



## MANAGED ACCOUNTS – LONG MUNICIPAL BOND

### PRODUCT FEATURES

- Bonds rated 'A-' or better
- Approximately 8-25 securities
- AMT-free bonds
- Active diversification by issuer, coupon, and state
- State-specific or state preference portfolios (upon request)
- Selective selling for tax considerations

### THE POTENTIAL VALUE OF CREDIT RESEARCH

- Robust analysis determines the optimal portfolio positioning for total return potential
- Rigorous credit research provides greater insight than bond ratings alone
- Ongoing credit surveillance can identify more attractive investment opportunities

### INVESTMENT TEAM

#### Team Leader(s):

Daniel S. Solender, CFA, Partner & Director  
34 Years Industry Experience\*

Phillip B. Herman, Partner & Portfolio Manager  
22 Years Industry Experience

Daniel Lichtenberg, CFA, Portfolio Manager  
14 Years Industry Experience

Gregory M. Shuman, CFA, Managing Director & Portfolio Manager  
11 Years Industry Experience

Christopher English, CFA, Portfolio Manager  
11 Years Industry Experience

#### Supported By:

13 Investment Professionals  
13 Years Avg. Industry Experience\*

\*As of 01/01/2021

### INVESTMENT STRATEGY

The Lord Abbett Long Municipal Bond strategy seeks a high level of tax-free income and attractive total return by investing in high-quality bonds rated 'A-' or higher. The strategy focuses on bonds with long maturities that have historically delivered attractive returns, while including shorter-maturity bonds to manage downside risk.

### INVESTMENT PROCESS



#### Market Analysis

- Yield curve positioning
- Economic environment
- Model scenarios

#### Credit & Sector Analysis

- Relative valuations
- Fundamental research
- Sector and quality weightings

#### Security Analysis

- Credit research
- Coupon
- Maturity date
- Call protection

#### Construction

- Implementation of strategic guidelines
- Term structure
- Credit quality allocation
- Sector weightings
- Diversification by insurer and coupon
- Geographic considerations

### CURRENT STRATEGY\*\*

- The portfolios continue to maintain an overweight in the transportation and health care sectors. Within the transportation sector, traffic volumes have picked up and most credits in the sector have strong balance sheets with large cash positions. Within the health care sector, some credits underperformed due to the uncertainty of the impact of the pandemic. However, the challenges of not being able to provide higher-margin elective procedures have passed and most hospital systems have remained solid.
- The portfolios are overweight 'AA' and 'A' rated bonds and underweight lower qualities due to portfolio restrictions. Further, the portfolios are managed in a barbell structure focused on the 7-12 year and 18-30 year maturity ranges.

\*\* Current Strategy information shown is based on the Lord Abbett Managed Accounts Long Municipal strategy. The strategy reflects accounts that are included in the Lord Abbett Managed Accounts Long Municipal Composite, as well as those that are excluded due to client imposed restrictions.

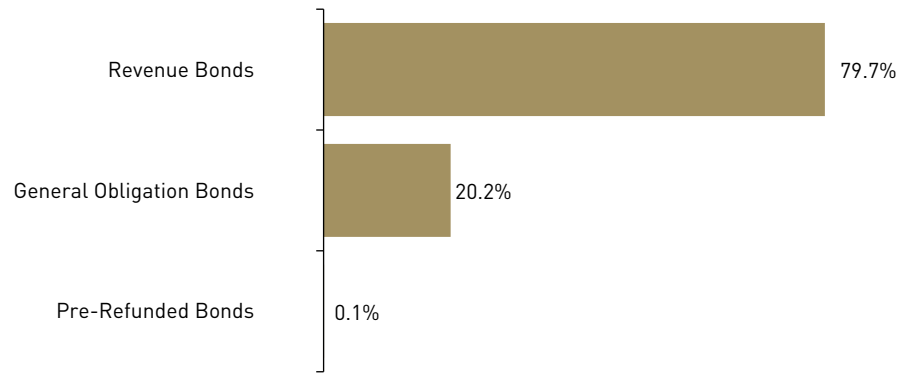
**A Note about Risk:** As interest rates rise, the prices of debt securities tend to fall; as rates fall, prices tend to rise. The value of a portfolio will change as interest rates fluctuate. Municipal securities may include insured municipal securities that are covered by insurance policies that guarantee the timely payment of principal and interest. Insurance does not pertain to yield or market values, which will fluctuate over the life of bonds. Income from municipal bonds may be subject to the alternative minimum tax. Federal, state, and local taxes may apply. In addition, the price of municipal bonds may be adversely affected by legislative or political changes, tax rulings, judicial action, changes in market and economic conditions, and the fiscal condition of the municipal issuer. Although these are the main risks of investing in bonds, there may be other risks associated with investing in bonds, such as credit, inflation, call, high-yield, and market risks. An investor should consult with his or her investment professional before making an investment decision.

**PORTFOLIO CHARACTERISTICS**

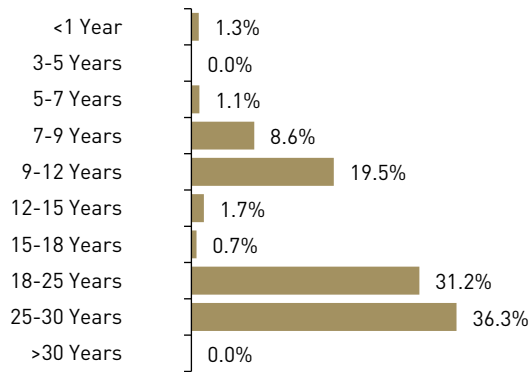
Average Current Yield	3.81%
Average Price	\$123.49
Average Coupon	4.8%
Avg. Stated Maturity	20.2 Years
Effective Duration	6.8 Years

Past performance is not a reliable indicator or guarantee of future results.

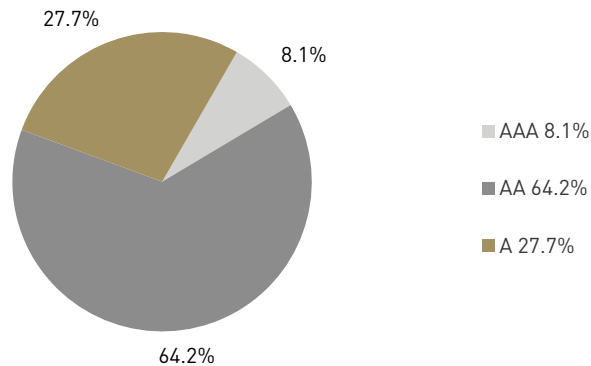
**TYPE BREAKDOWN**



**MATURITY BREAKDOWN**



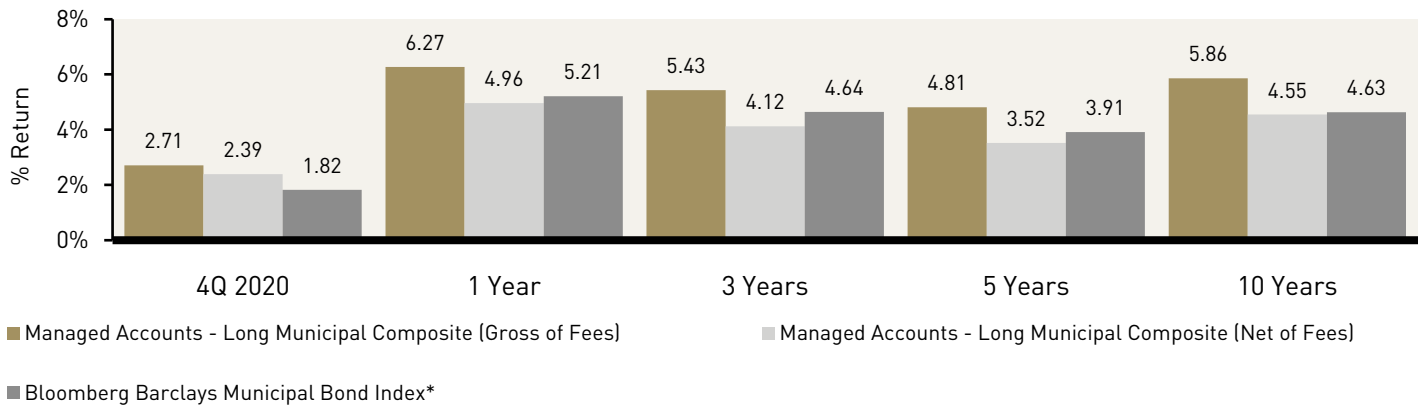
**CREDIT QUALITY DISTRIBUTION**



Ratings provided by Standard & Poor's Moody's, and Fitch. Where the ratings agencies rate a security differently, Lord Abbett uses the higher credit rating. Ratings range from AAA (highest) to D (lowest). Bonds rated BBB or above are considered investment grade. Credit ratings BB and below are lower-rated securities (junk bonds). High-yielding, non-investment-grade bonds (junk bonds) involve higher risks than investment-grade bonds. Adverse conditions may affect the issuer's ability to pay interest and principal on these securities. Breakdown is not an S&P credit rating or an opinion of S&P as to the creditworthiness of such portfolio.

The information shown does not reflect, and may significantly differ from, the characteristics of individual accounts actively managed by Lord Abbett in this strategy. Managed accounts are actively managed, and portfolio characteristics may change significantly over time. Indexes are unmanaged, do not reflect the deduction of fees or expenses, and are not available for direct investment. For portfolio characteristic definitions, please see the Glossary of Important Terms.

## AVERAGE ANNUAL RATES OF RETURN



## CALENDAR YEAR TOTAL RETURNS

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2022
Gross	14.35%	9.49%	-4.98%	12.74%	4.16%	0.87%	7.02%	0.45%	9.78%	6.27%
Net	12.95%	8.14%	-6.16%	11.36%	2.88%	-0.39%	5.70%	-0.80%	8.42%	4.96%
Bloomberg Barclays Municipal Bond Index*	10.70%	6.78%	-2.55%	9.05%	3.30%	0.25%	5.45%	1.28%	7.54%	5.21%

**Past performance is not a reliable indicator or guarantee of future results.** Performance data quoted above are historical. Current performance may be higher or lower than the performance data quoted. Indexes are unmanaged, do not reflect the deduction of fees or expenses, and are not available for direct investment. Returns for periods of less than one year are not annualized.\*Source: Bloomberg Index Services Limited.

## GLOSSARY OF IMPORTANT TERMS

**Average Current Yield** is the dollar amount of interest expected to be received annually divided by the current market price of the security.

**Average Price** is the weighted average price of all securities held in a portfolio. As par values tend to vary, a security's price is quoted as a percentage of its par value. Securities trading at a price of "100" indicate 100% of par value, and security prices above or below 100 are said to be valued at either a premium or discount, respectively.

**Average Coupon** is the weighted average coupon for all the securities in a portfolio. A bond's coupon is the annual rate of interest on a bond's face value that the issuer agrees to pay the holder.

**Average Stated Maturity:** An actual maturity (the number of years to maturity) is calculated for each holding and is then weighted by its market value. The sum of these weighted market values is divided by the total market value of the account to determine the weighted average actual maturity of the portfolio.

**Effective Duration:** The approximate change in the value of a fixed income security that will result from a 1% change in market interest rates. This calculation takes into account anticipated cash flow fluctuations from embedded options such as mortgage prepayments, puts, adjustable coupons, and potential call dates. Duration is expressed as a number of years, and generally, the larger a duration, the greater the interest-rate sensitivity for a portfolio's underlying bond prices.

\***The Bloomberg Barclays Municipal Bond Index** is a broad measure of the municipal bond market with maturities of at least one year. To be included in this index, bonds must have a minimum credit rating of at least Baa, an outstanding par value of at least \$3 million and be issued as part of a transaction of at least \$50 million. The index includes both zero coupon bonds and bonds subject to the alternative minimum tax.

## IMPORTANT INFORMATION

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**IMPORTANT INFORMATION REGARDING PERFORMANCE**

The GIPS® Compliant performance results shown below represent the investment performance record for Lord, Abbett & Co. LLC's Managed Accounts Long Municipal Composite (the "Composite"), which includes all unconstrained, fully discretionary, individually managed general market municipal accounts managed in a separately managed account program. New accounts are included in the Composite as of the second full month they are under management from 12/1/2012 to present. Prior to 12/1/2012, accounts were included in the composite as of the third full month they are under management. Closed accounts are removed from the Composite after the last full month in which they were managed in accordance with the applicable objectives, guidelines and restrictions. Performance results are expressed in U.S. dollars and reflect reinvestment of any dividends and distributions. Cash flows are adjusted for on a time-weighted basis and an account is revalued in the event a cash flow equals or exceeds 10%. The Composite was created in 1999. A complete list of Lord Abbett composites and a description of the investment strategies are available upon request. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.

For GIPS® purposes, the firm is defined as Lord, Abbett & Co. LLC ("Lord Abbett"). Total Firm Assets are the aggregate fair value of all discretionary and non-discretionary assets for which the Firm has investment management responsibility. Accordingly, Total Firm Assets include, but are not limited to, mutual funds (all classes of shares), privately placed investment funds, non-U.S. domiciled investment funds, separate/institutional portfolios, individual portfolios and separately managed accounts ("Wrap Fee/SMA Portfolios") managed by Lord Abbett. Total Firm Assets also include any collateralized, structured investment vehicle, such as a collateralized debt obligation or collateralized loan obligation, for which Lord Abbett has been appointed as the collateral manager. For the period prior to January 1, 2000, the definition of the Firm does not include any hedge fund or SMA program accounts where Lord, Abbett & Co. LLC did not have the records so long as it is impossible for Lord, Abbett & Co. LLC to have the records (within the meaning of relevant GIPS® standards interpretations). Total Firm Assets also exclude separately managed program accounts that involve model delivery.

**MANAGED ACCOUNTS LONG MUNICIPAL COMPOSITE**

Calendar Year Ended	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
# of Portfolios	3871	3076	3426	3306	3356	3451	3724	4821	4821	5281
Total Assets (\$M)	\$3,608	\$2,489	\$2,868	\$2,563	\$2,804	\$2,932	\$2,779	\$4,294	\$4,112	\$4,006
Percentage of Firm Assets	1.77%	1.55%	1.84%	1.90%	2.26%	2.16%	2.05%	3.36%	3.83%	3.76%
Total Firm Assets (\$M)	\$204,031	\$161,055	\$156,110	\$134,565	\$124,007	\$135,945	\$135,786	\$127,753	\$107,449	\$106,528
Dispersion	0.36	0.31	0.37	0.40	0.42	0.66	1.19	0.68	1.02	0.95
LA MA Long Municipal Composite Performance Gross (Annual)	9.78%	0.45%	7.02%	0.87%	4.16%	12.74%	-4.98%	9.49%	14.35%	0.93%
LA MA Long Municipal Composite Performance Gross (3 year Annualized Return)	5.68%	2.74%	3.99%	5.81%	3.72%	5.46%	5.96%	8.11%	9.09%	3.61%
LA MA Long Municipal Composite Performance Gross (3 year Annualized Ex-Post Standard Deviation)	3.46%	4.33%	4.26%	4.47%	5.03%	5.48%	5.94%	5.39%	5.89%	7.86%
LA MA Long Municipal Composite Performance Net (Annual)	8.42%	-0.80%	5.70%	-0.39%	2.88%	11.36%	-6.16%	8.14%	12.95%	-0.32%
LA MA Long Municipal Composite Performance Net (3 year Annualized Return)	4.37%	1.46%	2.70%	4.50%	2.45%	4.16%	4.65%	2.45%	4.16%	4.65%
Bloomberg Barclays Municipal Bond Index 7/1/19 forward / 60% Bloomberg Barclays Long Bond (22+) & 40% Bloomberg Barclays 7 Year (6-8) Index (Annual)	8.46%	0.87%	6.70%	0.33%	4.02%	11.59%	-4.00%	8.40%	12.98%	2.53%
Bloomberg Barclays Municipal Bond Index 7/1/19 forward / 60%Bloomberg Barclays Long Bond (22+) & 40% Bloomberg Barclays 7 Year (6-8) Index (3 year Annualized Return)	5.29%	2.59%	3.65%	5.21%	3.67%	5.11%	5.54%	7.89%	10.65%	3.58%
Bloomberg Barclays Municipal Bond Index 7/1/19 forward / 60% Bloomberg Barclays Long Bond (22+) & 40% Bloomberg Barclays 7 Year (6-8) Index (3 year Annualized Ex-Post Standard Deviation)	2.88%	4.03%	4.00%	4.17%	4.35%	4.64%	5.04%	4.67%	6.00%	8.20%

Dispersion is represented by the asset-weighted standard deviation—a measure that explains deviations of portfolio rates of return from the asset-weighted Composite return. The asset-weighted standard deviation calculation includes only portfolios that have been managed within the Composite style for a full year.

The performance of the Composite is shown net and gross of the maximum separately managed account program fee. The net performance results illustrate the effect of the deduction of the maximum separately managed account program fee (1.25%) on investment returns. All gross performance shown is presented on a supplemental basis and reflects the deduction of transaction costs. The program fee is paid to the program sponsor and includes the advisory fee Lord Abbett receives and trade execution expenses. The effect of fees and expenses on performance will vary with the relative size of the fee and account performance. **For example, if \$100,000 were invested and experienced a 10% compounded annual return for 10 years, its ending dollar value, without giving effect to the deduction of the program fee, would be \$259,374. If a program fee of 1.25% of average net assets per year for the 10-year period were deducted, the annual total return would be 8.65% and the ending dollar value would be \$231,362.** Please refer to Lord Abbett's Form ADV Part 2A Brochure for additional information on Lord Abbett's advisory fees which generally range from annual rates of 0.14% to 0.50% of assets under management for managed fixed income accounts. Certain securities held in portfolios contained in this composite may have valuations determined using both subjective observable and subjective unobservable inputs. The Firm's valuation hierarchy does not materially differ from the hierarchy in the GIPS Valuation Principles.

The Bloomberg Barclays Municipal Bond Index is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market. Bonds must be rated investment-grade (Baa3/BBB- or higher) by at least two ratings agencies. They must have an outstanding par value of at least \$7 million and be issued as part of a transaction of at least \$75 million. The bonds must be fixed rate, have a dated-date after December 31, 1990, and must be at least one year from their maturity date. The Bloomberg Barclays Long Bond (22+), and 7 Year (6-8) Municipal Bond Indices are components of the Bloomberg Barclays Municipal Bond Index. Indices are not available for direct investment. The blended benchmarks are rebalanced on a monthly basis. The benchmarks have not been examined by Deloitte & Touche LLP.

Lord, Abbett & Co. LLC claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Lord, Abbett & Co. LLC has been independently verified for the periods 1993 through 2019. The verification report is 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.

Source: Bloomberg Index Services Limited. BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg"). BARCLAYS® is a trademark and service mark of Barclays Bank Plc (collectively with its affiliates, "Barclays"), used under license. Bloomberg or Bloomberg's licensors, including Barclays, own all proprietary rights in the Bloomberg Barclays Indices. Neither Bloomberg nor Barclays approves or endorses this material, or guarantees the accuracy or completeness of any information herein, or makes any warranty, express or implied, as to the results to be obtained therefrom and, to the maximum extent allowed by law, neither shall have any liability or responsibility for injury or damages arising in connection therewith.

**Past performance is not a reliable indicator or a guarantee of future results.** Differences in account size, timing of transactions, and market conditions prevailing at the time of investment may lead to different results among accounts. Differences in the methodology used to calculate performance also might lead to different performance results than those shown. Composite performance is compared to that of an unmanaged index, which does not incur management fees, transaction costs, or other expenses associated with a managed account.