Sub-Advisor Commentary - April 30, 2022

The Fund posted -0.68% for the month of April 2022. The Credit Suisse Leveraged Loan Index returned +0.04% for the same period.

Risk assets sold off in April as investors remained laser focused on the Fed's hiking trajectory. Though there was no policy meeting in April, rhetoric from FOMC members leaned hawkish, with the committee evidently agreeing to raise rates "expeditiously" with the goal of reaching their estimate of "neutral" as soon as possible. Against this backdrop, treasury yields continued their sharp selloff during April, with the 10 year yield rising +60bps to reach 2.94%.

Amid the move higher in rates, loans were once again the bright spot relative to more rate-sensitive fixed income assets. Per J.P. Morgan, senior loans' 356bp of outperformance versus high yield bonds in April represented the most significant of the past decade. Continued strong demand from retail investors supported loan technicals. Retail senior loan funds saw a 17th consecutive inflow (+$4B) in April, bringing YTD inflow to $70.6B. CLO formation picked up modestly during the month as gross US CLO volume totaled $16.4 in April, compared to $13.3bn in March. Within the asset class, dispersion continued between higher quality issues and riskier loans. For the month, double-B and single-B rated loans gained 0.42% and 0.19%, respectively, while CCCs lost 0.50% (Source: S&P LCD, J.P. Morgan).

Detracting from relative performance during the month included the loans of a light engine technology company (Lumileds) impacted by supply chain disruption, as well as equity exposures obtained through reorganization which traded down along with the broad selloff in the stock market. Aiding relative performance included good issue selection within Consumer Discretionary and Health Care.

We believe the senior secured position of leveraged loans in the capital structure, combined with their shorter maturity profile (i.e., lower spread duration) make the asset class an important part of an asset allocation in a hiking rate environment with decelerating economic growth. The underlying growth outlook is healthy, as consumers have strong balance sheets and businesses are reinvesting. We expect overall default risk for the broad loan market to remain well below historical averages over the near to medium term.

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Annual Compound Returns[1]	1-YR	3-YR	5-YR	10-YR	Since Inception A & U[2]
Symphony Floating Rate Senior Loan Fund - Class A	7.5%	3.2%	3.5%	4.8%	5.3%
Symphony Floating Rate Senior Loan Fund - Class U	7.3%	3.7%	3.9%	4.9%	5.2%
Credit Suisse Leveraged Loan Index	2.9%	3.6%	4.0%	4.4%	4.6%

(1) Returns are for the periods ended April 30, 2022 and are unaudited. The table shows the Fund's compound return for each period indicated compared with the Credit Suisse Leveraged Loan Index ("Loan Index"). The Loan Index is an appropriate benchmark as it is designed to mirror the investable universe of 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.

(2) Inception date November 1, 2011.

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