

Data as of 3/31/21

# Lebenthal U.S. Municipal Bond Strategy



## WHAT SETS US APART

- Over 45 years of experience and extensive market knowledge of municipals
- We view municipal bonds as the more defensive and conservative portion of an overall diversified portfolio
- Consistent investment management process and long-term investment horizon with consideration of the projected interest rate cycle
- Each portfolio is completely customized and risk managed to individual requirements

## PORTFOLIO MANAGER

**Gregory W. Serbe (45+)\***  
 Senior Managing Director  
 gserbe@dcmadvisors.com  
 Phone: (917) 386-6274

\* Years of experience

## INVESTMENT PROCESS

### DEFINE UNIVERSE

Assess investor requirements:

- Residence • Taxable framework • Issues that meet requirements • In-depth, fundamental issuer and specific issue research

### RISK ANALYSIS

Customized portfolios are risk managed:

- No AMT • Credit rating A or better at time of purchase • Sector and issuer limits

### CONSTRUCT PORTFOLIO

Execute strategy:

- Acquire appropriate issues • Identify best maturity based on the yield curve slope

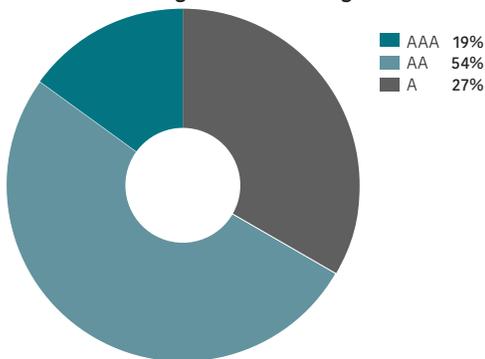
### PORTFOLIO POSITIONING

Ongoing monitoring of portfolio positions against the then-current market environment:

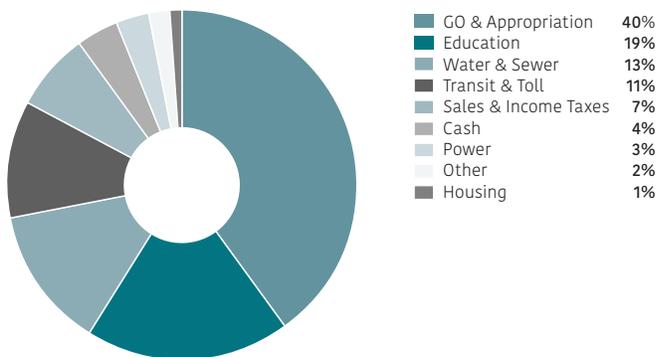
- Rate outlook • Credit outlook • Liquidity • Risk guidelines • Investor requirements • Reposition as necessary

## PORTFOLIO CHARACTERISTICS<sup>2</sup> (AS OF 3/31/21)

### Portfolio Average Credit Rating<sup>1</sup> and % Weight



### Average Breakdown by Bond Type



1. Prerefunded bonds are deemed to be AAA-rated.

2. Characteristics based upon par value.

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## PERMITTED INVESTMENT GUIDELINES

- Diversification: 10% per issuer
- Credit Consideration: A or better, no AMT for tax-exempt management
- Sector Limitation: 25% per industry for revenue bonds; unlimited for general obligation bonds
- Market Consideration: Rounded to the nearest appropriate block size
- Timing: Based on guidelines at time of investment

	Lebenthal U.S. Municipal Bond		Bloomberg Barclays Municipal Bond 5 Year Index
	Gross	Net	
YTD	-0.10%	-0.30%	-0.31%
1-Year	3.60%	5.10%	5.07%
2020	3.30%	3.00%	4.21%
2019	5.43%	5.20%	5.44%
2018	1.64%	1.36%	1.69%
2017*	-0.35%	-0.48%	-0.68%

\*SMA and benchmark performance for partial year of 2017 including part of November and full month of December only.

### U.S. Municipal Bond SMA

- **SMA Description:** The U.S. Municipal Bond strategy invests in national and single state tax exempt municipal investment grade bonds which are managed for total return over the rate cycle, while attempting to minimize risk. The investment process starts with assessing investor requirements, ensuring customized portfolios are risk managed and ongoing monitoring to position portfolios for the current market environment.
- **Inception date:** November 1st, 2017
- **Benchmark:** Bloomberg Barclays Municipal Bond 5 Year Index. The benchmark is a market capitalization weighted index designed to provide a broad measure of 4 to 6 year municipal bonds in the U.S.
- **Minimum Account size:** \$250,000.
- Past performance is not indicative of future results.

### Disclosure

The investment management fee schedule for the SMA is 0.50% on the first \$2 million, 0.45% on the next \$3 million, 0.40% on the next \$5 million, and 0.25% on the remainder. Actual investment advisory fees incurred by clients may vary.

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- DCM provides asset management and wealth advisory services to institutions, registered investment advisors, family offices and high net worth individuals.
- DCM Advisors and its affiliates in aggregate manage over \$1 billion.

