



# MANAGED ACCOUNTS – INTERMEDIATE 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 ACTIVE MANAGEMENT

- Robust analysis of yield curves, sectors, and credit spreads determines the optimal portfolio positioning for total return potential.
- Credit research and yield curve analysis intended to ensure adequate compensation for credit and interest rate risk.
- Ongoing credit surveillance can identify more attractive investment opportunities.

## INVESTMENT TEAM

### Team Leader(s):

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

Daniel T. Vande Velde, Partner & Portfolio Manager  
31 Years Industry Experience\*

Phillip B. Herman, Partner & Portfolio Manager  
22 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  
11 Years Avg. Industry Experience\*

\*As of 01/01/2021

## INVESTMENT STRATEGY

The Lord Abbett Intermediate 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 opportunities within the intermediate portion of the yield curve to generate additional income while managing portfolio risks.

## 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. For these reasons combined with recent underperformance, we have increased the portfolio's allocation to both sectors.
- The portfolios are overweight the 'AA' and 'A' range and underweight lower credit qualities due to portfolio restrictions.

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

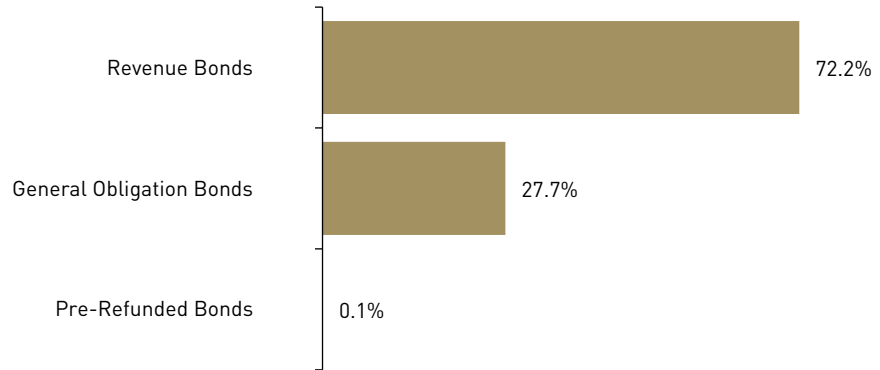
**A Note about Risk:** As interest rates rise, the prices of debt securities tend to fall; as rates fall, prices tend to rise. The value of a portfolio will change as interest rates fluctuate. Municipal securities may include insured municipal securities that are covered by insurance policies that guarantee 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**

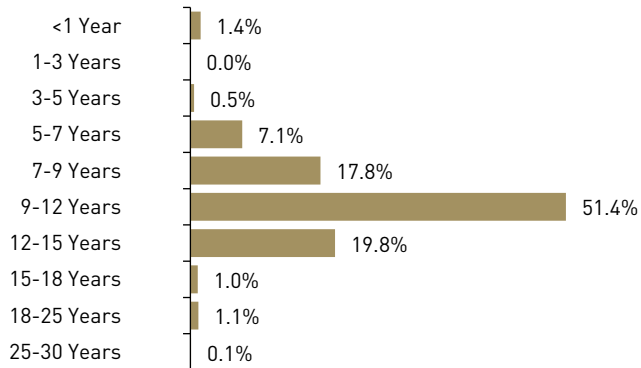
Average Current Yield	3.78%
Average Price	\$123.87
Average Coupon	4.8%
Avg. Stated Maturity	10.3 Years
Effective Duration	5.7 Years

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

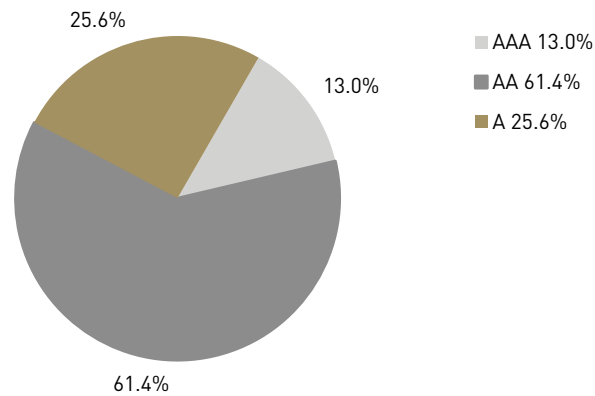
**TYPE BREAKDOWN**



**MATURITY BREAKDOWN**



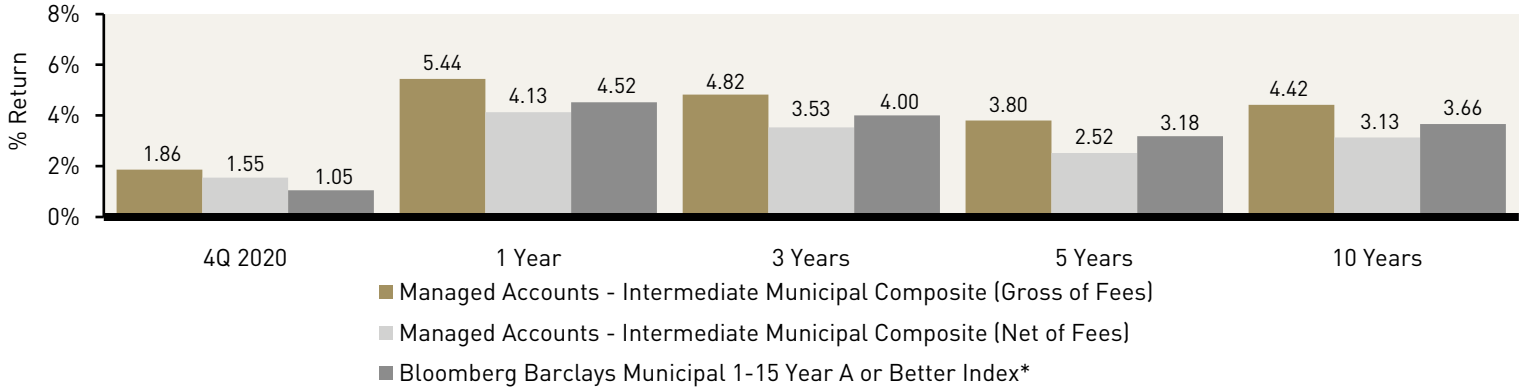
**CREDIT QUALITY DISTRIBUTION**



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	2020
Gross	11.61%	4.64%	-2.05%	7.76%	3.78%	-0.31%	4.95%	1.16%	7.99%	5.44%
Net	10.24%	3.35%	-3.26%	6.43%	2.50%	-1.54%	3.65%	-0.10%	6.65%	4.13%
Bloomberg Barclays Municipal 1-15 A or Better Index*	8.75%	4.37%	-0.93%	6.06%	2.76%	-0.06%	4.00%	1.47%	6.07%	4.52%
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. Effective 07/01/2019 the strategy's benchmark changed from a 50/50 blend of the Bloomberg Barclays 7 year Municipal Index and the Bloomberg Barclays 10 year Municipal Index to the Bloomberg Barclays Municipal 1-15 year A or Better Index. Lord Abbett believes the new benchmark is more appropriate for comparison purposes and is not the result of any material changes to the investment strategy.\*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 1-15 Year A or Better Municipal Index** is a component of the Bloomberg Barclays Municipal Bond Index. Bonds included in the index have remaining years to maturity between 1 and 16.9999, and for each of the three ratings agencies (S&P, Moody's, and Fitch) having a rating of either A3 or better.

**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

The information contained herein is provided by Lord, Abbett & Co. LLC ("Lord Abbett"). The information contained herein is current as of the date of issuance (or such earlier date as referenced herein) and is subject to change without notice. Lord Abbett has no obligation to update any or all of such information. All amounts, market value information, and estimates included herein have been obtained from outside sources where indicated or represent the good faith judgment of Lord Abbett. Where such information has been obtained from outside sources, Lord Abbett cannot guarantee the accuracy or completeness of such information. **These materials are not intended to be an offer or solicitation with respect to the purchase or sale of any security or other financial instrument or any investment management services. These materials do not constitute investment advice and should not be used as the basis for any investment decision.**

These materials do not take into account individual client circumstances, objectives, or needs. No determination has been made regarding the suitability of any securities, financial instruments, or strategies for particular clients or prospects.

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These materials do not purport to provide any legal, tax, or accounting advice.

The financial indices referenced herein as benchmarks are provided for information purposes only. Portfolio holdings and characteristics will differ from those of the benchmark(s), and such differences may be material. Factors affecting portfolio performance that do not affect benchmark performance may include portfolio rebalancing, the timing of cash flows, credit quality, diversification, and differences in volatility. In addition, financial indices do not reflect the impact of fees, applicable taxes, or trading costs, which reduce returns. Unless otherwise noted, financial indices assume reinvestment of dividends. You cannot make a direct investment in an index.

The information provided is not directed at any investor or category of investors and is provided solely as general information about Lord Abbett's products and services and to otherwise provide general investment education. None of the information provided should be regarded as a suggestion to engage in or refrain from any investment-related course of action as neither Lord Abbett nor its affiliates are undertaking to provide impartial investment advice, act as an impartial adviser, or give advice in a fiduciary capacity. If you are an individual retirement investor, contact your financial advisor or other fiduciary about whether any given investment idea, strategy, product or service may be appropriate for your circumstances.

**IMPORTANT INFORMATION REGARDING PERFORMANCE**

The GIPS® Compliant performance results shown below represent the investment performance record for Lord, Abnett & Co. LLC's Managed Accounts Intermediate Term Municipal Composite (the "Composite"), which includes all unconstrained, fully discretionary, individually managed general market municipal accounts managed in a separately managed account program. Currently, the performance results reflect the linking of the returns of Lord Abnett's Intermediate Municipal Institutional Composite (the "Institutional Composite") (for periods prior to March 2007) and the Managed Accounts Composite (for periods after and including March 2007) (the commencement date of the Composite). New accounts are included in the Managed Accounts Composite as of the second 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 March 2007. A complete list of Lord Abnett 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, Abnett & Co. LLC ("Lord Abnett"). 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 Abnett. Total Firm Assets also include any collateralized, structured investment vehicle, such as a collateralized debt obligation or collateralized loan obligation, for which Lord Abnett 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, Abnett & Co. LLC did not have the records so long as it is impossible for Lord, Abnett & 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 INTERMEDIATE TERM MUNICIPAL COMPOSITE**

Calendar Year Ended	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
# of Portfolios	4586	3910	3787	3121	2552	2133	1736	1547	1079	695
Total Assets (\$M)	\$3,637	\$2,802	\$2,787	\$2,086	\$1,940	\$1,608	\$1,171	\$1,104	\$778	\$421
Percentage of Firm Assets	1.78%	1.74%	1.79%	1.55%	1.56%	1.18%	0.86%	0.86%	0.72%	0.40%
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	0.33	0.25	0.32	0.39	0.32	0.50	0.62	0.48	0.5	0.69
LA MA Intermediate Term Muni Composite Performance Gross (Annual)	7.99%	1.16%	4.95%	-0.31%	3.78%	7.76%	-2.05%	4.64%	11.61%	4.13%
LA MA Intermediate Term Muni Composite Performance Gross (3 year Annualized Return)	4.66%	1.91%	2.78%	3.69%	3.09%	3.37%	4.58%	6.74%	7.89%	5.27%
LA MA Intermediate Term Muni Composite Performance Gross (3 year Annualized Ex-Post Standard Deviation)	2.92%	3.88%	3.89%	3.96%	3.77%	3.84%	4.34%	4.15%	5.61%	6.53%
LA MA Intermediate Term Muni Composite Performance Net (Annual)	6.65%	-0.10%	3.65%	-1.54%	2.50%	6.43%	-3.26%	3.35%	10.24%	2.85%
LA MA Intermediate Term Muni Composite Performance Net (3 year Annualized Return)	3.37%	0.65%	1.51%	2.41%	1.81%	2.09%	3.30%	1.81%	2.09%	3.30%
Bloomberg Barclays Municipal 1-15 Year A3 and Above 7/1/19 forward / Bloomberg Barclays 7 Year Municipal 50% / Bloomberg Barclays 10 Year Municipal 50% (Annual)	6.95%	1.53%	5.16%	-0.31%	3.51%	7.40%	-1.57%	4.95%	11.23%	4.34%
Bloomberg Barclays Municipal 1-15 Year A3 and Above 7/1/19 forward / Bloomberg Barclays 7 Year Municipal 50% / Bloomberg Barclays 10 Year Municipal 50% (3 year Annualized Return)	4.52%	2.10%	2.76%	3.49%	3.05%	3.52%	4.74%	6.80%	8.06%	5.34%
Bloomberg Barclays Municipal 1-15 Year A3 and Above 7/1/19 forward / Bloomberg Barclays 7 Year Municipal 50% / Bloomberg Barclays 10 Year Municipal 50% (3 year Annualized Ex-Post Standard Deviation)	2.53%	3.62%	3.62%	3.59%	3.23%	3.40%	3.88%	3.77%	4.90%	5.97%

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 (1) includes only portfolios that have been managed within the Composite style for a full year and (2) is not meaningful for periods in which five or fewer accounts comprised the Composite.

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 Abnett 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 Abnett's Form ADV Part 2A Brochure for additional information on Lord Abnett'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 1-15 Year A3 and Above Index is a component of the Bloomberg Barclays Municipal Bond Index. Bonds included in the index have remaining years to maturity between 1 and 16.9999, and for each of the 3 rating agencies (S&P, Moody's Fitch) having a rating of either A3 or better. 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 50% Bloomberg Barclays 7-year Municipal Index / 50% Bloomberg Barclays 10-year Municipal Index are components of the Bloomberg Barclays Municipal Bond Index. The Bloomberg Barclays 7-year Municipal Index have bonds with an effective maturity of 6 to 8 years. The Bloomberg Barclays 10-year Municipal Index have bonds with an effective maturity of 10 to 12 years. 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, Abnett & 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, Abnett & 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.