

# Fixed-Income Investments From a Global Perspective



American Beacon TwentyFour Strategic Income Fund

For investors seeking high current income and the potential for capital appreciation, we offer the **American Beacon TwentyFour Strategic Income Fund**, which invests in a broad range of global bonds and fixed-income instruments.

## A Global Fixed-Income Strategy

TwentyFour Asset Management (US) LP, a boutique investment firm in New York, provides a global perspective on fixed-income investments that is unique among U.S. managers in the credit sector. The firm is a subsidiary of TwentyFour Asset Management LLP in the U.K., which was founded in 2008 and is wholly owned by Vontobel Holding AG in Switzerland. TwentyFour offers highly transparent products and seeks to achieve risk-adjusted returns while retaining a strong focus on capital preservation. Accordingly, TwentyFour has the capability to use a wide range of investment tools to pursue the best possible returns while adhering to rigorous, detail-oriented investment guidelines.

## Distinguishing Characteristics

- The Fund's sub-advisor has significant latitude to take advantage of prevailing market conditions, allowing investors to benefit from a portfolio comprised of global bonds and fixed-income instruments.
- The Fund, which is not managed against traditional market benchmarks, seeks alpha through diversification and helps mitigate interest-rate risk by investing broadly across global fixed-income markets.
- The Fund may invest in, or obtain exposure to, debt instruments from a broad range of fixed-income assets, including investment-grade bonds, high-yield bonds, government bonds, asset-backed securities and other bonds.
- The Fund aims to maximize risk-adjusted returns, meaning that certain securities may be acquired on a "buy-and-hold" basis while others may be traded opportunistically.

## Hedging Opportunities

As the sub-advisor endeavors to meet the Fund's objectives on a consistent basis, having the ability to hedge, or limit, investments is essential. Since the Fund's assets are invested globally, the sub-advisor typically hedges currency exposures to the U.S. dollar to help diminish currency risk. The sub-advisor also seeks to lessen positions that may decline in value and experience unwanted volatility – or whenever better investment opportunities are identified.

### INVESTMENT MANAGER

American Beacon Advisors, Inc.

### SUB-ADVISOR

TwentyFour Asset  
Management (US) LP

### FUND SYMBOLS

R5 Class: TFGIX  
Investor Class: TFGPX  
Y Class: TFGYX  
A Class: TFSAX  
C Class: TFGCX

### WHY AMERICAN BEACON

- Experienced manager-of-managers.
- Access to highly regarded sub-advisors in each asset class.
- Rigorous selection and monitoring process.

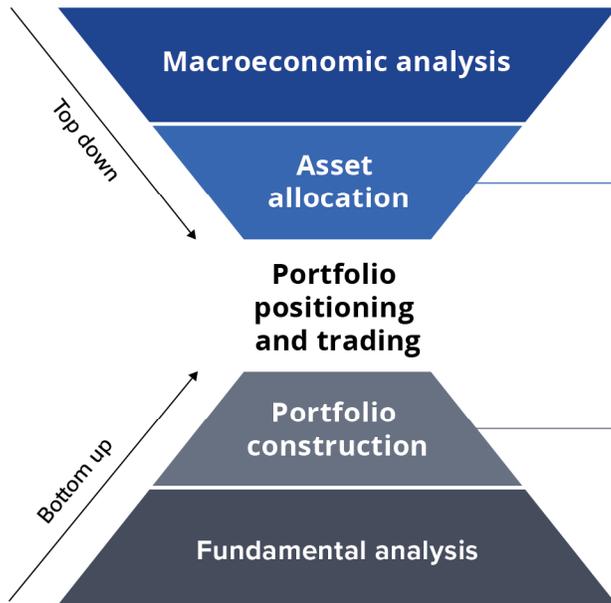
### WHY TWENTYFOUR

- Experienced fixed-income specialists
- Global perspective
- Committed to innovation

To learn more about the American Beacon  
TwentyFour Strategic Income Fund, call  
**800.679.7759** today.

## Investment Process

TwentyFour's institutional investment process features a detailed, top-down/bottom-up structure. The firm's dedicated fixed-income specialists, absolute-return mindset and actively managed approach are among their strongest competitive advantages. Their top-down, macroeconomic view of the global economy, informed by an investment committee, sets the asset-allocation target. An assessment of individual issuers and their creditworthiness determines their bottom-up portfolio construction.



Investment Committee meets monthly to review, validate and revise the portfolio based on these key inputs:

- Credit duration
- Interest rate duration
- Yield curve position
- Sector weightings
- Geographical weightings

Detailed security analysis, trading and oversight are based on:

- Idea generation / meeting borrowers
- Credit approval and monitoring
- Portfolio guidelines
- Use of proprietary 'Observatory' system to identify best prospects
- Relative value assessments
- Risk controls

**Alpha:** A measure of performance on a risk-adjusted basis. Alpha takes the volatility (price risk) of a fund and compares its risk-adjusted performance to a benchmark index. The excess return of the fund relative to the return of the benchmark is a fund's alpha.

**Credit duration:** Calculated as a bond's price sensitivity to spread changes.

**Currency risk:** The potential for financial loss or gains due to fluctuations in currency exchange rates between two different currencies.

**Duration:** The longer a fixed income security, also called a bond, or bond fund's duration, the more sensitive and therefore at risk it is to changes in interest rates.

**Interest rate duration:** Modified duration based on the asset's mid-price.

**'Observatory' system:** A proprietary system developed by TwentyFour that helps measure and track the credentials of different bonds and issuers from the global fixed-income universe.

**Volatility:** A statistical measure of risk. Volatility can either be measured by using the standard deviation or variance between returns from that same security or market index. Commonly, the higher the volatility, the riskier the security.

**Yield curve position:** How a fixed-income portfolio is structured based on an investor's outlook on the future shape of the yield curve. The risk is the potential for losses in a fixed-income portfolio due to a shift in interest rates.

The use of **fixed-income securities** entails interest rate and credit risks. **Derivative instruments** may be highly sensitive to market factors, have less liquidity than other investments and involve the potential for losses to exceed the amount invested. **Interest rate risk** is the risk that debt securities will decrease in value with increases in market interest rates. **Credit risk** is the risk that a debt issuer will fail to make timely payment of interest or principal; if the credit rating of an issuer declines, then the price of its debt securities may also decline. Investments in **high-yield securities** (commonly referred to

as "junk bonds"), including **loans, CLOs, restricted securities and floating-rate securities**, are subject to greater levels of credit, interest rate, market and liquidity risks than investment-grade securities. The Fund may have **high portfolio turnover risk**, which could increase the Fund's transaction costs and possibly have a negative impact on performance. To the extent the Fund invests more heavily in particular sectors, its performance will be sensitive to factors affecting those sectors. **Financial sector** companies are heavily regulated and particularly sensitive to interest rate fluctuations. To the extent the Fund invests more heavily in a particular **country or geographic region**, its performance will be sensitive to factors affecting that country or region. Investing in **foreign and emerging markets** may involve heightened risk due to currency fluctuations and economic and political risks. Geopolitical and other events have led to **market disruptions** causing adverse changes in the value of investments broadly. Changes in value may be temporary or may last for extended periods. The Fund's incorporation of **environmental, social and/or governance (ESG)** considerations in its investment strategy may cause it to underperform funds that do not incorporate these considerations. Please see the prospectus for a complete discussion of the Fund's risks. There can be no assurances that the investment objectives of this Fund will be met.

**Important Information:** All investing includes risk, including possible loss of principal.

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**You should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. The prospectus and summary prospectus contain this and additional information regarding the Fund. To obtain a prospectus and summary prospectus, please contact your financial advisor, or call 800.967.9009 or visit [americanbeaconfunds.com](http://americanbeaconfunds.com). The prospectus and summary prospectus should be read carefully before investing.**