



As of 30 April 2020

## Fact Sheet

# MFS Meridian® Funds

## U.S. Government Bond Fund

## Investment team

## Portfolio Managers

Geoffrey Schechter, CFA, CPA

■ 27 years with MFS

■ 31 years in industry

Jake Stone, CFA

■ 1 year with MFS

■ 11 years in industry

## Fund benchmark

Bloomberg Barclays U.S.  
Government/Mortgage Bond  
Index

## Invests in a range of U.S. government and agency securities

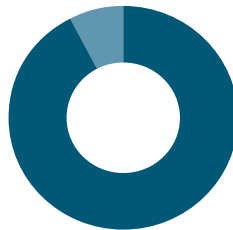
The fund's investment objective is to seek total return with an emphasis on current income, but also considering capital appreciation, measured in US dollars.

## Key Points:

- Aims to provide investors with an investment grade fixed-income portfolio
- Employs sector rotation among various government entities agencies and instrumentalities
- Invests in U.S. government and agency securities based on macroeconomic indicators, valuations, and market environment

## Portfolio structure (%)

■ Bonds (102.1)  
■ Cash & Cash Equivalents (8.5)



-10.6% Other. Other consists of: (i) currency derivatives and/or (ii) any derivative offsets.

## Sectors (%)

Mortgage Backed	54.4
U.S. Treasuries	37.7
Commercial Mtg Backed	3.4
Investment Grade Corporates	2.5
U.S. Govt Agencies	1.2
Collateralized Debt Obligations	1.2
Municipals	1.1
Asset Backed	0.6
Non-U.S. Sovereigns	0.2
Cash & Cash Equivalents	8.5
Other	-10.6

## Top 10 holdings

UMBS 30 Year 3.0

UST Bond 2Yr Future JUN 30 20

UST Bond 10Yr Future JUN 19 20

FNMA 30YR 4.0

GNMA (II) 30YR 3.5

GNMA (II) 30YR 3.0

FNMA 30YR 3.5

US Treasury Bond 2.5% FEB 15 45

UST Ultra Bond Future JUN 19 20

UST 10Yr Ultra Bond Future JUN 19 20\*

34.3% long and 3.1% short (\*) positions of total net assets

## Portfolio facts

Net Assets (USD)	410.1 million
Number of Issues	244
Avg. Eff. Maturity	6.0 years
Avg. Eff. Duration	4.8 years

\* Short positions, unlike long positions, lose value if the underlying asset gains value.

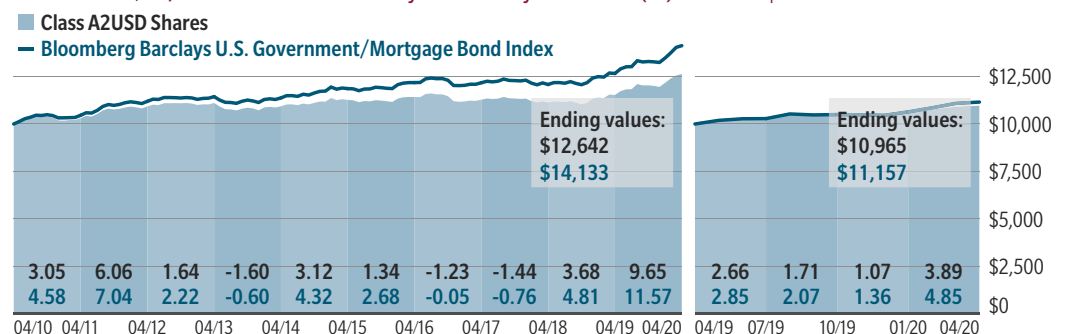
Credit default swap indicies (e.g. CDX, Itraxx) are not rated by ratings agencies and appear in the High Yield Corporate section. Portfolio characteristics are based on equivalent exposure, which measures how a portfolio's value would change due to price changes in an asset held either directly or, in the case of a derivative contract, indirectly. The market value of the holding may differ. The portfolio is actively managed, and current holdings may be different.

Top holdings, portfolio characteristics and weightings do not reflect the effect of exposure/weightings for hedging of hedged share classes. Full holdings and net assets do reflect this hedging.

MFS Meridian Funds from time to time may be registered for sale in other jurisdictions or otherwise offered where registration is not required.

MFS Meridian Funds are not available for sale in the United States or Canada or to US persons.

## Growth of a \$10,000 investment over 10 years and 1 year at NAV (%) as of 30-Apr-20



Fund returns assume the reinvestment of dividends and capital gain distributions but do not include a sales charge. Results would have been less favorable if the sales charge were included. This example is for illustrative purposes only and is not intended to represent the future performance of any MFS product. **Past performance is not a reliable indicator for future results.**

## Calendar year total returns (%), not including sales charge A2USD^

	'10	'11	'12	'13	'14	'15	'16	'17	'18	'19
Fund	4.05	6.66	1.90	-3.22	4.29	-0.14	0.06	1.53	-0.15	5.57
Benchmark	5.41	7.74	2.27	-2.10	5.41	1.13	1.31	2.37	0.93	6.63

Please see reverse for complete performance information and important disclosures.

**MAY LOSE VALUE - NOT GUARANTEED**

ANNUALIZED RETURNS AT NAV (%) ^								SHARE CLASS INFORMATION					
Class	Ongoing Charges (%) ^1	Start of Class Perf. Record	YTD^^	1 yr	3 yr	5 yr	10 yr/Life	Distribution Rate (%)	Sedol	WKN	ISIN	CUSIP	Bloomberg
A1EUR	1.29	24-Aug-12	8.37	12.38	3.64	2.84	3.55	—	B8B0208	A1J2EB	LU0812851797	L6365X175	MFMA1EU LX
A1USD	1.29	01-Feb-01	5.72	9.64	3.85	2.30	2.37	—	B08N6R9	A0F4WG	LU0219442547	L63662107	MFMUGAA LX
A2USD	1.29	06-Oct-98	5.73	9.65	3.87	2.32	2.37	1.27	B08N6T1	A0ETMT	LU0219443271	L63662115	MFMUGAI LX
I1USD	0.65	26-Sep-05	5.99	10.36	4.53	2.96	3.03	—	B08N721	A0ETM1	LU0219455440	L63662164	MUSGIU1 LX
Benchmark: Bloomberg Barclays U.S. Government/Mortgage Bond Index													
EUR			9.31	14.16	4.88	4.03	5.55						
USD			6.66	11.57	5.09	3.56	3.52						

Past performance is not a reliable indicator for future results. All financial investments involve an element of risk. The value of investments may rise and fall so you may get back less than originally invested.

Investors should consider the risks, including lower returns, related to currency movements between their investing currency and the portfolio's base currency, if different.

Other share classes are available for which performance and expenses will differ.

Returns would have been lower had sales charges, of up to 6% of the net asset value (NAV), or any commissions, fees or other charges that your financial intermediary may charge been reflected.

Performance results reflect ongoing charges and any applicable expense subsidies and waivers in effect during the periods shown. All historic results assume the reinvestment of dividends and capital gains.

The source for all fund data is MFS. Source for benchmark performance: SPAR, FactSet Research Systems Inc.

Fund Inception Date: 26 September 2005

^ Results represent the percent change in NAV.

^^ Periods less than one year are actual not annualized.

† Ongoing charges are expressed at an annual rate as a percentage of net assets. They are based on annualized expenses for the most recent six month period available in either January or July. For a Class with less than the full period of data available, or where adjustment is necessary to reflect current charges, the ongoing charges figure is an estimate. Please see the KIID of the relevant Class for the most recent expense information.

Class I shares are only available to certain qualifying institutional investors.

CREDIT QUALITY† (% OF TOTAL NET ASSETS)	
U.S. Government	27.1
Federal Agencies	55.6
AAA	4.9
AA	0.9
A	2.2
BBB	0.9
Other Not Rated	10.6

**Avg. credit quality: AAA**

‡ The Average Credit Quality (ACQR) is a market weighted average (using a linear scale) of securities included in the rating categories. For all securities other than those specifically described below, ratings are assigned to underlying securities utilizing ratings from Moody's, Fitch, and Standard & Poor's rating agencies and applying the following hierarchy: If all three agencies provide a rating, the middle rating (after dropping the highest and lowest ratings) is assigned; if two of the three agencies rate a security, the lower of the two is assigned. Ratings are shown in the S&P and Fitch scale (e.g., AAA). All ratings are subject to change. U.S. Government includes securities issued by the U.S. Department of the Treasury. Federal Agencies includes rated and unrated U.S. Agency fixed-income securities, U.S. Agency MBS, and CMOs of U.S. Agency MBS. Other Not Rated includes fixed income securities which have not been rated by any rating agency. The portfolio itself has not been rated.

TRAILING 3-YEAR RISK MEASURES VS. BENCHMARK (A2USD)	
Standard Deviation	3.12 vs. 3.28

**Standard Deviation** is an indicator of the portfolio's total return volatility, which is based on a minimum of 36 monthly returns. The larger the portfolio's standard deviation, the greater the portfolio's volatility.

#### RISK AND REWARD PROFILE CLASS (A2USD)

◀ Lower Risk (typically lower rewards) Higher Risk ▶ (typically higher rewards)

1	2	3	4	5	6	7
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The rating is based on past volatility of returns and may be different in the future or for other classes of the fund.

See the fund's offering documents for more details, including information on fund risks and expenses.

The offering documents (sales prospectus and Key Investor Information Documents (KIIDs)), articles of incorporation and financial reports are available to investors at no cost in paper form or electronically at [meridian.mfs.com](http://meridian.mfs.com), at the offices of the paying agent or representative in each jurisdiction or from your financial intermediary. KIIDs are available in the following languages; Danish, Dutch, English, French, German, Italian, Norwegian, Portuguese, Spanish, and Swedish. The sales prospectus and other documents are available in English. For additional information, call 416.506.8418 in Toronto or 352.464.010.600 in Luxembourg or your local paying agent or representative. **Spain:** A complete list of the MFS Meridian SICAV fund distributors in Spain is available on the CNMV Website ([www.cnmv.es](http://www.cnmv.es))

MFS Meridian Funds is an investment company with a variable capital established under Luxembourg law. MFS Investment Management Company (Lux) S.à.r.l. is the management company of the Funds, having its registered office at 4, Rue Albert Borschette, L-1246, Luxembourg, Grand Duchy of Luxembourg (Company No. B.76.467). The Management Company and the Funds have been duly authorised by the CSSF (Commission de Surveillance du Secteur Financier) in Luxembourg.

**CNMV's registration number for Spain- 68.**

MFS Meridian Funds are recognised under Section 264 of the Financial Services and Markets Act of 2000 (reference number 435996) and U.K. investors should note that holdings of shares in the funds will not be covered by the provisions of the Financial Services Compensation Scheme, or by any similar scheme in Luxembourg.

**Important risk considerations**

The fund may not achieve its objective and/or you could lose money on your investment in the fund. ■ **Bond:** Investments in debt instruments may decline in value as the result of, or perception of, declines in the credit quality of the issuer, borrower, counterparty, or other entity responsible for payment, underlying collateral, or changes in economic, political, issuer-specific, or other conditions. Certain types of debt instruments can be more sensitive to these factors and therefore more volatile. In addition, debt instruments entail interest rate risk (as interest rates rise, prices usually fall). Therefore, the portfolio's value may decline during rising rates. Portfolios that consist of debt instruments with longer durations are generally more sensitive to a rise in interest rates than those with shorter durations. At times, and particularly during periods of market turmoil, all or a large portion of segments of the market may not have an active trading market. As a result, it may be difficult to value these investments and it may not be possible to sell a particular investment or type of investment at any particular time or at an acceptable price. The price of an instrument trading at a negative interest rate responds to interest rate changes like other debt instruments; however, an instrument purchased at a negative interest rate is expected to produce a negative return if held to maturity. ■ **Derivatives:** Investments in derivatives can be used to take both long and short positions, be highly volatile, involve leverage (which can magnify losses), and involve risks in addition to the risks of the underlying indicator(s) on which the derivative is based, such as counterparty and liquidity risk. ■ **Mortgage-backed:** Mortgage-backed securities can be subject to prepayment and/or extension and therefore can offer less potential for gains and greater potential for loss. ■ **Geographic:** Because the portfolio may invest a substantial amount of its assets in issuers located in a single country or in a limited number of countries, it may be more volatile than a portfolio that is more geographically diversified. ■ **U.S. Government Credit:** U.S. government securities not supported as to the payment of principal or interest by the U.S. Treasury are subject to greater credit risk than are U.S. government securities supported by the U.S. Treasury. ■ Please see the prospectus for further information on these and other risk considerations.

**Benchmark and vendor disclosures**

Bloomberg Barclays U.S. Government/Mortgage Bond Index - measures debt issued by the U.S. Government, and its agencies, as well as mortgage-backed pass-through securities of Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC).

It is not possible to invest directly in an index.

Source: Bloomberg Index Services Limited. BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg"). BARCLAYS® is a trademark and service mark of Barclays Bank Plc (collectively with its affiliates, "Barclays"), used under license. Bloomberg or Bloomberg's licensors, including Barclays, own all proprietary rights in the Bloomberg Barclays Indices. Neither Bloomberg nor Barclays approves or endorses this material, or guarantees the accuracy or completeness of any information herein, or makes any warranty, express or implied, as to the results to be obtained therefrom and, to the maximum extent allowed by law, neither shall have any liability or responsibility for injury or damages arising in connection therewith.