

## F/m GENOA INTERMEDIATE MUNICIPAL BOND OVERVIEW

The strategy returned 0.87% (gross) versus the benchmark index return of 0.18%.

- Primary drivers for positive relative performance versus the benchmark index was both health care & education, which the strategy was overweight in those sectors.
- Additional positive relative returns were due to the overweighting of maturities greater than 15 years. The municipal yield curve flattened during the quarter to the benefit of the strategy.
- Detractors versus the benchmark index was primarily due to the underweighting of State General Obligation bonds versus the benchmark index.

Duration for the Intermediate municipal strategy was slightly lower than the benchmark. The portfolio has exposure beyond the benchmark index, but many of the positions have are callable prior to maturity.

Strategy Review		<i>As of 06/30/2021 (source: Morningstar)</i>
<b>Intermediate Muni</b>		
<i>Performance (Composite)</i>		
Strategy YTD (gross)		0.87%
Strategy YTD (net)		0.62%
Benchmark YTD*		0.18%
Relative Perf YTD (g)		0.69%

Characteristics Overview	Strategy	Benchmark*
Market Yield	1.12%	0.70%
Duration	4.44 yrs	4.68 yrs
Credit	AA-	AA-

\*Bloomberg Barclays 7-Year Municipal Index

### PERFORMANCE CONTRIBUTORS:

- Sector selection of Health Care, Local GO's, and underweighting in State GO's
- Overweighted in callable maturities longer than 15 years
- Higher market yield (income) return vs the benchmark

### PERFORMANCE DETRACTORS:

- Sector underweighting versus State General Obligation bonds

### STRATEGY POSITION AND BALANCE OF 2021 OUTLOOK

Municipals performed with U.S. Treasuries during the quarter as interest rates in general moved slightly lower. Positive cash flows into municipal bond funds & ETFs continued throughout the quarter despite lower yields. As we go into the balance of 2021, we expect that the current exposure to longer final maturities versus the benchmark will decrease from the current average percentages of 45% to 60% to approximately 20%-30%.

<sup>1</sup> Source: Bloomberg L.P.

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The Bloomberg Barclays 7 Year Municipal Bond Index measures the performance of the investment grade, US Dollar-Denominated, tax exempt bond market for those with remaining maturities of six to eight years. The index includes four main sectors: state and local general obligation bonds, revenue bonds, insured bonds, and pre-refunded bonds. It is a market-value weighted index. The index is unmanaged and not available for direct investment. The benchmark index reflects the reinvestment of dividends and income and no deductions for fees, expenses or taxes. Performance is shown gross of fees and does not reflect the effect of income taxes on the investment returns.

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