FLOATING RATE FUND

MARKET REVIEW

- The U.S. bond market, as measured by the Bloomberg Barclays Aggregate Bond Index, was positive for the quarter, returning 2.90%.[1] The U.S. Treasury component of the Aggregate Index returned 0.48% during the quarter. Investment grade corporate bonds[2] returned approximately 9.65% and experienced significant spread tightening amid the rebound following the volatility in March. The market recovery was largely a result of the massive fiscal and monetary policy support, the push to reopen the U.S. economy, signs that global economic activity may be bottoming, hopes for a vaccine, and commentary from several corporations that indicated stabilization in April and May.
- High yield bonds[3] posted positive performance in the second quarter. High yield spreads tightened 232 basis points from March month-end levels to 645 basis points at the end of June. Within the asset class, higher quality segments of the high yield market modestly outperformed lower quality tiers. Bank loans[4] also posted positive returns for the quarter, modestly outperforming the high yield market.
- Following the selloff in March, investors' confidence in the market was lifted by the U.S. Federal Reserve's (the Fed) stimulus measures which were implemented as a result of the coronavirus-related volatility. Over the second quarter, the Fed expanded its balance sheet to more than $7 trillion. The bond market was lifted following the announcement of an additional $2.3 trillion of further credit support by expanding the Primary Market Corporate Credit Facility (PMCCF), the Secondary Market Corporate Credit Facility (SMCCF), and the Term Asset-Backed Securities Loan Facility (TALF). Most notably, the expanded measures included the purchase of select fallen angels. In both the April and June meetings, the Fed, as expected, held rates steady in the 0.00 - 0.25% range and Fed Chairman Jerome Powell suggested more fiscal support could be needed.

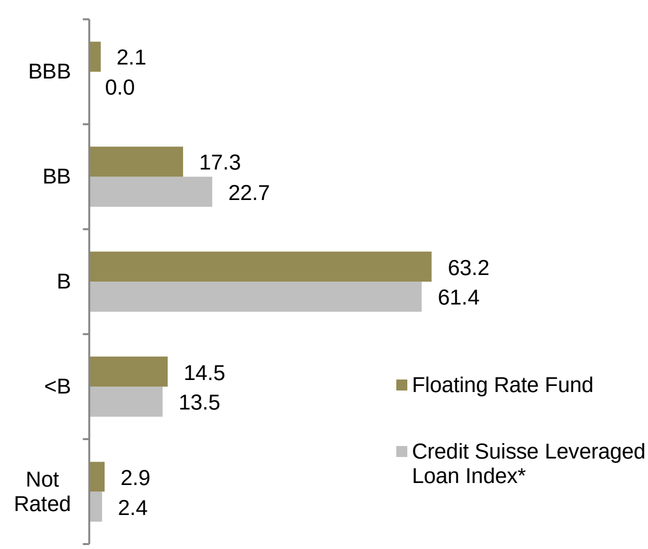
PORTFOLIO REVIEW

- The Fund returned 7.54%, reflecting performance at the net asset value (NAV) of Class A shares with all distributions reinvested, for the quarter ended June 30, 2020. The Fund's benchmark, the Credit Suisse Leveraged Loan Index, returned 9.71% during the same period.
- Security selection within and an overweight allocation to the aerospace sector detracted from relative performance. The Fund's positions in several U.S. based airlines detracted from relative performance as airlines faced continued pressure amid deteriorating demand due to near term COVID-19 related headwinds.
- Security selection within the retail sector also detracted from relative performance. Several apparel retailers came under pressure due to decreased traffic to brick and mortar stores following the continued shelter-in-place mandate.
- An overweight allocation to and security selection within the energy sector contributed to relative performance. Oil prices rose over the quarter amid optimism surrounding global demand and lower output due in part to the OPEC+ production agreement.
- Additionally, the Fund's allocation to convertible bonds contributed to performance as the asset class's equity-like return profile was advantageous throughout the predominantly risk-on environment. We have been expressing our view on the strength of innovation, most notably in health care and information technology, through some select convertible bond issuers.

STRATEGY POSITIONING & OUTLOOK

- The Fund is overweight the aerospace sector, as we believe it is a strategic and essential industry that will continue to benefit from governmental support. We also believe that the industry's ability to access capital markets along with the overall recovery within the leisure sector are both reassuring signs of the attractive long demand picture of airlines.
- The Fund is overweight the housing sector as we added to our exposure in homebuilders and repair and remodeling companies. COVID-19 lockdowns and dramatically decreased travel demand allowed consumers to transfer their spending from vacations to home upgrades. Similarly, we added to our automotive sector overweight because we believe people will be using less public transport in light of pandemic-related fears and a shift from urban living to less public suburban living.
- We anticipate the reopening of the economy to take part in several stages, with the first likely including a slow and cautious restart of some essential industries, and with the last stage bringing us back to full swing. However, the magnitude and scale of this global pandemic could cause some secular shifts. The Fund's positioning currently reflects this view as we are investing in companies and industries that we believe will not be secularly impaired. While we are still waiting for better data on the health, economic and consumer behavioral fronts before we get more constructive in unsecured risk of directly affected sectors such as airlines, destination gaming, and crowd-oriented leisure, we have begun to add high quality, secured paper in these industries.

CREDIT QUALITY DISTRIBUTION



*Source: Credit Suisse. Due to rounding, the percentage allocation of the portfolio breakdown may not equal 100%. As of 06/30/2020

PERFORMANCE AS OF 06/30/2020

	2Q20	1 Year	3 Years	5 Years	10 Years
Net Asset Value (without sales charge)	7.54%	-7.47%	-0.19%	1.58%	3.46%
Credit Suisse Leveraged Loan Index	9.71	-2.27	2.13	2.94	4.34
Lipper Loan Participation Funds Average[5]	8.18	-3.91	0.85	1.86	3.28

Expense Ratio: 0.81%

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]As represented by the Bloombeg Barclays Aggregate Bond Index as of 06/30/2020. [2]As represented by the ICE BofAML U.S. Corporate (A-BBB) as of 06/30/2020. [3]As represented by the ICE BofAML U.S. High Yield Constrained Index as of 06/30/2020. [4]As represented by the Credit Suisse Leveraged Loan Index as of 06/30/2020.[5]Source: Lipper Analytical Services.

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 investments in debt securities will fluctuate in response to market movements. When interest rates rise, the prices of debt securities are likely to decline, and when interest rates fall, the prices of debt securities tend to rise. The Fund may invest substantially in high yield, lower-rated securities. These securities carry increased risks of price volatility, illiquidity, and the possibility of default in the timely payment of interest and principal. Moreover, the specific collateral used to secure a loan may decline in value or become illiquid, which would adversely affect the loan's value. 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. Certain of the Fund's derivative transactions may give rise to leverage risk. Leverage, including borrowing for investment purposes, may increase volatility in the Fund by magnifying the effect of changes in the value of the Fund's holdings. The use of leverage may cause investors in the Fund to lose more money in adverse environments than would have been the case in the absence of leverage. These factors may affect Fund performance.

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.

Ratings provided by Standard & Poor’s and Moody’s. Where the rating agencies rate a security differently, Lord Abbett uses the lower credit rating. A portion of the portfolio's securities may not be rated. Breakdown is not an S&P credit rating or an opinion of S&P as to the creditworthiness of such portfolio. Ratings apply to the credit worthiness of the issuers of the underlying securities and not the fund or its shares. Ratings may be subject to change.

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.

The Credit Suisse Leveraged Loan Index is designed to mirror the investable universe of the U.S. dollar-denominated leveraged loan market. The CS Leveraged Loan Index, which includes reinvested dividends, has been taken from published sources. Indexes are unmanaged, do not reflect the deduction of fees or expenses, and an investor cannot invest directly in an index.

Lipper Loan Participation 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, 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. 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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