

PORTFOLIO STRATEGY RESEARCH | AUGUST 2013

# THE ABCs OF ABS

Identifying Opportunities in Asset-Backed Securities

As investors scour the fixed-income universe seeking yield, one sector is generally overlooked – asset-backed securities (“ABS”). ABS has many qualities investors want – shorter durations and yield premiums in excess of 200 basis points over comparable corporate bonds. Nevertheless, investors have largely eschewed ABS, which remains an investment enigma, overshadowed by the pall cast by the subprime mortgage crisis of 2008.

The lingering stigma surrounding ABS stems from the unprecedented losses suffered by mortgage-backed securities (“MBS”) during the housing downturn. However, the resilient performance of ABS demonstrates that not all structured finance is equal. Along with higher yields and favorable risk profiles, the sector’s lower vulnerability to rising interest rates provides diversification opportunities in core fixed-income portfolios – something that is particularly valuable with rates rising.

# Report Highlights

- Complex securities, such as ABS, have been largely overlooked by bond investors in favor of the simplicity and greater liquidity of corporate credit.
- Notwithstanding similarities in structure, ABS differs significantly from MBS, which was at the epicenter of the 2008 financial crisis.
- For investors with the resources to perform the requisite analysis across collateral, structure, and servicer, ABS can offer an opportunity to earn higher yields without assuming incremental risk.
- In addition to its attractiveness as a standalone investment strategy, ABS can also offer portfolio diversification for core fixed-income investors. The amortizing structures and shorter duration of ABS help to mute overall portfolio credit and interest-rate risk.
- In this report we will:
  - Define what asset-backed securities are and describe the process by which they are created
  - Explore the structure and mechanics of ABS in the context of a recent aircraft securitization
  - Discuss collateralized loan obligations (“CLOs”) and aircraft ABS, two subsectors offering attractive relative value
  - Explain how the inherent complexity of ABS creates sustainable, long-term value opportunities

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# Introduction to ABS

ABS and MBS are both created by securitization, but are unique asset classes with distinct sets of investment considerations. In the following section, we highlight the differences, focusing specifically on their underlying collateral and recent performance following the subprime mortgage crisis.

## Bifurcating the Structured Finance Sector

Structured finance is an approximately \$10 trillion asset class, totaling nearly one third of the U.S. fixed-income market. Residential and commercial MBS comprise about 90 percent of the structured finance market. With mortgage-backed assets representing the lion's share of structured finance, decidedly less research is devoted to the significantly smaller, ABS sector. This lack of broad coverage reduces investor visibility and limits price discovery, thereby increasing the importance of proprietary research to unlocking value.

At its inception in the mid-1980s, the ABS market began with securitizations of auto loans and credit card receivables. Since then, the sector has rapidly evolved into a highly diversified \$1.2 trillion market, spanning the gamut of collateral types. Collateral types can be grouped into four main subsectors: consumer, corporate, commercial, and whole business.

- **Consumer ABS** is backed by cash flows from personal financial assets such as student loans, credit card receivables, and auto loans.
- **Corporate ABS** includes securities constructed from pools of debt securities. These include CLOs backed by corporate bank debt, collateralized bond obligations ("CBOs") backed by high yield bonds, and collateralized debt obligations ("CDOs") backed by various interest-bearing debt instruments such as subprime mortgage securities ("ABS CDOs"), commercial real estate loans ("CRE CDOs"), bank trust preferred securities ("TRUP CDOs"), or tranches of other CDOs ("CDO-squared").
- **Commercial ABS** is backed by cash flows from receivables, such as trade receivables, loans, or leases on shipping containers, aircraft, and other commercial equipment.
- **Whole Business ABS** is supported by cash flows from operating assets such as franchise royalties, brand royalties, and billboard leases.

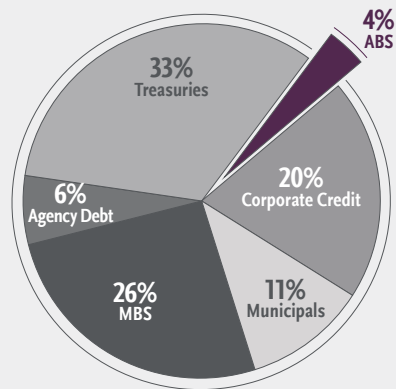
Consumer ABS is the largest and most liquid subsector. The ABS sector's representation in the Barclays U.S. Aggregate Bond Index, the most widely used proxy for the U.S. bond market, is almost entirely comprised of credit card receivables and auto loans. However, the increased liquidity of these securities generally comes at the expense of yield. Yields on credit card ABS hover around 1 percent, while yields on auto loans are between 1 and 2 percent. Although student loans offer slightly higher yields of 2 to 4 percent, such securities

are subject to a high degree of regulatory uncertainty and significant extension risk, in the event of slower-than-expected loan repayment rates. As the variety of securitized assets has expanded in recent years, we have identified more attractive investment opportunities in some of the less liquid, more credit-intensive subsectors, such as aircraft leases and CLOs, which offer yield premiums of 200 basis points relative to traditional consumer subsectors and corporate bonds.

## Deconstructing the U.S. Bond Universe

### Belying Its Size, the Diminutive ABS Sector Offers Considerable Asset Diversity

#### Weighting of U.S. Fixed-Income Securities Outstanding



#### Asset-Backed Securities

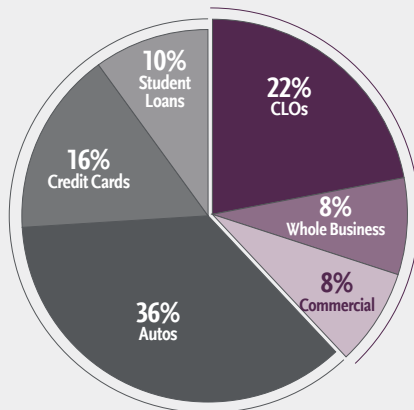
(Approximate Market Value: \$1.2 Trillion)

##### Select ABS Collateral Types

- |                          |                         |
|--------------------------|-------------------------|
| I. CONSUMER ABS          | II. CORPORATE ABS       |
| • Auto Loan and Lease    | • CLO                   |
| • Credit Card Receivable | • ABS CDO               |
| • Student Loan           | • CRE CDO               |
| • Timeshare Fee          | • CBO                   |
| III. COMMERCIAL ABS      | III. WHOLE BUSINESS ABS |
| • Aircraft Lease         | • Franchise Royalty     |
| • Container Lease        | • Brand Royalty         |
| • Equipment Lease        | • Billboard Lease       |
| • Insurance Settlement   |                         |

Source: SIFMA. Data as of 12/31/2012.

#### 2012 U.S. ABS Issuance By Collateral



Since 2010, auto loans, student loans, and credit cards have collectively represented 70 percent of total ABS issuance. However, we have generally uncovered superior value in the less liquid, more credit-intensive subsectors. While requiring more in-depth analysis, select ABS subsectors, such as aircraft leases and CLOs, offer yield premiums of 200 basis points relative to traditional consumer subsectors.

Source: SIFMA. Data as of 12/31/2012.

## Not All Structured Finance Is Created Equal

Despite the immense diversity of structured finance securities, the complexity of the sector was largely understated before the financial crisis. This led investors to outsource their assessment of creditworthiness to rating agencies rather than conduct the exhaustive analysis needed to identify specific risks in individual securities. Comforted by pristine investment-grade ratings bestowed by rating agencies, investors poured cash into structured finance. This heavy reliance on ratings as the primary determinant of risk, instead of a focus on fundamental credit analysis, was a crucial mistake.

The proliferation of ABS CDOs, with issuance exceeding \$300 billion in 2006 compared to \$35 billion in 2003, was indicative of the market's inability to independently assess risk. ABS CDOs seemingly offered attractive risk-adjusted returns given their presumed diversification and yield premiums over comparably-rated Treasuries, corporate bonds, and traditional ABS. ABS CDO bonds were backed by diversified pools of collateralized securities.

However, the collateral for ABS CDOs was predominantly subordinated tranches of subprime mortgage pools. These subprime tranches had limited structural protections and were very sensitive to the rating agencies' optimistic assumptions on continued home price appreciation. When national housing prices fell, ABS CDOs were exposed to losses up to substantially all of their collateral. The inherent complexity of these securities largely concealed these types of structural risks. As would later be discovered amid widespread defaults and ratings downgrades, the diligence required to evaluate risk had also been vastly underestimated.

While the housing market downturn and knock-on effect in residential MBS (RMBS) were at the epicenter of the credit crisis, it was widely assumed that contagion had spilled over into tangential sectors. In the aftermath of the subprime mortgage crisis, the negative connotation of securitization led some investors to summarily dismiss structured finance as a suitable investment. In reality, there was significant variance in the performance of structured finance securities.

In the six-year period following the peak of the housing market in 2006, non-corporate U.S. ABS suffered a 0.6 percent average annual loss rate, while global CLOs experienced a 0.2 percent loss rate, both in line with pre-financial crisis historical averages. By comparison, U.S. non-agency RMBS experienced a 11.2 percent loss rate over the same six-year period, while global CDOs fared even worse with a 11.9 percent loss rate over the period. This compares to pre-financial crisis historical annual loss averages of 0.1 and 1.0 percent, respectively.

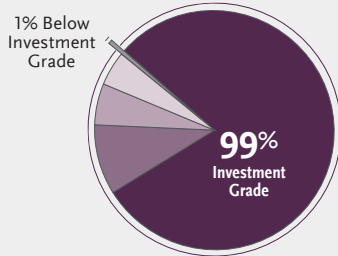
The stark disparity in performance between mortgage-related sectors and non-mortgage related sectors dispels the notion that all sectors of the structured finance market suffered similarly during the downturn. This misperception is the root cause for the stigma surrounding ABS. A startling revelation, brought to light during the financial crisis, was that many investors failed to fully comprehend the basic mechanics underlying the structured finance securities they were investing in. In the following section, we will review these mechanics using a case study of a recent aircraft securitization.

# Structured Finance Ratings Migration

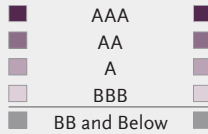
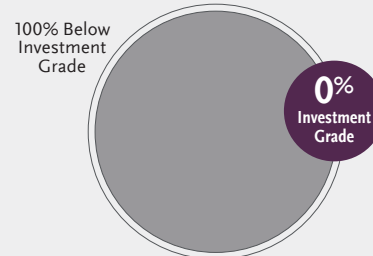
## Divergence in Ratings Performance Proves That Collateral Matters

### ABS CDOs

ORIGINAL ISSUANCE RATINGS (2005-2013 VINTAGES)

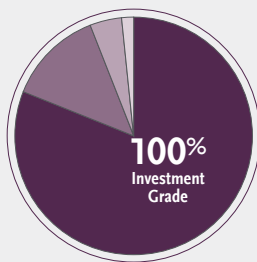


CURRENT OUTSTANDING RATINGS (AS OF JUNE 2013)

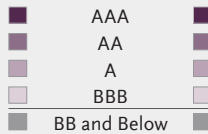
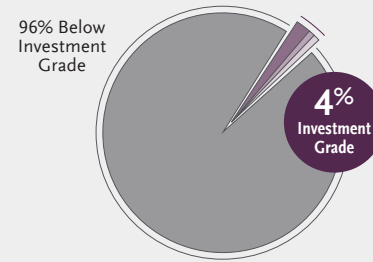


### Non-Agency RMBS

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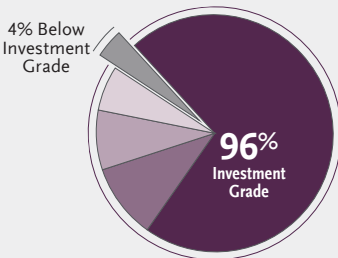


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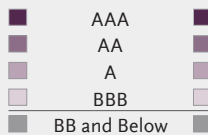
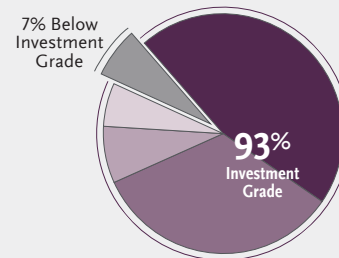


### CLOs

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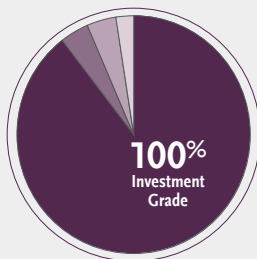


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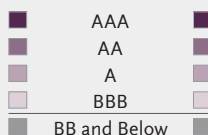
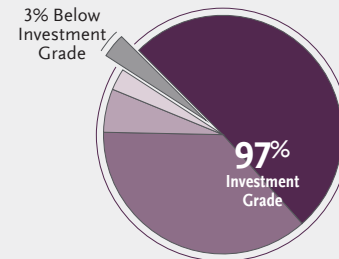


### Non-Corporate ABS

ORIGINAL ISSUANCE RATINGS (2005-2013 VINTAGES)



CURRENT OUTSTANDING RATINGS (AS OF JUNE 2013)



There is \$1.1 trillion of originally rated investment grade non-agency RMBS currently outstanding. However, just 4 percent, or \$48 billion remains investment grade. The non-corporate ABS market has fared considerably better as only 3 percent of outstanding debt originally rated investment grade has fallen below investment-grade status.

Source: Bank of America. Data as of 06/30/2013.

Original ratings refer to ratings at time of initial issuance. Bond ratings BBB- and higher are considered investment grade.

Non-corporate ABS includes consumer, commercial, and whole business subsectors.

## SECTION 2

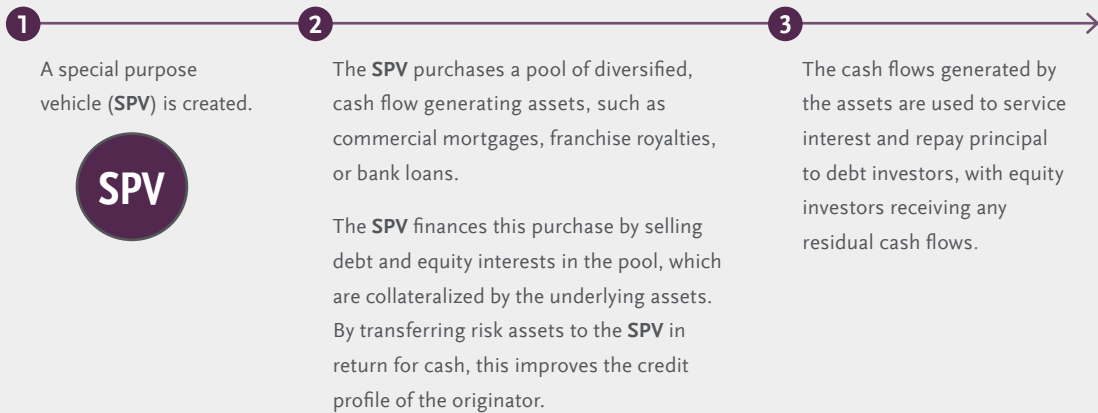
# Securitization Case Study

Contrary to its frequent characterization as complex financial alchemy, asset securitization is a relatively straightforward financial concept. The securitization process can be summarized in three steps:

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## Asset Securitization 101

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The SPV, typically created by the originator of the assets being securitized, is a bankruptcy remote entity. This type of legal structure insulates investors who purchase securities issued by the SPV from the risk of bankruptcy of the asset originator. Investors are singularly exposed to the risks that could disrupt cash flows from the designated pool of assets. Often, the credit risk of this pool of assets is lower than the overall business risk of the asset originator.

This segmentation of risk allows issuers to frequently obtain higher credit ratings in the securitization market than they do in the corporate debt market. Irrespective of the types of assets being securitized, all structured finance securities are created through some iteration of this basic process.

## Securitization Case Study

The following case study of a recent \$650 million aircraft securitization illustrates the basic structure, mechanics, and priority of payments for asset-backed securities. The profile below highlights the relevant deal metrics and investment considerations.



### Overview

- Securitization of a diversified pool of commercial aircraft leases managed by GE Capital Aviation Services (GECAS).
- Transaction allowed GECAS to sell assets and reduce the size of its balance sheet while retaining servicing fees and customer relationships.

### Deal Metrics:

- Issuance Date: January 2013
- Aircraft Appraisal Value: \$933mm
- Credit Enhancement: Class A Loans have a loan-to-value (LTV) of 60%. Class B Loans have a LTV of 70%.
- Cash Flow: Generated through lease revenue and proceeds from aircraft dispositions.

### Terms:



	Series A Term Loan	Series B Term Loan
Size (\$mm)	\$557.0	\$93.3
Coupon	4.875%	6.875%
Expected Maturity	7 yrs	7 yrs
Weighted Average Life	5.5 yrs	5.5 yrs
Ratings	A/A+	BBB/BBB

Source: Standard & Poor's. Data as of 01/15/2013.

### Investment Analysis

- Collateral: Diversified pool of 26 current generation narrow body passenger aircraft, on lease to 16 airlines worldwide. These include eight Airbus A319 and A320 aircraft and 18 Boeing 737 planes.
- Structure: Three tranche structure with a senior Class A term loan, a subordinate Class B term loan, and equity tranches.
- Servicer/Counterparties: GE Capital Aviation Services Limited

### Risk Assessment / Performance Metrics

- Global air travel industry performance
- Lessee credit performance
- Aircraft supply and demand dynamics
- Debt-Service Coverage Ratio
- Realized versus projected expenses and lease revenues
- Utilization rates
- Projected residual market value of aircraft



## Transaction Structure

### Securitization Redistributes Credit Risk, Broadening the Investor Base

Securitization creates multiple layers of customized securities, ranging from the most senior, highly rated investment-grade tranches to the higher risk, unrated equity tranches. This segmentation allows ABS issuers to attract a broader scope of investors, as well as lower their liability funding costs.

- 1 SPV purchases aircraft and associated leases from GE Capital Aviation Services.

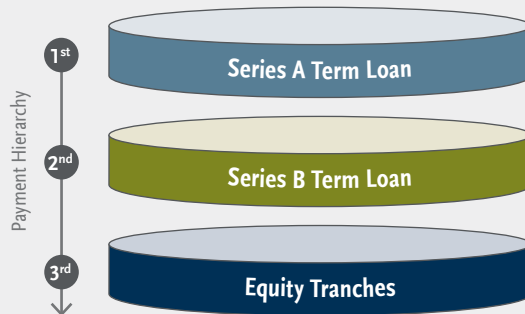


Diversified pool of 26 current generation narrow body passenger aircraft, on lease to 16 airlines worldwide. These include eight Airbus A319 and A320 aircraft and 18 Boeing 737 planes.

- 2 Purchase funded through the sale of two debt tranches, collateralized by the pool of assets, and residual equity tranches. Based on specific risk tolerance and return objectives, investors can allocate across the capital structure, ranging from the lower yielding senior debt tranches to the riskier, higher yielding equity tranches.



- 3 Lease revenue and proceeds from aircraft dispositions used to service interest and principal amortization on debt tranches in order of seniority, with equity tranches receiving residual cash flows.



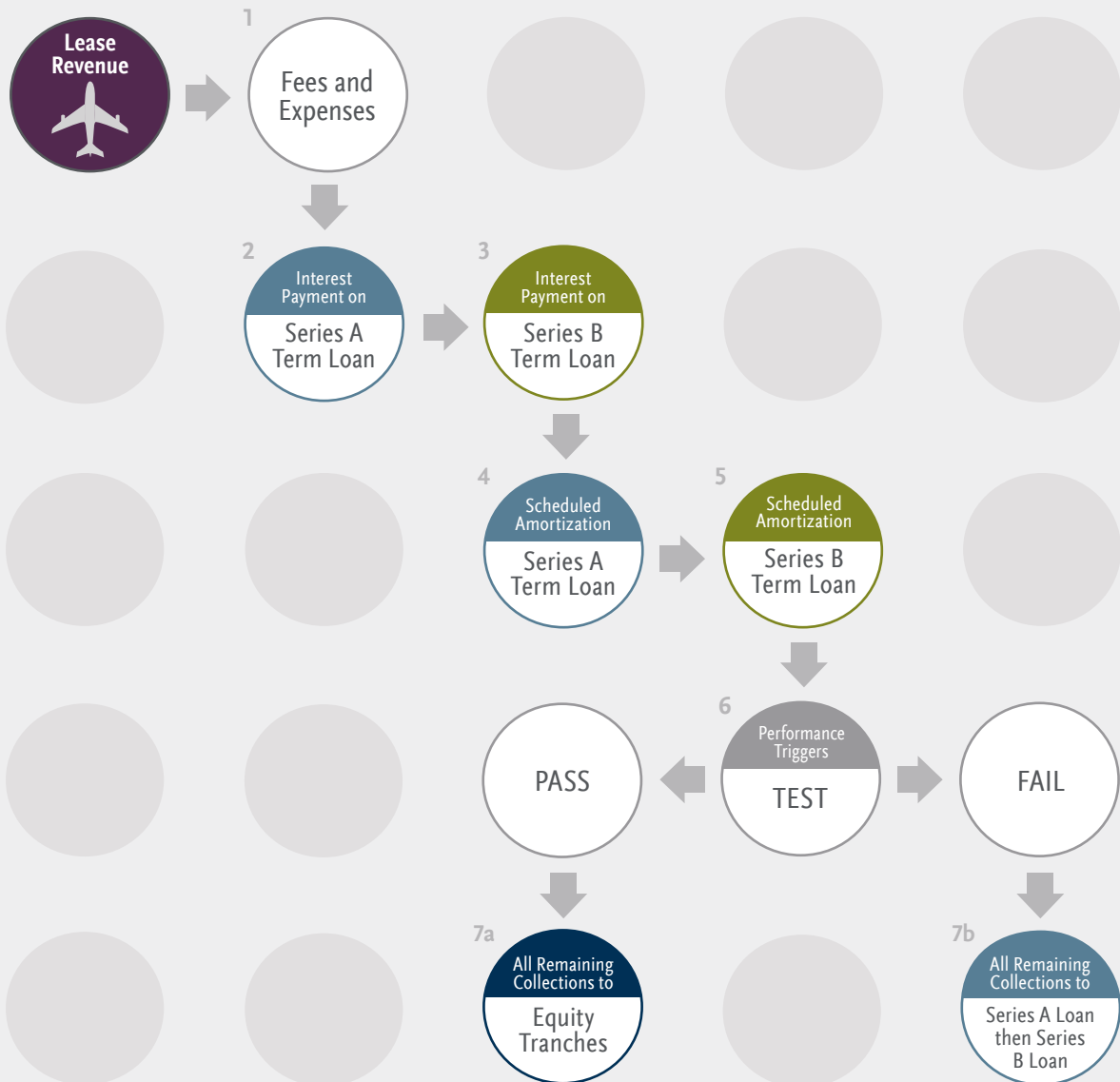
Source: Standard & Poor's, Moody's.

## Priority of Payments

### Credit Enhancements Limit Default Risk of Senior Tranches

Credit enhancements are structural protections used to mitigate the risk of default:

- **Overcollateralization:** Asset collateral value in excess of debt liabilities provides cushion to withstand initial losses. The \$650 million of debt liabilities is collateralized by \$933 million, the aircraft appraisal value.
- **Subordination:** Priority of payments ensures that senior tranches receive cash flows prior to disbursements to lower-rated, junior tranches, which absorb any first losses and provide a cushion to senior tranches.
- **Performance Triggers:** Breaching collateral performance tests, such as portfolio utilization and debt-service coverage, diverts cash away from junior tranches and accelerates repayment of senior tranches.



# Monetizing Complexity

Amid the hysteria following the 2008 financial crisis, investors who had developed an overreliance on rating agencies exited the structured finance market. This mass exodus has created attractive opportunities in select ABS subsectors for investors with the ability to perform specialized analysis across a host of risk factors.

## Structure Is Just One Piece of the Puzzle

Understanding the mechanics behind securitization is important, but there are several other pertinent factors. Aside from transaction structure, investors must also assess collateral performance and servicer ability. A well-structured deal may mitigate credit risk, but ultimately cannot offset poor collateral or servicer performance. Conversely, insufficient credit enhancements, or structural protections, can result in senior tranches realizing losses despite limited collateral impairment. Using the GECAS commercial aircraft ABS deal as an example, the list below is an abridged version of the host of additional considerations investors must evaluate.

Substituting another collateral type in the place of aircraft leases introduces a completely different, yet equally long list of risk considerations. It is virtually impossible to fully appraise all these potential risk factors simply through the designation given by credit rating agencies. The extensive losses suffered during the subprime mortgage crisis highlighted the potential fallibility of ratings. This dynamic makes it imperative that investors develop a credit-intensive, proprietary, systematic approach to ABS investing that includes collateral-specific expertise.



GE Capital  
Aviation Services

### INVESTMENT CONSIDERATIONS:

- Aircraft depreciation
- Estimated time to re-lease aircraft
- Estimated value of future leases
- Evaluation of GECAS, servicer of aircraft and associated leases
- Credit assessment on 16 lessees
- Sector view on aircraft industry
- Macroeconomic and geopolitical risk assessment of the 11 countries in which the aircraft operate
- Event risks related to Boeing and Airbus, the manufacturers of aircraft in the collateral pool

### Differentiated CLO Investing

Within ABS, CLOs and aircraft ABS are two areas offering strong relative value. Our constructive view on CLOs is based on the favorable fundamental and technical dynamics supporting the loan market, most notably, low default rates, strong demand for below investment-grade credit, and healthier corporate balance sheets. Strong capabilities in corporate credit analysis are particularly advantageous when evaluating CLOs given that each is typically backed by approximately 125 to 175 individual bank loans. Guggenheim's 90-person corporate credit team, on average, either currently manages or has updated credit opinions on at least 80 percent of the loans underlying each CLO we invest in.

Pre-existing research and diligence on the vast majority of a given loan pool is invaluable as it allows an investor the time to easily understand the bulk of the collateral, while freeing the investor to dedicate time and resources to a deeper analysis of the smaller percentage of loans that are either new or less familiar. Since each deal structure is distinct, an experienced and deep legal team is paramount to properly evaluating the caveats and less obvious nuances contained in the associated legal documents. Our team of 18 dedicated legal professionals is an integral component of the CLO investment process.

Recently, a specific area of focus has been on select, originally rated A and BBB legacy CLOs (issued prior to the financial crisis). Investments in these tranches, which generally trade at discounts to par, have benefitted from the accelerated pace of loan prepayments and optional redemptions. Capitalizing on our corporate credit team's extensive experience in private debt financings, we have been able to source attractive opportunities in higher yielding, middle-market CLOs.

### Legacy of Aviation Expertise

Investments in aircraft and aircraft engine ABS necessitate both collateral valuation and industry knowledge of servicers, lessees, and manufacturers. Our ability to identify value in aviation is enhanced by leveraging the expertise of our two dedicated aviation groups, Guggenheim Aviation Partners and Guggenheim Business Aircraft. Guggenheim Aviation Partners acquires new and used commercial aircraft for leasing to domestic and international passenger airlines and cargo operators. Since 2003, the group has deployed nearly \$1 billion of equity into aviation assets and has owned over 120 aircraft with a combined value of over \$5 billion. Through this key partnership, our ABS team has been afforded access to many of the lesser-known deals which can offer superior yield due to the small investor base and limited price discovery.

In December 2010, Guggenheim Business Aircraft was launched. The team has funded or committed nearly \$270 million to aircraft financing and leasing transactions. The ability to harness these specialized internal resources to create proprietary credit views has enabled us to identify strong relative value in the aviation ABS sector.

Relative to similarly rated, unsecured corporate bonds, aircraft and aircraft engine ABS can be attractive on a risk and recovery basis, given their relatively low loan-to-value ratios and the security of physical collateral. As U.S. airlines focus on cutting costs and improving profitability, their increased propensity to lease (rather than buy aircraft) has been supportive of lease rates. Following the financial crisis, securitization has helped fill the financing vacuum as traditional players, such as aircraft finance companies and banks, have reduced lending.

## Liquidity Premiums

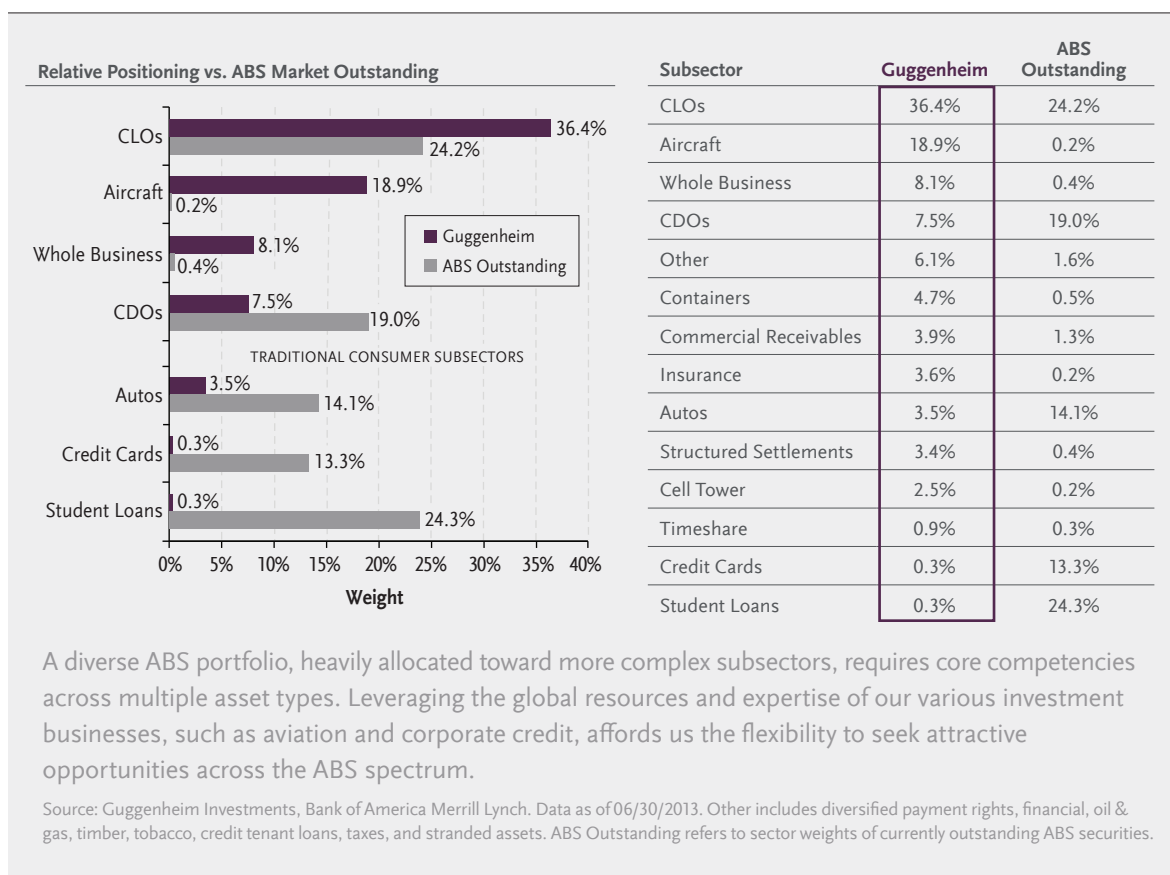
Guggenheim Investments takes a distinct approach to identifying value within the diverse ABS market. Every ABS investment begins with an in-depth analysis of structure, underlying collateral, and servicer. Specialized expertise across various collateral types enables investors to generate proprietary views, independent of third-party valuations and Wall Street models. These proprietary views can enlarge the investable ABS universe by providing the research conviction needed to unearth price dislocations. In complex ABS subsectors, the price discovery, generally available in more liquid sectors, is limited, due to the small universe of buyers. In select instances, a first-mover advantage can enable investors to reap significant yield premiums in exchange for providing liquidity to issuers and secondary market sellers.

Guggenheim's ABS sector composition reflects this investment thesis, with collateral ranging from

bank loans, shipping container leases, aircraft leases to structured settlements. We are underweight consumer ABS due to unattractive nominal yields, despite generally positive credit fundamentals. The more complex subsectors offer greater opportunities to identify what we believe to be undervalued or mis-rated assets. The Guggenheim Core Fixed-Income Composite is overweight ABS with a 20 percent allocation compared to 0.4 percent for the Barclays U.S. Aggregate Bond Index. Our focus on the less liquid, more credit-intensive subsectors has enabled us to obtain a sector weighted-average yield of almost 5 percent, compared to 1.4 percent for the benchmark index. Our ability to be active in this space, investing across the capital structure from the most senior, highly-rated investment-grade tranches, to the higher risk, unrated equity tranches, hinges on our ability to successfully leverage the specialized resources across our investment platform.

## Guggenheim ABS Sector Composition

Leveraging Resources Across Our Investment Platform Broadens the Investable Universe



# Barriers to Entry

Evaluating opportunities in complex ABS subsectors requires analytical risk assessment across structure and servicer, as well as collateral-specific expertise. This increased level of diligence creates high barriers to entry but can also become a source of sustainable, long-term value.

## Effects of Monetary Easing

Following the financial crisis, credit risk was priced cheaply relative to improving corporate fundamentals. This provided bond investors with a large margin of safety. However, over the past four years, global monetary stimulus has fueled a credit rally. As bond spreads tightened significantly, investors watched their margins of safety rapidly dissipate. Bond performance during May and June of 2013 served as a harrowing reminder of the increased vulnerability to risks, such as rising interest rates. Fueled by uncertainty over the timing of the Federal Reserve's eventual tapering of its asset purchases, yields on the U.S. 10-year Treasury note rose by 80 basis points since the end of April. During the two-month period ending June 30, the Barclays U.S. Investment-Grade Bond Index lost over 5 percent – its worst two-month return since October 2008. Poor performance was exacerbated in longer-duration securities. Core fixed-income investors, with the requisite expertise, should look

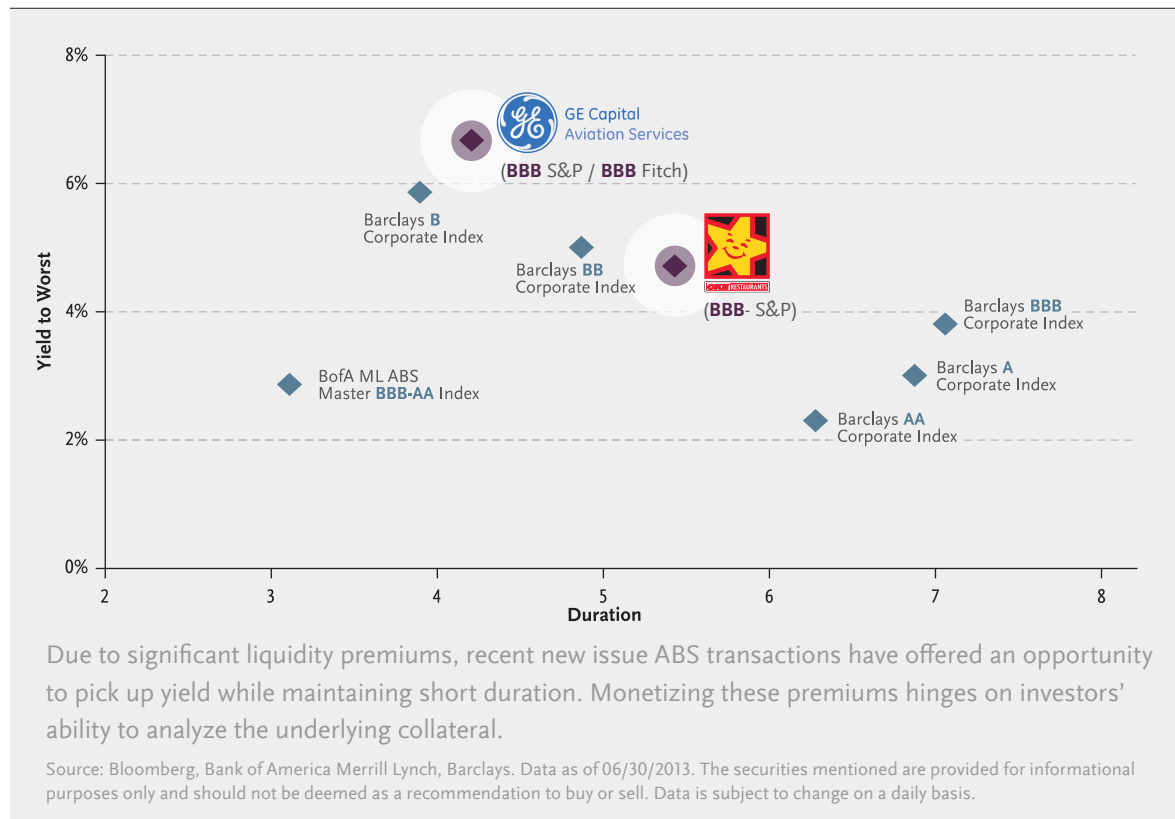
to floating-rate CLOs and short duration ABS as a way to safeguard their portfolios against rising rates.

## Attractive Risk Return Profile

With the focus squarely on monetary policy and its associated impact on interest rates, credit risk has largely become a secondary concern. Benign credit conditions and low default rates seem to support the widely-held view that increased credit risk is unlikely to be a near-term concern. However, low debt financing costs and improved interest coverage ratios may be obscuring the looming risks that gradually increasing debt burdens and softening underwriting standards will pose over the next several years, particularly in corporate credit securities. ABS can help mitigate credit risk with its amortizing structure. In select ABS securities, including CLOs, repayments and maturities from the asset pool are used to pay down debt liabilities over time as opposed to at maturity, as is the case in corporate bonds. As equity becomes a larger

## Relative Value of New Issue ABS

Select ABS Subsectors Offer Yield Pickup Without Commensurate Interest-Rate Risk



percentage of the aggregate capital structure, this increased subordination affords greater protection to investors in the senior debt tranches. The attractive relative valuation of ABS compared to corporate bonds is largely due to the strong barriers of entry to the ABS market.

### Barriers to Entry

Currently representing less than 1 percent of the Barclays U.S. Aggregate Bond Index, the sector's de minimis weighting has made it easy for core fixed-income investors to overlook. Since the subprime mortgage crisis, a dwindling investor base has morphed the ABS sector into an orphan asset class. Its miniscule weighting in traditional fixed-income benchmarks, lower investor visibility,

and increased complexity has created a moat around the sector, rendering it less susceptible to becoming a "crowded trade." These barriers to entry underscore why we believe ABS offers attractive, long-term value for fixed-income investors.

Whether it is increasing duration or assuming excessive credit risk, utilizing investment shortcuts to generate incremental yield will likely lead to underperformance in the long run. An increased allocation to ABS is a way to protect against these looming risks without sacrificing yield. In a market devoid of "free lunches," ABS offers the closest alternative – an opportunity to generate higher yields through intensive analysis without taking on additional credit or interest-rate risk.

## About Guggenheim Partners

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Guggenheim Partners is a privately held financial services firm that provides asset management, investment banking, insurance services and wealth management solutions. At Guggenheim Partners, we provide innovative thinking and experienced advice to sophisticated clients. Our primary businesses include:

### INVESTMENTS

Fixed Income  
Equities  
Alternatives  
Managed Accounts  
Advisory Solutions

### SECURITIES

Advisory  
Financing  
Sales and Trading  
Research

### INSURANCE SERVICES

Advise Insurance Company Management and Boards on:  
Asset Liability Management  
Capital and Expense Management  
Transactions and Products

For more information, please visit: [GuggenheimPartners.com](http://GuggenheimPartners.com).

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## About Guggenheim Investments

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Guggenheim Investments represents the investment management division of Guggenheim Partners, which consist of investment managers with approximately \$151.3 billion in combined total assets.<sup>1</sup> Collectively, Guggenheim Investments has a long, distinguished history of serving institutional investors, ultra-high-net-worth individuals, family offices, and financial intermediaries. Guggenheim Investments offers clients a wide range of differentiated capabilities built on a proven commitment to investment excellence. Guggenheim Investments has offices in Chicago, New York City, and Santa Monica, along with a global network of offices throughout the United States, Europe, and Asia.

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<sup>1</sup> The total asset figure is as of 06.30.2013 and includes \$11.72B of leverage for Assets Under Management and \$0.331B of leverage for Serviced Assets. Total assets include assets from Security Investors, LLC, Guggenheim Partners Investment Management, LLC, Guggenheim Funds Investment Advisors and its affiliated entities, and some business units including Guggenheim Real Estate, LLC, Guggenheim Aviation, GS GAMMA Advisors, LLC, Guggenheim Partners Europe Limited, Transparent Value Advisors, LLC, and Guggenheim Partners India Management. Values from some funds are based upon prior periods.

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