

# Thornburg Global Opportunities Fund

## Portfolio Manager Commentary

31 December 2023



This note highlights the results of the Thornburg Global Opportunities Fund investment portfolio for the December quarter of 2023 and calendar 2023. It is published amidst the ongoing developments with the Russian invasion of Ukraine, declining inflation rates, Mideast tensions, and upcoming elections in many countries.

The net asset value of the I shares increased by \$2.98 per share (\$27.81 to \$30.79) during the December quarter. For calendar 2023 the net asset value of the I shares increased \$4.61 (\$26.18 to \$30.79). For the December quarter, your fund's I share return of +10.72% underperformed the +11.03% return of the MSCI ACWI NTR Index. For calendar 2023 your fund's I share return of +17.61% trailed the 22.20% return of the MSCI ACWI NTR Index. Performance comparisons of Thornburg Global Opportunities Fund to its benchmark over various periods are shown elsewhere on this site.

We are now in the 12th year of managing Thornburg Global Opportunities Fund. From its inception on 30 March 2012 through 31 December 2023, Thornburg Global Opportunities Fund has outpaced the MSCI ACWI NTR Index by an average margin of more than 1.1% per year, resulting in a total cumulative return since inception of 208% (I shares) versus 173% for the MSCI ACWI NTR Index.

As of 31 December 2023 the weighted average price/earnings ratio for the equity investments of Thornburg Global Opportunities Fund was 18.5x. This compares to a weighted average multiple of 18.4x for the MSCI ACWI NTR Index on the same date. We believe that our strategy of owning a focused portfolio of firms with above average revenue growth that are value priced with respect to revenue/earnings/cash flow vis-à-vis the overall market has been a key ingredient to long term outperformance by Thornburg Global Opportunities Fund.

We are monitoring the abilities of your portfolio companies to manage cost inflation and maintain profit margins consistent with our expectations.

## Portfolio Managers

**Brian McMahon**  
Chief Investment Strategist and  
Portfolio Manager

**Miguel Oleaga**  
Portfolio Manager

Supported by the entire Thornburg  
investment team

## Average Annual Returns (% , as of 31 Dec 2023)

Net of Fees	QTR	YTD	1-YR	3-YR	5-YR	10-YR	ITD
<b>Class A ACC Shares</b> (Incep: 30 Mar 2012)	10.49	16.58	16.58	5.41	12.72	7.26	9.05
<b>Class I ACC Shares</b> (Incep: 30 Mar 2012)	10.72	17.61	17.61	6.35	13.73	8.22	10.04
<b>MSCI ACWI NTR Index</b>	11.03	22.20	22.20	5.75	11.72	7.93	8.93

## Annual Return Performance Summary (%)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Class A ACC Shares</b>	18.84	-1.47	4.41	17.79	-23.13	27.53	21.84	13.11	-11.18	16.58
<b>Class I ACC Shares</b>	19.97	-0.60	5.34	18.80	-22.40	28.68	22.96	14.10	-10.37	17.61
<b>MSCI ACWI NTR Index</b>	4.17	-2.37	7.86	23.97	-9.42	26.60	16.25	18.54	-18.36	22.20

ITD = Inception to Date

**In US\$ terms. Returns may increase or decrease as a result of currency fluctuations.**

Share classes are accumulating and denominated in USD. See prospectus for additional share class listings.

**Performance data shown represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate so shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than quoted. For performance current to the most recent month end, visit [www.thornburg.com/ucits](http://www.thornburg.com/ucits).**

*This material is for investment professionals and institutional investors only.*

## THORNBURG GLOBAL OPPORTUNITIES FUND

Portfolio Manager Commentary  
31 December 2023



Listed in Table 1 in descending order are the 20 largest equity holdings in the fund as of 31 December 2023, along with their calendar 2023 and 2022 returns. Returns are shown in \$US, assuming reinvestment of dividends in shares of the firm. We also show the trailing 5-year average annual revenue growth rates for these businesses through the latest reported period along with the latest reported trailing 12-month revenue per share growth of each company. For rough comparison:

- The trailing 5 year weighted average revenue growth rate of firms included in the MSCI ACWI NTR Index was +2.5%/year through 30 September 2023. The average revenue growth rate of firms included in the MSCI ACWI NTR Index was -0.4% for the trailing 12-month period ending 30 September 2023.
- The trailing 5 year weighted average annual revenue per share growth rate of the equity holdings in the Thornburg Global Opportunities portfolio was +9.5%/year through the most recent reported period, which ended 30 September 2023, for a majority of the firms listed. The weighted average 1 year revenue per share growth rate of these firms through the most recently reported 12-month period was +9.7%. The most recently reported 12-month period ended 30 September 2023, for a majority of these firms.

Together, these firms comprised approximately 69% of the fund's total assets as of 31 December 2023. Near-cash debt investments comprised 2% of fund assets, and 18 other equities comprised a total of approximately 30% of fund assets. Individual position sizes of the fund's top 20 positions range from approximately 6% (Meta Platforms) to approximately 2% for those shown near the bottom of this list.

These are not trivial businesses. Weighted average revenue growth for the Thornburg Global Opportunities portfolio exceeded global GDP growth for the most recently reported trailing 1 year and 5-year periods. Importantly, the average revenue growth rates of these businesses compare favorably to the revenue growth of the MSCI ACWI NTR Index over the trailing 1 and 5-year periods. Most of these emerged from the economic valley of the Covid period

### Table 1 | Global Opportunities Fund—Top 20 Equity Holdings

(As of 31 Dec 2024. Together, these firms comprise approximately 69% of the fund's total assets, near-cash debt comprises 2% of fund assets, and 18 other equities comprise a total of approximately 30% of fund assets.)

Name of Company	2023 Returns	2022 Year Returns	Revenue Growth Rate - Trailing 5yr*	Fiscal 2022 Growth
<b>Meta Platforms (Facebook)</b>	194.1%	-64.2%	12.8%	22.3%
Global social networking, communications, internet-based content, and advertising				
<b>Samsung Electronics Co. Ltd.</b>	41.4%	-32.2%	0.9%	-15.2%
Manufactures consumer & industrial electronic products; leading semiconductor producer				
<b>Alphabet Inc "A" (Google)</b>	58.3%	-39.1%	8.8%	20.1%
Internet-based search & advertising, content, software applications, and data centers.				
<b>Total Energies SE</b>	14.0%	33.0%	-5.5%	6.2%
Global oil & gas producer and distributor and low carbon electricity supplier				
<b>Charles Schwab Corporation</b>	-16.0%	0.1%	26.4%	12.5%
U.S. centric wealth management platform, securities brokerage, and bank				
<b>Bank of Ireland</b>	-2.4%	69.5%	26.3%	8.0%
Diversified financial services provider serving Ireland and U.K customers				
<b>Booking Holdings Inc.</b>	76.0%	-16.0%	41.1%	13.8%
Online travel agency with multiple brands				
<b>SAP SE</b>	52.0%	-26.9%	6.6%	5.8%
Germany-based global software developer for business applications				
<b>Reliance Industries</b>	11.1%	-2.8%	3.4%	9.5%
India-based conglomerate: chemicals, refining, #1 mobile telco and #1 retailer in India				
<b>The TJX Companies</b>	19.7%	13.5%	8.4%	7.9%
Leading off-price apparel & home fashion retailer with > 4,000 stores worldwide, TJ Maxx				
<b>Barratt Developments PLC</b>	61.2%	-47.7%	3.4%	2.6%
UK-based property builder and developer				
<b>NN Group</b>	5.3%	-20.2%	73.7%	-1.0%
Netherlands based life and casualty insurer				
<b>Freeport-McMoran Inc.</b>	13.7%	-7.3%	-0.8%	2.8%
Global mining company with significant reserves of important ores				

**Past performance is no guarantee of future results.**

Table continued on following page.

\* 2022, or latest fiscal year, if completed and reported during calendar 2023

**THORNBURG GLOBAL OPPORTUNITIES FUND****Portfolio Manager Commentary****31 December 2023**

with their competitive positions intact or improved and ready to address the challenges and opportunities that lie ahead.

The reader will notice a high incidence of investments in firms tied to the digital economy, in producers of critical resources, and in financial intermediaries that we believe should benefit from interest rates more determined by free market forces. For now, there appears to be subdued investor confidence in the outlook for financial and commodity sector businesses. This is evidenced by the lackluster relative or even negative share price performances of some investments from these sectors in your fund's portfolio during 2023.

Twenty one equities made positive contributions to Thornburg Global Opportunities Fund portfolio performance of at least 0.25% during calendar 2023.

Leading contributors to portfolio performance for 2023 included U.S. technology giants Meta Platforms and Alphabet;

semiconductor producers Samsung Electronics and Taiwan Semiconductor; business software developer SAP; online travel agency Booking Holdings; financials BNP Paribas, Capital One, and Citigroup; retailers TJX Companies (TJ Maxx) and Tesco; miner Freeport-McMoran; multi-national telecom services provider Deutsche Telekom; and energy producers TotalEnergies and Shell.

**Table 1 (continued)**

Name of Company	2023 Returns	2022 Year Returns	Revenue Growth Rate - Trailing 5yr*	Fiscal 2022 Growth
<b>Capital One Financial</b>	44.3%	-34.6%	14.2%	10.2%
U.S. based consumer bank				
<b>OCI NV</b>	-4.3%	55.5%	-38.4%	15.1%
Producer & distributor of natural gas-based fertilizers and industrial chemicals				
<b>Taiwan Semiconductor Manufacturing</b>	35.6%	-34.3%	4.1%	16.2%
Taiwan-based designer & manufacturer of semiconductors				
<b>Galaxy Entertainment</b>	-15.0%	28.5%	32.5%	-16.5%
Operates casinos, hotels, and other entertainment facilities in Macau. Hit by Covid-19.				
<b>Citigroup</b>	18.9%	-22.1%	7.4%	7.2%
Multi-national banking & financial services firm				
<b>L3Harris Technologies, Inc.</b>	3.7%	-0.5%	14.3%	14.3%
Aerospace and defense technology innovator				
<b>Vestas Wind Systems</b>	9.3%	-4.2%	8.0%	8.6%
Manufactures, installs, and maintains wind turbines for electricity generation				

**Past performance is no guarantee of future results.**

\* 2022, or latest fiscal year, if completed and reported during calendar 2023

**Table 2 | Global Opportunities Fund Sector Weights (as of 31 Dec 2023)**

Sector	31-Dec-2023	30-Sep-2023	31-Dec-2022	Year/Year % Change
<b>Financials</b>	22%	21%	24%	-2%
<b>Communications Services</b>	17%	16%	11%	6%
<b>Consumer Discretionary</b>	14%	15%	14%	0%
<b>Energy (Diversified)</b>	12%	13%	14%	-2%
<b>Information Technology</b>	12%	11%	8%	4%
<b>Materials</b>	9%	9%	13%	-4%
<b>Industrials</b>	8%	8%	7%	1%
<b>Health Care</b>	3%	4%	5%	-2%
<b>Consumer Staples</b>	3%	3%	2%	1%

May not add up to 100% due to rounding.

**THORNBURG GLOBAL OPPORTUNITIES FUND****Portfolio Manager Commentary****31 December 2023**

Eight equities subtracted more than -0.25% from Thornburg Global Opportunities Fund portfolio performance during calendar 2023. The most significant detractors were pharmaceutical firm Pfizer; miner First Quantum Minerals, casino operator Galaxy Entertainment, Chinese digital commerce firm Tencent Holdings; fertilizer producer OCI NV; and Philippine broadband service provider Converge ICT Solutions. We made various position size adjustments over the course of 2023 for portfolio diversification purposes and to better balance the downside risk vs upside capital appreciation potential of individual positions.

Table 2 summarizes major sector weightings within the Global Opportunities Fund equity portfolio as of 31 December 2023 and one year earlier. The reduction in your portfolio's holdings of materials sector investments was primarily due to the sale of shares of CF Industries, which achieved our price target, and lackluster relative performance from our investments in OCI and Mineral Resources. The increase in portfolio holdings in the communications services sector mostly reflects the strong share price increases by Meta Platforms and Alphabet along with the Q4'23 addition of Spain's Zegona Communications. The increased portfolio weighting of information technology businesses primarily reflects the strong share price performances of Samsung Electronics and Taiwan Semiconductor.

The value of the \$US vis-à-vis most developed market foreign currencies fluctuated within a relatively narrow range in 2023, finishing slightly lower from January 1 to December 31. As in prior years, we hedged a significant percentage of the foreign currency exposure of the underlying businesses of your portfolio's non-\$US investments.

Incoming economic data from around the world indicate a resilient global economy. Inflation has dropped sharply in recent months, though it remains above prior decade levels in most developed countries. Labor market conditions remain tight, contributing to ongoing inflation in services. Political developments in the U.S. and many other countries holding elections will impact financial asset prices in 2024. We are paying attention to the abilities of your portfolio companies to manage cost inflation and maintain profit margins consistent with our expectations.

## Our Investment Framework

Thornburg Global Opportunities Fund seeks capital appreciation from a focused portfolio of global equity investments. We believe the structure of the fund—built on our core investment principles of flexibility, focus, and value—provides a durable framework for value-added investing.

We urge shareholders of the fund to maintain a long-term investment perspective rather than placing too much emphasis on return figures that are available daily, weekly, monthly, and quarterly. A clear example of the need to keep a longer-term investment perspective is illustrated by comparing the trailing 45-month return of Thornburg Global Opportunities Fund as of 31 December 2023 [+97.4%] with the return from the single Covid onset quarter ending 31 March 2020 [-25.1%] that preceded this 45-month period. Most businesses in your portfolio have managed well through varying economic environments across business cycles, a few have potential to be much better businesses after being "fixed up." We continue to follow our core investment principles of flexibility, focus, and value, as we have since the fund's inception back in 2006.

## Top Ten Holdings (as of 30 Nov 2023)

Holding	Weight (%)
Meta Platforms, Inc.	5.7%
Samsung Electronics Co. Ltd.	5.5%
TotalEnergies SE	5.0%
Alphabet, Inc.	5.0%
Bank of Ireland Group plc	4.3%
SAP SE	3.8%
The Charles Schwab Corp.	3.7%
Booking Holdings, Inc.	3.5%
Reliance Industries Ltd.	3.4%
The TJX Cos, Inc.	3.1%

**THORNBURG GLOBAL OPPORTUNITIES FUND****Portfolio Manager Commentary****31 December 2023****Important Information**

Source of data: Factset, State Street Fund Services (Ireland) Ltd., Confluence, Bloomberg—unless otherwise stated

Date of data: 31 December 2023—unless otherwise stated

This is a marketing communication.

**Investments carry risks, including possible loss of principal. Additional risks may be associated with investments in emerging markets, including currency fluctuations, illiquidity, volatility, and political and economic risks. Investments in small- and mid-capitalization companies may increase the risk of greater price fluctuations. Investments in the Fund are not insured, nor are they bank deposits or guaranteed by a bank or any other entity. For risks materially relevant to the Fund, please read the Fund's Annual Report or Prospectus/Supplement available at [www.thornburg.com/ucits](http://www.thornburg.com/ucits).**

This does not constitute or contain an offer, solicitation, recommendation or investment advice with respect to the purchase of the Funds described herein or any security. The Fund's shares may not be sold to citizens or residents of the United States or in any other state, country or jurisdiction where it would be unlawful to offer, solicit an offer for, or sell the shares. For information regarding the jurisdictions in which the Fund is registered or passported, please contact Thornburg at [contactglobal@thornburg.com](mailto:contactglobal@thornburg.com) or +1.855.732.9301. Fund shares may be sold on a private placement basis depending on the jurisdiction. This should not be used or distributed in any jurisdiction, other than in those in which the Fund is authorized, where authorization for distribution is required. Thornburg is authorized by the Fund to facilitate the distribution of shares of the Fund in certain jurisdictions through dealers, referral agents, sub-distributors and other financial intermediaries. **Any entity forwarding this, which is produced by Thornburg in the United States, to other parties takes full responsibility for ensuring compliance with applicable securities laws in connection with its distribution.**

The Fund is a sub-fund of Thornburg Global Investment plc ("TGI"), an open-ended investment company with variable capital constituted as an umbrella fund with segregated liability between sub-funds, authorized and regulated by the Central Bank of Ireland ("CBI") as an Undertaking for Collective Investments in Transferable Securities ("UCITS"). Authorization of TGI by the CBI is not an endorsement or guarantee by the CBI nor is the CBI responsible for the contents of any marketing material or the Fund's prospectus, supplement or applicable Key Information Document ("KID"). Authorization by the CBI shall not constitute a warranty as to the performance of TGI and the CBI shall not be liable for the performance of TGI.

*Before investing, investors should review the Fund's full prospectus and supplement, together with the applicable KID and the most recent annual and semi-annual reports.*

*Copies of the Fund's prospectus and supplement can be obtained from State Street Fund Services (Ireland) Limited, by visiting [www.thornburg.com/ucits](http://www.thornburg.com/ucits) or by contacting the local paying or representative agent or local distributor in the jurisdictions in which the Fund is available for distribution, and are available in English.*

*The KIDs can be obtained from [www.thornburg.com/ucits](http://www.thornburg.com/ucits) and are available in one of the official languages of each of the EU Member States into which the Fund has been notified for marketing under the Directive 2009/65/EC (the UCITS Directive).*

*In addition, a summary of investor rights is available from [www.thornburg.com/ucits](http://www.thornburg.com/ucits). The summary is available in English.*

*The Fund is currently notified for marketing into a number of EU Member States under the UCITS Directive. The Fund can terminate such notifications for any share class and/or the Fund at any time using the process contained in Article 93a of the UCITS Directive.*

No securities commission or regulatory authority has in any way passed upon the merits of an investment in the Fund or the accuracy or adequacy of this information or the material contained herein or otherwise. Neither this or the Offering Documents have been approved in any jurisdiction where the Fund has not been registered for public offer and sale. This information is not, and under no circumstances is to be construed as the Offering Documents, a public offering or an offering memorandum as defined under applicable securities legislation. Application for shares may only be made by way of the Fund's most recent Offering Documents.

The Fund is actively managed and is not constrained by any benchmark.

For United Kingdom: This material constitutes a financial promotion for the purposes of the Financial Services and Markets Act 2000 (the "Act") and the handbook of rules and guidance issued from time to time by the FCA (the "FCA Rules"). This material is for information purposes only and does not constitute an offer to subscribe for or purchase any financial instrument. TIM Ltd. neither provides investment advice to, nor receives and transmits orders from, persons to whom this material is communicated nor does it carry on any other activities with or for such persons that constitute "MiFID or equivalent third country business" for the purposes of the FCA Rules. All information provided is not warranted as to completeness or accuracy and is subject to change without notice.

This communication is exclusively intended for persons who are Professional Clients or Eligible Counterparties for the purposes of the FCA Rules and other persons should not act or rely on it. This communication is not intended for use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to local law or regulation.

For Hong Kong: This document is issued by Thornburg Investment Management (Asia) Limited ("Company"), a wholly-owned subsidiary of Thornburg Investment Management, Inc. The Company is currently licensed with the Hong Kong SFC for Type 1 and Type 9 regulated activity, with the CE No.: BPQ208.

This material has not been reviewed nor endorsed by any regulatory authority in Hong Kong, including the Securities and Futures Commission, nor has a copy been registered with the Registrar of Companies in Hong Kong. Hong Kong residents are advised to exercise caution in relation to this information. This is directed at and intended for "Professional Investors" within the meaning of Part 1 of Schedule 1 to the Securities and Futures Ordinance.

This material is for the confidential use of the recipient only and should not be given, forwarded or shown to any other person (other than employees, agents or consultants in connection with the recipient's consideration thereof). The Company is authorized by the Fund to facilitate the distribution of shares in certain other jurisdictions through dealers, referral agents, sub-distributors and other financial intermediaries. Any entity forwarding this material to other parties takes full responsibility for ensuring compliance with applicable securities laws in connection with its distribution.

*This material is for investment professionals and institutional investors only.*

**THORNBURG GLOBAL OPPORTUNITIES FUND****Portfolio Manager Commentary****31 December 2023**

For Singapore: Recipients of this information in Singapore should note shares of the Fund may not be offered or sold, nor may this or any other information or material in connection with the offer or sale of such share be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A(1)(c) of the Securities and Futures Act (Cap. 289) of Singapore) (the SFA), (ii) to a relevant person as defined in Section 305 of the SFA or any person pursuant to an offer referred to in Section 305(2) of the SFA and in accordance with the conditions specified in Section 305 of the SFA, or (iii) pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

For Denmark: The Fund is only available to professional investors.

For Germany: The local information agent is GerFIS - German Fund Information Service UG (Haftungsbeschränkt), which may be contacted at Zum Eichhagen 4, 21382 Brietlingen, Germany.

For Italy: The Fund is only available to professional investors.

For Luxembourg: The local paying and representative agent is CACEIS Bank, Luxembourg Branch, which may be contacted at 5 Allée Scheffer, 2520 Luxembourg.

For Norway: The Fund is only available to professional investors.

For Spain: The local representative is Allfunds Bank, S.A., which may be contacted at Estafeta, 6, La Moraleja, Complejo Plaza de la Fuente, Alcobendas, Madrid.

For Sweden: The local paying agent is Skandinaviska Enskilda Banken (publ) AB, which may be contacted at Kungsträdgårdsgatan 8 SE-106 40 Stockholm.

For Switzerland: The Fund is authorized by the Swiss Financial Supervisory Authority (FINMA) for distribution respectively offering to qualified and non-qualified investors in Switzerland. The Swiss representative is Waystone Fund Services (Switzerland) S.A., Av. Villamont 17, 1005 Lausanne, Switzerland, web: [www.waystone.com](http://www.waystone.com). The Swiss paying agent is Banque Cantonale de Genève, 17, quai de l'Île, 1204 Geneva, Switzerland. Investors in Switzerland can obtain the documents of the Company (each in their latest form as approved by FINMA) such as the Prospectus for Switzerland, the KIDs respectively the key information document, the Memorandum & Articles of Association, the semi-annual and annual reports, the list of purchases and sales during the accounting period, and further information free of charge from the Swiss representative.

For Argentina, Bolivia, Brazil, Chile, Mexico, Peru, Uruguay: This material is for informational purposes and is intended only for Investment Professionals, as that term is defined in each jurisdiction. This information relates to a foreign Fund which is not subject to any form of local regulation or licensing. No regulator, government authority, or other entities are responsible for reviewing or verifying, and have not reviewed or verified, this information, the merits of the Fund or services represented, the offering documents, or any other documents in connection with this Fund. Interests may not be offered or sold to the public and documents relating to this Fund (as well as the information contained herein) may not be supplied to the general public for purposes of a public offering or be used in connection with any offer or subscription for sale to the public.

*This material is for investment professionals and institutional investors only.*