LORD ABBETT®

FUND COMMENTARY – 2Q19

CORE PLUS BOND FUND

MARKET REVIEW

- Risk assets generally rallied during the quarter, but experienced a setback in May, as heightened U.S./China trade tensions and global growth concerns roiled markets. Dovish U.S. Federal Reserve (Fed) posture and optimism towards reaching a trade deal during the G20 Summit talks contributed to a rally in June. The U.S. equity market, as defined by the S&P 500, experienced the strongest June performance since 1955, returning 7%.[1]
- Rates fell sharply across the yield curve, with the front-end of the curve experiencing a larger drop than the long-end of the curve. The 2-year Treasury and 10-year Treasury yields finished the quarter at 1.75% and 2.00%, respectively. [2]
- Fixed income markets were positive across the board. The general U.S. bond market, as measured by the Bloomberg Barclays Aggregate Bond Index, was positive for the quarter (+3.08%).[3] A sharp decline in rates led to positive returns for Treasuries, while the decline in rates along with tightening credit spreads led to positive returns within the investment grade space. High yield corporate bonds experienced positive returns, although spreads widened slightly during the period due to weakness in the CCC segment.[4]

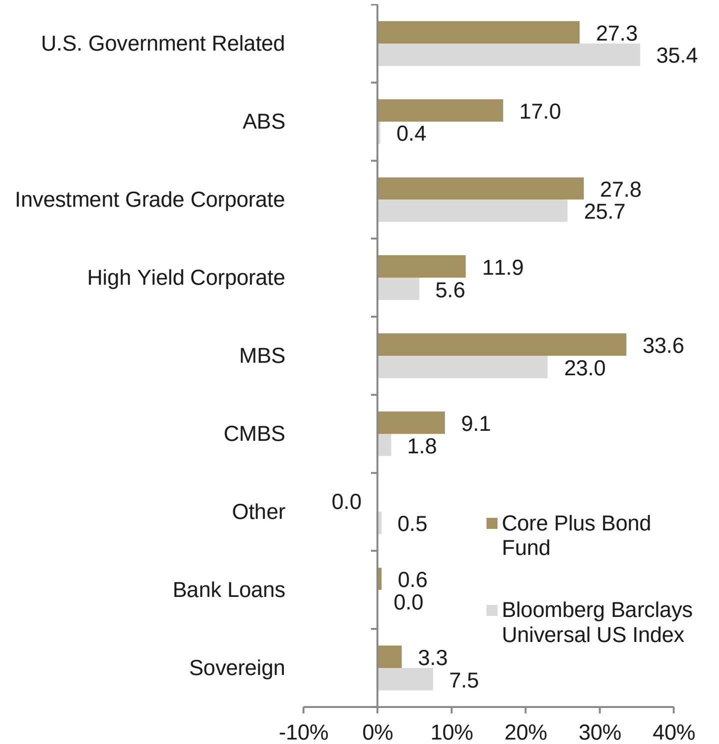
PORTFOLIO REVIEW

- The Fund returned 3.24%, reflecting performance at the net asset value (NAV) of Class A shares with all distributions reinvested, for the quarter ended June 30, 2019. The Fund's benchmark, the Bloomberg Barclays U.S. Universal Index, returned 3.11% during the same period.
- Over the quarter, security selection within investment-grade corporates was the largest contributor to relative performance. Specifically, selection within the financials sector aided performance. We remain attracted to select securities within the financials sector due to strict regulations, strong balance sheets, more conservative management teams, and improved quality relative to the pre-crisis period.
- Security selection within high yield corporate bonds was a contributor to relative performance. Specifically, selection within the communications sector contributed.
- Detracting from relative performance was an overweight to and security selection within mortgage-backed securities (MBS). The asset class underperformed the broader fixed income market, as lower rates led to a mini-refinancing boom within mortgages.

STRATEGY POSITIONING & OUTLOOK

- We increased the portfolio's allocation to MBS over the quarter. MBS valuations became attractive over the period as mortgage spreads over Treasuries reached their widest levels in the post crisis era, as lower rates have resulted in a mini-refinancing boom and thus increased call risk within MBS, increasing risk premium. Our team continues to trade a range with respect to MBS spreads to Treasuries and will monitor the range.
- We reduced the portfolio's allocation to asset-backed securities (ABS) that are backed by student loans and credit card receivables. While we continue to maintain a favorable view on ABS, we were able to take profits and reallocate our ABS positioning following the volatility that occurred within risk assets during May, which resulted in tighter ABS spreads relative to corporate bonds. In addition, we sold deals that did not have strong language regarding the eventual change from using LIBOR to using the Secured Overnight Financing Rate (SOFR).
- We maintained our overweight position within commercial mortgage-backed securities (CMBS). CMBS continues to offer less sensitivity to potential deterioration of U.S. trade conditions as it is an asset class with a domestic orientation than corporate bonds. Our team favors SASB (single-asset/ single-borrower) deals across the credit spectrum. Generally, these deals have superior asset quality, geographic locations, borrower profiles, and underwriting versus conduit deals.

SECTOR WEIGHTS



*Source: Bloomberg Barclays. "Other" may include non-index holdings. Sector allocations exclude cash therefore Fund percentage allocations may not equal 100%. As of 6/30/2019

PERFORMANCE AS OF 6/30/2019

	2Q19	YTD	1 Year	3 Year	Since Inception
Net Asset Value (without sales charge)	3.24%	7.32%	8.03%	3.73%	4.46%
Maximum Offering Price (with 2.25% sales charge)	0.93	4.93	5.58	2.95	3.80
Bloomberg Barclays U.S. Universal Bond Index [5]	3.11	6.54	8.07	2.84	3.89
Lipper Core Plus Bond Funds Average [6]	3.12	6.77	7.75	3.07	N/A

Expense Ratios: Gross: 2.39%; Net: 0.68%

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.

[1] S&P 500 Index [2] U.S Department Of The Treasury "Daily Treasury Yield Curve Rates" [3] Bloomberg Barclays Aggregate Bond Index [4] ICE BofAML US High Yield Constrained Index [5] Bloomberg Barclays U.S. Universal Bond Index [6] Lipper Core Plus Bond Funds Average

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A Note about Risk: The Fund is subject to the general risks associated with investing in debt securities, including market, credit, liquidity, and interest rate risk. The value of an investment will change as interest rates fluctuate and in response to market movements. When interest rates fall, the prices of debt securities tend to rise, and when interest rates rise, the prices of debt securities are likely to decline. Debt securities are subject to credit risk, which is the risk that the issuer will fail to make timely payments of interest and principal to the Fund. The Fund may invest in high yield, lower-rated debt securities, sometimes called junk bonds and may involve greater risks than higher rated debt securities. These securities carry increased risks of price volatility, illiquidity, and the possibility of default in the timely payment of interest and principal. The Fund may invest in foreign or emerging market securities, which may be adversely affected by economic, political, or regulatory factors and subject to currency volatility and greater liquidity risk. The Fund may invest in derivatives, which are subject to greater liquidity, leverage, and counterparty risk. These factors can affect Fund performance. Past performance is no guarantee of future results.

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

The credit quality of the securities in a portfolio are assigned by a nationally recognized statistical rating organization (NRSRO), such as Standard & Poor's, Moody's, or Fitch, as an indication of an issuer's creditworthiness. Ratings range from `AAA' (highest) to `D' (lowest). Bonds rated `BBB' or above are considered investment grade. Credit ratings `BB' and below are lower-rated securities (junk bonds). High-yielding, non-investment-grade bonds (junk bonds) involve higher risks than investment-grade bonds. Adverse conditions may affect the issuer's ability to pay interest and principal on these securities.

Performance reflects the reinvestment of all distributions. Certain purchases of Class A shares without a sales charge are subject to a contingent deferred sales charge (CDSC). The CDSC is not reflected in the performance shown. If sales charges, including any applicable CDSC had been included, performance would have been lower. Returns for less than one year are not annualized. If applicable, instances of high double-digit returns were achieved primarily during favorable market conditions and may not be sustainable over time.

Expense ratio information: The net expense ratio takes into account a contractual fee waivers/expense reimbursements that currently is scheduled to remain in place through 03/31/2020. For periods when fees and expenses were waived and/or reimbursed, the Fund benefited by not bearing such expenses. Without such fee waivers/reimbursements, performance would have been lower.

The Bloomberg Barclays U.S. Universal Index represents the union of the U.S. Aggregate Index, the U.S. High-Yield Corporate Index, the 144A Index, the Eurodollar Index, the Emerging Markets Index, and the non-ERISA portion of the CMBS Index. Indexes are unmanaged, do not reflect the deduction of fees or expenses, and an investor cannot invest directly in an index.

Lipper Core Plus Bond 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.

The views and information discussed in this commentary are as of June 30, 2019, 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. Information discussed should not be considered a recommendation to purchase or sell securities.

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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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