

# Thornburg California Limited Term Municipal Fund

MARCH 31, 2019

## Investment Strategy

The Fund is an actively managed, laddered portfolio of California and U.S. territory municipal bonds with maturities not exceeding 10 years. Actively laddering portfolios involves building a portfolio of bonds with staggered maturities that are over-weighted or under-weighted based on our assessment of market risks and individual credit opportunities. A portion of the portfolio matures each year and cash from maturing bonds is invested in bonds with longer maturities.

## Portfolio Managers

David Ashley, CFA  
Christopher Ryon, CFA  
Nicholas Venditti, CFA

Supported by the entire Thornburg investment team.

## Morningstar Ratings

(Class I Shares)



Morningstar Overall Rating™ among 33 Muni Single State Short Funds, based on risk-adjusted returns, uses a weighted average of the fund's three-, five-, and 10-year ratings respectively, 3 stars, 4 stars, 4 stars, among 33, 29, 26 funds, as of 3/31/19.

## Lipper Leader Ratings

(Class I shares)

- 4** Overall Consistent Return among 20 California Sh-Intmtd Municipal Debt Funds
- 4** Overall Total Return among 20 California Sh-Intmtd Municipal Debt Funds
- 4** Overall Preservation out of 5794 Fixed Income Funds

LIPPER

HIGHEST  
**5**

**4**

**3**

**2**

**1**  
LOWEST

The Fund rated a 3, 4, 5, for the three-, five-, and ten-year periods for Total Return among 20, 17, and 15 funds, respectively. The Fund rated a 3, 4, 5, for the three-, five-, and ten-year periods for Total Return among 20, 17, and 15 funds, respectively. The Fund rated a 4, 5, 5, for the three-, five-, and ten-year periods for Total Return among 5794, 5034, and 3246 funds, respectively.

## Key Portfolio Attributes

Fund Assets	\$505 M
Number of Bonds	336
Average Maturity	3.6 Yrs
Effective Duration	3.0 Yrs
Subject to Alternative Minimum Tax	4.1%

## Symbols and Cusips

A Shares	LTCAX	885-215-426
C Shares	LTCCX	885-215-418
I Shares	LTCIX	885-215-392

## Average Annual Total Returns (as of 3/31/19)

	YTD	1-YR	3-YR	5-YR	10-YR	SINCE INCEP.	30-DAY SEC YIELD	EXPENSE RATIOS	
								GROSS	NET
<b>A Shares (Incep: 2/19/87)</b>									
Without sales charge	1.30%	2.64%	0.67%	1.40%	2.75%	4.08%	-	-	-
With sales charge	-0.25%	1.07%	0.17%	1.09%	2.60%	4.03%	0.84%	0.92%	-
<b>C Shares (Incep: 9/1/94)</b>									
Without sales charge	1.23%	2.29%	0.41%	1.15%	2.49%	3.05%	-	-	-
With sales charge	0.73%	1.78%	0.41%	1.15%	2.49%	3.05%	0.57%	1.19%	-
<b>I Shares (Incep: 4/1/97)</b>									
	1.29%	2.83%	0.93%	1.70%	3.08%	3.53%	1.12%	0.67%	-

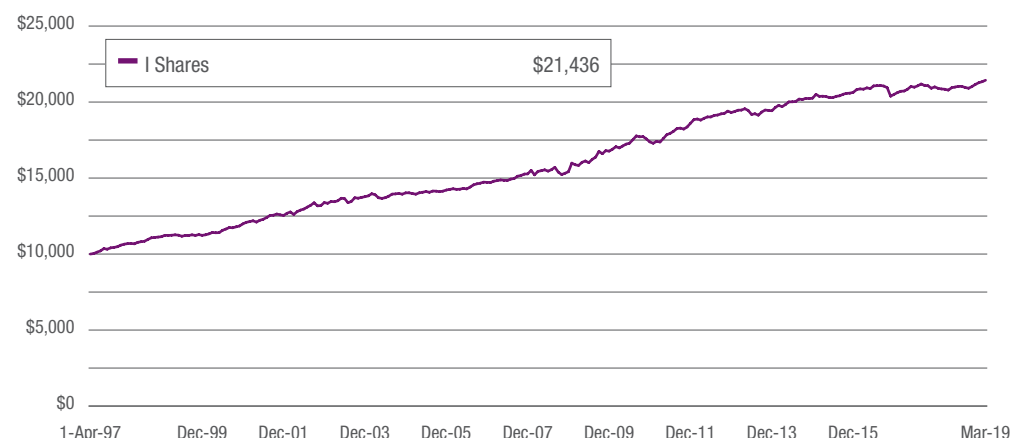
## Annual Return Performance Summary

	2010	2011	2012	2013	2014	2015	2016	2017	2018
A Shares	3.26%	6.74%	3.44%	0.25%	3.86%	1.66%	-0.99%	2.05%	0.52%
C Shares	2.99%	6.46%	3.16%	-0.02%	3.67%	1.35%	-1.23%	1.86%	0.18%
I Shares	3.61%	7.09%	3.78%	0.59%	4.28%	1.91%	-0.68%	2.42%	0.78%

Periods less than one year are not annualized.

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 [thornburg.com](http://thornburg.com) or call 877-215-1330. The maximum sales charge for the Fund's A shares is 1.50%. C shares include a 0.50% contingent deferred sales charge (CDSC) for the first year only. There is no up-front sales charge for the I shares.

## Hypothetical Growth of \$10,000



The Hypothetical Growth of \$10,000 graph reflects reinvestment of dividends and capital gains, if any, as well as all fees and expenses.

## Credit Quality Ratings

AAA	6.4%
AA	57.2%
A	26.5%
BBB	6.1%
Below Investment Grade	1.2%
Not Rated	1.4%
Cash & Cash Equivalents	1.3%

May not add up to 100% due to rounding.

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).

## Top Ten Fixed Income Positions

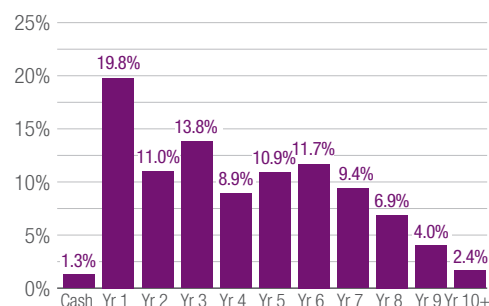
(as of 2/28/19, percent of portfolio)

County of Los Angeles CA	2.0%
City of Los Angeles CA	1.7%
City of Los Angeles Department of Airports	1.6%
Santa Clara County Financing Authority	1.6%
Contra Costa Transportation Authority	1.5%
County of Riverside CA	1.4%
California Infrastructure & Economic Development Bank	1.2%
San Francisco City & County Airport Comm-San Francisco International Airport	1.2%
California Infrastructure & Economic Development Bank	1.2%
San Diego Unified School District/CA	1.1%

## Top Ten Municipal Sectors

Appropriation	21.1%
Incremental Tax	13.9%
School District General Obligation	11.3%
Local General Obligation	6.9%
Special Tax	4.9%
Hospital	4.7%
Airport	4.7%
Water/Sewer	4.6%
Other Revenue	3.6%
School District App	3.2%

## Current Portfolio Ladder



% of portfolio maturing in each year (The percentages can and do vary over time.) Cash includes cash equivalents.

Please visit [thornburg.com](http://thornburg.com) for latest portfolio manager commentary.

## 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. Unlike bonds, bond funds have ongoing fees and expenses. Investments in the Fund are not FDIC insured, nor are they bank deposits or guaranteed by a bank or any other entity.

Class I shares may not be available to all investors. Minimum investments for the I share class may be higher than those for other classes.

Effective Duration – A bond's sensitivity to interest rates, incorporating the embedded option features, such as call provisions. Bonds with longer durations experience greater price volatility than bonds with shorter durations.

To determine a fund's Morningstar Rating™, funds and other managed products with at least a three-year history are ranked in their categories by their Morningstar Risk-Adjusted Return scores. The top 10% receive 5 stars; the next 22.5%, 4 stars; the middle 35%, 3 stars; the next 22.5%, 2 stars; and the bottom 10% receive 1 star. The Risk-Adjusted Return accounts for variation in a managed product's monthly excess performance (excluding sales charges), placing more emphasis on downward variations and rewarding consistent performance. Other share classes may have different performance characteristics. © 2019 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

Lipper ratings for Total Return reflect funds' historical total return performance (before sales charge) relative to peers. Lipper ratings for Consistent Return reflect funds' historical risk-adjusted returns (before sales charge), adjusted for volatility, relative to peers. Lipper ratings for Preservation reflect the funds' historical loss avoidance relative to other funds within the fixed income asset class. The ratings are subject to change every month and are based on an equal-weighted average of percentile ranks for each metric over three-, five-, and ten-year periods (if applicable). The highest 20% of funds in each peer group are named Lipper Leader, or a score of 5, the next 20% receive a score of 4, the middle 20% are scored 3, the next 20% are scored 2, and the lowest 20% are scored 1. Lipper ratings are not intended to predict future results, and Lipper does not guarantee the accuracy of this information. More information is available at [www.lipperweb.com](http://www.lipperweb.com). Thomson Reuters Copyright 2019, All Rights Reserved.

**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.**