



Investment Program

FIXED INCOME STRUCTURING

P&F Investment Committee

Considerations

Liquidity

- INCF provides for ongoing benefit payments; primary liquidity need for fixed income is to serve as a funding source for a further “risk on” rotation
- Scenarios for moving from Mix D and potential 75/25 & 80/20 mixes to “ALL IN” must include moving at short notice

Risk and Positioning

- Markets remain incredibly volatile
- In the long run, Long-term Government Bonds will add duration to the Plan to offset equity risk in Mix D
 - Rotating into IG Bonds (Agg) over time would add additional equity-risk mitigating duration, but also credit spread
- High Yield will also be funded as opportunities warrant

Goals

- Near term
 - Preserve liquidity, remain largely risk free
 - Due diligence potential opportunities
- Medium term: construct an allocation that includes a mix of active and passive strategies, with enough “on demand” liquidity to allow the plan to rotate into an “ALL IN” position