

YIELD ENHANCED



Piton Government Mortgage Backed Securities (MBS)

Understanding Piton's Government MBS Strategy

The Investment Objective of Piton's Government MBS Strategy is to generate government guaranteed income through the exclusive investment in Agency mortgage-backed securities (MBS) issued or guaranteed by one of the three U.S. government-sponsored enterprises (GSEs): Fannie Mae, Freddie Mac, or Ginnie Mae. The portfolio aims to generate enhanced yield within the confines of US government securities while also generating total return in excess of the strategy's stated benchmark, the *Bloomberg U.S. Aggregate Index*.

What Our Government MBS Strategy Looks Like



Assets are closely and actively managed



Enhanced Government-backed yield serves as the primary driver



Focus is on Government guaranteed securities, predominantly Agency MBS



Portfolio target duration ranges between 3.0 – 6.0 years

Strategy Assets



Agency MBS

Fixed rate pass-throughs
Collateralized Mortgage Obligations (CMOs)



US Treasuries

Portfolio Characteristics

Period End Portfolio Yield: 4.58%

Current Portfolio Duration: 6.01
(Option Adjusted)

Current Portfolio Convexity: -0.36
(Option Adjusted)

Strategy Minimum: \$1.0mm US

The Portfolio Yield shown above represents Yield-to-Maturity based on the actual 1-month prepayment speed at period end. It should not be assumed that any investment strategy will prove to be profitable. The information provided herein including investment yields, current durations and average credit quality may be modified at any time without notice. For specific performance results of this investment strategy, please click on the link which will provide you with the most current information. This document shall not constitute an offer to invest and should not be relied upon in making any investment decisions. The information contained herein is for use by the intended recipient and cannot be reproduced, shared or published in any manner without prior written consent. See Piton Investment Management's ADV Part 2 for more information.