



DURABLE GROWTH FUND

MARKET REVIEW

- The S&P 500 returned 8.93% during the third quarter of 2020, bringing the year-to-date total to 5.57%.¹ The market continued its recovery from the March lows as the economy recovered more rapidly than expected and incrementally positive news on development of a vaccine for COVID-19 was announced.
- However, increasing fears over a resurgence of COVID-19 cases and stretched valuations contributed to a selloff during the month of September. Furthermore, investors contended with an ever present wall of worry that included the upcoming U.S. Presidential Election, the continued rise in coronavirus cases worldwide, and political disagreement on a second round of fiscal stimulus measures in the U.S, just to name a few.
- Despite a volatile end to the quarter, Growth and Momentum factors continued to lead the way, while large cap stocks also saw a continuation in their market leadership during the quarter.²

PORTFOLIO REVIEW

- The Fund returned 12.57%, reflecting performance at the net asset value (NAV) of Class A shares with all distributions reinvested, for the quarter ended September 30, 2020. The Fund's benchmark, the Russell 1000® Growth Index, returned 13.22% in the same period.
- The Fund's underweight to Apple (7.0%) and Tesla (0.8%) detracted from relative performance as these stocks continued to rally alongside the broader market. Specifically, Apple made progress in moderating its COVID19-induced new product launch delays and there was strong demand anticipated for the launch of the iPhone 12.
- The Fund's positioning in AbbVie, Inc. (1.5%), a biopharmaceutical company, also detracted from relative performance as the company faced a House committee subpoena over Humira and Imbruvica drug pricing strategies.
- The Fund's position in Immunomedics, Inc. (0.9%), a developer and manufacturer of biopharmaceutical products, contributed to relative performance as Gilead Sciences announced it would acquire the company for a very large premium.
- Additionally, the Fund's position in the Salesforce.com, Inc. (2.4%), a designer and developer of cloud-based enterprise software, contributed to relative performance. Salesforce.com reported a strong quarter as total current bookings bounced back from the previous quarter. Furthermore, the company is also a beneficiary of the acceleration in digital transformations sparked by the coronavirus pandemic.

STRATEGY POSITIONING & OUTLOOK

- Our investment philosophy is focused on identifying durable franchises that also exhibit a compelling combination of strong growth prospects and seasoned management teams that are mispriced by the market.
- We believe we can deliver consistently strong returns by owning a portfolio of durable growth companies that have seen growth trends and adoption structurally accelerate supporting current valuation, have developed a stronger competitive position, or have been temporarily negatively impacted by the current environment creating an attractive entry point.
- We have identified COVID-19 winners that have structurally benefited from the present environment and that we expect will sustain growth. Many of the companies that have been vulnerable during the global pandemic may be misvalued. We believe many of these companies have been over sold.
- While we cannot predict the depth and duration of the current crisis, we believe that maintaining a disciplined approach and continuing to execute according to our philosophy and process will serve us well.
- Furthermore, we believe durable franchises will persevere through challenging environments like we are seeing currently.

TOP ACTIVE POSITION WEIGHTS



Portfolio Breakdown as of 09/30/2020.

*Source: Wilshire. 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 09/30/2020

	3Q20	YTD	Since Inception ³
Net Asset Value (without sales charge)	12.57%	24.08%	32.03%
Maximum Offering Price (with 5.75% sales charge)	6.11	16.96	24.40
Russell 1000 [®] Growth Index	13.22	24.33	32.62
Morningstar Large Growth Funds Average	11.54	20.64	31.08

Expense Ratios: Gross: 1.03% Net: 0.95%

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.

¹S&P 500 Index. ²S&P Dow Jones, Factor Dashboard: Third Quarter 2020. ³Since Inception:11/4/2019.

New Fund Risk: The Fund is newly organized. There can be no assurance that the Fund will reach or maintain a sufficient asset size to effectively implement its investing strategy.

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. Large companies may have slower rates of growth than smaller successful companies. Investments in growth companies can be more sensitive to the company's earnings and more volatile than the stock market in general. Investing internationally involves risks not associated with investing solely in the United States, such as currency fluctuation, political risk, differences in accounting and the limited availability of information. These risks can be greater in the case of emerging country securities. These factors can adversely affect Fund performance. The Fund's portfolio is actively managed and is subject to change.

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

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 contractual fee waivers/expense reimbursements that currently are scheduled to remain in place through 02/28/2021. 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 Russell 1000[®] Growth Index measures the performance of those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. Index is unmanaged, does not reflect the deduction of fees or expenses; and is not available for direct investment.

Morningstar Large 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.

The views and information discussed in this commentary are as of September 30, 2020, 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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