



DEVELOPING GROWTH FUND

MARKET REVIEW

Index Performance	4Q24	YTD
S&P 500 Index	2.41%	25.02%
Russell 1000® Index	2.75%	24.51%
Russell 2000® Index	0.33%	11.54%
Russell 3000® Growth Index	6.82%	32.46%
Russell 3000® Value Index	-1.94%	13.98%
MSCI ACWI Index	-0.99%	17.49%
MSCI ACWI Ex-US Index	-7.60%	5.53%
MSCI EAFE Index	-8.11%	3.82%

Source: Morningstar Direct. As of 12/31/2024. **Past performance is not a reliable indicator or guarantee of future results.** Due to market volatility, the market may not perform in a similar manner in the future. Indexes are unmanaged, do not reflect the deduction of fees or expenses, and are not available for direct investment. The index data provided is not representative of any Lord Abbett product.

- Markets exhibited positive performance over the fourth quarter. Key performance drivers included more rate cuts as the U.S. Federal Reserve (“Fed”) lowered its policy rate by 25 basis points in November and December. There are expectations for further rate cuts in 2025, but projections dropped to two cuts from the four to five cuts that were priced in during the third quarter. This shift was influenced by a firmer labor market and inflation data that pushed the Fed in a more hawkish direction.¹

PORTFOLIO REVIEW

- The Fund returned 0.91%, reflecting performance at the net asset value (NAV) of Class I shares with all distributions reinvested for the quarter ended December 31, 2024, compared to the 1.70% return of the Fund’s benchmark, the Russell 2000® Growth Index².
- Within the Information Technology sector, despite reporting strong quarterly top-line results, shares of Zeta Global Holdings Corp. (1.5%), a marketing technology company, fell in response to bottom-line earnings coming in below expectations.
- Within the Health Care sector, shares of TransMedics Group, Inc. (0.5%), a medical technology company, fell in response to weaker-than-expected quarterly revenue results.
- Conversely, security selection within the Communication Services sector contributed to relative performance over the period. Shares of Reddit, Inc. (2.0%), which operates a social media platform, rose in response to strong quarterly earnings results – driven, in part, by substantial advertising revenue growth.
- Security selection within the Information Technology sector was also a net contributor to relative performance. Shares of Astera Labs, Inc. (1.5%), a provider of semiconductor-based connectivity solutions for cloud and artificial intelligence infrastructure, rose following strong quarterly earnings results, as well as excitement surrounding the company’s new portfolio of fabric switches.

The portfolio weights shown in parenthesis are based on the average portfolio weight during the quarter for each security.



STRATEGY POSITIONING & OUTLOOK

- Our view is that the pressure on stock market valuations from the post-pandemic inflation surge is receding, which is allowing the Fed to cut interest rates while the economy continues to demonstrate steady growth. We believe that a backdrop of lower inflation, strong employment, higher real wages, and continued fiscal spending will allow for a stable economy and a low probability of a severe recession.
- In 2024, many areas of the U.S. economy saw differentiated growth and operating momentum relative to the broader market, creating a large dispersion in stock performance. The “Magnificent 7” (Apple, Amazon, Alphabet, Meta Platforms, Microsoft, NVIDIA, and Tesla) has given way to a broader set of secular winners across and within industries. We continue to focus on these companies, as we believe their expanding markets, combined with market-share gains, pricing power, and efficiency-driven margin expansion, support above average revenue and earnings growth relative to peers and the broader market. We are also optimistic that smaller capitalized stocks can begin to outperform at some point soon after a long period of underperformance.
- We are currently finding ample opportunities across the market cap spectrum in many of our favorite areas as they appear ready to re-accelerate their growth in 2025 and beyond. These include, but are not limited to, cloud computing, the emergence of generative artificial intelligence, revolutionary advances in medical treatments, an industrial infrastructure reinvestment cycle driven by datacenter, electric grid, and supply chain reshoring, and a continuation of innovation in our consumer society.

TOP 10 FUND POSITIONS

Company	Sector	Weight (%)
Credo Technology Group Holding Ltd	Information Technology	2.5
Glaukos Corp	Health Care	2.5
Reddit Inc	Communication Services	2.4
CyberArk Software Ltd	Information Technology	2.3
Astera Labs Inc	Information Technology	2.3
Agilysys Inc	Information Technology	2.3
Piper Sandler Cos	Financials	2.0
FTAI Aviation Ltd	Industrials	2.0
Comfort Systems USA Inc	Industrials	1.9
Cava Group Inc	Consumer Discretionary	1.9

Portfolio Breakdown as of 12/31/2024. Source: Lord Abbett. Absolute weight is based on percentage of the Fund. Holdings are included for informational purposes only and are not a recommendation to buy, sell, or hold any security. Please refer to www.lordabbett.com for a complete list of holdings of the Fund, including the securities discussed above, to the extent they are held by the Fund.

**PERFORMANCE AS OF 12/31/2024**

	4Q24	YTD	1 Year	3 Years	5 Years	10 Years
Net Asset Value – Class I	0.91%	22.21%	22.21%	-5.21%	7.53%	8.80%
Russell 2000® Growth Index²	1.70	15.15	15.15	0.21	6.86	8.09
Morningstar Small Growth Funds Average³	1.73	14.98	14.98	-1.29	8.47	9.31

Expense Ratio: 0.69%

Performance data quoted reflect past performance and are no guarantee of future results. Current performance may be higher or lower than the performance quoted. The investment return and principal value of an investment in the Fund will fluctuate so that shares, on any given day or when redeemed, may be worth more or less than their original cost. You can obtain performance data current to the most recent month end by calling Lord Abbett at (888) 522-2388 or referring to our website at lordabbett.com.

¹Factset

²The Russell 2000® Growth Index measures the performance of those Russell 2000 companies with higher price-to-book ratios and higher forecasted growth values. Indexes are unmanaged, do not reflect the deduction of fees or expenses, and are not available for direct investment.

³Morningstar Small Growth Funds Average is based on a universe of funds with similar investment objectives as the Fund. Peer group averages are based on all share classes in the category, and include the reinvested dividend and capital gains, if any, and exclude sales charges.

A Note about Risk: The value of investments in equity securities will fluctuate in response to general economic conditions and to changes in the prospects of particular companies, including market, liquidity, currency, and political risks. Small cap company stocks tend to be more volatile and may be less liquid than other types of stocks. Small cap companies may also have more limited product lines, markets, or financial resources and typically experience a higher risk of failure than large cap companies. Investments in growth companies can be more sensitive to the company's earnings and more volatile than the stock market in general. The Fund engages in active and frequent trading of its securities, which may result in increased transaction fees, reduced investment performance, and higher taxes. These factors can adversely affect Fund performance.

The Fund's portfolio is actively managed and is subject to change.

For informational purposes only, the specific investments shown represent only the top contributors and detractors for the relevant performance time period. The selection criteria used to determine the top contributors and detractors remains the same across performance measurement periods.

The views and information discussed in this commentary are as of December 31, 2024, are subject to change, and may not reflect the views of the firm as a whole. The views expressed in market commentaries are at a specific point in time, are opinions only, and should not be relied upon as a forecast, research, or investment advice regarding a particular investment or the markets in general.

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Investors should carefully consider the investment objectives, risks, charges, and expenses of the Lord Abbett Funds. This and other important information is contained in the fund's summary prospectus and/or prospectus. To obtain a prospectus or summary prospectus on any Lord Abbett mutual fund, contact your investment professional, Lord Abbett Distributor LLC at (888) 522-2388 or visit us at lordabbett.com. Read the prospectus carefully before you invest.

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