

# Thornburg Low Duration Municipal Fund

SEPTEMBER 30, 2018

## Investment Strategy

The Fund is an actively managed, ladder portfolio of municipal bonds with maturities not exceeding 5 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.

## Investment Objective

The Fund seeks current income exempt from federal income taxes, consistent with preservation of capital.

## Portfolio Managers

Christopher Ryon, CFA  
Nicholas Venditti, CFA

Supported by the entire Thornburg investment team.

## Lipper Leader Ratings

(Class I Shares)

**5** Overall Preservation out of 5815 Fixed Income Funds



The Fund rated a 5 for the three-year period for Preservation among 5815 Fixed Income funds. As of 9/30/18.

## Key Portfolio Attributes

Fund Assets	\$182 M
Number of Bonds	136
Average Maturity	1.2 Yrs
Effective Duration	1.0 Yrs
Subject to Alternative Minimum Tax	0.0%

## Symbols and Cusips

A Shares	TLMAX	885-216-788
I Shares	TLMIX	885-216-770

## Average Annual Total Returns (as of 9/30/18)

	YTD	1-YR	3-YR	SINCE INCEP.	EXPENSE RATIOS	
					30-DAY SEC YIELD	GROSS NET
A Shares (Incep: 12/30/13)						
Without sales charge	0.38%	0.02%	0.38%	0.37%		
With sales charge	-1.15%	-1.49%	-0.13%	0.05%	1.15%	1.12% 0.70%
I Shares (Incep:12/30/13)	0.61%	0.30%	0.58%	0.57%	1.37%	0.70% 0.50%

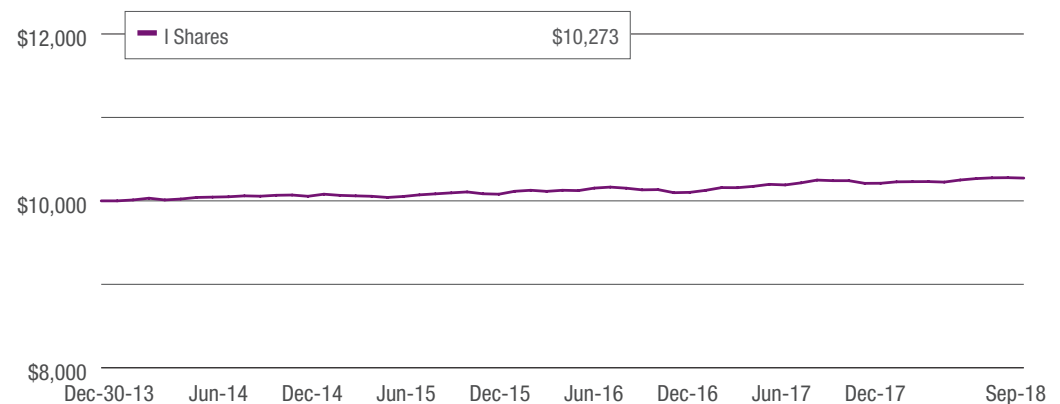
## Annual Return Performance Summary

	2014	2015	2016	2017
A Shares	0.35%	0.14%	0.01%	0.89%
I Shares	0.55%	0.24%	0.22%	1.08%

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%. There is no up-front sales charge for the I shares. Thornburg Investment Management and/or Thornburg Securities Corporation have contractually agreed to waive fees and reimburse expenses through at least June 15, 2019 for some of the share classes; these are reflected in the net expense ratio. For more detailed information on fund expenses and waivers/reimbursements, please see the fund's prospectus. Without these waivers, SEC yields would have been as follows: A Shares, 0.77%; I Shares, 1.10%.

## 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	11.8%
AA	24.3%
A	27.1%
BBB	5.5%
Below Investment Grade	0.0%
Not Rated	0.4%
Cash & Cash Equivalents	31.0%

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 for Thornburg's municipal portfolios used the highest rating available from S&P Global Ratings or Moody's Investors Service. "NR" = not rated.

## Top Ten Fixed Income Positions

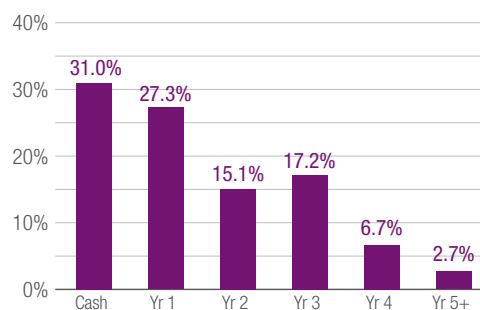
(as of 8/31/18, percent of portfolio)

Illinois Finance Authority	2.0%
Houston Independent School District	1.9%
Colorado State Education Loan Program	1.8%
State of Louisiana	1.8%
City of Houston TX Combined Utility System Revenue	1.8%
City of Los Angeles CA	1.7%
County of Los Angeles CA	1.7%
City of Houston TX	1.7%
Monroe County Development Authority	1.7%
Michigan Strategic Fund	1.3%

## Top Ten Municipal Sectors

Local General Obligation	15.2%
State General Obligation	8.8%
Industrial Development/Pollution Control	8.0%
Appropriation	4.9%
Public Power	3.5%
Other Revenue	3.3%
Combined Utilities	3.0%
Gas	2.9%
Hospital	2.6%
Water/Sewer	2.5%

## Current Portfolio Ladder



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

## Top Ten States

Texas	12.8%
Illinois	8.6%
California	8.0%
New York	5.5%
New Jersey	4.3%
Colorado	3.1%
Michigan	2.8%
Louisiana	2.7%
Pennsylvania	2.6%
Connecticut	2.5%

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.

There is no guarantee that the Fund will meet its investment objectives.

Income earned from municipal bonds is exempt from regular federal and in some cases, state and local income tax. Income may be subject to the alternative minimum tax (AMT). Although it reserves the right to do so, this Fund does not currently invest in bonds subject to the Federal alternative minimum tax (AMT).

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.

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 2018, 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.*