

Quarterly Review March 31, 2012

Thornburg California Limited Term Municipal Fund

INVESTMENT STRATEGY

The Fund offers California investors double tax-free yields (income is exempt from regular federal and California state income tax but may be subject to alternative minimum tax) in a laddered municipal bond portfolio with an average maturity of less than five years. Laddering involves building a portfolio of bonds with staggered maturities so that a portion of the portfolio matures each year; cash from maturing bonds is invested in bonds with longer maturities at the far end of the ladder. The strategy is a good compromise for managing different types of risk.

PORTFOLIO MANAGERS

Josh Gonze
Christopher Ihlefeld
Christopher Ryon, CFA

IMPORTANT INFORMATION

Investments in the Fund carry risks, including possible loss of principal. Bond funds have the same interest rate, inflation, and credit risks that are associated with the underlying bonds. The principal value of bonds will fluctuate relative to changes in interest rates, decreasing when interest rates rise. Unlike bonds, bond funds have ongoing fees and expenses. Investments in the Fund are not FDIC insured, nor are they deposits of or guaranteed by a bank or any other entity.

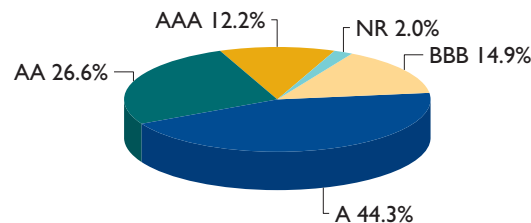
Class I shares may not be available to all investors. Minimum investments for the I share class may be higher than those for other classes.

Before investing, carefully consider the Fund's investment goals, risks, charges, and expenses. For a prospectus containing this and other information, contact your financial advisor or visit thornburg.com. Read it carefully before investing.

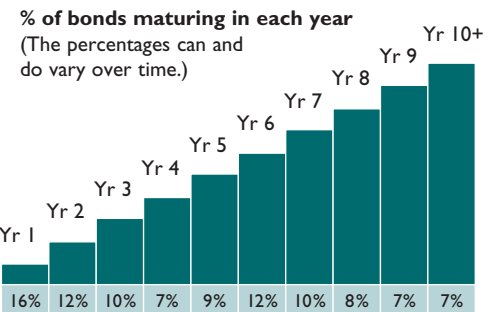
KEY PORTFOLIO ATTRIBUTES

Number of Bonds	200
Average Maturity	4.3 Yrs
Effective Duration	3.3 Yrs
Subject to Alternative Minimum Tax	3.7%

CREDIT QUALITY RATINGS



CURRENT PORTFOLIO LADDER



Charts may not add up to 100% due to rounding.

A bond credit rating assesses the financial ability of a debt issuer to make timely payments of principal and interest. Ratings of AAA (the highest), AA, A, and BBB are investment-grade quality. Ratings of BB, B, CCC, CC, C and D (the lowest) are considered below investment grade, speculative grade, or junk bonds. We have used ratings from Standard & Poor's (S&P). Where S&P ratings are not available, we have used Moody's Investors Service. Where neither rating is available, we have used ratings from Fitch Ratings. "NR" = not rated.

AVERAGE ANNUAL TOTAL RETURNS (as of March 31, 2012)

	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception
A Shares (Incep: 2/19/87)						
Without sales charge	0.93%	7.87%	5.54%	4.52%	3.73%	4.79%
With sales charge	-0.61%	6.23%	5.02%	4.21%	3.58%	4.72%
C Shares (Incep: 9/1/94)						
Without sales charge	0.86%	7.58%	5.27%	4.25%	3.46%	3.75%
With sales charge	0.36%	7.05%	5.27%	4.25%	3.46%	3.75%
I Shares (Incep: 4/1/97)	1.09%	8.30%	5.92%	4.87%	4.09%	4.30%

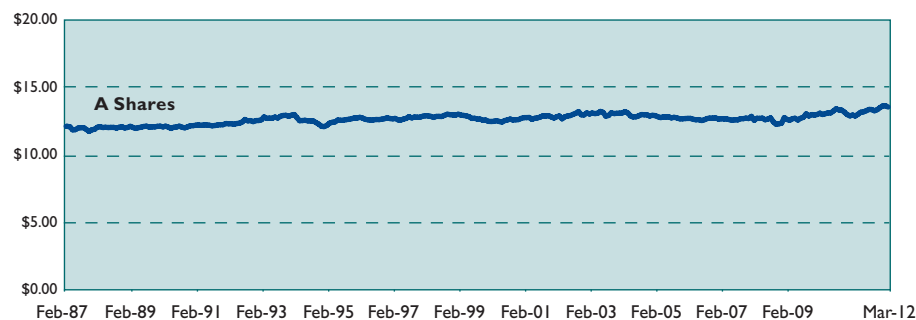
Returns for less than one year are not annualized.

The maximum sales charge for the Fund's A shares is 1.50%. C shares include a 0.50% contingent deferred sales charge (CDSC) for the first year only. There is no sales charge for class I shares.

The total annual fund operating expenses are as follows: A shares, 0.96%; C shares, 1.22%; I shares, 0.63%.

Performance data shown represents past performance and is no guarantee of future results. Investment return and principal value will fluctuate so shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than quoted. For performance current to the most recent month end, visit thornburg.com or call 877-215-1330.

NET ASSET VALUE HISTORY February 19, 1987 through March 31, 2012



SYMBOLS AND CUSIPS

A Shares
LTCAX
885-215-426

C Shares
LTCCX
885-215-418

I Shares
LTCIX
885-215-392