



# GLOBAL EQUITY RESEARCH FUND

## MARKET REVIEW

- International markets rose 10.43% during the first quarter, as measured by the MSCI ACWI ex USA Index. Emerging Markets (MSCI EM Index) advanced as well during the first quarter, but underperformed developed equity markets marginally, as represented by the MSCI EAFE Index, by 0.17%. In the past 12 months, developed markets have outperformed Emerging Markets by approximately 3.9%.<sup>1</sup> U.S. equity markets, as measured by the S&P 500 Index, saw a rebound in the first quarter and rose 13.65%, marking the best quarter since 2009.<sup>2</sup>
- European and Asian manufacturing Purchasing Managers' Indexes (PMI) continued to fall on the quarter, with quarter end readings in the Eurozone and China indicating a contraction in the manufacturing economy. Continued U.S.-China trade tensions and uncertainty over Britain's exit from the European Union contributed to global trade uncertainty.<sup>3</sup>
- Central Banks turned increasingly dovish as a result of the more clouded economic outlook, and expectations for tighter monetary policy in the U.S. and Eurozone moderated over the quarter. The U.S. ten year Treasury bond 's yield fell from a peak of 2.78% to 2.40%.<sup>4</sup>
- U.S. crude oil prices rose 32%, the biggest rise since 2009. Oil's upward move was triggered by OPEC's move to curb oil production, and U.S. producers sidelining drilling rigs in response to low oil prices early in the quarter.<sup>5</sup>

## PORTFOLIO REVIEW

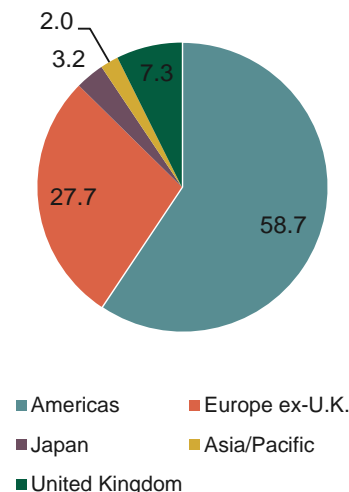
- The Fund returned 12.89%, reflecting performance at the net asset value (NAV) of Class A shares Accumulating with all distributions reinvested, for the quarter ended March 31, 2019. The Fund's benchmark, the MSCI All Country World Index, returned 12.17% in the same period.
- Security selection within the health care sector contributed to performance. The Fund's position in Guardant Health, Inc. (0.3%), a precision oncology company, rose after the company announced study results that demonstrated it's ability to identify non-small cell lung cancer faster than the current tissue-based testing
- Security selection within the financials sector contributed to performance as shares of Victory Cap Holdings, Inc. (0.5%) rose. The American investment management company rose as fourth quarter 2018 results showed strong investment performance, fee rates well above industry averages, and an overall healthy business across asset classes and channels.
- Security selection within the consumer discretionary sector contributed to performance overall but the Fund's position in TUI AG (0.2%) detracted. The Germany-based tour operator and owner of hotels and cruise ships hurt performance as the company reduced its profit outlook due to lower than anticipated margins in the tour operator business amid increased competition and a slowing macro-economic backdrop.
- Security selection within the consumer staples sector detracted from performance. Shares of Coca-Cola Co. (0.9%), a U.S.-based multinational beverage company, fell, as the company announced fourth quarter 2018 results and 2019 guidance that were both below expectations.

## STRATEGY POSITIONING & OUTLOOK

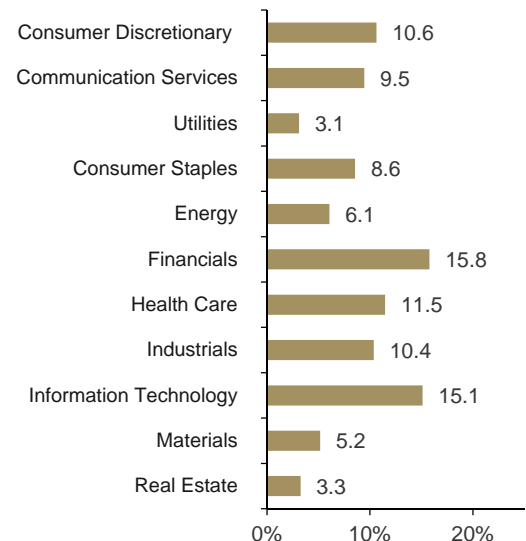
- Alexandria Real Estate (0.9%), an American urban office real estate investment trust focused on life science and technology properties, is the Fund's largest overweight stock position relative to its benchmark. The company stands to benefit from strong demand for lab space from the continued migration of pharmaceutical companies to major urban clusters.
- The Fund is overweight, relative to the benchmark, in Ageas (0.9%), a Belgian insurance company. We believe the company's partnership model in Asia has significant room for growth, as the joint ventures have strong market positioning in Thailand and China.
- Allianz Se(1.1%), a German insurance and investment advisory services company, is another of the Fund's overweight positions relative to its benchmark. The company has a diversified business mix, healthy excess capital position, disciplined management team and an attractive buyback record.
- Key identifiable risks include an escalation in the U.S.-China trade disputes, a hard Brexit outcome, disruption in global supply chains as companies prepare for de-globalization, and renewed inflation leading to the possibility of U.S. Federal Reserve policy reversal.

### REGIONAL/SECTOR WEIGHTS\*

#### Regional Allocation



#### Sector Allocation



Portfolio Breakdown as of 03/31/2019

\*Regional Allocation source: Lord Abbett and Bloomberg. Sector Breakdown source: Wilshire. Sector allocations exclude cash therefore Fund percentage allocations may not equal 100%. Please refer to the following page for additional information regarding our regional classification methodology.

**PERFORMANCE AS OF 03/31/2019**

	1Q19	1 year	Since Inception <sup>6</sup>
Class A (acc) USD	12.89%	0.08%	8.54%
MSCI All Country World Index <sup>1</sup>	12.17	2.60	10.36

**Total Expense Ratio:** 1.80%

**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 net asset value performance above shows the Fund's average annual total returns excluding sales charges. If sales charges had been included, performance would have been lower. The maximum sales charge for Class A shares is up to 5.00%. Returns for other share classes will differ from those shown above. 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. Returns for periods of less than one year are not annualized.**

*The Expense Ratio provided above represents the net expense ratio, which takes into account a management fee waiver whereby Lord Abbett has agreed to waive a portion of its management fee. Lord Abbett may stop the management fee waiver at its discretion. For periods when the waiver is in place, the Fund may benefit by not bearing these expenses. Without such management fee waiver, performance will be lower. Please see the Fund's prospectus for additional information.*

<sup>1</sup>Source: MSCI <sup>2</sup>Source: S&P <sup>3</sup>Source: IHS Markit, Global PMI, Manufacturing and Trade Act As Drags on Global Economy, 3/12/2019 <sup>4</sup>Source: nytimes.com, Dollar Rises as More Central Banks Turn Dovish, Defies Lower Treasury Yields, 3/27/2019 <sup>5</sup>Source: wsj.com, Oil Rises Above \$60 for Largest Quarterly Gain Since 2009, 3/29/2019 <sup>6</sup>Inception Date: 01/18/2017.

**The MSCI ACWI Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. Indexes are unmanaged, do not reflect the deduction of fees or expenses, and are not available for direct investment.

MSCI makes no express or implied warranties or representations and shall have no liability whatsoever with respect to any MSCI data contained herein. The MSCI data may not be further redistributed or used as a basis for other indices or any securities or financial products. This report is not approved, reviewed or produced by MSCI.

The portfolio weights shown in parenthesis in the Strategy Positioning & Outlook section are based on portfolio weights at the end of the quarter. The portfolio weights shown in parenthesis in the Portfolio Review section are based on the average portfolio weight during the quarter for each security.

Region classifications of countries are defined by Lord Abbett and may not be consistent with the MSCI region definitions. Country classifications of securities held within the universe of MSCI indexes are defined by MSCI. Country classifications of securities held by the portfolio only, and not included within the universe of MSCI indexes, are defined by Lord Abbett. The Fund's portfolio is actively managed and, therefore, its percent allocations may change from time to time.

Effective 09/17/2018 the Global Core Equity Fund changed its name to Global Equity Research Fund. There were no material changes to the Fund's investment strategy.

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

**Important Information for Investors**

The Lord Abbett Global Equity Research Fund is a sub-fund of Lord Abbett Passport Portfolios plc, an open-ended investment company with variable capital constituted as an umbrella fund with segregated liability between its sub-funds under the laws of Ireland (registered number 534227), and is authorized and regulated by the Central Bank of Ireland as an Undertaking for Collective Investments in Transferable Securities (“UCITS”).

Authorization of the Lord Abbett Passport Portfolios plc by the Central Bank of Ireland is not an endorsement or guarantee nor is the Central Bank of Ireland responsible for the contents of any marketing material or the Fund’s prospectus. Authorization by the Central Bank of Ireland shall not constitute a warranty as to the performance of the Lord Abbett Passport Portfolios plc and the Central Bank of Ireland shall not be liable for the performance of the Lord Abbett Passport Portfolios plc.

Shares of the Fund are only available for certain non-U.S. persons in select transactions outside the United States, or, in limited circumstances, otherwise in transactions which are exempt in reliance on Regulation S from the registration requirements of the United States Securities Act of 1933, as amended and such other laws as may be applicable. This document does not constitute an offer to subscribe for shares in the Fund. It is directed at professional/sophisticated investors and is for their use and information. This document should not be provided to retail investors. The offering or sale of Fund shares may be restricted in certain jurisdictions. For information regarding jurisdictions in which the Funds are registered or passported, please contact your Lord Abbett sales representative. Fund shares may be sold on a private placement basis depending on the jurisdiction. This document should not be used or distributed in any jurisdiction, other than those in which the Funds are authorized, where authorization for distribution is required. Lord Abbett Distributor LLC (“LAD”) is authorized by the Fund to facilitate the distribution of shares in certain jurisdictions through dealers, referral agents, sub-distributors and other financial intermediaries. Any entity forwarding this material, which is produced by LAD in the United States, to other parties takes full responsibility for ensuring compliance with applicable securities laws in connection with its distribution.

**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. Mid and small cap company stocks tend to be more volatile and may be less liquid than large cap company stocks. Mid and small cap companies also may have more limited product lines, markets, or financial resources and typically experience a higher risk of failure than large companies. However, larger 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. Non-U.S. investments in which the Fund may invest present increased market, liquidity, currency, political, information, and other risks. These risks can be greater in the case of emerging country securities. 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 affect Fund performance. As it is a newly organized fund, the Fund's performance at this time is very limited. The Fund's performance achieved during this initial period of investment operations may not be replicated over longer periods and may not be indicative of how the Fund will perform in the future.

**Note to European Union Investors:** This communication is issued in the United Kingdom and distributed throughout the European Union by Lord Abbett UK Ltd., a Private Limited Company registered in England and Wales under company number 10804287 with its registered office at 1 Fetter Lane, London, United Kingdom, EC4A 1BR. Lord Abbett UK Ltd (FRN 783356) is an Appointed Representative of Duff & Phelps Securities Ltd. (FRN 466588) which is authorized and regulated by the Financial Conduct Authority.

**Note to Australia investors:** Lord Abbett Passport Portfolios plc has not been authorized for offer and sale to the retail public by Australian Securities Investment Commission (“ASIC”) and is only offered to “wholesale” investors (i.e., institutional investors) in Australia.

**Investors should carefully consider the investment objectives, risks, charges, and expenses of the Fund. This and other important information is contained in the Fund’s prospectus, fund supplements, and KIIDs. Read these documents carefully before you invest. To obtain a prospectus, fund supplement, and KIIDs for any Lord Abbett fund, contact your investment professional, Lord Abbett Distributor LLC at (888) 522-2388 or visit us at [www.passportportfolios.com](http://www.passportportfolios.com).**