

Class N | FQUAX

Class I | MEQFX



FIRST QUADRANT

Headquarters: Pasadena, CA

Founded: 1988

Specialization: Offers strategies in three main areas including optimal beta, diversified alpha and total return solutions

Portfolio Managers

Jia Ye
David Chrisman

Style

Long/Short Equity

Primary Benchmark

Russell 3000[®] Index

Secondary Benchmark

50% Russell 3000[®] Index & 50% ICE BofAML 0-3 Month Treasury Bill

Fund Net Assets (Mil.\$)

80.81

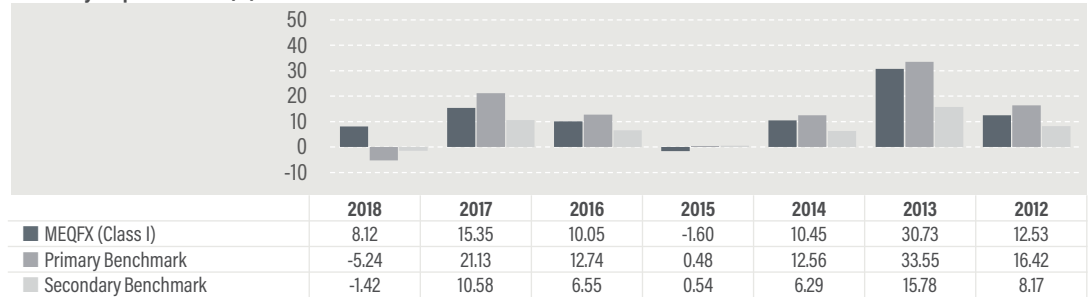
Fund highlights

- ▶ FQ is an experienced boutique manager known for its systematic, theory based investment processes
- ▶ Employs a proprietary multi-factor quantitative model used to construct a fund portfolio that combines a top-down analysis of market and economic conditions with a bottom-up stock selection process
- ▶ Invests in long and short equity positions in sectors, industries and companies based on the subadviser's assessment of relative attractiveness

Average annual returns (%)² (as of 03/31/19)

	Inception	QTD	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Since Incept
FQUAX (Class N)	03/01/06	3.04	3.04	6.56	11.99	8.01	13.96	7.14
MEQFX (Class I)	08/14/92	3.08	3.08	6.88	12.35	8.31	14.27	8.44
Primary Benchmark	-	14.04	14.04	8.77	13.48	10.36	16.00	9.70 ³
Secondary Benchmark	-	7.18	7.18	5.70	7.35	5.66	8.26	6.46 ³

Calendar year performance (%)⁴



Expense Ratios (gross/net): Class N 2.98% / 2.87%, Class I 2.66% / 2.55%

Sector weightings (%)⁵

Sector	Long	Short	Primary Benchmark
Financials	16.82	-18.90	13.17
Industrials	14.35	-17.05	10.13
Real Estate	12.84	-9.39	4.04
Health Care	7.85	-4.30	14.34
Consumer Discretionary	7.10	-4.36	10.37
Information Technology	6.12	-5.45	21.11
Consumer Staples	4.87	-2.03	6.53
Materials	4.00	-3.86	2.95
Energy	2.83	-1.21	5.07
Utilities	2.55	-3.23	3.22
Communication Services	1.23	-0.39	9.08
Futures	44.93	0.00	0.00
Cash & Other ⁸	44.68	0.00	0.00

Top ten long positions (%)⁶

Position	% of Net Assets
Toro Co	1.48
Marcus & Millichap Inc	1.45
Performance Food Group Co	1.45
PS Business Parks Inc	1.44
Gentex Corp	1.43
Evercore Inc, Class A	1.43
SEI Investments Co	1.42
US Foods Holding Corp	1.42
MGIC Investment Corp	1.41
First American Financial Corp	1.40
TOTAL %	14.33

Top ten short positions (%)⁶

Position	% of Net Assets
Safeguard Scientifics Inc	-1.33
Willscot Corp, Class A	-1.32
Lindsay Corp	-1.26
Wabtec Corp	-1.25
General Electric Co	-1.24
Macerich Co	-1.23
International Flavors & Fragrances Inc	-1.23
Banco Latinoamericano de Comercio Exterior SA, Class E	-1.23
LendingClub Corp	-1.22
American International Group Inc	-1.22
TOTAL %	-12.53

About AMG Funds

The largest network of institutional quality boutique investment solutions through a single point of access

Unrivaled access to insights of over 30 independent and autonomous investment managers

More than 100 actively managed products covering the risk spectrum for investors searching beyond the index

¹ Prior to August 31, 2017, the Fund was known as the AMG FQ U.S. Equity Fund, and had different principal investment strategies and corresponding risks.

² Returns for periods less than one year are not annualized.

³ Since the inception of Class I shares on August 14, 1992.

⁴ Performance is shown for the class of shares with the longest track record. If there are multiple share classes with the same inception date then performance represents the share class with the highest expense ratio. In cases where the share class with the longest track record has lower expenses, the performance of share classes with higher expenses would result in lower performance than that shown.

⁵ Weights may not equal 100% due to rounding.

⁶ Mention of a specific security should not be considered a recommendation to buy or a solicitation to sell that security. Holdings are recommendation to buy or a solicitation to sell that security. Holdings are subject to change.

⁷ This position represents the net position for cash and cash like securities.

The performance data shown represents past performance. Past performance is not a guarantee of future results. Current performance may be lower or higher than the performance data quoted. The investment return and the principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. For performance information through the most recent month end please call 800.835.3879 or visit our website at amgfunds.com.



Fund facts

Share Class	Ticker	Expense Ratio (Gross/Net)	Minimum Initial Investment	12b-1 Fees
Class N	FQUAX	2.98% / 2.87% ¹	\$2,000	0.25%
Class I	MEQFX	2.66% / 2.55% ¹	\$100,000	-

Characteristics²

	Number of Holdings	Weighted Avg. Market Cap (Mil. \$)	Weighted Avg. P/E (Trailing EPS) ³	EPS Growth (Trailing 5-yr %) ^{4,5}	Percentage Exposure
Long	195	5,381	12.20	19.19	125.51
Short	182	8,345	21.30	-6.55	-70.19
Primary Benchmark	2,976	194,454	19.80	10.81	-

Risk/reward statistics^{2,6}

Ticker	Alpha ⁷	Standard Deviation ⁵	Sharpe Ratio	Upside Capture Ratio ⁷	Downside Capture Ratio ⁷	Beta ⁷	Tracking Error ⁷	Information Ratio ⁷
MEQFX	3.74	9.15	1.22	72.95	61.49	0.63	7.19	-0.16

¹ The Fund's Investment Manager has contractually agreed, through March 1, 2020, to limit fund operating expenses. The net expense ratio reflects this limitation, while the gross expense ratio does not. Please refer to the Fund's Prospectus for additional information on the Fund's expenses.

² Characteristics derived from FactSet.

³ Weighted harmonic average.

⁴ Weighted average.

⁵ Annualized.

⁶ Calculated for a three-year period.

⁷ Relative to primary benchmark.

Investors should carefully consider the Fund's investment objectives, risks, charges and expenses before investing. For this and other information, please call 800.835.3879 or visit amgfunds.com for a free Prospectus. Read it carefully before investing or sending money.

Definitions

Alpha: Alpha is a measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of a security or mutual fund and compares its risk-adjusted performance to a benchmark index. The excess return of the security or fund relative to the return of the benchmark index is a fund's alpha.

Beta: Beta measures the relationship between the portfolio's excess return over T-bills (representing a risk-free rate) relative to the excess return of the portfolio's benchmark. A low beta does not imply that the portfolio has a low level of volatility; rather, a low beta means that the portfolio's market-related risk is low. Beta is often referred to as systematic risk.

Downside Capture Ratio: The downside capture ratio measures a manager's performance in down markets relative to a particular benchmark. A down market is one in which the market's quarterly (or monthly) return is less than zero. For example, a ratio of 50% means that the portfolio's value fell half as much as its benchmark index during down markets.

Earnings Per Share (EPS): Earnings Per Share (EPS) is a company's profits per share of common stock.

Information Ratio: The information ratio (IR) measures a portfolio manager's ability to generate excess returns relative to a benchmark, but also attempts to identify the consistency of the portfolio manager. The higher the IR, the more consistent a manager is.

Price/earnings Ratio (P/E): Price/earnings (or P/E) ratio is a comparison of the company's closing stock price and its trailing 12-month earnings per share.

Sharpe Ratio: The Sharpe ratio is calculated using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe ratio, the better the portfolio's historical risk-adjusted performance.

Standard Deviation: Annualized standard deviation is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is calculated as the square root of variance.

Tracking Error: Tracking error measures the standard deviation of the excess returns a portfolio generates compared to its benchmark. If a manager tracks a benchmark closely, then tracking error will be low. If a manager tracks a benchmark perfectly, then tracking error will be zero.

Upside Capture Ratio: The upside capture ratio is a measure of a manager's performance in up markets relative to a particular benchmark. An up market is one in which the market's quarterly (or monthly) return is greater than or equal to zero. For example, a ratio of 50% means that the portfolio's value increased half as much as its benchmark index during up markets.

The Fund may suffer significant losses on assets that it sells short. Unlike the possible loss on a security that is purchased, there is no limit on the amount of loss on an appreciating security that is sold short.

In managing the Fund, the Fund's Subadviser may rely heavily on one or more quantitative models ("Model") and information and data supplied by third parties ("Data"). When a Model or Data used in managing the Fund contains an error, or is incorrect or incomplete, any investment decision made in reliance on the Model or Data may not produce the desired results and the Fund may realize losses. In addition, any hedging based on a faulty Model or Data may prove to be unsuccessful.

The Fund may invest in derivatives such as options and futures; the complexity and rapidly changing structure of derivatives markets may increase the possibility of market losses.

The use of leverage in a Fund's strategy, such as futures and forward commitment transactions, can magnify relatively small market movements into relatively larger losses for the Fund.

The Fund is subject to risks associated with investments in small-capitalization companies, such as erratic earnings patterns, competitive conditions, limited earnings history and a reliance on one or a limited number of products.

The Fund is subject to risks associated with investments in mid-capitalization companies such as greater price volatility, lower trading volume, and less liquidity than the stocks of larger, more established companies.

Active and frequent trading of a fund may result in higher transaction costs and increased tax liability.

The Fund is subject to special risk considerations similar to those associated with the direct ownership of real estate. Real estate valuations may be subject to factors such as changing general and local economic, financial, competitive, and environmental conditions.

The Fund invests in large-capitalization companies that may underperform other stock funds (such as funds that focus on small- and medium-capitalization companies) when stocks of large-capitalization companies are out of favor.

The Russell 3000® Index is composed of the 3,000 largest U.S. companies as measured by market capitalization, and represents about 98% of the U.S. stock market.

ICE BofAML 0-3 Month U.S. Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury Bill that matures closest to, but not beyond, three months from the rebalancing date.

Unlike the Fund, indices are unmanaged, are not available for investment and do not incur expenses.

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Not FDIC Insured | May Lose Value | Not Bank Guaranteed