

Roosevelt Investments'

RECIPE FOR INCOME

Serves: Investors seeking stable, predictable, and attractive levels of income to fund their cash flow needs

Pairs well with: Any occasion, may be served in both low rate and rising rate environments

Ingredients, freshly purchased:

- 60% - 85% investment grade corporate bonds
- 15% - 40% investment grade preferred securities
- Agency obligations (when in season)
- Dash of cash (as a means of liquidity)

Tips:

- Using only high quality ingredients allows you to optimize income while preserving capital.
- Avoid adding any leverage, synthetics, derivatives, or an over-allocation to government securities and very long-dated maturities, as these may lead to excessive risks that jeopardize principal.

Directions:

- Take the measure of current credit market conditions to determine optimal general construction parameters.
- Sift through a company's capital structure to determine whether to invest in their debt issues or preferred securities.
- Blend together intermediate- and short-term investment grade corporate bonds with fixed and fixed-to-floating rate investment grade preferred securities.
- Let simmer while monitoring risk metrics to ensure optimal yield curve positioning.



From the Kitchen of: Howard S. Potter, Senior Fixed Income Portfolio Manager

Howard leads Roosevelt Investments' Domestic Fixed Income Committee, and has over 30 years of investment experience focusing on income generation, asset allocation, capital preservation, and risk management. Supporting Howard is a team of experienced portfolio managers and analysts with deep backgrounds in credit analysis and portfolio construction.

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