

# Expand Your Opportunity Set Beyond Traditional Bonds



Thornburg is building off our proven capabilities within fixed income to launch the Core Plus Bond Fund. The Fund will seek income and total return greater than core bonds, with a similar volatility as core. In this Fund, we bring our unique ‘cross-silo’ approach to a traditional asset class, allowing us to combine flexibility and quick decision-making with a style of management that helps protect investors on the downside.

## Why Core Plus Bond Funds?

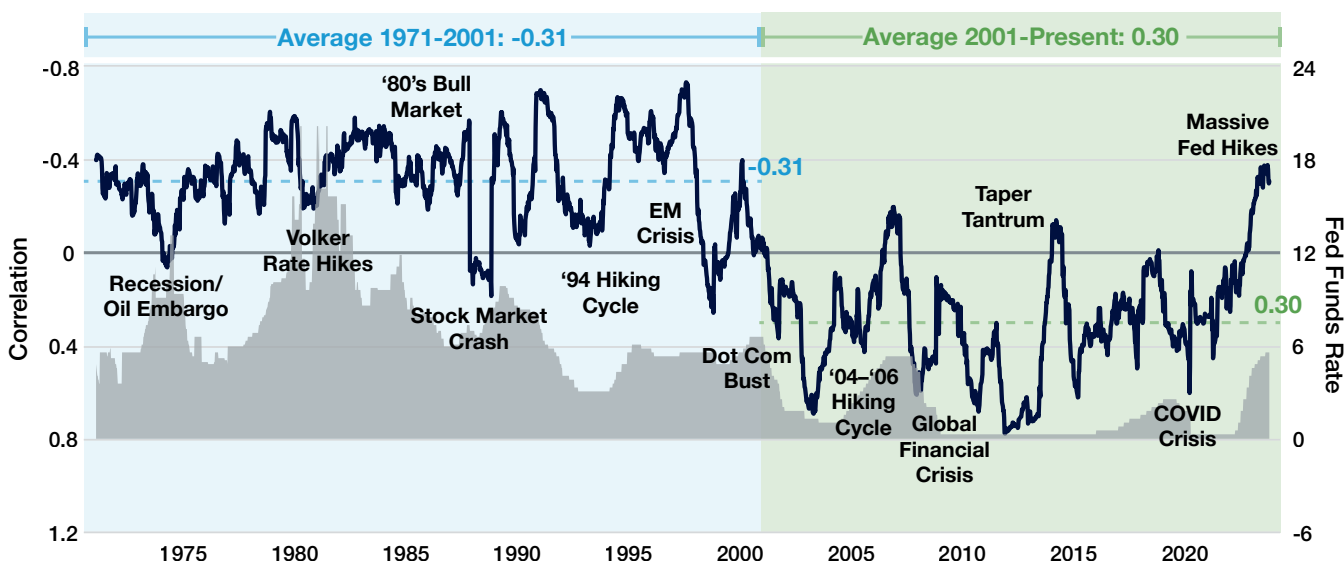
With rates normalizing and volatility rising, clients are looking to capture higher return opportunities across the bond space while still providing ballast to a broader portfolio.

## Why Now?

1. As interest rates have risen, this is an attractive environment to add duration within a client’s bond holdings.
2. Now that we’ve moved beyond the low- to no-interest-rate environment, bonds are reasserting themselves as an effective diversifier to stocks.
3. We believe an investment approach that emphasizes flexibility and quick decision-making is essential in an era where both bond sell-offs and recoveries are occurring faster.

## Bonds Are Reasserting Themselves as an Effective Diversifier in a Broader Portfolio

— Correlation S&P 500 and 10-yr Treasury    ■ Fed Funds Rate



Source: Bloomberg, as of 30 Sep 2023

## Why Thornburg Core Plus Bond Fund?

### Extension of Our Successful Fixed Income Platform

Thornburg has been managing fixed-income portfolios for over 40 years and is currently entrusted with more than \$22B in fixed income client assets.

### Conservative Investment Philosophy

Clients have been burned in the past as some managers chase high returns by taking on additional risk. Our approach is to take on risk only when we believe we will be compensated for doing so.

### Portfolio Transparency

Some competitors use a large amount of rate and credit derivatives. With the Thornburg Core Plus Fund, you'll know what you own.

## Fund Profile

### BENCHMARK

Bloomberg U.S. Aggregate Bond Index

### DURATION BAND

+/- 2 years relative to the index

### BELOW INVESTMENT GRADE EXPOSURE

Up to 25%

### NON-USD DENOMINATED EXPOSURE

Up to 25%

### EMERGING MARKETS EXPOSURE

Up to 15%

## Thornburg Investment Management

### Active strategies to help investors achieve their investment objectives

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 USD 41\* billion in total assets across mutual funds, closed-end funds, institutional strategies, managed accounts, and UCITS.

## Important Information

Investments carry risks, including possible loss of principal. Portfolios investing in bonds have the same interest rate, inflation, and credit risks that are associated with the underlying bonds. The value of bonds will fluctuate relative to changes in interest rates, decreasing when interest rates rise. This effect is more pronounced for longer-term bonds. Unlike bonds, bond funds have ongoing fees and expenses. Investments in lower rated and unrated bonds may be more sensitive to default, downgrades, and market volatility; these investments may also be less liquid than higher rated bonds. Investments in derivatives are subject to the risks associated with the securities or other assets underlying the pool of securities, including illiquidity and difficulty in valuation. Investments in equity securities are subject to additional risks, such as greater market fluctuations. Additional risks may be associated with investments outside the United States, especially in emerging markets, including currency fluctuations, illiquidity, volatility, and political and economic risks. Investments in the Fund are not FDIC insured, nor are they bank deposits or guaranteed by a bank or any other entity.

\*Includes assets under management (\$40.0B) and assets under advisement (\$1.1B) as of 30 September 2023.

Core bond portfolios invest primarily in investment-grade U.S. fixed-income issues including government, corporate, and securitized debt, and hold less than 5% in below-investment-grade exposures.

The S&P 500 Total Return Index is an unmanaged broad measure of the U.S. stock market.

ICE BofA Current 10-Yr. U.S. Treasury Index tracks the performance of U.S. dollar-denominated debt issued by the U.S. government with a 10-year maturity.

The performance of any index is not indicative of the performance of any particular investment. Unless otherwise noted, index returns reflect the reinvestment of income dividends and capital gains, if any, but do not reflect fees, brokerage commissions or other expenses of investing. Investors may not make direct investments into any index.

*Before investing, carefully consider the Fund's investment goals, risks, charges, and expenses. For a prospectus or summary prospectus containing this and other information, contact your financial advisor or visit [thornburg.com](http://thornburg.com). Read them carefully before investing.*