

SEPTEMBER 30, 2018

Investment Strategy

The Strategy typically invests in a selection of growth stocks that management believes will have growing revenues and earnings. The Strategy may comprise companies of any size, from large, well-established firms to small, emerging growth franchises. Thornburg uses traditional fundamental research to evaluate securities and make buy/sell decisions. The Strategy also may invest in debt securities of any type.

Investment Objective

The Strategy seeks long-term growth of capital. There is no guarantee that the Strategy will meet its objectives.

Portfolio Manager

Greg Dunn

Supported by the entire Thornburg investment team.

Portfolio Baskets

	REP. ACCT.
Growth Industry Leaders	39.5%
Consistent Growers	28.4%
Emerging Growth Companies	25.5%
Cash & Cash Equivalents	6.6%

Growth Industry Leaders: often have leadership positions in growing markets. These firms tend to be larger, more established, and have dominant market share.

Consistent Growth Companies: generally exhibit steady earnings and revenue growth, often with subscription or other recurring revenue profiles. These firms tend to buoy the portfolio in weak markets.

Emerging Growth Companies: are often addressing a new market or carving out a niche in an existing market. Companies in this basket tend to be smaller, earlier-stage companies. Successful emerging growth companies are often reclassified as their businesses mature.

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10/16/18
TH351

Annualized Returns (as of 9/30/18)

	QTD	YTD	1-YR	3-YR	5-YR	10-YR	SINCE INCEPTION (1/1/01)
All Cap Growth Composite (NET)	5.46%	19.31%	25.12%	16.31%	11.25%	12.20%	7.61%
All Cap Growth Composite (GROSS)	5.68%	20.07%	26.19%	17.30%	12.19%	13.31%	8.92%
Russell 3000 Growth Index	8.88%	16.99%	25.89%	20.36%	16.23%	14.18%	6.65%

Periods less than one year are not annualized.

Performance data for the All Cap Growth Strategy is from the All Cap Growth Composite, inception date of January 1, 2001. The composite includes non-wrap discretionary accounts invested in the All Cap Growth 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 .75%, this increase would be 142%.

Risk Metrics vs. Russell 3000 Growth Index

	3-YR	5-YR	10-YR
Annualized Alpha	-3.34	-3.56	-1.88
Beta	1.05	1.02	1.11
Sharpe Ratio	1.34	0.96	0.75
Info Ratio	-0.49	-0.65	-0.14
Tracking Error	6.27	6.21	6.22
R-Squared	74.14	73.99	88.08

Past performance does not guarantee future results.

Market Cap Breakout

	REP. ACCT.	RUSSELL 3000 GROWTH
Large Cap > \$12 B	85.7%	85.1%
Mid Cap \$2.5-\$12 B	10.9%	10.9%
Small Cap < \$2.5 B	3.4%	4.0%

Ten Largest Holdings[†] (as of 8/31/18)

	REP. ACCT.
Amazon.com, Inc.	4.2%
Visa, Inc.	3.3%
FleetCor Technologies, Inc.	3.2%
Alphabet, Inc.	3.1%
The TJX Cos, Inc.	2.9%
Worldpay, Inc.	2.8%
Comcast Corp.	2.8%
Facebook, Inc.	2.8%
DexCom, Inc.	2.7%
Las Vegas Sands Corp.	2.7%

Selected Characteristics

	REP. ACCT.	RUSSELL 3000 GROWTH
Weighted Avg. Dividend Yield	0.62%	1.06%
Weighted Avg. Forward Est. P/E	24.9x	22.9x
Median Market Cap.	\$29.7 B	\$1.8 B
Weighted Avg. Market Cap.	\$172.3 B	\$295.5 B
Number of Securities	45	1,797
Active Share ¹ (vs. Russell 3000 Growth Index)	81%	—

Sector Allocation

	REP. ACCT.	RUSSELL 3000 GROWTH
Information Technology	28.6%	31.4%
Consumer Discretionary	16.8%	15.4%
Communication Services	14.8%	11.4%
Health Care	11.7%	14.8%
Financials	9.9%	4.4%
Consumer Staples	6.4%	5.2%
Energy	3.3%	1.0%
Materials	1.9%	1.8%
Industrials	0.0%	12.4%
Real Estate	0.0%	2.0%
Utilities	0.0%	0.0%
Cash, Cash Equivalents & Currency Forwards	6.6%	—

Important Information

Source: Advent/APX, APL, FactSet, Vestmark, and Thornburg.

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 representative account information is supplemental to the strategy's composite and GIPS compliant presentation.

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

Alpha – A measure of the difference between a portfolio's actual returns and its expected performance, given its level of risk as measured by beta. A positive alpha figure indicates the portfolio performed better than its beta would predict. In contrast, a negative alpha indicates under-performance, given the expectations established by the beta.

Beta – A measure of market-related risk. Less than one means the portfolio is less volatile than the index, while greater than one indicates more volatility than the 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.

R Squared – A statistical measure that represents the percentage of a fund's or security's movements that are explained by movements in a benchmark index. For fixed-income securities the benchmark is the T-bill, and for equities the benchmark is the S&P 500.

Sharpe Ratio – A risk-adjusted measure developed by Nobel Laureate William Sharpe. It is calculated by using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe Ratio, the better the fund's historical risk-adjusted performance. The Geometric Sharpe ratio is calculated for the past three-year period by dividing a fund's annualized excess returns by its annualized standard deviation.

Diversification does not assure or guarantee better performance and cannot eliminate the risk of investment losses.

Portfolio characteristics are derived using currently available data from independent research resources that are believed to be accurate. Portfolio attributes can and do vary.

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.

Thornburg Investment Management All Cap Growth Composite January 1, 2008 through December 31, 2017

Period	Composite Returns		Index Returns	3-Yr Annualized Standard Deviation*		Dispersion	As of December 31		
	Gross	Net	Russell 3000® Growth Index	Composite	Russell 3000® Growth Index	Internal Equal Wtd.	Number of Accounts	Composite Assets (MM)	Total Firm Assets (MM)
2017	25.60%	24.54%	29.59%	12.69%	10.62%	N/M	2	647	48,784
2016	-0.98%	-1.82%	7.39%	13.83%	11.34%	N/M	3	605	48,937
2015	4.20%	3.32%	5.09%	11.80%	10.80%	N/M	3	832	54,809
2014	1.51%	0.66%	12.44%	12.44%	9.74%	N/M	3	902	64,492
2013	44.57%	43.38%	34.23%	15.60%	12.49%	N/M	4	957	94,303
2012	23.09%	22.07%	15.21%	18.61%	15.99%	N/M	4	661	83,646
2011	2.84%	2.00%	2.18%	20.91%	18.17%	N/M	5	704	73,213
2010	11.30%	9.72%	17.64%			0.90%	7	1,383	73,389
2009	47.33%	45.21%	37.01%			1.86%	7	1,813	52,728
2008	-50.00%	-50.68%	-38.44%			3.15%	7	1,389	33,698

* 3-Yr annualized standard deviation is not required for annual periods prior to 2011.

N/M - Not meaningful. A statistical measure of internal dispersion for composites with five or fewer accounts (included for the entire year) is not considered meaningful.

- Thornburg Investment Management, Inc. claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. Thornburg Investment Management, Inc. has been independently verified for the period July 1, 1998 through December 31, 2017. The verification reports are available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation.
- Thornburg Investment Management, Inc. (the "Firm") is an independent investment adviser registered under the Investment Advisers Act of 1940. Registration does not imply a certain level of skill or training. The Firm's clientele consists of mutual funds, commingled funds and taxable and non-taxable separately managed accounts in U.S., non-U.S. and global equity strategies and in U.S. fixed income strategies. Policies for valuing portfolios, calculating performance, and preparing compliant presentations are available upon request.
- Valuations are computed and performance is reported in United States dollars.
- The three-year annualized ex-post standard deviation measures the variability of the composite and the benchmark returns over the preceding 36-month period. Internal dispersion is calculated using the equal-weighted standard deviation of annual gross returns of those accounts included in the composite for the entire year.
- The performance data quoted represents past performance; it does not guarantee future results. Returns will fluctuate and current performance may be either lower or higher than data shown.
- The All Cap Growth Composite includes all non-wrap discretionary accounts invested in the All Cap Growth strategy. The strategy seeks long-term growth of capital. The strategy typically invests in a selection of growth stocks that management believes will have growing revenues and earnings. The strategy may comprise companies of any size, from large, well-established firms to small, emerging growth franchises. Thornburg uses traditional fundamental research to evaluate securities and make buy/sell decisions.
- The Russell 3000® Growth Index is an unmanaged index comprised of those Russell 3000® companies with higher price-to-book ratios and higher forecasted growth values. The stocks in this index are also members of either the Russell 1000® Growth or the Russell 2000® Growth indices. The index returns reflect the reinvestment of dividends and other earnings, are net of withholding taxes, and do not include any trading costs, management fees, or other expenses. Benchmark returns are not covered by the report of independent verifiers.
- 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. Investors may not make direct investments into any index.
- Returns reflect the reinvestment of income and capital gains. Net returns shown are net of actual investment advisory fees. Prior to January 1, 2011 the net returns for some accounts in the composite reflect the deduction of management fees and other administrative expenses. The standard fee schedule currently in effect is: 0.75% on the first \$25 million, 0.65% on the next \$50 million, negotiable thereafter. Fees may be negotiated in lieu of the standard fee schedule.
- The All Cap Growth Composite has been examined for the period from January 1, 2001 through December 31, 2017. The examination reports are available upon request.
- This composite was created in January 2001. A list of composite descriptions is available upon request.