trading
China, Mandarin, Cantonese

Trader and Portfolio Manager for EM Corporate and Short Duration strategies

Sean Chang, PhD
PM
China, Cantonese, Mandarin

Portfolio Manager for China and Asian Debt strategies

Kristine Li
Analyst, corporates
China, Mandarin, Cantonese

Financials

Natalia Krol
Analyst, corporates
Russia

Metals & Mining, Oil & Gas

Omotunde Lawal, CFA
Analyst, corporates
Nigeria

Real Estate, Metals & Mining, Oil & Gas

Gabriel Yu, CFA
Analyst, corporates - Asia
China, Cantonese, Mandarin

China and Asian corporate debt

Ashwinder Bakhshi
Analyst, corporates
India

Financials

Jeremy Tisdall
Analyst, corporates
UK

Utilities, Transport, Infrastructure

Yejide Onabule, CFA
Analyst, corporates
Nigeria

TMT, Consumer, Retail

Edward Soekamto
Analyst, corporates
Germany / Indonesia

Industrials

As of August 2016.

Barings Emerging Markets Debt Capabilities

Ability to Manage Across the Spectrum of Emerging Markets Opportunities

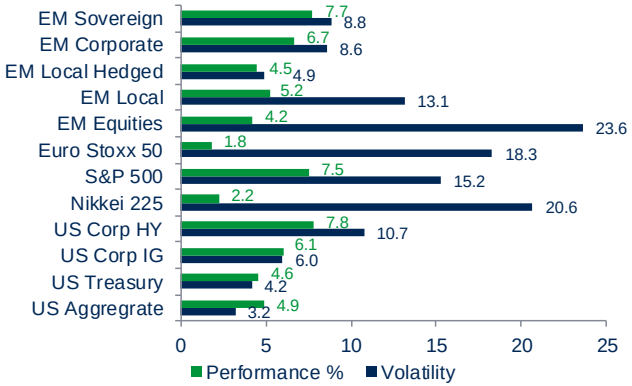
Barings Strategy	Emerging Markets Local Debt Strategy	Emerging Markets Sovereign Bond Strategy	Emerging Markets Corporate Bond Strategy	Emerging Markets Debt Short Duration Strategy	Emerging Markets Debt Blended Total Return Strategy	China Bond Strategy (Investment Grade)
Benchmark	JPM GBI-EM Global Diversified (Unhedged)[1]	JPM EMBI Global Diversified[1]	JPM CEMBI Broad Diversified (Unhedged)[1]	(TARGET) 3 Month LIBOR + 200 bps[3]	(TARGET) 3 Month LIBOR + 500 bps[3]	iBoxx ALBI China Offshore IG Index (unhedged)
Yield	6.06%	4.82%	4.53%			3.72%
Duration	5.0 yrs	6.8 yrs	4.7 yrs	Less than 3 Years	2 to 10 years	3.2 YRS
Average Quality	Baa2 / BBB+	Ba1 / BB	Baa2 / BBB	Investment Grade		A
Number of Countries	15	66	50			17[2]

1. J.P. Morgan, as of September 7, 2016
2. Country of risk
3. The stated target return is not an official strategy objective. There is no guarantee that the Strategy will achieve the targeted return rate

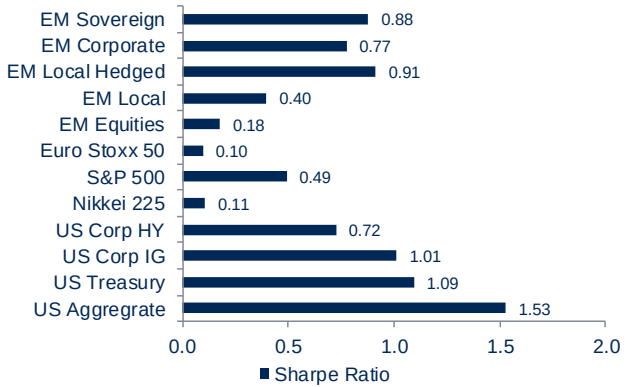
Asset Class Returns and Risk

EM strategies can generate equity type returns with better return-to-risk ratios

10 Year Returns and Volatility



10 Sharpe Ratio



EM strategies can offer diversification opportunities for Asian investors

	US Aggregate	US Treasury	US Corp IG	US Corp HY	Nikkei 225	S&P 500	Euro Stoxx 50	EM Equities	EM Local	EM Local Hedged	EM Corporate	EM Sovereign
US Aggregate	1.00	0.84	0.80	0.23	-0.11	0.03	0.00	0.17	0.41	0.65	0.51	0.58
US Treasury	0.84	1.00	0.40	-0.28	-0.39	-0.32	-0.33	-0.22	0.08	0.41	0.07	0.16
US Corp IG	0.80	0.40	1.00	0.63	0.26	0.35	0.33	0.50	0.58	0.65	0.78	0.78
US Corp HY	0.23	-0.28	0.63	1.00	0.55	0.73	0.66	0.76	0.65	0.46	0.78	0.78
Nikkei 225	-0.11	-0.39	0.26	0.55	1.00	0.70	0.70	0.61	0.43	0.26	0.51	0.43
S&P 500	0.03	-0.32	0.35	0.73	0.70	1.00	0.84	0.79	0.65	0.39	0.62	0.60
Euro Stoxx 50	0.00	-0.33	0.33	0.66	0.70	0.84	1.00	0.70	0.53	0.36	0.54	0.52
EM Equities	0.17	-0.22	0.50	0.76	0.61	0.79	0.70	1.00	0.83	0.51	0.72	0.72
EM Local	0.41	0.08	0.58	0.65	0.43	0.65	0.53	0.83	1.00	0.79	0.72	0.81
EM Local Hedged	0.65	0.41	0.65	0.46	0.26	0.39	0.36	0.51	0.79	1.00	0.61	0.74
EM Corporate	0.51	0.07	0.78	0.78	0.51	0.62	0.54	0.72	0.72	0.61	1.00	0.93
EM Sovereign	0.58	0.16	0.78	0.78	0.43	0.60	0.52	0.72	0.81	0.74	0.93	1.00
	Bloomberg/Barclays US Aggregate	Bloomberg / Barclays US Treasury	Bloomberg / Barclays US Corporate Investment Grade	Bloomberg / Barclays US Corporate High Yield	Nikkei 225	S&P 500	Euro Stoxx 50	MSCI Emerging Markets	JP Morgan GBI EM Global Diversified	JP Morgan GBI EM Global Diversified (Currency Hedged)	JP Morgan CEMBI Broad Diversified	JP Morgan EMBI Global Diversified

Source: Bloomberg, Barings as of September 7, 2016.

Emerging Market Index Returns and Headline News

EM strategies can generate equity type returns with better return-to-risk ratios



As of September 7, 2016.
EM Hard Currency returns is the average return of the J.P. Morgan CEMBI Broad Diversified and J.P. Morgan EMBI Global Diversified indices.

Barings Emerging Market Corporate Bond Strategy

Barings Emerging Market Debt Corporate Bond Strategy invests in EM hard currency corporate bonds

Strategy

- The strategy invests in a diversified portfolio of EM corporate bonds denominated in hard currency
- The strategy aims to provide positive excess returns through an economic cycle using rigorous bottom-up analysis and structured evaluation of security selection opportunities
- Market imperfections are exploited by identifying favorable credit stories, capitalizing on relative value opportunities

Key Strengths

- Consistent and rigorous bottom-up analysis, coupled with top-down macroeconomic research to identify issuers with stable, sustainable business models
- Integrated EM Corporate Bond Investment Committee includes representatives from different asset classes and allows for a global, consistent, and comprehensive view on credit markets
- 8 dedicated EM corporate analysts, part of Barings' global integrated research platform (24 EM-focused corporate analysts in total)[2]
- Sizeable asset class and diversification: the EM corporate bond universe currently stands at $1.7tn
- The strategy invests across a wide range of sectors and geographies

Return Profile

- Positive excess return generation with low default probability, regardless of where we are in the economic cycle thanks to rigorous credit selection
- Seeking to generate maximum return with an emphasis on capital preservation
- The strategy is benchmarked against the J.P. Morgan CEMBI Broad Diversified Index

Experienced Investment Management Team

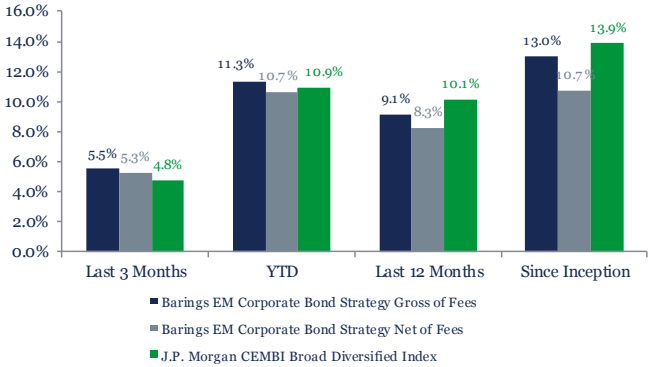
- Global EM Corporate Debt Team of 12 investment professionals[1]
- On average, more than 15 years[1] of investment experience
- Global Credit Research Platform: over 65 analysts[2]
- Global Emerging Markets platform managing $4.5 billion AUM[3]

Source: Barings.

1. Number of professionals as of July 31, 2016.
2. As of July 31, 2016.
3. AS of August 31, 2013

Emerging Markets Corporate Bond Characteristics

Historical Peformance vs. Index[1]



Annual Performance vs. Index (%)

	BARINGS EM CORPORATE BOND STRATEGY (Net of Fees)	BARINGS EM CORPORATE BOND STRATEGY (Gross of Fees)	JPM CEMBI BROAD DIVERSIFIED INDEX
2016	10.66%	11.31%	10.95%
2015	-1.21%	-0.37%	1.30%
2014[1]	1.26%	1.87%	1.31%

CHARACTERISTICS

Strategy AUM ($MM)	2,733
Number of Issuers	111
Weighted Average Yield to Worst (%)	4.10
Weighted Average OAS	306
Weighted Average Duration (Years)	4.78
Investment Grade Composition	54%
High Yield Composition (% of NAV) 5	46%

TOP SECTORS (MV%)[2]

Financial	26.08
Oil & Gas	16.55
Utilities	12.46
TMT	9.85
Industrial	9.69

TOP 10 ISSUERS (MV%)

PETROBRAS GLOBAL FINANCE	5.18
OFFICE CHERIFIEN DES PHO	2.61
ECOPETROL SA	2.52
YPF SOCIEDAD ANONIMA	1.79
ROSNEFT FINANCE SA	1.78
SBERBANK (SB CAP SA)	1.60
CEMEX SAB DE CV	1.57
ISRAEL ELECTRIC CORP LTD	1.53
FIRST GEN CORPORATION	1.50
LIMA METRO LINE 2 FIN LT	1.50

As of August 31, 2016.

1. Strategy Inception Date: May 1, 2014.
2. Based on J.P. Morgan Sector Classification.

For information purposes only and not a recommendation to buy or sell any securities shown. Information subject to change without notice. **PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS**. An investment entails a risk of loss.

Barings Emerging Markets Sovereign Debt Strategy invests across 75+ countries

Strategy

- A portfolio which primarily invests in Emerging Markets sovereign hard currency denominated debt securities
- Philosophy - We believe economic and sovereign fundamentals drive performance through the investment cycle
    - Analyze fundamentals in great depth and from all angles
    - Portfolios are constructed with high-conviction positions

Key Strengths

- Comprehensive rigorous qualitative and quantitative approach and proven proprietary models behind sovereign underwriting process
- Research process is rooted in IMF style spreadsheets which encompass the four main sectors of an economy, in addition to debt sustainability and Balance of Payments analysis
- Strategy has the ability to be defensive/offensive and invest risk outside of the benchmark
- Our portfolio construction enables us to outperform our peers when macroeconomic fundamentals drive the market

Return Profile

- Achieve long-term total return through investment in a diversified portfolio of emerging markets hard currency denominated debt securities
- Target objective is to outperform the J.P. Morgan EMBI Global Diversified Index by 200 bps per annum[1]
    - Represents 64 countries across LatAm, CEEMEA and Asia
- Top ranked strategy in its Morningstar and eVestment asset classes since Inception

Experienced Investment Management Team

- Team of 9 investment professionals[2]
- On average, more than 14 years of investment experience
- 4 dedicated sovereign analysts[2]
- Global Emerging Markets platform managing $4.5 billion AUM[3]

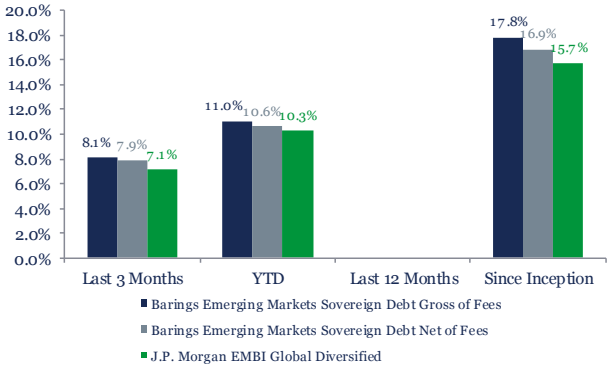
Source: Barings.

1. The stated target return is not an official objective of the strategy. There is no guarantee that the strategy will achieve the targeted return rate.
2. Number of professionals as of August 31, 2016.
3. As of August 31, 2016, 2015.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

Emerging Markets Sovereign Debt Strategy Characteristics

Historical Peformance vs. Benchmark[1]



Annual Performance vs. Index (%)

	BARINGS EM SOVEREIGN DEBT (Net of Fees)	BARINGS EM SOVEREIGN DEBT (Gross of Fees)	EMBI GLOBAL DIVERSIFIED INDEX
2016	15.41%	15.97%	14.31%
2015[1]	1.27%	1.59%	1.25%

COMPOSITE CHARACTERISTICS

Strategy AUM ($MM)	908
Number of Issuers	37
Weighted Average Yield to Maturity (%)	4.55
Weighted Average OAS	338
Weighted Average Duration (Years)	6.3
Investment Grade Composition	66%

TOP COUNTRIES (MV%)

MEXICO	12.7
COLOMBIA	7.4
INDONESIA	7.0
PANAMA	6.2
HUNGARY	6.2
CROATIA	6.0
MALAYSIA	5.0
EL SALVADOR	4.7
SERBIA	4.2

Quality (MV%)

Investment Grade	66
BB	24
B	24
CCC	5
Not Rated	0

As of August 31, 2016.

1. Composite Inception Date: October 1, 2015. For periods greater than one year, returns are annualized.

Supplemental information to the compliant presentation. Monthly performance is provided in the Appendix. For information purposes only and not a recommendation to buy or sell any securities shown. Information subject to change without notice. **PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.** An investment entails a risk of loss.

Barings Emerging Markets Local Debt Strategy invests across EM local currency debt markets

Strategy

- A portfolio which primarily invests in Emerging Markets local currency denominated debt securities
- Designed to separate interest rates and currencies as two sources of potential returns
    - Rates – the economic cycle is the key determinant of interest rates
    - Currency – relative economic competitiveness determines currency valuation

Key Strengths

- Successful and rigorous investment process, philosophy and tools which have been used by the portfolio manager since 2007 – models are unique and require high-skill set to maintain
- Process combines quantitate modes and macroeconomic analysis with bottom up sovereign research
- Strategy has the ability to be defensive/offensive and invest risk outside of the benchmark
- Our portfolio construction enables us to outperform our peers when macroeconomic fundamentals drive the market

Return Profile

- Achieve long-term total return through investment in a diversified portfolio of emerging markets local currency-denominated debt securities
- Target objective is to outperform the J.P. Morgan GBI-EM Global Diversified Index by 200-300 bps per annum
    - Represents 15 countries across LatAm, CEEMEA and Asia
- Top ranked strategy in its Morningstar and eVestment asset classes since inception

Experienced Investment Management Team

- Team of 9 investment professionals[2]
- On average, more than 14 years of investment experience
- 4 dedicated sovereign analysts[2]
- Global Emerging Markets platform managing $4.5 billion AUM[3]

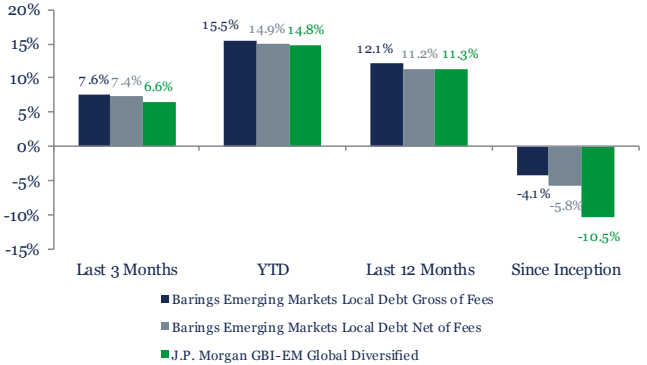
Source: Barings.

1. The stated target return is not an official objective of the strategy. There is no guarantee that the strategy will achieve the targeted return rate.
2. Number of professionals as of August 31, 2016.
3. As of August 31, 2016.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

Emerging Markets Local Debt Strategy Characteristics

Historical Peformance vs. Index[1]



Annual Performance vs. Index (%)

	BARINGS EM LOCAL DEBT (Net of Fees)	BARINGS EM LOCAL DEBT (Gross of Fees)	GBI-EM Global DIVERSIFIED INDEX
2016	14.94%	15.55%	14.75%
2015	-12.72%	-12.04%	-14.92%
2014[1]	-6.13%	-5.67%	-8.29%

COMPOSITE CHARACTERISTICS

Strategy AUM ($MM)	678
Number of Issuers	21
Yield to Maturity (%)	6.68
Duration (Years)	7.33
Duration vs. Benchmark (Years)	2.37
Weighted Average Rating Fund / GBI-EMGD5	Baa2/ Baa2
Investment Grade Composition Fund / GBI-EMGD (% of NAV)[5]	79% / 79%

TOP COUNTRIES (MV%)[2]

Mexico	15.91
South Africa	11.36
Indonesia	8.82
Malaysia	8.20
Brazil	8.01
Colombia	7.25
Poland	6.30
Turkey	5.58
Hungary	5.10
Peru	4.03

TOP 10 ISSUES (MV%)

POLAND GOVERNMENT BOND	6.26
NOTA DO TESOURO NACIONAL	5.19
TITULOS DE TESORERIA B	4.11
RUSSIA I/L BOND - OFZ	4.02
HUNGARY GOVERNMENT BOND	3.73
TITULOS DE TESORERIA B	3.44
TURKEY GOVERNMENT BOND	3.28
REPUBLIC OF SOUTH AFRICA	3.26
REPUBLIC OF SOUTH AFRICA	3.22
NOTA DO TESOURO NACIONAL	3.11

As of August 31, 2016.

1. Composite Inception Date: May 1, 2014. For periods greater than one year, returns are annualized.
2. Based on Rates Exposure.

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Barings Emerging Markets Total Return Strategy invests across four different asset classes

Strategy

- A portfolio which reflects portfolio managers' best investment ideas
- Designed to leverage the sub-asset class research and tools implemented across our EM Debt strategies:
  - Corporate
  - Sovereign
  - Local Rates
  - Currencies

Key Strengths

- The portfolio includes top-down asset allocation approach and bottom-up security selection occurring at a sub-strategy level
- Dynamic instrument selection across the EM debt spectrum which is agnostic to how individual asset classes perform
- Security selection at a sub-strategy level is the result of fundamental analysis coupled with macroeconomic forecasts
- Our asset allocation and portfolio construction enables us to outperform our peers when macroeconomic fundamentals drive the market

Return Profile

- Manager's current target is to outperform 3-Month LIBOR+500bps annually[1]
- Benchmark-agnostic strategy
- Designed to provide the ability to invest across four asset classes in an unconstrained manner
- Currently top ranked EMD Blended Total Return strategy in Morningstar asset class (Inception through August 31, 2016)

Experienced Investment Management Team

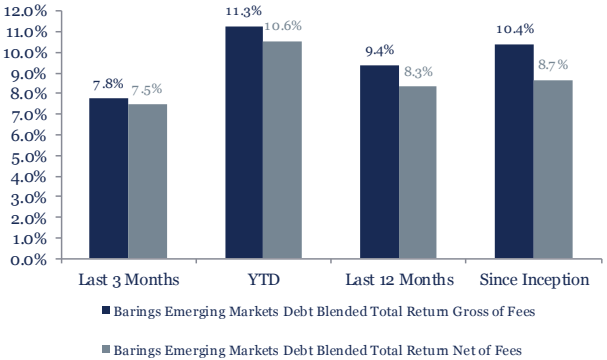
- Global EMD Team of 21 investment professionals[2]
- On average, more than 15 years of investment experience
- Global Credit Research Platform: Over 65 analysts[2]
- Global Emerging Markets platform managing $4.5 billion AUM[3]

1. The stated target return is not an official objective of the strategy. There is no guarantee that the strategy will achieve the targeted return rate.
2. Number of professionals as of September 2016.
3. As of August 31, 2016.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.

Emerging Markets Debt Blended Total Return Strategy Characteristics

Historical Peformance[1]



Annual Performance vs. Index (%)

	BARINGS EM DEBT BLENDED TOTAL RETURN (Net of Fees)	BARINGS EM DEBT BLENDED TOTAL RETURN (Gross of Fees)
2016	10.56%	11.27%
2015	-1.70%	-0.78%

COMPOSITE CHARACTERISTICS	Hard Currency	Local Currency
Strategy AUM ($MM)	64.2	25.5
Number of Issuers	42	7
Weighted Average Yield to Worst (%)	4.13	1.22
Weighted Average Option Adjusted Spread (bps)	245	N/A
Weighted Average Duration (Years)	4.16	2.99
Investment Grade Composition (% of NAV)5	55%	
High Yield Composition (% of NAV) 5	45%	

TOP COUNTRIES (MV%)	
MEXICO	29.79
BRAZIL	19.94
PERU	5.55
ARGENTINA	4.52
TURKEY	3.77
URUGUAY	3.10
CHILE	2.59
JAMAICA	2.47
GHANA	2.25
MOROCCO	2.15

TOP 10 ISSUERS (MV%)	
GOVERNMENT OF MEXICO	8.05
PETROLEO BRASILEIRO SA PFD	5.31
REPUBLIC OF COLOMBIA	4.82
REPUBLIC OF TURKEY	4.10
PETROLEOS MEXICANOS	3.95
GOVERNMENT OF URUGUAY	3.67
CEMEX SAB DE CV	3.48
VALE SA	3.07
GOVERNMENT OF ARGENTINA	2.48
COX ENTERPRISES INC	2.41

As of August 31, 2016.

1. Composite Inception Date: January 1, 2015. For periods greater than one year, returns are annualized.

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Barings Emerging Market Debt Short Duration Strategy

Barings Emerging Market Debt Short Duration strategy invests in short-dated EM hard currency bonds

Strategy

- The strategy invests in a diversified portfolio of short-dated EM corporate and sovereign bonds denominated in hard currency, and has also the ability to include local currency denominated credits as opportunities arise
- Portfolio managers target a total return of 3-month LIBOR+200bps[1], aiming to keep portfolio duration below 3 years and credit quality tilted towards Investment Grade
- Average allocation to sovereign hard currency debt since inception to June 30, 2016 was 4.5%

Key Strengths

- Dual research approach: top-down macroeconomic analysis coupled with bottom-up analysis of credit fundamentals to identify issuers with stable, sustainable business models
- Weighted average duration of ~2yrs gives us near-term visibility of expected returns
- Diversification opportunity: Nearly 30% of total outstanding EM corporate bonds are maturing over the next three years (size of the current investable universe is roughly $500 billion)[4]
- The strategy invests across a wide range of sectors and geographies
- 8 dedicated EM corporate analysts, part of Barings' global integrated research platform (24 EM-focused corporate analysts in total)[2]

Return Profile

- Stable income generation with historically low volatility, interest risk protection and diversification
- Designed to provide some protection from interest rate risk while still offering attractive total return potential when compared to equivalent U.S. Treasury notes
- Manager's current target is to outperform 3-Month LIBOR+200bps annually[1]
- Benchmark-agnostic strategy

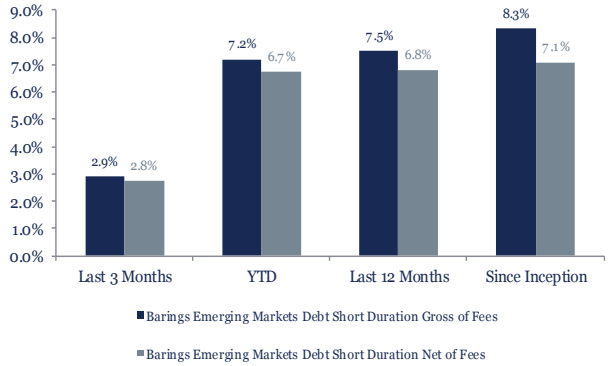
Experienced Investment Management Team

- Global EMD Team of 21 investment professionals[2]
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- Global Credit Research Platform: Over 65 analysts[2]
- Global Emerging Markets platform managing $4.5 billion AUM[3]

1. The stated target return is not an official objective of the strategy and may be subject to change. There is no guarantee that the strategy will achieve the targeted return rate.
2. Number of professionals as of July 31, 2016.
3. As of August 31, 2016.
4. Source: JP Morgan as of June 30, 2016 **PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS**.

Emerging Markets Debt Short Duration Strategy Characteristics

Historical Peformance[1]



Annual Performance vs. Index (%)

	BARINGS EM DEBT SHORT DURATION (Net of Fees)	BARINGS EM DEBT SHORT DURATION (Gross of Fees)
2016	6.74%	7.21%
2015	1.69%	2.35%
2014[1]	-1.24%	-1.16%

CHARACTERISTICS

Strategy AUM ($MM)	26
Number of Issuers	50
Current Yield (%)	5.93
Weighted Average Yield to Worst (%)	4.0
Weighted Average OAS	352
Weighted Average Duration (Years)	2.01
Investment Grade Composition	52%
High Yield Composition (% of NAV) 5	48%
Corporate / Sovereign Split (% of NAV)	95 / 5
Weighted Average Rating	Ba1

TOP SECTORS (MV%)[2]

Financial	30.87
Oil & Gas	18.79
Utilities	12.03
Consumer	8.20
Metals & Mining	8.04

TOP 10 ISSUERS (MV%)

PETROBRAS GLOBAL FINANCE	5.07
GLOBAL BANK CORPORATION	3.65
ISRAEL ELECTRIC CORP LTD	3.29
VALE OVERSEAS LIMITED	3.10
KAZMUNAYGAS NATIONAL CO	3.00
CEMEX FINANCE LLC	2.85
LUKOIL INTL FINANCE BV	2.75
TURKIYE HALK BANKASI	2.64
OFFICE DEPOT DE MEXICO	2.54
PROVINCIA DE CORDOBA	2.50

As of August 31, 2016.

1. Strategy Inception Date: December 1, 2014.
2. Based on Rates Exposure.

Information subject to change without notice. **PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS**. An investment entails a risk of loss.

Baring China Bond Strategy invests in China related corporates and markets

Strategy

- Invests in China related debt securities issued by governments, supernationals, and companies domiciled in or have significant economic links to China related markets*
- Investment grade focus, allowing for dynamic allocation across government, corporate, RMB and USD debt
- China RMB offers a diversification and carry opportunity for investors, combined with USD credits, have the potential to provide attractive returns

Key Strengths

- Disciplined investment process with a strong focus on risk management
- Integrated with EM Corporate Debt analyst team
- Dedicated resources to Asia and China linked credits

Return Profile

- Achieve long-term total return through investing in a diversified portfolio of China related RMB and USD denominated debt securities
- Dynamic allocation between corporate and government debt for relative values opportunities
- Average credit quality to be maintained at investment grade (BBB- / Baa3 or above) by S&P, Moody's and Fitch to ensure better liquidity and quality investments

Experienced Investment Management Team

- Global EM Corporate Debt Team of 12 investment professionals[1]
- On average, more than 15 years[2] of investment experience
- Global Credit Research Platform: over 65 analysts[1]
- Global Emerging Markets platform managing $4.5 billion AUM[2]

1. Number of professionals as of August 31, 2016.
2. As of August 31, 2016.

Information subject to change without notice. **PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS**. An investment entails a risk of loss.

* China related markets may include, but are not limited to: China, Hong Kong, Macau and Taiwan.

China Bond Strategy Characteristics

Historical Peformance vs. Benchmark[1]



Annual Performance vs. Index (%)

	BARING CHINA BOND STRATEGY (Net of Fees)[2,4]	BARING CHINA BOND STRATEGY (Gross of Fees)[2]	iBoxx ALBI China Offshore IG Index (unhedged)[3]
2016	3.19%	3.83%	3.26%
2015	-3.56%	-2.67%	-3.54%
2014	0.39%	1.31%	0.04%
2013	3.71%	4.66%	5.30%
2012[1]	-0.20%	-0.14%	0.41%

CHARACTERISTICS

Strategy AUM ($MM)	18
Number of Issuers	207
Weighted Average Yield to Worst (%)	4.81
Weighted Average OAS	360
Weighted Average Duration (Years)	4.84
Investment Grade Composition	61%
High Yield Composition (% of NAV) 5	39%
Weighted Average Rating	Baa3

QUALITY (MV%)

Upper high grade rating (AAA- or higher)	1.70
High grade rating (AA- to AA+)	24.10
Upper medium grade rating (A- to A+)	33.30
Low er medium grade rating (BBB- to BBB+)	35.40
Cash	5.40

TOP 10 ISSUERS (MV%)

EXP-IMP BK CHINA	5.03
TINGYI(CAYMAN)HLD	4.30
CHINA DEVELOP BK	4.28
MITSUI & CO LTD	4.19
BP CAPITAL MKTS	4.18
WHARF FINANCE	4.18
AIR LIQUIDE FIN	4.14
ICBC ASIA LTD	3.52
AVIC INTL FIN INV	3.36
CHINA DEVELOP BK	3.35

As of August 31, 2016.

1. Composite Inception Date: January 2, 2013 For periods greater than one year, returns are annualized.

For information purposes only and not a recommendation to buy or sell any securities shown. Information subject to change without notice. **PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS.** An investment entails a risk of loss.

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Baring Emerging Markets Sovereign Debt Composite

Reporting Currency: USD

Annual	Annual Return Gross of Advisory Fees	Annual Return Net of Advisory Fees	J.P. Morgan EMBI Global Diversified*	Asset-Weighted Dispersion	3- Year Annualized Std Dev. (Composite)	3- Year Annualized Std Dev. (Benchmark)	Total Aggregate Assets at End of Period (USD$ MM)	Total Firm Assets at End of Period (USD$ MM)	Percentage of Firm Assets	# of Portfolios at End of Period
12/31/2015*^	1.59%	1.41%	1.25%	NM	N/A	N/A	20	163,934	0.0%	<=5

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* *Benchmark information and all other information for the periods indicated have not been examined by independent accountants.*

NM *The asset-weighted standard deviation of five or fewer portfolios or periods of less than a year is not meaningful.*

<=5 *Five or fewer portfolios.*

^ *Returns from composite inception date of May 1st, 2014 to December 31st, 2015.*

Compliance Statement:
Babson Capital Management LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Babson Capital Management LLC has been independently verified for the periods 1993-2014. The verification report(s) is /are available upon request.
Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

Definition of the Firm:
Babson Capital Management LLC (the Firm) provides investment management and advisory services to both institutional and individual clients. For purposes of compliance with the Global Investment Performance Standards (GIPS®), the Firm defines itself as consisting of the portfolios that it manages directly. In the first quarter of 2010, Cornerstone Real Estate Advisers LLC became a Babson Capital Management LLC subsidiary, these assets since then have not been added to Firm assets for GIPS® purposes as Cornerstone holds itself out to the public as a separate firm. A list of the Firm's composite descriptions is available upon request.

Policies:
The Firm's policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

Composite Description:
The Emerging Markets Sovereign Debt strategy seeks to achieve its objective by investing, under normal circumstances, at least 80% of its net assets in an actively managed diversified portfolio consisting of fixed income instruments that are issued by or economically tied to, emerging market countries including fixed income instruments that are issued by corporate issuers that are economically tied to emerging market countries. The portfolio management team combines quantitative models and macroeconomic analysis with bottom-up sovereign and corporate research to identify investment opportunities across a wide range of Emerging Market counties. The composite was created in October 2015.

Benchmark:
The benchmark for the Babson Capital Emerging Markets Sovereign Debt strategy is the J.P. Morgan EMBI Global Diversified Index.

Fees:
Returns are presented gross of management fees, custodial fees, and withholding taxes but net of all trading expenses. Net of fee performance results are calculated by deducting from the gross monthly return the maximum annual fee charged of 0.70% for the strategy shown.

Performance Results:
Results are calculated using a time-weighted total-rate-of-return formula and are expressed in U.S. dollars. The composite is asset-weighted; individual portfolios are valued daily on a trade-date basis and include accrued income. The composite and benchmark results assume the reinvestment of distributions. Performance results include all portfolios under the Firm's management that meet the Composite Definition. A portfolio is included in the composite when it is deemed that the investments made by the investment advisor fully reflect the intended investment strategy. Past performance is not a guarantee of future performance.

Assets, Composite Dispersion, Ex-Post Standard Deviation:
The asset base used to calculate the composite's percentage of Firm assets includes both discretionary and non-discretionary portfolios managed by the Firm, and also includes non-fee paying portfolios. The asset-weighted dispersion calculation measures the deviation of individual portfolio returns around the aggregate composite return. Only portfolios that have been managed for a full annual period have been included in the dispersion calculation. No Dispersion is reported for periods with five or fewer portfolios (shown as N/M). The three-year annualized ex-post standard deviation of the composite and benchmark are displayed above.

Baring Emerging Market Local Debt Composite

Reporting Currency: USD

Annual	Annual Return Gross of Advisory Fees	Annual Return Net of Advisory Fees	J.P. Morgan GBI-EM Global Diversified*	Asset-Weighted Dispersion	3- Year Annualized Std Dev. (Composite)	3- Year Annualized Std Dev. (Benchmark)	Total Aggregate Assets at End of Period (USD$ MM)	Total Firm Assets at End of Period (USD$ MM)	Percentage of Firm Assets	# of Portfolios at End of Period
12/31/2015*	-12.57%	-13.05%	-14.91%	NM	N/A	N/A	236	163,934	0.1%	<=5
12/31/2014*^	-5.67%	-6.02%	-8.29%	NM	N/A	N/A	95	157,257	0.1%	<=5

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* *Benchmark information and all other information for the periods indicated have not been examined by independent accountants.*

NM *The asset-weighted standard deviation of five or fewer portfolios or periods of less than a year is not meaningful.*

<=5 *Five or fewer portfolios.*

^ *Returns from composite inception date of May 1st, 2014 to December 31st, 2015.*

Compliance Statement:

Barings LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Barings LLC has been independently verified for the periods 1993-2014. The verification report(s) is /are available upon request.

Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.

Definition of the Firm:

Barings LLC (the Firm) provides investment management and advisory services to both institutional and individual clients. For purposes of compliance with the Global Investment Performance Standards (GIPS®), the Firm defines itself as consisting of the portfolios that it manages directly. In the first quarter of 2010, Cornerstone Real Estate Advisers LLC became a Barings LLC subsidiary, these assets since then have not been added to Firm assets for GIPS® purposes as Cornerstone holds itself out to the public as a separate firm. A list of the Firm's composite descriptions is available upon request.

Policies:

The Firm's policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

Composite Description:

The Emerging Local Debt approach seeks to outperform an emerging markets local currency-denominated bond index such as the J.P. Morgan Government Bond Index – Emerging Markets Global Diversified through investment in a diversified portfolio of emerging markets local currency-denominated fixed income instruments. Currency exposure will be managed to both reduce risk and enhance returns. The portfolio management team combines quantitative models and macroeconomic analysis with bottom-up sovereign research to identify economic cycles and economic competiveness across a wide range of Emerging Market counties. The economic cycle is considered to be the key determinant of interest rates and competitiveness the key driver of currencies. The composite was crated in April 2014.

Benchmark:

GBI-EM Global Diversified an investable benchmark that includes only those countries that are directly accessible by most of the international investor base. The GBI-EM GLOBAL excludes countries with explicit capital controls, but does not factor in regulatory/tax hurdles in assessing eligibility. Classified as the most investable of all three indices, the GBI-EM GLOBAL is effectively the GBI-EM Broad excluding China and India.

Fees:

Returns are presented gross of management fees, custodial fees, and withholding taxes but net of all trading expenses. Net of fee performance results are calculated by deducting from the gross monthly return the maximum annual fee charged of 0.55% for the strategy shown.

Performance Results:

Results are calculated using a time-weighted total-rate-of-return formula and are expressed in U.S. dollars. The composite is asset-weighted; individual portfolios are valued daily on a trade-date basis and include accrued income. The composite and benchmark results assume the reinvestment of distributions. Performance results include all portfolios under the Firm's management that meet the Composite Definition. A portfolio is included in the composite when it is deemed that the investments made by the investment advisor fully reflect the intended investment strategy. Past performance is not a guarantee of future performance.

Assets, Composite Dispersion, Ex-Post Standard Deviation:

The asset base used to calculate the composite's percentage of Firm assets includes both discretionary and non-discretionary portfolios managed by the Firm, and also includes non-fee paying portfolios. The asset-weighted dispersion calculation measures the deviation of individual portfolio returns around the aggregate composite return. Only portfolios that have been managed for a full annual period have been included in the dispersion calculation. No Dispersion is reported for periods with five or fewer portfolios (shown as N/M). The three-year annualized ex-post standard deviation of the composite and benchmark are displayed above.

Baring Emerging Market Debt Blended Total Return Composite

Barings LLC
Emerging Market Debt Blended Total Return Composite
Reporting Currency: USD

Annual	Annual Return Gross of Advisory Fees	Annual Return Net of Advisory Fees	Asset-Weighted Dispersion	3- Year Annualized Std Dev. (Composite)	Total Aggregate Assets at End of Period (USD$ MM)	Total Firm Assets at End of Period (USD$ MM)	Percentage of Firm Assets	# of Portfolios at End of Period
12/31/2015*^	-0.76%	-1.46%	NM	N/A	73	163,934	0.0%	<=5

* Information and all other information for the periods indicated have not been examined by independent accountants.

NM The asset-weighted standard deviation of five or fewer portfolios or periods of less than a year is not meaningful.

<=5 Five or fewer portfolios.

^ Returns from composite inception date of January 1st, 2015 to December, 2015.

Compliance Statement:
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Definition of the Firm:
Barings LLC (the Firm) provides investment management and advisory services to both institutional and individual clients. For purposes of compliance with the Global Investment Performance Standards (GIPS®), the Firm defines itself as consisting of the portfolios that it manages directly. In the first quarter of 2010, Cornerstone Real Estate Advisers LLC became a Barings LLC subsidiary, these assets since then have not been added to Firm assets for GIPS® purposes as Cornerstone holds itself out to the public as a separate firm. A list of the Firm's composite descriptions is available upon request.

Policies:
The Firm's policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

Composite Description:
The Emerging Markets Debt Blended Total Return strategy seeks to achieve its objective by primarily investing in debt instruments of Sovereign, Quasi-Sovereign, and Corporate issuers, which may be denominated in any currency, including the local currency of the issuer. The portfolio management team combines quantitative models and macroeconomic analysis with bottom-up sovereign and corporate research to identify investment opportunities across a wide range of Emerging Market counties. The composite was created in December 2014.

Benchmark:
Due to the lack of market availability regarding benchmarks related to this strategy with the ability to invest across the EM debt and global currency universe, no benchmark with be assigned. Therefore a benchmark value of zero will be applied.

Fees:
Returns are presented gross of management fees, custodial fees, and withholding taxes but net of all trading expenses. Net of fee performance results are calculated by deducting from the gross monthly return the maximum annual fee charged of 0.70% for the strategy shown.

Performance Results:
Results are calculated using a time-weighted total-rate-of-return formula and are expressed in U.S. dollars. The composite is asset-weighted; individual portfolios are valued daily on a trade-date basis and include accrued income. The composite and benchmark results assume the reinvestment of distributions. Performance results include all portfolios under the Firm's management that meet the Composite Definition. A portfolio is included in the composite when it is deemed that the investments made by the investment advisor fully reflect the intended investment strategy. Past performance is not a guarantee of future performance.

Assets, Composite Dispersion, Ex-Post Standard Deviation:
The asset base used to calculate the composite's percentage of Firm assets includes both discretionary and non-discretionary portfolios managed by the Firm, and also includes non-fee paying portfolios. The asset-weighted dispersion calculation measures the deviation of individual portfolio returns around the aggregate composite return. Only portfolios that have been managed for a full annual period have been included in the dispersion calculation. No Dispersion is reported for periods with five or fewer portfolios (shown as N/M). The three-year annualized ex-post standard deviation of the composite and benchmark are displayed above.

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