Thornburg Limited Term Municipal Fund (LTMFX)

Thornburg
INVESTMENT MANAGEMENT

MARCH 31, 2017

★★★★★

Class A Shares

★★★★★

Class I Shares

Overall Morningstar Ratings, among 181 Muni National Short Funds, are based on risk-adjusted returns, as of 3/31/17.

WINNER OF THE 2017
THOMSON REUTERS
LIPPER FUND AWARDS
UNITED STATES

Lipper Best Short-Intermediate Municipal Debt Fund (Class I Shares) 10-year period ended 11/30/16, among 41 funds.

Overall Lipper Leader Ratings

I Shares as of 3/31/17

5

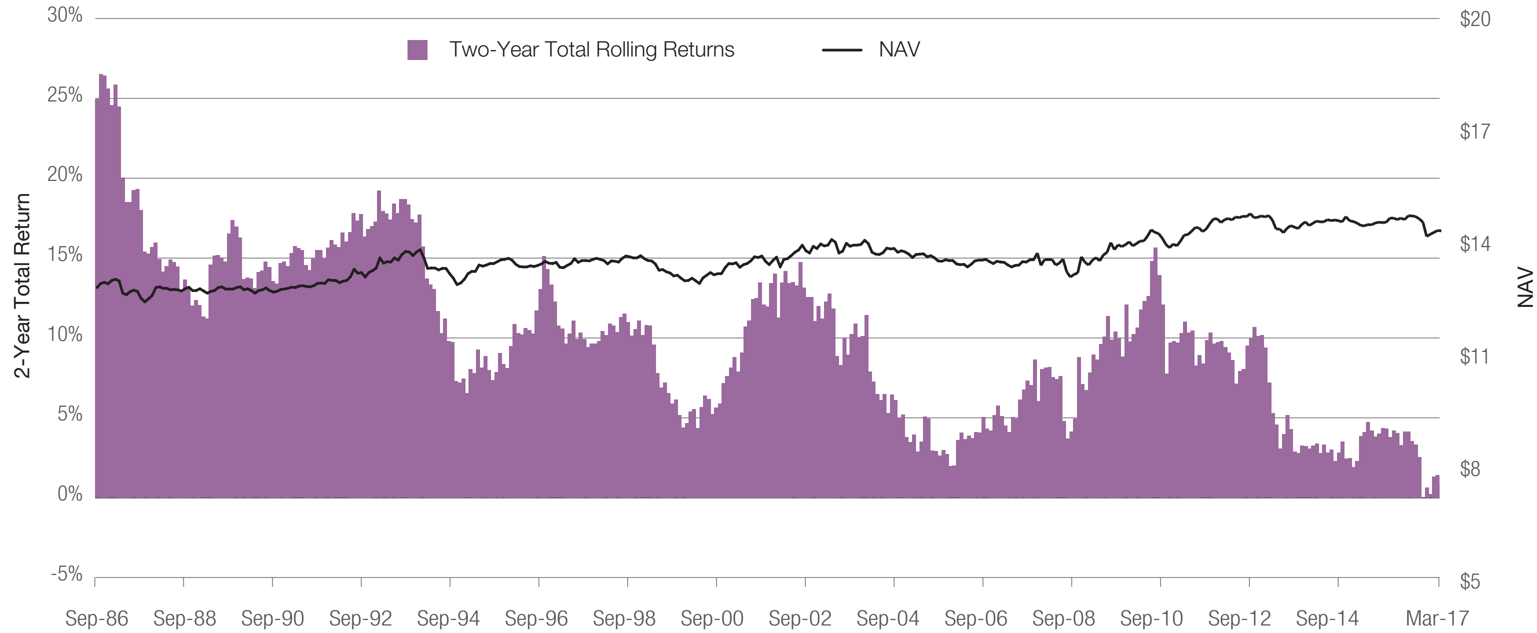
Consistent Return
among 63 Short-Intermediate Muni Debt Funds

5

Preservation
out of 5792 Bond Funds

LIPPER HIGHEST 5 4 3 2 1 LOWEST

Rolling Two-Year Performance and Net Asset Value History as of 3/31/17



Rolling returns are useful for examining the behavior of returns for holding periods similar to those actually experienced by investors. Rolling performance in the chart above represents two-year periods, updated monthly. Performance is cumulative and given before sales charges. Had the sales charges been taken into account, returns would have been lower.

Thornburg Limited Term Municipal Fund

(Annualized Returns as of 3/31/17)

	1-YR	3-YR	5-YR	10-YR	SINCE INCEP.
A Shares THIMX (Incep: 9/28/84)					
Without sales charge	-0.50%	1.27%	1.40%	3.00%	4.87%
With sales charge	-1.98%	0.76%	1.09%	2.84%	4.82%
I Shares THIMX (Incep: 7/5/96)	-0.19%	1.58%	1.73%	3.34%	3.88%

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 or call 877-215-1330. The maximum sales charge for the Fund's A shares is 1.50%. There is no up-front sales charge for the I shares. The total annual operating expenses for the Fund are as follows: A shares, 0.72%; I shares, 0.41%.

Coupon – The interest rate stated on a bond when it's issued. The coupon is typically paid semiannually.

Discount – If a bond's price is lower than its par value, it is selling at a discount. The discount equals the difference between the price paid for a security and the security's par value.

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

Negative Convexity – When the shape of a bond's yield curve is concave. A bond's convexity is the rate of change of its duration, and is measured as the second derivative of price with respect to yield. One property of a non-callable bond is that as interest rates fall, its price will increase. However, with a callable bond, as interest rates fall, the incentive for the issuer to call the bond at par increases; therefore, its price will not rise as quickly as the price of a non-callable bond. The price of a callable bond might actually drop as the likelihood that the bond will be called increases. This is why the shape of a callable bond's curve of price with respect to yield is concave or "negatively convex."

Par – The face value of a bond.

Premium – If a bond's price is higher than its par value, it is selling at a premium; this occurs because the interest rate on the bond is higher than the prevailing rates in the market, making the premium bond worth more than a bond paying a lower rate.

The laddering strategy does not assure or guarantee better performance than a non-laddered portfolio and cannot eliminate the risk of investment losses.

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. Thomson Reuters Copyright 2017, All Rights Reserved.

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.

Past performance does not guarantee future results.

This kind of performance doesn't occur by accident. While there's no magic bullet, Thornburg managers attempt to stabilize NAVs and provide total return by selecting bonds that resist price erosion when interest rates rise. Our first strategy to protect total return is to ladder the maturities, which provides the portfolio with a stream of bonds maturing sequentially at par, so we have cash to reinvest at current yields.

Laddered maturities

- Provide stability of principal and a predictable income stream. Laddering does this by combining the strengths of short-term and intermediate-term bonds in a sequence of bonds maturing over time.
- Are an all-weather strategy. If rates rise, all bond prices fall, but total return recovers over time as cash from maturing bonds is reinvested at the new higher rates.
- Capture price appreciation as the bonds age. They are generally priced to lower yields and therefore to higher prices as they approach maturity.

Stick to short- and intermediate-term bonds

- Capture most of the return of long-term bonds with much lower volatility in price.
- Telescoping effect: As bonds age, their durations shorten at an increasing rate. A year of aging benefits a five-year bond more than a 10-year bond, while a 30-year bond hardly benefits at all.

Preference for above-market coupons to shorten duration

- Higher coupons help shorten duration, which reduces sensitivity to interest rates.

For municipal bonds, high coupons have a tax benefit

- Usually the amount of tax-free income that can be earned is capped by the coupon rate. If the bond's price falls to a discount, the portion of total return that exceeds the coupon is subject to income tax. The way to avoid this problem is to buy premium-coupon bonds above par.

Emphasize good call protection

- Optional calls create negative convexity and the potential for significant duration extension when rates rise.

Stick to strong, investment-grade quality

- Protects principal.
- Broad market provides good liquidity.

Lipper Fund Awards are granted annually to the fund in each Lipper classification that consistently delivered the strongest risk-adjusted performance (calculated with dividends reinvested and without sales charge). The fund did not win the award for other time periods. Past performance does not guarantee future results. From Thomson Reuters Lipper Awards, © 2017 Thomson Reuters. All rights reserved. Used by permission and protected by the Copyright Laws of the United States. The printing, copying, redistribution, or retransmission of this Content without express written permission is prohibited.

The Fund's A shares received the following Lipper ratings for the three-, five- and 10-year periods, respectively: Total Return – 3 (64 funds), 3 (58 funds), 5 (42 funds); Preservation – 5 (5792 funds), 5 (4778 funds), 5 (3150 funds), as of 3/31/17. The Fund's I shares received the following Lipper ratings for the three-, five- and 10-year periods, respectively: Total Return – 4 (64 funds), 4 (58 funds), 5 (42 funds); Preservation – 5 (5792 funds), 5 (4778 funds), 5 (3150 funds), as of 3/31/17.

Overall Morningstar Ratings use a weighted average of the Fund's three-, five- and 10-year ratings: respectively, 4 stars, 4 stars, and 5 stars for Class A shares and 5 stars, 5 stars, and 5 stars for Class I shares among 181 stars, 153 stars, and 96 Muni National Short funds, as of 3/31/17. 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. © 2017 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.

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.

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. Read them carefully before investing.

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