

# INVESTMENT INCOME BUILDER STRATEGY

QUARTERLY FACT SHEET | 30 SEPTEMBER 2024

**\$14.0B**

Total Strategy Assets\*

**1 Jan 03**

Inception

**342**

Holdings

## INVESTMENT STRATEGY

The Strategy employs bottom-up fundamental analysis to identify dividend-paying companies with strong cash flows that have both the ability and willingness to pay and grow their dividends over time. Highly active and benchmark agnostic, the Strategy's flexible approach allows it to invest in both stocks and bonds anywhere in the world when searching for compelling income opportunities. Under normal conditions, the portfolio invests at least 80% of assets in income-producing securities, including at least 50% of assets in common stock.

## PORTFOLIO MANAGERS

### Brian McMahon

Began with firm in 1984.  
Industry experience since 1979.

### Matt Burdett

Began with firm in 2014.  
Industry experience since 2004.

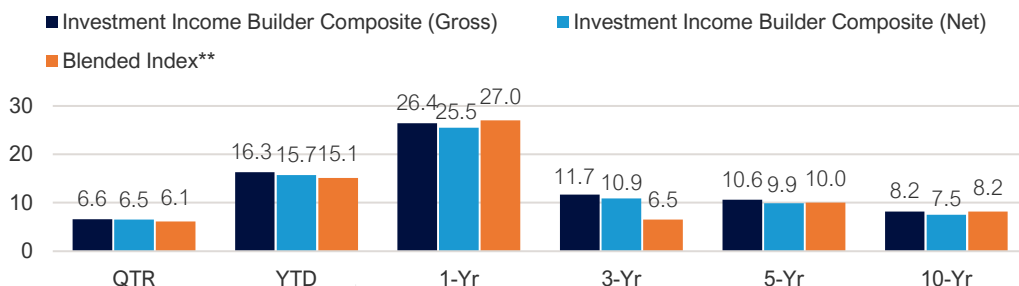
### Christian Hoffmann, CFA

Began with firm in 2012.  
Industry experience since 2004.

Supported by the entire Thornburg investment team.

## INVESTMENT RESULTS

### ANNUALIZED RETURNS (%)



### CALENDAR YEAR RETURNS (%)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Composite (Gross)	5.79	-4.36	10.83	16.23	-3.63	19.07	0.42	21.48	-7.24	19.30
Composite (Net)	5.07	-5.02	10.08	15.44	-4.29	18.27	-0.28	20.64	-7.89	18.48
Blended Index**	5.25	-0.33	6.41	17.42	-6.42	22.87	14.41	15.64	-16.67	19.05
Excess Return (Gross)	0.54	-4.03	4.42	-1.19	2.79	-3.80	-13.99	5.84	9.43	0.25

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

\*\*The Blended index is composed of 25% Bloomberg U.S. Aggregate Bond Index and 75% MSCI World Index.

Performance data for the Investment Income Builder Strategy is from the Investment Income Builder Composite, inception date of 1 January 2003. The Investment Income Builder Composite includes discretionary accounts invested in the Investment Income Builder Strategy. Returns are calculated using a time-weighted and asset-weighted calculation including reinvestment of dividends and income. 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%.

## STRATEGY PROFILE

### BENCHMARK

75% MSCI World Index & 25% Bloomberg U.S. Aggregate Bond Index

### eVESTMENT UNIVERSE

Global Balanced

### HOLDINGS INFORMATION

Typically 150–300 holdings including both equities and fixed income

Individual holding limit <7.5%

### MARKET CAPITALIZATION

May invest in any stock or other equity security the investment advisor believes may assist the Strategy in pursuing investment goals (including smaller companies with market cap of <\$500M and companies in developing countries)

### CASH EXPOSURE

<10% under normal conditions

### SECTOR EXPOSURE

Maximum of 35% at purchase

### COUNTRY EXPOSURE

May invest significant portion of assets in securities of issuers domiciled in or economically tied to countries outside the U.S., includes developing countries

### EMERGING MARKETS EXPOSURE

Maximum of 20%, range 2–15% typical

## AVAILABLE VEHICLES

Separate Accounts

U.S. Mutual Fund

UCITS

# PORTFOLIO CHARACTERISTICS

EQUITY STATISTICS	REP. ACCT.
Equity Holdings	67
Active Share vs. MSCI World Index	92.0%
Weighted Average Market Cap.	\$183.7B
Median Market Cap	\$55.8B
Price to Earnings (Forecast 1-Fiscal Year)	10.9x
Est 3-5 Yr EPS Growth	11.7%
Price-to-Book	1.5x
Price-to-Cash Flow	5.6x
Return on Assets	5.9%

FIXED INCOME STATISTICS	REP. ACCT
Bond Holdings/Other	275
Weighted Average Coupon	2.9%
Weighted Average Price	102.8
Average Effective Maturity	6.6 Yrs
Average Effective Duration	3.7 Yrs
Average Credit Quality	BB-

TEN LARGEST HOLDINGS (%) (AS OF 31 AUGUST 24)	REP. ACCT.
Orange S.A.	5.3
Broadcom, Inc.	4.2
TotalEnergies SE	4.1
Taiwan Semiconductor Manufacturing Co. Ltd.	3.9
AT&T, Inc.	3.4
NN Group N.V.	3.3
BNP Paribas S.A.	3.3
Enel SpA	3.1
Tesco plc	2.8
Citigroup, Inc.	2.7
<b>Total Weight</b>	<b>36.0</b>

SECTOR ALLOCATION (% OF EQUITY)	REP. ACCT.	RELATIVE WEIGHT
Financials	22.9	7.9
Comm. Services	18.9	11.9
Info. Technology	13.9	-10.1
Health Care	11.8	0.8
Energy	10.4	7.4
Utilities	7.5	5.5
Materials	4.6	1.6
Consumer Staples	4.4	-1.6
Industrials	2.9	-8.1
Consumer Disc.	2.4	-7.6
Real Estate	0.4	-1.6
Unassigned	0.1	0.1

TOP REGIONS† (%)	REP. ACCT.	RELATIVE WEIGHT
North America	37.5	-36.5
Eurozone	31.7	23.7
UK	11.1	8.1
Emerging Asia	6.8	6.8
Other Developed Europe & MidEast	4.1	0.1
Emerging Latin America	1.5	1.5

FIVE LARGEST COUNTRIES† (%)	REP. ACCT.	RELATIVE WEIGHT
United States	35.0	-36.0
France	13.1	11.1
United Kingdom	11.1	8.1
Italy	5.3	5.3
Netherlands	5.0	4.0

†Holdings are classified by country of risk as determined by MSCI and Bloomberg.

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\*\*Includes assets under management (\$45.6B) and assets under advisement (\$1.2B).

## IMPORTANT INFORMATION

Source: FactSet, and Thornburg. Unless otherwise noted, all data is as of 30 September 2024.

*The performance data quoted represents past performance; it does not guarantee future results.*

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 portfolio will meet its investment objectives.

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 information provided in this report should not be considered a recommendation to purchase or sell any particular security. There is no assurance that any securities discussed herein will remain in an account's portfolio at the time you receive this report or that securities sold have not been repurchased. The securities discussed may not represent an account's entire portfolio and in the aggregate may represent only a small percentage of an account's portfolio holdings. It should not be assumed that any of the securities transactions or holdings discussed were or will prove to be profitable, or that the investment recommendations or decisions we make in the future will be profitable or will equal the investment performance of the securities discussed herein.

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Thornburg Investment Income Builder Strategy's Blended Index is composed of 25% Bloomberg U.S. Aggregate Bond Index and 75% MSCI World Index, rebalanced monthly. The MSCI World Index is an unmanaged market-weighted index that consists of securities traded in 23 of the world's most developed countries. Securities are listed on exchanges in the U.S., Europe, Canada, Australia, New Zealand, and the Far East. The index is calculated with net dividends reinvested, in U.S. dollars. The Bloomberg U.S. Aggregate Bond Index is composed of approximately 8,000 publicly traded bonds including U.S. government, mortgage-backed, corporate and Yankee bonds. The index is weighted by the market value of the bonds included in the index.

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The MSCI World Index is a broad global equity index that represents large and mid-cap equity performance across all 23 developed markets countries. It covers approximately 85% of the free float-adjusted market capitalization in each country.

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. The index shown is unmanaged, reflect total returns and assume the reinvestment of all income in U.S. dollars. It does not reflect any management fees or brokerage expenses associated with a portfolio's returns. Returns for an actual portfolio may differ from those of an index due to (among other things) differences in timing and the amount invested and fees and expenses. Investors may not make direct investments into any index.

Active Share - A measure of the percentage of stock holdings in a manager's portfolio that differ from the benchmark index.

P/E - Price/Earnings ratio (P/E ratio) is a valuation ratio of a company's current share price compared to its per-share earnings. P/E equals a company's market value per share divided by earnings per share. Forecasted P/E is not intended to be a forecast of the fund's future performance.

Return On Assets (ROA) - An indicator of how profitable a company is relative to its total assets. ROA gives an idea as to how efficient management is at using its assets to generate earnings.

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