

... / [Fixed-Income](#) / Floating-Rate Loan Strategy

# Floating-Rate Loan Strategy



## Monthly Strategy Review

*(as of Jun 30, 2024)*



## Quarterly Strategy Profile

*(as of Mar 31, 2024)*

## Investment Overview

This strategy provides "intelligent exposure" to the floating-rate loan market, thoughtfully diversifying while assuming a higher-quality bias that seeks lower volatility and better risk-adjusted performance over time.

- We aim to maximize risk-adjusted performance through fundamental credit research and risk-weighted portfolio optimization.
  - Loans are analyzed through Eaton Vance's proprietary credit research process, and position sizes are guided by credit analyst risk rankings.
  - We take less input risk by skewing weightings away from higher credit risk issuers.
  - We have experienced less output risk, resulting in lower absolute and relative volatility.
  - Eaton Vance is a leader in floating-rate loans, with one of the longest track records and longest-tenured teams, and largest AUM.\*
- \*eVestment Alliance/Morningstar, 12/31/2021 Based on combined eVestment Alliance Floating-Rate Bank Loan Fixed Income universe and Morningstar Bank Loan category using AUM and oldest investment offering for each firm.

## Portfolio Construction

- Analysts assign relative risk rankings to each loan
- Number of loans approximately equal weighted by risk quintile
- Market value incrementally skewed toward lower risk
- Initial position size ranges from 0.1% to 1.5% as determined by risk rank
- Portfolio is perpetually optimized for risk and return

## Investment Team

	Andrew Sveen, CFA Managing Director, Head of Floating-Rate Loans	Joined investment management industry in 1995 Joined Eaton Vance in 1999	BA, Dartmouth College, MBA, University of Rochester
	Ralph Hinckley, CFA Managing Director, Portfolio Manager	Joined investment management industry in 1997 Joined Eaton Vance in 2003	BA, Bates College, MBA, Boston University Graduate School of Management
	Heath Christensen, CFA Executive Director, Portfolio Manager	Joined investment management industry in 1999 Joined Eaton Vance in 2003	BS., The Pennsylvania State University

## Benchmark

- Morningstar LSTA US Leveraged Loan TR USD Index\*
- \*Prior to August 29, 2022, the index name S&P/LSTA Leveraged Loan Index

## Related Content

[Floating-Rate Loan Market Monitor](#)

[Investment Capabilities](#)[Contact](#)[Fixed-Income](#)[Equity](#)[Alternative](#)**HEADQUARTERS**

One Post Office Square  
Boston, MA 02110

[Accessibility](#) | [Privacy & Cookies](#) | [Your Privacy Choices](#)  | [Code of Ethics](#) | [Principles for Responsible Investment](#) | [Form CRS](#)

To report a website vulnerability, please go to [Responsible Disclosure](#).

Eaton Vance is part of Morgan Stanley Investment Management, the asset management division of Morgan Stanley.

For USA PATRIOT Act Disclosure Notice please click [here](#).

*The information on this Web site is for U.S. residents only. The information on this Web site does not constitute an offer to sell, or a solicitation of an offer to purchase, securities in any jurisdiction to any person to whom it is not lawful to make such an offer.*

*There are no guarantees regarding the achievement of investment objectives, target returns, portfolio construction, allocations or measurements such as alpha, tracking error, stock weightings and other information ratios. The views and strategies described may not be suitable for all investors. Not all of Eaton Vance's recommendations have been or will be profitable. Eaton Vance does not provide tax or legal advice. Investing entails risks and there can be no assurance that Eaton Vance (and its affiliates) will achieve profits or avoid incurring losses. Prospective investors should consult with a tax or legal advisor before making any investment decision.*

**NOT FDIC INSURED | OFFER NO BANK GUARANTEE | MAY LOSE VALUE | NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY | NOT A DEPOSIT**

© Eaton Vance Management. All rights reserved. One Post Office Square, Boston, MA 02110.

Publication details: Saturday, July 27, 2024 1:09 AM

Page ID: T50869 - <https://institutional.eatonvance.com/floating-rate-loan-strategy.php>