

# Manning & Napier Fund, Inc.

## Unconstrained Bond Series Summary (as of 12/31/2023)



	Class I	Class S
Inception	08/01/2013	04/21/2005
Ticker	MNCPX	EXCPX
Minimum*	\$1 million	\$2,000**
Net Expenses <sup>§</sup>	0.48%	0.73% <sup>§§</sup>

\*May be waived for certain qualified retirement plans and discretionary investment accounts of the Advisor.

\*\*May be waived for certain qualified retirement plans, participants in an automatic investment program, and discretionary investment accounts of the Advisor.

§Includes a 12b-1 fee of 0.25%, of which up to 0.25% is available as a shareholder servicing fee.

Assets Under Management		
Strategy Assets	\$815 million	
Portfolio Characteristics		
	Series	BAB Index
Number of Holdings	187	N/A
Avg. Eff. Duration	2.7 y	6.2 y
Avg. Eff. Maturity	9.8 y	13.0 y
Effective Duration Breakdown		
<1 Year	24.20%	0.39%
1-3 Years	28.35%	25.24%
3-5 Years	37.87%	21.77%
5-7 Years	6.51%	19.41%
7-10 Years	2.13%	16.88%
10+ Years	0.94%	16.31%
Sector Allocation		
Corporate Credit	15.93%	24.83%
Derivatives*	--	--
Mortgage	5.13%	26.64%
Municipal	0.37%	0.60%
Non-U.S. Gov't and Supranational Credit	4.51%	2.67%
Securitized Credit	35.84%	2.11%
U.S. Agency	--	1.55%
U.S. Treasury	29.42%	41.60%
TIPS	4.67%	--
Cash	3.67%	--
Other	--	--
Credit Quality Distribution		
AAA	54.91%	73.03%
AA	1.17%	2.44%
A	9.93%	11.74%
BBB	5.04%	11.69%
BB	1.22%	0.54%
B	0.51%	--
Below B	0.36%	--
NR/Not Available	26.86%	0.57%
Currencies		
US Dollar	92.68%	100.00%
Non-US Dollar	7.32%	--

### Investment Objective

Primarily to provide long-term total return, with a secondary objective of providing preservation of capital.

### Investment Strategy

The portfolio is built using a flexible approach within a disciplined framework that is designed to mitigate risk while pursuing opportunities to maximize return. Top-down guidelines and bottom-up security analysis are used to build a diversified portfolio of individual securities. Positioning is constructed based on the current environment, so exposures shift as conditions and perceived sources of value shift.

- No maturity or duration limits; expected duration: -3 to 8 years
- 50% - 100% investment-grade securities
- 0% - 50% high yield securities
- 0% - 50% non-U.S. dollar-denominated securities, including securities issued in emerging markets
- May use derivative instruments such as futures, options, swaps, and forwards to manage risk

### Contact Us

For more information about any of the Manning & Napier Fund, Inc. Series, you may obtain a prospectus at [www.manning-napier.com](http://www.manning-napier.com) or by calling (800) 466-3863. Before investing, carefully consider the objectives, risks, charges and expenses of the investment and read the prospectus carefully as it contains this and other information about the investment company.

The Unconstrained Bond Series Class I (MNCPX) received a 4-Star Morningstar Rating™



Overall rating out of 286 Nontraditional Bond funds as of 12/31/2023.

The Overall Morningstar Rating is based on risk-adjusted returns derived from a weighted average of the Fund's 3-, 5- and 10-year Morningstar metrics.

### Total Returns (as of 12/31/2023)

	Class I	Class S	FTSE 3-Month Treasury Bill Index	BAB Index
Quarter	3.83%	3.86%	1.41%	6.82%
Year-to-Date	6.16%	5.99%	5.26%	5.53%
One Year	6.16%	5.99%	5.26%	5.53%
Three Year	0.71%	0.48%	2.24%	-3.31%
Five Year	3.00%	2.76%	1.91%	1.10%
Ten Year	2.59%	2.34%	1.26%	1.81%
Inception (04/21/2005)*	4.09%	3.95%	1.41%	3.13%

Performance data quoted represents past performance and does not guarantee future results. Performance for periods greater than one year is annualized. The investment return and principal value of an investment will fluctuate, so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than that quoted; investors can obtain the most recent month-end performance at [www.manning-napier.com](http://www.manning-napier.com) or by calling (800) 466-3863.

\*Class I since inception performance is based on the Unconstrained Bond Series Class S inception of 04/21/2005. For periods through 08/01/2013 (the inception date of the Class I shares), performance for the Class I shares is based on the historical performance of the Class S shares. Because the Class I shares invest in the same portfolio of securities as the Class S shares, performance will be different only to the extent that the Class S shares have a higher expense ratio.

### 30-Day SEC Yield (as of 12/31/2023)

Series	4.90%	4.90%	N/A	N/A
Class I				
Class S				

\*If fees had not been waived, the 30-day SEC Yield (as of 12/31/2023) would have been 4.89% for Class I and 5.20% for Class S.

### Management Team

Team Managed by the Fixed Income Group

The following members have portfolio oversight responsibilities:

<b>Marc Bushallow, CFA</b> Managing Director 22 years experience	<b>Keith Harwood</b> Director of Credit Research 26 years experience	<b>Brad Cronister, CFA</b> Senior Analyst 12 years experience
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# Manning & Napier Fund, Inc.

## Unconstrained Bond Series Summary (as of 12/31/2023)



### Commentary

Despite looming uncertainty, financial markets rallied on the back of a still-resilient economy this quarter as inflationary pressures continued to show signs of fading, unemployment remained near historic lows, and strong wage growth helped fuel better-than-expected spending and economic growth. Fixed income markets had their best quarter of the year as bonds were buoyed by declining yields and tighter credit spreads.

During the quarter, yields generally fell across the curve, with the largest decreases occurring in the middle of the curve. As such, longer-dated securities outperformed their shorter-dated counterparts. On a sector basis, corporate bonds were the best performing area of the market, while Treasuries generally lagged. In terms of credit quality, lower quality issues outperformed higher quality issues.

The Unconstrained Bond Series posted positive absolute returns for the quarter but underperformed the broad fixed income market. On an absolute basis, the Series benefitted from falling yields and tightening credit spreads, however, relative to the broad fixed income market, a lower overall duration was the largest detractor to returns.

The Series continues to have a notable allocation to credit (primarily securitized credit), with roughly 10% in high yield rated issues. During the quarter, we moderately increased risk via a reduction in Treasuries and an increase in non-dollar exposure (specifically to the Japanese yen and broad-based emerging markets) and residential mortgage-backed securities. With respect to non-dollar securities, we believe these securities offer an attractive risk-reward profile relative to corporate credit, however, in line with our risk management framework, we have stop losses in place on these positions to limit potential losses. In terms of residential mortgage-backed securities, we are focusing on seasoned lower coupon/dollar priced issues, which we view as being higher quality securities with strong collateral that offer similar to better yields than corporate bonds. Finally, we increased the size of the 2s10s steepener (a derivative meant to capture the yield differential between treasuries of different maturities) in an effort to benefit from an increase in the yield differential between two and ten-year treasuries, as we believe it will perform well in either a recession or soft-landing scenario.

While markets appear to be increasingly embracing the soft-landing narrative and the Federal Reserve has struck a more dovish tone, we still believe that the economy is in the later stages. Furthermore, as financial conditions have tightened over the past two years, we believe that we will likely begin to see a more normal credit cycle play out and are already starting to see an uptick (albeit slow) in defaults. As we look to navigate this difficult environment, we believe that a select, disciplined approach focused on current valuations and economic conditions will be key to avoiding areas of risk and uncovering opportunities.

### A Word About Risk

All investments involve risks, including the loss of principal. There is an inverse relationship between bond prices and interest rates; as interest rates rise, bond prices (and therefore the value of bond funds) fall. Likewise, as interest rates fall, bond prices and the value of bond funds rise. Investments in higher-yielding, lower-rated securities involve additional risks, including a higher risk of default and loss of principal. Funds that invest in foreign countries may be subject to the risks of adverse changes in foreign economic, political, regulatory and other conditions as well as risks related to the use of different financial standards. Investments in emerging markets may be more volatile than investments in more developed markets. Investments in derivatives can be highly volatile and involve risks in addition to the risks of the underlying instrument on which the derivative is based, such as counterparty, correlation and liquidity risk. Also, the use of leverage increases exposure to the market and may magnify potential losses.

### Additional Disclosures

The data presented in the commentary is for informational purposes only. It is not to be considered a specific recommendation. Analysis: Manning & Napier. Portfolio Composition data for the Series (excluding SEC yield) provided by FactSet. Industry Breakdown is provided by FactSet. Cash allocation may vary slightly given the different sources of data. Analysis: Manning & Napier. Investments will change over time.

\*While not reflected within Sector Allocation, the Series does maintain exposure to derivatives, specifically interest rate futures.

The "Other" category contains securities such as ETFs and others that cannot otherwise be classified.

Manning & Napier Fund, Inc. Unconstrained Bond Series I was rated against Nontraditional Bond funds and had a 3 star rating for the three year, a 3 star rating for the five year, a 4 star rating for the ten year, and a 4 star rating overall, as of 12/31/2023, out of 286, 251, 160, and 286 funds respectively. Ratings for other share classes may differ. 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 ten-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% three-year 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. Past performance is not guarantee future results.

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Credit quality ratings: Measured on a scale that generally ranges from AAA (highest) to D (lowest). Not Rated is used to classify securities for which a rating is not available or not applicable.

The Bloomberg U.S. Aggregate Bond (BAB) Index is an unmanaged, market-value weighted index of U.S. domestic investment-grade debt issues, including government, corporate, asset-backed, and mortgage-backed securities, with maturities of one year or more. Index returns do not reflect any fees or expenses. Index returns provided by Intercontinental Exchange (ICE). Index data referenced herein is the property of Bloomberg Finance L.P. and its affiliates ("Bloomberg"), and/or its third party suppliers and has been licensed for use by Manning & Napier. Bloomberg and its third party suppliers accept no liability in connection with its use. Data provided is not a representation or warranty, express or implied, as to the ability of any index to accurately represent the asset class or market sector that it purports to represent and none of these parties shall have any liability for any errors, omissions, or interruptions of any index or the data included therein. For additional disclosure information, please see: <https://go.manning-napier.com/benchmark-provisions>.

The FTSE 3-Month Treasury Bill Index is an unmanaged index based on 3-Month U.S. treasury bills. The Index measures the monthly return equivalents of yield averages that are not marked to market. The Index returns do not reflect any fees or expenses. Index returns provided by Intercontinental Exchange (ICE). Mid-month performance may not be available for the benchmark. If applicable, performance shown is from the first of the month following the corresponding Fund's inception date.

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The Manning & Napier Fund, Inc. is managed by Manning & Napier Advisors, LLC. Manning & Napier Investor Services, Inc., an affiliate of Manning & Napier Advisors, LLC, is the distributor of the Fund shares.