

## FACT SHEET

ASSET CLASS | FIXED INCOME

Class N | ADBLX

Class I | ADLIX

Class Z | ADZIX



**Headquarters:** Los Angeles, CA

**Founded:** 2009

**Specialization:** Fixed income

### Portfolio Manager

Jeffrey E. Gundlach

Philip A. Barach

Luz M. Padilla

Robert Cohen

### Morningstar Rating™

Based on Risk-Adjusted Returns



#### OVERALL MORNINGSTAR RATING

As of 12/31/18, ADBLX was rated 4, 4, and 4 stars for the Overall, 3-, and 5-year periods against 876, 876, and 767 Intermediate-Term Bond funds, respectively.

### Style<sup>4</sup>

Intermediate-Term Bond



### Benchmark

Bloomberg Barclays U.S. Aggregate Bond Index

### Fund highlights

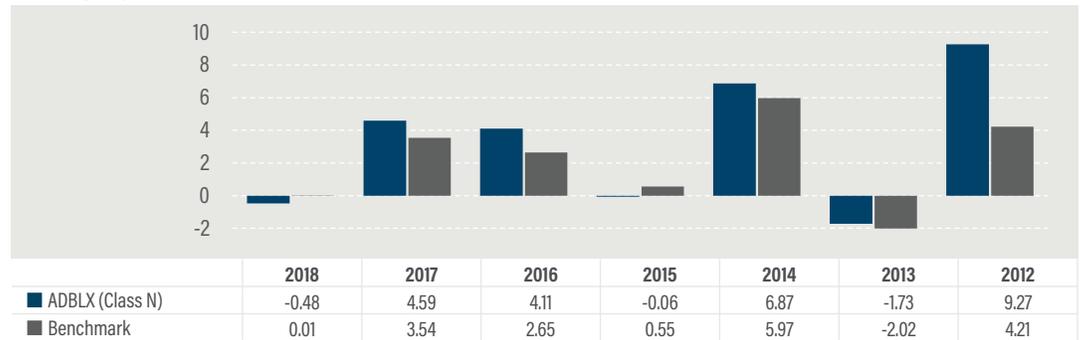
- ▶ Fund seeks to enhance returns by exploiting inefficiencies within the subsectors of the fixed income market while maintaining risk management constraints
- ▶ The investment process combines global top-down sector allocation with bottom-up security selection in this broad market mandate
- ▶ Fully diversified, offering exposure to non-core bond areas such as emerging markets, municipals and high yield

### Average annual returns (%)<sup>1</sup> (as of 12/31/18)

	Inception	QTD	YTD	1 Yr	3 Yr	5 Yr	Since Incpt
ADBLX (Class N)	07/18/11	0.38	-0.48	-0.48	2.71	2.97	3.87
ADLIX (Class I)	07/18/11	0.35	-0.32	-0.32	2.94	3.23	4.12
ADZIX (Class Z)	09/29/17	0.46	-0.24	-0.24	-	-	0.17
Benchmark	-	1.64	0.01	0.01	2.06	2.52	2.50 <sup>2</sup>

### Calendar year performance (%)<sup>3</sup>

Expense Ratios (gross/net): Class N 1.04% / 0.96%, Class I 0.78% / 0.70%, Class Z 0.71% / 0.63%



### Sector weightings (% of net assets)<sup>5</sup>

Sector	Fund	Benchmark
U.S. Agency	0.00	1.38
U.S. Treasury	19.15	38.89
Sovereign Debt	1.62	4.70
Developed	0.18	4.70
Emerging	1.44	0.00
Corporate	29.31	24.30
Investment Grade	16.10	24.30
Developed	11.47	24.30
Emerging	4.63	0.00
Non-Investment Grade & Not Rated	13.21	0.00
Developed	8.74	0.00
Emerging	4.47	0.00
Mortgage-Backed Security	29.68	30.20
Agency MBS/CMO	14.60	28.21
CMBS	7.65	1.95
Other Non-Agency MBS/CMO	7.43	0.04
Asset-Backed Security	9.09	0.52
Municipal Bond	0.11	0.00
Preferred Stock	0.00	0.00
Other Sectors <sup>6</sup>	3.49	0.00
Cash & Other	7.55	0.00

### Top ten holdings (%)<sup>7</sup>

Holding	Coupon %	Maturity	% of Net Assets
DoubleLine Global Bond Fund	-	-	3.46
Fannie Mae Pool BC0281 Fixed	3.50	Mar 2046	1.39
United States Treasury Note/Bond Fixed	2.25	Oct 2024	1.13
Fannie Mae REMICS Fixed	2.00	Aug 2042	1.07
United States Treasury Note/Bond Fixed	2.25	Aug 2027	1.03
Lehman XS Trust Series 2007-12N Floating	-	Jul 2047	0.95
United States Treasury Note/Bond Fixed	2.13	Sep 2024	0.94
United States Treasury Note/Bond Fixed	1.13	Feb 2021	0.94
Fannie Mae REMICS Fixed	3.00	May 2046	0.94
United States Treasury Note/Bond Fixed	2.50	Mar 2023	0.93
TOTAL %			12.78

### 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

*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](http://amgfunds.com).*



<sup>1</sup> Returns for periods less than one year are not annualized.  
<sup>2</sup> Since the inception of the Fund's Class N and Class I shares on July 18, 2011.  
<sup>3</sup> 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.  
<sup>4</sup> Style box placement is based on Fund's principal investment strategies. It does not necessarily represent the Fund's current or future portfolio holdings. The fixed income style box is intended to provide a visual representation of the Fund's expected interest-rate sensitivity (duration) and the average credit quality of the Fund's underlying holdings. Quality Breakdown (based on weighted average credit rating): Low: < BBB-; Medium: ≥ BBB-but < AA-; High: ≥ AA-  
Duration Break down: Short: ≤ 3.5 years; Intermediate: > 3.5 years but < 6 years; Long: ≥ 6 years  
<sup>5</sup> Weights may not equal 100% due to rounding.  
<sup>6</sup> May include senior bank loans and assignments, debt obligations issued by U.S. and non-U.S. governments and governmental agencies, authorities or instrumentalities, currently through other investment companies advised by DoubleLine® Capital LP ("DoubleLine"), the Fund's subadviser  
<sup>7</sup> Mention of a specific security should not be considered a recommendation to buy or a solicitation to sell that security. Holdings are subject to change.

## Fund facts

Share Class	Ticker	Expense Ratio (Gross/Net)	Minimum Initial Investment	12b-1 Fees
Class N	ADBLX	1.04% / 0.96% <sup>1</sup>	\$2,000	0.25%
Class I	ADLIX	0.78% / 0.70% <sup>1</sup>	\$100,000	-
Class Z	ADZIX	0.71% / 0.63% <sup>1</sup>	\$5,000,000	-

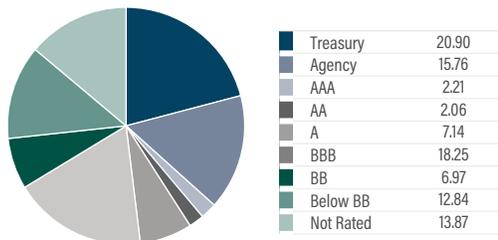
Characteristics<sup>2</sup>

	Fund Assets (Mil.\$)	Number of Holdings	Average Effective Duration (years)	Average Maturity (years)	SEC 30-Day Yield (%) <sup>3</sup>
Fund	598	790	4.75	7.17	3.61
Benchmark	-	10,248	5.87	8.22	-

Risk/reward statistics<sup>2,4</sup>

Ticker	Alpha <sup>5</sup>	Standard Deviation <sup>6</sup>	Sharpe Ratio	Upside Capture Ratio <sup>5</sup>	Downside Capture Ratio <sup>5</sup>	Beta <sup>5</sup>	Tracking Error <sup>5</sup>	Information Ratio <sup>5</sup>
ADBLX	1.20	2.28	0.76	91.03	63.91	0.73	1.23	0.54

## Fund credit allocation (% of bonds)



<sup>1</sup>The Fund's Investment Manager has contractually agreed, through March 1, 2019, 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.

<sup>2</sup>Characteristics derived from FactSet, ICE Data Analytics and Bloomberg.

Fund credit allocation as of December 31, 2018. The credit quality of securities in the Fund's portfolio is derived from Moody's and Standard & Poor's. In cases where the credit rating agencies have assigned different credit ratings to the same security, the higher rating is used. In cases where only one rating agency has assigned a credit rating to a security, that rating is used. Securities that receive no rating from either agency have been categorized as "Non-Rated." Data reflects the credit rating allocation among bonds and preferred stocks. Certain unrated securities (e.g., derivatives, common stocks, currencies and other cash equivalents) are not reflected in the data shown. The credit quality of securities in the Fund's portfolio does not apply to the stability or safety of the Fund, and ratings are subject to change.

<sup>3</sup>SEC 30-Day Yield as of December 31, 2018, for ADBLX. The SEC 30-Day Yield would have been 3.53% without the fee limitation.

<sup>4</sup>Calculated for a three-year period.

<sup>5</sup>Relative to primary benchmark.

<sup>6</sup>Annualized.

**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](http://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.

**Average Effective Duration:** Average Effective Duration measures the expected volatility of a bond fund in response to interest rate fluctuations.

**Average Maturity:** Average maturity is used for taxable fixed-income instruments and is a weighted average of all the maturities of the bonds in a portfolio. It is computed by weighting each maturity date (the date the security comes due) by the market value of the security. Average effective maturity takes into consideration all mortgage prepayments, puts, and adjustable rate coupons, but does not account for call provisions. Longer maturity generally means that the portfolio is more interest-rate sensitive than its shorter counterparts.

**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.

**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.

**SEC 30-Day Yield:** The SEC yield is a standardized calculation method prescribed by the SEC and represents net income for the most recent 30-day period, which is annualized and shown as a percentage.

**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 is subject to the risks associated with investments in debt securities, such as default risk and fluctuations in the perception of the debtor's ability to pay its creditors. Changing interest rates may adversely affect the value of an investment. An increase in interest rates typically causes the value of bonds and other fixed income securities to fall.

Investments in international securities are subject to certain risks of overseas investing including currency fluctuations and changes in political and economic conditions, which could result in significant market fluctuations.

The Fund is subject to the risks associated with investments in emerging markets, such as erratic earnings patterns, economic and political instability, changing exchange controls, limitations on repatriation of foreign capital and changes in local governmental attitudes toward private investment, possibly leading to nationalization or confiscation of investor assets. To the extent that the Fund invests in asset-backed or mortgage-backed securities, its exposure to prepayment and extension risks may be greater than investments in other fixed income securities. Active and frequent trading of a fund may result in higher transaction costs and increased tax liability.

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

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.

Bank loans are subject to the credit risk of nonpayment of principal or interest.

High-yield bonds (also known as "junk bonds") may be subject to greater levels of interest rate, credit, and liquidity risk than investments in higher rated securities. These securities are considered predominantly speculative with respect to the issuer's continuing ability to make principal and interest payments. The issuers of the Fund's holdings may be involved in bankruptcy proceedings, reorganizations, or financial restructurings, and are not as strong financially as higher-rated issuers. Factors unique to the municipal bond market may negatively affect the value in municipal bonds.

Obligations of certain government agencies are not backed by the full faith and credit of the U.S. government. If one of these agencies defaulted on a loan, there is no guarantee that the U.S. government would provide financial support. Additionally, debt securities of the U.S. government may be affected by changing interest rates and subject to prepayment risk.

The Bloomberg Barclays U.S. Aggregate Bond Index is an index of the U.S. investment-grade fixed-rate bond market, including both government and corporate bonds.

Source: Bloomberg Index Services Limited. BLOOMBERG is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg"). BARCLAYS is a trademark and service mark of Barclays Bank Plc (collectively with its affiliates, "Barclays"), used under license. Bloomberg or Bloomberg's licensors, including Barclays, own all proprietary rights in the Bloomberg Barclays Indices. Neither Bloomberg nor Barclays approves or endorses this material, or guarantees the accuracy or completeness of any information herein, or makes any warranty, express or implied, as to the results to be obtained therefrom and, to the maximum extent allowed by law, neither shall have any liability or responsibility for injury or damages arising in connection therewith.

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

AMG Funds are distributed by AMG Distributors, Inc., a member of FINRA/SIPC.

© 2019 Morningstar, Inc. All Rights Reserved. Some of the information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar, its content providers nor the AMG Funds are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

For each fund with at least a three-year history, Morningstar calculates a Morningstar Rating based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a fund's monthly performance (including the effects of sales charges, loads, and redemption fees), placing more emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund within this scale and rated separately, which may cause slight variations in the distribution percentages.) The Overall Morningstar Rating for a fund is derived from a weighted average of the performance figures associated with its three-, five-, and ten-year (if applicable) Morningstar Rating metrics. Morningstar Rating is for the share class indicated only (see ticker); other share classes may have different performance characteristics. The Ranking may reflect the waiver of all or a portion of the fund's fees. Without such waiver, the Rankings may have been lower.

Not FDIC Insured | May Lose Value | Not Bank Guaranteed