



INSIGHTS

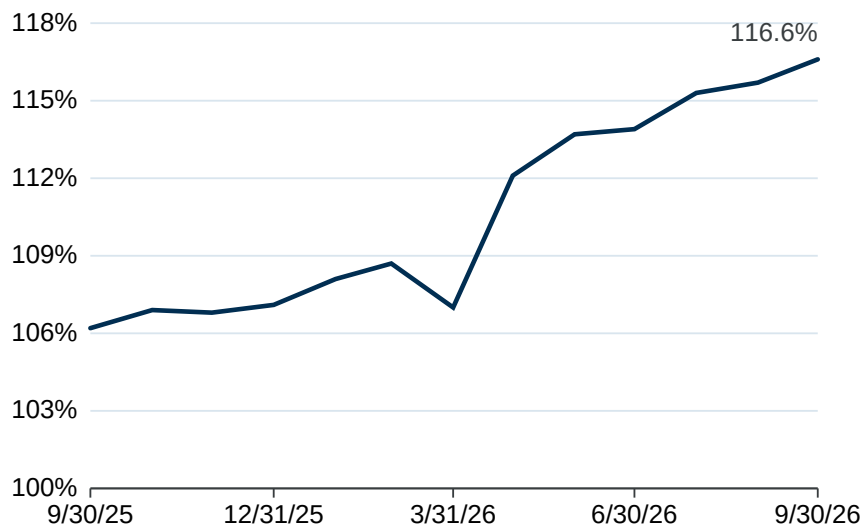
LDI Update

September 2026

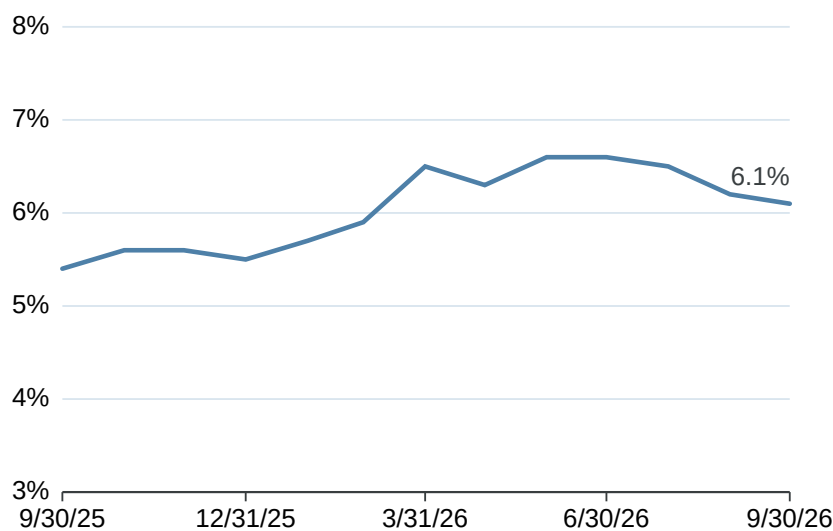
Funded Status

Average funded status increased from 115.7% to 116.6% driven by lower liability values. The PSRX fell 0.1% to 6.1%.

Funded Status



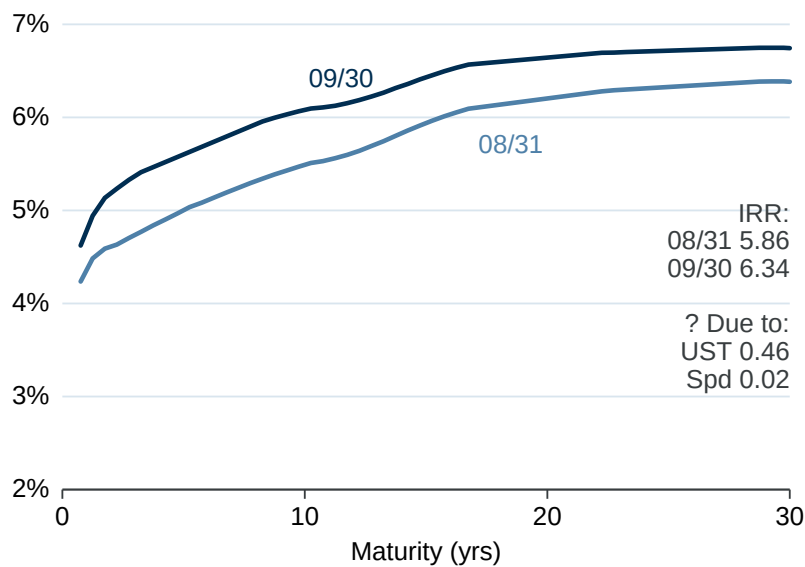
PSRX®1 Funded Status Volatility | Annualized



Discount Rates and Returns

The IRR on NISA's illustrative liability² increased 48 bps. The S&P 500's modest decline masked what was generally a tough month for equities.

FTSE Pension Discount Curve



Return-seeking Assets | Returns

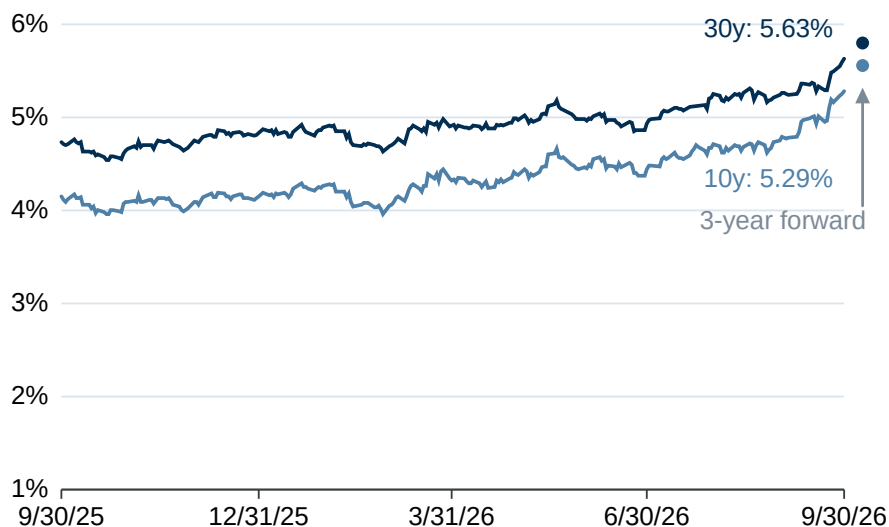
Index	1m	YTD	12m
S&P 500	-0.3%	+12.7%	+15.7%

Index	1m	YTD	12m
Russell 2000®	-5.3%	+13.7%	+16.2%
MSCI ACWI	-1.1%	+13.0%	+16.8%
MSCI EAFE	-3.1%	+10.3%	+15.7%
MSCI Em. Mkts.	-0.6%	+23.4%	+29.2%
U.S. Corp. High Yield3	-2.5%	+0.1%	+1.4%
Implied Liability Return2	-4.7%	-10.4%	-11.5%

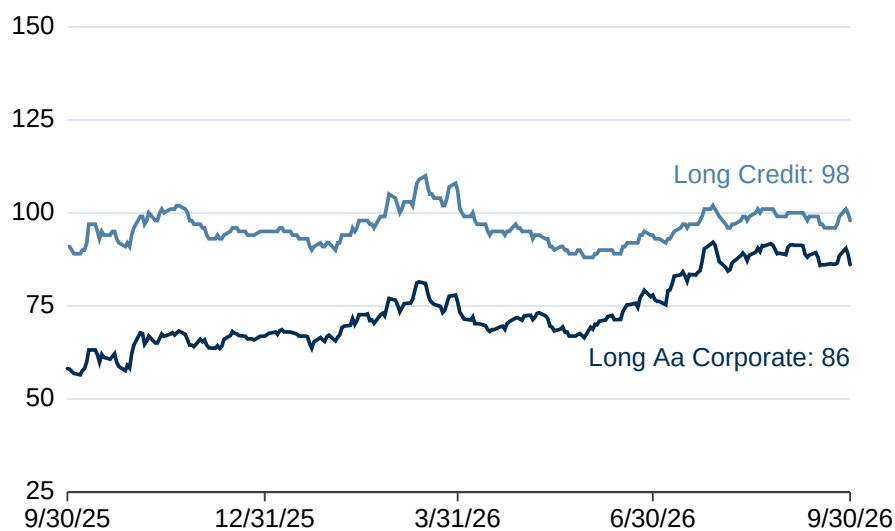
Treasury Yields and Credit Spreads

Treasury yields surged as the Fed hiked for the first time since July 2023. Investment-grade credit spreads were fairly quiet by contrast even as supply continued to exceed historical norms.

Treasury Yields



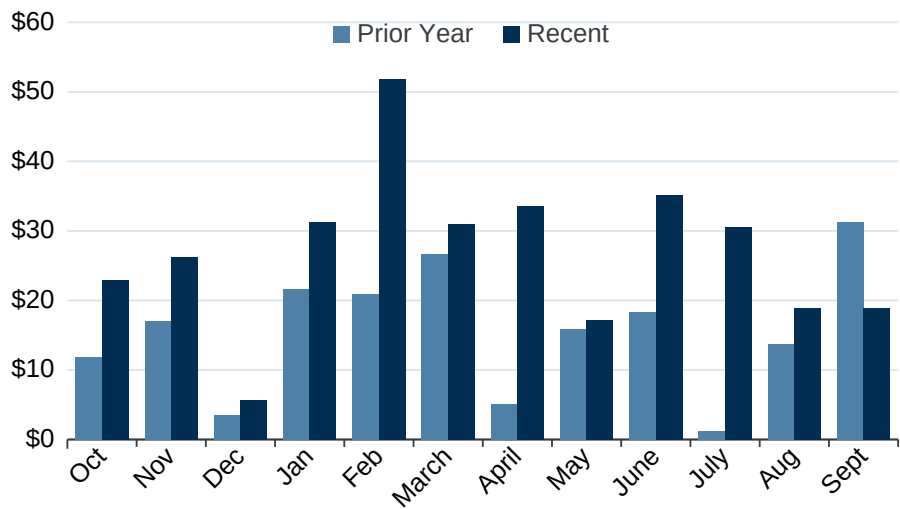
Index OAS Credit Spreads | bps



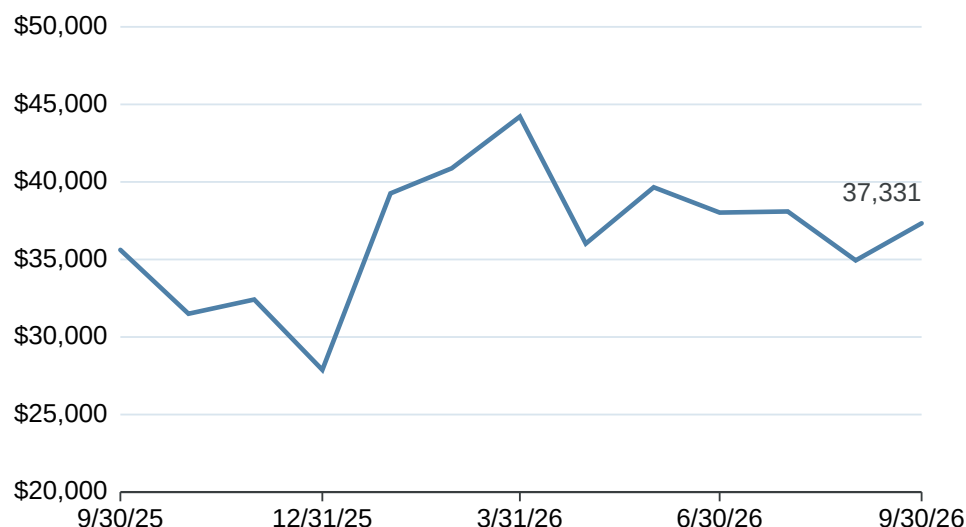
Investment Grade Supply and Trading

Investment-grade supply remained heavy. Trading volumes increased modestly.

New Investment Grade Supply 13+ Years | \$b



TRACE IG Avg Daily Dollar Volume | \$mm4



¹ NISA Investment Advisors, LLC (NISA) created and maintains the Pension Surplus Risk Index, or PSRX®, a forward-looking estimate of the funded status volatility of U.S. corporate defined benefit pension plans. The index level represents a one standard deviation change in funded status over a one-year horizon, based on the average of the 100 largest pension plans, as determined by NISA based on publicly available information. For example, an index value of 15% suggests approximately a one in three chance that a \$1 billion plan could lose or gain more than 15%, or \$150 million, in funded status in one year, based on common simplifying assumptions, including normal distributions, approximately zero expected surplus return, etc. Please see the [PSRX Guide](#) for more detailed descriptions.

² Liability IRR (Internal Rate of Return) and implied liability return are calculated using liability cash flows that create a present value of \$1 billion and duration of 11 years using the FTSE Pension Discount Curve as of 09/30/2026.

³ Bloomberg U.S. Corporate High Yield Index.

⁴ FINRA TRACE Market Breadth Investment Grade Bond Dollar Volume daily average for each month.

Sources: Bloomberg, FTSE, SIFMA. With respect to Bloomberg index data in this presentation – Source Bloomberg Index Services Ltd. © 2026 Bloomberg Index Services Ltd. Used with permission. Bloomberg is a registered trademark of Bloomberg Finance L.P. and its affiliates.

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