

# LIMITED TERM INCOME STRATEGY

QUARTERLY FACT SHEET | 30 JUNE 2024

**\$6.6B**

Strategy Assets\*

**1 Feb 93**

Inception Date

**2–4.5**

Years Typical Duration Range

**+/- 1.5%**

Relative Volatility vs. Benchmark

## STRATEGY PROFILE

### BENCHMARK

Bloomberg Intermediate Government/Credit Bond Index

### ESTMENT UNIVERSE

U.S. Intermediate Duration Fixed Income

### AVERAGE VOLATILITY

2.25%

### ISSUER RANGE

200–700

### ISSUER LIMIT

0-5% (other than securities issued or guaranteed by the U.S. government or any of its agencies or instrumentalities)

### CREDIT QUALITY

All purchases must be investment grade (at the time of purchase). Minimum 65% single A and higher at time of purchase

### MATURITY

Normally a dollar-weighted average of less than five years

### CASH EXPOSURE

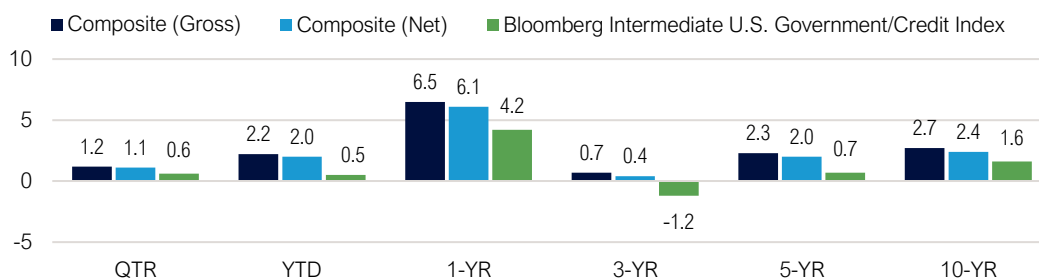
0-10% (under normal market conditions)

## INVESTMENT STRATEGY

The Strategy employs a flexible and highly active approach to construct a core portfolio of U.S. dollar-denominated short/intermediate investment grade bonds. It is designed for stability, capital preservation and moderate interest rate exposure. The Strategy seeks to drive returns through income and superior relative value issue selection in a dynamically changing fixed income environment.

## INVESTMENT RESULTS

### ANNUALIZED RETURNS (%)



CALENDAR YEAR RETURNS (%)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Composite (Gross)	4.28	1.34	3.99	3.22	1.72	6.26	8.09	-0.33	-6.53	6.99
Composite (Net)	3.89	0.98	3.63	2.89	1.38	5.91	7.74	-0.64	-6.82	6.65
Bloomberg Intermediate U.S. Government/Credit Index	3.13	1.07	2.08	2.14	0.88	6.80	6.43	-1.44	-8.23	5.24
Excess Return (Gross)	1.15	0.27	1.91	1.08	0.84	-0.54	1.66	1.11	1.70	1.75

In US\$ terms. Returns may increase or decrease as a result of currency fluctuations. Periods less than one year are not annualized.

Performance data for the Limited Term Income Strategy is from the Limited Term Income Composite, inception date of 1 February 1993. The Limited Term Income Composite includes all non-wrap discretionary accounts invested in the Limited Term Income Strategy. Returns are calculated using a time-weighted and asset-weighted calculation. Returns reflect the reinvestment of income and capital gains. Periods less than one year are not annualized. Individual account performance will vary. The performance data quoted represents past performance; it does not guarantee future results. Gross of fee returns are net of transaction costs. Net of fee returns are net of transaction costs and investment advisory fees. For periods prior to 2011, net returns for some accounts in the composite also reflect the deduction of administrative expenses. Thornburg Investment Management Inc.'s fee schedule is detailed in Part 2A of its ADV brochure. Performance results of the firm's clients will be reduced by the firm's management fees. For example, an account with a compounded annual total return of 10% would have increased by 159% over ten years. Assuming an annual management fee of 0.75%, this increase would be 142%.

## AVAILABLE VEHICLES

Separate Accounts  
U.S. Mutual Fund  
UCITS  
Retail Managed Accounts

# PORTFOLIO CHARACTERISTICS

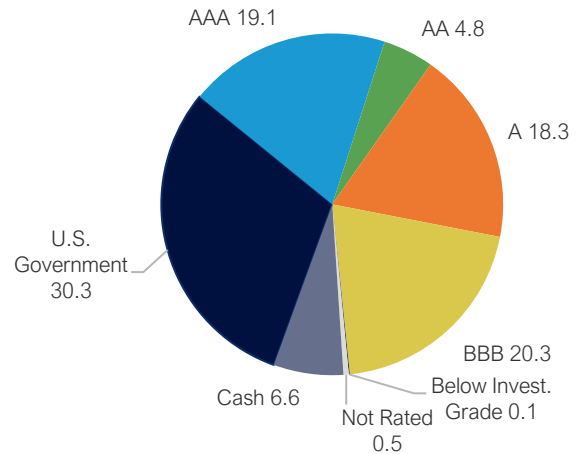
## PORTFOLIO STATISTICS

	REP. ACCT.
Weighted Average Coupon	3.2%
Weighted Average Price	\$92.9
Average Effective Maturity	4.6 Yrs
Average Effective Duration	3.5 Yrs
Average Credit Quality	AA-
Number of Countries	43

## ASSET CLASS (%)

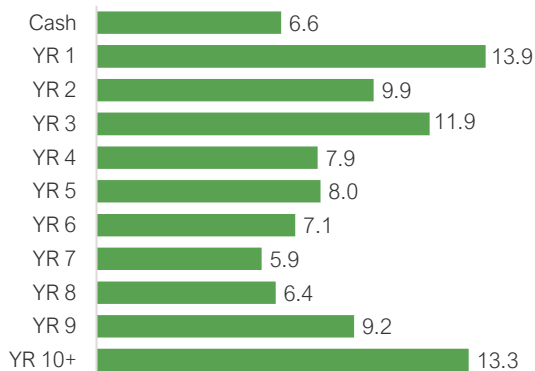
	REP. ACCT.
Corporate	32.8
CMO	18.2
U.S. Treasury	14.2
ABS	13.8
Mortgage Pass Through	10.5
CMBS	3.0
Preferred Stock	0.4
Agency Debenture	0.3
Non-U.S. Treasury	0.1
Municipal Bonds	0.1
Cash & Cash Equivalents	6.6

## CREDIT QUALITY RATINGS (%)‡



‡ A bond credit rating assesses the financial ability of a debt issuer to make timely payments of principal and interest. Ratings of AAA (the highest), AA, A, and BBB are investment grade quality. Ratings of BB, B, CCC, CC, C and D (the lowest) are considered below investment grade, speculative grade, or junk bonds. Credit quality ratings use the highest rating available from either S&P Global Ratings or Moody's Investors Service. Where neither rating is available, we have used ratings from other nationally recognized statistical rating organizations (NRSROs). "NR"= Not Rated.

## MATURITY BREAKDOWN (%)



Thornburg is a global investment firm delivering on strategy for institutions, financial professionals and investors worldwide. The privately held firm, founded in 1982, is an active, high-conviction manager of fixed income, equities, multi-asset solutions and sustainable investments with \$44.7\*\* billion in total assets across mutual funds, closed-end funds, institutional strategies, managed accounts, and UCITS.

### Our client teams are here to support you:

#### Principal Office

us@thornburg.com  
(800) 276-3930

#### Melbourne

www.terrainplacement.com  
Mobile: +61 417 163 260  
Mobile: +61 432 887 707

#### Shanghai

asia@thornburg.com  
+86-21-61577596

#### Hong Kong

asia@thornburg.com  
+852 3796-3325

#### Americas

americas@thornburg.com  
(505) 467-7103

Signatory of:



www.thornburg.com



The PRI is the world's leading proponent of responsible investment. It works to understand the investment implications of environmental, social and governance (ESG) factors and to support its international network of investor signatories in incorporating these factors into their investment and ownership decisions.

\*\*Includes assets under management (\$43.6B) and assets under advisement (\$1.2B).

## IMPORTANT INFORMATION

Source: FactSet, and Thornburg.

Unless otherwise noted, all data is as of 30 June 2024.

Cash may also include cash equivalents and currency forwards. Portfolio characteristics are derived using currently available data from independent research resources that are believed to be accurate. Portfolio attributes can and do vary. Diversification does not assure or guarantee better performance and cannot eliminate the risk of investment losses.

Investments in the Strategy carry risks, including possible loss of principal. Carefully consider the Strategy's investment objectives, risks, and expenses before investing. There is no guarantee that the Strategy will meet its investment objectives.

This material may contain "forward-looking statements" such as prospects or expectations that are based on Thornburg's views and assumptions and are subject to known or unknown risks and uncertainties. Actual events or results or the actual performance of a product or service may differ significantly from those expressed or implied in such forward-looking statements. No reliance should be placed on forward-looking statements.

Portfolio holdings and characteristics shown herein are from a representative account managed within the investment composite. The representative account is selected based on account characteristics that Thornburg believes accurately represent the investment strategy as a whole. Should these characteristics change materially, Thornburg may select a different representative account. Holdings may change daily and may vary among accounts, which may contribute to different investment results.

The Bloomberg Intermediate US Government/Credit Total Return Index Value Unhedged is an unmanaged, market-weighted index generally representative of intermediate government and investment-grade corporate debt securities having maturities from one up to ten years.

BLOOMBERG® and the Bloomberg index(es) mentioned in this piece are service marks of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the index (collectively, "Bloomberg") and have been licensed for use for certain purposes by Thornburg Investment Management. Bloomberg is not affiliated with Thornburg, and Bloomberg does not approve, endorse, review, or recommend Thornburg. Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to Thornburg.

Portfolio construction will have significant differences from that of a benchmark index in terms of security holdings, industry weightings, asset allocations and number of positions held, all of which may contribute to performance, characteristics and volatility differences. Investors may not make direct investments into any index.

Duration - A bond's sensitivity to interest rates. Bonds with longer durations experience greater price volatility than bonds with shorter durations.

Average credit quality is a weighted average of all credit ratings in the portfolio. The average is calculated by Thornburg Investment Management, Inc. using NRSRO ratings. Unrated securities are assigned a value below C and above D. Cash and U.S.-backed securities are given a value equivalent to AAA.

Asset-backed Security (ABS) - A security whose value and income payments are derived from and collateralized (or "backed") by a specified pool of underlying assets. The pool of assets is typically a group of small and illiquid assets that are unable to be sold individually. Pooling the assets into financial instruments allows them to be sold to general investors, a process called securitization, and allows the risk of investing in the underlying assets to be diversified because each security will represent a fraction of the total value of the diverse pool of underlying assets.

Collateralized Mortgage Obligation (CMO) - A type of mortgage-backed security that creates separate pools of pass-through rates for different classes of bondholders with varying maturities, called tranches. The repayments from the pool of pass-through securities are used to retire the bonds in the order specified by the bonds' prospectus.

Commercial Mortgage-backed Securities (CMBS) - A type of mortgage-backed security backed by commercial mortgages rather than residential real estate. CMBS tend to be more complex and volatile than residential mortgage-backed securities due to the unique nature of the underlying property assets. CMBS issues are usually structured as multiple tranches, similar to collateralized mortgage obligations, rather than typical residential pass-throughs.

**For Australia:** This material has been prepared by Thornburg Investment Management, Inc. (Thornburg). Thornburg is regulated, as a registered investment adviser, by the Securities and Exchange Commission of the United States of America ("US") under U.S. laws which differ from Australian laws. Thornburg holds a foreign AFSL 526689.

This material contains general information only and is intended for viewing only by wholesale clients for the purposes of section 761G of the Corporations Act 2001 (Cth). It must not be distributed to retail clients in Australia (as that term is defined in the Corporations Act 2001 (Cth)) or to the general public. This document may not be reproduced in any form or distributed to any person without the prior written consent of Thornburg.

This material is not intended to provide you with financial product advice. It is for the use of researchers, licensed financial advisers and their authorised representatives. It does not take into account the objectives, financial situation or needs of any person. For this reason, you should, before acting on this material, obtain professional advice and consider whether this information is appropriate having regard to your investment needs, objectives, and financial situation.

Past performance is not an indication of future performance. Any economic or market forecasts are not guaranteed. Any references to particular securities or sectors are for illustrative purposes only. It is not a recommendation in relation to any named securities or sectors.

To the extent permitted by law, no liability is accepted by Thornburg, its officers or directors or any affiliates of Thornburg for any loss or damage as a result of any reliance on this information. While efforts have been made to ensure the information is correct, no warranty of accuracy or reliability is given, and no responsibility is accepted for errors or omissions. Any opinions expressed are those of Thornburg as of the date noted on the material and are subject to change without notice.