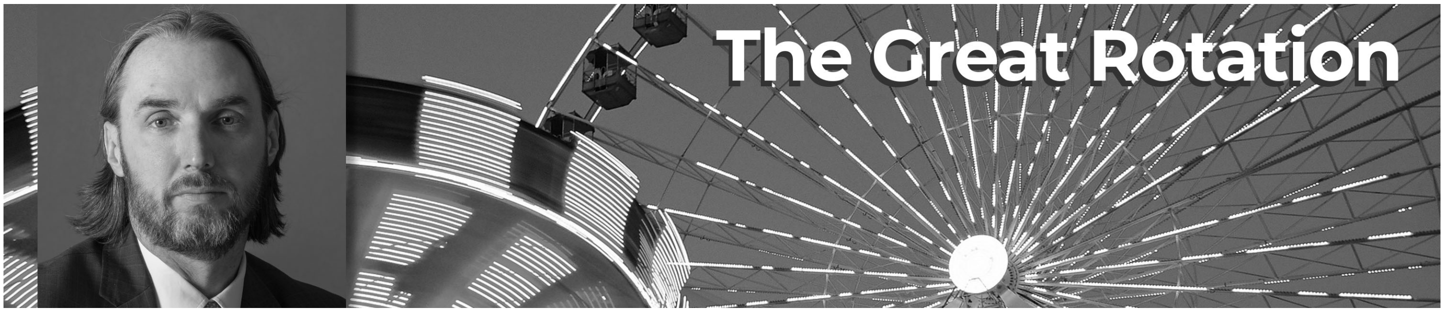
DoubleLine ETF Webcast Recap

Originally Aired September 27, 2022



About this Webcast Recap

On September 27, 2022, Chief Executive Officer Jeffrey Gundlach and Deputy Chief Investment Officer Jeffrey Sherman, CFA held a webcast titled "DoubleLine ETF Webcast," that discussed DoubleLine's ETFs: the DoubleLine Opportunistic Bond ETF (DBND) and the DoubleLine Shiller CAPE® U.S. Equities ETF (CAPE)*.

This recap is not intended to represent a complete transcript of the webcast. It is not intended as solicitation to buy or sell securities. If you are interested in hearing more of Mr. Gundlach's and Mr. Sherman's views, please listen to the full version of this webcast on www.doublelinefunds.com and click on the "Webcasts" tab under "Latest Webcast" or visit DoubleLine's YouTube channel at YouTube/DoubleLineFunds.

DoubleLine Shiller CAPE® U.S. Equities ETF (CAPE) Performance (September 30, 2022)

	1 Mo	3 Mo	6 Mo	YTD	1 Yr	3 Yr	5 Yr	Since Inception (March 31, 2022)
NAV	-10.38	-3.58	-	-	-	-	-	-19.72
Market Price	-10.59	-3.51	-	-	-	-	-	-19.76
Bloomberg US Aggregate Bond Index	-9.21	-4.88	-	-	-	-	-	-20.20

30-Day SEC Yield (As of September 30, 2022)
Gross 1.37 | Net 1.37

DoubleLine Opportunistic Bond ETF (DBND) Performance (September 30, 2022)

	1 Mo	3 Mo	6 Mo	YTD	1 Yr	3 Yr	5 Yr	Since Inception (March 31, 2022)
NAV	-3.86	-3.88	-	-	-	-	-	-7.60
Market Price	-3.92	-3.91	-	-	-	-	-	-7.52
Bloomberg US Aggregate Bond Index	-4.32	-4.75	-	-	-	-	-	-9.22

30-Day SEC Yield (As of September 30, 2022)
Gross 4.16 | Net 4.16

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance data current to the most recent month-end may be obtained by calling (213) 633-8200 or by visiting www.doublelinefunds.com.

*** This ETF is different from traditional ETFs.** Traditional ETFs tell the public what assets they hold each day. This ETF will not. This may create additional risks for your investment. For example:

- You may have to pay more money to trade the ETF's shares. This ETF will provide less information to traders, who tend to charge more for trades when they have less information.
- The price you pay to buy ETF shares on an exchange may not match the value of the ETF's portfolio. The same is true when you sell shares. These price differences may be greater for this ETF compared to other ETFs because it provides less information to traders.
- These additional risks may be even greater in bad or uncertain market conditions.

The differences between this ETF and other ETFs may also have advantages. By keeping certain information about the ETF secret, this ETF may face less risk that other traders can predict or copy its investment strategy. This may improve the ETF's performance. If other traders are able to copy or predict the ETF's investment strategy, however, this may hurt the ETF's performance.

For additional information regarding the unique attributes and risks of the ETF, see the Prospectus and SAI, which are available on the ETF's website.

Global Economic Data

- U.S. real gross domestic product (GDP) surpassed its pre-COVID-19 peak in 2021, erasing its recession drawdown.
  - However, based on the median forecast of economists surveyed by Bloomberg as of August, U.S. real GDP growth is projected to stay below its long-term trend for the foreseeable future.
- Every major global region is contributing to slowing economic activity.
  - Economic data shows the U.S., emerging markets (EM), eurozone and China underperforming their 12-month trend.
- Because slowing growth has also crimped expectations for economic data, some data prints are surprising to the upside again.
  - The Citigroup Economic Surprise Index turned positive in September after indicating negative surprises in U.S. economic data over much of the summer.
- Forecasts for U.S. real GDP have been downgraded in recent months.
  - U.S. real GDP is forecast to grow 1.6% year-over-year (YoY) in 2022, as of Sept. 27.
- The Federal Reserve Bank of New York's Weekly Economic Index (WEI) is a higher-frequency measure of economic activity than GDP.
  - The WEI has also been pointing to a slowing growth rate in the U.S.

Economic Indicators and Inflation

- Leading economic indicators are beginning to deteriorate.
  - The Conference Board Leading Economic Index (LEI) indicated an economic contraction of negative 1.0% YoY as of August, with its six-month annualized rate at negative 5.3%.
- Measures of core inflation in the U.S. have broadly risen to their highest levels in over 30 years and are growing at a substantially higher rate than the Fed's stated long-term target of 2.0% YoY.
  - Excluding food and energy prices, both the core Consumer Price Index (CPI) (6.3% YoY) and the Fed's preferred measure for inflation, the Core Personal Consumption Expenditures (PCE) Price Index (4.6% YoY), have broken out to near 40-year highs as of Aug. 31 and July 31, respectively.
  - Meanwhile, the Cleveland Fed's Median CPI and Atlanta Fed's Sticky-Price CPI have been rising at rates ranging from 6.0% to 7.0% YoY as of Aug. 31.
- The two components of core CPI, goods and services, which had diverged significantly since the onset of the pandemic, are converging again.
  - The recent advance of core goods inflation, at 7.1% YoY as of Aug. 31, stands in contrast to roughly the last five years pre-pandemic in which core goods experienced a deflationary environment.
  - Meanwhile, core services, which grew at 6.1% YoY as of Aug. 31, could see continuing and persistent inflationary pressures.
- Increased shelter costs are likely to continue putting pressure on the services component of core CPI in the near-term.
  - The outsized contribution of core goods in core CPI post-pandemic is an aberration relative to the last roughly 30-year period.
- Elevated goods inflation was likely driven, in part, by global supply chain bottlenecks, which are easing.
  - The New York Fed's Global Supply Chain Pressure Index has retreated from its high set in December 2021.
- Robust manufacturing activity still indicates economic expansion.
  - As of August, both the ISM Manufacturing PMI and ISM Services PMI registered in expansionary territory.
- The ISM Prices Paid Index, which tends to lead CPI by approximately four months, has come down from its record high print in June 2021.

- Implied inflation in the bond market, as measured by breakevens (yield differential between nominal U.S. Treasuries and equivalent tenor Treasury Inflation-Protected Securities (TIPS)), has come down relative to earlier in the year.
  - U.S. five- and 10-year breakevens at 2.4%, as of Sept. 27, seem to indicate the market expects elevated inflation will dissipate over the coming years.
- Real yields, as measured by 10-year TIPS rates, have moved broadly positive year-to-date (YTD), a significant repricing that hasn't been experienced since 2011.
  - Jeffrey Sherman believes higher real yields have broad implications for risk assets as investors reassess earnings multiples and return expectations for various asset classes.

U.S. Labor Statistics

- Broad measures of U.S. employment still indicate a healthy labor market.
  - As of August, the U.S. surpassed the pre-pandemic peak for the number of individuals employed, erasing all the job losses of the COVID-19 recession.
- Job openings outnumber unemployed workers by nearly two to one as of August.
- The tight labor market has contributed to increased competition for workers and higher wage growth.
  - The Bureau of Labor Statistics' measure of average hourly earnings for nonfarm payrolls grew at a seasonally adjusted rate of 6.1% YoY as of August.
  - The Atlanta Fed's Wage Growth Tracker indicated wages grew at 6.7% YoY as of August.

Fixed Income Market Performance and Metrics

- The bond market is on pace for its worst calendar year since the inception of the Bloomberg US Aggregate Bond Index ("the Agg") in 1976.
  - Longer-duration EM debt and investment grade (IG) corporates are some of the laggards YTD, with negative returns being driven, in large part, by rising Treasury yields.
- As of Sept. 27, the market had priced in approximately 100 basis points (bps) of additional interest rate hikes by the Fed before year-end 2022.
  - Looking out further, the market expects the Fed to have to relent on monetary policy tightening and implement interest rate cuts in 2023.
  - Historically, once the Fed reaches the peak of a hiking cycle for the federal funds rate, it typically stays at the terminal rate for nine months.
- The upheaval in fixed income markets YTD has led to an improvement in future potential return profiles for bond investors.
  - Starting yield tends to have a strong relationship with forward return in fixed income.
  - As of August, the Agg yield to worst was 4.0%
- Nontraditional bond sectors offer additional incremental yield compared to those sectors represented in the Agg.
  - For example, as of Sept. 26, high yield (HY) corporates were yielding approximately 9.5% and EM sovereign bonds were yielding approximately 9.3%, as measured by the Bloomberg US Corporate High Yield Bond Index and J.P. Morgan EMBI Global Diversified, respectively.

DoubleLine Opportunistic Bond ETF (DBND)

- The DoubleLine Opportunistic Bond ETF (DBND) utilizes DoubleLine's Fixed Income Asset Allocation (FIAA) process with the goal of outperforming its benchmark, the Agg, over a full market cycle.
  - Members of the FIAA Committee have been working together for an average of 20 years, managing through various market cycles and interest rate environments.
- The committee employs an active management approach to constructing portfolios, utilizing top-down asset allocation decisions based on macroeconomic views with an 18-to-24-month horizon.
  - The committee pairs the top-down process with bottom-up security selection by each of its portfolio sector specialist teams.
- As active managers, the DoubleLine team can access a broad opportunity set across a range of fixed income sectors while actively managing risk.
  - Asset allocation blending traditional sector exposures with nontraditional sectors outside the benchmark is guided by relative valuation.
- As of Sept. 26, DBND was allocated to government-guaranteed securities, U.S. corporate credit and securitized credit:
  - Government-guaranteed securities account for roughly 40% of the portfolio, with 23% in Treasuries and 17% in Agency mortgage-backed securities (MBS).
  - The U.S. corporate credit exposure is generally tilted toward higher quality, with IG accounting for 15% and HY accounting for 8%.
  - The remaining exposure is invested in securitized credit comprising non-Agency MBS (16%), commercial MBS (10%) and asset-backed securities (9%).
  - Cash represented 3%.
- DBND is positioned with less duration and more yield than the benchmark.
  - DBND's duration was 5.5 years as of Sept. 26 relative to 6.3 years for the Agg.
  - DBND's yield to maturity was 5.7% as of Sept. 26 relative to 4.8% for the Agg.

DoubleLine Shiller CAPE® U.S. Equities ETF (CAPE)

- The Shiller Barclays CAPE® U.S. Total Return Index employs a rules-based, systematic approach that was developed by Professor Robert Shiller in partnership with Barclays Capital.
- The CAPE® index's rules-based systematic approach begins by applying Professor Shiller's valuation methodology to calculate the CAPE® ratio for each of the 11 sectors of the S&P 500 Index.
  - The CAPE® ratio uses the current price of the sector divided by 10 years of inflation-adjusted average earnings for that sector.
- The CAPE® index then calculates the relative CAPE® ratio, comparing the current CAPE® ratio of each sector to its 20-year average. This indicates how each sector's valuation compares relative to its history.
  - This step normalizes CAPE® ratios across sectors to account for the idiosyncratic differences inherent in each sector's valuation multiple and provide a metric to compare valuation among sectors.
- The CAPE® index then ranks each sector based on its relative CAPE® ratio and selects the five sectors with the lowest relative ratio.
- Strategies constructed using fundamental valuation metrics might incorporate constituents that are undervalued due to legitimate fundamental reasons, i.e., a "value trap."
  - In an attempt to avoid the value trap, the CAPE® index applies a momentum filter to the five most undervalued sectors. The filter eliminates the sector with the lowest trailing 12-month return.
- This monthly process results in four equally weighted (25% each) sectors.
  - Since the CAPE® index went live in September 2012, it has had exposure to each of the S&P 500 GICS sectors except utilities.
- The CAPE ETF invests in the underlying securities comprising the four sectors of the CAPE® index.

Definitions

Basis Points (BPS) – Basis points (or basis point (bp)) refer to a common unit of measure for interest rates and other percentages in finance. One basis point is equal to 1/100th of 1%, or 0.01% or 0.0001, and is used to denote the percentage change in a financial instrument. The relationship between percentage changes and basis points can be summarized as: 1% change = 100 basis points; 0.01% = 1 basis point.

Bloomberg US Aggregate Bond Index – This index (the "Agg") represents securities that are SEC registered, taxable and dollar denominated. It covers the U.S. investment grade, fixed-rate bond market, with components for government and corporate securities, mortgage pass-through securities and asset-backed securities. These major sectors are subdivided into more specific indexes that are calculated and reported on a regular basis.

Bloomberg US Corporate High Yield (HY) Bond Index – This index measures the U.S. dollar-denominated, HY, fixed-rate corporate bond market. Securities are classified as HY if the respective middle ratings of Moody's, Fitch and S&P are Ba1, BB+ or BB+ or below. The Bloomberg US HY Long Bond Index, including bonds with maturities of 10 years or greater, and the Bloomberg US HY Intermediate Bond Index, including bonds with maturities of 1 to 9.999 years, are subindexes of the Bloomberg US Corporate HY Bond Index.

Citigroup Economic Surprise Index – This index tracks how economic data compared with expectations in selected countries or regions. The index rises when economic data exceeds economists' consensus estimates, as tallied by the Bloomberg economist survey, and falls when data is below forecasts.

Conference Board Leading Economic Index (LEI) – This index tracks a group of composite indexes (manufacturers' orders, initial unemployment insurance claims, et al.) as a means of gauging the strength of a particular industry or the economy.

Consumer Price Index (CPI) – This index, compiled by the U.S. Bureau of Labor Statistics, examines the weighted average of the prices of a basket of consumer goods and services, such as transportation, food and medical care. It is calculated by averaging price changes for each item in the basket. Changes in the CPI are used to assess price changes associated with the cost of living. The CPI is one of the most frequently used statistics for identifying periods of inflation or deflation.

Core Personal Consumption Expenditures (PCE) Price Index – This index, published by the U.S. Bureau of Economic Analysis, measures prices paid by consumers for goods and services, excluding the volatility of food and energy prices, to gauge underlying inflation trends. It is the Federal Reserve's preferred index for tracking inflation.

Cyclically Adjusted Price-to-Earnings (CAPE®) Ratio – This ratio measures valuation by using real earnings per share (EPS) over a 10-year period to smooth out fluctuations in corporate profits that occur during different periods of a business cycle. It is also known as the "Shiller P/E ratio" for Yale University Dr. Robert Shiller, who popularized its use.

Federal Funds Rate – Target interest rate, set by the Federal Reserve at its Federal Open Market Committee (FOMC) meetings, at which commercial banks borrow and lend their excess reserves to each other overnight. The Fed sets a target federal funds rate eight times a year, based on prevailing economic conditions.

Global Industry Classification Standard (GICS) – Hierarchical industry classification system, created by Morgan Stanley Capital International and S&P Dow Jones Indices in 1999, comprising four tiers going from broadest to narrowest to classify companies by industry: sectors, industry groups, industries and subindustries. The 11 GICS sectors are: energy, materials, industrials, consumer discretionary, consumer staples, healthcare, financials, information technology, real estate, communication services and utilities.

Global Supply Chain Pressure Index (GSCPI) – This index, published by the Federal Reserve Bank of New York, draws upon shipping, air freight and purchasing managers' index data to track supply chain pressure and its impact on economic outcomes.

ISM Manufacturing PMI – This index (which used to be called the ISM Manufacturing Purchasing Managers Index) is compiled by the Institute for Supply Management and tracks the economic health of the manufacturing sector. The index is based on five major indicators: new orders, inventory levels, production, supplier deliveries and employment environment.

ISM Prices Paid Index – This index is a subindex of the ISM Manufacturing PMI, which is compiled by the Institute for Supply Management and tracks the economic health of the manufacturing sector. The index is based on five major indicators: new orders, inventory levels, production, supplier deliveries and employment environment. The Prices Paid Index is a diffusion index calculated by adding the percent of responses indicating managers paid more for inputs plus one-half of those responding that they paid the same for inputs. The resulting single index number is then seasonally adjusted.

ISM Services PMI – This index (which used to be called the ISM Non-Manufacturing Purchasing Managers Index) is compiled by the Institute for Supply Management and tracks the economic health of the services (formerly nonmanufacturing) sector.

J.P. Morgan Emerging Markets Bond Index Global Diversified (EMBI GD) – This index is a uniquely weighted version of the EMBI. The EMBI tracks bonds from emerging markets (EM), and comprises sovereign debt and EM corporate bonds. The EMBI GD limits the weights of index countries with larger debt stocks by only including specified portions of those countries' eligible current face amounts of debt outstanding.

Median CPI – Calculated by the Federal Reserve Bank of Cleveland, the median CPI (Consumer Price Index) and the 16% trimmed-mean CPI based on data released in the Bureau of Labor Statistics' monthly CPI report. Median CPI is the one-month inflation rate of the component whose expenditure weight is in the 50th percentile of price changes. The 16% trimmed-mean CPI is a weighted average of one-month inflation rates of components whose expenditure weights fall below the 92nd percentile and above the eighth percentile of price changes. By omitting outliers (small and large price changes) and focusing on the interior of the distribution of price changes, the median CPI and the 16% trimmed-mean CPI can provide a better signal of the underlying inflation trend than the CPI or core CPI (excluding food and energy).

S&P 500 Index – This unmanaged capitalization-weighted index of the stocks of the 500 largest publicly traded U.S. companies is designed to measure performance of the broad domestic economy through changes in the aggregate market value of the 500 stocks, which represent all major industries.

Shiller Barclays CAPE® U.S. Sector Total Return Index – This index incorporates the principles of long-term investing distilled by Dr. Robert Shiller and expressed through the CAPE® (cyclically adjusted price-to-earnings) ratio (the "CAPE® ratio"). It aims to identify undervalued sectors based on a modified CAPE® ratio and then uses a momentum factor to seek to mitigate the effects of potential value traps.

Sticky-Price CPI – This index, published by the Federal Bank of Atlanta, sorts the components of the Consumer Price Index (CPI) into either flexible (prices change relatively frequently) or sticky (slow to change) categories based on the frequency of their price adjustment.

Treasury Inflation-Protected Securities (TIPS) – Type of Treasury security issued by the U.S. government that is indexed to inflation in order to protect investors from a decline in the purchasing power of their money. As inflation rises, TIPS adjust in price to maintain their real value.

Value Trap – Stock or other investment that appears to be cheaply priced because it has been trading at low valuation metrics, such as multiples in terms of price to earnings (P/E), price to cash flow (P/CF) or price to book value (P/B) for an extended time period. A value trap can attract investors who are looking for a bargain because they seem inexpensive relative to historical valuation multiples of the stock or relative to those of industry peers or the prevailing market multiple. The danger of a value trap presents itself when the stock continues to languish or drop further after an investor buys into the company.

Wage Growth Tracker – Measure of the nominal wage growth of individuals published by the Federal Reserve Bank of Atlanta. It is constructed using microdata from the Current Population Survey and is the median percent change in the hourly wage of individuals observed 12 months apart.

Weekly Economic Index (WEI) – This index, compiled and published by the Federal Reserve Bank of New York, tracks 10 indicators of real economic activity and is scaled to align with the four-quarter GDP growth rate. It represents the common component of series covering consumer behavior, the labor market and production.

Yield to Maturity (YTM) – The total return anticipated on a bond if the bond is held until it matures. Yield to maturity is considered a long-term bond yield but is expressed as an annual rate.

Yield to Worst (YTW) – The lowest yield of a bond that can be received short of default.

You cannot invest directly in an index.

Please see the DoubleLine ETF Prospectus in the following link.

Barclays Bank PLC and its affiliates ("Barclays") is not the developer or implementer of the DoubleLine Shiller CAPE® U.S. Equities ETF (the "ETF") and Barclays has no responsibilities, obligations or duties to investors in the ETF. The Shiller Barclays CAPE® US Sector USD Index (the "Index") is a trademark owned by Barclays Bank PLC and licensed for use by DoubleLine. While DoubleLine may execute transaction(s) with Barclays in or relating to the ETF or the Index, investors acquire interests solely in their account and investors neither acquire any interest in the ETF or the Index nor enter into any relationship of any kind whatsoever with Barclays upon making an investment. The ETF is not sponsored, endorsed, sold or promoted by Barclays and Barclays makes no representation regarding the advisability of investing in the ETF or the use of the Index or any data included therein. Barclays shall not be liable in any way to investors or to other third parties in respect of the use or accuracy of the ETF, the Index or any data included therein.

The Shiller Barclays CAPE® US Index Family (the "Index Family") has been developed in part by RSBB-I, LLC, the research principal of which is Robert J. Shiller. RSBB-I, LLC is not an investment advisor and does not guarantee the accuracy and completeness of the Index Family or any data or methodology either included therein or upon which it is based. RSBB-I, LLC shall have no liability for any errors, omissions or interruptions therein and makes no warranties expressed or implied, as to the performance or results experienced by any party from the use of any information included therein or upon which it is based, and expressly disclaims all warranties of the merchantability or fitness for a particular purpose with respect thereto, and shall not be liable for any claims or losses of any nature in connection with the use of such information, including but not limited to, lost profits or punitive or consequential damages even, if RSBB-I, LLC is advised of the possibility of same. Shiller Barclays CAPE US Sector TR USD Index incorporates the principles of long-term investing distilled by Dr. Robert Shiller and expressed through the CAPE® (Cyclically Adjusted Price Earnings) ratio (the "CAPE® Ratio"). It aims to identify undervalued sectors based on a modified CAPE® Ratio, and then uses a momentum factor to seek to mitigate the effects of potential value traps.

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A Word About Risk

Investing involves risk. Principal loss is possible. Equities may decline in value due to both real and perceived general market, economic and industry conditions.

The Fund is a "non-diversified" investment company and therefore may invest a greater percentage of its assets in the securities of a single issuer or a limited number of issuers than funds that are "diversified." Accordingly, the Fund is more susceptible to risks associated with a single economic, political or regulatory occurrence than a diversified fund might be.

ETF investments involve additional risks such as the market price trading at a discount to its net asset value, an active secondary trading market may not develop or be maintained, or trading may be halted by the exchange in which they trade, which may impact a fund's ability to sell its shares.

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