

# Thornburg Summit Fund

## Portfolio Manager Commentary

31 December 2025



### Market Review

Global equity markets finished the year on a strong note in the fourth quarter, supported by increasing optimism for easier monetary policy, lower-than-expected inflation trends, and generally resilient corporate earnings. At the same time, signs of a softening, but still expanding, global economy helped ease recession concerns and supported a broader risk-on tone into year-end.

Equity leadership broadened during the quarter. Cyclical sectors tied to financials and industrials benefited from improving liquidity, while growth stocks with strong balance sheets and visible earnings trajectories regained momentum—particularly in IT and select consumer and health care segments. Currency markets were relatively stable. The U.S. dollar's 7.3% decline on a trade-weighted basis last year helped international equities. As volatility resurfaced around policy shifts and geopolitical developments, we selectively added to high-quality growth businesses at attractive valuations.

U.S. fixed income markets concluded 2025 on a positive note, with broad gains driven by Federal Reserve rate cuts, cooling inflation, and broadly resilient economic data despite challenges like the U.S. government shutdown and labor market softness. The Federal Reserve continued its easing cycle with 50 basis points of rate cuts, including a widely expected 25bp cut at the December FOMC meeting that lowered the Fed Funds rate to 3.50-3.75% alongside a \$40B/month Treasury bill purchase program, though the FOMC minutes reflected continued divisions within the committee. November saw significant volatility in rate expectations with December futures probabilities dropping below 30% at one point following hawkish signals from Chair Powell and other Fed officials. Inflation showed continued disinflation with November CPI coming in below consensus at 2.7% year-over-year (core 2.6%), while mortgage rates dropped for three straight weeks to end 2025 at their lowest point for the year. The government shutdown delayed most employment and inflation data in October with impacts continuing into November, creating what analysts called a "data vacuum."

Looking ahead, potential bouts of heightened volatility could present opportunities for active managers.

### Portfolio Managers

**Neal BasuMullick, CFA**

Portfolio Manager

**Lon Erickson, CFA**

Portfolio Manager

Supported by the entire Thornburg investment team

#### AVERAGE ANNUAL TOTAL RETURNS (%)

AS OF 31 DECEMBER 2025

	QTR	YTD	1-YR	3-YR	5-YR	ITD
A Shares TSAMX (Incep: 26 Jan 22)*						
Without sales charge	3.84	20.34	20.34	14.59	9.15	11.95
With sales charge	-0.82	14.88	14.88	12.84	8.15	11.20
I Shares TSUMX (Incep: 1 Mar 19)	3.83	20.53	20.53	14.87	9.41	12.21
Blended Index	2.07	16.60	16.60	13.80	5.79	7.84

#### EXPENSE RATIOS (%)

GROSS	NET
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1.81	0.96
1.17	0.71

\*Prior to inception of this share class, performance is hypothetical and was calculated from actual returns of the class I shares adjusted for the expenses of the newer share class.

Returns for less than one year are not annualized. ITD is inception to date.

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.

*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 4.50%. There is no up-front sales charge for class I shares. Thornburg Investment Management and/or Thornburg Securities LLC have contractually agreed to waive fees and reimburse expenses through at least 1 February 2027 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.*

## Fourth Quarter 2025 Performance Highlights

- In 4Q25 the portfolio (I share class) returned 3.83%, 176 basis points ahead of the Blended Index (60% MSCI ACWI Index and 40% Bloomberg Global Aggregate Index). Year to date the portfolio (I share class) returned 20.53%, 393 basis points ahead of the Blended Index.
- Stock selection within information technology and communication services contributed positively to relative outperformance versus the MSCI ACWI Index. Stock selection within consumer discretionary detracted from relative performance.
- From a geographic perspective, stock selection within Korea and Taiwan contributed positively to the portfolio's relative performance. Stock selection from the Euro Zone detracted from relative performance.
- The portfolio's bond exposure outperformed the fixed income portion of the blended index. Yield curve positioning relative to the index and underweight to foreign treasuries contributed positively.

## Current Positioning and Outlook

Our portfolio positioning entering the fourth quarter, which included an underweight to U.S. equities, continued to reflect caution about historically high valuations relative to many segments of international markets. While our allocation to equities during the quarter was only modestly higher than the index, our bias towards non-U.S. equities was a tailwind. Entering 2026, we continue to believe that large valuation gaps between the U.S. and the rest of the world present potential for relative value and diversification benefits, and while we are not making a macro call on specific regions, we believe the international landscape offers compelling opportunities for stock pickers.

Within fixed income, higher bond yields are presenting a better setup for fixed income, but credit spreads remain tighter than their historical averages. While we continue to take a defensive posture both from a rates and credit perspective, we are taking advantage of the higher income opportunities that bonds are now offering the portfolio.

Markets appear increasingly desensitized to geopolitical events—a trend that began around the onset of the Russia-Ukraine war. We view this complacency as dangerous, as the eventual tipping point could trigger an outsized reaction. As such, looking ahead, potential bouts of heightened volatility could present opportunities for active managers.

### TEN LARGEST HOLDINGS

AS OF 30 NOVEMBER 2025	% FUND
Zegona Communications plc	4.1
Samsung Electronics Co. Ltd.	2.8
Taiwan Semiconductor Manufacturing Co. Ltd.	2.5
Amazon.com, Inc.	2.5
Alphabet, Inc.	2.3
Orange S.A.	2.0
Meta Platforms, Inc.	2.0
Citigroup, Inc.	2.0
Roche Holding AG	1.8
NVIDIA Corp.	1.6

### TOP 5 CONTRIBUTORS (%)

4Q25	AVERAGE WEIGHT	CONTRIB. TO RETURN
Samsung Electronics Co. Ltd.	2.86	0.98
Zegona Communications plc	3.70	0.95
Alphabet, Inc.	2.30	0.63
Liberty Energy, Inc.	1.12	0.47
Roche Holding AG	1.76	0.44

### BOTTOM 5 DETRACTORS (%)

4Q25	AVERAGE WEIGHT	CONTRIB. TO RETURN
Round One Corp.	1.00	-0.24
Meta Platforms, Inc.	2.05	-0.23
B&M European Value Retail S.A.	0.40	-0.21
Open Text Corp.	1.48	-0.19
AT&T, Inc.	1.41	-0.18

Source: FactSet

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## Important Information

Unless otherwise noted, the source of all data, charts, tables and graphs is Thornburg Investment Management, Inc., as of 31 December 2025.

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. 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. Investments in the Fund are not FDIC insured, nor are they bank deposits or guaranteed by a bank or any other entity.

The views expressed are subject to change and do not necessarily reflect the views of Thornburg Investment Management, Inc. This information should not be relied upon as a recommendation or investment advice and is not intended to predict the performance of any investment or market.

Funds invested in a limited number of holdings may expose an investor to greater volatility.

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

Any securities, sectors, or countries mentioned are for illustration purposes only. Holdings are subject to change. Under no circumstances does the information contained within represent a recommendation to buy or sell any security.

Basis Point (bp) – A unit equal to 1/100th of 1%. 1% = 100 basis points (bps).

U.S. Treasury securities, such as bills, notes and bonds, are negotiable debt obligations of the U.S. government. These debt obligations are backed by the "full faith and credit" of the government and issued at various schedules and maturities. Income from Treasury securities is exempt from state and local, but not federal, taxes.

Federal Open Market Committee (FOMC) - The branch of the Federal Reserve Board that determines the direction of monetary policy. The FOMC is composed of the board of governors, which has seven members, and five reserve bank presidents. The president of the Federal Reserve Bank of New York serves continuously, while the presidents of the other reserve banks rotate their service of one-year terms.

Fed Funds Rate - The interest rate at which a depository institution lends immediately available funds (balances at the Federal Reserve) to another depository institution overnight.

Thornburg Summit Fund's Blended Index is composed of 60% MSCI ACWI Index (MSCI ACWI NTR) and 40% Bloomberg Global Aggregate Index (BBG Global-Agg TR Value), rebalanced monthly. The MSCI ACWI Index (MSCI ACWI NTR) is a market capitalization weighted index that is representative of the market structure of 47 developed and emerging market countries in North and South America, Europe, Africa, the Middle East, and the Pacific Rim. The index is calculated with net dividends reinvested in U.S. dollars. The Bloomberg Global Aggregate Index (BBG Global-Agg TR Value) provides a broad-based measure of the global investment-grade fixed-rate debt markets.

The performance of any index is not indicative of the performance of any particular investment. Unless otherwise noted, index returns reflect the reinvestment of income dividends and capital gains, if any, but do not reflect fees, brokerage commissions or other expenses of investing. Investors may not make direct investments into any index.

### **Not FDIC Insured. May lose value. No bank guarantee.**

*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.*

#### **Active by Design**

Thornburg is a privately owned, global investment firm delivering active, high-conviction portfolios to institutions, advisors, and investors. Founded in 1982, we specialize in income and global equity strategies—each designed to support long-term goals and deliver alpha—available through institutional strategies, mutual funds, ETFs, closed-end funds, managed accounts, CITs, and UCITS.

