



U.S. Bank to offer CLO clients tailored portfolio optimization capabilities for more streamlined and effective trade structuring

February 28, 2023

MINNEAPOLIS--(BUSINESS WIRE)--Feb. 28, 2023-- U.S. Bank announced today that it has added portfolio optimization capabilities to its Pivot client platform, giving collateralized loan obligation (CLO) clients comprehensive insights for faster and more effective trading. Using a set of criteria selected by the client, Pivot Portfolio Optimization sorts through tens of thousands of potential portfolio combinations to identify a combination of investments that best advance the client's stated objective – typically, maximizing the weighted average spread of the CLO. Clients can include constraints not only from CLO compliance tests, but also custom constraints calculated on internal data that the client uses to make investment decisions.

"CLO portfolio managers often lack tools to integrate their research and optimize their portfolios," said Joe Nardi, U.S. CLO business head at U.S. Bank. "Pivot Portfolio Optimization will provide them with a comprehensive view of their accounts and allow them to quickly evaluate and identify trades that will satisfy a given set of goals for their unique portfolio. Our offering is highly customizable, and we're able to include client portfolio constraints and metrics. For example, if a client has their own credit scoring, we can use that in conjunction with ratings from the major rating agencies. The tool can even rank order suggested trades by impact, so a portfolio manager can track a shorter list of the most consequential trades. We designed the system for investment action."

John Stern, president, U.S. Bank Global Corporate Trust and Custody, added, "U.S. Bank has a distinct advantage in this space because of the strong relationships we have cultivated over the years. Our CLO teams currently work with the vast majority of the CLO market and have leveraged loan data covering 99 percent of the market, giving clients the confidence to focus on managing their CLO portfolios backed by the data and support of a trusted partner."

U.S. Bank focused research and development on two priorities: calculation speed and seamless execution and currently has two patents pending covering Pivot Portfolio Optimization capabilities on these critical features.

U.S. Bank Global Corporate Trust and Custody, along with U.S. Bank Global Fund Services and U.S. Bancorp Asset Management, comprise the Investment Services division, which holds \$9.8 trillion in assets under custody and administration as of Dec. 31, 2022. For more information, visit usbank.com/investmentservices.

About U.S. Bank

U.S. Bancorp, with approximately 77,000 employees and \$675 billion in assets as of Dec. 31, 2022, is the parent company of U.S. Bank National Association. The Minneapolis-based company serves millions of customers locally, nationally and globally through a diversified mix of businesses: Consumer and Business Banking; Payment Services; Corporate & Commercial Banking; and Wealth Management and Investment Services. MUFG Union Bank, consisting primarily of retail banking branches on the West Coast, joined U.S. Bancorp in 2022. The company has been recognized for its approach to digital innovation, social responsibility, and customer service, including being named one of the 2022 World's Most Ethical Companies and Fortune's most admired superregional bank. Learn more at usbank.com/about.

Investment and insurance products and services including annuities are:

NOT A DEPOSIT • NOT FDIC INSURED • MAY LOSE VALUE • NOT BANK GUARANTEED • NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY

U.S. Bank does not guarantee products, services or performance of its affiliates and third-party providers.

View source version on [businesswire.com](https://www.businesswire.com/news/home/20230228005241/en/): <https://www.businesswire.com/news/home/20230228005241/en/>

Kimberly Mikrot, U.S. Bank Public Affairs & Communications
kimberly.mikrot@usbank.com | 612.206.2553

Source: U.S. Bank