



# DoubleLine Long Duration Total Return Bond Fund

September 2022 | Retail and Institutional Class | No Load Mutual Fund

## Fund Information

<b>Class I (Institutional)</b> <b>Ticker: DBLDX</b> Minimum: \$100,000 Minimum IRA: \$5,000 Inception 12-15-2014 Gross Expense Ratio: 0.54% Net Expense Ratio: 0.50% <sup>1</sup>	<b>Class N (Retail)</b> <b>Ticker: DLLDX</b> Minimum: \$2,000 Minimum IRA: \$500 Inception 12-15-2014 Gross Expense Ratio: 0.77% Net Expense Ratio: 0.75% <sup>1</sup>	<b>Portfolio Managers:</b> <b>Jeffrey Gundlach</b> CEO & CIO <b>Vitaliy Liberman, CFA</b> Portfolio Manager	<b>Benchmark:</b> Bloomberg Long U.S. Govt/Credit Index
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### Investment Objective

The Fund's investment objective is to seek long term total return. The Fund's investment objective is non-fundamental.

### Why Long Duration Total Return?

Investors looking to add duration have historically concentrated on the Corporate and Government sectors of the fixed income market. By doing this, these investors have excluded an asset class that DoubleLine believes has the ability to outperform both the Corporate and the Government sectors in many scenarios: the MBS market.

### Long Duration Total Return Philosophy

Liability Driven Investing ("LDI") or Macro Hedging Strategies ("MHA") take a relative value approach to investing through long duration securities which traditionally have included U.S. Treasuries and corporate bonds. DoubleLine believes long duration MBS have distinct advantages over other long duration options because of the attractive valuations based on mispricings and lower volatility.

We think CMOs are an appropriate choice for this type of investment. CMOs pool together and pay out cash flows from underlying mortgages in accordance with payment priority rules, where both interest and principal could be subject to various orderings. In the case of longer duration bonds, principal payment is usually delayed until certain day in the future, thereby reducing prepayment uncertainty with respect to return of principal. Therefore, targeted principal return windows can be created and are appropriate choices for both LDI and MHA.

For a manager like DoubleLine with experienced senior portfolio managers, we believe we can potentially diversify risk and enhance returns in this Fund by attempting to take advantage of the mispricings within the MBS sector.

## Fund Performance

		Annualized					3-Yr Std
Month-End Returns	Sep	YTD	1-Year	3-Year	5-Year	Since Inception	Deviation
<b>September 30, 2022</b>							
I-share	-7.70	-28.00	-26.37	-8.81	-2.39	-0.50	11.97
N-share	-7.74	-28.13	-26.54	-9.11	-2.68	-0.79	11.96
Benchmark	-8.30	-28.94	-27.41	-7.35	-1.17	0.65	12.29
		Annualized					
Quarter-End Returns	3Q22	YTD	1-Year	3-Year	5-Year	Since Inception	
<b>September 30, 2022</b>							
I-share	-9.73	-28.00	-26.37	-8.81	-2.39	-0.50	
N-share	-9.93	-28.13	-26.54	-9.11	-2.68	-0.79	
Benchmark	-9.03	-28.94	-27.41	-7.35	-1.17	0.65	
Calendar Year Returns	2021	2020	2019	2018	2017		
I-share	-3.92	14.11	11.54	-0.79	6.74		
N-share	-4.39	13.72	11.38	-1.04	6.38		
Benchmark	-2.52	16.12	19.59	-4.68	10.71		

<sup>1</sup> The Adviser has contractually agreed to waive fees and reimburse expenses through July 31, 2023.

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Current performance of the fund may be lower or higher than the performance quoted. Performance current to the most recent month-end may be obtained by calling (213) 633-8200 or by visiting [www.doublelinefunds.com](http://www.doublelinefunds.com).

The Fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectus contain this and other important information about the investment company, and may be obtained by calling (877) 354-6311 / (877) DLINE11, or visiting [www.doublelinefunds.com](http://www.doublelinefunds.com). Read them carefully before investing.

The performance information shown assumes the reinvestment of all dividends and distributions.

While the Fund is no-load, management fees and other expenses still apply. Please refer to the prospectus for further details.

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## Portfolio Managers



**Jeffrey Gundlach**  
Portfolio Manager  
CEO, CIO



**Vitaliy Liberman, CFA**  
Portfolio Manager

### About DoubleLine

Founded in 2009, DoubleLine's portfolio managers have worked together for an average of 15 years and have over 23 years average industry experience.

## Statistics as of September 30, 2022

### Portfolio Characteristics

# of Issues	39
Ending Market Value	\$44,379,846
Market Price	\$85.45
Duration	13.97
Weighted Avg Life	11.29

### Duration Breakdown (%)

Less than 10 years	56.80
10 to 15 years	18.00
15 to 20 years	16.78
25+ years	1.06
Cash	7.36
<b>Total</b>	<b>100.00</b>

### Credit Quality Breakdown (%)

Government	30.54
Agency	62.09
Investment Grade	0.00
Below Investment Grade	0.00
Unrated Securities	0.00
Cash	7.36
<b>Total</b>	<b>100.00</b>

### Sector Breakdown (%)

Agency RMBS	63.78
Government	17.01
Agency CMBS	11.84
Cash	7.36
<b>Total</b>	<b>100.00</b>

### Weighted Average Life Breakdown (%)

Less than 10 years	39.56
10 to 15 years	25.32
15 to 20 years	16.48
25+ years	11.28
Cash	7.36
<b>Total</b>	<b>100.00</b>

### Asset Mix (%)

Fixed Rate	91.58
Floating Rate	1.06
Cash	7.36
<b>Total</b>	<b>100.00</b>

### SEC 30-Day Yield (%)

	I-Share	N-Share
Gross	3.37	3.11
Net	3.50	3.24

### Top 10 Holdings (%)

T 3 08/15/52	11.28
FNR 2015-16 ZY	6.76
GNR 2015-79 VZ	6.41
FHR 4390 NZ	5.59
GNR 2015-53 EZ	5.49
FHR 4440 ZD	4.65
FNR 2019-68 ZL	4.49
T 3 1/4 05/15/42	4.20
FHR 4206 LZ	4.18
FNR 2013-74 ZH	4.06
<b>Total</b>	<b>57.12</b>

Sector Allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security. Portfolio holdings are made available thirty days after month-end by visiting [www.doublelinefunds.com](http://www.doublelinefunds.com). The source for the information in this report is DoubleLine Capital, which maintains its data on a trade date basis.

**Past performance does not guarantee future results. Mutual fund investing involves risk; Principal loss is possible.**



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## Risk Disclosure

Investments in debt securities typically decrease when interest rates rise. This risk is usually greater for longer-term debt securities. Investments in lower-rated and non-rated securities present a greater risk of loss to principal and interest than higher-rated securities. Investments in ABS and MBS include additional risks that investors should be aware of such as credit risk, prepayment risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments. The Fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater for investments in emerging markets. Derivatives involve special risks including correlation, counterparty, liquidity, operational, accounting and tax risks. These risks, in certain cases, may be greater than the risks presented by more traditional investments. Investing in ETFs involve additional risks such as the market price of the shares may trade at a discount to its net asset value ("NAV"), an active secondary trading market may not develop or be maintained, or trading may be halted by the exchange in which they trade, which may impact a Funds ability to sell its shares. The fund may make short sales of securities, which involves the risk that losses may exceed the original amount invested.

## Index Disclosure

**Bloomberg US Long Government/Credit Index** includes publicly issued U.S. Treasury debt, U.S. government agency debt, taxable debt issued by U.S. states and territories and their political subdivisions, debt issued by U.S. and non-U.S. corporations, non-U.S. government debt and supranational debt. It is not possible to invest in an index.

## Definition of Terms

**Agency** - Mortgage securities whose principal and interest are effectively guaranteed by the U.S. Government agency including Fannie Mae (FNMA) or Freddie-Mac (FHLMC).

**Below Investment Grade** - Refers to a security that is rated below investment grade. These securities are seen as having higher default risk or other adverse credit events, but typically pay higher yields than better quality bonds in order to make them attractive. They are less likely to pay back 100 cents on the dollar.

**CMO** - Collateralized Mortgage Obligations

**Credit distribution** - Determined from the highest available credit rating from any Nationally Recognized Statistical Rating Agency ("NRSRO", generally S&P, Moody's and Fitch). DoubleLine chooses to display credit ratings using S&P's rating convention, although the rating itself might be sourced from another NRSRO. In limited situations when the rating agency has not issued a formal rating, the rating agency will classify the security as unrated.

**Duration** - A commonly used measure of the potential volatility of the price of a debt securities, prior to maturity. Securities with a longer duration generally have more volatile prices than securities of comparable quality with a shorter duration.

**Investment Grade** - Refers to a bond considered investment grade if its credit rating is BBB- or higher by Standard & Poor's or Baa3 or higher by Moody's. Ratings are based on a corporate bond model. The higher the rating the more likely the bond will pay back par/100 cents on the dollar.

**Market Price** - The weighted average of the prices of the Fund's portfolio holdings. While a component of the fund's Net Asset Value, it should not be confused with the Fund's NAV.

**MBS** - Mortgage-Backed Securities

**Standard Deviation** - A measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Calculated by the square-root of the variance.

**Weighted Average Life (WAL)** - The average number of years for which each dollar of unpaid principal on a loan or mortgage remains outstanding.