

Media Release

10 August 2018

Legg Mason Western Asset Macro Opportunities Bond Fund upgraded by Lonsec

Leading research house Lonsec has upgraded its rating for the Legg Mason Western Asset Macro Opportunities Bond Fund (Fund) to “Recommended” and has reclassified the Fund to Lonsec’s Growth Alternatives sector, reflecting the economic leverage employed.

This successful strategy which offers an absolute return fixed income solution has been available offshore for many years and the Fund was launched in Australia two years ago. Having been rated as investment grade last year the recent upgrade reflects Lonsec’s “strong conviction this financial product can generate risk-adjusted returns in line with relevant objectives”.

In its report, Lonsec identifies three key factors in its decision to increase its conviction in the Fund. They are:

- Managed by a large and high-quality investment team led by Western Asset’s veteran CIO Kenneth Leech;
- Access to the wider Western Asset expertise and infrastructure. At 31 March 2018, Western Asset had \$A561 billion in assets under management and 127 investment personnel across six continents.
- The long-term performance of Western Asset’s underlying Macro Opportunities strategy.

The Fund, which is underpinned by a high conviction global macro strategy that invests in fixed income and currency markets, has a long-term fundamental investment style that uses active management around volatility, duration and yield curve.

Legg Mason Managing Director, Australia and New Zealand, Andy Sowerby, says Lonsec’s decision to upgrade the Fund to “Recommended” recognises the “strong product design underpinned by a world-class investment team and a proven investment process.”

“The Legg Mason Western Asset Macro Opportunities Fund’s objective appeals to investors seeking a high conviction unconstrained proposition that can help diversify risk and deliver attractive returns over time,” said Mr Sowerby.

-ends-

About Legg Mason

Guided by a mission of ‘Investing to Improve Lives™’, Legg Mason helps investors globally achieve better financial outcomes by expanding choice across investment strategies, vehicles and investor access through independent investment managers with diverse expertise in equity, fixed income, alternative and liquidity investments. Legg Mason’s assets under management are A\$1 trillion as at 30 June 2018.

Legg Mason provides centralised business and distribution support for its nine affiliated fund managers that include: Brandywine Global, Clarion Partners, ClearBridge, EntrustPermal, Martin Currie, RARE Infrastructure, Royce & Associates, QS Investors and Western Asset. Each affiliate operates independently under its own brand and investment process and is considered an industry expert in its asset class.

To learn more, visit leggmason.com.au

Australia Facts:

- Legg Mason's Australian business was established in 1954
- Assets Under Management (AUM) in Australia are A\$55 billion as at 30 June 2018 (Source: Rainmaker Data. Consists of AUM managed in Australia for Australian and offshore investors and AUM managed offshore for Australian investors)
- Legg Mason Australia was awarded the Money Management/Lonsec Fund Manager of the Year in 2015, 2017 and 2018.

About Western Asset Management

Western Asset is one of the world's leading dedicated fixed income managers. From offices in Pasadena, Hong Kong, London, Melbourne, New York, São Paulo, Singapore, Tokyo and Dubai, the company provides investment solutions for a wide variety of global clients, across a diverse range of mandates. Western Asset's long performance track record and global presence has positioned the company to continue its commitment to excellence in fixed income investment management and client service. With a focus on long-term fundamental value investing that employs a top-down and bottom-up approach, the firm has experience across the full range of fixed income sectors.

- Established 1971
- Head office Pasadena, USA
- Funds managed Update A\$569 billion as at 30 June 2018

Media contacts Australia:

Simrita Virk at Shed Connect

M: 0434531172

E: simrita.virk@shedconnect.com

Disclaimer

*Legg Mason Asset Management Australia Ltd (ABN 76 004 835 849 AFSL 240827) (Legg Mason Australia) is part of the Global Legg Mason Inc. group. Western Asset Management Company Pty Ltd (ABN 41 117 767 923) (Western Asset Australia) is a related company of Western Asset Management Company an affiliate of Legg Mason. Neither Legg Mason Australia, nor any of its related parties, guarantees the repayment of capital or performance of any of the Funds referred to in this document. Applications to invest in the Legg Mason Western Asset Macro Opportunities Bond Fund (ARSN 608 220 711) can be made using an application form comprising part of the current Product Disclosure Statement, which can be obtained by contacting us on 1800 679 541 or at www.leggmason.com.au. Legg Mason Australia does not guarantee the accuracy or completeness of this document. To the extent permissible by law, Legg Mason Australia accepts no liability in contract, tort (including negligence) or otherwise for any loss or damage suffered as a result of reliance on this document. This document does not constitute investment advice and has not been prepared to take into account the investment objectives, financial objectives or particular needs of any particular person. Before making an investment decision you should read the Product Disclosure Statement carefully and you need to consider, with or without the assistance of a financial adviser, whether such an investment is appropriate in light of your particular investment needs, objectives and financial circumstances. **The Lonsec Rating** (Legg Mason Western Asset Macro Opportunities Bond Fund – July 2018) presented in this document are published by Lonsec Research Pty Ltd ABN 11 151 658 561 AFSL 421445. The Ratings are limited to "General Advice" (as defined in the Corporations Act 2001 (Cth)) and based solely on consideration of the investment merits of the financial products. Past performance information is for illustrative purposes only and is not indicative of future performance. They are not a recommendation to purchase, sell or hold Legg Mason Asset Management Australia Limited products, and you should seek independent financial advice before investing in these products. The Ratings are subject to change without notice and Lonsec assumes no obligation to update the relevant documents following publication. Lonsec receives a fee from the Fund Manager for researching the products using comprehensive and objective criteria. For further information regarding Lonsec's Ratings methodology, please refer to our website at: <http://www.beyond.lonsec.com.au/intelligence/lonsec-ratings>. © 2018 FE Money Management. all rights reserved. The information, data, analyses, and opinions contained herein (1) include the proprietary information of FE Money Management and Lonsec (2) may not be copied or redistributed (3) do not constitute investment advice offered by FE Money Management or Lonsec (4) are provided solely for informational purposes and therefore are not an offer to buy or sell a security (5) are not warranted to be correct, complete, or accurate. FE Money Management and Lonsec shall not be responsible for any trading decisions, damages, or other losses resulting from, or related to, this information, data, analyses, or opinions or their use. FE Money Management and Lonsec does not guarantee that a fund will perform in line with its Fund Manager of the Year award as it reflects past performance only. Likewise, the Fund Manager of the Year award should not be any sort of guarantee or assessment of the creditworthiness of a fund or of its underlying securities and should not be used as the sole basis for making any investment decision.*