

# DoubleLine Mortgage ETF



March 2024 | Residential Mortgage-Backed | Ticker: DMBS

## Investment Objective

The DoubleLine Mortgage ETF (DMBS) seeks total return (capital appreciation and current income) that exceeds the total return of its benchmark index, the Bloomberg US Mortgage-Backed Securities (MBS) Index, over a full market cycle.

## Investment Approach

The ETF seeks to generate excess return over the Bloomberg US MBS Index by investing in an actively managed portfolio of high-quality residential MBS (securities rated investment grade by any nationally recognized statistical rating organization), allocating between government-backed Agency MBS and non-Agency MBS. Interest rate, credit and prepayment risks are managed with the goal of providing enhanced risk-adjusted returns through various interest rate and economic environments. With an emphasis on rigorous loan level analytics and scenario analyses, the team seeks to add value through security selection by identifying the mortgage structures and collateral types that they believe will outperform.

We believe DMBS can offer investors:

- Actively managed exposure of high-quality Agency and non-Agency RMBS by an experienced team.
- Potentially higher risk-adjusted returns relative to the Bloomberg US MBS Index.
- Excess yield with lower interest rate sensitivity compared to U.S. Treasuries and investment grade corporate bonds.
- Potential diversification benefits within investors' overall asset allocation.

Month-End Returns March 31, 2024	1 Mo	3 Mo	YTD	1 Yr	3 Yr	5 Yr	Since Inception
Market Price	0.79	-0.95	-0.95	0.91	-	-	0.91
NAV	0.84	-0.94	-0.94	0.78	-	-	0.78
Benchmark	1.06	-1.04	-1.04	1.39	-	-	1.38
Quarter-End Returns March 31, 2024	1 Mo	3 Mo	YTD	1 Yr	3 Yr	5 Yr	Since Inception
Market Price	0.79	-0.95	-0.95	0.91	-	-	0.91
NAV	0.84	-0.94	-0.94	0.78	-	-	0.78
Benchmark	1.06	-1.04	-1.04	1.39	-	-	1.38

## General Facts

Ticker	DMBS
Intraday NAV Ticker	DMBS-IV
Inception	3-31-2023
CUSIP	25861R402
Gross Expense Ratio	0.49%

## Benchmark

Bloomberg US Mortgage-Backed Securities Index

## Portfolio Managers

Jeffrey Gundlach  
Vitaliy Liberman, CFA  
Ken Shinoda, CFA

## Portfolio Characteristics

Net Fund Assets	\$298.6 M
Number of Holdings	102
30-Day SEC Yield	4.31%
Weighted-Avg Price	\$93.30
Duration (yrs)	5.39
Weighted-Avg Life (yrs)	7.68

## Trading Statistics

Market Price	\$48.69
NAV	\$48.63
Premium/Discount <sup>2</sup>	0.13%
Median Bid-Ask Spread <sup>3</sup>	0.06%
Average Daily Volume <sup>3</sup>	25,609

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Tokyo	DoubleLine-Capital
London	

Performance reported for time periods greater than one year are annualized.

**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 the original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance current to the most recent month-end may be obtained by calling (213) 633-8200 or by visiting [www.doubleline.com](http://www.doubleline.com).**

Fund holdings and sector allocations are subject to change and should not be considered recommendations to buy or sell any security.

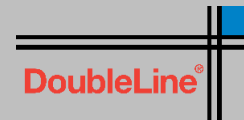
<sup>1</sup> Reflects the premium or discount, in percentage terms, of the ETF's Closing Price to its NAV. Calculated using the daily net asset value (NAV) and the Closing Price of the ETF ((Closing Price - Closing NAV) / Closing NAV \* 100)

<sup>2</sup> Trailing 30 calendar days.

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## Sector Breakdown (%)

Agency RMBS	85.81
Non-Agency RMBS	14.63
<b>Total</b>	<b>100.00</b>

## Credit Quality Breakdown (%)

AAA	92.49
AA	1.31
A	0.85
BBB	5.79
Not Rated	0.00
Cash	-0.44
<b>Total</b>	<b>100.00</b>

## Top 10 Holdings (%)

FN CB7270	3.37
FN FS6744	3.33
G2 785730	3.32
FR SD4608	3.14
G2 786184	2.67
FN CA6032	2.16
FR QH2160	2.03
STACR 2024-DNA1 M2	2.02
STACR 2024-HQA1 M2	2.02
G2 MA5191	1.97
<b>Total</b>	<b>26.01</b>

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 (855) 937-0772, or visiting [www.doubleline.com](http://www.doubleline.com). Read them carefully before investing.

### Risk Disclosure

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

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.

Investments in debt securities change in value because of changes in interest rates. The value of an instrument with a longer duration (whether positive or negative) will be more sensitive to changes in interest rates than a similar instrument with a shorter duration. There is the risk that the Fund may be unable to sell a portfolio investment at a desirable time or at the value the Fund has placed on the investment. Illiquidity may be the result of, for example, low trading volume, lack of a market maker, or contractual or legal restrictions that limit or prevent the Fund from selling securities or closing derivative positions. There is risk that borrowers may default on their mortgage obligations or the guarantees underlying the mortgage-backed securities will default or otherwise fail and that, during periods of falling interest rates, mortgage-backed securities will be called or prepaid, which may result in the Fund having to reinvest proceeds in other investments at a lower interest rate. 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.

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.

### Index Disclosure

**Bloomberg US Mortgage-Backed Securities (MBS) Bond Index** – This index measures the performance of investment grade, fixed-rate, mortgage-backed, pass-through securities of the government-sponsored enterprises (GSEs): Federal Home Loan Mortgage Corp. (Freddie Mac), Federal National Mortgage Association (Fannie Mae) and Government National Mortgage Association (Ginnie Mae).

Credit Distribution is determined from the highest available credit rating from any Nationally Recognized Statistical Rating Agency (NRSRO", generally S&P, Moody's, or Fitch) and is subject to change. DoubleLine chooses to display credit ratings using S&P's rating convention, although the rating itself might be sourced from another NRSRO. The firm evaluates a bond issuer's financial strength, or its ability to pay a bond's principal and interest in a timely fashion. The ratings apply to the credit worthiness of the issuers of the underlying securities and not to the fund itself. Ratings are expressed as letters ranging from 'AAA', which is the highest grade, to 'D', which is the lowest grade. In limited situations when the rating agency has not issued a formal rating, the rating agency will classify the security as unrated.

### Definition of Terms

**Agency** - Mortgage securities whose principal and interest are effectively guaranteed by the U.S. Government agency including Fannie Mae (FNMA) or Freddie-Mac (FHLMC).

**Average Daily Volume** – Consolidated daily volume of shares traded, averaged over the last 30 calendar days.

**Below Investment Grade** - Refers to a security that is rated below investment grade. These securities are seen as having higher default risk or other adverse credit events, but typically pay higher yields than better quality bonds in order to make them attractive. They are less likely to pay back 100 cents on the dollar.

**Credit Distribution** - Determined from the highest available credit rating from any Nationally Recognized Statistical Rating Agency ("NRSRO", generally S&P, Moody's and Fitch). DoubleLine chooses to display credit ratings using S&P's rating convention, although the rating itself might be sourced from another NRSRO. In limited situations when the rating agency has not issued a formal rating, the rating agency will classify the security as unrated.

**Duration** - A commonly used measure of the potential volatility of the price of a debt securities, prior to maturity. Securities with a longer duration generally have more volatile prices than securities of comparable quality with a shorter duration.

**Market Price** - The price at which shares in the ETF can be bought or sold on the exchanges during trading hours, while the net asset value (NAV) represents the value of each share's portion of the fund's underlying assets and cash at the end of the trading day.

**Median Bid-Ask Spread** – This figure is calculated by identifying national best bid and national best offer ("NBBO") for each Fund as of the end of each 10 second interval during each trading day of the last 30 calendar days and dividing the difference between each such bid and offer by the midpoint of the NBBO. The median of those values is identified and posted on each business day.

**Investment Grade** - Refers to a bond considered investment grade if its credit rating is BBB– or higher by Standard & Poor's or Baa3 or higher by Moody's. Ratings are based on a corporate bond model. The higher the rating the more likely the bond will pay back par/100 cents on the dollar.

**Weighted Average Life (WAL)** - The average number of years for which each dollar of unpaid principal on a loan or mortgage remains outstanding.