

The Case for Investment Grade Securitized Credit

DoubleLine Income Fund

Ticker: DBLIX/DBLNX | Multisector Bond | June 2024

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- **Compelling Relative Value vs. Corporate Bonds:** Senior-rated securitized credit offers attractive relative value compared to investment grade (IG) corporates and presents a compelling source of differentiated long-term outperformance for fixed income investors.
- **High Quality With Higher Yields:** Senior-rated securitized credit benefits from multiple levels of credit protection while offering a distinct yield advantage over and diversification from traditional fixed-income portfolios. (Figure 1)
- **Dedicated Securitized Credit Exposure:** The value of the broader securitized credit markets is over \$3.3 trillion. Considering the breadth of these markets, targeted exposures to securitized credit could complement and potentially benefit investors' fixed-income portfolios. (Figure 2)

Why Active Management:

- **Out-of-Index Opportunities:** Active security selection and relative value considerations across the entirety of the securitized credit universe have the potential to generate excess return.
- **Targeted Exposure for Desired Outcomes:** A crucial benefit to an actively managed, diversified portfolio is the ability to avoid underperforming subsectors and proactively shift exposure to sectors displaying attractive relative value, informed by fundamental top-down and bottom-up research and analysis.
- **Higher Risk-Adjusted Returns:** The heterogeneous nature of individual securitized assets, as well as the bespoke nature of cash flows and structures, necessitates active management for successful all-weather navigation through economic cycles.

DoubleLine Income Fund:

- **Potential for Attractive Yield With Minimal Interest-Rate Risk:** The DoubleLine Income Fund ("the Fund") seeks to generate a high level of income and long-term capital appreciation by actively allocating to higher-yielding, relatively low-duration securitized credit sectors.
- **Curated Portfolio of Property Types and Subsectors:** The Fund leverages the dedicated DoubleLine securitized credit team's deep experience and track record. Their proprietary top-down macroeconomic and property market views are paired with a bottom-up approach to credit analysis for a targeted exposure within securitized credit.
- **The Income Fund delivers DoubleLine's time-tested securitized credit investment framework to investors in a daily liquid vehicle:** With over \$31 billion of securitized credit assets under management and an average of 21 years of industry experience, DoubleLine's investment teams have an established underwriting process that seeks to identify the most-attractive opportunities within the securitized market. ■

Attractive Yields Across Senior-Rated Securitized Credit

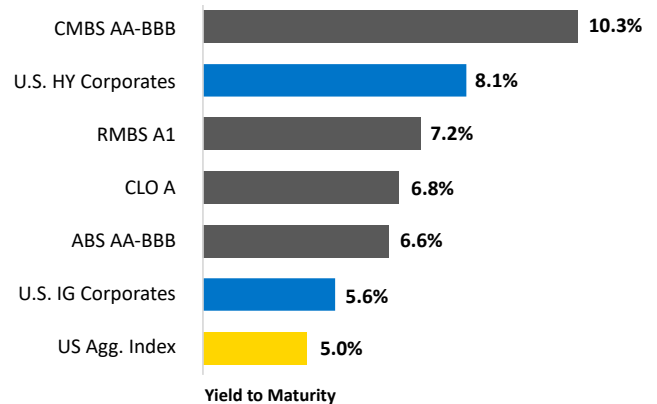


Figure 1
Source: DoubleLine, Bloomberg, BofA Global Research
RMBS A1: 1-year fixed-rate non-performing loans vs. U.S. Treasuries. See disclosure for an explanation of indices used in this figure.

Abundant Universe to Source Securitized Credit Investments (In billions of U.S. dollars)

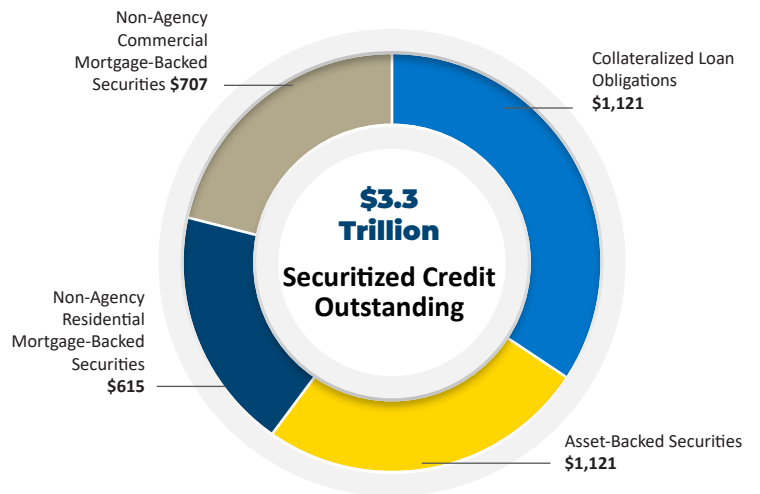
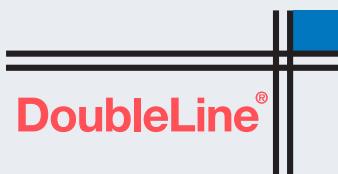


Figure 2
Source: DoubleLine, BofA Global Research



Terms and Definitions

Indices used in Figure 1: US Agg Index: Bloomberg US Aggregate Bond Index; **U.S. IG Corp.:** ICE BofA U.S. Corporate Index; **ABS AA-BBB:** ICE BofA U.S. Fixed-Rate Miscellaneous ABS Index; **CLO A:** J.P. Morgan CLO Index; **RMBS A1:** BofA Global Research; **U.S. HY Corp.:** ICE BofA U.S. High Yield Index; **CMBS AA-BBB:** ICE BofA U.S. Fixed-Rate CMBS Index

Asset-Backed Securities (ABS) – Investment securities, such as bond or notes, that are collateralized by a pool of assets, such as loans, leases, credit card debt, royalties or receivables.

Bloomberg US Aggregate Bond Index – This index (the “Agg”) represents securities that are SEC registered, taxable and U.S. 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 indices that are calculated and reported on a regular basis.

Collateralized Loan Obligation (CLO) – Single security backed by a pool of debt.

Duration – A commonly used measure of the potential volatility of the price of debt securities in response to a change in interest rates prior to maturity. Securities with longer duration generally have more volatile prices than securities of comparable quality with shorter duration.

Excess Return – Return achieved above and beyond the return of a proxy such as a benchmark index.

ICE BofA U.S. Corporate Index – This index tracks the performance of U.S. dollar-denominated, investment grade (IG) corporate debt publicly issued in the U.S. domestic market. Qualifying securities must have an IG rating (based on an average of Moody’s, S&P and Fitch) and an IG-rated country of risk (based on an average of Moody’s, S&P and Fitch foreign currency, long-term sovereign debt ratings). Securities must also have at least one year remaining to final maturity, a fixed coupon schedule and a minimum amount outstanding of \$250 million.

ICE BofA U.S. Fixed-Rate Commercial Mortgage-Backed Securities (CMBS) Index – This index tracks the performance of U.S. dollar-denominated, investment grade (IG), fixed-rate commercial mortgage-backed securities (CMBS) publicly issued in the U.S. domestic market. Qualifying securities must have an IG rating (based on an average of Moody’s, S&P and Fitch), a fixed coupon schedule, at least one year remaining to final maturity and at least one month to last expected cash flow.

ICE BofA U.S. Fixed-Rate Miscellaneous Asset-Backed Securities (ABS) Index – This index tracks the subset of the ICE BofA U.S. Fixed-Rate ABS Index rated AA to BBB and includes all ABS collateralized by anything other than auto loans, home equity loans, manufactured housing, credit card receivables and utility assets.

ICE BofA U.S. High Yield (HY) Index – This index tracks the performance of U.S. dollar-denominated, below-investment-grade corporate debt, currently in a coupon paying period, that is publicly issued in the U.S. domestic market. Qualifying securities must have a below-investment-grade rating (based on an average of Moody’s, S&P and Fitch foreign currency, long-term sovereign debt ratings). They must also have one year remaining to maturity and a minimum outstanding amount of \$100 million.

Investment Grade – Rating that signifies a municipal or corporate bond presents a relatively low risk of default. Bonds below this designation are considered to have a high risk of default and are commonly referred to as high yield (HY) or “junk bonds.” “AAA” and “AA” (high credit quality) and “A” and “BBB” (medium credit quality) are considered investment grade. Credit ratings for bonds below these designations (“BB,” “B,” “CCC,” etc.) are considered low credit quality.

J.P. Morgan Collateralized Loan Obligation Index (CLOIE) – This market value-weighted index comprises U.S. dollar-denominated collateralized loan obligations (CLOs).

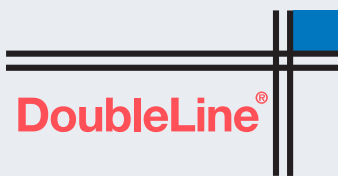
Non-Agency Commercial Mortgage-Backed Securities (CMBS) – Debt-based securities (similar to bonds), backed by the interest paid on loans for commercial properties. “Non-Agency” refers to CMBS not issued by the government-sponsored enterprises.

Non-Agency Residential Mortgage-Backed Securities (RMBS) – Debt-based securities (similar to bonds), backed by the interest paid on loans for residences. “Non-Agency” refers to RMBS not issued by the government-sponsored enterprises.

Non-Performing Loan (NPL) – Loan in which the borrower is in default due to the fact that they have not made the scheduled payments for a specified period. Although the exact elements of non-performing status can vary depending on the specific loan’s terms, “no payment” is usually defined as zero payments of either principal or interest.

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.

You cannot invest directly in an index.



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The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectus contain this and other important information about the investment company, and may be obtained by calling (877) 354-6311 / (877) DLINE11, or visiting www.doubleline.com. Read them carefully before investing.

Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in lower-rated and non-rated securities present a greater risk of loss to principal and interest than higher-rated securities. Investments in ABS and MBS include additional risks that investors should be aware of such as credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. The Fund may use leverage which may cause the effect of an increase or decrease in the value of the portfolio securities to be magnified and the Fund to be more volatile than if leverage was not used. Derivatives involve special risks including correlation, counterparty, liquidity, operational, accounting and tax risks. These risks, in certain cases, may be greater than the risks presented by more traditional investments. Diversification does not assure a profit, nor does it protect against a loss in a declining market.

For additional information regarding the DoubleLine Income Fund, visit the DoubleLine website.

Important Information Regarding This Material

Issue selection processes and tools illustrated throughout this presentation are samples and may be modified periodically. These are not the only tools used by the investment teams, are extremely sophisticated, may not always produce the intended results and are not intended for use by non-professionals.

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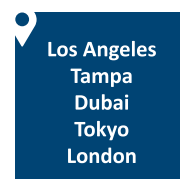
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