

# MetWest High Yield Bond Fund

A Sub-Fund of TCW Funds, a Luxembourg-domiciled UCITS

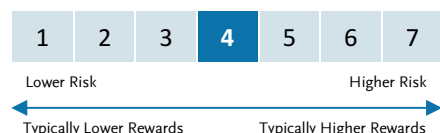
TCW

30 APRIL 2021 | SHARE CLASS: AEHE | ISIN: LU1377851537 | BLOOMBERG: TCWHYHE  
FOR RETAIL INVESTORS

**Sub-Fund Size**  
USD 74.72 Million

**Net Asset Value**  
EUR 126.57

## Risk Level



## Characteristics

	Sub-Fund	Index
Number of Positions	236	2,187
Average Rating	BB-	B+
Average Maturity	4.84 Yrs	4.54 Yrs
Spread Duration	4.06 Yrs	–
Effective Duration	3.47 Yrs	3.84 Yrs
Average Coupon	4.71%	5.89%
Average Price	\$101.26	\$104.69
Current Yield	4.56%	5.63%
Yield to Maturity	3.82%	4.00%
Tracking Error (5 Yrs)	3.03%	–
Standard Deviation (5 Yrs)	5.04%	7.44%

## Share Class

Description	Retail
NAV Currency	EUR
Currency Exposure	EUR (hedged)

## Subscription/Redemption Information

NAV Valuation	Daily Forward Pricing
Subscription/Redemption	10:00 PM
Deadline	Luxembourg Time
Minimum Subscription	1 Share

## Fees

Management Fees	1.00%
Ongoing Charges	1.25%
Performance Fees	None
Redemption Fee	None
Maximum Subscription Fee	Up to 4.5% to the benefit of distributor

## Codes

ISIN	LU1377851537
Bloomberg	TCWHYHE
WKN	A2AKFW
SEDOL	BYMY988
Telekurs	31790111
CUSIP	L9018W826

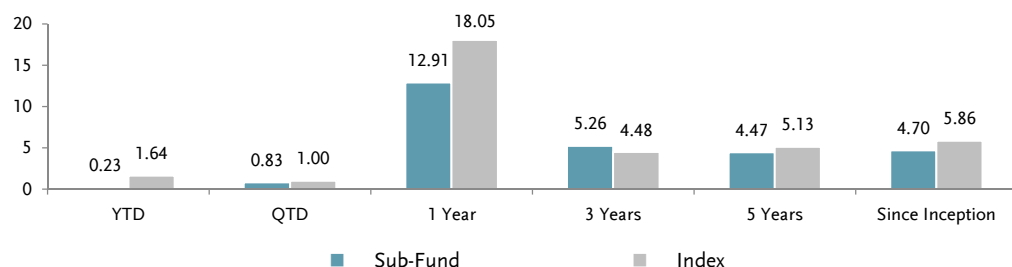
## Investment Objective & Philosophy

The Sub-Fund seeks high total return provided by current income and capital appreciation. To achieve this objective, the Sub-Fund invests at least 80% of its net assets in high yield bonds of U.S. issuers (which means issuers of securities traded on the U.S. domestic market, or issuers residing in the U.S. and/or whose main business and/or principal registered office are located in the U.S.), which are rated below investment grade or are unrated and determined by the Investment Manager to be of similar quality.

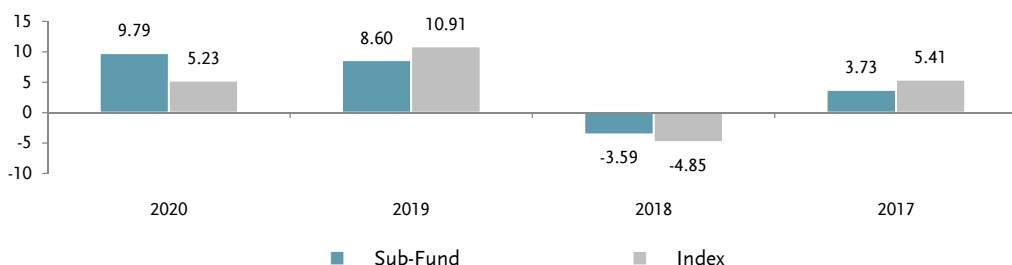
## Monthly Returns (% , EUR)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	
													Sub-fund	Index
2021	0.04	-0.22	-0.42	0.83	-	-	-	-	-	-	-	-	0.23	1.64
2020	-0.07	-0.50	-6.47	4.81	2.69	1.33	4.05	0.55	-1.10	0.36	3.07	1.15	9.79	5.23
2019	3.22	1.08	0.63	0.89	-0.51	1.60	0.37	0.04	0.07	0.26	-0.30	0.98	8.60	10.91
2018	0.06	-0.92	-0.55	0.22	-0.20	-0.02	0.36	0.18	0.18	-1.22	-0.24	-1.47	-3.59	-4.85
2017	0.48	1.13	0.10	0.62	0.67	0.04	0.23	0.15	0.31	0.01	-0.14	0.09	3.73	5.41

## Performance (% , EUR)



## Calendar Year Performance (% , EUR)



**Past performance is not a reliable indicator of future results. Returns may increase or decrease as a result of currency fluctuations. All returns are net of fees and are gross of taxation.**

Source: Morningstar. Returns not annualized if less than one year.

**Index – Bloomberg Barclays U.S. Corporate High Yield Index 2% Issuer Cap:** An unmanaged index that covers the USD-denominated, non-investment grade, fixed-rate, taxable corporate bond market. The index limits exposures to a specific issuer to a maximum 2% by market value. The index is not available for direct investment; therefore its performance does not reflect a reduction for fees or expenses incurred in managing a portfolio. The securities in the index may be substantially different from those in the Fund.

## General Sub-Fund Information

Sub-Fund Managers	Stephen M. Kane, CFA; Bryan Whalen, CFA; Jerry Cudzil; Steven Purdy
Legal Status	Sub-Fund of a Luxembourg SICAV - UCITS
Countries of Registration	LU, FR, BE, DE, IT, CH, ES
Custodian Bank	Société Générale Luxembourg
Inception Date	11 March 2016
Close of Fiscal Year	30 September

# MetWest High Yield Bond Fund

A Sub-Fund of TCW Funds, a Luxembourg-domiciled UCITS

TCW

## Top Ten Securities (%)<sup>1</sup>

Issue (Coupon, Maturity)	Weight
US TREASURY BILL 8/12/2021 0%	3.22
BAUSCH HEALTH COS INC 7.000% 3/15/2024	2.53
CCO HLDGS LLC/CAP CORP 5.500% 5/1/2026	2.12
T-MOBILE USA INC 2.250% 2/15/2026	1.82
SPRINT CORP 7.875% 9/15/2023	1.73
CSC HOLDINGS LLC CALLED 5.500% 5/15/2026	1.50
SIRIUS XM RADIO INC 3.875% 8/1/2022	1.42
SPRINT SPECTRUM / SPEC I 5.152% 3/20/2028	1.41
KRAFT HEINZ FOODS CO 4.625% 1/30/2029	1.24
QWEST CORP 7.250% 9/15/2025	1.20

## Duration (%)

0-1 Year	17.80
1-3 Years	23.56
3-5 Years	25.45
5-7 Years	20.70
7-10 Years	8.04
10-20 Years	4.46

## Country Breakdown (%)

United States	91.16
Great Britain	2.72
Canada	2.48
Luxembourg	1.95
Ireland	0.71
France	0.48
Bermuda	0.20
Belgium	0.11
Netherlands	0.11
Mexico	0.09

## Currency Distribution (%)

United States Dollar	100.00
----------------------	--------

## Credit Quality (%)

BBB	6.21
BB	49.83
B	29.90
CCC	8.58
CC	0.16
C	0.01
D	0.03
Cash and Equivalents	5.28

## Sector Distribution (%)

Communications and Technology	31.68
Consumer Products	30.69
Basic Industry and Capital Goods	11.31
Energy	10.10
Financial Institutions	6.41
Cash and Equivalents	5.28
Utilities	1.32
Non Agency MBS	1.30
Industrial Other	0.96
Transportation	0.87
Other <sup>3</sup>	0.09

## Quality Analysis (%)<sup>2</sup>

Tier I	62.67
Tier II	24.91
Tier III	5.84
Other	1.30
Cash & Equivalents	5.28

Source: TCW; Morningstar

Portfolio characteristics and holdings are subject to change at any time.

<sup>1</sup> It should not be assumed that an investment in the securities listed was or will be profitable. Security percentages are calculated on the total net asset value, including cash and cash equivalents.

<sup>2</sup> MetWest internally rates securities as Tier I/II/III using its own fundamental assessment of credit risk. MetWest's internal fundamental assessment of a security's credit risk may include, among other factors, sector fundamental assessments, cash flow generation analysis/forecast, tangible asset value evaluation, capital structure analysis, and liquidity determination/projection. MetWest internal Tier ratings may be materially different from the ratings of S&P, Moody's or Fitch. MetWest defines its Tier rating system as follows: Tier 1: Strongest credit quality attributes within the leveraged finance universe. Fundamental characteristics of Tier 1 securities include (i) strong and resilient cash flow generation capabilities, (ii) senior priority within capital structure, (iii) well-diversified businesses, (iv) significant liquidity, (v) significant asset value coverage, and (vi) less cyclical attributes. From a market-based perspective these will be the lowest volatility securities and generally efficiently priced at below average spread. Tier 2: Average credit quality characteristics versus other leveraged finance companies. Tier 2 ratings approximate the "average high yield bond." Fundamental qualities include (i) moderate business cyclicality, (ii) adequate liquidity, (iii) sufficient asset coverage, (iv) average business size, and (v) average priority within capital structure. Market-based characteristics are average volatility and pricing. Tier 3: Below average credit quality versus other leveraged finance securities. Fundamental qualities include (i) higher cyclicality/operating leverage, (ii) elevated financial leverage, (iii) generally lower levels of liquidity, and (iv) more marginal but generally adequate asset coverage. These securities tend to have volatile spreads and prices that are substantially lower than "average" high yield bonds.

<sup>3</sup> Other represents mark-to-market values of derivatives which can include Options or Swaps, as applicable.

# MetWest High Yield Bond Fund

A Sub-Fund of TCW Funds, a Luxembourg-domiciled UCITS

TCW

## RISKS

The Share Class is assigned to this risk category because of price variations resulting from its currency and the nature of the Sub-Fund's investments and strategy. The above rating is based on the historic volatility of the Share Class and may not be a reliable indication of the future risk profile of the Share Class. The risk and reward category shown is not guaranteed to remain unchanged and may shift over time. The lowest category does not mean a risk-free investment.

High yield securities may be subject to greater fluctuations in value and risk of loss of income and principal than higher-rated securities. Fixed income investments entail interest rate risk, the risk of issuer default, issuer credit risk, and price volatility risk. Funds investing in bonds can lose their value as interest rates rise and an investor can lose principal. Mortgage-backed and other asset-backed securities often involve risks that are different from or more acute than risks associated with other types of debt instruments. MBS related to floating rate loans may exhibit greater price volatility than a fixed rate obligation of similar credit quality. With respect to non-agency MBS, there are no direct or indirect government or agency guarantees of payments in pools created by non-governmental issuers. Non-agency MBS are also not subject to the same underwriting requirements for the underlying mortgages that are applicable to those mortgage-related securities that have a government or government-sponsored entity guarantee.

## FOR RESIDENTS OF THE EU AND THE UK

The investments referred to in this brochure may not be suitable for all investors. It is categorically offered at the request of the recipient who is categorised as a Professional Client or an Eligible Counterparty under applicable law. This brochure is directed at persons who are classified as Professional clients and Eligible Counterparties only.

The distribution of this brochure in certain jurisdictions may require that it is translated into the official language of those countries. Should any inconsistency arise between the official language version and the English version, the official language version shall prevail for the relevant investors. Currency movements may affect the value of investments. Investors should also be aware that the value and income of any securities or investments and the price of shares and the income derived from them, which are mentioned in this brochure, may fall as well as rise. Past performance is not a guarantee to future performance.

Under no circumstances should information or any part of it be copied, reproduced or redistributed.

## FOR RESIDENTS OF SINGAPORE

This document has not been registered as a prospectus with the Monetary Authority of Singapore. The offer which is the subject of this document is not allowed to be made to the retail public in Singapore. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of Shares may not be circulated or distributed, nor may Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor pursuant to Section 304 of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA") in accordance with the conditions specified in that section, (ii) a relevant person pursuant to Section 305(1) of the SFA in accordance with the conditions specified in that section, (iii) any person pursuant to Section 305(2) of the SFA in accordance with the conditions specified in that section or (iv) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

## FOR RESIDENTS OF HONG KONG

**WARNING:** This document in respect of the funds described herein (each a "Fund" and collectively, the "Funds") is provided to potential investors in Hong Kong solely by TCW Asia Limited, a Hong Kong company that is licensed for Type 1 (Dealing in Securities) activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), and regulated by the Hong Kong Securities and Futures Commission.

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution in relation to the offer. If you are in any doubt about any of the contents of this document, you should obtain independent professional advice.

This document has not been registered by the Registrar of Companies in Hong Kong. The fund is a collective investment scheme as defined in the Securities and Futures Ordinance of Hong Kong (the "Ordinance") but has not been authorised by the Securities and Futures Commission pursuant to the Ordinance. Accordingly, the fund may only be offered or sold in Hong Kong to persons who are "professional investors" as defined in the Ordinance and any rules made under the Ordinance or in circumstances which are permitted under the Companies (Winding Up and Miscellaneous Provisions) Ordinance of Hong Kong and the Ordinance. In addition, this document may not be issued or possessed for the purposes of issue, whether in Hong Kong or elsewhere, and units in the fund may not be disposed of to any person unless such person is outside Hong Kong, such person is a "professional investor" as defined in the Ordinance and any rules made under the Ordinance or as otherwise may be permitted by the Ordinance.

## FOR RESIDENTS OF SWITZERLAND

This is an advertising document. The State of the origin of the Fund is Luxembourg. In Switzerland, the Representative is ACOLIN Fund Services AG, Leutschenbachstrasse 50, CH-8050 Zurich, whilst the Paying agent is Banque Cantonale de Genève, 17, quai de l'Ile, CH-1204 Geneva. The Basic documents of the Fund such as the prospectus, the key investor information document (KIID), the articles of association as well as the semi-annual and annual reports may be obtained free of charge at the office of the Swiss Representative. The current document is intended for information purposes only and shall not to be used as an offer to buy and/or sell shares. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units.

## GENERAL

This marketing document is issued by TCW Funds (the "Fund"). It is neither directed to, nor intended for distribution or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. Only the latest version of the Fund's prospectus, key investor information documents, articles of incorporation, annual and semi-annual reports (if any) may be relied upon as the basis for investment decisions. These documents and other information regarding the Fund are available at no cost on [www.fundsquare.net](http://www.fundsquare.net), [www.TCW.com](http://www.TCW.com), or at TCW Funds, 28-32, Place de la Gare, L-1616 Luxembourg. The Fund has been set up under the laws of the Grand-Duchy of Luxembourg.

The information and data presented in this document are not to be considered as an offer or solicitation to buy, sell or subscribe to any securities or financial instruments. Information, opinions and estimates contained in this document reflect a judgment at the original date of publication and are subject to change without notice. The Fund has not taken any steps to ensure that the securities referred to in this document are suitable for any particular investor and this document is not to be relied upon in substitution for the exercise of independent judgment. Tax treatment depends on the individual circumstances of each investor and may be subject to change in the future. Before making any investment decision, investors are recommended to ascertain if this investment is suitable for them in light of their financial knowledge and experience, investment goals and financial situation, or to obtain specific advice from an industry professional.

TCW

28-32, Place de la Gare, L-1616  
Luxembourg  
email: [tcwfunds@tcw.com](mailto:tcwfunds@tcw.com)  
[www.TCW.com](http://www.TCW.com)