

# Strategic World Income Strategy

## Strategy

The objective of the discretionary Strategic World Income Strategy is to provide a fixed income investment solution which outperforms its respective benchmark, Bloomberg Barclays Global Aggregate Index, as measured by the following return metrics:

- Alpha and Total Return

Seeks to achieve lower risk as measured by the following risk metrics:

- Standard Deviation and Superior Up/Down Capture

The portfolio is made up of a blend of consistently top performing mutual funds and ETFs. This blend allows for top funds to perform in the areas they excel and ETFs to achieve their objective in the areas where a fund does not offer enough enhanced value. The inclusion of ETFs:

- Allows for partial intraday liquidity when needed
- Lowers the overall internal portfolio cost

The selection of fund managers results from a proprietary quantitative sorting process. Managers must satisfy several strict risk to return criteria on a consistent rolling basis, while maintaining a high correlation to their benchmark in each respective category.

The blend of mutual funds and ETFs holdings consist of the following:

- Mainly US based
- Low to medium duration
- High quality debt instruments

The overall portfolio does not rely on any single source of interest rate exposure, as it is invested in assets across different asset classes, market sectors, and maturities. The following instrument qualities are analyzed:

- Credit quality
- Currency risks
- Economic risks
- Trading opportunities in the instruments

The portfolio tries to achieve diversification and risk management while seeking to maximize long term returns.

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Chris Brock, Senior Portfolio Management Director, Financial Advisor  
Phone: 770-698-2131  
Email: [Christopher.Brock@morganstanley.com](mailto:Christopher.Brock@morganstanley.com)

**Morgan Stanley Wealth Management**  
5 Concourse Parkway  
Suite 2000  
Atlanta, GA 30328