



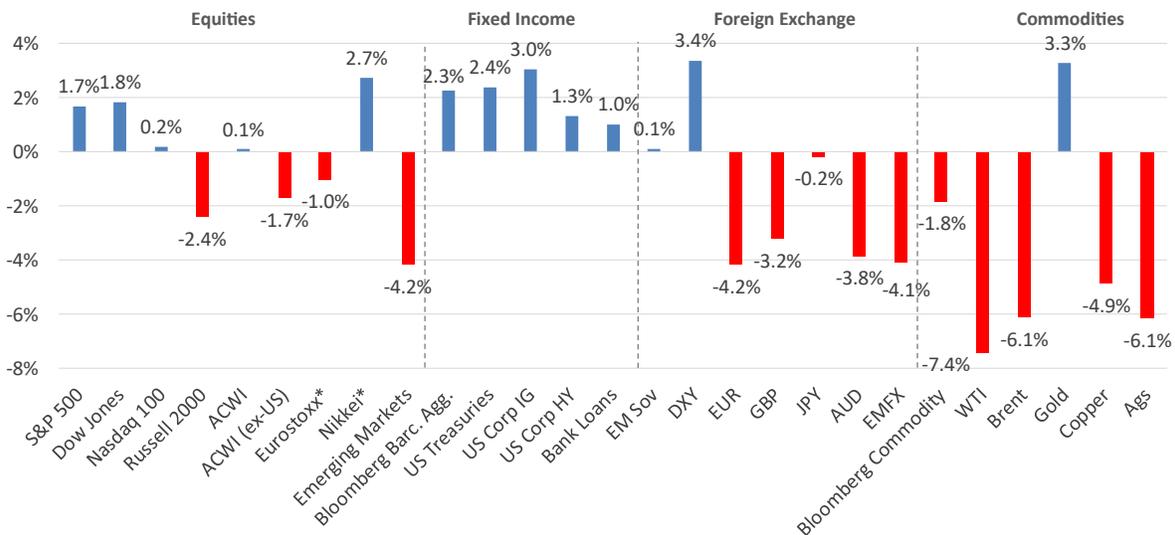
# Quarterly Fund Commentary

Third Quarter 2019

**Overview**

Asset class returns were mixed in the third quarter of 2019, as the Federal Reserve (Fed) and the European Central Bank (ECB) eased monetary policy in response to slowing economic data and geopolitical uncertainties. The S&P 500 Index returned 1.7% for the quarter, with large dispersions between the best and worst performing sectors. Utilities led the way, returning 9.3% for the quarter, while Energy was the laggard, down -6.2%. Bonds rallied with U.S. credit advancing 3.0%, as measured by the Bloomberg Barclays U.S. Corporate Index. The yield on the 10-year U.S. Treasury (UST) closed the quarter at 1.66%, down 34 basis points (bps) from the end of the second quarter, and also down 102 bps year-to-date (YTD). Across the globe, rates continued to rally while the market value of negative yielding debt hit an all-time high of over \$17 trillion at the end of August.

**Third Quarter 2019 Performance of Asset Classes**  
July 1, 2019 - September 30, 2019



Source: Bloomberg, DoubleLine. \*Indicates returns in U.S. dollars

After the July Federal Open Market Committee (FOMC) meeting, Fed Chairman Powell referred to July’s 25 bps cut in the Fed Funds Rate as a “mid-cycle adjustment to policy.”<sup>1</sup> In September’s meeting, a further 25 bps cut in the Fed Funds Rate was announced, signaling the FOMC’s willingness to respond to ongoing trade policy tension, weakening economic data, and an inflation rate still below the Fed’s stated 2% target, as measured by Personal Consumption Expenditures (PCEs). When Chairman Powell was asked if this was still a “mid-cycle adjustment,” he alluded to the possibility of further rate cuts by stating “If the economy does turn down, then a more extensive sequence of rate cuts could be appropriate.” At quarter’s end, the majority of market participants believe that the Fed needs to implement more cuts, with 70% expecting another 25 bps cut in the Fed Funds Rate by year-end, as measured by Bloomberg’s World Interest Rate Probabilities (WIRP) function. This contrasts with the Fed’s median Dot plot, which forecasts no further changes to the Fed Funds Rate for the remainder of 2019.

The Fed stepped in to act as the liquidity-provider-of-last-resort for the first time since 2009. The overnight repo market showed signs of stress as short-term lending rates spiked to as high as 10% in mid-September, prompting the Fed to inject \$50 billion of excess reserves to relieve the liquidity squeeze. Chairman Powell credited the funding pressures to “funds flow(ing) from the private sector to the Treasury to meet corporate tax payments and settle purchases of Treasury securities.”<sup>2</sup> However, the Fed announced that its actions in the short-term lending market would continue through October 10, potentially alluding to structural issues in the short-term lending markets. DoubleLine Portfolio Manager Bill Campbell drew attention to this possibility in a whitepaper published in July titled *Quantitative Tightening Risks Decoupling Money Markets from Fed Funds Rate*. The result of the Fed’s participation in the short-term lending market has increased the Fed’s balance sheet, which it had been shrinking via quantitative tightening through July 2019.

<sup>1</sup> Federal Reserve Press Release, July 31, 2019. (<https://www.federalreserve.gov/mediacenter/files/FOMCpresconf20190731.pdf>)

<sup>2</sup> Chairman Powell’s Press Conference, September 18, 2019 (<https://www.federalreserve.gov/mediacenter/files/FOMCpresconf20190918.pdf>)

Overview (cont'd)

October's FOMC meeting could bring an announcement in which the Fed increases its balance sheet to accommodate stress in the short-term lending market, a potential program Jeffrey Gundlach coined "(Quantitative Easing) QE-lite."

In Europe, monetary policy continued to become more accommodative through a series of actions announced on September 12. The ECB decided to decrease deposit rates another 10 bps to -0.50% and ECB President Mario Draghi announced the resumption of quantitative easing of \$20 billion per month starting on November 1. TLTRO III (Targeted Longer-Term Refinancing Operations), announced in June 2019, was adjusted to become more accommodative for banks and will continue for three years as opposed to the originally scheduled two years.

A sustained slowdown in manufacturing remained prevalent throughout the quarter. In August, the Institute for Supply Management (ISM) Purchasing Managers Index (PMI) fell to 49.1, marking the first time U.S. PMI has fallen below 50 since August 2016. A reading below 50 is associated with a contraction in the manufacturing sector. The magnitude of the decline has been significant, as roughly one year ago the U.S. PMI reached a level of 60.8. Eurozone PMI remained in contractionary territory for the seventh consecutive month in August at 47.0. In the United Kingdom (U.K.), manufacturing reached its lowest level since July 2012 as the headline seasonally adjusted IHS Markit/CIPS U.K. Manufacturing PMI fell to 47.4 in August. The China Federation of Logistics & Purchasing (CFLP) Index fell to 49.5 during the month, and has registered below 50 for the fourth consecutive month as ambiguity surrounding a trade deal between the U.S. and China remains a headwind. Fearing further slowdown, the U.S. and China agreed in September to hold high-level trade talks in Washington in early October.

Although manufacturing data is slowing globally, not all economic data is showing signs of weakness. The U.S. non-manufacturing sector continued its expansion compared to global manufacturing, as the ISM Non-Manufacturing Index (NMI) registered a 56.4 reading for August. The NMI received strong support from business activity and new orders. The U.S. labor market and consumers were two components that helped buoy markets during the quarter, with the unemployment rate remaining at 3.7% as labor force participation increased. Average hourly earnings for production workers rose 0.5% month-over-month (MoM), while headline and core retail sales rose for the sixth consecutive month in August to new highs.

In short, the third quarter saw mixed returns across asset classes, as easing measures by many central banks and lower interest rates helped offset concerns over a synchronized global slowdown. Heading into the fourth quarter, DoubleLine believes investors should continue to monitor economic data, geopolitical uncertainties, and global central banks' willingness to remain accommodative.

U.S. Government Securities

- The Bloomberg Barclays U.S. Treasury Index posted a modest loss of -0.85% in September as yields bounced back from YTD lows observed earlier in the month. The Index's YTD advance was reduced to 7.71% and its quarterly return registered at 2.40%.
- The yield curve bull-flattened in comparison to three months ago, with the 10-year and 30-year outperforming the front end. In September, issues under one year performed the best, as the market continued to price in imminent interest rate cuts from the Fed. Long-end yields were held up by positive surprises from U.S. economic data as well as rising U.K., German, and French yields.
- A temporary truce between the U.S. and China put the trade war into the background during the first half of September, leaving U.S. economic data as the main force driving UST yield movements. A string of better than expected data pushed yields sharply higher until risk factors returned to the market, including the dimmed prospect of a near-term trade deal with China and the impeachment inquiry of President Trump. Yields ended higher than they were at the beginning of the month, but closed lower over the quarter.
- Treasury Inflation-Protected Securities (TIPS) breakeven rates made a round trip in September as well, climbing during the first half of the month together with rising nominal yields, but then declining. The 5-year breakeven rate was 20 bps lower than it was three months ago, while the 10-year breakeven rate was 18 bps lower. Both are at their lowest levels since 2016.

U.S. Treasury Yield Curve

	8/30/2019	9/30/2019	Change
3 Month	1.98%	1.81%	-0.17%
6 Month	1.87%	1.81%	-0.06%
1 Year	1.76%	1.74%	-0.02%
2 Year	1.50%	1.62%	0.12%
3 Year	1.43%	1.56%	0.13%
5 Year	1.39%	1.54%	0.15%
10 Year	1.50%	1.66%	0.16%
30 Year	1.96%	2.11%	0.15%

Source: Bloomberg

**U.S. Government Securities (cont'd)**

- The largest 10-year yield declines occurred on September 16 as drone attacks took half of Saudi Arabia's oil production offline, September 20 after President Trump referred to China as "a threat to the world" and China trade negotiators cancelled visits and cut their trip to the U.S. short, and on September 24 when House Speaker Pelosi announced an impeachment inquiry against President Trump.
- The largest 10-year yield increases occurred on September 5 following strong ADP employment and ISM non-manufacturing readings and on September 13 after strong retail sales and sharp U.K. Gilt selloffs, which put pressure on U.S. rates.

**Agency Mortgage-Backed Securities**

- Prepayment speeds increased by approximately 10% in September, rising from a conditional prepayment rate (CPR) of 16.8 to 18.4 in aggregate. The continuing low levels in mortgage rates over the month and the improvement in refinance efficiency were driving factors for this increase. We expect prepayment speeds to remain high in October due to a majority of the high August refinance application activity being reflected in realized speeds we have yet to experience.
- In September, gross issuance of Agency Mortgage-Backed Securities (MBS) decreased by \$10 billion to \$160 billion and net issuance decreased from \$39 billion to \$19 billion.
- Over the month, the yield curve steepened with short rates rallying and longer rates selling off. The 1-year UST was down 2 bps, while the 5-year, 10-year, and 30-year were up 16 bps, 17 bps, and 15 bps, respectively. Volatility decreased over the month, driven primarily by moderate trade war progress. The Mortgage Bankers Association (MBA) U.S. Refinance Index (Seasonally Adjusted) decreased by 7% over the month, but still remains at elevated levels last seen in 2016.
- Agency MBS total return for September was 0.07% while excess return, relative to maturity-matched UST, was 0.24%, as measured by the Bloomberg Barclays U.S. MBS Index.
- The duration of the Bloomberg Barclays U.S. MBS Index lengthened from 2.40 to 2.73 in September.

**Conditional Prepayment Rates (CPR)**

2018-2019	October	November	December	January	February	March	April	May	June	July	August	September
Fannie Mae (FNMA)	9.0	7.8	7.4	6.9	7.4	9.2	11.2	13.0	12.6	15.9	16.8	18.4
Ginnie Mae (GNMA)	10.8	9.4	9.1	8.6	9.8	11.7	14.3	16.9	17.1	20.9	22.3	22.8
Freddie Mac (FHLMC)	8.6	7.6	7.2	6.8	7.3	8.9	11.3	13.4	12.6	16.2	17.2	19.1

**Bloomberg Barclays**

U.S. MBS Index	7/31/2019	8/31/2019	9/30/2019	Change
Average Dollar Price	103.72	104.41	104.22	-0.19
Duration	3.07	2.40	2.73	0.33

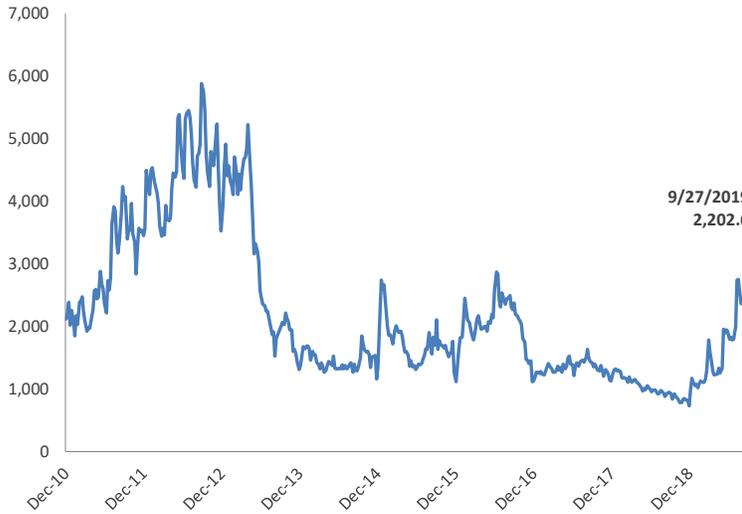
**Bloomberg Barclays**

U.S. Index Returns	7/31/2019	8/31/2019	9/30/2019
Aggregate	0.22%	2.59%	-0.53%
MBS	0.40%	0.89%	0.07%
Corporate	0.56%	3.14%	-0.65%
Treasury	-0.12%	3.40%	-0.85%

Source: eMBS, Barclays Capital.  
 FHLMC Commitment Rate Source: Bloomberg

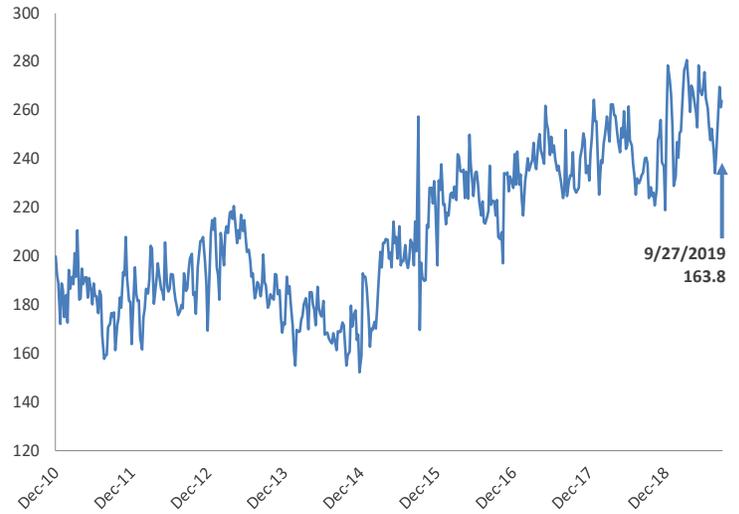
**Agency Mortgage-Backed Securities (cont'd)**

**MBA Refinance Index**  
As of September 27, 2019



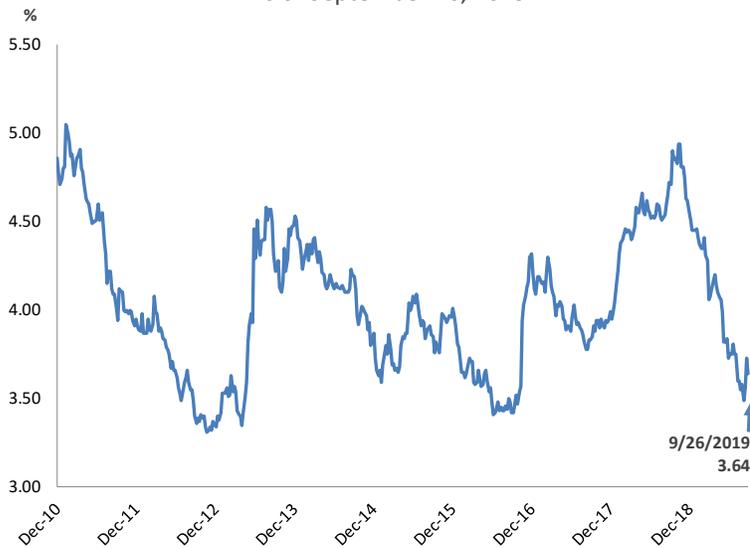
Source: Bloomberg. Base = 100 on 3/16/1990. Non-Seasonally Adjusted

**MBA Purchase Index**  
As of September 27, 2019



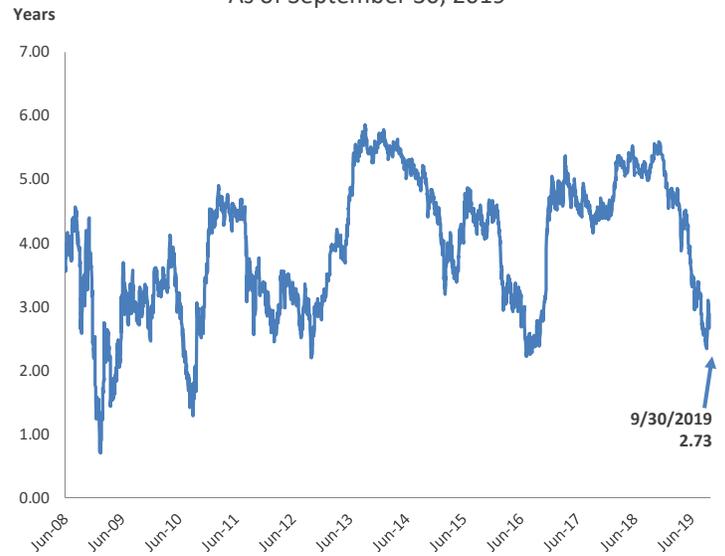
Source: Bloomberg. MBA has re-benchmarked the index values as of January 14, 2011. Seasonally Adjusted.

**Freddie Mac Commitment Rate—30 Year**  
As of September 26, 2019



Source: Bloomberg, DoubleLine

**Duration of Barclays U.S. MBS Bond Index**  
As of September 30, 2019



Source: Bloomberg, DoubleLine

**Non-Agency Residential Mortgage-Backed Securities**

- Non-Agency Residential MBS (RMBS) performed well during the quarter given the backdrop of falling risk-free rates and a slight tightening in credit spreads. Despite a dovish Fed and growing concerns of slowing economic growth, housing market fundamentals remain balanced with declining mortgage rates providing some upside to home price growth and sales volume.

### Non-Agency Residential Mortgage-Backed Securities (cont'd)

- There was \$23.4 billion in new issuance priced<sup>3</sup> over the third quarter of 2019, with non-qualifying mortgages (non-QM) as the largest sector followed by re-performing loans (RPLs) and credit risk transfers (CRTs). Non-QM volumes continue to trend upward due to a combination of new entrants and returning issuers coming to the market with additional deals. New issuance across the sector is projected to be more than \$100 billion this year; however, will likely lag behind 2018 due primarily to a decline in RPL volumes.
- Home prices<sup>4</sup> increased 2.0% year-over-year (YoY), down from the 2.1% pace in August. This marks the 15th consecutive month the index has exhibited decelerating growth as affordability constraints continue to hinder home price growth. Existing home sales<sup>5</sup> increased 1.3% from the prior month as falling mortgage rates improved housing affordability. The 30-year mortgage rate<sup>6</sup> seemed to have stabilized and finished the month at 3.64%, down 9 bps from the start of the quarter. Prime Jumbo<sup>7</sup> 2018 vintage experienced annualized voluntary prepayments speeds of 20%, while 2018 vintage Structured Agency Credit Risk (STACR) CRTs experienced prepayment speeds of 16%.

### Commercial Mortgage-Backed Securities

- Private-label Commercial MBS (CMBS) gross issuance totaled \$9.6 billion in September, rounding out the third quarter of 2019 at \$22.4 billion, roughly 9% above the same period a year ago. Seven conduit deals totaling \$6.7 billion and five single asset single borrower (SASB) deals totaling \$1.4 billion priced during the month. While YTD issuance was approximately 1% above the comparable period in 2018, CMBS market share totaled 13% in the first half of 2019, down from 17% in 2018.
- While debt funds expanded their market share to 11% during the first half of the year, up from 10% in 2018, they also became the largest player in the value-add market, totaling 21% in the first half of 2019. Interestingly, debt funds' leverage has been increasing alongside their market share growth, averaging 64% loan-to-value (LTV) during the first half of the year, up from 62% during the first half of 2018, as competition increases in the space. While the outstanding private-label CMBS universe decreased 0.20% to \$509.6 billion for September, the first decline in eight months, it remained up 1.72% for the third quarter.
- The RCA Commercial Property Price Index (RCA CPPI) returned 0.79% in August and was up 6.68% YoY through August, alongside the second consecutive month of slowing transaction volume. While deal volume fell sharply in August, partly attributed to entity-level transactions, property prices have continued to increase, albeit at a slower pace.
- CMBS secondary market cash spreads were mixed for both September and quarter alongside an uptick in broader market volatility. As a result of investors rotating down the capital stack to maintain all-in yield amid a sustained rally in rates, the LCF AAA/BBB-curve is near its flattest post-crisis levels. While LCF AAA spreads are roughly 25 bps wider than the post-crisis tightness in early 2018, BBB- spreads are flat to tighter over the same period of time.

### Asset-Backed Securities

- The Asset-Backed Securities (ABS) market posted slightly negative returns for the month of September but still outperformed the Bloomberg Barclays U.S. Aggregate Bond Index and the Bloomberg Barclays U.S. Corporate Bond Index, which returned -0.53% and -0.65%, respectively.
- Spreads for both conventional ABS and esoteric ABS sectors were largely unchanged despite elevated macroeconomic volatility and heavy new issuance. The ABS primary market priced 36 deals in September for a total of roughly \$25 billion in gross issuance. Secondary trading volumes were in line with historical monthly averages and the majority of activity centered on investors selling seasoned, shorter deals in order to reinvest proceeds into the new issue market.
- During the third quarter, ABS underperformed the Bloomberg Barclays U.S. Aggregate Bond Index and the Bloomberg Barclays U.S. Corporate Bond Index, mostly due to its shorter duration profile. The UST yield curve bull-flattened throughout the course of the quarter, which benefited longer-duration, non-prepayable assets such as Investment Grade (IG) Corporates and Treasuries.
- Spread performance in ABS was another headwind over the quarter as spreads widened anywhere from 5 bps to 25 bps. Generally, the widening was more the result of the underlying curve movement than any broader credit concerns. The secured nature and structural enhancements of ABS have kept investor sentiment on solid footing, despite a general downshift in global economic data.

<sup>3</sup> Bloomberg

<sup>4</sup> S&P CoreLogic Case-Shiller 20-City Home Price Composite

<sup>5</sup> National Association of Realtors Existing Home Sale Index

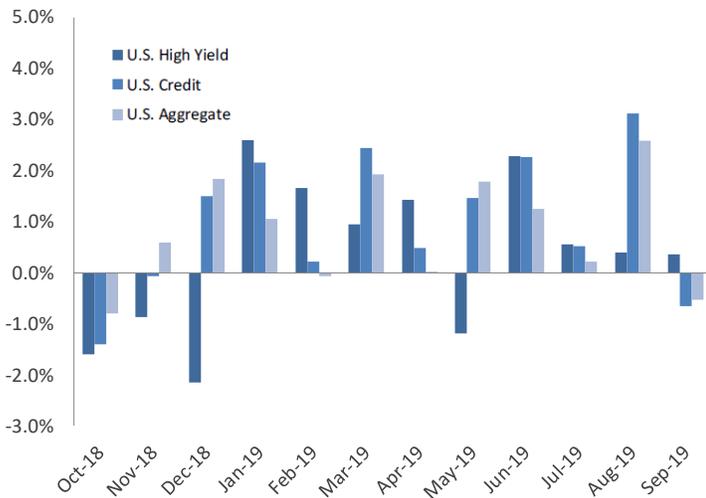
<sup>6</sup> Freddie Mac Primary Mortgage Market Survey

<sup>7</sup> J.P. Morgan Research

**Investment Grade Credit**

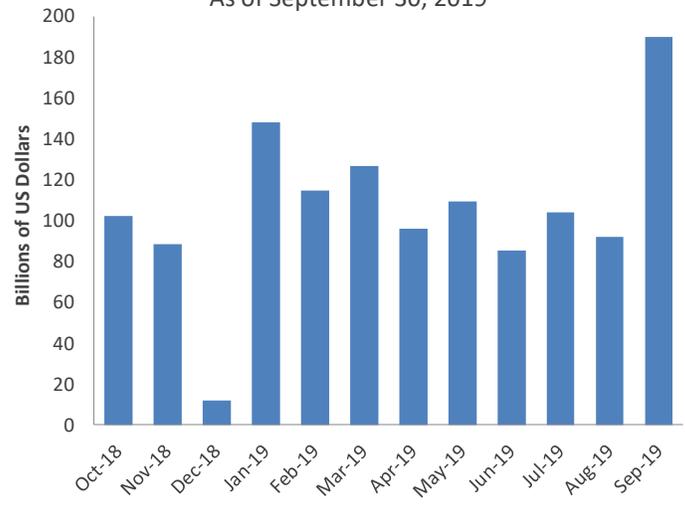
- The Bloomberg Barclays U.S. Credit Index total return was 2.98% for the third quarter with excess return at 8 bps. In September, rates were up across all maturities 2+ years, coming off a strong rate rally, leading to a total return of -65 bps and excess return of 38 bps.
- Spreads tightened by 5 bps in September and widened by 6 bps during the quarter, to end the period at 109 bps. BBBs continued to outperform for the month and the quarter at -51 bps and 3.26%, respectively. With the backup in rates, shorter-duration bonds had better total return performance in September, yet long bonds outperformed on an excess return.
- Gross and net new issue for the third quarter was \$386 billion and \$133 billion, respectively. The new issue market was very active in September with \$190 billion of gross new issuance and \$67 billion net. Despite the heavy new issuance, net new issuance was lower than September 2018's value of \$82 billion.
- Fund flows into the IG U.S. market remained strong throughout the year, averaging approximately \$4.3 billion per week for the month-long period ending on October 2. There has been approximately \$221 billion of inflows YTD.

**Performance of Select Barclays Indices**  
Last 12 Months



Source: Barclays Live

**Total Fixed-Rate Investment Grade Supply**  
As of September 30, 2019



Source: Barclays Live

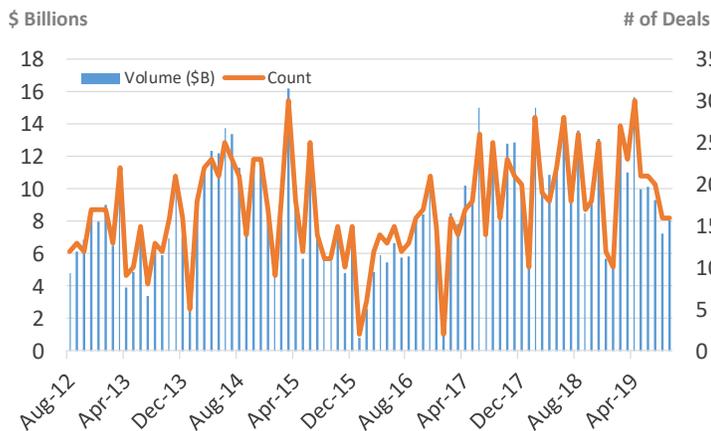
**Collateralized Loan Obligations**

- September was the third lowest monthly issuance for the year with only \$8.1 billion pricing across 16 deals. New issuance during the third quarter was also light with \$24.93 billion pricing. The slowdown in issuance was expected for August, as many on the street were on vacation, and, as a result, August had the second lowest monthly issuance at \$7.52 billion.
- Collateralized Loan Obligations (CLO) investors and managers once again descended upon Miami's South Beach for the yearly ABS East conference in September. The topic du jour was idiosyncratic loan selloffs. While the loan market saw no defaults during the quarter, the loan market did experience selloffs in individual names. These idiosyncratic selloffs, and not a sector wide selloff, highlight the importance of manager selection and their credit selection process as we move through the credit cycle.

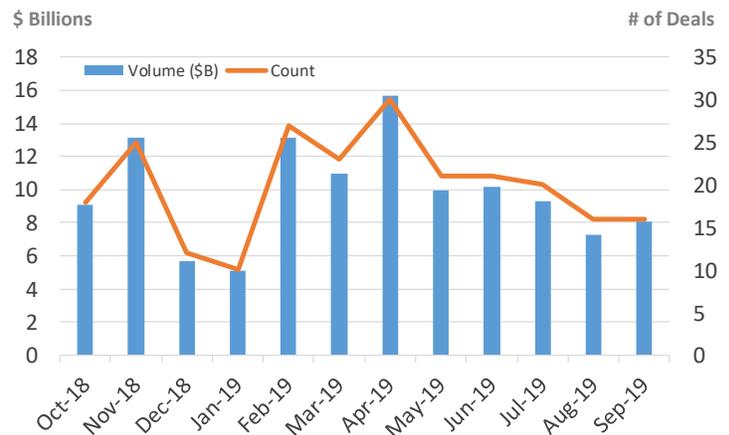
Collateralized Loan Obligations (cont'd)

- New issue equity arbitrage, the difference between the spread on the assets versus the coupon for the debt, continues to challenge the new issue market. Despite the challenging arbitrage environment, new managers are still entering the CLO space and established managers are still issuing. Those issuing in this environment are able to issue despite lower expected returns due to locked up capital. As new deals continue to come to market, spreads have remained relatively unchanged at the top of the stack and have widened slightly towards the bottom of the stack.

**CLO New Issuance**  
August 2012 to September 2019



**Last 12 Months Issuance**  
October 2018 to September 2019



Source: Bloomberg, DoubleLine

Bank Loans

- In September, the bank loan market returned 0.47%, bouncing back from a -0.27% return in August. The weighted average bid price of the S&P/LSTA Leveraged Loan Index was unchanged during the month, as the main driver of returns was interest income. At the end of the month, over 34% of loans were trading above par, an 11-month high. For the third quarter of 2019, bank loans were up 0.99% and up 6.79% YTD.
- There was a flight to quality theme – evident all year – during the third quarter, with BB-loans returning 1.50% and comfortably outperforming single-B loans (up 0.98%) and CCC-loans (down -2.63%). In September, BB-loans were up 0.62%, single-B loans returned 0.55%, and CCC-loans declined -1.36%.
- The default rate remained stable at low levels, ending the quarter at just 1.58% on a last twelve months (LTM) issuer basis. Corporate earnings growth has slowed, however, heightening the risk of defaults going forward.
- On the new issue front, September was the busiest month of the year, with over \$40 billion of loan new issues announced. On the demand side, the principal driver of new demand continued to come from CLO managers, who printed \$8.1 billion of CLOs in the month. The YTD CLO issuance of \$90 billion is modestly behind the \$101 billion printed in the first nine months of 2018. Retail outflows continued, albeit at a slower pace, with \$1.3 billion leaving the market in September and bringing the total outflows over the past 45-weeks to \$37 billion.
- The bank loan market continues to trade at a reasonable discount to par and ended the month with a yield-to-maturity (YTM) of 6.62%. However, with the Fed embarking on a path of interest rate reductions, the market yield is likely to move lower with LIBOR. Given the prospect of lower interest rates, slowing earnings growth, and macroeconomic uncertainty, we remain cautious on the asset class.

## High Yield

- High yield (HY) returns remained positive in September, capping off an overall steady third quarter for 2019. The Bloomberg Barclays U.S. High Yield Corporate Index rose 0.36% for the month, bringing the quarterly return to +1.33%. Index yield fell 8 bps in September (-22 bps for the quarter) to 5.65% while spread contraction of 20 bps (-4 bps for the quarter) to 373 bps was more pronounced due to the selloff in Treasuries.
- By rating, CCCs remained the laggard in September, losing -0.15% (-1.76% for the quarter). In a reversal of the YTD trend, single-Bs led, climbing 0.59% (+1.65% for the quarter), and BBs finished the month with a gain of 0.30% (+2.03% for the quarter). By sector, the three best performers in September were Automotive (+1.78%), P&C (+1.61%), and Retailers (+1.34%). On the flipside, the worst sectors were Oil Field Services (-5.09%), Pharmaceuticals (-1.09%), and Finance Companies (-0.25%).
- The par-weighted 12-month default rate fell to 2.52% in September, from a revised mark of 2.55% in August, according to J.P. Morgan. Looking across loans and bonds, the \$15.7 billion of defaults during the quarter was the 13<sup>th</sup> largest quarterly volume on record and the highest since \$28.3 billion defaulted in the first quarter of 2018. For reference, current default rate levels compare to 1.83% at the end of 2018 and a long-term average back to 1980 of 3.46%.
- Gross issuance was \$31.3 billion in September, an increase of 72% YoY and the highest level for any month since January 2018, according to J.P. Morgan. On a YTD basis, primary activity has increased 24% on a gross basis and 8% on a net basis, compared to 2018 where full-year activity was the lightest since 2009 (2018 volume of \$187 billion was a 43% decline compared to 2017). During the quarter, refinancing remained the primary use of proceeds, representing 65% of activity in September and 67% in the YTD period. Issuance also skews higher quality, as 50% of September volume was BBs (46% YTD).
- Inflows resumed in September, totaling \$4.7 billion (\$2.8 billion for the quarter) and bringing YTD inflows to \$15.3 billion, according to Lipper. This compares to annual outflows of \$45.1 billion in 2018 and \$20.3 billion in 2017.

## Commodities

- During the third quarter, the broad commodity market declined by -4.68% and -2.35% as measured by the S&P Goldman Sachs Commodity Index (GSCI) and Bloomberg Commodity Index (BCOM), respectively.
- The best performing sector for the quarter was Precious Metals (+3.86%), as Gold rallied 3.28% and Silver jumped 9.92%.
- Industrial Metals edged down -0.77% during the quarter, with Nickel surging 35.05% while Copper (-4.86%), Zinc (-3.87%), and Aluminum (-5.15%) declined.
- The Energy sector declined -5.81%, with Brent crude (-6.11%) and West Texas Intermediate (WTI) crude (-7.42%) leading the petroleum distillate complex lower.
- The Agriculture sector declined -7.80% for the quarter; the best performer was Cocoa (-1.47%) and the worst performer was Kansas Wheat (-13.66%).

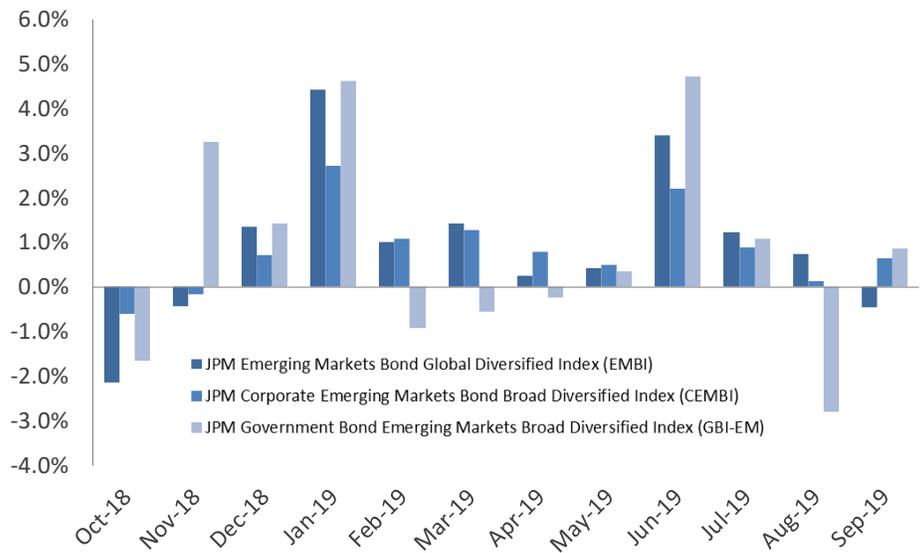
## Emerging Markets Fixed Income

- Emerging Market (EM) sovereign and corporate external bonds both posted positive performances for the third quarter of 2019 against a backdrop of U.S. and China trade tensions, concerns about global growth, and political uncertainty in Argentina. The positive performance of external EM debt was driven by lower UST yields over the period and accrued interest.
- The J.P. Morgan Emerging Markets Bond Index (EMBI) Global Diversifier's credit spread tightened by 9 bps over the course of the quarter. The spread peaked on August 15 at 374 bps amidst trade uncertainty and political concerns in Argentina, following a strong Peronist showing in its national primary elections on August 11. The spread tightened from there and finished the quarter at 337 bps on September 30. The UST yield curve tightened during the quarter, with 2-year UST yields falling 13 bps and 10-year UST yields falling 34 bps. The spread between 10-year and 2-year UST yields inverted in August for the first time since 2007.

Emerging Markets Fixed Income (cont'd)

- Performance across all regions was positive in the corporate index for the quarter, while Latin America was the only negative performing region in the sovereign index, as measured by the J.P. Morgan Corporate Emerging Markets Bond Index (CEMBI) Broad Diversified and EMBI, respectively. Europe was the best performing region and Latin America was the worst performing region in both the sovereign and corporate indices.
- The corporate index slightly outperformed the sovereign index over the period. Outperformance was in part driven by the corporate index's lower allocation to Latin America. Additionally, the corporate index benefitted from a higher allocation to IG credits. The IG sub-index significantly outperformed the HY sub-index in both the sovereign and corporate indices over the period.
- Factors that may affect risk appetite for 2019 include less accommodative developed market central banks, rising developed market yields, an escalation in trade tensions, a slowdown in Chinese and global growth, protests in Hong Kong, Brexit negotiations, and policy risks due to an increase in populism.

JP Morgan Emerging Markets Bond Index Performance  
October 31, 2018 to September 30, 2019



Source: JP Morgan

International Sovereign

- Global government bonds, as measured by the Financial Times Stock Exchange World Government Bond Index (FTSE WGBI), posted positive returns for the third quarter of 2019. Positive performance was driven by falling global yields against a backdrop of U.S. and China trade tensions and concerns about global growth, and offset foreign currency losses against the U.S. Dollar (USD).
- As measured by the U.S. Dollar Index (DXY), USD strengthened over the quarter and was the best performing G-10 currency. Two 25 bps Fed Funds Rate cuts by the FOMC, with one cut in July and one cut in September, aided in driving U.S. interest rates down further across the yield curve for the 3-month period.
- The Euro finished the quarter negative versus the USD, as measured by EUR/USD, and hit a 28-month low versus USD in September. Eurozone economic data remained at very soft levels which led the ECB to implement further policy easing. The ECB cut interest rates further into negative territory and put forth a new round of monthly bond purchases in an attempt to support economic growth and get closer to inflation targets.
- The Japanese Yen depreciated slightly versus the USD during the quarter, as measured by JPY/USD. The Bank of Japan (BoJ) kept monetary policy unchanged at its September Monetary Policy meeting, but said it would “reexamine economic and price developments”<sup>8</sup> at the October policy meeting in light of increasing global downside risks.

<sup>8</sup> Bank of Japan Statement, September 19, 2019 ([https://www.boj.or.jp/en/announcements/release\\_2019/k190919a.pdf](https://www.boj.or.jp/en/announcements/release_2019/k190919a.pdf))

## Infrastructure

- Infrastructure-related assets outperformed the Bloomberg Barclays U.S. Aggregate Bond Index return of -0.53% for September. With only a moderate move higher in intermediate-term rates, the Index was more negatively affected by duration-related price declines, while the higher carry of Infrastructure-related investments served as better insulation from the rate move.
- Infrastructure performance for the third quarter of 2019 was a slightly different story. The quarter was generally characterized by falling rates with the 5-year and 10-year UST yields sliding -22 bps and -34 bps, respectively. This helped the Infrastructure segment generate cumulative total returns at the 2% level, but ultimately fell slightly short of the Index, which returned 2.27%.
- The investment backdrop for Infrastructure arguably improved during the quarter, with declining global economic growth and increasing fiscal deficits creating an obvious void for private capital to fund large, impactful infrastructure projects in the U.S. and abroad.
- Environmental, Social, and Governance (ESG) investing is another corner of the market that is continuing to see an increase in investor interest. Financing projects that help regions transition to lower carbon economies, produce socially responsible goods and services, and increase procedural transparency continued to gain traction throughout the quarter.

## U.S. Equities

- The U.S. equity markets began the third quarter of 2019 confident that the dovish Fed would ameliorate any headwinds from the trade war, a weakening global economy, and a lack of corporate earnings. In the lead up to the July 31 FOMC meeting, the S&P 500 set a number of new all-time highs. Climbing above the 3,000 level for the first time in history, the key benchmark reached its high for the quarter on July 26, bringing its YTD total return to over 22%.
- By late July, with the expectation of a cut in the Fed Funds rate – the first in over 10 years – priced into the market, attention once again turned to the simmering trade war and the weakening macroeconomic picture both domestically and overseas. The weakness in foreign, export-driven economies such as Germany had been apparent for many months; however, there were increasing signs of weakness domestically as well. For instance, the widely-watched ISM PMI survey for July dipped below 50.
- Corporate earnings were also showing signs of exhaustion. As the second quarter earnings season unfolded in July and August, it became increasingly apparent that the companies of the S&P 500 would post their second quarter in a row of earnings below their 2018 levels. Earnings guidance for the second half of the year suggested the third quarter of 2019 would also show a YoY earnings decline. By the end of September, consensus estimates (per FactSet) were indicating that third quarter earnings for the S&P 500 would be 4.1% below its level in the third quarter of 2018, and for the full year of 2019 would barely show any growth (estimated at +1.2% by FactSet).
- Against this weak backdrop and the inversion of the yield curve, August saw equities sell off from their highs and volatility spike. As measured by the CBOE Volatility Index (VIX), volatility, which had remained at quiescent levels below 15 until the July 31 FOMC meeting, spiked to nearly 25 in August. The concerns, however, were short-lived. By the end of the month the S&P 500 had regained most of its August losses to end the quarter with a total return of 1.70%, a mere 1.24% below its all-time high.

## Global Equities

- Global equities rallied in September on back of global central banks' easing policies, ending a tumultuous third quarter of 2019 on a positive note. The Morgan Stanley Capital International All-Country World Index (MSCI ACWI) returned 2.14% during the month and 0.09% for the quarter. U.S. equities delivered a similar performance in September with the S&P 500 and the Dow Jones Industrial Average (DJIA) up 1.87% and 2.05%, respectively. The NASDAQ Composite and Russell 2000 returned 0.54% and 2.08% in September, respectively, but underperformed during the quarter, returning 0.18% and -2.41%. This is in comparison to the quarterly returns of the S&P 500 and the DJIA, which were 1.70% and 1.83%, respectively.
- In Europe, equities outperformed the broader market as the Eurostoxx 50 was up 4.29% during the month and 3.12% for the quarter. Core European equities had excellent September performance values, with the DAX and CAC returning 4.09% and 3.74%, respectively. But the DAX only returned 0.24% for the quarter, whereas the CAC returned 2.73%. In the periphery, equities performed similarly with the FTSEMIB returning 4.02% and the IBEX up 4.91% in September. FTSEMIB had a stronger quarterly performance, up 4.79%, while the IBEX was up 1%. U.K. equities underperformed its European peers with the FTSE 100 up 2.92% in September and 0.93% for the quarter due to the heightened uncertainty surrounding Brexit.
- Asian equities saw mixed performances. Japanese equities, as measured by the Nikkei, were up 5.74% for September and 2.98% for the quarter. Chinese equities, as measured by the Shanghai Composite, returned 0.77% in September and -1.36% during the quarter. Korean equities, as measured by the KOSPI, returned 4.84% in September but underperformed during the third quarter, down -3.17%. Hong Kong equities had a rough third quarter amid increasingly violent political protests and were up 1.87% in September but down -7.49% for the quarter.
- EM equities performed in line during September but underperformed significantly for the quarter, as investor sentiments soured due to the trade escalations and rising regional geopolitical risks. The MSCI EM Index returned 1.90% in September and -4.16% during the quarter. Brazil's Ibovespa was up 3.57% in September and 3.74% during the quarter, while Russian equities, as measured by MSCI Russia Index, were up 3.27% for the month and down -0.91% for the quarter.

# Standardized Performance Summary

As of September 30, 2019

Total Return Bond Fund								
				Annualized			Since Inception	Gross
Month-End Returns		Last	Year-to-					Expense Ratio
September 30, 2019	Sep	3-Months	Date	1-Year	3-Year	5-Year	(4-6-10 to 9-30-19)	
I-share (DBLTX)	-0.35%	1.58%	6.02%	7.87%	3.20%	3.48%	6.02%	0.48%
N-share (DLTNX)	-0.28%	1.61%	5.93%	7.71%	2.98%	3.25%	5.77%	0.73%
Bloomberg Barclays U.S. Agg Index	-0.53%	2.27%	8.52%	10.30%	2.92%	3.38%	3.80%	
Quarter-End Returns								
September 30, 2019		3Q2019	Year-to-					
I-share (DBLTX)		1.58%	6.02%	7.87%	3.20%	3.48%	6.02%	
N-share (DLTNX)		1.61%	5.93%	7.71%	2.98%	3.25%	5.77%	
Bloomberg Barclays U.S. Agg Index		2.27%	8.52%	10.30%	2.92%	3.38%	3.80%	
Emerging Markets Fixed Income Fund								
				Annualized			Since Inception	Gross
Month-End Returns		Last	Year-to-					Expense Ratio
September 30, 2019	Sep	3-Months	Date	1-Year	3-Year	5-Year	(4-6-10 to 9-30-19)	
I-share (DBLEX)	0.85%	-0.43%	8.97%	7.56%	4.47%	4.13%	5.67%	0.89%
N-share (DLENX)	0.73%	-0.50%	8.76%	7.28%	4.20%	3.85%	5.41%	1.14%
JP Morgan EMBI GD Index	-0.46%	1.50%	12.99%	11.57%	4.61%	5.74%	6.59%	
Quarter-End Returns								
September 30, 2019		3Q2019	Year-to-					
I-share (DBLEX)		-0.43%	8.97%	7.56%	4.47%	4.13%	5.67%	
N-share (DLENX)		-0.50%	8.76%	7.28%	4.20%	3.85%	5.41%	
JP Morgan EMBI GD Index		1.50%	12.99%	11.57%	4.61%	5.74%	6.59%	
Core Fixed Income Fund								
				Annualized			Since Inception	Gross
Month-End Returns		Last	Year-to-					Expense Ratio
September 30, 2019	Sep	3-Months	Date	1-Year	3-Year	5-Year	(6-1-10 to 9-30-19)	
I-share (DBLFX)	-0.34%	1.48%	7.64%	8.29%	3.22%	3.63%	5.27%	0.48%
N-share (DLFNX)	-0.36%	1.42%	7.45%	8.03%	2.97%	3.36%	5.01%	0.73%
Bloomberg Barclays U.S. Agg Index	-0.53%	2.27%	8.52%	10.30%	2.92%	3.38%	3.59%	
Quarter-End Returns								
September 30, 2019		3Q2019	Year-to-					
I-share (DBLFX)		1.48%	7.64%	8.29%	3.22%	3.63%	5.27%	
N-share (DLFNX)		1.42%	7.45%	8.03%	2.97%	3.36%	5.01%	
Bloomberg Barclays U.S. Agg Index		2.27%	8.52%	10.30%	2.92%	3.38%	3.59%	

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 carefully before investing.

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

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

# Standardized Performance Summary

As of September 30, 2019

Multi-Asset Growth Fund								
Month-End Returns September 30, 2019	Sep	Last 3-Months	Year-to- Date	Annualized			Since Inception (12-20-10 to 9-30-19)	Gross Expense Ratio
				1-Year	3-Year	5-Year		
I-share (DMLIX)	0.97%	0.10%	11.14%	0.31%	5.69%	5.05%	4.03%	1.35%
A-share (DMLAX No Load) <sup>1</sup>	0.91%	0.04%	10.99%	0.06%	5.38%	4.76%	3.75%	1.60%
A-share (DMLAX With Load) <sup>1</sup>	-3.38%	-4.21%	6.27%	-4.19%	3.87%	3.86%	3.24%	
S&P 500 <sup>®</sup>	1.87%	1.70%	20.55%	4.25%	13.39%	10.84%	12.75%	
Blended Benchmark Hedged <sup>2</sup>	1.08%	1.05%	13.39%	5.38%	7.43%	5.82%	6.55%	
Blended Benchmark Unhedged <sup>2</sup>	0.86%	0.31%	12.36%	4.19%	6.56%	4.94%	5.75%	
Quarter-End Returns September 30, 2019								
	3Q2019		Year-to- Date	Annualized			Since Inception (12-20-10 to 9-30-19)	
I-share (DMLIX)	0.10%		11.14%	0.31%	5.69%	5.05%	4.03%	
A-share (DMLAX No Load) <sup>1</sup>	0.04%		10.99%	0.06%	5.38%	4.76%	3.75%	
A-share (DMLAX With Load) <sup>1</sup>	-4.21%		6.27%	-4.19%	3.87%	3.86%	3.24%	
S&P 500 <sup>®</sup>	1.70%		20.55%	4.25%	13.39%	10.84%	12.75%	
Blended Benchmark Hedged <sup>2</sup>	1.05%		13.39%	5.38%	7.43%	5.82%	6.55%	
Blended Benchmark Unhedged <sup>2</sup>	0.31%		12.36%	4.19%	6.56%	4.94%	5.75%	
Low Duration Bond Fund								
Month-End Returns September 30, 2019	Sep	Last 3-Months	Year-to- Date	Annualized			Since Inception (9-30-11 to 9-30-19)	Gross Expense Ratio
				1-Year	3-Year	5-Year		
I-share (DBLSX)	0.15%	0.69%	4.03%	4.22%	2.70%	2.39%	2.47%	0.43%
N-share (DLSNX)	0.13%	0.63%	3.84%	3.97%	2.45%	2.14%	2.22%	0.68%
ICE BAML 1-3 Year U.S. Treasury Index	-0.11%	0.58%	3.03%	4.36%	1.52%	1.32%	1.00%	
Bloomberg Barclays U.S. Agg 1-3 Yr Index	-0.05%	0.71%	3.45%	4.67%	1.84%	1.61%	1.37%	
Quarter-End Returns September 30, 2019								
	3Q2019		Year-to- Date	Annualized			Since Inception (9-30-11 to 9-30-19)	
I-share (DBLSX)	0.69%		4.03%	4.22%	2.70%	2.39%	2.47%	
N-share (DLSNX)	0.63%		3.84%	3.97%	2.45%	2.14%	2.22%	
ICE BAML 1-3 Year U.S. Treasury Index	0.58%		3.03%	4.36%	1.52%	1.32%	1.00%	
Bloomberg Barclays U.S. Agg 1-3 Yr Index	0.71%		3.45%	-4.67%	-1.84%	1.61%	1.37%	
Floating Rate Fund								
Month-End Returns September 30, 2019	Sep	Last 3-Months	Year-to- Date	Annualized			Since Inception (2-1-13 to 9-30-19)	Gross Expense Ratio
				1-Year	3-Year	5-Year		
I-share (DBFRX) <sup>3</sup>	0.29%	0.50%	5.17%	1.95%	3.43%	3.26%	3.08%	0.65%
N-share (DLFRX) <sup>3</sup>	0.27%	0.33%	4.85%	1.58%	3.13%	2.98%	2.84%	0.89%
S&P/LSTA Lev Loan Index	0.47%	0.99%	6.79%	3.10%	4.53%	3.98%	3.94%	
Quarter-End Returns September 30, 2019								
	3Q2019		Year-to- Date	Annualized			Since Inception (2-1-13 to 9-30-19)	
I-share (DBFRX) <sup>3</sup>	0.50%		5.17%	1.95%	3.43%	3.26%	3.08%	
N-share (DLFRX) <sup>3</sup>	0.33%		4.85%	1.58%	3.13%	2.98%	2.84%	
S&P/LSTA Lev Loan Index	0.99%		6.79%	3.10%	4.53%	3.98%	3.94%	

Performance data quoted represents past performance. Past performance does not guarantee future results

<sup>1</sup> Performance data shown for the Multi-Asset Growth Fund reflect the Class A maximum sales charge of 4.25%. The Multi-Asset Growth Fund imposes a Deferred Sales Charge of 0.75% on purchases of \$1 million or more of Class A shares if redeemed within 18 months of purchase. Performance data shown for the Class A No Load does not reflect the deduction of the sales load or fee. If reflected, the load or fee would reduce the performance quoted. Performance data does not reflect the deferred sales charge. If it had, returns would have been reduced.

<sup>2</sup> The Blended Benchmark for the Multi-Asset Growth Fund consists of 60% MSCI World Index/40% Bloomberg Barclays Global Aggregate Index (USD Hedged or Unhedged).

<sup>3</sup> The Floating Rate Fund imposes a 1.00% Redemption Fee on all share classes if shares are sold within 90 days of purchase. Performance data does not reflect the redemption fee. If it had, returns would be reduced.

# Standardized Performance Summary

As of September 30, 2019

Shiller Enhanced CAPE®											
Month-End Returns September 30, 2019	Sep	Last 3-Months	Year-to- Date	Annualized			Since Inception (10-31-13 to 9-30-19)	Gross Expense Ratio			
				1-Year	3-Year	5-Year					
I-share (DSEEX)	1.01%	1.18%	23.44%	4.39%	14.25%	13.97%	14.49%	0.57%			
N-share (DSENX)	0.92%	1.12%	23.16%	4.13%	13.96%	13.67%	14.20%	0.82%			
S&P 500 <sup>②</sup>	1.87%	1.70%	20.55%	4.25%	13.39%	10.84%	11.61%				
CAPE® U.S. Sector TR Index <sup>2</sup>	1.20%	1.31%	21.64%	3.71%	14.22%	13.48%	13.65%				
Flexible Income Fund											
Month-End Returns September 30, 2019	Sep	Last 3-Months	Year-to- Date	Annualized			Since Inception (4-7-14 to 9-30-19)	Gross Expense Ratio			
				1-Year	3-Year	5-Year					
I-share (DFLEX)	0.16%	0.37%	5.88%	4.57%	3.80%	3.48%	3.54%	0.76%			
N-share (DLINX)	0.14%	0.31%	5.69%	4.31%	3.52%	3.21%	3.28%	1.01%			
ICE BAML 1-3 Year Eurodollar Index	0.06%	0.94%	4.32%	5.33%	2.43%	2.11%	2.00%				
LIBOR USD 3 Month	0.18%	0.56%	1.90%	2.55%	1.88%	1.30%	1.22%				
Quarter-End Returns September 30, 2019	3Q2019	Year-to- Date	1-Year	3-Year	5-Year	Annualized					
						Since Inception (4-7-14 to 9-30-19)					
I-share (DFLEX)	0.37%	5.88%	4.57%	3.80%	3.48%	3.54%					
N-share (DLINX)	0.31%	5.69%	4.31%	3.52%	3.21%	3.28%					
ICE BAML 1-3 Year Eurodollar Index	0.94%	4.32%	5.33%	2.43%	2.11%	2.00%					
LIBOR USD 3 Month	0.56%	1.90%	2.55%	1.88%	1.30%	1.22%					
Low Duration Emerging Markets Fixed Income Fund											
Month-End Returns September 30, 2019	Sep	Last 3-Months	Year-to- Date	Annualized			Since Inception (4-7-14 to 9-30-19)	Gross Expense Ratio	Net Expense Ratio <sup>1</sup>		
				1-Year	3-Year	5-Year					
I-share (DBLLX)	0.24%	0.52%	6.46%	6.62%	3.21%	2.93%	3.20%	0.65%	0.59%		
N-share (DELNX)	0.32%	0.45%	6.35%	6.45%	2.97%	2.71%	2.97%	0.93%	0.84%		
JP Morgan CEMBI BD 1-3 Years	0.62%	0.43%	5.30%	6.24%	3.58%	3.80%	3.63%				
Quarter-End Returns September 30, 2019	3Q2019	Year-to- Date	1-Year	3-Year	5-Year	Annualized					
						Since Inception (4-7-14 to 9-30-19)					
I-share (DBLLX)	0.52%	6.46%	6.62%	3.21%	2.93%	3.20%					
N-share (DELNX)	0.45%	6.35%	6.45%	2.97%	2.71%	2.97%					
JP Morgan CEMBI BD 1-3 Years	0.43%	5.30%	6.24%	3.58%	3.80%	3.63%					

<sup>1</sup> The Adviser has contractually agreed to waive fees and reimburse expenses through July 31, 2020. Net expense ratios are applicable to investors.

<sup>2</sup> Reflects no deduction for fees, expenses, or taxes.

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).

# Standardized Performance Summary

As of September 30, 2019

Long Duration Total Return Bond Fund									
				Annualized				Gross	Net
Month-End Returns		Last	Year-to-	Since Inception				Expense	Expense
September 30, 2019	Sep	3-Months	Date	1-Year	3-Year	5-Year	(12-15-14 to 9-30-19)	Ratio	Ratio <sup>1</sup>
I-share (DBLDX)	-2.56%	6.49%	16.12%	21.20%	3.40%	-	5.08%	0.70%	0.65%
N-share (DLLDX)	-2.58%	6.42%	15.92%	20.92%	3.14%	-	4.81%	0.95%	0.90%
Bloomberg Barclays Long Govt/Credit Index	-1.91%	6.58%	20.93%	21.88%	5.56%	-	6.00%		
Strategic Commodity Fund									
				Annualized				Gross	
Month-End Returns		Last	Year-to-	Since Inception				Expense	
September 30, 2019	Sep	3-Months	Date	1-Year	3-Year	5-Year	(5-18-15 to 9-30-19)	Ratio	
I-share (DBCMX)	-0.22%	-0.22%	2.92%	-9.65%	2.01%	-	-0.46%	1.11%	
N-share (DLCMX)	-0.22%	-0.33%	2.72%	-9.88%	1.76%	-	-0.74%	1.36%	
Bloomberg Commodity Index	1.17%	-1.84%	3.13%	-6.57%	-1.50%	-	-5.58%		
Global Bond Fund									
				Annualized				Gross	
Month-End Returns		Last	Year-to-	Since Inception				Expense	
September 30, 2019	Sep	3-Months	Date	1-Year	3-Year	5-Year	(12-17-15 to 9-30-19)	Ratio	
I-share (DBLGX)	-0.99%	-1.74%	2.25%	3.37%	-0.07%	-	1.83%	0.55%	
N-share (DLGBX)	-1.00%	-1.75%	2.13%	3.14%	-0.30%	-	1.60%	0.80%	
FTSE WGBI	-1.30%	0.85%	6.27%	8.13%	1.19%	-	3.89%		
Quarter-End Returns									
September 30, 2019		3Q2019	Year-to-Date	1-Year	3-Year	5-Year	Since Inception (12-15-14 to 9-30-19)		
I-share (DBLDX)		6.49%	16.12%	21.20%	3.40%	-	5.08%		
N-share (DLLDX)		6.42%	15.92%	20.92%	3.14%	-	4.81%		
Bloomberg Barclays Long Govt/Credit Index		6.58%	20.93%	21.88%	5.56%	-	6.00%		
I-share (DBCMX)		-0.22%	2.92%	-9.65%	2.01%	-	-0.46%		
N-share (DLCMX)		-0.33%	2.72%	-9.88%	1.76%	-	-0.74%		
Bloomberg Commodity Index		-1.84%	3.13%	-6.57%	-1.50%	-	-5.58%		
I-share (DBLGX)		-1.74%	2.25%	3.37%	-0.07%	-	1.83%		
N-share (DLGBX)		-1.75%	2.13%	3.14%	-0.30%	-	1.60%		
FTSE WGBI		0.85%	6.27%	8.13%	1.19%	-	3.89%		

<sup>1</sup> The Adviser has contractually agreed to waive fees and reimburse expenses through July 31, 2020. Net expense ratios are applicable to investors.

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).

# Standardized Performance Summary

As of September 30, 2019

Infrastructure Income Fund									
				Annualized				Gross Expense Ratio	
Month-End Returns September 30, 2019	Sep	Last 3-Months	Year-to-Date	1-Year	3-Year	5-Year	Since Inception (4-1-16 to 9-30-19)		
I-share (BILDX)	-0.32%	1.98%	7.89%	8.96%	3.86%	-	4.33%	0.59%	
N-share (BILTX)	-0.33%	1.82%	7.69%	8.77%	3.60%	-	4.07%	0.84%	
Bloomberg Barclays U.S. Agg Index	-0.53%	2.27%	8.52%	10.30%	2.92%	-	3.29%		
				Annualized					
Quarter-End Returns September 30, 2019	3Q2019		Year-to-Date	1-Year	3-Year	5-Year	Since Inception (4-1-16 to 9-30-19)		
I-share (BILDX)	1.98%		7.89%	8.96%	3.86%	-	4.33%		
N-share (BILTX)	1.82%		7.69%	8.77%	3.60%	-	4.07%		
Bloomberg Barclays U.S. Agg Index	2.27%		8.52%	10.30%	2.92%	-	3.29%		
Ultra Short Bond Fund									
				Annualized				Gross Expense Ratio	
Month-End Returns September 30, 2019	Sep	Last 3-Months	Year-to-Date	1-Year	3-Year	5-Year	Since Inception (6-30-16 to 9-30-19)		
I-share (DBULX)	0.18%	0.65%	2.35%	2.60%	1.79%	-	1.65%	0.22%	
N-share (DLUSX)	0.16%	0.58%	2.16%	2.36%	1.53%	-	1.41%	0.47%	
ICE BAML 3-Month Treasury-Bill Index	0.17%	0.56%	1.81%	2.39%	1.54%	-	1.45%		
				Annualized					
Quarter-End Returns September 30, 2019	3Q2019		Year-to-Date	1-Year	3-Year	5-Year	Since Inception (6-30-16 to 9-30-19)		
I-share (DBULX)	0.65%		2.35%	2.60%	1.79%	-	1.65%		
N-share (DLUSX)	0.58%		2.16%	2.36%	1.53%	-	1.41%		
ICE BAML 3-Month Treasury-Bill Index	0.56%		1.81%	2.39%	1.54%	-	1.45%		
Shiller Enhanced International CAPE®									
				Annualized				Gross Expense Ratio	Net Expense Ratio <sup>1</sup>
Month-End Returns September 30, 2019	Sep	Last 3-Months	Year-to-Date	1-Year	3-Year	5-Year	Since Inception (12-23-16 to 9-30-19)		
I-share (DSEUX)	1.00%	-0.80%	15.25%	5.35%	-	-	7.93%	0.98%	0.67%
N-share (DLEUX)	0.98%	-0.87%	15.04%	5.08%	-	-	7.67%	1.22%	0.92%
MSCI Europe Net Return USD Index <sup>2</sup>	2.72%	-1.80%	13.72%	-0.75%	-	-	7.76%		
				Annualized					
Quarter-End Returns September 30, 2019	3Q2019		Year-to-Date	1-Year	3-Year	5-Year	Since Inception (12-23-16 to 9-30-19)		
I-share (DSEUX)	-0.80%		15.25%	5.35%	-	-	7.93%		
N-share (DLEUX)	-0.87%		15.04%	5.08%	-	-	7.67%		
MSCI Europe Net Return USD Index <sup>2</sup>	-1.80%		13.72%	-0.75%	-	-	7.76%		
Colony Real Estate & Income Fund									
								Gross Expense Ratio	Net Expense Ratio <sup>3</sup>
Month-End Returns September 30, 2019	Sep	Last 3-Months	Year-to-Date	1-Year	3-Year	5-Year	Since Inception (12-17-18 to 9-30-19)		
I-share (DBRIX)	1.00%	7.90%	28.87%	-	-	-	24.79%	0.75%	0.66%
N-share (DLREX)	1.06%	7.83%	28.66%	-	-	-	24.58%	1.00%	0.91%
Dow Jones U.S. Select REIT Index TR	2.71%	6.83%	24.64%	-	-	-	20.97%		
Quarter-End Returns September 30, 2019	3Q2019		Year-to-Date	1-Year	3-Year	5-Year	Since Inception (12-17-18 to 9-30-19)		
I-share (DBRIX)	7.90%		28.87%	-	-	-	24.79%		
N-share (DLREX)	7.83%		28.66%	-	-	-	24.58%		
Dow Jones U.S. Select REIT Index TR	6.83%		24.64%	-	-	-	20.97%		

<sup>1</sup> The Adviser has contractually agreed to waive fees and reimburse expenses through July 31, 2020. Net expense ratios are applicable to investors.

<sup>2</sup> Reflects no deduction for fees, expenses or taxes.

<sup>3</sup> The Adviser has contractually agreed to waive fees and expenses through December 11, 2020.

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).

## Index Definitions

**Bloomberg Barclays Global Aggregate Index** provides a broad-based measure of the global investment-grade fixed income markets. The three major components of this index are the U.S. Aggregate, the Pan-European Aggregate, and the Asian-Pacific Aggregate Indices. The index also includes Eurodollar and Euro-Yen corporate bonds, Canadian government, agency and corporate securities, and USD investment grade 144A securities.

**Bloomberg Barclays Long U.S. 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.

**Bloomberg Barclays U.S. Aggregate Bond Index** represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the US investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis.

**Bloomberg Barclays U.S. Aggregate 1-3Yr Index** is the 1-3Yr component of the U.S. Aggregate Index.

**Bloomberg Commodity Index (BCOM)** is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification. Roll period typically occurs from 6th-10th business day based on the roll schedule.

**Dow Jones U.S. Select REIT Index** – The index tracks the performance of publicly traded REITS and REIT-like securities and is designed to serve as a proxy for direct real estate investment, in part by excluding companies whose performance may be driven by factors other than the value of real estate.

**FTSE World Government Bond Index (WGBI)** - Measures the performance of fixed-rate, local currency, investment grade sovereign bonds. The WGBI is a widely used benchmark that currently comprises sovereign debt from over 20 countries, denominated in a variety of currencies, and has more than 25 years of history available. The WGBI provides a broad benchmark for the global sovereign fixed income market. Sub-indices are available in any combination of currency, maturity, or rating.

**ICE BAML 1-3 Year Eurodollar Index** is a subset of the BAML Eurodollar Index including all securities with a remaining term to final maturity less than 3 years. The BAML Eurodollar Index tracks the performance of US dollar-denominated investment grade quasigovernment, corporate, securitized and collateralized debt publicly issued in the eurobond markets.

**ICE BAML 1-3 Year Treasury Index** - The BofA/Merrill Lynch 1-3 Year Treasury Index is an unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one years and less than three years.

**ICE BAML 3-Month Treasury Bill Index** - The index is an unmanaged market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income.

**JP Morgan CEMBI Broad Diversified 1-3 Year** is a market capitalization weighted index consisting of 1-3 year maturity US-denominated Emerging Market corporate bonds. It is a liquid global corporate benchmark representing Asia, Latin America, Europe and the Middle East/Africa.

**JP Morgan Emerging Markets Bond Global Diversified (EMBI GD) Index** is a uniquely-weighted version of the EMBI Global. It limits the weights of those index countries with larger debt stocks by only including specified portions of these countries' eligible current face amounts of debt outstanding.

**London Interbank Offering Rate (LIBOR)** is an indicative average interest rate at which a selection of banks known as the panel banks are prepared to lend one another unsecured funds on the London money market.

**MSCI Europe Net Return USD Index** is part of the Modern Index Strategy and represents the performance of large and mid-cap equities across 15 developed countries in Europe. The Index has a number of sub-Indexes which cover various sub-regions market segments/sizes, sectors and covers approximately 85% of the free float-adjusted market capitalization in each country.

**MSCI World Index** is a market-capitalization-weighted index designed to provide a broad measure of stock performance throughout the world, including both developed and emerging markets.

**S&P 500<sup>®</sup>** is widely regarded as the best single gauge of large cap U.S. equities. There is over USD 5.58 trillion benchmarked to the index, with index assets comprising approximately USD 1.3 trillion of this total. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

**S&P/LSTA Leveraged Loan Index** is a weekly total return index that tracks the current outstanding balance and spread over LIBOR for fully funded term loans.

**Shiller Barclays CAPE<sup>®</sup> US Sector TR USD Index** incorporates the principles of long-term investing distilled by Dr. Robert Shiller and expressed through the CAPE<sup>®</sup> (Cyclically Adjusted Price Earnings) ratio (the "CAPE<sup>®</sup> Ratio"). It aims to identify undervalued sectors based on a modified CAPE<sup>®</sup> Ratio, and then uses a momentum factor to seek to mitigate the effects of potential value traps.

One cannot invest directly in an index.

**Mutual fund investing involves risk. Principal loss is possible.**

DoubleLine Funds are distributed by Quasar Distributors, LLC.

DoubleLine<sup>®</sup> is a registered trademark of DoubleLine Capital LP.

© 2019 DoubleLine Capital LP

### Shiller Barclays CAPE® Disclaimer

**Barclays Bank PLC** and its affiliates ("Barclays") is not the issuer or producer of DoubleLine Shiller Enhanced CAPE® (the "Fund") and Barclays has no responsibilities, obligations or duties to investors in the Fund. The Shiller Barclays CAPE® US Sector USD Index (the "Index") is a trademark owned by Barclays Bank PLC and licensed for use by the Fund. While the Fund may execute transaction(s) with Barclays in or relating to the Index, Fund investors acquire interests solely in the Fund and investors neither acquire any interest in the Index nor enter into any relationship of any kind whatsoever with Barclays upon making an investment in the Fund. The Fund is not sponsored, endorsed, sold or promoted by Barclays and Barclays makes no representation regarding the advisability of the Fund or use of the Index or any data included therein. Barclays shall not be liable in any way to the Fund, investors or to other third parties in respect of the use or accuracy of the Index or any data included therein.

**The Shiller Barclays CAPE® US Index Family** (the "Index Family") has been developed in part by RSBB-I, LLC, the research principal of which is Robert J. Shiller. RSBB-I, LLC is not an investment advisor and does not guarantee the accuracy and completeness of the Index Family or any data or methodology either included therein or upon which it is based. RSBB-I, LLC shall have no liability for any errors, omissions or interruptions therein and makes no warranties expressed or implied, as to the performance or results experienced by any party from the use of any information included therein or upon which it is based, and expressly disclaims all warranties of the merchantability or fitness for a particular purpose with respect thereto, and shall not be liable for any claims or losses of any nature in connection with the use of such information, including but not limited to, lost profits or punitive or consequential damages even, if RSBB-I, LLC is advised of the possibility of same. Shiller Barclays CAPE US Sector TR USD Index incorporates the principles of long-term investing distilled by Dr. Robert Shiller and expressed through the CAPE® (Cyclically Adjusted Price Earnings) ratio (the "CAPE® Ratio"). It aims to identify undervalued sectors based on a modified CAPE® Ratio, and then uses a momentum factor to seek to mitigate the effects of potential value traps.

### Colony Capital, Inc. Disclaimer

The Colony Capital Fundamental U.S. Real Estate Index (the "Index") has been licensed by Barclays for use by DoubleLine Alternatives LP. Colony Capital is a registered trademark of Colony Capital QIS, LLC or its affiliates and has been sub-licensed for use for certain purposes by DoubleLine Alternatives LP. DoubleLine Colony Real Estate and Income Fund (the "Fund") is not sponsored, endorsed, sold, or promoted by Colony Capital QIS, LLC or any of its affiliates. Neither Colony Capital QIS, LLC nor any of its affiliates make any representation or warranty, express or implied, to the owners of the Fund or any member of the public regarding the advisability of investing in securities generally or in the Fund particularly or the ability of the Index to track market performance. Colony Capital QIS, LLC's and its affiliates' only relationship to DoubleLine Alternatives LP with respect to the Index is through the sublicensing of certain rules incorporated in the Index and certain trademarks, service marks, and/or trade names owned by Colony Capital QIS, LLC through Barclays and/or its affiliates to DoubleLine Alternatives LP. The Index is not determined, composed, or calculated by Colony Capital QIS, LLC. Neither Colony Capital QIS, LLC nor its affiliates are responsible for and have not participated in the determination of the prices or amount of shares of the Fund or the timing of the issuance or sale of shares of the Fund or in the determination or calculation of the equation by which shares of the Fund are to be converted into cash, surrendered, or redeemed, as the case may be. Colony Capital QIS, LLC and its affiliates have no obligation or liability in connection with the administration, marketing, or trading of the Fund. There is no assurance that investment products based on the Index shall accurately track index performance or provide positive investment returns. Colony Capital QIS, LLC and its affiliates are not investment advisors with respect to investors in the Fund. Inclusion of a security within an index is not a recommendation by Colony Capital QIS, LLC or its affiliates to buy, sell, or hold such security, nor is it considered to be investment advice.

NEITHER COLONY CAPITAL QIS, LLC NOR ITS AFFILIATES GUARANTEE THE ADEQUACY, ACCURACY, TIMELINESS, AND/OR COMPLETENESS OF THE INDEX, ANY DATA RELATED THERETO, OR ANY COMMUNICATIONS, INCLUDING BUT NOT LIMITED TO, ORAL, WRITTEN, OR ELECTRONIC COMMUNICATIONS WITH RESPECT THERETO AND LICENSOR AND ITS AFFILIATES SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS, OR DELAYS THEREIN. COLONY CAPITAL QIS, LLC AND ITS AFFILIATES MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR USE, OR AS TO RESULTS TO BE OBTAINED BY DOUBLELINE ALTERNATIVES LP, INVESTORS IN THE FUND, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDEX OR WITH RESPECT TO ANY DATA RELATED THERETO. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL LICENSOR OR ITS AFFILIATES BE LIABLE, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE, FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES OR FOR LOSS OF PROFITS, TRADING LOSSES, LOST TIME, OR GOODWILL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

### Barclays Bank PLC Disclaimer

©Barclays Bank PLC, its wholly-owned subsidiary ©Barclays Capital Inc. or an affiliate (collectively "**Barclays**") owns the intellectual property and licensing rights in and to the Colony Capital Fundamental U.S. Real Estate Index (the "**Index**") and either entity may act as licensor of the Index. All rights reserved.

Neither Barclays nor the Index Sponsor, as defined below, make any representation or warranty, express or implied, to DoubleLine Colony Real Estate and Income Fund (the "**Fund**") or any member of the public regarding the advisability of investing in transactions generally or other instruments or related derivatives or in the Index particularly or the ability of the Barclays indices, including without limitation, the Index, to track the performance of any market or underlying assets or data. Neither Barclays nor the Index Sponsor has any obligation to take the needs of the Fund into consideration in determining, composing or calculating the Index.

Barclays' indices are administered, calculated and published by the Index Sponsor. The Index Sponsor role is performed by Barclays Index Administration ("**BINDA**"), a distinct function within the Investment Bank of Barclays Bank PLC. As the administrator of the Barclays family of indices, BINDA operates independently from Barclays Investment Bank's sales, trading, structuring and banking departments. Notwithstanding the foregoing, potential conflicts of interest may exist where: (i) Barclays acts in multiple capacities with respect to a particular Barclays index, including but not limited to functioning as index sponsor, index administrator, calculation agent, licensing agent, and/or publisher; (ii) sales, trading or structuring desks in Barclays Investment Bank launch products linked to the performance of a Barclays index, which are typically hedged by Barclays' trading desks. In hedging an index, a trading desk may purchase or sell constituents of that index. These purchases or sales may affect the prices of the index constituents which could in turn affect the level of that index; and (iii) Barclays may use price contributions from trading desks in Barclays Investment Bank as a pricing source for a Barclays index. Barclays has in place policies and governance procedures (including separation of reporting lines) that are designed to avoid or otherwise appropriately manage such conflicts of interest and ensure the independence of BINDA and the integrity of Barclays indices. Where permitted and subject to appropriate restrictions, BINDA personnel regularly interact with trading and structuring desk personnel in Barclays Investment Bank regarding current market conditions and prices although decisions made by BINDA are independent and not influenced by trading and structuring desk personnel. Additional information about Barclays indices together with copies of the BINDA IOSCO Compliance Statement and Control Framework are available at: <https://index.barcap.com/Home/BINDA>.

The Index Sponsor is under no obligation to continue the calculation, publication and dissemination of the Index or the level of the Index. While the Index Sponsor currently employs the methodology ascribed to the Index (and application of such methodology shall be conclusive and binding), no assurance can be given that market, regulatory, juridical, financial, fiscal or other circumstances (including, but not limited to, any changes to or any suspension or termination of or any other events affecting any constituent within the Index) will not arise that would, in the view of the Index Sponsor, necessitate an adjustment, modification or change of such methodology. In certain circumstances, the Index Sponsor may suspend or terminate the Index.

BARCLAYS AND THE INDEX SPONSOR DO NOT GUARANTEE, AND SHALL HAVE NO LIABILITY TO THE PURCHASERS OR TRADERS, AS THE CASE MAY BE, OF THE FUND OR TO THIRD PARTIES FOR, THE QUALITY, ACCURACY AND/OR COMPLETENESS OF THE BARCLAYS INDICES, OR ANY DATA INCLUDED THEREIN, OR FOR INTERRUPTIONS IN THE DELIVERY OF THE BARCLAYS INDICES. BARCLAYS AND THE INDEX SPONSOR MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND HEREBY EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE BARCLAYS INDICES, INCLUDING WITHOUT LIMITATION, THE INDEX, OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL BARCLAYS OR THE INDEX SPONSOR HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES SAVE TO THE EXTENT THAT SUCH EXCLUSION OF LIABILITY IS PROHIBITED BY LAW.



# DoubleLine Colony Real Estate and Income Fund

September 2019 | Retail and Institutional Class | No Load Mutual Fund

## Fund Information

Class I (Institutional) Ticker: DBRIX	Class N (Retail) Ticker: DLREX	Portfolio Managers:	Benchmark:
Minimum: \$100,000 Minimum IRA: \$5,000 Inception 12-17-2018 Gross Expense Ratio: 0.75% Net Expense Ratio: 0.66% <sup>1</sup>	Minimum: \$2,000 Minimum IRA: \$500 Inception 12-17-2018 Gross Expense Ratio: 1.00% Net Expense Ratio: 0.91% <sup>1</sup>	<b>Jeffrey Gundlach</b> CEO & CIO <b>Jeffrey Sherman, CFA</b> Deputy CIO	Dow Jones U.S. Select REIT Total Return Index

## Attribution

In the third quarter of 2019, the DoubleLine Colony Real Estate and Income Fund outperformed the Dow Jones U.S. Select REIT Total Return Index return of 6.83%. Exposure to the Real Estate Investment Trust (REIT) sector of the U.S. equity market was obtained through exposure to the Colony Capital Fundamental U.S. Real Estate Index. The fixed income collateral portfolio increased in value during the quarter, with all sectors delivering positive returns. The three fixed income sectors with the highest returns within the portfolio were Bank Loans, CMBS, and CLOs. Non-Agency MBS, EM, and Agency MBS, while delivering positive total returns, were the lowest returning sectors for the period.

## Fund Performance

Month-End Returns September 30, 2019			Cumulative
	Sep	YTD	Since Inception
I-share	1.00%	28.87%	24.79%
N-share	1.06%	28.66%	24.58%
Benchmark <sup>2</sup>	2.71%	24.64%	20.97%

Quarter-End Returns September 30, 2019			Cumulative
	3Q19	YTD	Since Inception
I-share	7.90%	28.87%	24.79%
N-share	7.83%	28.66%	24.58%
Benchmark <sup>2</sup>	6.83%	24.64%	20.97%

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). Short term performance, in particular, is not a good indication of the fund's future performance, and an investment should not be made based solely on returns.

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.

1 The Adviser has contractually agreed to waive fees and reimburse expenses through December 11, 2020.

2 Reflects no deduction for fees, expenses or taxes.

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.

DoubleLine Funds are distributed by Quasar Distributors, LLC. DoubleLine® is a registered trademark of DoubleLine Capital LP.

© 2019 DoubleLine Capital LP

## Statistics as of September 30, 2019

### Portfolio Characteristics

Ending Market Value	\$141,395,952
Duration	1.12
Weighted Avg Life	2.67
Average Price	\$100.80

### Duration Breakdown

(Percent of Portfolio)	
Cash	5.51%
Less than 1	54.33%
1 to 3 years	22.54%
3 to 5 years	17.14%
5 to 7 years	0.48%
7+ years	0.00%
<b>Total:</b>	<b>100.0%</b>

### Current Quality Credit Distribution

(Percent of Portfolio)	
Cash	5.51%
Government	19.05%
Agency	7.97%
Investment Grade	47.44%
Below Investment Grade	8.95%
Unrated Securities	11.08%
<b>Total:</b>	<b>100.0%</b>

### Weighted Average Life Breakdown

(Percent of Portfolio)	
Cash	5.51%
0 to 3 years	51.05%
3 to 5 years	31.84%
5 to 7 years	9.62%
7+ years	1.98%
<b>Total:</b>	<b>100.0%</b>

SEC 30-Day Yield	I-Share	N-Share
Gross	2.10%	1.85%
Net*	2.10%	1.85%

### Fixed Income Sector Allocation

(Percent of Portfolio)	
Cash	5.51%
U.S. Government	19.05%
Municipals	0.00%
Agency RMBS	7.97%
Non-Agency RMBS	12.43%
Asset-Backed Securities	7.30%
Commercial MBS	14.14%
Collateralized Loan Obligations	13.76%
Bank Loans	4.29%
Investment Grade Corporate	7.72%
High Yield Corporate	0.00%
International Emerging	7.83%
<b>Total:</b>	<b>100.0%</b>

## REIT Index Statistics as of September 30, 2019

	Colony Capital Fundamental U.S. Real Estate Index	Dow Jones U.S. Select REIT Index		Colony Capital Fundamental U.S. Real Estate Index	Dow Jones U.S. Select REIT Index
Number of Constituents	63	94	Diversified REITs	3.11%	2.50%
Weighted Ave Market Cap (Billions)	\$31.2	\$21.6	Healthcare REITs	10.43%	12.50%
Median Market Cap (Billions)	\$6.6	\$4.2	Hotel & Resorts REITs	0.55%	6.56%
Top 10 Weight	52.9%	45.2%	Industrial REITs	3.75%	12.01%
Active Share	43.6%	N/A	Office REITs	11.04%	12.81%
			Residential REITs	20.21%	25.20%
			Retail REITs	8.05%	15.36%
			Specialized REITs	42.86%	13.06%
				100.0%	100.0%

Sector Allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security. Portfolio holdings generally are made available fifteen days after month-end by calling (877) DLine11. 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.**

Investments in debt securities typically decrease in value 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 Asset-Backed and Mortgage-Backed Securities 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 may use certain types of investment derivatives. Derivatives involve risks different from, and in certain cases, greater than the risks presented by more traditional investments. Derivatives may involve certain costs and risk such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. Investing in derivatives could lose more than the amount invested. The Fund may also invest in securities related to real estate, which may decline in value as a result of factors affecting the real estate industry. Investments in foreign securities include the risk that the Fund's investments will be affected by political, regulatory, and economic risks not present in domestic investments.

## Index Disclosure

**Dow Jones U.S. Select REIT Index** - The Index tracks the performance of publicly traded REITs and REIT-like securities and is designed to serve as a proxy for direct real estate investment, in part by excluding companies whose performance may be driven by factors other than the value of real estate.

**Colony Capital Fundamental U.S. Real Estate Index** – The Index is a rules-based index that incorporates the fundamental criteria described below originally developed by Colony Capital, Inc. The Index is rebalanced and reconstituted quarterly by applying a systematic methodology to the universe of real estate investment trusts.

It is not possible to invest directly in an index.

## Definition of Terms

**Active Share** - A measure of the percentage of stock holdings in a manager's portfolio that differs from the benchmark index.

**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 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.

**Credit Distribution** is 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.

**Fixed Income Sector Allocation** - The figures shown for the fixed income sector allocation represent the relative net assets invested in the displayed categories of fixed income and cash only.

**Investment Grade** - Refers to a bond considered investment grade if its credit rating is BBB– of 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 Cap** - The market price of an entire company, calculated by multiplying the number of shares outstanding by the price per share. **RMBS** – Residential Mortgage-Backed Securities.

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



# DoubleLine Colony Real Estate and Income Fund

September 2019 | Retail and Institutional Class | No Load Mutual Fund

## Colony Capital, Inc. Disclaimer

The Colony Capital Fundamental U.S. Real Estate Index (the "Index") has been licensed by Barclays for use by DoubleLine Alternatives LP. Colony Capital is a registered trademark of Colony Capital QIS, LLC or its affiliates and has been sub-licensed for use for certain purposes by DoubleLine Alternatives LP. DoubleLine Colony Real Estate and Income Fund (the "Fund") is not sponsored, endorsed, sold, or promoted by Colony Capital QIS, LLC or any of its affiliates. Neither Colony Capital QIS, LLC nor any of its affiliates make any representation or warranty, express or implied, to the owners of the Fund or any member of the public regarding the advisability of investing in securities generally or in the Fund particularly or the ability of the Index to track market performance. Colony Capital QIS, LLC's and its affiliates' only relationship to DoubleLine Alternatives LP with respect to the Index is through the sublicensing of certain rules incorporated in the Index and certain trademarks, service marks, and/or trade names owned by Colony Capital QIS, LLC through Barclays and/or its affiliates to DoubleLine Alternatives LP. The Index is not determined, composed, or calculated by Colony Capital QIS, LLC. Neither Colony Capital QIS, LLC nor its affiliates are responsible for and have not participated in the determination of the prices or amount of shares of the Fund or the timing of the issuance or sale of shares of the Fund or in the determination or calculation of the equation by which shares of the Fund are to be converted into cash, surrendered, or redeemed, as the case may be. Colony Capital QIS, LLC and its affiliates have no obligation or liability in connection with the administration, marketing, or trading of the Fund. There is no assurance that investment products based on the Index shall accurately track index performance or provide positive investment returns. Colony Capital QIS, LLC and its affiliates are not investment advisors with respect to investors in the Fund. Inclusion of a security within an index is not a recommendation by Colony Capital QIS, LLC or its affiliates to buy, sell, or hold such security, nor is it considered to be investment advice.

NEITHER COLONY CAPITAL QIS, LLC NOR ITS AFFILIATES GUARANTEE THE ADEQUACY, ACCURACY, TIMELINESS, AND/OR COMPLETENESS OF THE INDEX, ANY DATA RELATED THERETO, OR ANY COMMUNICATIONS, INCLUDING BUT NOT LIMITED TO, ORAL, WRITTEN, OR ELECTRONIC COMMUNICATIONS WITH RESPECT THERETO AND LICENSOR AND ITS AFFILIATES SHALL NOT BE SUBJECT TO ANY DAMAGES OR LIABILITY FOR ANY ERRORS, OMISSIONS, OR DELAYS THEREIN. COLONY CAPITAL QIS, LLC AND ITS AFFILIATES MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, OR USE, OR AS TO RESULTS TO BE OBTAINED BY DOUBLELINE ALTERNATIVES LP, INVESTORS IN THE FUND, OR ANY OTHER PERSON OR ENTITY FROM THE USE OF THE INDEX OR WITH RESPECT TO ANY DATA RELATED THERETO. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT WHATSOEVER SHALL LICENSOR OR ITS AFFILIATES BE LIABLE, WHETHER IN CONTRACT, TORT, STRICT LIABILITY, OR OTHERWISE, FOR ANY INDIRECT, SPECIAL, INCIDENTAL, PUNITIVE, OR CONSEQUENTIAL DAMAGES OR FOR LOSS OF PROFITS, TRADING LOSSES, LOST TIME, OR GOODWILL, EVEN IF THEY HAVE BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

## Barclays Bank PLC Disclaimer

©Barclays Bank PLC, its wholly-owned subsidiary ©Barclays Capital Inc. or an affiliate (collectively "Barclays") owns the intellectual property and licensing rights in and to the Colony Capital Fundamental U.S. Real Estate Index (the "Index") and either entity may act as licensor of the Index. All rights reserved.

Neither Barclays nor the Index Sponsor, as defined below, make any representation or warranty, express or implied, to DoubleLine Colony Real Estate and Income Fund (the "Fund") or any member of the public regarding the advisability of investing in transactions generally or other instruments or related derivatives or in the Index particularly or the ability of the Barclays indices, including without limitation, the Index, to track the performance of any market or underlying assets or data. Neither Barclays nor the Index Sponsor has any obligation to take the needs of the Fund into consideration in determining, composing or calculating the Index.

Barclays' indices are administered, calculated and published by the Index Sponsor. The Index Sponsor role is performed by Barclays Index Administration ("BINDA"), a distinct function within the Investment Bank of Barclays Bank PLC. As the administrator of the Barclays family of indices, BINDA operates independently from Barclays Investment Bank's sales, trading, structuring and banking departments. Notwithstanding the foregoing, potential conflicts of interest may exist where: (i) Barclays acts in multiple capacities with respect to a particular Barclays index, including but not limited to functioning as index sponsor, index administrator, calculation agent, licensing agent, and/or publisher; (ii) sales, trading or structuring desks in Barclays Investment Bank launch products linked to the performance of a Barclays index, which are typically hedged by Barclays' trading desks. In hedging an index, a trading desk may purchase or sell constituents of that index. These purchases or sales may affect the prices of the index constituents which could in turn affect the level of that index; and (iii) Barclays may use price contributions from trading desks in Barclays Investment Bank as a pricing source for a Barclays index. Barclays has in place policies and governance procedures (including separation of reporting lines) that are designed to avoid or otherwise appropriately manage such conflicts of interest and ensure the independence of BINDA and the integrity of Barclays indices. Where permitted and subject to appropriate restrictions, BINDA personnel regularly interact with trading and structuring desk personnel in Barclays Investment Bank regarding current market conditions and prices although decisions made by BINDA are independent and not influenced by trading and structuring desk personnel. Additional information about Barclays indices together with copies of the BINDA IOSCO Compliance Statement and Control Framework are available at: <https://index.barcap.com/Home/BINDA>.

The Index Sponsor is under no obligation to continue the calculation, publication and dissemination of the Index or the level of the Index. While the Index Sponsor currently employs the methodology ascribed to the Index (and application of such methodology shall be conclusive and binding), no assurance can be given that market, regulatory, juridical, financial, fiscal or other circumstances (including, but not limited to, any changes to or any suspension or termination of or any other events affecting any constituent within the Index) will not arise that would, in the view of the Index Sponsor, necessitate an adjustment, modification or change of such methodology. In certain circumstances, the Index Sponsor may suspend or terminate the Index.

BARCLAYS AND THE INDEX SPONSOR DO NOT GUARANTEE, AND SHALL HAVE NO LIABILITY TO THE PURCHASERS OR TRADERS, AS THE CASE MAY BE, OF THE FUND OR TO THIRD PARTIES FOR, THE QUALITY, ACCURACY AND/OR COMPLETENESS OF THE BARCLAYS INDICES, OR ANY DATA INCLUDED THEREIN, OR FOR INTERRUPTIONS IN THE DELIVERY OF THE BARCLAYS INDICES. BARCLAYS AND THE INDEX SPONSOR MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND HEREBY EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE WITH RESPECT TO THE BARCLAYS INDICES, INCLUDING WITHOUT LIMITATION, THE INDEX, OR ANY DATA INCLUDED THEREIN. WITHOUT LIMITING ANY OF THE FOREGOING, IN NO EVENT SHALL BARCLAYS OR THE INDEX SPONSOR HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES SAVE TO THE EXTENT THAT SUCH EXCLUSION OF LIABILITY IS PROHIBITED BY LAW.

## Fund Information

<b>Class I (Institutional)</b> <b>Ticker: DBLFX</b> Minimum: \$100,000 Minimum IRA: \$5,000 Inception 6-1-2010 Gross Expense Ratio: 0.48%	<b>Class N (Retail)</b> <b>Ticker: DLFNX</b> Minimum: \$2,000 Minimum IRA: \$500 Inception 6-1-2010 Gross Expense Ratio: 0.73%	<b>Portfolio Managers:</b> <b>Jeffrey Gundlach</b> CEO & CIO  <b>Jeffrey Sherman, CFA</b> Deputy CIO	<b>Benchmark:</b> Bloomberg Barclays U.S. Aggregate Index	<b>Overall Morningstar Rating:</b>  I-Share rating is based on risk-adjusted returns among 539 Intermediate Core-Plus Bond Funds as of 9-30-2019.
--	---	---	---	---

## Attribution

In the third quarter of 2019, the DoubleLine Core Fixed Income Fund underperformed the Bloomberg Barclays U.S. Aggregate Bond Index return of 2.27%. During this period, rates rallied across the UST curve amidst an environment of decelerating global growth that ultimately led to the Federal Reserve (Fed) cutting the Fed Funds rate by 25 bps in July and September. Top performing sectors of the portfolio such as Investment Grade (IG) Corporates and UST benefitted from having a longer duration profile than other assets as rates continued to fall. Commercial Mortgage-Backed Securities (CMBS) also outperformed the benchmark as it experienced another quarter of relatively low default rates as well as underlying property price appreciation from the rate rally. Global bonds had the worst performance due to dollar strengthening over the period while Emerging Market (EM) Debt also underperformed, driven by spread widening in lower quality credits and the underperformance of credits with exposure to Argentina. Despite posting positive returns on the quarter, the remainder of the structured products complex all underperformed the benchmark. Overall, the portfolio continues to maintain more credit risk and a shorter duration than the benchmark duration of 5.78 years.

## Fund Performance

Month-End Returns September 30, 2019	Annualized						1-Yr Std Deviation
	Sep	YTD	1-Year	3-Year	5-Year	Since Inception	
I-share	-0.34%	7.64%	8.29%	3.22%	3.63%	5.27%	2.65%
N-share	-0.25%	7.45%	8.03%	2.97%	3.36%	5.01%	2.65%
Benchmark	-0.53%	8.52%	10.30%	2.92%	3.38%	3.59%	3.73%

Quarter-End Returns September 30, 2019	Annualized					
	3Q19	YTD	1-Year	3-Year	5-Year	Since Inception
I-share	1.48%	7.64%	8.29%	3.22%	3.63%	5.27%
N-share	1.42%	7.45%	8.03%	2.97%	3.36%	5.01%
Benchmark	2.27%	8.52%	10.30%	2.92%	3.38%	3.59%

Calendar Year Returns	2018	2017	2016	2015	2014
	I-share	-0.02%	4.66%	4.10%	0.63%
N-share	-0.27%	4.41%	3.75%	0.39%	6.60%
Benchmark	0.01%	3.54%	2.65%	0.55%	5.97%

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) DLIN11, 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.

DoubleLine Funds are distributed by Quasar Distributors, LLC. DoubleLine® is a registered trademark of DoubleLine Capital LP.

©2019 DoubleLine Capital LP

ML19-000502; MSM190797

## Portfolio Managers



**Jeffrey Gundlach**  
CEO & CIO

Chief Executive Officer of DoubleLine, Mr. Gundlach is recognized as an expert in bonds and other debt-related investments. In 2011, he appeared on the cover of Barron's as "The New Bond King." In 2012, 2015 and 2016, Bloomberg Markets magazine named him one of "50 Most Influential."



**Jeffrey Sherman, CFA**  
Deputy CIO

Mr. Sherman joined DoubleLine in 2009, currently serves as the Deputy Chief Investment Officer and is a member of DoubleLine's Executive Management and Fixed Income Asset Allocation Committees. Additionally he serves as a portfolio manager for multi-sector strategies.

### About DoubleLine

Founded in 2009, DoubleLine's portfolio managers have worked together for an average of 16 years and have over 22 years average industry experience.

## Statistics as of September 30, 2019

### Portfolio Characteristics

# of Issues	1,648
Ending Market Value	\$12,615,387,136
Market Price	\$103.82
Duration	4.72
Weighted Avg Life	6.80

### Sector Breakdown

(Percent of Portfolio)

Cash	1.61%
U.S. Government	22.26%
Municipals	0.09%
Mortgage-Backed Securities	24.08%
Emerging Markets	10.08%
Investment Grade Corporate	12.57%
Commercial MBS	8.83%
Bank Loans	2.52%
High Yield Corporate	3.87%
Infrastructure	3.69%
International Sovereign	5.31%
Asset-Backed Securities	2.32%
Collateralized Loan Obligations	2.78%
<b>Total:</b>	<b>100.00%</b>

### Duration Breakdown

(Percent of Portfolio)

Cash	1.61%
Less than 0	3.06%
0 to 3 years	34.01%
3 to 5 years	26.66%
5 to 10 years	24.67%
10+ years	9.99%
<b>Total:</b>	<b>100.00%</b>

### Weighted Average Life Breakdown

(Percent of Portfolio)

Cash	1.61%
0 to 3 years	22.13%
3 to 5 years	22.40%
5 to 10 years	42.75%
10+ years	11.12%
<b>Total:</b>	<b>100.00%</b>

### Current Quality Credit Distribution

(Percent of Portfolio)

Cash	1.61%
Government	22.57%
Agency	16.53%
Investment Grade	39.39%
Below Investment Grade	13.78%
Unrated Securities	6.11%
<b>Total:</b>	<b>100.00%</b>

SEC 30-Day Yield	I-Share	N-Share
Gross	2.79%	2.79%
Net*	2.85%	2.85%

\*If a Fund invested in an affiliate Fund sponsored by the Adviser during the period covered by this report the Adviser agreed to not charge a management fee to the Fund in an amount equal to the investment advisory fees paid by the affiliated Fund in respect of the Fund's investment in the affiliated fund to avoid duplicate charge of the investment advisory fees to the investors.

Sector Allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security. Portfolio holdings generally are made available fifteen days after month-end by calling (877) DLine11. 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.

Investments in debt securities typically decrease in value 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, MBS, and floating rate securities 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. Investments in floating rate securities include additional risks that investors should be aware of such as credit risk, interest rate 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. The Fund may use leverage which may cause the effect of an increase or decrease in the value of the portfolio securities to be magnified and the Fund to be more volatile than if leverage was not used. 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.

## Index Disclosure

**Bloomberg Barclays U.S. Aggregate Index** represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the US investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis. It is not possible to invest in an index.

## Morningstar Disclosure

©2019 Morningstar Inc. All Right Reserved. The information contained herein is proprietary to Morningstar; may not be copied or distributed and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating™ for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. As of 09/30/2019, the DoubleLine Core Fixed Income Fund I-Share received 3 stars for the 3-year period and 4 stars for the 5-year period out of 539 and 448 Intermediate Core-Plus Bond Funds in the category, respectively. Ratings may differ per share class.

## 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.

**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.

# DoubleLine Emerging Markets Fixed Income Fund

September 2019 | Retail and Institutional Class | No Load Mutual Fund

## Fund Information

<b>Class I (Institutional)</b> <b>Ticker: DBLEX</b> Minimum: \$100,000 Minimum IRA: \$5,000 Inception 4-6-2010 Gross Expense Ratio: 0.89%	<b>Class N (Retail)</b> <b>Ticker: DLENX</b> Minimum: \$2,000 Minimum IRA: \$500 Inception 4-6-2010 Gross Expense Ratio: 1.14%	<b>Portfolio Managers:</b> <b>Luz Padilla</b> Director, International Fixed Income <b>Mark Christensen</b> <b>Su Fei Koo</b>	<b>Benchmark:</b> JPM EMBI Global Diversified Index	<b>Overall Morningstar Rating:</b>  I-Share rating based on risk-adjusted returns among 252 Emerging Markets Bond Funds as of 9-30-2019.
--	---	--	--	---

## Attribution

In the third quarter of 2019, the DoubleLine Emerging Markets Fixed Income Fund underperformed the J.P. Morgan Emerging Markets Bond Index (EMBI) Global Diversified return of 1.50%. The benchmark return during the quarter was driven by lower UST yields over the period, accrued interest, and slightly tighter credit spreads. An overweight allocation in Latin American credits, especially Argentina, and the under-allocation to the strongest performing region this quarter, Europe, negatively impacted relative performance. The Fund maintained a shorter duration than the benchmark duration of 7.40, which also detracted from the Fund's relative performance as further easing measures from central banks caused global rates to rally.

## Fund Performance

Month-End Returns September 30, 2019	Annualized						1-Yr Std Deviation
	Sep	YTD	1-Year	3-Year	5-Year	Since Inception	
I-share	0.85%	8.97%	7.56%	4.47%	4.13%	5.67%	4.96%
N-share	0.73%	8.76%	7.28%	4.20%	3.85%	5.41%	4.90%
Benchmark	-0.46%	12.99%	11.57%	4.61%	5.74%	6.59%	5.98%

Quarter-End Returns September 30, 2019	Annualized					
	3Q19	YTD	1-Year	3-Year	5-Year	Since Inception
I-share	-0.43%	8.97%	7.56%	4.47%	4.13%	5.67%
N-share	-0.50%	8.76%	7.28%	4.20%	3.85%	5.41%
Benchmark	1.50%	12.99%	11.57%	4.61%	5.74%	6.59%

Calendar Year Returns	2018	2017	2016	2015	2014
	I-share	-3.20%	8.48%	14.98%	-4.71%
N-share	-3.54%	8.31%	14.70%	-5.04%	6.33%
Benchmark	-4.26%	10.26%	10.15%	1.18%	7.43%

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.

DoubleLine Funds are distributed by Quasar Distributors, LLC. DoubleLine® is a registered trademark of DoubleLine Capital LP.

© 2019 DoubleLine Capital LP

MSM190797

## Portfolio Managers



**Luz Padilla**  
Portfolio Manager  
Director, International Fixed Income



**Mark Christensen**  
Portfolio Manager  
International Fixed Income



**Su Fei Koo**  
Portfolio Manager  
International Fixed Income

### About DoubleLine

Founded in 2009, DoubleLine's portfolio managers have worked together for an average of 16 years and have over 22 years average industry experience.

## Statistics as of September 30, 2019

Portfolio Characteristics	Country Breakdown	Industry Breakdown	Current Quality Credit Distribution
	(Percent of Portfolio)	(Percent of Portfolio)	(Percent of Portfolio)
# of Issues			
Ending Market Value			
Market Price			
Duration			
Weighted Avg Life			
<b>Total:</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
Sector Breakdown			
(Percent of Portfolio)			
Corporate			
Quasi-Sovereign			
Sovereign			
Cash & Accrued			
<b>Total:</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
Duration Breakdown			
(Percent of Portfolio)			
Less than 1			
1 to 3 years			
3 to 5 years			
5 to 7 years			
7 to 10 years			
10+ years			
<b>Total:</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
Current Currency Exposure			
(Percent of Portfolio)			
U.S. Dollar-Denominated			
<b>Total:</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
SEC 30-Day Yield	I-Share	N-Share	
Gross	4.48%	4.23%	
Net*	4.48%	4.23%	

\*If a Fund invested in an affiliate Fund sponsored by the Adviser during the period covered by this report the Adviser agreed to not charge a management fee to the Fund in an amount equal to the investment advisory fees paid by the affiliated Fund in respect of the Fund's investment in the affiliated fund to avoid duplicate charge of the investment advisory fees to the investors.

Sector allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security. Portfolio holdings generally are made available fifteen days after month-end by calling (877) DLine11. 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.

Investments in debt securities typically decrease in value 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. 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. The Fund may use leverage which may cause the effect of an increase or decrease in the value of the portfolio securities to be magnified and the Fund to be more volatile than if leverage was not used. 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.

ML19-000502

## Index Disclosure

**JP Morgan Emerging Markets Bond Global Diversified Index** is a uniquely-weighted version of the EMBI Global. It limits the weights of those index countries with larger debt stocks by only including specified portions of these countries' eligible current face amounts of debt outstanding. It is not possible to invest in an index

## Morningstar Disclosure

© 2019 Morningstar Inc. All Right Reserved. The information contained herein is proprietary to Morningstar; may not be copied or distributed and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating™ for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. As of 09/30/2019, the DoubleLine Emerging Markets Fixed Income Fund I-Share received 4 stars for the 3-year period and 3 stars for the 5-year period out of 252 and 194 Emerging Markets Bond Funds in the category, respectively. Ratings may differ per share class.

## Definition of Terms

**Bond Ratings** - Grades given to bonds that indicate their credit quality as determined by a private independent rating service such as Standard and Poor's. The firm evaluates a bond issuer's financial strength, or its ability to pay a bond's principal and interest in a timely fashion. Ratings are expressed as letters ranging from 'AAA', which is the highest grade, to 'D', which is the lowest grade. In limited situations when the rating agency has not issued a formal rating, the rating agency will classify the security as not-rated.

**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.

**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.

**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.

**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.

## Fund Information

<b>Class I (Institutional)</b> <b>Ticker: DFLEX</b> Minimum: \$100,000 Min IRA: \$5,000 Inception 4-7-2014 Gross Expense Ratio: 0.76%	<b>Class R6 (Retail)</b> <b>Ticker: DFFLX</b> Minimum: Min IRA: Inception 4-7-2014 Gross Expense Ratio: 1.01%	<b>Portfolio Managers:</b> <b>Jeffrey Gundlach</b> CEO & CIO <b>Jeffrey Sherman, CFA</b> Deputy CIO	<b>Benchmarks:</b> ICE BAML 1-3 Year Eurodollar Index LIBOR USD 3 Month	<b>Overall Morningstar Rating:</b>  I Share rating based on risk-adjusted returns among 279 Nontraditional Bond Funds as of 9-30-2019.
--	--	---	---	---

## Attribution

In the third quarter of 2019, the DoubleLine Flexible Income Fund underperformed the ICE Bank of America/Merrill Lynch 1-3 Year Eurodollar Index return of 0.94%. During the period, UST rates rallied, with 2-year yields falling by 13 bps and 5-year yields falling by 22 bps, while volatility increased relative to prior quarters. CMBS was the top performing sector, benefitting from a high coupon as the sector experienced another quarter of relatively low default rates, underlying property price appreciation, and firm investor demand amidst the rate rally. ABS also contributed strong returns during the quarter. Global bonds were the Fund's worst performing sector and a detractor to return due to dollar strengthening over the period. EM debt also posted negative returns for the period, driven by spread widening in lower quality credits and the underperformance of credits with exposure to Argentina. With investors becoming more concerned over economic growth, the Fed lowered interest rates twice during the quarter in an attempt to pre-empt further growth deceleration – at least partly related to the protracted U.S. and China trade war.

## Fund Performance

Month-End Returns September 30, 2019	Annualized						1-Yr Std Deviation
	Sep	YTD	1-Year	3-Year	5-Year	Since Inception	
I-share	0.16%	5.88%	4.57%	3.80%	3.48%	3.54%	2.26%
N-share	0.14%	5.69%	4.31%	3.52%	3.21%	3.28%	2.29%
ICE BAML 1-3 Yr. Eurodollar Index	0.06%	4.32%	5.33%	2.43%	2.11%	2.00%	1.01%
LIBOR USD 3 Month Index	0.18%	1.90%	5.33%	2.43%	2.11%	2.00%	0.06%

Quarter-End Returns September 30, 2019	Annualized					
	3Q19	YTD	1-Year	3-Year	5-Year	Since Inception
I-share	0.37%	5.88%	4.57%	3.80%	3.48%	3.54%
N-share	0.31%	5.69%	4.31%	3.52%	3.21%	3.28%
ICE BAML 1-3 Yr. Eurodollar Index	0.94%	4.32%	5.33%	2.43%	2.11%	2.00%
LIBOR USD 3 Month Index	0.56%	1.90%	2.55%	1.88%	1.30%	1.22%

Calendar Year	2018	2017	2016	2015
I-share	0.10%	5.27%	5.48%	0.50%
N-share	-0.15%	5.02%	5.23%	0.16%
ICE BAML 1-3 Yr. Eurodollar Index	1.73%	1.59%	0.89%	0.98%
LIBOR USD 3 Month Index	2.29%	1.24%	0.73%	0.30%

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) DLIN11, 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.

DoubleLine Funds are distributed by Quasar Distributors, LLC.

DoubleLine® is a registered trademark of DoubleLine Capital LP. © 2019 DoubleLine Capital LP

## Portfolio Managers



### Jeffrey Gundlach

Chief Executive Officer

Chief Executive Officer of DoubleLine, Mr. Gundlach is recognized as an expert in bonds and other debt-related investments. In 2011, he appeared on the cover of Barron's as "The New Bond King." In 2012, 2015 and 2016, Bloomberg Markets magazine named him one of "50 Most Influential."



### Jeffrey Sherman

Jeffrey Sherman, CFA

Mr. Sherman joined DoubleLine in 2009, currently serves as the Deputy Chief Investment Officer and is a member of DoubleLine's Executive Management and Fixed Income Asset Allocation Committees. Additionally he serves as a portfolio manager for multi-sector strategies.

## About DoubleLine

Founded in 2009, DoubleLine's portfolio managers have worked together for an average of 16 years and have over 22 years average industry experience.

## Statistics as of September 30, 2019

### Portfolio Characteristics

# of Issues	1,109
Ending Market Value	\$1,436,365,057
Market Price	\$99.77
Duration	1.92
Weighted Avg Life	5.13

### Sector Breakdown

(Percent of Portfolio)

Cash	5.31%
U.S. Government	7.39%
Municipals	0.00%
Agency MBS	0.71%
Non-Agency MBS	21.29%
Asset-Backed Securities	4.40%
Commercial MBS	11.49%
Collateralized Loan Obligations	15.28%
Bank Loans	4.91%
Investment Grade Corporate	0.00%
High Yield Corporate	7.92%
Emerging Markets	16.06%
International Sovereign	5.23%
<b>Total:</b>	<b>100.00%</b>

### Duration Breakdown

(Percent of Portfolio)

Cash	5.31%
Less than 0	17.20%
0 to 3 years	39.62%
3 to 5 years	24.25%
5 to 10 years	11.89%
10+ years	1.74%
<b>Total:</b>	<b>100.00%</b>

### Weighted Average Life Breakdown

(Percent of Portfolio)

Cash	5.31%
0 to 3 years	22.94%
3 to 5 years	28.98%
5 to 10 years	38.55%
10+ years	4.23%
<b>Total:</b>	<b>100.00%</b>

### Current Quality Credit Distribution

(Percent of Portfolio)

Cash	5.31%
Government	7.39%
Agency	0.86%
Investment Grade	34.30%
Below Investment Grade	32.75%
Unrated Securities	19.40%
<b>Total:</b>	<b>100.00%</b>

SEC 30-Day Yield	I-share	N-share
Gross	4.32%	4.07%
Net*	4.35%	4.10%

\*If a Fund invested in an affiliate Fund sponsored by the Adviser during the period covered by this report the Adviser agreed to not charge a management fee to the Fund in an amount equal to the investment advisory fees paid by the affiliated Fund in respect of the Fund's investment in the affiliated fund to avoid duplicate charge of the investment advisory fees to the investors.

Sector Allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security. Portfolio holdings generally are made available fifteen days after month-end by calling (877) DLine11. 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.

Mutual fund investing involves risk; Principal loss is possible. Investments in debt securities typically decrease in value 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. The Fund may use leverage which may cause the effect of an increase or decrease in the value of the portfolio securities to be magnified and the Fund to be more volatile than if leverage was not used. 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

**ICE BAML 1-3 Year Eurodollar Index** - A subset of the ICE BAML Eurodollar Index including all securities with a remaining term to final maturity less than 3 years. The ICE BAML Eurodollar Index tracks the performance of US dollar-denominated investment grade quasigovernment, corporate, securitized and collateralized debt publicly issued in the eurobond markets. One cannot invest directly in an index.

**London Interbank Offering Rate (LIBOR)** - An indicative average interest rate at which a selection of banks known as the panel banks are prepared to lend one another unsecured funds on the London money market.

## Morningstar Disclosure

©2019 Morningstar Inc. All Right Reserved. The information contained herein is proprietary to Morningstar; may not be copied or distributed and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating™ for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. As of 09/30/2019, the DoubleLine Flexible Income Fund I-Share received 4 stars for the 3- and 5-year periods out of 279 and 213 Nontraditional Bond Funds in the category, respectively. Ratings may differ per share class.

## 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.

**Beta** - Beta is the measure of a mutual funds' volatility in relation to the market. By definitions, the market has a beta of 1.0, and individual mutual funds are ranked according to how much they deviate from the market.

**Credit Distribution** is 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.

**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.

## Fund Information

<b>Class I (Institutional)</b> <b>Ticker: DBFRX</b> Minimum: \$100,000 Min IRA: \$5,000 Gross Expense Ratio: 0.65%	<b>Class N (Retail)</b> <b>Ticker: DLFRX</b> Minimum: \$2,000 Min IRA: \$500 Gross Expense Ratio: 0.89%	<b>Fund Inception Date:</b> 2-1-2013	<b>Portfolio Manager:</b> <b>Robert Cohen, CFA</b> Director, Global Developed Credit <b>Philip Kenney, CFA</b> Director, Corporate Research	<b>Benchmark:</b> S&P/LSTA Leveraged Loan Index
--	---	---	---	---

## Attribution

In the third quarter of 2019, the DoubleLine Floating Rate Fund underperformed the S&P/LSTA Leveraged Loan Index return of 0.99%. The Fund generally maintained an overweight position in single-B credits and an underweight position in BB-rated and CCC-rated credits. BB-rated loans outperformed the Index during the quarter, while single-B-rated loans matched the Index return and CCC-rated loans underperformed. The Fund's underexposure to BB-rated loans was a drag on performance, while its overweight position in single-B loans did not materially impact performance, although credit-specific issues had a negative impact. The underweight position in CCC-rated loans helped performance. The Fund benefited from overweight exposures to Healthcare and Lodging & Casinos. An underweight exposure to Industrial Equipment detracted from performance, while underweights in Oil & Gas and Retailers contributed to performance. The Fund's exposure to HY bonds and CLO liabilities outperformed the Index in the quarter, while the small cash balance was a drag on performance.

## Fund Performance

Month-End Returns September 30, 2019	Annualized						1-Yr Std Deviation
	Sep	YTD	1-Year	3-Year	5-Year	Since Inception	
I-share	0.29%	5.17%	1.95%	3.43%	3.26%	3.08%	4.08%
N-share	0.27%	4.85%	1.58%	3.13%	2.98%	2.84%	4.09%
Benchmark	0.47%	6.79%	3.10%	4.53%	3.98%	3.94%	4.59%

Quarter-End Returns September 30, 2019	Annualized					
	3Q19	YTD	1-Year	3-Year	5-Year	Since Inception
I-share	0.50%	5.17%	1.95%	3.43%	3.26%	3.08%
N-share	0.33%	4.85%	1.58%	3.13%	2.98%	2.84%
Benchmark	0.99%	6.79%	3.10%	4.53%	3.98%	3.94%

Calendar Year Returns	2018	2017	2016	2015	2014
I-share	0.05%	3.71%	5.28%	1.60%	1.56%
N-share	-0.19%	3.45%	5.01%	1.35%	1.40%
Benchmark	0.44%	4.12%	10.16%	-0.69%	1.60%

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.

DoubleLine Funds are distributed by Quasar Distributors, LLC. DoubleLine® is a registered trademark of DoubleLine Capital LP.

© 2019 DoubleLine Capital LP

MSM190797

## Portfolio Managers



**Robert Cohen, CFA** Director  
Global Developed Credit



**Philip Kenney, CFA**  
Director  
Corporate Research

### About DoubleLine

Founded in 2009, DoubleLine's portfolio managers have worked together for an average of 16 years and have over 22 years average industry experience.

## Statistics as of September 30, 2019

### Portfolio Characteristics

# of Issues	230
Ending Market Value	\$287,488,832
Market Price	\$98.02
Duration	0.28
Weighted Avg Life	4.71

### Top 10 Sectors

Healthcare	16.93%
Electronics/Electrical	13.07%
Business Equipment & Services	8.84%
Insurance	4.90%
Lodging & Casinos	4.31%
All Telecom	4.12%
Leisure Goods/Activities/Movies	4.01%
Food Service	3.88%
Cable & Satellite Television	3.64%
Utilities	3.37%
<b>Total:</b>	<b>67.07%</b>

### Top 10 Issuers

Avantor Inc.	1.27%
Refinitiv (fka Thompson Reuters)	1.18%
Altice USA	1.13%
HCA	1.10%
Bausch Health	1.08%
Centene Corp.	1.06%
Charter Communications	1.06%
Level 3 Communications	1.05%
Restaurant Brands International	1.05%
GW Honos Security Corp.	0.92%
<b>Total:</b>	<b>10.88%</b>

### Asset Mix

Floating Rate Loans	87.46%
Cash & Equivalents	3.79%
IG Corporates	0.00%
U.S. Corporate High Yield Bonds	8.75%
CLO	0.00%
<b>Total:</b>	<b>100.00%</b>

### Current Quality Credit Distribution

(Percent of Portfolio)	
Cash	3.79%
AAA	0.00%
AA	0.00%
A	0.00%
BBB	6.30%
BB	40.41%
B	48.28%
CCC and Below	1.22%
Not Rated	0.00%
<b>Total:</b>	<b>100.00%</b>

<b>SEC 30-Day Yield</b>	<b>I-Share</b>	<b>N-Share</b>
Gross	4.75%	4.49%
Net	4.75%	4.49%

Sector Allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security. Portfolio holdings generally are made available fifteen days after month-end by calling (877) DLine11. The source for the information in this report is DoubleLine Capital, which maintains its data on a trade date basis.

Diversification does not assure a profit or protect against loss in a declining market.

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

Investments in debt securities typically decrease in value 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, MBS, and floating rate securities 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. Investments in floating rate securities include additional risks that investors should be aware of such as credit risk, interest rate 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. The Fund may use leverage which may cause the effect of an increase or decrease in the value of the portfolio securities to be magnified and the Fund to be more volatile than if leverage was not used. 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

## Index Disclosure

**S&P/LSTA Leveraged Loan Index** is comprised of non-investment grade and non-rated loans and strips our defaulted issue at the price directly following the default. It is not possible to invest in an index.

## Definition of Terms

**Bond Ratings** - Grades given to bonds that indicate their credit quality as determined by a private independent rating service such as Standard and Poor's. The firm evaluates a bond issuer's financial strength, or its ability to pay a bond's principal and interest in a timely fashion. Ratings are expressed as letters ranging from 'AAA', which is the highest grade, to 'D', which is the lowest grade. In limited situations when the rating agency has not issued a formal rating, the rating agency will classify the security as not-rated.

**CLO** – Collateralized Loan 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.

**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.

**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.

**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.

## Fund Information

<b>Class I (Institutional)</b> <b>Ticker: DBLGX</b> Minimum: \$100,000 Minimum IRA: \$5,000 Inception: 12-17-2015 Gross Expense Ratio: 0.55%	<b>Class N (Retail)</b> <b>Ticker: DLGBX</b> Minimum: \$2,000 Minimum IRA: \$500 Inception: 12-17-2015 Gross Expense Ratio: 0.80%	<b>Portfolio Managers:</b> <b>Jeffrey Gundlach</b> CEO & CIO <b>Bill Campbell</b> Portfolio Manager <b>Valerie Ho, CFA</b> Portfolio Manager	<b>Benchmark:</b> FTSE World Government Bond Index (WGBI)
---	--	--	--

## Attribution

In the third quarter of 2019, the DoubleLine Global Bond Fund posted a negative return, underperforming its benchmark the Financial Times Stock Exchange (FTSE) World Government Bond Index (WGBI). Negative performance over the period was driven by foreign exchange market (FX) depreciation against the U.S. Dollar (USD), as indicated by the U.S. Dollar Index (DXY), which rose over the period. The Fund's duration shortened throughout the quarter, remaining shorter than the Index duration of 8.43, a movement which negatively impacted the Fund. Higher allocation relative to the Index in Polish, South African, and Hungarian credits also detracted from performance.

## Fund Performance

		Annualized				
Month-End Returns September 30, 2019	Sep	YTD	1-Year	3-Year	Since Inception	1-Yr Std Deviation
I-share	-0.99%	2.25%	3.37%	-0.07%	1.83%	4.53%
N-share	-1.00%	2.13%	3.14%	-0.30%	1.60%	4.49%
Benchmark	-1.30%	6.27%	8.13%	1.19%	3.89%	5.11%

		Annualized				
Quarter-End Returns September 30, 2019	3Q19	YTD	1-Year	3-Year	Since Inception	
I-share	-1.74%	2.25%	3.37%	-0.07%	1.83%	
N-share	-1.75%	2.13%	3.14%	-0.30%	1.60%	
Benchmark	0.85%	6.27%	8.13%	1.19%	3.89%	

Calendar Year Returns	2018	2017	2016
I-share	-2.10%	8.20%	-0.61%
N-share	-2.28%	7.90%	-0.87%
Benchmark	-0.84%	7.49%	1.60%

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.

DoubleLine Funds are distributed by Quasar Distributors, LLC. DoubleLine® is a registered trademark of DoubleLine Capital LP. © 2019 DoubleLine Capital LP

## Portfolio Managers



**William Campbell**  
Portfolio Manager



**Valerie Ho**  
Portfolio Manager

## About DoubleLine

Founded in 2009, DoubleLine's portfolio managers have worked together for an average of 16 years and have over 22 years average industry experience.

## Statistics as of September 30, 2019

### Portfolio Characteristics

# of Issues	78
Ending Market Value	\$1,164,651,094
Market Price	\$106.48
Duration	5.38
Weighted Avg Life	5.82

### Sector Breakdown

(Percent of Portfolio)	
Sovereign	96.85%
Quasi-Sovereign	0.00%
Corporate	0.00%
Currency	0.00%
Cash	3.15%
<b>Total:</b>	<b>100.00%</b>

### Duration Breakdown

(Percent of Portfolio)	
Less than 1	5.57%
1 to 3 years	23.02%
3 to 5 years	19.20%
5 to 7 years	22.11%
7 to 10 years	16.59%
10+ years	10.36%
Cash	3.15%
<b>Total:</b>	<b>100.00%</b>

### Top 8 Currency Exposure

(Percent of Portfolio)	
United States Dollar	22.54%
Euro	20.78%
Japanese Yen	20.08%
Mexican Peso	5.25%
South African Rand	5.14%
Australian Dollar	4.08%
New Zealand Dollar	4.05%
Hungarian Forint	3.93%
<b>Total:</b>	<b>85.85%</b>

### Top 8 Country Exposure

(Percent of Portfolio)	
United States	20.25%
Japan	20.00%
Mexico	5.14%
Portugal	5.03%
South Africa	5.02%
Spain	4.93%
Australia	4.04%
New Zealand	3.97%
<b>Total:</b>	<b>68.62%</b>

### Current Quality Credit Distribution

(Percent of Portfolio)	
AAA	32.78%
AA	11.23%
A	38.95%
BBB	13.91%
BB	0.00%
B and Below	0.00%
Not Rated	0.00%
Cash	3.15%
<b>Total:</b>	<b>100.00%</b>

### Region Breakdown

(Percent of Sector)	
Americas	30.01%
Developed Europe	20.55%
CEEMEA	18.28%
Asia	28.01%
Cash	3.15%
<b>Total:</b>	<b>100.00%</b>

SEC 30-Day Yield	I-Share	N-Share
Gross	0.84%	0.59%
Net	0.84%	0.59%

Sector Allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security. Portfolio holdings generally are made available fifteen days after month-end by calling (877) DLine11. 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.

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. Investments in floating rate securities include additional risks that investors should be aware of such as credit risk, interest rate 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. The Fund may use leverage which may cause the effect of an increase or decrease in the value of the portfolio securities to be magnified and the Fund to be more volatile than if leverage was not used. 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.

## Index Disclosure

**FTSE World Government Bond Index (WGBI)** - Measures the performance of fixed-rate, local currency, investment grade sovereign bonds. The WGBI is a widely used benchmark that currently comprises sovereign debt from over 20 countries, denominated in a variety of currencies, and has more than 25 years of history available. The WGBI provides a broad benchmark for the global sovereign fixed income market. Sub-indices are available in any combination of currency, maturity, or rating. It is not possible to invest in an index.

## Definition of Terms

**Bond Ratings** - Grades given to bonds that indicate their credit quality as determined by a private independent rating service such as Standard and Poor's. The firm evaluates a bond issuer's financial strength, or its ability to pay a bond's principal and interest in a timely fashion. Ratings are expressed as letters ranging from 'AAA', which is the highest grade, to 'D', which is the lowest grade. In limited situations when the rating agency has not issued a formal rating, the rating agency will classify the security as not-rated.

**CEEMEA** – Central & Eastern Europe, Middle East, and Africa

**Credit distribution** is 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.

**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.

**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.

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

**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.

## Fund Information

<b>Class I (Institutional)</b> <b>Ticker: BILDX</b> Minimum: \$100,000 Min IRA: \$5,000 Inception: 4-1-2016 Gross Expense Ratio: 0.59%	<b>Class N (Retail)</b> <b>Ticker: BILTX</b> Minimum: \$2,000 Min IRA: \$500 Inception: 4-1-2016 Gross Expense Ratio: 0.84%	<b>Portfolio Managers:</b> <b>Damien Contes, CFA</b> Global Infrastructure <b>Andrew Hsu, CFA</b> Global Infrastructure	<b>Benchmark:</b> Bloomberg Barclays U.S. Aggregate Index
---	--	---	--

## Attribution

In the third quarter of 2019, the DoubleLine Infrastructure Income Fund underperformed the Bloomberg Barclays U.S. Aggregate Bond Index return of 2.27%. The primary driver of underperformance was duration positioning as the Fund consistently maintained a shorter duration than the Index as 5-year UST yields declined by 22 bps. The Fund maintained a similar exposure to IG corporate bonds as the Index, but had a smaller exposure to longer-duration UST. Nonetheless, nearly every subsector within the Fund generated positive total returns over the period, with IG corporate bonds and EM corporate bonds producing the largest contributions to return. Specifically, these securities experienced above average price returns due to their longer durations and an increase in investor demand for perceived safe haven assets as recession fears rose. Two sectors which lagged the Index return over this period were Aircraft ABS and Shipping Container ABS, which are shorter-duration sectors that did not experience the same spread tightening or price increases as corporate bonds and UST within the Index.

## Fund Performance

Month-End Returns	Annualized					
	Sep	YTD	1-Year	3-Year	Since Inception	1-Yr Std Deviation
<b>September 30, 2019</b>						
I-share	-0.32%	7.89%	8.96%	3.86%	4.33%	2.56%
N-share	-0.33%	7.69%	8.77%	3.60%	4.07%	2.50%
Benchmark	-0.53%	8.52%	10.30%	2.92%	3.29%	3.73%
Quarter-End Returns	Annualized					
September 30, 2019	3Q19	YTD	1-Year	3-Year	Since Inception	
I-share	1.98%	7.89%	8.96%	3.86%	4.33%	
N-share	1.82%	7.69%	8.77%	3.60%	4.07%	
Benchmark	2.27%	8.52%	10.30%	2.92%	3.29%	
Calendar Year	2018	2017				
I-share	0.39%	5.77%				
N-share	0.20%	5.54%				
Benchmark	0.01%	3.54%				

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.

DoubleLine Funds are distributed by Quasar Distributors, LLC. DoubleLine® is a registered trademark of DoubleLine Capital LP.

© 2019 DoubleLine Capital LP

## Portfolio Managers



**Damien Contes, CFA**  
Portfolio Manager,  
Global Infrastructure



**Andrew Hsu, CFA**  
Portfolio Manager,  
Global Infrastructure

### About DoubleLine

Founded in 2009, DoubleLine's portfolio managers have worked together for an average of 16 years and have over 22 years average industry experience.

## Statistics as of September 30, 2019

Portfolio Characteristics	Country Breakdown	Industry Breakdown	Current Quality Credit Distribution						
	(Percent of Portfolio)	(Percent of Portfolio)	(Percent of Portfolio)						
# of Issues	105	United States	76.82%	Other Utilities	17.69%	AAA	4.12%		
Ending Market Value	\$546,540,329	Chile	5.10%	Aircraft	15.10%	AA	1.58%		
Duration	4.58	Peru	4.95%	Industrials	14.02%	A	55.41%		
Weighted Avg Life	6.05	Australia	3.33%	Container	13.28%	BBB	38.22%		
		Korea	1.58%	Corporates	9.83%	Not Rated	0.68%		
		Mexico	1.57%	Renewables	8.11%	<b>Total:</b>	<b>100.00%</b>		
		Canada	1.25%	Quasi-Sovereign	3.72%	<b>Current Currency Exposure</b>			
		Israel	1.21%	Telecom	3.49%	(Percent of Portfolio)			
		Panama	0.73%	Transportation	2.84%	U.S. Dollar-Denominated	100.00%		
		India	0.68%	Other	2.77%	<b>Total:</b>	<b>100.00%</b>		
		United Arab Emirates	0.41%	Power	2.31%	<b>SEC 30-Day Yield</b>			
		Other	0.00%	Finance	1.73%	<b>Gross</b>	2.97%	<b>I-Share</b>	2.72%
		Cash	2.38%	Rail	1.73%	<b>Net</b>	2.97%	<b>N-Share</b>	2.72%
<b>Total:</b>	<b>100.00%</b>	<b>Total:</b>	<b>100.00%</b>	<b>Total:</b>	<b>100.00%</b>				
				Treasury	1.00%				
				Cash	2.38%				
				<b>Total:</b>	<b>100.00%</b>				

Sector Breakdown	Duration Breakdown
(Percent of Portfolio)	(Percent of Portfolio)
Structured Products	Less than 1
44.48%	4.61%
Corporate Bonds	1 to 3 years
35.09%	28.40%
Project Bonds	3 to 5 years
15.45%	29.90%
Other	5 to 7 years
1.61%	25.91%
U.S. Treasury	7 to 10 years
1.00%	4.95%
Cash	10+ years
2.38%	6.22%
<b>Total:</b>	<b>Total:</b>
<b>100.00%</b>	<b>100.00%</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 generally are made available fifteen days after month-end by calling (877) DLine11. 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.

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 great 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. The Fund may use leverage which may cause the effect of an increase or decrease in the value of the portfolio securities to be magnified and the Fund to be more volatile than if leverage was not used. 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 is non-diversified meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility than a diversified fund. The value of the Fund's infrastructure investments may be entirely dependent upon the successful development, construction, maintenance, renovation, enhancement or operation of infrastructure-related projects. Accordingly, the Fund has significant exposure to adverse economic, regulatory, political, legal, demographic, environmental, and other developments affecting the success of the infrastructure investments in which it directly or indirectly invests.

## Index Disclosure

Bloomberg Barclays U.S. Aggregate Index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the US investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis. It is not possible to invest in an index.

## Definition of Terms

**Bond Ratings** - Grades given to bonds that indicate their credit quality as determined by a private independent rating service such as Standard and Poor's. The firm evaluates a bond issuer's financial strength, or its ability to pay a bond's principal and interest in a timely fashion. Ratings are expressed as letters ranging from 'AAA', which is the highest grade, to 'D', which is the lowest grade. In limited situations when the rating agency has not issued a formal rating, the rating agency will classify the security as not-rated.

**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.

**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.

**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.

# DoubleLine Long Duration Total Return Bond Fund

September 2019 | 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: 0.70% Net Expense Ratio <sup>1</sup> : 0.65%	<b>Class N (Retail)</b> <b>Ticker: DLLDX</b> Minimum: \$2,000 Minimum IRA: \$500 Inception 12-15-2014 Gross Expense Ratio: 0.95% Net Expense Ratio <sup>1</sup> : 0.90%	<b>Portfolio Managers:</b> <b>Jeffrey Gundlach</b> CEO & CIO <b>Vitaliy Liberman, CFA</b> Portfolio Manager	<b>Benchmark:</b> Bloomberg Barclays Long U.S. Govt/Credit Index
--	---	---	---

## Attribution

In the third quarter of 2019, the DoubleLine Long Duration Total Return Bond Fund outperformed the Bloomberg Barclays U.S. Long Government/Credit Index return of 6.58%. Over the period, the 10-year and 30-year UST yields were down 34 bps and 42 bps, respectively, while interest rate volatility increased relative to prior quarters. The primary driver of outperformance was the Fund's exposure to longer duration UST relative to the Index during a quarter of falling rates. The Fund's mortgage returns were positive but lagged similar duration UST, as Agency MBS spreads remained relatively unchanged, while refinancing activity and prepayment expectations increased, causing the duration of the Bloomberg Barclays U.S. MBS Index to shorten to 2.73 years. The Fund does not own any IG corporate bonds, which detracted from performance as the sector represents a large portion of the benchmark and benefitted from a longer duration relative to the Fund's mortgage exposure during the period.

## Fund Performance

		Annualized				
Month-End Returns		YTD	1-Year	3-Year	Since Inception	1-Yr Std Deviation
<b>September 30, 2019</b>	<b>Sep</b>					
I-share	-2.56%	16.12%	21.20%	3.40%	5.08%	12.95%
N-share	-2.58%	15.92%	20.92%	3.14%	4.81%	12.89%
Benchmark	-1.91%	20.93%	21.88%	5.56%	6.00%	10.89%
		Annualized				
Quarter-End Returns		YTD	1-Year	3-Year	Since Inception	
<b>September 30, 2019</b>	<b>3Q19</b>					
I-share	6.49%	16.12%	21.20%	3.40%	5.08%	
N-share	6.42%	15.92%	20.92%	3.14%	4.81%	
Benchmark	6.58%	20.93%	21.88%	5.56%	6.00%	
Calendar Year Returns	2018	2017	2016	2015		
I-share	-0.79%	6.74%	1.71%	1.13%		
N-share	-1.04%	6.38%	1.45%	0.89%		
Benchmark	-4.68%	10.71%	6.67%	-3.30%		

<sup>1</sup> The Adviser has contractually agreed to waive fees and reimburse expenses through July 31, 2020.

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.

DoubleLine Funds are distributed by Quasar Distributors, LLC. DoubleLine® is a registered trademark of DoubleLine Capital LP. © 2019 DoubleLine Capital LP

## 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 16 years and have over 22 years average industry experience.

## Statistics as of September 30, 2019

### Portfolio Characteristics

# of Issues	43
Ending Market Value	\$94,464,225
Market Price	\$103.73
Duration	15.46
Weighted Avg Life	16.21

### Sector Breakdown

(Percent of Portfolio)	
Treasury	26.53%
Agency Debentures	4.29%
Agency CMO	65.20%
Agency CMBS	2.57%
Cash	1.41%
<b>Total:</b>	<b>100.00%</b>

### Duration Breakdown

(Percent of Portfolio)	
Less than 10 years	61.40%
10 to 15 years	8.52%
15 to 20 years	3.85%
20 to 25 years	22.80%
25+ years	2.01%
Cash	1.41%
<b>Total:</b>	<b>100.00%</b>

### Weighted Average Life Breakdown

(Percent of Portfolio)	
Less Than 10 years	15.87%
10 to 15 years	49.00%
15 to 20 years	6.90%
20 to 25 years	2.00%
25+ years	24.82%
Cash	1.41%
<b>Total:</b>	<b>100.00%</b>

### Current Quality Credit Distribution

(Percent of Portfolio)	
Government	33.75%
Agency	64.84%
Investment Grade	0.00%
Below Investment Grade	0.00%
Unrated Securities	0.00%
Cash	1.41%
<b>Total:</b>	<b>100.00%</b>

### Asset Mix

(Percent of Sector)	
Fixed Rate	98.59%
Floating Rate	0.00%
Cash	1.41%
<b>Total:</b>	<b>100.00%</b>

SEC 30-Day Yield	I-Share	N-Share
Gross	1.93%	1.68%
Net	1.95%	1.71%

Sector Allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security. Portfolio holdings generally are made available fifteen days after month-end by calling (877) DLine11. 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.

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.



# DoubleLine Long Duration Total Return Bond Fund

September 2019 | Retail and Institutional Class | No Load Mutual Fund

## Index Disclosure

Bloomberg Barclays Long U.S. 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.

## Fund Information

<b>Class I (Institutional)</b> <b>Ticker: DBLSX</b> Minimum: \$100,000 Min IRA: \$5,000 Inception 9-30-2011 Gross Expense Ratio: 0.43%	<b>Class N (Retail)</b> <b>Ticker: DLSNX</b> Minimum: \$2,000 Min IRA: \$500 Inception 9-30-2011 Gross Expense Ratio: 0.68%	<b>Portfolio Managers:</b> <b>Jeffrey Gundlach</b> President  <b>Philip Barach</b> Director, Global Developed Credit  <b>Jeffrey Sherman, CFA</b> Director, International Fixed Income	<b>Benchmark:</b> ICE BAML 1-3 Year U.S. Treasury INDEX	<b>Overall Morningstar Rating:</b>  I-Share rating based on risk-adjusted returns among 488 Short-Term Bond Funds as of 9-30-2019.
---	--	--	---	---

## Attribution

In the third quarter of 2019, the DoubleLine Low Duration Bond Fund outperformed the ICE Bank of America/Merrill Lynch 1-3 Year U.S. Treasury Index, despite maintaining a shorter duration than the Index duration of 1.88. This was primarily attributable to the Fund's allocation to higher yielding CMBS and CLOs due to their interest income during a period of falling UST yields. All sectors within the Fund delivered positive returns despite investors becoming more concerned over decelerating economic growth. The Fed lowered interest rates twice during the quarter in an attempt to pre-empt further growth deceleration – at least partly related to the protracted U.S. and China trade war.

## Fund Performance

Month-End Returns September 30, 2019	Annualized						1-Yr Std Deviation
	Sep	YTD	1-Year	3-Year	5-Year	Since Inception	
I-share	0.15%	4.03%	4.22%	2.70%	2.39%	2.47%	0.82%
N-share	0.15%	3.84%	3.97%	2.45%	2.14%	2.22%	0.82%
Benchmark	-0.11%	3.03%	4.36%	1.52%	1.32%	1.00%	1.14%

Quarter-End Returns September 30, 2019	Annualized					
	3Q19	YTD	1-Year	3-Year	5-Year	Since Inception
I-share	0.69%	4.03%	4.22%	2.70%	2.39%	2.47%
N-share	0.63%	3.84%	3.97%	2.45%	2.14%	2.22%
Benchmark	0.58%	3.03%	4.36%	1.52%	1.32%	1.00%

Calendar Year Returns	2018	2017	2016	2015	2018
	I-share	-0.79%	6.74%	1.71%	1.13%
N-share	-1.04%	6.38%	1.45%	0.89%	-1.04%
Benchmark	-4.68%	10.71%	6.67%	-3.30%	-4.68%

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) DLIN11, 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.

DoubleLine Funds are distributed by Quasar Distributors, LLC. DoubleLine® is a registered trademark of DoubleLine Capital LP.

©2019 DoubleLine Capital LP

ML19-000502; MSM190797

## Portfolio Managers



**Jeffrey Gundlach**  
Portfolio Manager  
CEO & CIO



**Philip Barach**  
Portfolio Manager  
President



**Jeffrey Sherman, CFA**  
Portfolio Manager  
Deputy CIO



**Robert Cohen, CFA**  
Portfolio Manager  
Director, Global Developed  
Credit



**Luz Padilla**  
Portfolio Manager  
Director, International  
Fixed Income

### About DoubleLine

Founded in 2009, DoubleLine's portfolio managers have worked together for an average of 16 years and have over 22 years average industry experience.

## Statistics as of September 30, 2019

### Portfolio Characteristics

# of Issues	782
Ending Market Value	\$7,643,610,456
Market Price	\$102.80
Duration	1.00
Weighted Avg Life	2.40

### Sector Breakdown

(Percent of Portfolio)

Cash	4.22%
U.S. Government	7.94%
Agency RMBS	6.33%
Non-Agency RMBS	18.02%
Asset-Backed Securities	7.35%
Commercial MBS	16.90%
Collateralized Loan Obligations	13.99%
Bank Loans	2.43%
Investment Grade Corporate	7.83%
Emerging Markets	15.00%
<b>Total:</b>	<b>100.00%</b>

### Duration Breakdown

(Percent of Portfolio)

Cash	4.22%
Less than 0	14.87%
0 to 3 years	70.98%
3+ years	9.93%
<b>Total:</b>	<b>100.00%</b>

### Weighted Average Life Breakdown

(Percent of Portfolio)

Cash	4.22%
0 to 3 years	63.63%
3 to 5 years	20.95%
5 to 10 years	11.19%
10+ years	0.00%
<b>Total:</b>	<b>100.00%</b>

### Current Quality Credit Distribution

(Percent of Portfolio)

Cash	4.22%
Government	7.94%
Agency	6.55%
Investment Grade	62.65%
Below Investment Grade	6.24%
Unrated Securities	12.40%
<b>Total:</b>	<b>100.00%</b>

### SEC 30-Day Yield

	I-Share	N-Share
Gross	3.13%	2.88%
Net*	3.13%	2.88%

\* If a Fund invested in an affiliate Fund sponsored by the Adviser during the period covered by this report the Adviser agreed to not charge a management fee to the Fund in an amount equal to the investment advisory fees paid by the affiliated Fund in respect of the Fund's investment in the affiliated fund to avoid duplicate charge of the investment advisory fees to the investors.

Sector Allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security. Portfolio holdings generally are made available fifteen days after month-end by calling (877) DLine11. 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.**

Investments in debt securities typically decrease in value 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. 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. The Fund may use leverage which may cause the effect of an increase or decrease in the value of the portfolio securities to be magnified and the Fund to be more volatile than if leverage was not used. 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.

ML18-007015

## Index Disclosure

**The ICE BofA/Merrill Lynch 1-3 Year U.S. Treasury Index** - An unmanaged index that tracks the performance of the direct sovereign debt of the U.S. Government having a maturity of at least one years and less than three years. It is not possible to invest in an index.

**Bloomberg Barclays U.S. Aggregate Bond Index** - Represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the US investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis.

**Bloomberg Barclays U.S. Aggregate 1-3Yr Index** - The 1-3Yr component of the U.S. Aggregate Index.

## Morningstar Disclosure

©2019 Morningstar Inc. All Right Reserved. The information contained herein is proprietary to Morningstar; may not be copied or distributed and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating™ for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. As of 09/30/2019, the DoubleLine Low Duration Bond Fund I-Share received 4 stars for the 3-year period and 4 stars for the 5-year period out of 488 and 436 Short-Term Bond Funds in the category, respectively. Ratings may differ per share class.

## 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.

**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.

# DoubleLine Low Duration Emerging Markets Fixed Income Fund

September 2019 | Retail and Institutional Class | No Load Mutual Fund

## Fund Information

<b>Class I (Institutional)</b> <b>Ticker: DBLLX</b> Minimum: \$100,000 Min IRA: \$5,000 Inception: 4-7-2014 Gross Expense Ratio: 0.65% Net Expense Ratio <sup>1</sup> : 0.59%	<b>Class N (Retail)</b> <b>Ticker: DELNX</b> Minimum: \$2,000 Min IRA: \$500 Inception: 4-7-2014 Gross Expense Ratio: 0.93% Net Expense Ratio <sup>1</sup> : 0.84%	<b>Portfolio Managers:</b> <b>Luz Padilla</b> Director, International Fixed Income <b>Mark Christensen</b> <b>Su Fei Koo</b>	<b>Benchmark:</b> JP Morgan CEMBI Broad Diversified 1-3 Year Index
---	--	--	---

## Attribution

In the third quarter of 2019, the DoubleLine Low Duration Emerging Markets Fixed Income Fund outperformed its benchmark, the J.P. Morgan Corporate Emerging Markets Bond Index (CEMBI) Broad Diversified 1-3 Year, which returned 0.43%. The positive performance of the Index during the quarter was driven primarily by lower UST yields. The Fund benefitted from its higher allocation to IG credits relative to the Index, as IG credits significantly outperformed their HY counterparts over the period. The Fund's shorter duration relative to the Index duration of 1.9, and under-allocation to Europe, the best performing region, detracted from relative performance.

## Fund Performance

Month-End Returns September 30, 2019	Annualized						1-Yr Std Deviation
	Sep	YTD	1-Year	3-Year	5-Year	Since Inception	
I-share	0.24%	6.46%	6.62%	3.21%	2.93%	3.20%	2.04%
N-share	0.32%	6.35%	6.45%	2.97%	2.71%	2.97%	2.08%
Benchmark	0.62%	5.30%	6.24%	3.58%	3.80%	3.63%	1.77%

Quarter-End Returns September 30, 2019	Annualized					
	3Q19	YTD	1-Year	3-Year	5-Year	Since Inception
I-share	0.52%	6.46%	6.62%	3.21%	2.93%	3.20%
N-share	0.45%	6.35%	6.45%	2.97%	2.71%	2.97%
Benchmark	0.43%	5.30%	6.24%	3.58%	3.80%	3.63%

Calendar Year Returns	2018	2017	2016	2015
	I-share	-0.04%	4.19%	7.03%
N-share	-0.32%	3.92%	6.87%	-1.80%
Benchmark	1.76%	3.47%	6.07%	3.62%

<sup>1</sup>The Adviser has contractually agreed to waive fees and reimburse expenses through July 31, 2020.

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 it 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.

DoubleLine Funds are distributed by Quasar Distributors, LLC. DoubleLine® is a registered trademark of DoubleLine Capital LP. © 2019 DoubleLine Capital LP





# DoubleLine Low Duration Emerging Markets Fixed Income Fund

September 2019 | Retail and Institutional Class | No Load Mutual Fund

## Index Disclosure

**JP Morgan CEMBI Broad Diversified 1-3 Year** is a market capitalization weighted index consisting of 1-3 year maturity US-denominated Emerging Market corporate bonds. It is a liquid global corporate benchmark representing Asia, Latin America, Europe and the Middle East/Africa. It is not possible to invest in an index.

## Definition of Terms

**Bond Ratings** - Grades given to bonds that indicate their credit quality as determined by a private independent rating service such as Standard and Poor's. The firm evaluates a bond issuer's financial strength, or its ability to pay a bond's principal and interest in a timely fashion. Ratings are expressed as letters ranging from 'AAA', which is the highest grade, to 'D', which is the lowest grade. In limited situations when the rating agency has not issued a formal rating, the rating agency will classify the security as not-rated.

**Credit distribution** is 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.

**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.

**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.

**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.

## Fund Information

<b>Class I (Institutional)</b> <b>Ticker: DMLIX</b> Minimum: \$100,000 Minimum IRA: \$5,000 Gross Expense Ratio: 1.35% Inception Date: 12-20-2010	<b>Class A (Retail)</b> <b>Ticker: DMLAX</b> Minimum: \$2,000 Minimum IRA: \$500 Gross Expense Ratio: 1.60% Max Sales Charge: 4.25% Inception Date: 12-20-2010	<b>Blended Benchmark:</b> 60% MSCI World Index/40% Bloomberg Barclays Global Aggregate Index	<b>Portfolio Managers:</b> <b>Jeffrey Gundlach</b> CEO, CIO <b>Jeffrey Sherman, CFA</b> Deputy CIO <b>Sam Garza</b> Portfolio Manager, Asset Allocation	<b>Overall Morningstar Rating:</b>  I-Share rating based on risk-adjusted returns among 229 Tactical Allocation Funds as of 9-30-2019.
--	--	--	--	---

## Attribution

In the third quarter of 2019, the DoubleLine Multi-Asset Growth Fund underperformed the blended benchmark return of 1.08%. The fixed income sleeve contributed positively to performance, with positions in UST Futures, IG Corporates, and Non-Agency MBS contributing to performance. Foreign currencies detracted from the performance during the quarter with long positions in the British Pound and Euro. The equity sleeve detracted from relative performance during the quarter, as the long positions in U.S. CAPE and EM stocks underperformed. Real Assets contributed positively to the performance during the quarter, with gains in the systematic long/short commodity strategy.

## Fund Performance

Month-End Returns September 30, 2019	Annualized							1-Yr Std Deviation <sup>4</sup>
	Sep	Last 3-Months	Year-to-Date	1-Year	3-Year	5-Year	Since Inception (12-20-10 to 9-30-19)	
I-share (DMLIX)	0.97%	0.10%	11.14%	0.31%	5.69%	5.05%	4.03%	12.02%
A-share (DMLAX No Load)	0.91%	0.04%	10.99%	0.06%	5.38%	4.76%	3.75%	12.06%
A-share (DMLAX With Load)	-3.38%	-4.21%	6.27%	-4.19%	3.87%	3.86%	3.24%	11.55%
S&P 500 <sup>®</sup>	1.87%	1.70%	20.55%	4.25%	13.39%	10.84%	12.75%	18.75%
Blended Benchmark Hedged	1.08%	1.05%	13.39%	5.38%	7.43%	5.82%	6.55%	10.40%
Blended Benchmark Unhedged	0.86%	0.31%	12.36%	4.19%	6.56%	4.94%	5.75%	12.02%

Quarter-End Returns September 30, 2019	Annualized						
	Sep	3Q2019	Year-to-Date	1-Year	3-Year	5-Year	Since Inception (12-20-10 to 9-30-19)
I-share (DMLIX)	0.97%	0.10%	11.14%	0.31%	5.69%	5.05%	4.03%
A-share (DMLAX No Load)	0.91%	0.04%	10.99%	0.06%	5.38%	4.76%	3.75%
A-share (DMLAX With Load)	-3.38%	-4.21%	6.27%	-4.19%	3.87%	3.86%	3.24%
S&P 500 <sup>®</sup>	1.87%	1.70%	20.55%	4.25%	13.39%	10.84%	12.75%
Blended Benchmark Hedged	1.08%	1.05%	13.39%	5.38%	7.43%	5.82%	6.55%
Blended Benchmark Unhedged	0.86%	0.31%	12.36%	4.19%	6.56%	4.94%	5.75%

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 imposes a deferred sales charge of 0.75% on purchases of \$1 million or more of Class A shares redeemed within 18 months of purchase. Performance data shown for the Class A With load reflects a maximum sales charge of 4.25%. Performance data shown for the Class A No Load does not reflect the deduction of the sales load or fee. If reflected, returns would have been reduced. Performance data does not reflect the deferred sales charge. If it had, returns would have been reduced.

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.

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

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

DoubleLine Funds are distributed by Quasar Distributors, LLC.

DoubleLine<sup>®</sup> is a registered trademark of DoubleLine Capital LP. © 2019 DoubleLine

MSM190797

## Portfolio Managers



**Jeffrey Gundlach**  
Portfolio Manager  
CEO & CIO



**Jeffrey Sherman, CFA**  
Portfolio Manager  
Deputy CIO



**Sam Garza**  
Portfolio Manager

## About DoubleLine

Founded in 2009, DoubleLine's portfolio managers have worked together for an average of 16 years and have over 22 years average industry experience.

## Statistics as of September 30, 2019

Portfolio Characteristics			Fixed Income Exposure		Currency Exposure		
			(Percent of Fixed Income)		(Percent of Portfolio)		
# of Issues	130		International Emerging	0.00%	Japan JPY <sup>1</sup>	3.06%	
Ending Market Value	\$226,206,320		International Developed	0.00%	European Monetary Union EUR <sup>1</sup>	3.31%	
<b>Sector Allocation</b>			U.S.	100.00%	Sweden SEK <sup>1</sup>	0.28%	
(Percent of Portfolio)			<b>Total:</b>	<b>100.00%</b>	Canada CAD <sup>1</sup>	1.03%	
U.S. Fixed Income	32.39%		<b>Equity Exposure</b>			South Korea KRW <sup>1</sup>	0.00%
International Fixed Income	0.00%		(Percent of Equities)			Australian Dollar AUD	0.62%
Foreign Exchange	9.25%		International Emerging	10.73%	Turkey TRY <sup>1</sup>	0.00%	
U.S. Equity	24.29%		International Developed	16.09%	United Kingdom GBP <sup>1</sup>	1.53%	
International Equity	9.55%		U.S.	73.18%	Swiss Franc <sup>1</sup>	0.00%	
Real Assets	2.18%		<b>Total:</b>	<b>100.00%</b>	Hong Kong HKD <sup>1</sup>	0.21%	
Cash	22.34%					Malaysia <sup>1</sup>	0.00%
<b>Total:</b>	<b>100.00%</b>					India INR <sup>1</sup>	0.00%
<b>SEC 30-Day Yield</b>						United States USD	89.96%
	<b>A-Share</b>	<b>I-Share</b>				<b>Total:</b>	<b>100.00%</b>
Gross	1.89%	2.23%				<b>Real Assets Exposure</b>	
Net	2.06%	2.40%				(Percent of Real Assets)	
						Energy	50.00%
						Agriculture	41.67%
						Industrial Metals	8.33%
						<b>Total:</b>	<b>100.00%</b>

<sup>1</sup> Net amount includes short positions.

Sector Allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security. Portfolio holdings generally are made available fifteen days after month-end by calling (877) DLine11. 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.

Investments in debt securities typically decrease in value 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. Investments in real estate securities may involve greater risk and volatility including greater exposure to economic downturns and changes in real estate values, rents, property taxes, interest rates, tax and other laws. A REIT's share price may decline because of adverse developments affecting the real estate industry. 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. The Fund may use leverage which may cause the effect of an increase or decrease in the value of the portfolio securities to be magnified and the Fund to be more volatile than if leverage was not used. 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. Investments in floating rate securities include additional risks that investors should be aware of such as credit risk, interest rate risk, possible illiquidity and default, as well as increased susceptibility to adverse economic developments.

## Index Disclosure

The S&P 500 is an index of 500 stocks seen as a leading indicator of U.S. equities and a reflection of the performance of the large cap universe, made up of companies selected by economists.

The MSCI World Index is a market-capitalization-weighted index designed to provide a broad measure of stock performance throughout the world, including both developed and emerging markets.

The Bloomberg Barclays Global Aggregate Index provides a broad-based measure of the global investment-grade fixed income markets. The three major components of this index are the U.S. Aggregate, the Pan-European Aggregate, and the Asian-Pacific Aggregate Indices. The index also includes Eurodollar and Euro-Yen corporate bonds, Canadian government, agency and corporate securities, and USD investment grade 144A securities.

It is not possible to invest in an index.

## Morningstar Disclosure

©2019 Morningstar Inc. All Right Reserved. The information contained herein is proprietary to Morningstar; may not be copied or distributed and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating™ for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. As of 09/30/2019, the DoubleLine Multi-Asset Growth Fund I-Share received 3 stars for the 3-year period and 4 stars for the 5-year period out of 229 and 184 Tactical Allocation Funds in the category, respectively. Ratings may differ per share class.

## Definition of Terms

**Beta** - The measure of the volatility of the fund, as compared to that of the overall market. The Market's beta is set at 1.00; a beta higher than 1.00 is considered to be more volatile than the market, while a beta lower than 1.00 is considered to be less volatile.

**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.

**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.

## Fund Information

<b>Class I (Institutional)</b> <b>Ticker: DSEEX</b>  Minimum: \$100,000 Minimum IRA: \$5,000 Inception 10-31-2013 Gross Expense Ratio: 0.57%	<b>Class N (Retail)</b> <b>Ticker: DSENX</b>  Minimum: \$2,000 Minimum IRA: \$500 Inception 10-31-2013 Gross Expense Ratio: 0.82%	<b>Portfolio Managers:</b> <b>Jeffrey Gundlach</b> CEO & CIO  <b>Jeffrey Sherman, CFA</b> Deputy CIO  <b>CAPE® Index Co-Creator:</b> Professor Robert Shiller	<b>Benchmarks:</b> S&P 500® Index  Shiller Barclays U.S. Sector TR Index	<b>Overall Morningstar Rating:</b>   I Share rating based on risk-adjusted returns among 1,222 Large Blend Funds as of 9-30-2019.
--	---	---	---	---

## Attribution

In the third quarter of 2019, the DoubleLine Shiller Enhanced CAPE® returned 1.18% and slightly underperformed the S&P 500 Index return of 1.70%. During the quarter, the Shiller Barclays CAPE U.S. Sector Index was allocated to five sectors: Communication Services, Consumer Staples, Healthcare, Materials, and Technology. Three of these sectors contributed positively to returns for the quarter: Technology, Communications Services, and Consumer Staples. The Materials and Healthcare sectors' contribution to return was not material in the quarter. The fixed income collateral portfolio increased in value during the quarter, with all sectors delivering positive returns. The three fixed income sectors with the highest returns within the portfolio were CMBS, IG corporate bonds, and Bank Loans. EM, Agency MBS, and Non-Agency MBS, while delivering positive total returns, were the lowest returning sectors for the quarter.

## Fund Performance

Month-End Returns			Annualized				1-Yr Std
September 30, 2019	Sep	YTD	1-Year	3-Year	5-Year	Since Inception	Deviation
I-share	1.01%	23.44%	4.39%	14.25%	13.97%	14.49%	19.81%
N-share	0.95%	23.16%	4.13%	13.96%	13.67%	14.20%	19.76%
S&P 500 <sup>1</sup>	1.87%	20.55%	4.25%	13.39%	10.84%	11.61%	18.75%
Shiller Barclays U.S. Sector TR Index <sup>1</sup>	1.20%	21.64%	3.71%	14.22%	13.48%	13.65%	19.20%
Quarter-End Returns			Annualized				
September 30, 2019	3Q19	YTD	1-Year	3-Year	5-Year	Since Inception	
I-share	1.18%	23.44%	4.39%	14.25%	13.97%	14.49%	
N-share	1.12%	23.16%	4.13%	13.96%	13.67%	14.20%	
S&P 500 <sup>1</sup>	1.70%	20.55%	4.25%	13.39%	10.84%	11.61%	
Shiller Barclays U.S. Sector TR Index <sup>1</sup>	1.31%	21.64%	3.71%	14.22%	13.48%	13.65%	
Calendar Year Returns			2018	2017	2016	2015	2014
I-share	-4.02%	21.60%	20.19%	4.65%	17.85%		
N-share	-4.27%	21.33%	19.93%	4.32%	17.70%		
S&P 500 <sup>1</sup>	-4.38%	21.83%	11.96%	1.38%	13.69%		
Shiller Barclays U.S. Sector TR Index <sup>1</sup>	-2.67%	20.92%	18.49%	4.71%	14.71%		

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.

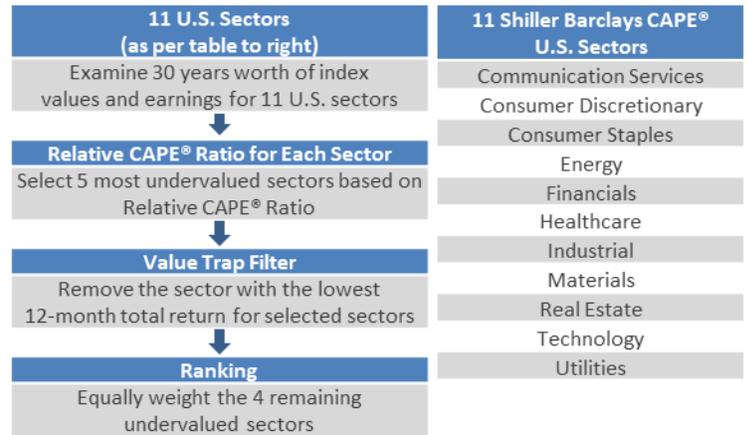
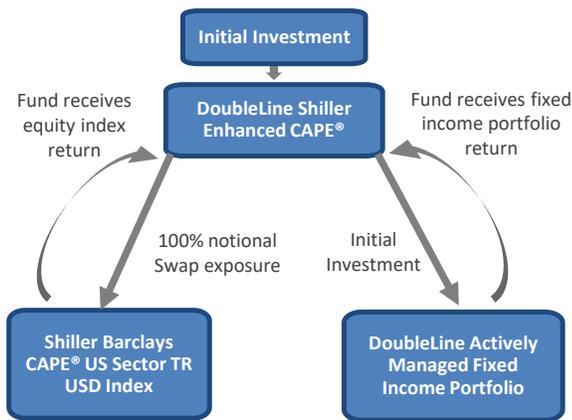
1 Reflects no deduction for fees, expenses or taxes.

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.

DoubleLine Funds are distributed by Quasar Distributors, LLC. DoubleLine® is a registered trademark of DoubleLine Capital LP. © 2019 DoubleLine Capital LP ML19-000502; MSM190797

## Investment Process



11 Shiller Barclays CAPE® U.S. Sectors
Communication Services
Consumer Discretionary
Consumer Staples
Energy
Financials
Healthcare
Industrial
Materials
Real Estate
Technology
Utilities

## Statistics as of September 30, 2019

### Portfolio Characteristics

Ending Market Value	\$7,365,455,488
<b>Fixed Income Statistics</b>	
Duration	1.09
Weighted Avg Life	2.61
<b>Equity Statistics</b>	
Median Mkt Cap	\$25.3 B
Average Mkt Cap	\$78.7 B

### Duration Breakdown

(Percent of Portfolio)	
Cash	4.94%
Less than 1	56.08%
1 to 3 years	23.39%
3 to 5 years	14.95%
5 to 7 years	0.62%
7+ years	0.02%
<b>Total:</b>	<b>100.00%</b>

### Current Quality Credit Distribution

(Percent of Portfolio)	
Cash	4.94%
Government	18.27%
Agency	8.26%
Investment Grade	46.36%
Below Investment Grade	13.03%
Unrated Securities	9.14%
<b>Total:</b>	<b>100.00%</b>

### Weighted Average Life Breakdown

(Percent of Portfolio)	
Cash	4.94%
0 to 3 years	53.08%
3 to 5 years	27.19%
5 to 7 years	12.83%
7+ years	1.95%
<b>Total:</b>	<b>100.00%</b>

### SEC 30-Day Yield

	I-Share	N-Share
Gross	2.80%	2.55%
Net	2.81%	2.56%

### Fixed Income Sector Allocation

(Percent of Portfolio)	
Cash	4.94%
U.S. Government	18.27%
Agency RMBS	8.24%
Non-Agency RMBS	12.49%
Asset-Backed Securities	6.80%
Commercial MBS	13.74%
Collateralized Loan Obligations	12.37%
Bank Loans	4.25%
Investment Grade Corporate	11.49%
Emerging Markets	7.41%
<b>Total:</b>	<b>100.00%</b>

### CAPE® Sector Allocations

(Percent of Portfolio)	
Technology	25.0%
Communication Services	24.6%
Materials	25.5%
Healthcare	24.8%
<b>Total:</b>	<b>100.00%</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 generally are made available fifteen days after month-end by calling (877) DLine11. 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.

Investments in debt securities typically decrease in value 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. The Fund may use leverage which may cause the effect of an increase or decrease in the value of the portfolio securities to be magnified and the Fund to be more volatile than if leverage was not used. 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. Equities may decline in value due to both real and perceived general market, economic and industry conditions.

The fund achieves its equity index-related returns primarily through the use of excess return swaps. The fund is entitled to receive the approximate return of the equity index under the terms of the swap, subtracted by the costs of the swap (e.g. short term financing costs).

## Index Disclosure

The S&P 500® is widely regarded as the best single gauge of large cap U.S. equities. There is over USD 5.58 trillion benchmarked to the index, with index assets comprising approximately USD 1.3 trillion of this total. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization. It is not possible to invest in an index.

Barclays Bank PLC and its affiliates ("Barclays") is not the issuer or producer of DoubleLine Shiller Enhanced CAPE® (the "Fund") and Barclays has no responsibilities, obligations or duties to investors in the Fund. The Shiller Barclays CAPE® US Sector USD Index (the "Index") is a trademark owned by Barclays Bank PLC and licensed for use by the Fund. While the Fund may execute transaction(s) with Barclays in or relating to the Index, Fund investors acquire interests solely in the Fund and investors neither acquire any interest in the Index nor enter into any relationship of any kind whatsoever with Barclays upon making an investment in the Fund. The Fund is not sponsored, endorsed, sold or promoted by Barclays and Barclays makes no representation regarding the advisability of the Fund or use of the Index or any data included therein. Barclays shall not be liable in any way to the Fund, investors or to other third parties in respect of the use or accuracy of the Index or any data included therein.

The Shiller Barclays CAPE® US Index Family (the "Index Family") has been developed in part by RSBB-I, LLC, the research principal of which is Robert J. Shiller. RSBB-I, LLC is not an investment advisor and does not guarantee the accuracy and completeness of the Index Family or any data or methodology either included therein or upon which it is based. RSBB-I, LLC shall have no liability for any errors, omissions or interruptions therein and makes no warranties expressed or implied, as to the performance or results experienced by any party from the use of any information included therein or upon which it is based, and expressly disclaims all warranties of the merchantability or fitness for a particular purpose with respect thereto, and shall not be liable for any claims or losses of any nature in connection with the use of such information, including but not limited to, lost profits or punitive or consequential damages even, if RSBB-I, LLC is advised of the possibility of same. Shiller Barclays CAPE US Sector TR USD Index incorporates the principles of long-term investing distilled by Dr. Robert Shiller and expressed through the CAPE® (Cyclically Adjusted Price Earnings) ratio (the "CAPE® Ratio"). It aims to identify undervalued sectors based on a modified CAPE® Ratio, and then uses a momentum factor to seek to mitigate the effects of potential value traps.

## Morningstar Disclosure

©2019 Morningstar Inc. All Right Reserved. The information contained herein is proprietary to Morningstar; may not be copied or distributed and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating™ for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. As of 09/30/2019, the DoubleLine Shiller Enhanced CAPE® I-Share received 4 stars for the 3-year period and 5 stars for the 5-year period out of 1,222 and 1,086 Large Blend Funds in the category, respectively. Ratings may differ per share class.

## 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 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. **Credit Distribution** is 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. **Fixed Income Sector Allocation** - The figures shown for the fixed income sector allocations represent the relative net assets invested in the displayed categories of fixed income and cash only. The figures shown for the CAPE® sector allocations reflect the four sectors selected by the CAPE® index for the time period and their allocations as of month end. **Investment Grade** - Refers to a bond considered investment grade if its credit rating is BBB- of 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 par/100 cents on the dollar. **Market Cap** - The market price of an entire company, calculated by multiplying the number of shares outstanding by the price per share. **RMBS** - Residential 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** - The average number of years for which each dollar of unpaid principal on a loan or mortgage remains outstanding.



# DoubleLine Shiller Enhanced International CAPE® Fund

September 2019 | Retail and Institutional Class | No Load Mutual Fund

## Fund Information

<b>Class I (Institutional)</b> <b>Ticker: DSEUX</b> Minimum: \$100,000 Minimum IRA: \$5,000 Inception 12-23-2016 Gross Expense Ratio: 0.98% Net Expense Ratio <sup>1</sup> : 0.67%	<b>Class N (Retail)</b> <b>Ticker: DLEUX</b> Minimum: \$2,000 Minimum IRA: \$500 Inception 12-23-2016 Gross Expense Ratio: 1.22% Net Expense Ratio <sup>1</sup> : 0.92%	<b>Portfolio Managers:</b> <b>Jeffrey Gundlach</b> CEO & CIO <b>Jeffrey Sherman, CFA</b> Deputy CIO <b>CAPE® Index Co-Creator:</b> Professor Robert Shiller	<b>Benchmark:</b> MSCI Europe Net Return USD Index
--	---	---	--

## Attribution

In the third quarter of 2019, the DoubleLine Shiller Enhanced International CAPE outperformed the broad European equity market, as measured by the MSCI Europe Net TR Index return of -1.80%. During the quarter, the Shiller Barclays CAPE Europe Sector Index was allocated to five sectors: Communication Services, Consumer Discretionary, Consumer Staples, Healthcare, and Industrials. Communication Services, Healthcare, and Consumer Staples contributed positively to returns, while Industrials and Consumer Discretionary detracted from returns. The fixed income collateral portfolio increased in value during the quarter, with all sectors delivering positive returns. The three fixed income sectors with the highest returns within the portfolio were CMBS, IG Corporates, and CLOs. EM, Non-Agency MBS, and Bank Loans, while delivering positive total returns, were the lowest returning sectors for the period.

## Fund Performance

Month-End Returns September 30, 2019	Sep	YTD	Annualized		1-Yr Std Deviation
			1-Year	Since Inception	
I-share	1.00%	15.25%	5.35%	7.93%	12.41%
N-share	0.98%	15.04%	5.08%	7.67%	12.41%
Benchmark <sup>2</sup>	2.72%	13.72%	-0.75%	7.76%	16.21%
Quarter-End Returns September 30, 2019	3Q19	YTD	Annualized		
I-share	-0.80%	15.25%	5.35%	7.93%	
N-share	-0.87%	15.04%	5.08%	7.67%	
Benchmark <sup>2</sup>	-1.80%	13.72%	-0.75%	7.76%	
Calendar Year Returns	2018	2017			
I-share	-12.52%	20.94%			
N-share	-12.74%	20.70%			
Benchmark <sup>2</sup>	-14.86%	25.51%			

<sup>1</sup> The Adviser has contractually agreed to waive a portion of fees and reimburse expenses through July 31, 2020.

<sup>2</sup> Reflects no deduction for fees, expenses or taxes.

**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.

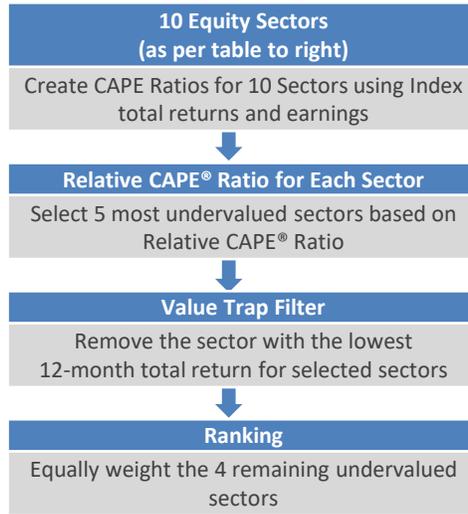
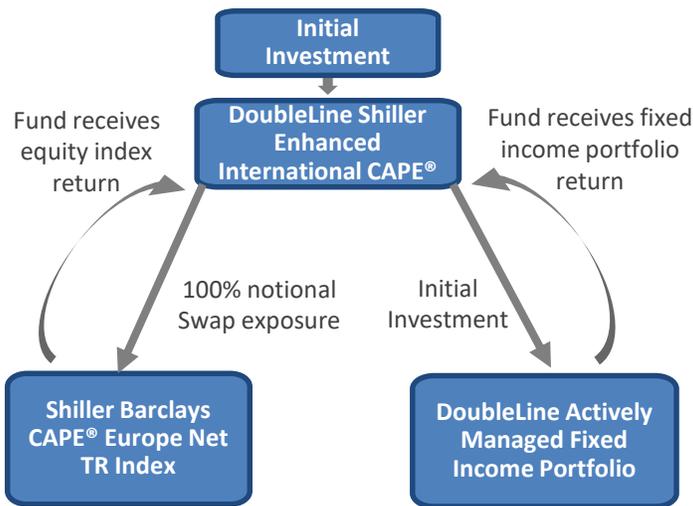
While the Fund is no-load, management fees and other expenses still apply. Please refer to the prospectus for further details.

DoubleLine Funds are distributed by Quasar Distributors, LLC. DoubleLine® is a registered trademark of DoubleLine Capital LP. © 2019 DoubleLine Capital LP

# DoubleLine Shiller Enhanced International CAPE® Fund

September 2019 | Retail and Institutional Class | No Load Mutual Fund

## Investment Process



10 Shiller Barclays CAPE® Europe Sectors
Consumer Discretionary
Consumer Staples
Energy
Financials
Healthcare
Industrial
Technology
Materials
Telecommunications
Utilities

## Statistics as of September 30, 2019

### Portfolio Characteristics

Ending Market Value	\$62,027,012
---------------------	--------------

### Fixed Income Statistics

Duration	1.10
Weighted Avg Life	2.63

### Duration Breakdown

(Percent of Portfolio)	
Cash	2.91%
Less than 1	56.01%
1 to 3 years	27.06%
3 to 5 years	14.02%
5 to 7 years	0.00%
7+ years	0.00%
<b>Total:</b>	<b>100.00%</b>

### SEC 30-Day Yield

	I-Share	N-Share
Gross	2.91%	2.66%
Net	3.04%	2.79%

### Current Quality Credit Distribution

(Percent of Portfolio)	
Cash	2.91%
Government	18.98%
Agency	8.79%
Investment Grade	48.28%
Below Investment Grade	11.61%
Unrated Securities	9.42%
<b>Total:</b>	<b>100.00%</b>

### Weighted Average Life Breakdown

(Percent of Portfolio)	
Cash	2.91%
0 to 3 years	51.93%
3 to 5 years	36.86%
5 to 7 years	7.20%
7+ years	1.10%
<b>Total:</b>	<b>100.00%</b>

### Fixed Income Sector Allocation

(Percent of Portfolio)	
Cash	2.91%
U.S. Government	18.98%
Agency RMBS	8.79%
Non-Agency RMBS	12.88%
Asset-Backed Securities	7.36%
Commercial MBS	13.00%
Collateralized Loan Obligations	15.66%
Bank Loans	3.97%
Investment Grade Corporate	7.89%
High Yield Corporate	0.40%
Emerging Markets	8.15%
<b>Total:</b>	<b>100.00%</b>

### CAPE® Europe Index Sector Allocations

(Percent of Portfolio)	
Communication Services	25.59%
Consumer Discretionary	25.05%
Healthcare	24.98%
Consumer Staples	24.39%
<b>Total:</b>	<b>100.00%</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 generally are made available fifteen days after month-end by calling (877) DLine11. 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.**

Investments in debt securities typically decrease in value 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. Equities may decline in value due to both real and perceived general market, economic and industry conditions.

## Index Disclosure

The MSCI Europe Net Return USD Index is part of the Modern Index Strategy and represents the performance of large and mid-cap equities across 15 developed countries in Europe. The Index has a number of sub-Indexes which cover various sub-regions market segments/sizes, sectors and covers approximately 85% of the free float-adjusted market capitalization in each country. It is not possible to invest in an index.

Barclays Bank PLC and its affiliates ("Barclays") is not the issuer or producer of DoubleLine Shiller Enhanced International CAPE® (the "Fund") and Barclays has no responsibilities, obligations or duties to investors in the Fund. The Shiller Barclays CAPE® Europe Sector Index (the "Index") is a trademark owned by Barclays Bank PLC and licensed for use by the Fund. While the Fund may execute transaction(s) with Barclays in or relating to the Index, Fund investors acquire interests solely in the Fund and investors neither acquire any interest in the Index nor enter into any relationship of any kind whatsoever with Barclays upon making an investment in the Fund. The Fund is not sponsored, endorsed, sold or promoted by Barclays and Barclays makes no representation regarding the advisability of the Fund or use of the Index or any data included therein. Barclays shall not be liable in any way to the Fund, investors or to other third parties in respect of the use or accuracy of the Index or any data included therein.

The Shiller Barclays CAPE® Europe Index Family (the "Index Family") has been developed in part by RSBB-I, LLC, the research principal of which is Robert J. Shiller. RSBB-I, LLC is not an investment adviser and does not guarantee the accuracy and completeness of the Index Family or any data or methodology either included therein or upon which it is based. RSBB-I, LLC shall have no liability for any errors, omissions or interruptions therein and makes no warranties expressed or implied, as to the performance or results experienced by any party from the use of any information included therein or upon which it is based, and expressly disclaims all warranties of the merchantability or fitness for a particular purpose with respect thereto, and shall not be liable for any claims or losses of any nature in connection with the use of such information, including but not limited to, lost profits or punitive or consequential damages even, if RSBB-I, LLC is advised of the possibility of same. Shiller Barclays CAPE® Europe Net TR Index incorporates the principles of long-term investing distilled by Dr. Robert Shiller and expressed through the CAPE® (Cyclically Adjusted Price Earnings) ratio (the "CAPE® Ratio"). The classic CAPE® Ratio assesses equity market valuations and averages ten years of reported earnings to account for earnings and market cycles.

## 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 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.

**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.

**Fixed Income Sector Allocation** - The figures shown for the fixed income sector allocation represent the relative net assets invested in the displayed categories of fixed income and cash only. The figures shown for the CAPE® Europe sector allocations reflect the four sectors selected by the CAPE® Europe index for the time period and their allocations as of month-end.

**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.

**RMBS** - Residential 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** - The average number of years for which each dollar of unpaid principal on a loan or mortgage remains outstanding.

## Fund Information

<b>Class I (Institutional)</b> <b>Ticker: DBCM</b> Minimum: \$100,000 Min IRA: \$5,000 Inception 5-18-2015 Gross Expense Ratio: 1.11%	<b>Class N (Retail)</b> <b>Ticker: DLCMX</b> Minimum: \$2,000 Min IRA: \$500 Inception 5-18-2015 Gross Expense Ratio: 1.36%	<b>Portfolio Manager:</b> <b>Jeffrey Sherman, CFA</b> Deputy Chief Investment Officer <b>Samuel Lau</b> <b>Jeffrey Mayberry</b>	<b>Benchmark:</b> Bloomberg Commodity Index	<b>Overall Morningstar Rating:</b>  I Share rating based on risk-adjusted returns among 98 Commodities Broad Basket Funds as of 9-30-2019.
--	--	---	--	---

## Attribution

In the third quarter of 2019, the DoubleLine Strategic Commodity Fund declined 0.22%. During the quarter, the Morgan Stanley Backwardation Focused Multi-Commodity Index (MS BFMCI) (beta exposure) increased by 0.23% while the DoubleLine Commodity Long Short Strategy (DCLS) (alpha exposure) increased by 1.96%. The Fund's outperformance of the Bloomberg Commodity Index Total Return (BCOM) of -1.84% was driven by the outperformance of both the MS BFMCI and DCLS. The Fund's use of derivative instruments to gain exposure to commodities facilitated investment of the Fund's remaining assets in UST, which added incremental return in the period.

## Fund Performance

Month-End Returns September 30, 2019	Sep	YTD	Annualized			1-Yr Std Deviation
			1-Year	3-Year	Since Inception	
I-share	-0.22%	2.92%	-9.65%	2.01%	-0.46%	14.75%
N-share	-0.22%	2.72%	-9.88%	1.76%	-0.74%	14.72%
Benchmark	1.17%	3.13%	-6.57%	-1.50%	-5.58%	10.74%

Quarter-End Returns September 30, 2019	3Q19	YTD	Annualized		
			1-Year	3-Year	Since Inception
I-share	-0.22%	2.92%	-9.65%	2.01%	-0.46%
N-share	-0.33%	2.72%	-9.88%	1.76%	-0.74%
Benchmark	-1.84%	3.13%	-6.57%	-1.50%	-5.58%

Calendar Year	2018	2017	2016
	I-share	-10.65%	9.13%
N-share	-10.86%	8.88%	13.09%
Benchmark	-11.25%	1.70%	11.77%

**Alpha** - A measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of a mutual fund and compares its risk-adjusted performance to a benchmark index.

**Morgan Stanley BFMCI<sup>SM</sup> Index** - An index comprised of futures contracts selected based on the contracts' historical backwardation relative to other commodity-related futures contracts and the contracts' historical liquidity. The sectors represented in the Index (Industrial Metals, Energy and Agricultural/Livestock) have been selected to provide diversified exposure. The index is typically re-balanced annually in January.

**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.

DoubleLine Funds are distributed by Quasar Distributors, LLC. DoubleLine<sup>®</sup> is a registered trademark of DoubleLine Capital LP.

© 2019 DoubleLine Capital LP

MSM190797

## Portfolio Managers



**Jeffrey Sherman, CFA**  
Deputy Chief Investment  
Officer



**Samuel Lau**  
Portfolio Manager



**Jeffrey Mayberry**  
Portfolio Manager

### About DoubleLine

Founded in 2009, DoubleLine's portfolio managers have worked together for an average of 16 years and have over 22 years average industry experience.

## Statistics as of September 30, 2019

### Portfolio Sector Allocation (Notional Value)<sup>1</sup>

(Percent of Portfolio)	
Morgan Stanley BFMCI <sup>SM</sup>	61.02%
Tactical Commodity Exposure	38.98%
<b>Total:</b>	<b>100.00%</b>
<b>Morgan Stanley BFMCI<sup>SM</sup></b>	
<b>Energy</b>	
Crude Oil	9.62%
Brent Oil	9.46%
Heating Oil	2.95%
Gasoil	5.07%
Unleaded	6.00%
<b>Total:</b>	<b>33.09%</b>
<b>Grains</b>	
Soybeans	18.36%
<b>Total:</b>	<b>18.36%</b>
<b>Livestock</b>	
Live Cattle	4.56%
<b>Total:</b>	<b>4.56%</b>
<b>Metals</b>	
Copper	18.62%
Nickel	17.76%
<b>Total:</b>	<b>36.38%</b>
<b>Softs</b>	
Cotton	3.20%
Sugar	4.41%
<b>Total:</b>	<b>7.61%</b>

### Tactical Commodity Exposure<sup>1</sup>

Long Commodity Allocation	
Crude Oil (WTI)	10.25%
Gasoil	10.72%
Gasoline (RBOB)	10.72%
Nickel	9.64%
Zinc	10.96%
<b>Total:</b>	<b>52.30%</b>
Short Commodity Allocation	
Natural Gas	10.22%
Corn	9.45%
Wheat	9.18%
Wheat (Kansas)	9.31%
Coffee	9.54%
<b>Total:</b>	<b>47.70%</b>

### Collateral Characteristics (Market Value)<sup>1</sup>

Total Net Assets	\$426,328,915	
Duration	0.18	
Weighted Average Life	0.18	
Sector Allocation		
Cash	4.15%	
U.S. Government	95.85%	
SEC 30-Day Yield		N-share
Gross	0.52%	0.27%
Net	0.73%	0.48%

<sup>1</sup> Portfolio Sector Allocation - The figures shown for the collateral characteristics represent the relative net assets invested in the displayed categories of fixed income and cash only. The figures shown for the tactical commodity exposures reflect the sectors within each allocation for the time period and their allocations as of month end.

Sector Allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security. Portfolio holdings generally are made available fifteen days after month-end by calling (877) DLine11. 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.

Investments in debt securities typically decrease in value when interest rates rise. This risk is usually greater for longer-term debt securities. 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. The Fund may use leverage which may cause the effect of an increase or decrease in the value of the portfolio securities to be magnified and the Fund to be more volatile than if leverage was not used. 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 and ETNs 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. Investments in commodities or commodity-related instruments may subject the Fund to greater risks and volatility as commodity prices may be influenced by a variety of factors including unfavorable weather, environmental factors, and changes in government regulations. Any index used by the Fund may not be widely used and information regarding its components and/or its methodology may not generally be known to industry participants, it may be more difficult for the Fund to find willing counterparties to engage in total or excess return swaps or other derivative instruments based on the return of the index. The Fund is non-diversified meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility than a diversified fund.

## Index Disclosure

Bloomberg Commodity Index (BCOM) is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification. Roll period typically occurs from 6th-10th business day based on the roll schedule. It is not possible to invest in an index.

## Morningstar Disclosure

© 2019 Morningstar Inc. All Right Reserved. The information contained herein is proprietary to Morningstar; may not be copied or distributed and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating™ for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating three ratinformula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all g periods. As of 09/30/2019, the DoubleLine Strategic Commodity Fund I-Share received 5 stars for the 3-year period out of 98 Commodities Broad Basket Funds in the category. Ratings may differ per share class.

## Definition of Terms

**Backwardation** – Refers to a potential market structure where a longer dated futures contract has a lower value than the spot price for the contract's reference commodity. The longer dated futures contract of a backwardated commodity has the potential to appreciate to the value of the spot price of the reference commodity as the contract approaches expiration.

**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. One cannot invest directly in an index.

**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.

**WTI** – West Texas Intermediate crude oil is the underlying commodity of the New York Mercantile Exchange's oil futures contract. Light, sweet crude oil is commonly referred to as "oil" in the Western world. WTI is considered a "sweet" crude because it is about 0.24% sulfur, which is a lower concentration than North Sea Brent crude. WTI is high quality oil that is easily refined.

## Fund Information

<b>Class I (Institutional)</b> <b>Ticker: DBLTX</b>  Minimum: \$100,000 Minimum IRA: \$5,000 Inception 4-6-2010 Gross Expense Ratio: 0.48%	<b>Class N (Retail)</b> <b>Ticker: DLTNX</b>  Minimum: \$2,000 Minimum IRA: \$500 Inception 4-6-2010 Gross Expense Ratio: 0.73%	<b>Portfolio Managers:</b> <b>Jeffrey Gundlach</b> CEO & CIO  <b>Philip Barach</b> President  <b>Andrew Hsu, CFA</b> Portfolio Manager	<b>Benchmark:</b> Bloomberg Barclays U.S. Aggregate Index	<b>Overall Morningstar Rating:</b>  I Share rating based on risk-adjusted returns among 539 Intermediate Core Plus Bond Funds as of 9-30-2019.
--	---	--	---	---

## Attribution

In the third quarter of 2019, the DoubleLine Total Return Bond Fund underperformed the Bloomberg Barclays U.S. Aggregate Bond Index return of 2.27%. The underperformance was primarily driven by the Fund's shorter duration than the benchmark duration of 6.13, as 2-year and 10-year U.S. Treasury (UST) rates declined by 13 basis points (bps) and 34 bps, respectively. Every sector within the Fund generated positive total returns during the quarter, with Agency and Non-Agency Mortgage-Backed Securities (MBS) providing the largest contributions to return. The Agency MBS sector benefited from its longer duration as rates fell, while the Non-Agency allocation owed its returns to interest distributions from pre-crisis mortgage loans. The worst-performing sectors within the Fund were Collateralized Loan Obligations (CLOs) and Asset-Backed Securities (ABS). These shorter-duration sectors simply did not benefit from the rate rally as much as the corporate bonds and UST within the Index.

## Fund Performance

Month-End Returns	Annualized						1-Yr Std Deviation
	Sep	YTD	1-Year	3-Year	5-Year	Since Inception	
<b>September 30, 2019</b>							
I-share	-0.35%	6.02%	7.87%	3.20%	3.48%	6.02%	2.58%
N-share	-0.28%	5.93%	7.71%	2.98%	3.25%	5.77%	2.55%
Benchmark	-0.53%	8.52%	10.30%	2.92%	3.38%	3.80%	3.73%
Quarter-End Returns	Annualized						
September 30, 2019	3Q19	YTD	1-Year	3-Year	5-Year	Since Inception	
I-share	1.58%	6.02%	7.87%	3.20%	3.48%	6.02%	
N-share	1.61%	5.93%	7.71%	2.98%	3.25%	5.77%	
Benchmark	2.27%	8.52%	10.30%	2.92%	3.38%	3.80%	
Calendar Year Returns	2018	2017	2016	2015	2014		
I-share	1.75%	3.79%	2.16%	2.32%	6.73%		
N-share	1.49%	3.44%	1.91%	2.07%	6.47%		
Benchmark	0.01%	3.54%	2.65%	0.55%	5.97%		

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) DLIN11, 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.

DoubleLine Funds are distributed by Quasar Distributors, LLC. DoubleLine® is a registered trademark of DoubleLine Capital LP.

© 2019 DoubleLine Capital LP

ML19-000502; MSM190797

## Portfolio Managers



**Jeffrey Gundlach**  
CEO & CIO



**Philip Barach**  
President



**Andrew Hsu, CFA**  
Portfolio Manager

## About DoubleLine

Founded in 2009, DoubleLine's portfolio managers have worked together for an average of 16 years and have over 22 years average industry experience.

## Statistics as of September 30, 2019

### Portfolio Characteristics

# of Issues	2,404
Ending Market Value	\$54,305,305,356
Market Price	\$101.54
Duration	3.58
Weighted Avg Life	5.28

### Sector Breakdown

(Percent of Portfolio)

Cash	2.22%
Treasury	8.80%
Agency Passthroughs	20.16%
Agency CMO	22.50%
Agency CMBS	2.34%
Non Agency Residential MBS	28.32%
Non Agency CMBS	6.81%
Collateralized Loan Obligations	4.88%
Asset-Backed Securities	3.94%
<b>Total:</b>	<b>100.00%</b>

### Duration Breakdown

(Percent of Portfolio)

Cash	2.22%
Less than 0	6.75%
0 to 3 years	44.10%
3 to 5 years	27.27%
5 to 10 years	18.69%
10+ years	0.97%
<b>Total:</b>	<b>100.00%</b>

### Weighted Average Life Breakdown

(Percent of Portfolio)

Cash	2.22%
0 to 3 years	20.44%
3 to 5 years	27.88%
5 to 10 years	44.64%
10+ years	4.83%
<b>Total:</b>	<b>100.00%</b>

### Current Quality Credit Distribution

(Percent of Portfolio)

Cash	2.22%
Government	9.29%
Agency	44.50%
Investment Grade	16.37%
Below Investment Grade	10.01%
Unrated Securities	17.60%
<b>Total:</b>	<b>100.00%</b>

### Non-Agency Residential MBS Breakdown<sup>1</sup>

(Percent of Sector)

Prime	15.71%
Alt-A	35.34%
Subprime	46.42%
N/A	2.54%
<b>Total:</b>	<b>100.00%</b>

### SEC 30-Day Yield

	I-Share	N-Share
Gross	3.52%	3.28%
Net*	3.52%	3.28%

\* If a Fund invested in an affiliate Fund sponsored by the Adviser during the period covered by this report the Adviser agreed to not charge a management fee to the Fund in an amount equal to the investment advisory fees paid by the affiliated Fund in respect of the Fund's investment in the affiliated fund to avoid duplicate charge of the investment advisory fees to the investors.

<sup>1</sup> There are no industry standard definitions for non-agency Mortgage securities. These definitions are DoubleLine's based on Vichara and Loan Performance data. Prime is defined as FICO > 725 and LTV < 75 ; Alt-A defined as FICO 675-725; or FICO > 725 and LTV >= 75 ; Subprime defined as FICO < 675. N/A - Not available in Vichara or Loan Performance.

Sector Allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security. Portfolio holdings generally are made available fifteen days after month-end by calling (877) DLine11. 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.**

Investments in debt securities typically decrease in value 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 may use leverage which may cause the effect of an increase or decrease in the value of the portfolio securities to be magnified and the Fund to be more volatile than if leverage was not used. 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.

## Index Disclosure

Bloomberg Barclays U.S. Aggregate Index represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the US investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis. It is not possible to invest in an index.

## Morningstar Disclosure

©2019 Morningstar Inc. All Right Reserved. The information contained herein is proprietary to Morningstar; may not be copied or distributed and is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating™ for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating™ metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. As of 09/30/2019, the DoubleLine Total Return Bond Fund I-Share received 3 stars for the 3-year period and 3 stars for the 5-year period out of 539 and 448 Intermediate Core-Plus Bond in the category, respectively. Ratings may differ per share class.

## 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.

**Bond Ratings** - Grades given to bonds that indicate their credit quality as determined by a private independent rating service such as Standard and Poor's. The firm evaluates a bond issuer's financial strength, or its ability to pay a bond's principal and interest in a timely fashion. Ratings are expressed as letters ranging from 'AAA', which is the highest grade, to 'D', which is the lowest grade. In limited situations when the rating agency has not issued a formal rating, the rating agency will classify the security as not-rated.

**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.

**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.

**TIPS** – Treasury Inflation-Protected Securities

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

## Fund Information

<b>Class I (Institutional)</b> <b>Ticker: DBULX</b> Minimum: \$100,000 Min IRA: \$5,000 Inception: 6-30-2016 Gross Expense Ratio: 0.22%	<b>Class N (Retail)</b> <b>Ticker: DLUSX</b> Minimum: \$2,000 Min IRA: \$500 Inception: 6-30-2016 Gross Expense Ratio: 0.47%	<b>Portfolio Manager:</b> <b>Monica Erickson, CFA</b> Portfolio Manager, Global Developed Credit  <b>Jeffrey Lee</b> Portfolio Manager, Global Developed Credit	<b>Benchmark:</b> ICE BAML 3-Month Treasury-Bill Index
--	---	--	--

## Attribution

In the third quarter of 2019, the DoubleLine Ultra Short Bond Fund outperformed the ICE Bank of America/Merrill Lynch 3-Month U.S. Treasury Bill Index return of 0.56%. Within the Fund, corporate credit outperformed UST, with corporate spreads tighter, as measured by the Bloomberg Barclays U.S. 1-3 Year Credit Index. The yields for 3-month UST ended the period at 1.82%, while the 3-month London Inter-Bank Offered Rate (LIBOR) was 2.09%. The Fund was overweight Commercial Paper and LIBOR floating rate notes, which benefited from the yield pickup in LIBOR versus UST. The Fund also held Secured Overnight Financing Rate (SOFR) floating rate notes, which outperformed the 3-month UST during the period.

## Fund Performance

Month-End Returns September 30, 2019	Annualized					
	Sep	YTD	1-Year	3-Year	Since Inception	1-Yr Std Deviation
I-share	0.18%	2.35%	2.60%	1.79%	1.65%	0.36%
N-share	0.16%	2.16%	2.36%	1.53%	1.41%	0.36%
Benchmark	0.17%	1.81%	2.39%	1.54%	1.45%	0.07%

Quarter-End Returns September 30, 2019	Annualized				
	3Q19	YTD	1-Year	3-Year	Since Inception
I-share	0.65%	2.35%	2.60%	1.79%	1.65%
N-share	0.58%	2.16%	2.36%	1.53%	1.41%
Benchmark	0.56%	1.81%	2.39%	1.54%	1.45%

Calendar Year Returns	2018	2017
I-share	1.71%	1.24%
N-share	1.49%	0.95%
Benchmark	1.87%	0.86%

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.

DoubleLine Funds are distributed by Quasar Distributors, LLC. DoubleLine® is a registered trademark of DoubleLine Capital LP.

© 2019 DoubleLine Capital LP

## Portfolio Managers



**Monica Erickson, CFA**  
Portfolio Manager,  
Global Developed Credit



**Jeffrey Lee**  
Portfolio Manager,  
Global Developed Credit

### About DoubleLine

Founded in 2009, DoubleLine's portfolio managers have worked together for an average of 16 years and have over 22 years average industry experience.

## Statistics as of September 30, 2019

Portfolio Characteristics		Weighted Average Effective Maturity (Percent of Portfolio)		Current Quality Credit Distribution (Percent of Portfolio)	
# of Issues	137	Cash	0.35%	Cash	0.35%
Ending Market Value	\$338,640,120	1 Day	1.88%	AAA	13.53%
Market Price	\$100.12	2-7 Days	8.87%	AA	23.78%
Duration	0.12	8-30 Days	18.51%	A	60.56%
Effective Maturity	1.23	31-60 Days	6.90%	BBB	0.00%
		61-90 Days	6.28%	BB	0.00%
		91-180 Days	6.79%	B and Below	0.00%
		181+ Days	50.42%	Not Rated	1.77%
		<b>Total:</b>	<b>100.00%</b>	<b>Total:</b>	<b>100.00%</b>
<b>Sector Breakdown</b>					
(Percent of Portfolio)					
Cash	0.35%				
Government	0.59%				
Corporate Credit	53.11%				
Commercial Paper	45.95%				
<b>Total:</b>	<b>100.00%</b>				
<b>SEC 30-Day Yield</b>					
	<b>I-Share</b>	<b>N-Share</b>			
Gross	2.18%	1.93%			
Net	2.18%	1.93%			

Sector Allocations are subject to change at any time and should not be considered a recommendation to buy or sell any security. Portfolio holdings generally are made available fifteen days after month-end by calling (877) DLine11. 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.**

Investments in debt securities typically decrease in value 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

**ICE Bank of America Merrill Lynch 3-Month Treasury Bill Index** - An unmanaged market index of U.S. Treasury securities maturing in 90 days that assumes reinvestment of all income. One cannot invest directly in an index.

## Definition of Terms

**Bond Ratings** - Grades given to bonds that indicate their credit quality as determined by a private independent rating service such as Standard and Poor's. The firm evaluates a bond issuer's financial strength, or its ability to pay a bond's principal and interest in a timely fashion. Ratings are expressed as letters ranging from 'AAA', which is the highest grade, to 'D', which is the lowest grade. In limited situations when the rating agency has not issued a formal rating, the rating agency will classify the security as not-rated.

**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.

**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.

**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.



## Definitions of Terms Used

**AUD** - Australian Dollar

**ADP Research Institute** – ADP generates data-driven discoveries about the world of work and derives economic indicators from these discoveries. Its two primary areas of focus are Labor Market trends, and issues related to People + Performance at work.

**Banks Loans** - Represented by the S&P/LSTA Leveraged Loan Index (the Index) is a market value-weighted index designed to measure the performance of the U.S. leveraged loan market based upon market weightings, spreads and interest payments.

**Bloomberg Agriculture Subindex (Ags)** - Formerly known as Dow Jones-UBS Agriculture Subindex (DJUBSAG), the index is a commodity group subindex of the Bloomberg CI. It is composed of futures contracts on coffee, corn, cotton, soybeans, soybean oil, soybean meal, sugar and wheat. It reflects the return of underlying commodity futures price movements only and is quoted in USD.

**Basis Point** - A basis point (bps) equals 0.01%.

**Bloomberg Barclays U.S. Aggregate Bond Index** - An index that represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis.

**Bloomberg Barclays U.S. Aggregate Credit Average OAS Index** - The Option-Adjusted Spread calculated on the Bloomberg Barclays U.S. Aggregate Bond Index.

**Bloomberg Barclays Asset-Backed Securities (ABS) Index** - The ABS component of the U.S. Aggregate Index. It includes securities whose value and income payments are derived from and collateralized ('or backed') by a specified pool of underlying assets including credit cards, auto loans, etc.

**Bloomberg Barclays U.S. Corporate Index** - An index that represents the total return measure of the corporates portion of the Barclays U.S. Aggregate Index.

**Bloomberg Barclays U.S. Credit Index** – The U.S. Credit component of the U.S. Government/Credit Index. This index consists of publically-issued U.S. corporate and specified foreign debentures and secured notes that meet the specified maturity, liquidity, and quality requirements. To qualify, bonds must be SEC-registered. The U.S. Credit Index is the same as the former U.S. Corporate Investment Grade Index.

**Bloomberg Barclays U.S. MBS Index** - An index that measures the performance of investment grade fixed-rate mortgage-backed pass-through securities of the Government-Sponsored Enterprises (GSEs): Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC).

**Bloomberg Barclays U.S. High Yield Corporate Index** - An index that covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issuer from countries designated as emerging markets (e.g. Argentina, Brazil, Venezuela, etc.) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included. Original issue zeros, step-up coupon structures, 144-As and pay-in-kind (PIK, as of October 1, 2009) are also included.

**Bloomberg Barclays U.S. Treasury Index** - The Index is the U.S. Treasury component of the U.S. Government Index. Public obligations of the U.S. Treasury with a remaining maturity of one year or more.

**Bloomberg Commodity Index (BCOM)** - An index calculated on an excess return basis that reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification. Roll period typically occurs from 6th-10th business day based on the roll schedule.

**Brent** - Brent Crude Oil Front Month Futures Contract

**CBOE Volatility Index (VIX)** - A popular measure of the stock market's expectation of volatility implied by S&P 500 Index options, calculated and published by the Chicago Board Options Exchange (CBOE).

**China Federation of Logistics & Purchasing (CFLP) Index** - A monthly survey of about 800 purchasing managers that is conducted jointly by CFLP and National Bureau of Statistics (NBS).

**Copper** - COMEX Copper Front Month Futures Contract

**Cotation Assistee en Continu (CAC)** - A French stock market index that tracks the 40 largest French stocks based on the Euronext Paris market capitalization.

**Deutscher Aktien Index (DAX)** - A blue chip stock market index consisting of the 30 major German companies trading on the Frankfurt Stock Exchange.

**Dot Plot** - A simple statistical chart that consists of data points plotted as dots on a graph with x- and y-axes. Dot plots are well known as the method that the U.S. Federal Reserve (Fed) uses to convey its benchmark Federal Funds interest rate outlook at certain Federal Open Market Committee (FOMC) meetings.

**Dow Jones Industrial Average** - An index that tracks 30 large, publicly-owned companies trading on the New York Stock Exchange (NYSE) and the NASDAQ.

**Duration** - A measure of the sensitivity of the price of a bond or other debt instrument to a change in interest rates

**EMFX** is represented by the JP Morgan Emerging Market Currency Index (EMCI) - A tradeable benchmark for emerging markets currencies vs. USD.

**EM Sovereign Debt** is represented by Bloomberg Barclays EM Sovereign TR Index—The Bloomberg Barclays Emerging Markets USD Sovereign Bond Index tracks fixed and floating-rate US dollar-denominated debt issued by EM governments. Country eligibility and classification as Emerging Markets is rules-based and reviewed annually using World Bank income group and International Monetary Fund (IMF) country classifications.

**Emerging Markets** is represented by the MSCI EM (Emerging Markets) Index is a free-float weighted equity index that captures large and mid cap representation across Emerging Markets (EM) countries. The index covers approximately 85% of the free float-adjusted market capitalization in each country.

**EUR** - Euro

**EUR/USD** - The Currency Pair EUR/USD is the shortened term for the euro and U.S. dollar pair or cross for the currencies of the European Union (EU) and the United States (USD). The currency pair indicates how many U.S. dollars (the quote currency) are needed to purchase one euro (the base currency).

**Eurostoxx 50 Index** - A stock index of Eurozone stocks designed by STOXX, an index provider owned by Deutsche Borse Group and SIX group, with the goal of providing a blue-chip representation of Supersector leaders in the Eurozone.

**FactSet** - Provides computer-based financial data and analysis for financial professionals, including investment managers, hedge funds and investment bankers. It consolidates data on global markets, public and private companies, and equity and fixed-income portfolios.

**Financial Times Stock Exchange Milano Italia Borsa (FTSE MIB)** - The benchmark stock market index for the Borsa Italiana, the Italian national stock exchange, which superseded the MIB-30 in September 2004. The index consists of the 40 most-traded stock classes on the exchange.

**Financial Times Stock Exchange 100 (FTSE 100)** - A capitalization-weighted index of the 100 most highly capitalized companies traded on the London Stock Exchange.

**The Financial Times Stock Exchange World Government Bond Index (FTSE WGBI)** - Measures the performance of fixed-rate, local currency, investment-grade sovereign bonds. The WGBI is a widely used benchmark that currently includes sovereign debt from over 20 countries, denominated in a variety of currencies, and has more than 30 years of history available. The WGBI provides a broad benchmark for the global sovereign fixed income market. Sub-indices are available in any combination of currency, maturity, or rating.

**G-10 (Group of 10)** - The G10 consists of eleven industrialized nations that meet on an annual basis or more frequently, as necessary, to consult each other, debate and cooperate on international financial matters. The member countries are: Belgium, Canada, France, Germany, Italy, Japan, the Netherlands, Sweden, Switzerland, the United Kingdom and the United States.

**GBP** - British Pound

**Gilt** - Bonds issued by the U.K., India, and other Commonwealth countries.

**Gold** - COMEX Gold Front Month Futures Contract

**Hang Seng Index** - A free-float capitalization-weighted index of a selection of companies from the Stock Exchange of Hong Kong. The components of the index are divided into four subindices: Commerce and Industry, Finance, Utilities, and Properties.



## Definitions of Terms Used (cont'd)

**Ibovespa Index** - A gross return index weighted by traded volume and comprised of the most liquid stocks traded on the Sao Paulo Stock Exchange. The IBOVESPA Index has been divided 10 times by a factor of 10 since January 1, 1985.

**The IHS Markit/CIPS UK Manufacturing PMI®** - Based on data compiled from monthly replies to questionnaires sent to purchasing executives in over 600 industrial companies. It is a composite index based on five of the individual indexes with the following weights: New Orders - 0.3, Output - 0.25, Employment - 0.2, Suppliers' Delivery Times - 0.15, Stock of Items Purchased - 0.1, with the Delivery Times Index inverted so that it moves in a comparable direction.

**Indice Bursatil Espanol (IBEX)** - The official index of the Spanish Continuous Market. The index is comprised of the 35 most liquid stocks traded on the Continuous market. It is calculated, supervised and published by the Sociedad de Bolsas.

**Institute for Supply Management (ISM) Purchasing Managers Index (PMI)** - An indicator of the economic health of the manufacturing sector. The PMI is based on five major indicators: new orders, inventory levels, production, supplier deliveries and the employment environment.

**ISM Non-Manufacturing Index (ISM NMI)** - An index made up of data from 400 non-manufacturing firms collected by the Institute of Supply Management (ISM).

**JP Morgan Corporate Emerging Markets Bond Broad Diversified Index (CEMBI)** - This index is a market capitalization weighted index consisting of U.S.-denominated Emerging Market corporate bonds. It is a liquid global corporate benchmark representing Asia, Latin America, Europe and the Middle East/Africa.

**JP Morgan Government Bond Emerging Markets Broad Diversified Index (GBI EM)** - This index is the first comprehensive, global local Emerging Markets index, and consists of regularly traded, liquid fixed-rate, domestic currency government bonds to which international investors can gain exposure.

**JP Morgan Emerging Markets Bond Global Diversified Index (EMBI)** - This index is uniquely-weighted version of the EMBI Global. It limits the weights of those index countries with larger debt stocks by only including specified portions of these countries' eligible current face amounts of debt outstanding. The countries covered in the EMBI Global Diversified are identical to those covered by EMBI Global.

**JPY** - Japanese Yen

**Korea Composite Stock Price Index (KOSPI)** - The index of all common stocks traded on the Stock Market Division of the Korea Exchange. It is the representative stock market index of South Korea, like the S&P 500 in the United States.

**Last Cash Flow (LCF)** - The last revenue stream paid to a bond over a given period.

**Leveraged Commentary & Data (LCD)** - A unit of S&P Global Market Intelligence, LCD provides in-depth coverage of the leveraged loan market through real-time news, analysis, commentary, and proprietary loan data.

**London InterBank Offered Rate (LIBOR)** - A benchmark interest rate at which major global banks lend to one another in the international interbank market for short-term loans.

**Major Markets** - Major markets are defined by Real Capital Analytics as Boston, Chicago, Washington, D.C., Los Angeles, New York City and San Francisco. All markets outside of the Major Markets are Non-Major Markets.

**Markit CMBX Index** - A synthetic tradable index referencing a basket of 25 commercial mortgage-backed securities.

**Morgan Stanley Capital International All Country World Index (MSCI ACWI)** - A market-capitalization-weighted index designed to provide a broad measure of stock performance throughout the world, including both developed and emerging markets.

**Mortgage Bankers Association (MBA) Purchase Index** - An index that includes all mortgage applications for purchases of single-family homes. It covers the entire market, both conventional and government loans and all products.

**Mortgage Bankers Association (MBA) Refinance Index** - An index that covers all mortgage applications to refinance an existing mortgage. It includes conventional and government refinances. SA indicates seasonally adjusted and NSA indicates non-seasonally adjusted.

**MSCI Emerging Markets (MSCI EM)** - An index that covers 24 Emerging Market countries and is designed to capture the large and mid-cap representation across those countries.

**MSCI Russia Index** - A free-float capitalization-weighted index used to track the equity market performance of Russian securities on the MICEX Stock Exchange.

**NASDAQ Composite** - A stock market index of the common stocks and similar securities (e.g. ADRs, tracking stocks, limited partnership interests) listed on the NASDAQ stock market with over 3,000 components. This index is highly followed in the U.S. as an indicator of the performance of stocks of technology companies and growth companies. Since both U.S. and non-U.S. companies are listed on the NASDAQ stock market, the index is not exclusively a U.S. index.

**NASDAQ 100 Index** - A basket of the 100 largest, most actively traded U.S. companies listed on the NASDAQ stock exchange.

**National Association of Realtors Existing Home Sale Index** - Measures sales and prices of existing single-family homes for the nation overall, and gives breakdowns for the West, Midwest, South, and Northeast regions of the country.

**Nikkei 225 Index** - A price-weighted index comprised of Japan's top 225 blue-chip companies on the Tokyo Stock Exchange. The Nikkei is equivalent to the Dow Jones Industrial Average Index in the U.S.

**Personal Consumption Expenditures (PCE) Core Price Index** - Measures price changes in consumer goods and services. Expenditures included in the index are actual U.S. household expenditures. Data that pertains to services, durables and non-durables are measured by the index.

**Qualified Mortgage (QM)** - A qualified mortgage is a mortgage that meets certain requirements for lender protection and secondary market trading under the Dodd-Frank Wall Street Reform and Consumer Protection Act.

**RCA Commercial Property Price Index** - The Moody's/RCA Commercial Property Price Index (CPPI) describes various non-residential property types for the U.S. (10 monthly series from 2000). The Moody's/RCA Commercial Property Price Index is a periodic same-property round-trip investment price change index of the U.S. commercial investment property market. The dataset contains 20 monthly indicators.

**Russell 1000 Value Index** - An index that measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values.

**Russell 2000 Index** - A subset of the Russell 3000 Index representing approximately 10% of the total market capitalization and measuring the performance of the small-cap segment of the U.S. equity universe.

**S&P CoreLogic Case-Shiller 20-City Composite Home Price NSA Index** - Seeks to measure the value of residential real estate in 20 major U.S. metropolitan areas: Atlanta, Boston, Charlotte, Chicago, Cleveland, Dallas, Denver, Detroit, Las Vegas, Los Angeles, Miami, Minneapolis, New York, Phoenix, Portland, San Diego, San Francisco, Seattle, Tampa and Washington, D.C.

**S&P/LSTA Leveraged Loan Index** - An index designed to track the market-weighted performance of the largest institutional leveraged loans based on the market weightings, spreads and interest payments.

**S&P Goldman Sachs Commodity Index (GSCI)** - Standard & Poor's Goldman Sachs Commodity Index, or GSCI, is a composite index of commodity sector returns which represents a broadly diversified, unleveraged, long-only position in commodity futures.

**S&P 500 Index** - Standard & Poor's U.S. 500 Index, a capitalized-weighted index of 500 stocks.

**Shanghai Composite Index** - A capitalization-weighted index that tracks the daily performance of all A-shares and B-shares listed on the Shanghai Stock Exchange. The index was developed on December 19, 1990 with a base value of 100.

**Spread** - The difference between yields on differing debt instruments, calculated by deducting the yield of one instrument from another. The higher the yield spread, the greater the difference between the yields offered by each instrument. The spread can be measured between debt instruments of differing maturities, credit ratings and risk.



## Definitions of Terms Used (cont'd)

**U.S. Corp IG** - The Bloomberg Barclays U.S. Corporate Bond Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD denominated securities publicly issued by U.S. and non-U.S. industrial, utility and financial issuers.

**U.S. Corp HY** - The Bloomberg Barclays U.S. Corporate High Yield Bond Index measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on Barclays EM country definition, are excluded.

**U.S. Dollar Index (DXY)** - A weighted geometric mean of the United States dollar's value relative to a basket of 6 major foreign currencies, including the Euro, Japanese yen, Pound sterling, Canadian dollar, Swedish krona and Swiss franc.

**U.S. Treasuries (UST)** - Commonly used for references to the Treasury debt that the U.S. issues.

**World Interest Rate Probabilities WIRP (WIRP)** - Allows you to analyze the probabilities of various interest rate level outcomes as implied by the futures, options, and OIS markets, so you can quantify to what extent the markets are "pricing in" future central bank interest rate changes.

**WTI** - West Text Intermediate Crude Oil Front Month Futures Contract

**Yield Curve** - A line that plots the interest rates, at a set point in time, of bonds having equal credit quality but differing maturity dates.

**Yield to Maturity (YTM)** - The total return anticipated on a bond if the bond is held until it matures.

**Z-Score** - A numerical measurement used in statistics of a value's relationship to the mean (average) of a group of values, measured in terms of standard deviations from the mean. If a Z-score is 0, it indicates that the data point's score is identical to the mean score. A Z-score of 1.0 would indicate a value that is one standard deviation from the mean. Z-scores may be positive or negative, with a positive value indicating the score is above the mean and a negative score indicating it is below the mean.

An investment cannot be made directly in an index.

## Fund-Related Disclosure

Portfolio holdings are stated as a % of the Funds' total assets as of September 30, 2019.

	Total Return Bond	Core Fixed Income	Emerging Markets Fixed Income	Multi-Asset Growth	Low Duration	Floating Rate	Shiller Enhanced CAPE	Flexible Income
Fannie Mae	23.43%	7.25%	0.00%	1.86%	4.78%	0.00%	4.02%	0.61%
Freddie Mac	20.50%	7.41%	0.00%	0.39%	1.77%	0.00%	3.78%	0.12%
Ginnie Mae	0.65%	0.28%	0.00%	0.25%	0.00%	0.00%	0.19%	0.13%

	Low Duration EMFI	Long Duration Total Return	Strategic Commodity	Global Bond	Infrastructure Income	Shiller Enhanced Int'l	Ultra Short	Colony Real Estate & Income	Income
Fannie Mae	0.00%	32.20%	0.00%	0.00%	0.00%	2.23%	0.00%	3.67%	0.00%
Freddie Mac	0.00%	25.51%	0.00%	0.00%	0.00%	6.15%	0.00%	3.15%	0.00%
Ginnie Mae	0.00%	7.22%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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

Fund portfolio characteristics and holdings are subject to change without notice. The Adviser may change its views and forecasts at any time, without notice.

Earnings growth is not representative of the fund's future performance.

DoubleLine Funds are distributed by Quasar Distributors, LLC.

© 2019 DoubleLine Funds.



### Important Information Regarding This Material

Issue selection processes and tools illustrated throughout this presentation are samples and may be modified periodically. Such tools are not the only tools used by the investment teams, are extremely sophisticated, may not always produce the intended results and are not intended for use by non-professionals.

DoubleLine has no obligation to provide revised assessments in the event of changed circumstances. While we have gathered this information from sources believed to be reliable, DoubleLine cannot guarantee the accuracy of the information provided. Securities discussed are not recommendations and are presented as examples of issue selection or portfolio management processes. They have been picked for comparison or illustration purposes only. No security presented within is either offered for sale or purchase. DoubleLine reserves the right to change its investment perspective and outlook without notice as market conditions dictate or as additional information becomes available. This material may include statements that constitute “forward-looking statements” under the U.S. securities laws. Forward-looking statements include, among other things, projections, estimates, and information about possible or future results related to a client’s account, or market or regulatory developments.

### Important Information Regarding Risk Factors

Investment strategies may not achieve the desired results due to implementation lag, other timing factors, portfolio management decision-making, economic or market conditions or other unanticipated factors. The views and forecasts expressed in this material are as of the date indicated, are subject to change without notice, may not come to pass and do not represent a recommendation or offer of any particular security, strategy, or investment. All investments involve risks. Please request a copy of DoubleLine’s Form ADV Part 2A to review the material risks involved in DoubleLine’s strategies. Past performance is no guarantee of future results.

### Important Information Regarding DoubleLine

In preparing the client reports (and in managing the portfolios), DoubleLine and its vendors price separate account portfolio securities using various sources, including independent pricing services and fair value processes such as benchmarking.

To receive a copy of DoubleLine’s current Form ADV (which contains important additional disclosure information, including risk disclosures), a copy of DoubleLine’s proxy voting policies and procedures, or to obtain additional information on DoubleLine’s proxy voting decisions, please contact DoubleLine’s Client Services.

### Important Information Regarding DoubleLine’s Investment Style

DoubleLine seeks to maximize investment results consistent with our interpretation of client guidelines and investment mandate. While DoubleLine seeks to maximize returns for our clients consistent with guidelines, DoubleLine cannot guarantee that DoubleLine will outperform a client’s specified benchmark or the market or that DoubleLine’s risk management techniques will successfully mitigate losses. Additionally, the nature of portfolio diversification implies that certain holdings and sectors in a client’s portfolio may be rising in price while others are falling or that some issues and sectors are outperforming while others are underperforming. Such out or underperformance can be the result of many factors, such as, but not limited to, duration/interest rate exposure, yield curve exposure, bond sector exposure, or news or rumors specific to a single name.

DoubleLine is an active manager and will adjust the composition of clients’ portfolios consistent with our investment team’s judgment concerning market conditions and any particular sector or security. The construction of DoubleLine portfolios may differ substantially from the construction of any of a variety of market indices. As such, a DoubleLine portfolio has the potential to underperform or outperform a bond market index. Since markets can remain inefficiently priced for long periods, DoubleLine’s performance is properly assessed over a full multi-year market cycle.

### Important Information Regarding Client Responsibilities

Clients are requested to carefully review all portfolio holdings and strategies, including by comparison of the custodial statement to any statements received from DoubleLine. Clients should promptly inform DoubleLine of any potential or perceived policy or guideline inconsistencies. In particular, DoubleLine understands that guideline enabling language is subject to interpretation and DoubleLine strongly encourages clients to express any contrasting interpretation as soon as practical. Clients are also requested to notify DoubleLine of any updates to client’s information, such as, but not limited to, adding affiliates (including broker dealer affiliates), issuing additional securities, name changes, mergers or other alterations to Client’s legal structure.

CFA® is a registered trademark owned by CFA Institute.

DoubleLine Group is not an investment adviser registered with the Securities and Exchange Commission (SEC).

DoubleLine® is a registered trademark of DoubleLine Capital LP.

© 2019 DoubleLine Capital LP