GW&K®
INVESTMENT MANAGEMENT

YEAR-END INVESTMENT REVIEW

4Q 2018

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ECONOMIC COMMENTARY

By Harold G. Kotler, CFA

There is a serious disconnect between the expectation for the U.S. economy and the stock market's recent performance. While most forecasts for 2019 suggest 1.5%–2% GDP growth with solid corporate earnings, low unemployment and rising wages, the major equity indexes have become increasingly volatile, with many recently dropping 20% off their highs. It seems difficult to lay responsibility for this divergence on any one issue. Many point the finger at the Federal Reserve, noting the difficulty Jay Powell has had in communicating the vision of the central bank. The argument here is that the new Fed Chair has spent too much time looking in the rear view mirror and has not been sensitive enough to the future economy. The markets, which had become so used to easy money and zero interest rates, are growing wary of the "normalization" process, no longer regarding rate hikes

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INDEX PERFORMANCE	12/31/18	
	QUARTER	YEAR TO DATE
Bloomberg Barclays 10-Year Municipal Bond Index	2.09%	1.41%
Bloomberg Barclays Aggregate Bond Index	1.64%	0.01%
Bloomberg Barclays High Yield Index	–4.53%	–2.08%
Dow Jones Industrial Average	–11.31%	–3.48%
S&P 500 Index	–13.52%	–4.38%
Russell 2000 Index	–20.20%	–11.01%
MSCI EAFE Index	–12.54%	–13.79%
MSCI World Small Cap ex USA Index	–16.16%	–18.07%

FOURTH QUARTER 2018

ECONOMY

- Even as Q4 saw increased market volatility and investors shunning risk, the economy generally stayed on solid footing, but appears to be decelerating.
- The Atlanta Fed estimates 2.7% GDP for Q4, down from 3.4% for Q3 and 4.2% for Q2.
- Job growth continued at a healthy clip. The unemployment rate at 3.9% remains at levels not seen since the latter part of 2000.
- Housing continues to endure some weakness, with decreases in sales and smaller gains in prices.
- Core Personal Consumption Expenditures (PCE), the Fed's preferred inflation metric, remained slightly below their target of 2%.

FED ACTION

- The FOMC increased rates 25 basis points to a range of 2.25%–2.50%, the ninth rate hike in the current cycle.
- The Fed continued their balance sheet roll-off for Treasuries and mortgage-backed securities increasing the amount to $30b and $20b/month, respectively.
- The Fed and the market are at odds concerning rate moves for 2019. The former forecasts 50 basis points worth of hikes, and the latter is pricing in no additional increases.

BOND MARKETS

- Risk assets sold off in a swift and decisive rebuke of Fed policy, disappointed that the Fed did not tilt in a more dovish direction.
- Treasuries were the primary beneficiary of the risk-off mode. After touching a new multi-year high in November, the 10-year Treasury sharply changed course as a decisive flight to quality drove the yield to its lowest level since April.
- The yield curve finished the year at its flattest slope in a decade with spreads between 2/10-year Treasuries at just 20 basis points. The spread between 2/5-years ended at 2 basis points, but actually inverted at one point during the quarter.
- Municipals, one of the few asset classes to post positive returns in 2018, rallied in Q4 amid a drop in new issue supply and a boost in demand from heavy seasonal reinvestment activity.

EQUITY MARKETS

- Equity markets plummeted in Q4 with the S&P 500 declining 13.5%, making 2018 the first negative calendar-year return for the index since 2008. Fears that had plagued investors throughout the year—rising interest rates, trade tensions, slowing global growth, political upheaval and cyclical peak corporate earnings—finally took hold and threw markets into a year-end tailspin.
- Large cap stocks held up significantly better than small caps, with the S&P 500 outpacing the Russell 2000 by 668 basis points. Small cap stocks ended Q4 as the worst performing segment by market cap down 20.2%. U.S. equities slightly trailed international market returns.
- Utilities was the best performing sector followed by Real Estate and Consumer Staples. Energy, Information Technology, Industrials and Consumer Discretionary exhibited the weakest relative performance.
- Value outpaced Growth, and high quality stocks outperformed amidst rising market volatility.

MUNICIPAL BOND STRATEGIES

INVESTMENT TEAM

Nancy G. Angell, CFA	Partner, Co-Director of Fixed Income
John B. Fox, CFA	Partner, Co-Director of Fixed Income
Brian T. Moreland, CFA	Partner, Portfolio Manager
Martin R. Tourigny, CFA	Partner, Portfolio Manager

14 Municipal Investment Professionals	21 Average Years Experience	16 Average Years with Firm

"…municipal bonds look well positioned as a haven against continued turbulence in the global markets. The fourth quarter was a clear reminder of the protection the sector adds to a portfolio in periods of stress, as it was one of the few asset classes to post positive returns."

GW&K MUNICIPAL BOND STRATEGIES

SHORT-TERM MUNICIPAL BOND	Seeks to earn higher after-tax returns than money market funds while managing risk
2–8 YEAR ACTIVE MUNICIPAL BOND	High-quality active approach aims to preserve and enhance capital and targets investment grade short to intermediate bonds
MUNICIPAL BOND	High-quality intermediate approach with goal to preserve and enhance capital emphasizes research and active management
MUNICIPAL ENHANCED YIELD	Long-term approach that includes an allocation to higher yielding bonds with a goal to produce high after-tax income

Municipal bonds posted a furious rally in the fourth quarter, pushing performance, which had been negative throughout the year, back into positive territory. Municipal rates actually rose in the first half of the quarter, touching their highs for the year in November, driven by strong employment data. But the tide turned quickly as concerns over global growth resurfaced, exacerbated by an ongoing trade war with China and fears of peak earnings. A vigilant Fed, sticking to a plan of more rate hikes and a steady unwinding of the balance sheet only made matters worse. Oil plummeted below $50 a barrel, equities came within a whisker of a bear market and bonds became the major beneficiary as investors ran for safety. The 10-year AAA municipal yield curve finished December at 2.28%, down 49 basis points from its November peak.

While the flight to quality was the main driver of performance, municipals also benefited from increased clarity on potential tax reform and a supportive technical environment. The election results came in as expected, but municipal participants still breathed a sigh of relief as a split Congress laid to rest any near-term threats to the market, such as capping the exemption, lowering tax rates or eliminating private activity bonds. Meanwhile, favorable supply/demand factors continued to underpin performance. The larger effect came from a lack of supply. New issue volume was down 44% in the fourth quarter, and 68% in December alone. Mutual fund flows turned positive after 11 straight weeks of net redemptions, helped by heavy seasonal investment demand. And while banks continued to step back from the market, their sales were mostly confined to the long end.

Earlier in the year, we turned down multiple chances to extend duration, mainly because moving out a historically flat yield curve promised more risk than reward. In the fourth quarter, however, an opportunity presented itself. A temporary surge in issuance coincided with a Treasury selloff and a sloppy secondary market that was bloated from mutual fund liquidations and bank selling. This was the time to move: interest rates were spiking, municipal bonds were cheapening relative to Treasuries and the yield curve was actually steepening. We stepped in and started accumulating bonds that were among the most out of favor: those with maturities between 10 and 15 years. To fund the purchases, we leaned on the liquidity embedded in our shortest holdings, selling securities with maturities inside of five years. In executing the trade, we picked up about 80 basis points in yield, captured wider credit spreads and improved expected return from the additional roll. Duration pushed out to 6.0 from 5.8 a month earlier. The move paid immediate dividends, benefiting from the sharp decline in rates and significant flattening of the curve that occurred in November and December.

Looking forward, municipal bonds should offer investors a welcome source of value and stability. In 2018, while the Treasury yield curve flattened dramatically, the municipal curve actually steepened. At every major segment, the municipal curve will begin the New Year at least twice as steep as its Treasury counterpart. As a result, opportunities to extract relative value and bond roll can be found along the curve. In addition, municipal bonds look well positioned as a haven against continued turbulence in the global markets. The fourth quarter was a clear reminder of the protection the sector adds to a portfolio in periods of stress, as it was one of the few asset classes to post positive returns. As we enter 2019, volatility is likely on the rise. Between unresolved trade issues, geopolitical flashpoints and a Fed policy increasingly at odds with the street, outsized swings in risk markets would not be a surprise. Against this backdrop, municipal bonds continue to look appealing as a stable hedge.

TAXABLE BOND STRATEGIES

INVESTMENT TEAM

Mary F. Kane, CFA	Partner, Portfolio Manager
Nancy G. Angell, CFA	Partner, Co-Director of Fixed Income
John B. Fox, CFA	Partner, Co-Director of Fixed Income

13	19	11
Taxable Investment Professionals	Average Years Experience	Average Years with Firm

"Volatility in the capital markets has so far exhibited little effect on the real economy. While growth is moderating from the strong pace we saw earlier in the year, economic indicators still point to an above-trend rate of economic expansion for 2019."

GW&K TAXABLE BOND STRATEGIES

SHORT-TERM TAXABLE BOND	Through research and diversification, seeks to outperform money market funds while managing portfolio volatility
CORE BOND	A core multi-sector bond strategy that offers a more conservative profile by selecting only investment grade securities
ENHANCED CORE BOND	Offers broad market exposure across multiple bond sectors, including high yield bonds, while seeking to provide strong income
TOTAL RETURN BOND	This multi-sector approach seeks to take advantage of relative valuation among distinct bond sectors and to generate high income and capital gain
CORPORATE BOND OPPORTUNITIES	Seeks to maximize current income and longer-term capital appreciation by focusing on both investment grade and high yield corporate bonds
SHORT-TERM FOCUSED HIGH INCOME	Seeks to achieve a high level of current income while minimizing price volatility by investing in bonds with maturities less than five years and with an average rating of BB.

Investor sentiment deteriorated significantly as markets grew increasingly concerned about global growth, tightening Fed policy and escalating trade tensions with China. These concerns took precedence over domestic economic data that, on balance, remains solid. The dominant narrative of synchronized global growth suddenly shifted to a serious debate around whether the post-crisis economic recovery was coming to an end—or worse. As expected, the Fed raised rates and tilted in a dovish direction, but not nearly enough for investors, who wanted a pause. Instead the Fed merely signaled a modestly slower pace of tightening along with continued balance sheet reduction. Volatility surged as a result, and risk assets sold off in a swift and decisive rebuke of Fed policy.

The Treasury market was the primary beneficiary of the risk-off mode. After briefly reaching a new multi-year high in response to strong economic data, the 10-year Treasury rate sharply changed course as a decisive flight to quality drove the yield to its lowest level since April. Much of the conversation fixated on the growth implications of the flattening yield curve as it finished the year at its flattest slope in a decade with spreads between 2/10-year Treasuries at just 20 basis points. The spread between 2/5-years ended at 2 basis points, but actually inverted at one point during the quarter.

Tightening financial conditions and thin year-end liquidity also took their toll on risk assets. U.S. stocks sank to a 17-month low in the most significant selloff in ten years. The corporate bond market suffered alongside equities, and spreads reached their widest levels since 2016. The selloff in the high yield market was particularly dramatic, as spreads in early October briefly touched their tightest level of the cycle, only to be followed by one of the worst repricing episodes in history. The sector was particularly hard hit by a record-setting plunge in crude oil prices. Investment grade corporates continued their almost year-long struggle, and like equities experienced their worst year in a decade. Growing concerns about the end of the cycle, rising corporate borrowing costs and ratings downgrade anxiety (specifically among BBB-rated securities) drove the decline. Mortgage-backed securities lagged Treasuries due to their shorter duration profile amidst a significant rally in rates and modest spread widening as a result of a challenging technical backdrop.

Volatility in the capital markets has so far exhibited little effect on the real economy. While growth is moderating from the strong pace we saw earlier in the year, economic indicators still point to an above-trend rate of economic expansion for 2019. Additionally, the Fed has signaled they are now "data dependent" and thus likely nearing the end of their three year tightening cycle. In this environment, rates should be range-bound. As such, we are keeping our portfolio durations close to neutral.

Concerns that global growth is slowing continue to rise even as evidence of a downturn remains scant, suggesting that risk assets have moved meaningfully toward pricing in a recession that may not occur. As a result, valuations appear increasingly attractive. With economic data that continues to exhibit positive momentum and a Fed that seems to have adopted a more cautious stance, we remain constructive on the corporate bond market. The fundamentals for high yield remain favorable, as record cash flow, strong interest coverage and low default rates should keep spreads contained. Investment grade companies are also on solid footing supported by steady U.S. growth that continues to underpin earnings and support ample interest coverage. That being said, we recognize that we are approaching the end of the cycle and continue to have a preference for higher quality and less capital intensive sectors of the corporate bond market. We have significantly reduced our exposure to BBB-rated debt, where investors are most concerned about potential ratings downgrades. Our allocation to mortgage-backed securities remains neutral, though we are becoming more constructive on the sector as the demand outlook and valuation improves. We continue to favor seasoned mortgage pools that should better withstand the continued runoff in the Fed's balance sheet next year.

DOMESTIC EQUITY STRATEGIES

INVESTMENT TEAM

Daniel L. Miller, CFA	Partner, Director of Equities
Joseph C. Craigen, CFA	Partner, Portfolio Manager
Jeffrey W. Thibault, CFA	Partner, Portfolio Manager
Jeffrey O. Whitney, CFA	Partner, Portfolio Manager
Aaron C. Clark, CFA	Principal, Portfolio Manager

11 Equity Investment Professionals	22 Average Years Experience	11 Average Years with Firm

GW&K DOMESTIC EQUITY STRATEGIES

EQUITY DIVIDEND PLUS	Income oriented strategy that invests in companies paying above-average dividends and that we believe have the required balance sheet strength needed to sustain dividend payouts
DIVERSIFIED EQUITY	Combines growth & value disciplines and diversifies across large, mid, and small capitalization stocks
SMALL/MID CAP CORE	A core strategy that invests in both small and medium sized companies that we believe offer sustainable earnings growth
SMALL CAP VALUE	Seeks to identify well-managed small cap value companies with attractive valuations and improving fundamentals.
SMALL CAP CORE	Focuses on small companies that we believe offer sustainable earnings growth in niche markets with lasting growth potential
SMALL CAP GROWTH	Utilizes fundamental research and quantitative screening to identify small companies that we believe have sustainable, above-average earnings growth in niche markets

Last quarter we began this letter with a list of fears that the market seemed willing to ignore as it recorded its ninth consecutive quarterly gain. Perhaps in retrospect such ignorance should have been enough reason to warrant a more cautious outlook. Fears that had plagued investors throughout the year finally took hold and threw markets into a year-end tailspin. December was particularly cruel, as continued hawkish comments from the Fed put the market on a track for the worst December on record. Thankfully December's plunge was moderated by a sharp post-Christmas rally that eased some of the quarter's pain.

The S&P 500 Index ended the quarter down 13.5%. Despite this sharp drop, year-to-date results were down a somewhat modest 4.4%. With interest rates and markets falling, Utilities was the only sector to register a gain in the quarter. Other defensive or interest sensitive sectors beat market averages, but were still down for the quarter. Energy was by far the worst sector, given the rout in oil prices, although Information Technology, Industrials and Consumer Discretionary were not far behind. Despite the quarter's weakness, several growth oriented sectors maintained slightly positive full-year performance. On the flip side, the more economically sensitive sectors such as Energy, Materials and Industrials posted full-year losses in the double digits.

The Russell 2000 Index entered bear market territory in the quarter, falling 20.2%. Energy names were off a whopping 41%. And the economically sensitive Materials and Industrials were both down over 20%. Health Care was also down due to concerns over the future of the Affordable Care Act and the sharp decline in Biopharma names. For the year, the Index was down 11.0%. Only Utilities managed to post a gain, while Energy, Materials and Industrials posted the largest declines.

Large cap stocks held up significantly better than small caps, with the S&P 500 outpacing the Russell 2000 by over 600 basis points for both the quarter and the year. Value-oriented names across the market cap spectrum performed better than Growth in the fourth quarter, however, Growth maintained its lead for the full year.

So are we still in the middle of a long period of economic growth, or are we very near the next recession? The data still suggest the economy continues to grow at a reasonable and sustainable pace. Our bias for the market remains positive despite the difficult quarter we just experienced. GDP should finish the year up around 3%. Consensus growth expectations for 2019 are in the 2% range. The employment picture remains optimistic. ISM survey data would continue to suggest manufacturing and services sectors are still in expansion; although a noticeable drop in the new orders component of this survey bears watching. Consumer confidence remains high, while retail sales in the important holiday season appear to be coming in with solid gains versus last year. Oil prices have come down substantially, which, while bad for energy companies and perhaps signaling economic slowdown, should ease some of the cost pressures felt by businesses and consumers. And interest rates remain low.

In light of this positive environment why have stocks been acting so poorly? Clearly the list of concerns since last quarter has remained intact, causing investor anxiety. Trade tensions with China, political disruptions both here and abroad, less accommodative monetary policy, the flattening of the yield curve, the U.S. government shutdown, higher credit spreads, high overall levels of corporate debt, and a decline in household net worth. While these factors do point toward decelerating growth, especially overseas, a slowing economy is far different than a declining one. We see this environment as but a pause in a continued period of economic expansion.

The bear market is just that, a down market. It does not portend, in our opinion, an imminent end to this economic cycle. The evidence is too strong and broad. So our positive bias toward stock prices remains intact. As such, we seek to identify companies across all sectors that are well managed and best positioned to maneuver through whatever economic environment is in store. This gives us the opportunity to add to our favorite names when they are "on sale," and our expectation is that our clients will be the long-term beneficiaries.

"…a slowing economy is far different than a declining one. We see this environment as but a pause in a continued period of economic expansion."

INTERNATIONAL EQUITY STRATEGIES

INVESTMENT TEAM

Daniel L. Miller, CFA	Partner, Director of Equities
Reid T. Galas, CFA	Principal, Portfolio Manager
Karl M. Kyriss, CFA	Principal, Portfolio Manager

7 Equity Investment Professionals	**21** Average Years Experience	**10** Average Years with Firm

GW&K INTERNATIONAL EQUITY STRATEGIES

INTERNATIONAL SMALL CAP STRATEGY	Seeks to invest internationally outside of the U.S. in quality small cap companies at attractive prices that can grow earnings or recognize value over the long term
GLOBAL SMALL CAP STRATEGY	Seeks to invest globally, including the U.S., in quality small cap companies at attractive prices that can grow earnings or recognize value over the long term

While international equity markets started the year strong, performance for most of the year was lackluster. After a flat third quarter, the fourth quarter started with a sharp selloff in October, stabilized briefly in November, and then continued to sell off into year end. The MSCI EAFE Index finished the quarter down 12.54% while the MSCI World ex USA Small Cap Index fell 16.16%, bringing year-to-date returns to –13.79% and –18.07%, respectively. In both cases, this was the worst quarterly performance since 2011 and the worst annual return since 2008. For the MSCI World ex USA Small Cap this was actually the second worst year since the Index started back in 1998. Despite dollar weakness in December, currency remained an approximate –3.36% headwind for non-U.S. investment returns.

The selloff in the quarter was widespread with every region, country and sector generating a negative return for the period.

By region, Europe (–17.81%), North America (–17.44%), Asia (–14.03%), and the Middle East (–11.23%), were all down double digits. New Zealand (–1.32%) and Singapore (–4.15%) were by far the best performers, however, they make up a very small portion of the universe. Larger countries such as Japan (–14.93%), the United Kingdom (–17.52%), Germany (–18.92%), and Canada (–17.47%) all fell sharply. Sector returns were similar with traditionally defensive sectors like Utilities (–4.28%), Real Estate (–5.40%), and Consumer Staples (–11.91%) performing "best" while the less defensive Energy (–31.11%), Information Technology (–20.84%) and Industrials (–19.59%) all fell sharply. By the end of the year the selling had become generally indiscriminate with neither valuation, nor quality providing any downside protection.

Though growing fears about valuation, liquidity, interest rates, and geopolitical issues continued, economic data and company profits remained in good condition. As such, the depth and breadth of the selloff took investors by surprise.

> "In the event the market is correct and the cycle is ending, our focus on balance sheets and business models makes us confident our investments will weather the storm and emerge in an even better competitive position than in which they started."

International equity markets have now corrected twice since 2008. The last correction in 2011 resulted in a global central bank response that is just now being unwound. This time the markets are clearly pricing in a belief that the economic cycle has peaked and that some or all of the following will result in a recession sometime in 2019 or 2020: U.S./China trade war, Fed rate hikes, scheduled 2019 end of the European Central Bank's (ECB) quantitative easing (QE), a Japan tax hike and a Chinese economic slowdown. Without dismissing those concerns it is important to keep in mind that slowing data and bear market fears could lead to changes in current policies. It is likely that U.S. rate hikes will at least be slowed, the Chinese will attempt another stimulus and that the ECB, struggling with a post-Brexit environment and a recalcitrant Italy, will at least pause in their tightening.

One thing is for sure, 2019 is shaping up to be very eventful. Next quarter the focus will be on how the United Kingdom and European Union addressed (or failed to address) Brexit. By the end of this year there will be a new head of the ECB and they will have either tapered QE as planned or not. In October, Japan will finally hike their consumption tax or push it off for a third time. In addition there will also be a series of significant elections in Europe, Indonesia, India, Israel and others.

While we will not claim expertise in calling those larger macro-economic and political events, we do see a silver lining for fundamental, bottom-up, long-term investors. Sentiment has changed dramatically from the start of 2018 and now the market seems to be extrapolating the slowing trends to price in an end to the economic cycle and imminent recession. The very fact that the selling was so widespread means there is an opportunity to increase our holdings in existing businesses at attractive prices or take new positions in companies we have wanted to own but were previously too expensive to meet our underwriting requirements. In the event the market is correct and the cycle is ending, our focus on balance sheets and business models makes us confident our investments will weather the storm and emerge in an even better competitive position than in which they started.

as benign or necessary. After all, inflation is still running below the Fed's desired 2% target and lately, it has actually been decelerating, a dynamic I have repeatedly warned about. If the Fed is truly data dependent, then a wait and see approach seems warranted.

Meanwhile, the effects of monetary tightening are being felt. With the Fed raising short-term rates, while Europe and Asia keep theirs pinned near zero, a stronger U.S. dollar has emerged, which has curbed exports. Our economy is increasingly dependent on a healthy global marketplace. And we need the consumers of Europe, Asia and Africa to drive future growth. The U.S. is a mature economy. Even with full employment and moderate productivity gains, domestic growth will only reach around 1%–2%, especially without robust immigration to supplement population growth. Anything that inhibits the expansion of trade will just add to the pressure.

It is no wonder then that the markets have responded so poorly to the tariff/trade war with China. The threat is real; however, this is an issue that will get resolved. While it is obviously important for the U.S., it is even more critical for China. Three hundred million Chinese have risen to the middle class in the past decade. And these people want more benefits, whether that means healthcare, products, or leisure time. Remember, even an autocratic state must meet the ever growing demands of its citizens. China needs the U.S. and the U.S. needs China.

Since markets hate uncertainty, we should expect continued volatility in 2019 as we transition through Fed policy, the tariff standoff, a split Congress, and the ever-present unpredictability of the executive branch. By the end of this year, the 2020 U.S. presidential campaign will be in full swing which will introduce further agitation, finger-pointing and extreme views, a tough environment in which to find comfort. It may well be that, as we entered 2018 with the new tax policy in place, the stock market began to discount outsized GDP growth. As disappointment set in, the market recalibrated the more optimistic estimates of 3%–3.5% back to 1.5%–2%.

The likelihood of a recession seems fairly low, but slow growth could be the price of political stalemate. It is important to stay diversified to take advantage of the best opportunities that emerge in the future. This last correction and recalibration may be all that was needed to move the markets back toward fair value, but that remains to be seen. The need for predictable income at reasonable levels will be difficult with the 10-year Treasury yielding less than 3%. If the Fed stops raising short-term rates, it produces a dilemma for investors. Do they stay the course in a volatile environment, or just accept a 2%–3% cash return?

My answer has been the same for my entire investment career—diversification is the only approach. Since visibility is clouded, as always, we need to stay invested and get comfortable with being uncomfortable. As uncertain as the short-term forecast is, there is certainty in the long-term picture. Global growth will reaccelerate as the middle class grows around the world. Most of the world's inhabitants desire what westernized society has to offer. Every governmental body must answer to its population. The need to join the world of nations is paramount. No country can afford to be left out. The good news is that as nations join this economic wave, the benefits will accrue to all, as the greater demand for goods and services propels the developing world as much as the developed world.

Even with this increased market volatility, stay the course with your investment approach and maintain a diversified portfolio.

Enjoy the New Year with health, happiness and prosperity.

Harold G. Kotler, CFA
CEO, Chief Investment Officer

GW&K UPDATE *12/31/18*

TOTAL ASSETS UNDER MANAGEMENT	$34.4 billion
TOTAL EMPLOYEES	130
TOTAL INVESTMENT PROFESSIONALS	41

GW&K LAUNCHES TWO NEW FIXED INCOME ESG STRATEGIES

GW&K Core Bond Strategy—ESG
GW&K Municipal Bond Strategy—ESG

GW&K believes that responsible corporate behavior with respect to environmental, social, governance (ESG) factors can lead to positive and sustainable long-term financial performance for our clients. While ESG factors have been a consideration in our overall research process for all of our Strategies, we recognize the growing demand for ESG-specific Strategies.

Our two new ESG Strategies, Core Bond and Municipal Bond, are managed in the same style and by the same respective teams as their namesakes and strive to identify issuers that are leaders in providing positive ESG impacts in the communities they serve.

For more information please contact your Client Service Representative.

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