~~There is no Alternative~~
There Are Alternatives

3RD QUARTER 2022

Prior to 2022, yields and forecasted returns for every asset class other than common stocks were so paltry that many market participants began relying on a simple acronym to describe the state of investable markets: TINA, which stood for "There Is No Alternative". TINA became a household name as many investors came to believe that the only way to earn an adequate real return on their money was to move further out on the risk curve into riskier assets such as common stocks and "private" assets.

Today, the inverse of that situation is the critical market driver. Call it what you'd like (we've heard TARA, BAAA and a few other unprintable four-letter words to describe this market) but the gist of today's market is that with base rates exploding higher throughout 2022, investors no longer need to go searching far out the risk curve to capture adequate absolute returns. This new market condition creates headwinds for traditional long-only investors who rely on market beta to generate returns, but it has created a compelling investment backdrop for event driven investors who seek to earn attractive absolute returns while minimizing market risks.

The direction, magnitude, and velocity of global interest rate changes have introduced new variables for investors to consider when determining required rates of return for prospective investments. It is not merely the absolute level that rates have reached that are causing consternation among market participants, but the volatility associated with the moves. As exhibited below, the Merrill Lynch Option Volatility Estimate (MOVE) Index, a benchmark for treasury rate volatility, has only been this elevated 11 times in the last 35 years.

Exhibit 1: MOVE Index > 150 for Only 11th Time in Past 35 years

Source: BofA Global Investment Strategy, Bloomberg

Basic security analysis dictates that investors buy securities when the price is less than the sum of future cash flows discounted by the risk-free rate plus an appropriate risk premium. In more subdued market environments, volatility of the risk-free rate is typically muted; therefore, variations in risk premiums are the primary drivers of security price movements. In the current market environment, investors are faced with a two headed beast in the form of rapid changes in both risk premiums AND risk-free rates, which has driven increased volatility across asset classes and geographies.

What this means for investors is a dramatic broadening in the range of investment underwriting assumptions, which in turn results in divergent views of fair value for securities, leading to the creation of exploitable disconnects between value and price. For investors evaluating "long duration assets" such as 30-year corporate bonds or equities of profitless companies, the assumed discount rate can be the single largest driver of a security's intrinsic valuation. All other variables being equal, a single stock or bond can be viewed as either a bargain or overpriced depending on the purchaser's discount rate assumption.

One of the advantages of event driven investing is that most event driven situations have discrete timelines, such as the closing of a transaction, or the call date for a bond. **Since these are inherently shorter duration investments that rely on idiosyncratic catalysts, event driven investors are not forced to "have a view" on the path of interest rates when evaluating whether prospective investments will generate attractive outcomes – a true luxury in the current market environment.**

In the following sections, we summarize how the current economic landscape has impacted the investment opportunities across each of the fund's core strategies: Arbitrage, Catalyst Driven Credit and Catalyst Driven Equity.

Arbitrage

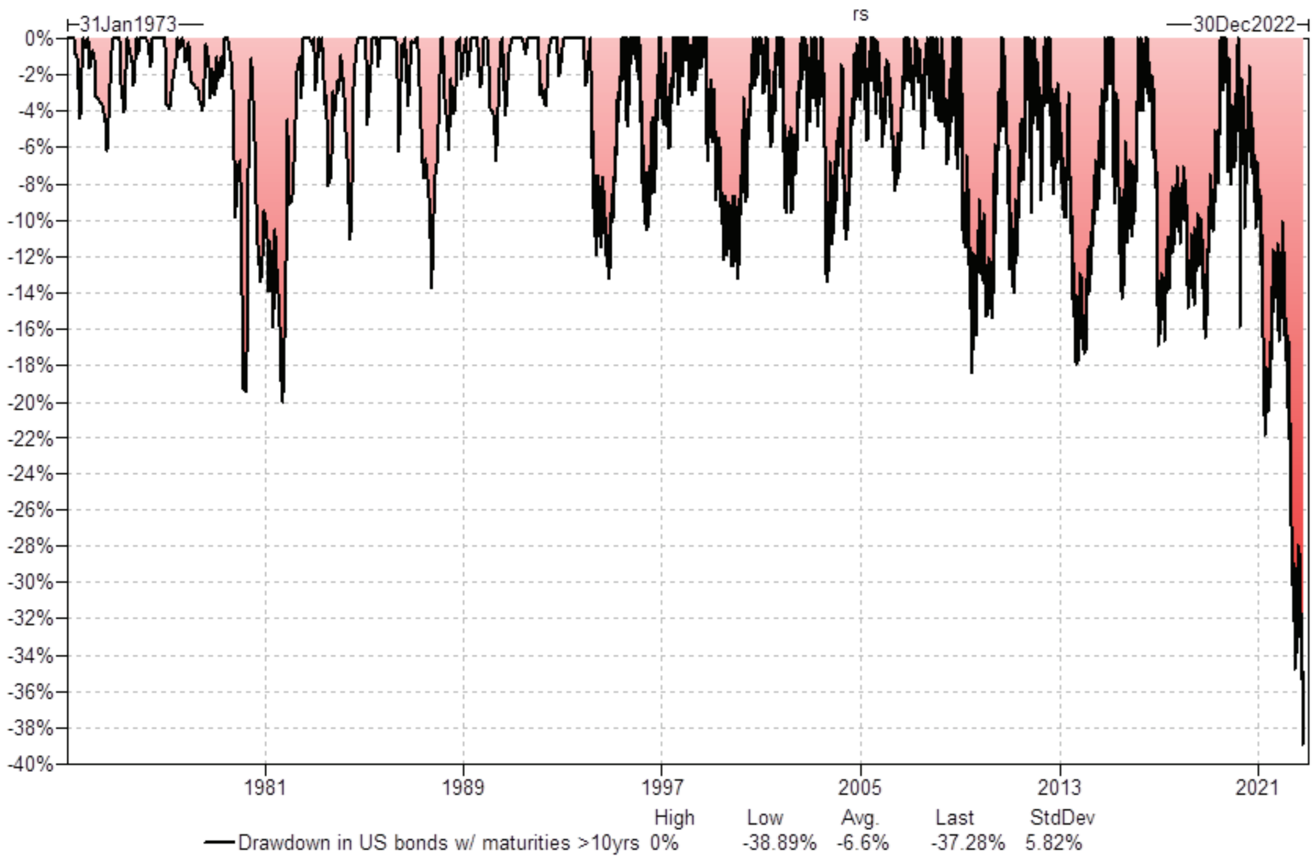
Rising rates are causing a reset of required rates of return for the event driven landscape, including arbitrage. While much of the past decade witnessed a risk-free rate at or near zero, today's 10 Year U.S. Treasury Bond yields approximately 4%, which changes the calculation of near dated yield and carry investment strategies. We are witnessing this phenomenon across both merger arbitrage and SPAC arbitrage, wherein gross and annualized yields have widened significantly throughout the year. Simply put, investors now require a higher absolute hurdle rate to bear risk – we view this as a welcome change to the investment environment.

The new market regime is providing us more opportunities to increase our merger arbitrage exposure and benefit from the uncorrelated return stream this asset class has typically generated during periods of markets stress. We continue to be nimble in optimizing our exposure across the capital structure of each arb situation.

Catalyst Driven Credit

Investment Grade corporate bond yields near 6% represent a decade-plus high, and High Yield corporates now yield close to 10%. Higher risk-free rates change the calculus on many credit opportunities, particularly considering the low dollar prices (as a percentage of par) resulting from this new market dynamic (as shown in Exhibit 2).

Exhibit 2: Drawdown in US Bonds with Maturities >10yrs



Source: GS GMD, Bloomberg as of 30SEP22, past performance is not indicative of future returns

While long duration bond returns have generated the most headlines this year, short duration bond yields have also increased, in many cases offering low-to-mid-teen yields that are very compelling on a risk adjusted basis. Similar to arbitrage, these short duration bond investments do not require us to correctly forecast the path of Treasury yields to achieve our targeted return. The table below provides examples of short duration credit positions that we have added to the portfolio, which we believe provide attractive total return prospects with muted risks related to duration and/or capital markets.

Issuer	Security Type	Price	Expected Call Date	Yield to Call	Yield to Worst
Financial services company	Secured Bond	$98.00	1/31/2023	14.7%	5.9%
American gaming company	Unsecured Bond	$99.00	4/15/2023	13.5%	8.0%
Manufacturing company	Unsecured Bond	$103.50	10/15/2023	12.5%	9.1%
Sports equipment company	Secured Loan	$99.50	9/17/2023	10.1%	9.7%
Workforce lodging company	Secured Bond	$100.25	3/15/2023	8.8%	8.8%

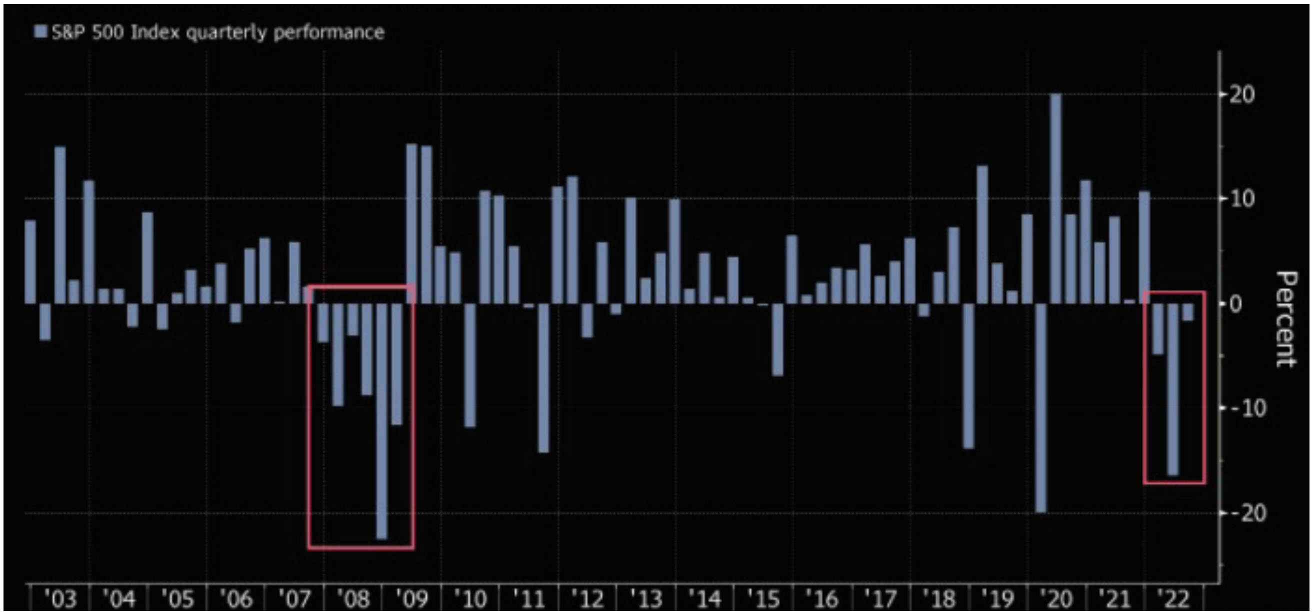
Source: Driehaus

Catalyst Driven Equities

Equity markets have responded poorly to this period of rising rates, as exhibited by the S&P 500 registering its third consecutive quarterly drawdown for the first time since the Global Financial Crisis.

Persistent Weakness

S&P 500 Index heads for the longest quarterly losing streak since 2009



Source: Bloomberg

Investors are struggling to pinpoint the appropriate discount rates to use for underwriting investments, because of the fast-moving rising rate environment. Given that Life Sciences/Biotech valuations are sensitive to discount rate assumptions, we continue to mitigate rates driven beta via a sector ETF hedge. Our investment philosophy with respect to this space further insulates us from unwanted duration exposure, as we invest only in companies that have both identifiable near-term catalysts, and a high probability of success based on our industry expertise.

When rates volatility normalizes, we expect that capital markets activity will return as corporations and investors narrow the bid ask spread on deals, which should provide a fruitful area of investment. Further, with one of the largest multiple contractions in market history, many companies are trading at depressed valuations relative to the recent past. As such, the opportunity set for activist investors urging for change, and supported by low stock prices, is increasingly fertile.

Closing Thoughts

The velocity and volatility of rising global interest rates continue to create new headaches for investors that are tasked with accurately forecasting rate moves to generate attractive returns. Divergent rate assumptions are creating opportunities in all of the asset classes in which we invest. As event driven investors, we will continue to take advantage of opportunities that allow us to generate compelling risk-adjusted returns that rely on specific catalysts and situational expertise.

Performance Review

For the third quarter of 2022, the Driehaus Event Driven Fund returned -1.60% and the S&P 500 Index returned -4.88%. The portfolio hedges investment strategy was the fund's biggest detractor (-0.97%). The bond catalyst (-0.31%), risk arbitrage (-0.10%), and catalyst driven equities (0.02%) strategies accounted for the remainder of the fund performance.

The largest contributors for the quarter were a business services company integrating an acquisition (0.90%), a therapeutics company that provided a data update (0.71%), and a clinical stage bio pharmaceutical company that provided data earlier in the year (0.38%). The largest detractors for the quarter were an automotive parts company that preannounced weak earnings and lowered guidance (-0.73%), a regional gaming operator that pared back some previous gains (-0.70%), and a portfolio hedge in the biotech industry (-0.54%).

Until next quarter,

Mike, Tom and Yoav

The performance data shown represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. Principal value and investment returns will fluctuate so that investors' shares, when redeemed, may be worth more or less than their original cost. Performance data represents the rate that an investor would have earned (or lost), during the given month, on an investment in the Fund (assuming reinvestment of all dividends and distributions). Average annual total return reflects annualized change. Since Fund performance is subject to change after the month-end, please call (800) 560-6111 or visit www.driehaus.com for more current performance information.

Driehaus Event Driven Fund

Ticker
DEVDX

% Quarter-End Performance (as of 9/30/22)

				Annualized		
	QTR	YTD	1 Year	3 Year	5 Year	Inception[1]
Driehaus Event Driven Fund	-1.60	-12.19	-11.03	7.27	6.40	4.77
S&P 500 Index[2]	-4.88	-23.87	-15.47	8.16	9.24	10.92
FTSE 3-Month T-Bill Index[3]	0.45	0.62	0.63	0.57	1.13	0.72
Alpha to S&P 500 Index	--	--	-7.29%	4.98%	3.72%	1.38%
Beta to S&P 500 Index	--	--	0.3	0.2	0.3	0.3
Correlation to S&P 500 Index	--	0.7	0.7	0.6	0.6	0.6
Volatility as a % of S&P 500 Index	--	--	38%	40%	46%	--

Morningstar Event Driven Rankings[5] (as of 9/30/22)

	1 Year	3 Year	5 Year
Number of Funds in Category	39	39	37
Position - DEVDX	35	3	3
Percentile Ranking - DEVDX	**90%**	**8%**	**8%**

Source: Driehaus Capital Management, FactSet
Data as of 9/30/22

The performance data shown represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance data quoted. Principal value and investment returns will fluctuate so that investors' shares, when redeemed, may be worth more or less than their original cost. Performance data represents the rate that an investor would have earned (or lost), during the given month, on an investment in the Fund (assuming reinvestment of all dividends and distributions). Average annual total return reflects annualized change. Since Fund performance is subject to change after the month-end, please call (800) 560-6111 or visit www.driehaus.com for more current performance information.

[1]The Driehaus Event Driven Fund has an inception date of August 26, 2013. [2]The Standard & Poor's ("S&P") 500 Index consists of 500 stocks chosen for market size, liquidity, and industry group. It is a market-weighted index (stock price times number of shares outstanding), with each stock's weight in the index proportionate to its market value. [3]The FTSE 3-Month T-Bill Index is designed to mirror the performance of the 3-Month U.S. Treasury Bill. The FTSE 3-Month T-Bill Index is unmanaged and its returns include reinvested dividends. An investor cannot invest directly in an index. [4]Represents the Annual Fund Operating Expenses as disclosed in the current prospectus dated April 30, 2022. It is important to understand that a decline in the Fund's average net assets due to unprecedented market volatility or other factors could cause the Fund's expense ratio for the current fiscal year to be higher than the expense information presented. A shareholder may be required to pay a commission to their financial intermediary. [5]Morningstar Event Driven (all share classes). Data based on monthly returns of 39, 39 and 37 mutual funds (all share classes) for the one, three and five year periods respectively. Net of fees. Past performance is no guarantee of future results.

Terms. **Beta:** A measure of a portfolio's volatility compared to that of the market as a whole. **Effective Duration:** Duration calculation for bonds with embedded options. Effective duration takes into account that expected cash flows will fluctuate as interest rates change. **Spread Duration:** The sensitivity of the price of a bond to a 100 basis point change to its option-adjusted spread.

Fund Overview

- The Driehaus Event Driven Fund seeks to generate consistently high alpha, low beta and low correlation to major market indexes.
- The fund invests long and short in equities and bonds that we believe are mispriced due to an announced or anticipated idiosyncratic corporate action and/or special situation.
- The fund's long/short hedged portfolio construction is designed to generate idiosyncratic returns, reduce market exposure and provide downside protection.
- The opportunistic mandate across asset classes ensures a robust investment landscape throughout the market cycle.

The Driehaus Event Driven Fund seeks to provide:

- Superior risk-adjusted returns
- Consistently strong alpha with minimized beta
- Low volatility and correlation to major asset classes
- Absolute Returns with low market exposure

Facts

Inception Date	8/26/13
Fund Assets Under Management	$202M
Strategy Assets	$678M
Firm Assets Under Management	$11.3B

Annual Operating Expenses[4]	
Gross Expenses	1.50%
Net Expenses	1.50%

Portfolio Management

Yoav Sharon, Portfolio Manager
15 years industry experience

Tom McCauley, Portfolio Manager
14 years industry experience

Michael Caldwell, Portfolio Manager
13 years of industry experience

DEVDX Portfolio Characteristics*

Fund Information

Catalyst Spectrum

Hard	Mergers & Acquisitions	Opportunistic Credit Reorganizations Refinancings Recapitalizations	Capital Allocation Repurchases Divestitures & Asset Sales	Special Situations Spin-offs SPACs IPOs	Activism Collaborative Incentive Alignment	Regulatory Data Releases Bank Regulation	Post M&A Combinations Synergies Shareholder Transition	Soft

Investment Strategy

	Long Exposure	Short Exposure	Gross Exposure	Net Exposure
Arbitrage	28.1%	-3.0%	31.0%	25.1%
Credit	25.4%	-1.6%	27.0%	23.8%
Equity	36.2%	-0.8%	37.0%	35.4%
Hedges	0.0%	-13.2%	13.2%	-13.2%

Overall Morningstar Rating™

Based on risk-adjusted returns as of 9/30/22

★★★★

All Share Classes among 39 Funds in the Event Driven Category

Sector

GICS[1]	Long Exposure	Short Exposure	Gross Exposure	Net Exposure
Communication Services	11.4%	-0.3%	11.7%	11.0%
Consumer Discretionary	19.5%	-4.5%	24.0%	14.9%
Consumer Staples	0.7%	0.0%	0.7%	0.7%
Energy	0.0%	0.0%	0.0%	0.0%
Financials	22.3%	-5.1%	27.4%	17.2%
Health Care	11.3%	-3.1%	14.5%	8.2%
Industrials	13.9%	-0.4%	14.3%	13.5%
Information Technology	4.2%	0.0%	4.2%	4.2%
Materials	0.0%	-1.0%	1.0%	-1.0%
Real Estate	0.0%	0.0%	0.0%	0.0%
Utilities	4.0%	0.0%	4.0%	4.0%
Other[2]	2.5%	-4.1%	6.5%	-1.6%

Top Contributors/Detractors (by Investment Strategy)

Top 5		Bottom 5	
Equity	0.90%	Equity	-0.73%
Equity	0.71%	Equity	-0.70%
Equity	0.38%	Hedges	-0.54%
Equity	0.24%	Arbitrage	-0.45%
Equity	0.20%	Equity	-0.41%
Total	2.43%	Total	-2.83%

Source: Driehaus Capital Management, FactSet

Quarterly Contribution to Return (by Investment Strategy)

	July	August	September	3rd Quarter
Arbitrage	-0.09%	-0.07%	0.07%	-0.10%
Credit	0.61%	-0.38%	-0.53%	-0.31%
Equity	3.06%	-1.35%	-1.67%	0.02%
Hedges	-2.18%	0.14%	1.08%	-0.97%
Cash/Expenses[3]	-0.09%	-0.09%	-0.05%	-0.24%
Total	1.29%	-1.76%	-1.11%	-1.59%

Preliminary data. May differ from data shown by third-party providers because of rounding or for other reasons.

*Exposure: please note exposure may be different than market value. For equities, bonds, foreign exchange forwards and interest rate swap products, exposure is the same as market value. For options, exposure represents delta-adjusted underlying exposure. For credit default swap and credit default swap indices,-exposure represents bond equivalent exposure. [1]The Global Industry Classification Standard (GICS), a collaboration between Standard & Poor's and Morgan Stanley Capital International, is a system of classification that identifies a company according to its business activity. [2]The Other Industry Sector data is not categorized within the GICS classification system. [3]Estimated expenses for the month (not annualized) as a percentage of the fund's net assets for the month. Interest on cash balances are netted against fund expenses.

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% threeyear rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. The Driehaus Event Driven Fund has a four star rating for the three and five year periods, with 39 and 37 funds respectively in the category.

Driehaus Event Driven Fund

Sector Breakout by Top Weighted Investment Strategy

Sector	Investment Strategy	Security Type	Average Weight	Contribution To Return
Communication Services			**9.45**	**-0.17**
	Credit	Corporate	4.20	-0.23
	Arbitrage	Corporate	2.08	0.05
	Arbitrage	Corporate	1.92	0.03
	Credit	Preferred	1.22	0.02
	Credit	Preferred	0.25	0.00
Consumer Discretionary			**14.21**	**-1.82**
	Equity	Equity Common	5.53	-0.70
	Credit	Corporate	4.01	0.01
	Credit	Corporate	3.77	0.13
	Hedges	Total Return Swap	-2.78	0.04
	Arbitrage	Corporate	1.42	-0.45
Consumer Staples			**0.49**	**-0.07**
	Equity	Equity Common	0.49	-0.07
Energy			**0.09**	**0.01**
	Credit	Corporate	0.09	0.01
Financials			**17.02**	**-0.35**
	Hedges	Exchange Traded Fund	-5.76	-0.20
	Equity	Equity Common	2.77	0.24
	Arbitrage	Equity Common	2.54	0.02
	Equity	Equity Common	2.52	-0.12
	Equity	Equity Common	2.42	-0.18
Health Care			**7.59**	**0.85**
	Hedges	Exchange Traded Fund	-4.08	-0.54
	Equity	Equity Common	3.29	0.20
	Equity	Equity Common	2.28	0.38
	Equity	Equity Common	1.90	0.71
	Credit	Corporate	0.85	-0.02
Industrials			**10.60**	**0.25**
	Equity	Equity Common	4.18	0.90
	Equity	Equity Common	2.56	-0.41
	Equity	Equity Common	1.62	-0.18
	Equity	Equity Common	1.39	0.08
	Equity	Equity Common	0.77	-0.04
Information Technology			**3.83**	**0.14**
	Arbitrage	Corporate	3.29	0.10
	Arbitrage	Equity Common	0.53	0.04
Materials			**-0.04**	**0.01**
	Hedges	Equity Common	-0.02	0.00
	Hedges	Equity Common	-0.02	0.01
Utilities			**3.26**	**-0.09**
	Credit	Corporate	2.94	-0.08
	Credit	Corporate	0.32	-0.01

Important Disclosures

Investments in overseas markets can pose more risks than U.S. investments, and share prices are expected to be more volatile than that of a U.S.-only fund. The Driehaus Event Driven Fund invests in foreign securities, including small and mid cap stocks, which may be subject to greater volatility than other investments. In addition, returns of this Fund will fluctuate with changes in stock market conditions, currency values, interest rates, foreign government regulations, and economic and political conditions in countries in which this Fund invests. These risks are generally greater when investing in emerging markets. These and other risk considerations are discussed in the prospectus for this Fund. At times, a significant portion of the Fund's return may be attributable to investments in initial public offerings (IPOs) or concentrations in certain strong performing sectors, such as technology. Returns from IPOs or sector concentrations may not be repeated or consistently achieved in the future. In addition, participating in IPOs and other investments during favorable market conditions may enhance the performance of a Fund with a smaller asset base, and this Fund may not experience similar performance results as its assets grow. Stocks of medium-sized companies tend to be more volatile in price than those of larger companies and may have underperformed the stocks of small and large companies during some periods. In addition, investments in medium-sized companies may be more susceptible to particular economic events or competitive factors than are larger, more broadly diversified companies. Growth stocks may involve special risks and their prices may be more volatile than the overall market.

The Fund, in addition to investing in unrated and investment grade bonds, may also invest in junk bonds, which involve greater credit risk, including the risk of default. The prices of high yield bonds are more sensitive to changing economic conditions and can fall dramatically in response to negative news about the issuer or its industry, or the economy in general. The use of derivatives involves risks different from, and possibly greater than, the risks associated with investing directly in the underlying assets. Derivatives can be highly volatile, illiquid and difficult to value, and there is a risk that changes in the value of a derivative held by the Fund will not correlate with the Fund's other investments. Further, the Fund may invest in derivatives for speculative purposes. Gains or losses from speculative positions in a derivative may be much greater than the derivative's original cost and potential losses may be substantial. The Fund may make short sales.

Short sales expose the Fund to the risk of loss. No investment strategy, including an absolute return strategy, can ensure a profit or protect against loss. Additionally, investing in an absolute return strategy may lead to underperforming results during an upward moving market. When interest rates increase, bond prices decrease and bond funds become more volatile. It is anticipated that the Fund will experience high rates of portfolio turnover, which may result in payment by the Fund of above-average transaction costs. This is a nondiversified fund compared to other funds, the Fund may invest a greater percentage of assets in a particular issuer or a small number of issuers. As a consequence, the Fund may be subject to greater risks and larger losses than diversified funds.

Market Turbulence Resulting from COVID-19. The outbreak of COVID-19 has negatively affected the worldwide economy, individual countries, individual companies and the market in general. The future impact of COVID-19 is currently unknown, and it may exacerbate other risks that apply to the Fund.

Please consider the investment objectives, risks, fees and expenses of the Fund carefully prior to investing. The prospectus and summary prospectus contain this and other important information about the Fund. To obtain a copy of the prospectus and/or summary prospectus, please call us at (800) 560-6111. Please read the prospectus and summary prospectus carefully before investing.

This snapshot is not intended to provide investment advice. Nothing herein should be construed as a solicitation or a recommendation to buy or sell securities or other investments. You should assess your own investment needs based on your individual financial circumstances and investment objectives. Driehaus does not guarantee the accuracy or completeness of this information. This data was prepared on October 19, 2022 and has not been updated since then. It may not reflect recent market activity. Driehaus assumes no obligation to update or supplement this information to reflect subsequent changes. This material is not intended to be relied upon as a forecast, research or investment advice, and is not a recommendation, offer or solicitation to buy or sell any securities or to adopt any investment strategy. The information and opinions contained in this material are derived from proprietary and non-proprietary sources deemed by Driehaus to be reliable, are not necessarily all inclusive and are not guaranteed as to accuracy. There is no guarantee that any forecasts made will come to pass. Reliance upon information in this material is at the sole discretion of the reader.

Foreside Financial Services, LLC, Distributor

FUND INFORMATION

Types of events in which the fund frequently invests include:

Corporate action: Changes to the company's strategy or capital structure as a result of mergers, acquisitions, spin-offs, lawsuits, etc.

Earnings: A trade involving an upside or downside surprise to earnings versus market expectations.

Market dislocation: Any mispricing of a security for a non-fundamental reason.

Product cycle: A key change to the company's product/service offering, or a change in customer preferences for the company's product/service.

Restructuring: A change to the company's capital structure or business prospects as a result of bankruptcy, reorganization or corporate distress.

Types of trades in which the fund frequently invests include:

Bond catalyst driven: Event-driven trades that are expressed predominately through bond positions.

Deep value: Trade that attempts to capture the mispricing of an extremely undervalued security.

Equity catalyst driven: Event-driven trades that are expressed predominately through equity positions.

Portfolio hedge: A hedge to an unwanted factor exposure, such as equity, volatility, credit or interest rate risk.

Risk arbitrage: Trades that attempt to capture a valuation discrepancy between similar securities.

DEFINITIONS OF KEY TERMS

Credit Default Swap (CDS) - A contract in which the buyer of the CDS makes a series of payments to the seller and, in exchange, receives a payoff if a credit instrument (typically a bond or loan) goes into default. In its simplest form, a credit default swap is a bilateral contract between the buyer and seller of protection.

Delta - The ratio that compares the change in the price of a derivative to the corresponding change in the price of an underlying asset.

Derivatives Premium – Value of a derivatives contract.

Effective Duration - A duration calculation for bonds with embedded options. Effective duration takes into account that expected cash flows will fluctuate as interest rates change.

Portfolio Coupon - The annualized interest earned for the portfolio.

Portfolio Current Yield - The annual income (interest or dividends) divided by the current price of the security, aggregated to the portfolio level.

Portfolio Yield-to-Worst - The lowest potential yield that can be received on a bond without the issuer actually defaulting, aggregated to the portfolio level. The yield to worst is calculated by making worst-case scenario assumptions on the issue by calculating the returns that would be received if provisions, including prepayment, call or sinking fund, are used by the issuer.

Spread Duration - The sensitivity of the price of a bond to a 100 basis point change to its option-adjusted spread. As the rate of the Treasury security in the option-adjusted spread increases, the rate of the option-adjusted spread also increases.

Swap - A derivative in which two counterparties exchange certain benefits of one party's financial instrument for those of the other party's financial instrument.

Special Purpose Acquisition Company (SPAC) - a company with no commercial operations that is formed strictly to raise capital through an initial public offering (IPO) for the purpose of acquiring or merging with an existing company.

Leveraged Buyout (LBO) - the acquisition of another company using a significant amount of borrowed money to meet the cost of acquisition.

Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) - a measure of a company's overall financial performance and is used as an alternative to net income in some circumstances.

Return on Invested Capital (ROIC) - a calculation used to assess a company's efficiency at allocating the capital under its control to profitable investments.

Mortgage Servicing Rights (MSR) - a contractual agreement in which the right to service an existing mortgage is sold by the original mortgage lender to another party that specializes in the various functions involved with servicing mortgages.

High Yield (HY) - are bonds that pay higher interest rates because they have lower credit ratings than investment-grade bonds.

Investment Grade (IG) - Bonds that are believed to have a lower risk of default and receive higher ratings by the credit rating agencies.

World Government Bonds Benchmark – yields over a variety of short-, medium- and long-term time frames for a global array of government bonds.

Russell 2000 Index (RTY) – is comprised of the smallest 2000 companies in the Russell 3000 Index, representing approximately 8% of the Russell 3000 total market capitalization.

Credit Default Index (CDX) – is a financial instrument composed of a set of credit securities issued by North American or emerging market companies.

Risk-Free Rate – the theoretical return attributed to an investment that provides a guaranteed return with zero risks.

Risk Premium – the investment return an asset is expected to yield in excess of the risk-free rate of return.

Par – the fact value of a bond or stock, as stated in the issuing company's corporate charter.

Drawdown – a peak-to-trough decline during a specific period for an investment, trading account, or fund.

Yield to Call – refers to the return a bondholder receives if the bond is held until the call date, which occurs sometime before it reaches maturity.