TOTAL RETURN FUND

MARKET REVIEW

Fixed Income Market Review		
Yields and Spreads	**12/31/2022**	**3/31/2023**
2 Year U.S. Treasury Yield	4.42%	4.06%
10 Year U.S. Treasury Yield	3.88%	3.49%
2-10 U.S. Treasury Yield Spread	-54.2	-56.96
Bloomberg U.S. Corporate Investment Grade Bond Index Spread (OAS)	130	138
ICE BofA U.S. High Yield Constrained Index Spread (OAS)	483	460
Returns	**QTD**	**YTD**
Bloomberg Aggregate Index Return	2.96%	2.96%
Bloomberg U.S. Corporate Investment Grade Bond Index Return	3.50%	3.50%
Bloomberg U.S. CMBS Index Return	1.03%	1.03%
Bloomberg U.S. ABS Index Return	1.86%	1.86%
Bloomberg U.S. MBS Index Return	2.53%	2.53%
ICE BofA U.S. High Yield Constrained Index Return	3.72%	3.72%
Credit Suisse Leveraged Loan Index	3.11%	3.11%
ICE BofA U.S. Convertible Index Return	3.78%	3.78%

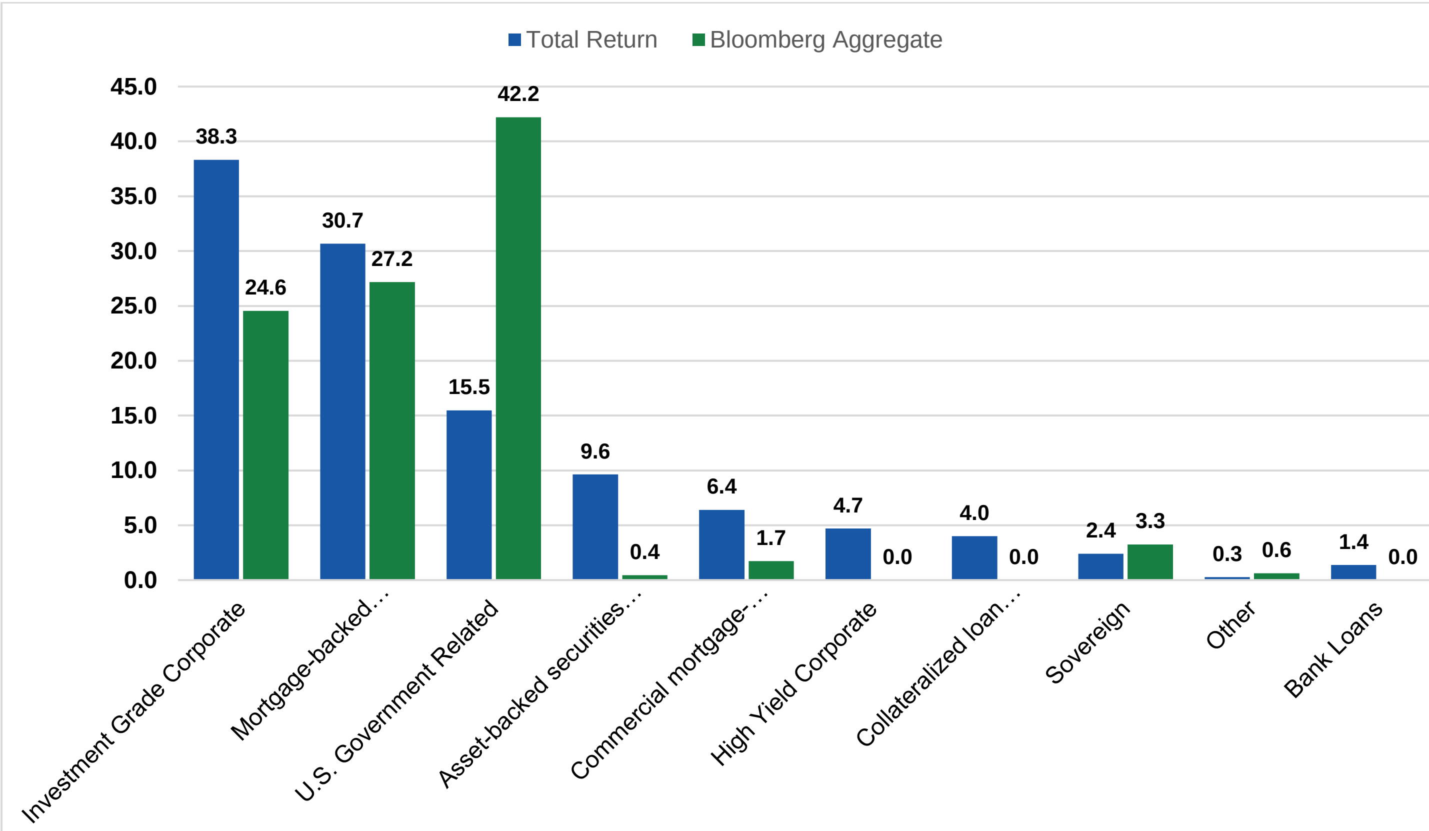
Source: FactSet. **Past performance is not a reliable indicator or guarantee of future results.** Due to market volatility, the market may not perform in a similar manner in the future. Indexes are unmanaged, do not reflect the deduction of fees or expenses, and are not available for direct investment.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

- The first quarter of 2023 was a quarter of many seasons. The market entered the year with a bearish sentiment and recession a consensus call. The tone quickly changed to resiliency in early January, with inflation showing signs of deceleration. The month of January was a complete reversal of what took place in 2022 in terms of spread movement, with financials and low-quality beta outperforming. Fear of inflation crept up in February, with rates sharply higher and the long end underperforming. In March, we faced turmoil in the banking sector that surprised market participants on the whole, which spilled into Europe, bringing Credit Suisse over the brink. Rates collapsed and the fear of recession was reintroduced.
- Overall in the first quarter of 2023, U.S. equities moved mostly higher, with the Nasdaq making a strong comeback after a four-quarter losing streak. The U.S. Treasury curve became further inverted, with the 6M yield increasing 23bps to 4.9% and the 2-year moving 36bps lower to 4.1%. Intra-period volatility was notable as the 2-year yield moved to ~5% at the beginning of March, before dropping over 100bps in less than a week following the collapse of Silicon Valley Bank. The turmoil in the banking sector dominated the headlines in March with the focus on liquidity pressures at the regional bank level from deposit flight and the impact of the U.S. Federal Reserve's (Fed) aggressive tightening cycle on the bank's investment portfolios. The Fed/Treasury/ Federal Deposit Insurance Corporation's response to the banking turmoil and some related M&A helped stabilize the sector late in the quarter and helped to underpin the broader market. The Fed further slowed the pace of rate hikes to 25 bps at the February Federal Open Market Committee (FOMC) meeting and maintained this pace at the March FOMC meeting where Powell acknowledged the disinflation trend and did not push back against the loosening of financial conditions. However, he also flagged the need to do more work to combat inflationary pressures, reiterating the higher-for-longer messaging, and noting that the labor market remains too tight.[1]

PORTFOLIO REVIEW

- The Fund returned 3.19%, reflecting performance at the net asset value (NAV) of Class I shares with all distributions reinvested, for the quarter ended March 31st, 2023. The Fund's benchmark, the Bloomberg U.S. Aggregate Index*, returned 2.96% during the same period.
- During the quarter we maintained the Strategy's overall up-in-quality and up-in-liquidity positioning and remained down in cyclicality and complexity.
- Over the quarter, the portfolio predominantly benefitted from an overweight allocation as well as positive security selection within investment grade corporate bonds. Specifically, the Strategy's conservative positioning, including an underweight to smaller regional banks and an overweight to insurance companies and large money centers drove positive performance relative to the benchmark. The portfolio's bank holdings are generally issued by institutions with strong deposit franchises, robust credit cultures, and strong management teams. We continued to reduce lower quality corporate bonds and increase the investment grade corporate allocation over the period. We added to Healthcare and Financials at what we believe to be attractive levels following the banking turmoil.
- An allocation to securitized credit – specifically CMBS, ABS, and CLO – had a positive impact on relative returns. High quality securitized credit outperformed both investment grade corporate bonds and government-related securities as the asset class provides superior risk-adjusted yields at the top of the credit stack.
- Despite headline risk, the portfolio's allocation to high-quality AAA-rated CMBS contributed as certain property types rebounded from challenged performance in the fourth quarter of last year, including hotel backed SASB deals and multi-family CRE CLO, both of which are overweight positions within the portfolio's CMBS book. That said, we continued to reduce the portfolio's exposure to CMBS over the quarter as we have been over the last few quarters. Sales were focused on hospitality and office backed SASB deals. We've maintained a very high bar to add with a preference for high quality, liquid names and the portfolio's exposure remains low relative to this time last year.
- Another contributor to performance was the portfolio's allocation to short-term, AAA-rated ABS as the asset class outperformed the broader index and corporate credit. Within the sector, we have identified issues that demonstrate robust credit fundamentals, including well behaved delinquency/loss trends, consistent collateral quality, and strong stress tested structures. We are particularly constructive on auto-loans and have predominantly allocated to this subsector within the broader ABS allocation.
- The portfolio's modest allocation to CLO also contributed to relative returns given the attractive carry profile of the sector. While we're comfortable with the credit profile of the portfolio's CLO holdings, we decreased exposure over the quarter, as we monetized attractive valuations and continue to shift to a highly liquid portfolio profile and are very selective with respect to spread targets when adding.
- Duration positioning was a meaningful detractor from performance over the quarter. Being underweight duration versus the benchmark detracted as the 5-year and 10-year U.S. Treasury rates rallied during the period. Our preference is to underweight the belly of the curve (5s and 10s) and overweight the wings (2s and 30s).
- We added TIPS to the portfolio over the quarter. This addition was made to express the team's view that the market may be underestimating the potential for higher inflation for longer.

Asset Class Distribution



Source: Bloomberg. “Other" may include non-index holdings. Sector allocations exclude cash therefore Fund percentage allocations may not equal 100%. As of 3/31/2023

Performance as of 3/31/2023

	1Q23	1 Year	3 Years	5 Years	10 Years
Net Asset Value (without sales charge)	3.19%	-5.72%	-1.05%	0.95%	1.54%
Bloomberg U.S. Aggregate Bond Index*	2.96%	-4.78%	-2.77%	0.91%	1.36%
Morningstar Intermediate Core Plus Bond Funds Average[2]	3.02%	-5.36%	-1.14%	0.93%	1.47%

Expense Ratios: Gross: 0.45%; Net: 0.41%

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.

[*]The Bloomberg U.S. Aggregate Bond Index is an index of U.S dollar-denominated, investment-grade U.S. government and corporate securities, and mortgage pass-through securities, and asset-backed securities. Indexes are unmanaged, do not reflect the deduction of fees or expenses, and an investor cannot invest directly in an index.

[1]Factset

[2]Intermediate-term core-plus bond portfolios invest primarily in investment-grade U.S. fixed-income issues including government, corporate, and securitized debt, but generally have greater flexibility than core offerings to hold non-core sectors such as corporate high yield, bank loan, emerging-markets debt, and non-U.S. currency exposures. Their durations (a measure of interest-rate sensitivity) typically range between 75% and 125% of the three-year average of the effective duration of the Morningstar Core Bond Index.

A Note about Risk: The Fund is subject to the general risks associated with investing in fixed income securities, including market, credit, liquidity, and interest rate risk. The value of an investment in the Fund will change as interest rates 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 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.

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.

The performance table above is based on Class I shares. Average Annual Total Returns are based on changes in the net asset value and assume reinvestment of all distributions, and do not reflect deduction of any front-end sales charges which are not applicable for Class I shares. Returns for less than one year are not annualized.

An **asset-backed security (ABS)** is a type of financial investment that is collateralized by an underlying pool of assets—usually ones that generate a cash flow from debt, such as loans, leases, credit card balances, or receivables.

Mortgage-backed securities (MBS) are variations of asset-backed securities that are formed by pooling together mortgages exclusively.

Commercial mortgage-backed securities (CMBS) are fixed-income investment products that are backed by mortgages on commercial properties rather than residential real estate.

A **collateralized loan obligation (CLO)** is a single security backed by a pool of debt. Collateralized loan obligations (CLO) are often backed by corporate loans with low credit ratings or loans taken out by private equity firms to conduct leveraged buyouts.

The views and information discussed in this commentary are as of March 31st, 2023, 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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