SYMPHONY
FLOATING RATE SENIOR LOAN FUND

BROMPTON FUNDS

SUB-ADVISOR COMMENTARY - MAY 31, 2019

The Fund returned (1.7%) for the month of April 2019. The Credit Suisse Leveraged Loan Index returned (0.23%) for the same period.

According to J.P. Morgan, the U.S. senior loan market like the majority of other U.S. capital markets fell in the month of May as investors were surprised by the deterioration of U.S.-China trade talks that were expected to reach a positive resolution in the month. Instead, negative trade rhetoric between the two countries ratcheted up, prompting investors to reassess global and U.S. growth expectations, along with expected policy responses from the U.S. Federal Reserve. The decline in the U.S. loan market however was modest in comparison to other U.S. corporate markets (i.e., high yield and equities), given their seniority in the corporate capital structure.

The May loan market decline was broad based with 18 of the 21 industries falling. The three exceptions generating positive results during the month were Utility, Transportation, and Broadcasting. Utility and Transportation, in particular, benefitted from the resetting of U.S. interest rate expectations with consensus views now indicating the potential for one to two Fed rate cuts before calendar year-end. Broadcasting held up in the period primarily due to positive idiosyncratic factors related to specific issuers within the industry. Falling the most in the month were issuers within higher beta industries Metals & Mining, Retail, and Telecommunications. In terms of default activity, there was a decline in both the number and volume of defaults during the period. Two companies totaling $2.4bn (bonds $2.1bn and loans $303mn) defaulted in May, as compared to six defaults totaling $8.1bn in April.

The portfolio benefitted from superior issue selection within select industries, most notably within Telecommunications and Consumer (Personal) Products. The loan of Sprint, a telecom company, rose on positive sentiment as the company is expected to benefit from strategic M&A activity. Within Consumer Products, exposure to the loan of Revlon, a multinational cosmetics and personal care company, also aided return as the company reported better-than-expected quarterly earnings. Notably detracting from performance was exposure to the re-org equity of Avaya, a telecom-related tech hardware company. The company's equity fell in sympathy with the broader U.S stock market sell-off in the month (S&P 500 Index down -6.35%). Also detracting from absolute return was exposure to the loan of Walter Investment Management, a U.S. mortgage originator and servicer, which is in the midst of a formal restructuring.

Given the expected continued strength of the U.S. economy, we believe there remains a low probability of a near term U.S. recession and the 2019 corporate loan market default rate will remain below its historical average. This being said, we are vigilant of the potential impact of unresolved global macro events (e.g., U.S./China trade relations, Brexit, etc.) that may lead to short spikes in investor risk aversion and thus potential downward price volatility in the loan market. We are confident the portfolio's higher liquidity profile and credit quality bias relative to the broader loan market will serve investors well over the remainder of 2019.

SYMPHONY
ASSET MANAGEMENT

Note: This page is not complete without disclaimers on page 2.

Annual Compound Returns[1]	1-Year	3-Year	5-Year	Since Inception A & U[2]	Since Inception C & F[3]
Symphony Floating Rate Senior Loan Fund - Class A	1.7%	6.2%	3.4%	5.9%	-
Symphony Floating Rate Senior Loan Fund - Class C	1.4%	-	-	-	3.3%
Symphony Floating Rate Senior Loan Fund - Class F	1.4%	-	-	-	3.8%
Symphony Floating Rate Senior Loan Fund - Class U	2.3%	6.3%	3.3%	5.5%	-
Credit Suisse Leveraged Loan Index	4.0%	5.4%	3.9%	4.9%	4.3%

(1) Returns are for the periods ended May 31, 2019.

(2) Inception date November 1, 2011.

(3) Inception date January 10, 2017.

The table shows the Fund's compound returns for each period indicated compared with the Credit Suisse Leveraged Loan Index. The Credit Suisse Leveraged Loan Index ("Loan Index") is an appropriate benchmark as it is designed to mirror the investable universe of the US dollar denominated leveraged loan market in which the Fund also invests. The Loan Index is unleveraged and its returns are calculated without the deduction of fees, fund expenses, and trading commissions whereas the performance of the Fund includes the impact of leverage and is calculated after deducting such fees and expenses. Since the Fund is actively managed, the sector weightings may differ from those of the Loan Index.

Investor Relations
PHONE 416.642.6000
TOLL FREE 1.866.642.6001
FAX 416.642.6001
EMAIL info@bromptongroup.com

Website
www.bromptongroup.com

Address
Bay Wellington Tower,
Brookfield Place
181 Bay Street
Suite 2930, Box 793
Toronto, Ontario M5J 2T3