

Thornburg Launches Long/Short Equity Fund

Adding Liquid Alternative to the Firm's Equity & Bond Fund Line-up

Santa Fe, NM – Thornburg Investment Management (TIM) has launched Thornburg Long/Short Equity Fund (THLSX), its first liquid alternative fund, effective December 30, 2016. Using the same active, bottom-up investment process that supports all Thornburg products, the new fund offers a focused, opportunistic approach to equities investing. The fund invests in long and short opportunities in companies of all sizes, industries and geographies to pursue long-term capital appreciation over a complete market cycle with lower volatility relative to broad equity indices.

Managed by Connor Browne, CFA, Thornburg Long/Short Equity Fund invests long in securities that the manager believes are underpriced, with a smaller portion of the portfolio focused on shorting stocks believed to be overvalued. The fund applies a focused approach to both long and short strategies, and will generally hold about 40 long stocks and around 30 short positions. Browne, a managing director of the firm, also co-manages Thornburg Value Fund – the firm's first equity fund.

Thornburg Long/Short Equity Fund is a conversion of a private hedge fund inceptioned in 2008 and closed on December 29, 2016. It was also managed by Browne, who will run the new fund in the same manner with the support of the firm's entire investment team.

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According to Browne, "We saw success in terms of providing good total return and lower volatility with the predecessor private hedge fund and wanted to introduce the same active, focused portfolio strategy in a fund available to the public. And, like our other products, the new long/short fund will reflect how we think and invest differently within an important and growing space."

The Portfolio

Thornburg Long/Short Equity Fund invests primarily in U.S. equities that, based on fundamental research, the manager believes will either rise or fall in price to the benefit of the fund's absolute return. On the fund's long side, the manager looks for undervalued companies that fit one of three categories: growth industry leaders, consistent growers, and emerging growth companies. Short positions fall in one of three categories as well: cycle victims, stumbling stalwarts, and falling stars.

"Advisors and their clients are looking for differentiated investment options to meet their needs, and we think this fund, combined with our investment process, helps to address those needs," says TIM President and CEO Jason Brady. "We have always strived to meet the demand for solutions that help manage portfolio volatility while providing long-term appreciation, and our new Long/Short Equity Fund expands our ability to continue this mission."

The minimum initial investment is \$2,500,000 for individual investors and qualifying institutions purchasing for their own account. For investors purchasing through a fee-based advisory program, the minimum is \$100,000, and \$2,500 for financial intermediaries purchasing for accounts of others within a "wrap" asset allocation program.

Thornburg Investment Management is a privately owned global investment firm that

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offers a range of solutions for retail and institutional investors. Founded in 1982 and headquartered in Santa Fe, New Mexico, we manage approximately \$53 billion (as of September 30, 2016) across mutual funds, separate accounts for high-net-worth investors and institutional accounts, as well as UCITS funds for non-U.S. investors. What makes us different is more than what we do, it's how we do it: how we think, how we invest, and how we're structured.

Before investing, carefully consider the Funds' investment goals, risks, charges, and expenses. For a prospectus or summary prospectus containing this and other information, visit thornburg.com.

Read it carefully before investing.

Investments carry risks, including possible loss of principal. 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 small- and mid-capitalization companies may increase the risk of greater price fluctuations. A short position will lose value as the security's price increases. Theoretically, the loss on a short sale can be unlimited. 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. Non-diversified funds can be more volatile than diversified funds. Investments in the Fund are not FDIC insured, nor are they bank deposits or guaranteed by a bank or any other entity.

Past performance does not guarantee future results.

Thornburg mutual funds are distributed by Thornburg Securities Corporation.
