

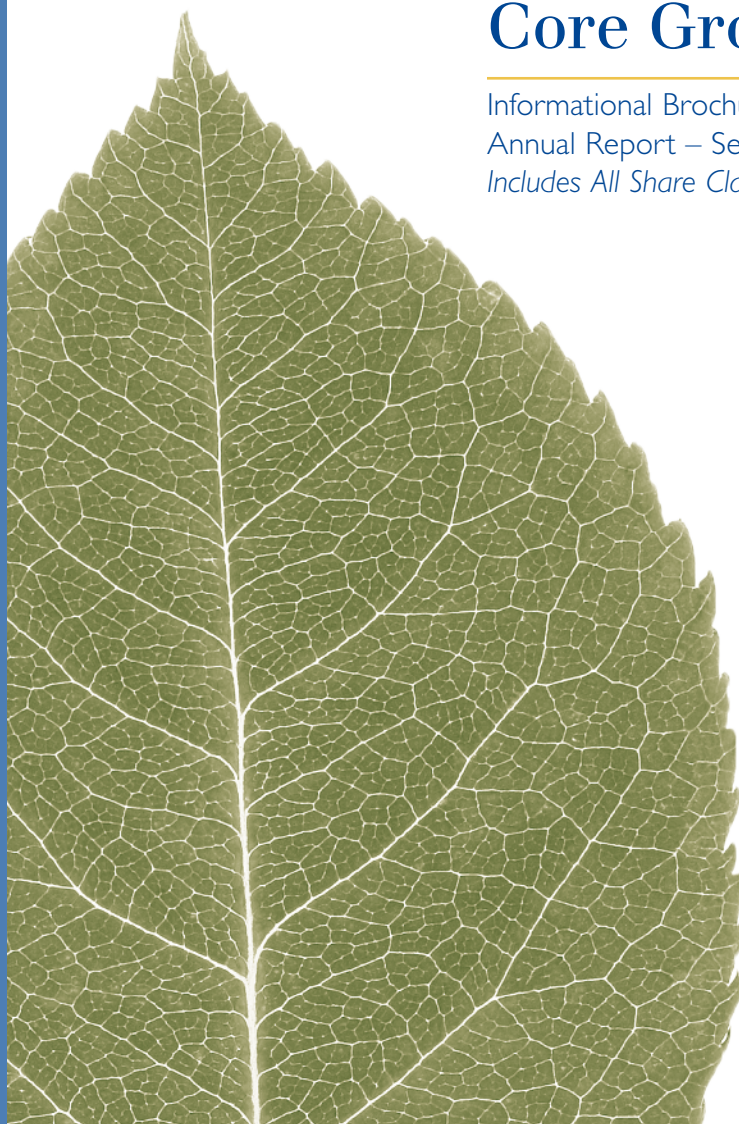


Investment Management®

Strategies for Building Real Wealth

Thornburg Core Growth Fund

Informational Brochure and
Annual Report – September 30, 2011
Includes All Share Classes



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Thornburg Core Growth Fund

The Fund seeks long-term growth of capital by investing in equity securities selected for their growth potential.

The Fund expects to invest primarily in domestic equity securities (primarily common stocks) selected for their growth potential. However, the Fund may own a variety of securities, including foreign equity securities, partnership interests, and domestic and foreign debt obligations. The Fund may also invest in developing countries.

Important Information

The information presented on the following pages was current as of September 30, 2011. The managers' views, portfolio holdings, and sector and country diversification are provided for the general information of the Fund's shareholders; to the extent this information is historical, it should not be considered predictive of future circumstances. This material should not be deemed a recommendation to buy or sell any of the securities mentioned.

Investments in the Fund carry risks, including possible loss of principal. Special risks may be associated with investments outside the United States, especially in emerging markets, including currency fluctuations, illiquidity and volatility. Investments in small capitalization companies may increase the risk of greater price fluctuations. Please see the Fund's Prospectus for a discussion of the risks associated with an investment in the Fund. Investments in the Fund are not FDIC insured, nor are they deposits of or guaranteed by a bank or any other entity. There is no guarantee that the Fund will meet its investment objectives. Funds invested in a limited number of holdings may expose an investor to greater volatility.

Performance data given at net asset value (NAV) does not take into account the applicable sales charges. If the sales charges had been included, the performance would have been lower.

Class I, R3, R4, and R5 shares may not be available to all investors. Minimum investments for Class I shares may be higher than those for other classes.

Share Class	NASDAQ Symbol	Cusip
Class A	THCGX	885-215-582
Class C	TCGCX	885-215-574
Class I	THIGX	885-215-475
Class R3	THCRX	885-215-517
Class R4	TCGRX	885-215-251
Class R5	THGRX	885-215-350

Glossary

Russell 3000 Growth Index – The Russell 3000 Growth Index (Russell 3K G) is an unmanaged index comprised of those Russell 3000 companies with higher price-to-book ratios and higher forecasted growth values.

Unless otherwise noted, index returns reflect the reinvestment of income dividends and capital gains, if any, but do not reflect fees, brokerage commissions or other expenses of investing. Investors may not make direct investments into any index. The performance of any index is not indicative of the performance of any particular investment.

Basis Point (bps) – Unit equal to 1/100th of 1%. A 1% change = 100 basis points (bps).

Beta – Beta is a measure of market-related risk. Less than one means the portfolio is less volatile than the index, while greater than one indicates more volatility than the index.

Median Market Capitalization – Market capitalization (market cap) is the total value of a company's stock, calculated by multiplying the number of outstanding common shares by the current share price. The company whose market cap is in the middle of the portfolio is the median market cap. Half the companies in the portfolio have values greater than the median, and half have values that are less.

Price to Book Value (P/B) – A ratio used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest quarter's book value (book value is simply assets minus liabilities).

Price to Cash Flow Ratio – A measure of the market's expectations of a firm's future financial health. It is calculated by dividing the price per share by cash flow per share.

Price to Earnings Ratio (P/E) – A valuation ratio equaling a company's market value per share divided by earnings per share.

Thornburg Core Growth Fund

MANAGEMENT TEAM



Tim Cunningham, CFA, Alexander M.V. Motola, CFA, and Greg Dunn

IMPORTANT PERFORMANCE INFORMATION

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 800.847.0200.

The maximum sales charge for Class A shares is 4.50%. Class A shares are subject to a 1% 30-day redemption fee. The total annual fund operating expense of Class A shares is 1.48%, as disclosed in the most recent Prospectus.

Continually Evaluating the Risk Equation

Growth stocks are often referred to as “glamour” stocks, and it is easy to understand why. Growth stocks generate excitement. These are stocks whose rapid earnings growth is expected to be followed by rapid price appreciation. Growth stocks capture the imagination, and investing in them may potentially offer considerable opportunities for reward.

But growth stocks can also be volatile. Identifying which companies will succeed takes work. It takes digging down to the nuts and bolts of companies. The management team of Thornburg Core Growth Fund understands this. They know that it is grit, not glamour, that creates a successful growth fund.

Portfolio manager Alex Motola and his team apply a rigorous stock selection process to the investments that comprise the Thornburg Core Growth Fund. This is a portfolio run on common sense, not on abstract theory. Motola’s overarching philosophy is to create a fund that generates good performance over the long term, while reducing volatility in the interim. Intensive, hands-on, independent research is the central theme. While many other growth funds rely on broad portfolio diversification to temper volatility, the Thornburg Core Growth Fund focuses on a limited number of stocks and diversifies those investments among three segments of the growth fund universe: Consistent Growth Companies, Growth Industry Leaders, and Emerging Growth Companies. By limiting the number of securities, the Fund’s managers can evaluate each stock in greater depth. We believe that diversifying among three growth baskets further mitigates risk because each of these segments typically reacts differently than the equity markets as a whole.

How does the stock selection process work? Before adding a stock to the Fund’s portfolio, Motola and his team drill down into the company and its business. The team believes that an intimate understanding of

AVERAGE ANNUAL TOTAL RETURNS FOR PERIODS ENDED 9/30/11

	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception
A Shares (Incep: 12/27/00)					
Without sales charge	-3.48%	-0.07%	-4.03%	5.69%	1.19%
With sales charge	-7.81%	-1.60%	-4.90%	5.20%	0.76%
Russell 3000 Growth Index					
(Since: 12/27/00)	3.39%	4.49%	1.56%	3.18%	-0.62%

the companies in the portfolio is one of the most effective forms of risk management.

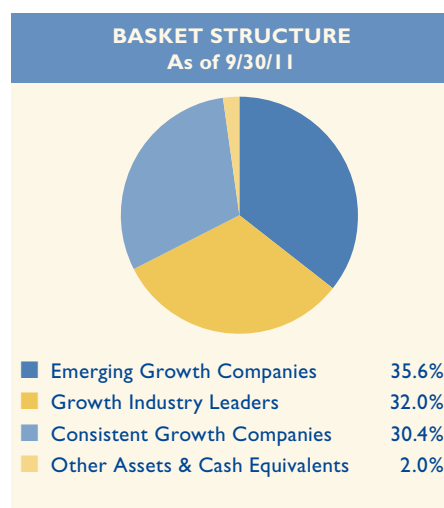
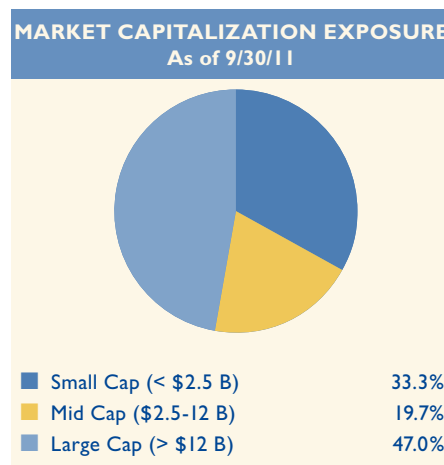
Companies are initially screened using a variety of quantitative factors. Most are rejected and logged as a screening rejection. Only those with the most appealing opportunities to expand margins and grow earnings move on to the next step – the construction of a company-specific model. The goal is to cut to the quick and scrutinize the underlying business. The team uses SEC filings to construct proprietary income statement, balance sheet and cash flow statement models for each remaining company. From these they analyze historical data, monitor current conditions, identify red flags, and estimate future growth potential.

Motola, a former historian who has been at the Fund’s helm since its inception, is not one to go along with the crowd. He and his team are not tied to “mainstream thinking.” While they have access to the best of Wall Street’s analysis, they are not ruled by it.

The team test the strength of a company’s underlying business model against a variety of what-if screens. Besides conducting site visits and interviewing company management, they also check in with a company’s major customers, suppliers, and distributors to get a complete picture of a company before investing. Revenue and cost of goods sold are given particular attention. All data points are broken down in as many ways as possible before reaching an investment decision.

KEY PORTFOLIO ATTRIBUTES	
As of 9/30/11	
Portfolio P/E Trailing 12-months*	19.7x
Portfolio Price to Cash Flow*	11.3x
Portfolio Price to Book Value*	3.3x
Median Market Cap*	\$3.5 B
7-Year Beta (A Shares vs. Russell 3K G)*	1.14
Number of Companies	37

* Source: FactSet



STOCKS CONTRIBUTING AND DETRACTING FOR THE YEAR ENDED 9/30/11	
Top Contributors	Top Detractors
Frontier Oil	RSC Holdings, Inc.
Covidien plc	Baker Hughes, Inc.
Gentex Corp.	Yandex N.V. CI A
Amazon.com, Inc.	FedEx Corp.
Alexion Pharmaceuticals, Inc.	Grand Canyon Education, Inc.

Source: FactSet

2011

Certified Annual Report

Thornburg Core Growth Fund

September 30, 2011

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This report is certified under the Sarbanes-Oxley Act of 2002, which requires that public companies, including mutual funds, affirm that the information provided in their annual and semiannual shareholder reports fully and fairly represents their financial position.

Letter to Shareholders



**Alexander M.V.
Motola, CFA**
Portfolio Manager

October 18, 2011

Dear Fellow Shareholder:

Equity investors have had quite a bit to digest over the past twelve months. Optimism towards the end of 2010 that a sustainable economic recovery could be taking hold gave way to concerns about political gridlock in our nation's capital, sovereign debt issues in Europe, the possibility of a slowdown in economic growth worldwide, and the battle against inflation in emerging markets. Global headlines quickly overwhelmed company specific fundamentals and investors abandoned equities in a flight-to-quality. Over the summer, in a relatively short period of time, global bourses quickly erased many of the gains generated earlier in the fiscal year.

Returns for the Thornburg Core Growth Fund were disappointing on both an absolute and relative basis. On September 30, 2010, the net asset value (NAV) for the Class A shares was \$13.81. At the end of the fiscal year, the Fund's NAV was \$13.33. The Fund's Class A shares (at NAV) returned negative 3.48% over the past twelve months, materially behind the Russell 3000 Growth Index return of 3.39%. As has been the case for the last few years, there will be no capital gain distribution this year. At September 30, 2011, the Fund had tax basis realized capital losses of approximately \$680 million, which may be carried forward to offset future capital gains to the extent permitted by regulations.

Stock selection, as holders of the Fund have heard from us repeatedly over the years, was the primary driver of performance this period. The Thornburg Core Growth Fund is invested in a relatively small number of names that we believe can perform well, regardless of industry group or market environment. Unfortunately, our selection effect within information technology was broadly negative. We're disappointed, both because it was the largest weight in the Fund, but also due to the success we've had in that industry in the past. Yandex, a Russian internet search provider, led the IT detractors. It sold off in sympathy with equities domiciled in emerging markets. We remain invested based on the low but growing internet penetration rates in Russia, as well as the strength of their competitive position and balance sheet. Another detractor from the IT sector, Riverbed Technologies, also remains in the Fund. As is sometimes the case, performance measurement can be an exercise in timing; Riverbed was purchased after it had corrected more than 35% from its highs, but it still declined another 30% as markets rerated in August and September. Overall, we continue to be optimistic about the prospects for our IT holdings, as valuations appear to be relatively modest.

Letter to Shareholders, *Continued*

More encouraging was the success we had in the health care sector. While not universally positive, we did benefit from strong performance from our biotechnology and health care services holdings. Alexion Pharmaceuticals beat revenue estimates and optimism rose about its pipeline of new products; we sold the stock at a price target late in the fiscal year. Covidien was another contributor that was sold during the first half of 2011; the company is exhibiting growth in a number of business segments and its stock price was augmented by a share buyback.

IT and health care have often, together, made up a large percentage of the holdings of the Core Growth Fund. In retrospect, this should come as no surprise, as these two sectors have provided a disproportionate share of domestic economic growth over the past few decades. In addition, our process tends to be geared towards companies with secular, as opposed to cyclical, growth drivers. We find that these two areas provide more opportunities to identify disruptive technologies or services than the materials and energy sectors, where the stock price is often driven by the price of an underlying commodity. We do not make fundamental changes to our philosophy or process; however, we are today casting a wider-than-ever net in our search for promising growth companies trading at a discount to intrinsic value. While not a huge focus of the Fund on a percentage basis, we've often done well in unconventional growth areas. The past twelve months were no exception as Frontier Oil, a petroleum refiner, was the strongest single contributor to Fund performance.

Diversification continues to be a critical element to our management of the Fund. When we launched the Core Growth Fund in late 2000, we wanted a vehicle which would have exposure across the universe of growth investing styles and market capitalizations. We borrowed the "basket" approach of our Value and International Value siblings, and modified those baskets for growth investing. The portfolio we share as investors contains a broad mix of stocks including some of the largest capitalization IT stocks such as Microsoft and Google. We view these companies as high-quality growth stories, generating massive cash flows that are currently trading at historically low valuations. While those stocks have been out-of-favor for some time, we believe that the market will recognize the value that we see in these franchises. At the other side of the growth spectrum is our position in Zoll Medical, a fast-growing provider of defibrillator products, currently trading at a market capitalization of under \$1 billion.

At the time of this writing, we cannot help but feel that we are at a fundamentally different place than when we were entering the Great Recession. Investors no doubt feel a great deal of anxiety as we enter a new fiscal year. However, the balance sheets of domestic financial institutions and corporate America are in much better shape than they were three years ago. Near-term earnings expectations may need to be adjusted for slower growth in the coming months; however, multiples do not appear to be stretched.

We continue to be confident in our approach and personnel. Jim Gassman joined our team as a senior equity analyst during the period. Jim has a solid background in growth investing, fits well into our collaborative approach to research, and quickly brought to our attention names which he had covered in previous duties. Tamara Manoukian has transitioned her focus to our International Value Fund, however, given Thornburg Investment Management's global generalist approach

to research and the collegial nature of our equity team, she continues to cover stocks within the Core Growth Fund and will continue to be a source of new idea contribution (as are all analysts at Thornburg).

We continue to focus on identifying promising growth companies trading at a discount to their long-term value. Regardless of the economic environment, we believe that our disciplined, bottom-up approach will lead us to attractive growth companies. We encourage you to learn more about your portfolio. Quarterly updates, as well as descriptions of each holding can be found at www.thornburg.com/funds. Thank you for your investment in the Thornburg Core Growth Fund.

Sincerely,

A handwritten signature in blue ink that reads "Alexander M.V. Motola". The signature is fluid and cursive, with the first and last names being the most prominent.

Alexander M.V. Motola, CFA
Managing Director
Portfolio Manager

The matters discussed in this report may constitute forward-looking statements made pursuant to the safe harbor provisions of the Securities Litigation Reform Act of 1995. These include any advisor or portfolio manager prediction, assessment, analysis or outlook for individual securities, industries, investment styles, market sectors and/or markets. These statements involve risks and uncertainties. In addition to the general risks described for each fund in its current prospectus, other factors bearing on these reports include the accuracy of the advisor's or portfolio manager's forecasts and predictions, the appropriateness of the investment strategies designed by the advisor or portfolio manager, and the ability of the advisor or portfolio manager to implement their strategies efficiently and successfully. Any one or more of these factors, as well as other risks affecting the securities markets generally, could cause the actual results of any fund to differ materially as compared to its benchmarks.

SCHEDULE OF INVESTMENTS

Thornburg Core Growth Fund

September 30, 2011

TOP TEN HOLDINGS

As of 9/30/11

Charles Schwab Corp.	4.7%	Qualcomm, Inc.	3.8%
Amazon.com, Inc.	4.2%	Intuit, Inc.	3.6%
Gilead Sciences, Inc.	4.1%	Microsoft Corp.	3.4%
Visa, Inc.	4.0%	Medco Health Solutions, Inc.	3.4%
Google, Inc.	4.0%	Affiliated Managers Group, Inc.	3.3%

SUMMARY OF INDUSTRY EXPOSURE

As of 9/30/11

Software & Services	29.9%	Transportation	3.0%
Diversified Financials	14.3%	Telecommunication Services	2.6%
Technology Hardware & Equipment	11.3%	Capital Goods	2.5%
Health Care Equipment & Services	9.0%	Semiconductors & Semiconductor Equipment	2.2%
Retailing	8.2%	Banks	2.2%
Pharmaceuticals, Biotechnology & Life Sciences	4.1%	Automobiles & Components	1.7%
Energy	4.0%	Other Assets & Cash Equivalents	2.0%
Consumer Durables & Apparel	3.0%		

SUMMARY OF COUNTRY EXPOSURE

As of 9/30/11 (% of equity holdings)

United States	88.6%	China	2.1%
United Kingdom	5.6%	Russia	1.6%
Argentina	2.1%		

SCHEDULE OF INVESTMENTS, CONTINUED

Thornburg Core Growth Fund

September 30, 2011

	<u>Shares/ Principal Amount</u>	<u>Value</u>
COMMON STOCK — 98.00%		
AUTOMOBILES & COMPONENTS — 1.66%		
AUTO COMPONENTS — 1.66%		
Gentex Corp.	445,527	\$ 10,714,924
		<u>10,714,924</u>
BANKS — 2.19%		
COMMERCIAL BANKS — 2.19%		
^a SVB Financial Group	383,806	14,200,822
		<u>14,200,822</u>
CAPITAL GOODS — 2.47%		
TRADING COMPANIES & DISTRIBUTORS — 2.47%		
^a RSC Holdings, Inc.	2,238,211	15,958,444
		<u>15,958,444</u>
CONSUMER DURABLES & APPAREL — 3.05%		
TEXTILES, APPAREL & LUXURY GOODS — 3.05%		
^a Vera Bradley, Inc.	546,700	19,708,535
		<u>19,708,535</u>
DIVERSIFIED FINANCIALS — 14.35%		
CAPITAL MARKETS — 10.78%		
^a Affiliated Managers Group, Inc.	269,587	21,041,265
Charles Schwab Corp.	2,701,535	30,446,300
Hargreaves Lansdown plc	2,600,000	18,244,988
DIVERSIFIED FINANCIAL SERVICES — 3.57%		
^a Encore Capital Group, Inc.	705,448	15,414,039
^a Portfolio Recovery Associates, Inc.	123,547	7,687,094
		<u>92,833,686</u>
ENERGY — 3.97%		
ENERGY EQUIPMENT & SERVICES — 2.48%		
Baker Hughes, Inc.	348,300	16,077,528
OIL, GAS & CONSUMABLE FUELS — 1.49%		
^a Continental Resources, Inc.	198,900	9,620,793
		<u>25,698,321</u>
HEALTH CARE EQUIPMENT & SERVICES — 9.03%		
HEALTH CARE EQUIPMENT & SUPPLIES — 2.46%		
^a Zoll Medical Corp.	421,663	15,913,562
HEALTH CARE PROVIDERS & SERVICES — 6.57%		
^a HMS Holdings Corp.	852,070	20,781,987
^a Medco Health Solutions, Inc.	463,100	21,714,759
		<u>58,410,308</u>
PHARMACEUTICALS, BIOTECHNOLOGY & LIFE SCIENCES — 4.10%		
BIOTECHNOLOGY — 4.10%		
^a Gilead Sciences, Inc.	684,179	26,546,145
		<u>26,546,145</u>

SCHEDULE OF INVESTMENTS, CONTINUED

Thornburg Core Growth Fund

September 30, 2011

	<u>Shares/ Principal Amount</u>	<u>Value</u>
RETAILING — 8.20%		
INTERNET & CATALOG RETAIL — 4.22%		
a Amazon.com, Inc.	126,215	\$ 27,291,469
SPECIALTY RETAIL — 3.98%		
a SuperGroup plc	1,057,370	17,148,181
a Urban Outfitters, Inc.	385,000	<u>8,593,200</u>
		<u>53,032,850</u>
SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT — 2.21%		
SEMICONDUCTORS & SEMICONDUCTOR EQUIPMENT — 2.21%		
a ON Semiconductor Corp.	1,994,598	<u>14,301,268</u>
		<u>14,301,268</u>
SOFTWARE & SERVICES — 29.85%		
INFORMATION TECHNOLOGY SERVICES — 4.02%		
Visa, Inc.	303,156	25,986,533
INTERNET SOFTWARE & SERVICES — 12.29%		
a Baidu, Inc. ADR	126,400	13,513,424
a Constant Contact, Inc.	189,015	3,268,069
a Google, Inc.	49,939	25,687,623
MercadoLibre, Inc.	249,386	13,404,498
a RightNow Technologies, Inc.	415,250	13,724,012
a Yandex NV	487,500	9,949,875
SOFTWARE — 13.54%		
a BroadSoft, Inc.	642,144	19,489,070
Intuit, Inc.	495,300	23,497,032
Microsoft Corp.	888,338	22,110,733
a SolarWinds, Inc.	636,153	14,008,089
a SuccessFactors, Inc.	369,300	<u>8,490,207</u>
		<u>193,129,165</u>
TECHNOLOGY HARDWARE & EQUIPMENT — 11.34%		
COMMUNICATIONS EQUIPMENT — 6.27%		
Qualcomm, Inc.	509,800	24,791,574
a Riverbed Technology, Inc.	790,200	15,772,392
COMPUTERS & PERIPHERALS — 5.07%		
a EMC Corp.	993,700	20,857,763
a Fusion-io, Inc.	630,700	<u>11,983,300</u>
		<u>73,405,029</u>
TELECOMMUNICATION SERVICES — 2.62%		
WIRELESS TELECOMMUNICATION SERVICES — 2.62%		
a SBA Communications Corp.	491,931	<u>16,961,781</u>
		<u>16,961,781</u>
TRANSPORTATION — 2.96%		
AIR FREIGHT & LOGISTICS — 2.96%		
FedEx Corp.	283,527	<u>19,189,107</u>
		<u>19,189,107</u>
TOTAL COMMON STOCK (Cost \$627,878,814)		<u>634,090,385</u>

SCHEDULE OF INVESTMENTS, CONTINUED

Thornburg Core Growth Fund

September 30, 2011

	<u>Shares/ Principal Amount</u>	<u>Value</u>
SHORT TERM INVESTMENTS — 0.46%		
Devon Energy Corp., 0.17%, 10/3/2011	\$ 3,000,000	\$ 2,999,972
TOTAL SHORT TERM INVESTMENTS (Cost \$2,999,972)		<u>2,999,972</u>
TOTAL INVESTMENTS — 98.46% (Cost \$630,878,786)		\$ 637,090,357
OTHER ASSETS LESS LIABILITIES — 1.54%		<u>9,973,353</u>
NET ASSETS — 100.00%		<u>\$ 647,063,710</u>

Footnote Legend

a Non-income producing.

Portfolio Abbreviations

To simplify the listings of securities, abbreviations are used per the table below:

ADR American Depository Receipt

See notes to financial statements.

STATEMENT OF ASSETS AND LIABILITIES

Thornburg Core Growth Fund

September 30, 2011

ASSETS

Investments at value (cost \$630,878,786) (Note 2)	\$ 637,090,357
Cash	462,147
Cash denominated in foreign currency (cost \$414,341)	413,770
Receivable for investments sold	12,140,483
Receivable for fund shares sold	592,055
Dividends receivable	58,853
Prepaid expenses and other assets	41,241
Total Assets	<u>650,798,906</u>

LIABILITIES

Payable for fund shares redeemed	2,380,492
Payable to investment advisor and other affiliates (Note 3)	717,324
Accounts payable and accrued expenses	637,311
Dividends payable	69
Total Liabilities	<u>3,735,196</u>

NET ASSETS

\$ 647,063,710

NET ASSETS CONSIST OF:

Net unrealized appreciation on investments and foreign currency translations	\$ 6,210,955
Accumulated net realized gain (loss)	(685,554,287)
Net capital paid in on shares of beneficial interest	<u>1,326,407,042</u>
	<u>\$ 647,063,710</u>

STATEMENT OF ASSETS AND LIABILITIES, CONTINUED

Thornburg Core Growth Fund

September 30, 2011

NET ASSET VALUE:

Class A Shares:

Net asset value and redemption price per share

(\$208,134,817 applicable to 15,611,612 shares of beneficial interest outstanding - Note 4)

\$ 13.33

Maximum sales charge, 4.50% of offering price

0.63

Maximum offering price per share

\$ 13.96

Class C Shares:

Net asset value and offering price per share*

(\$137,799,429 applicable to 11,280,208 shares of beneficial interest outstanding - Note 4)

\$ 12.22

Class I Shares:

Net asset value, offering and redemption price per share

(\$114,678,575 applicable to 8,264,255 shares of beneficial interest outstanding - Note 4)

\$ 13.88

Class R3 Shares:

Net asset value, offering and redemption price per share

(\$109,126,517 applicable to 8,187,121 shares of beneficial interest outstanding - Note 4)

\$ 13.33

Class R4 Shares:

Net asset value, offering and redemption price per share

(\$10,423,042 applicable to 779,751 shares of beneficial interest outstanding - Note 4)

\$ 13.37

Class R5 Shares:

Net asset value, offering and redemption price per share

(\$66,901,330 applicable to 4,826,708 shares of beneficial interest outstanding - Note 4)

\$ 13.86

* Redemption price per share is equal to net asset value less any applicable contingent deferred sales charge.

See notes to financial statements.

STATEMENT OF OPERATIONS

Thornburg Core Growth Fund

Year Ended September 30, 2011

INVESTMENT INCOME:

Dividend income (net of foreign taxes withheld of \$41,129)	\$ 5,499,678
Interest income	<u>62,553</u>
Total Income	<u>5,562,231</u>

EXPENSES:

Investment advisory fees (Note 3)	9,512,879
Administration fees (Note 3)	
Class A Shares	400,257
Class C Shares	241,513
Class I Shares	78,223
Class R3 Shares	228,011
Class R4 Shares	21,424
Class R5 Shares	131,835
Distribution and service fees (Note 3)	
Class A Shares	799,466
Class C Shares	1,925,327
Class R3 Shares	910,977
Class R4 Shares	42,544
Transfer agent fees	
Class A Shares	611,148
Class C Shares	366,822
Class I Shares	204,952
Class R3 Shares	438,284
Class R4 Shares	64,581
Class R5 Shares	751,356
Registration and filing fees	
Class A Shares	24,419
Class C Shares	21,584
Class I Shares	21,229
Class R3 Shares	42,413
Class R4 Shares	21,722
Class R5 Shares	22,889
Custodian fees (Note 3)	207,360
Professional fees	68,924
Accounting fees	40,416
Trustee fees	24,898
Other expenses	<u>110,631</u>
Total Expenses	17,336,084
Less:	
Expenses reimbursed by investment advisor (Note 3)	<u>(1,297,460)</u>
Net Expenses	<u>16,038,624</u>
Net Investment Loss	<u>\$ (10,476,393)</u>

STATEMENT OF OPERATIONS, CONTINUED

Thornburg Core Growth Fund

Year Ended September 30, 2011

REALIZED AND UNREALIZED GAIN (LOSS)

Net realized gain (loss) from:

Investments	\$ 228,389,431
Foreign currency transactions	<u>66,933</u>
	<u>228,456,364</u>

Net change in unrealized appreciation (depreciation) on:

Investments	(168,137,098)
Foreign currency translations	<u>(616)</u>
	<u>(168,137,714)</u>

Net Realized and Unrealized Gain	<u>60,318,650</u>
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Net Increase in Net Assets Resulting from Operations	<u><u>\$ 49,842,257</u></u>
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See notes to financial statements.

STATEMENTS OF CHANGES IN NET ASSETS

Thornburg Core Growth Fund

	Year Ended September 30, 2011	Year Ended September 30, 2010
INCREASE (DECREASE) IN NET ASSETS FROM		
OPERATIONS:		
Net investment income (loss)	\$ (10,476,393)	\$ (16,110,454)
Net realized gain (loss) on investments and foreign currency transactions	228,456,364	118,279,325
Net unrealized appreciation (depreciation) on investments and foreign currency translations	(168,137,714)	(84,200,086)
	<hr/>	<hr/>
Net Increase (Decrease) in Net Assets Resulting from Operations	49,842,257	17,968,785
FUND SHARE TRANSACTIONS (NOTE 4):		
Class A Shares	(175,820,842)	(143,803,748)
Class C Shares	(79,773,991)	(75,171,959)
Class I Shares	(59,949,918)	(48,814,392)
Class R3 Shares	(110,226,931)	(69,273,239)
Class R4 Shares	(15,430,363)	(5,941,399)
Class R5 Shares	(284,360,787)	(3,484,259)
	<hr/>	<hr/>
Net Decrease in Net Assets	(675,720,575)	(328,520,211)
NET ASSETS:		
Beginning of Year	<hr/> 1,322,784,285	<hr/> 1,651,304,496
End of Year	<hr/> \$ 647,063,710	<hr/> \$ 1,322,784,285

See notes to financial statements.

NOTE 1 – ORGANIZATION

Thornburg Core Growth Fund, hereinafter referred to as the “Fund,” is a diversified series of Thornburg Investment Trust (the “Trust”). The Trust was organized as a Massachusetts business trust under a Declaration of Trust dated June 3, 1987 and is registered as a diversified, open-end management investment company under the Investment Company Act of 1940, as amended. The Fund is currently one of sixteen separate series of the Trust. Each series is considered to be a separate entity for financial reporting and tax purposes and bears expenses directly attributable to it. The Fund seeks long-term capital appreciation by investing in equity securities selected for their growth potential.

The Fund currently offers six classes of shares of beneficial interest outstanding: Class A, Class C, Institutional Class (Class I), and Retirement Classes (Class R3, Class R4, and Class R5). Each class of shares of the Fund represents an interest in the same portfolio of investments, except that (i) Class A shares are sold subject to a front-end sales charge collected at the time the shares are purchased and bear a service fee, (ii) Class C shares are sold at net asset value without a sales charge at the time of purchase, but are subject to a contingent deferred sales charge upon redemption within one year of purchase, and bear both a service fee and a distribution fee, (iii) Class I shares are sold at net asset value without a sales charge at the time of purchase, (iv) Class R3 shares are sold at net asset value without a sales charge at the time of purchase, but bear both a service fee and distribution fee, (v) Class R4 shares are sold at net asset value without sales charge at the time of purchase, but bear a service fee, (vi) Class R5 shares are sold at net asset value without a sales charge at the time of purchase, and (vii) the respective classes may have different reinvestment privileges and conversion rights. Additionally, the Fund may allocate among its classes certain expenses, to the extent allowable to specific classes, including transfer agent fees, government registration fees, certain printing and postage costs, and administrative and legal expenses. Currently, class specific expenses of the Fund are limited to service and distribution fees, administration fees, and certain registration and transfer agent expenses.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES**Significant accounting policies of the Trust are as follows:**

Valuation of Investments: Portfolio securities listed or traded on a national securities exchange are valued on the valuation date at the last reported sale price on the exchange that is the primary market for the security. Portfolio securities traded on an exchange for which there has been no sale that day and other equity securities traded in the over-the-counter market are valued at the mean between the last reported bid and asked prices. Portfolio securities reported by NASDAQ are valued at the NASDAQ official closing price. Any foreign security traded on exchanges outside the United States is valued at the price of the security on the exchange that is normally the security’s primary market, as of the close of that exchange preceding the time of the Fund’s valuation.

Debt obligations held by the Fund have a primary market over the counter and are valued by an independent pricing service approved by the Trustees of the Trust. The pricing service ordinarily values debt obligations at quoted bid prices. When quotations are not available, debt obligations held by the Fund are valued at evaluated prices determined by the pricing service using methods which include consideration of yields or prices of debt obligations of comparable quality, type of issue, coupon, maturity and rating, and indications as to value from dealers and general market conditions. Short-term obligations having remaining maturities of 60 days or less are ordinarily valued at amortized cost, which approximates market value.

Quotations in foreign currencies for foreign portfolio investments are converted to U.S. dollar equivalents using the foreign exchange quotation in effect at the time of valuation.

In any case where the market value of an equity security held by the Fund is not readily available, the Trust’s valuation and pricing committee determines a fair value for the security using procedures approved by the Trustees, which may include the use of a price obtained from an independent pricing service. The pricing service ordinarily values equity securities in these instances using multi-factor models to adjust market prices based upon various inputs, including exchange data, depository receipt prices, futures and index data and other data. A security’s market value is deemed not readily available whenever the exchange or market on which the security is primarily traded is closed for the entire scheduled day of trading. Additionally, a security’s market value may be deemed not readily available under other circumstances identified by the Trustees, including when developments occurring after the most recent close of the security’s primary exchange or market, but before the most recent close of trading in Fund shares, or an unusual event or significant period of time occurring since the availability of a market quotation, create a question about the reliability of the security’s market value.

NOTES TO FINANCIAL STATEMENTS, CONTINUED

Thornburg Core Growth Fund

September 30, 2011

In any case where a pricing service fails to provide a price for a debt obligation held by the Fund, the valuation and pricing committee determines a fair value for the debt obligation using procedures approved by the Trustees. Additionally, in any case where management believes that a price provided by a pricing service for a debt obligation held by the Fund may be unreliable, the valuation and pricing committee decides whether or not to use the pricing service's valuation or to determine a fair value for the debt obligation.

In determining fair value for any portfolio security or other investment, the valuation and pricing committee seeks to determine the amount that an owner of the investment might reasonably expect to receive upon a sale of the investment. However, because fair value prices are estimated prices, the valuation and pricing committee's determination of fair value for an investment may differ from the value that would be realized by the Fund upon a sale of the investment, and that difference could be material to the Fund's financial statements. The valuation and pricing committee's determination of fair value for an investment may also differ from the prices obtained by other persons (including other mutual funds) for the investment.

Valuation Measurements: Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three levels listed below:

Level 1: Quoted prices in active markets for identical investments.

Level 2: Other significant observable inputs (including quoted prices for similar investments, interest rates, prepayment rates, credit risk, etc.).

Level 3: Significant unobservable inputs (including the Fund's own assumptions in determining the fair value of investments).

The following table displays a summary of the inputs used to value the Fund's net assets as of September 30, 2011. In any instance when valuation inputs from more than one level are used to determine the fair value of a specific investment, the investment is placed in the level of the table based upon the lowest level input that is significant in determining the fair value of the investment:

	Fair Value Measurements at September 30, 2011			
	Total	Level 1	Level 2	Level 3
Assets				
Investments in Securities*				
Common Stock	\$ 634,090,385	\$ 634,090,385	\$ -	\$ -
Short Term Investments	2,999,972	-	2,999,972	-
Total Investments in Securities	\$ 637,090,357	\$ 634,090,385	\$ 2,999,972	\$ -

* See Schedule of Investments for a summary of the industry exposure as grouped according to the Global Industry Classification Standard (GICS), which is an industry taxonomy developed by MSCI, Inc. and Standard & Poor's (S&P).

Other Notes: It is the policy of the Fund to recognize significant transfers between Levels 1, 2 and 3 and to disclose those transfers at the beginning of the reporting period. The Fund recognized no significant transfers between levels for the year ended September 30, 2011.

Foreign Currency Translation: Portfolio securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the exchange rate of such currencies against the U.S. dollar on the date of valuation. Purchases and sales of securities and income items denominated in foreign currencies are translated into U.S. dollars at the exchange rate in effect on the translation date. When the Fund purchases or sells foreign securities, it will customarily enter into a foreign exchange contract to minimize foreign exchange risk from the trade date to the settlement date of such transactions. Such spot contracts are included in Receivable for investments sold and Payable for investments purchased on the Statement of Assets and Liabilities.

The Fund does not separately report the effect of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in net realized and unrealized gain or loss from investments.

Reported net realized foreign exchange gains or losses arise from purchases and sales of foreign currencies, currency gains or losses realized between the trade and settlement dates on securities transactions and the difference between the amounts of dividends, interest, and foreign withholding taxes recorded on the Fund's books, and the U.S. dollar equivalent of the amounts actually received or paid.

Net unrealized foreign exchange gains and losses arise from changes in the fair value of assets and liabilities, other than investments in securities at fiscal period end, resulting from changes in exchange rates.

Deferred Taxes: The Fund is subject to a tax imposed on net realized gains of securities of certain foreign countries. The Fund records an estimated deferred tax liability for net unrealized gains on these securities as reflected in the accompanying financial statements.

Federal Income Taxes: It is the policy of the Trust to comply with the provisions of the Internal Revenue Code applicable to "regulated investment companies," and to distribute to shareholders substantially all taxable income, including any net realized gain on investments of the Fund. Therefore, no provision for federal income taxes is required.

Management reviews each uncertain tax position believed to be material to the preparation of the Fund's financial statements, to assess if it is more likely than not that the position would be sustained upon examination, based upon the technical merits of the position. As of September 30, 2011, management has not identified any such position for which a liability must be reflected in the Statement of Assets and Liabilities. The Fund's tax returns remain subject to examination for three years after filing.

When-Issued and Delayed Delivery Transactions: The Fund may engage in when-issued or delayed delivery transactions. To the extent the Fund engages in such transactions, it will do so for the purpose of acquiring portfolio securities consistent with the Fund's investment objectives and not for the purpose of investment leverage or to speculate on interest rate and/or market changes. At the time the Fund makes a commitment to purchase a security on a when-issued or delayed delivery basis, the Fund will record the transaction and reflect the value in determining its net asset value. When effecting such transactions, assets of an amount sufficient to make payment for the portfolio securities to be purchased will be segregated on the Fund's records on the trade date. Securities purchased on a when-issued or delayed delivery basis do not earn interest until the settlement date.

Dividends: Dividends to shareholders, if any, are generally paid quarterly and are reinvested in additional shares of the Fund at net asset value per share at the close of business on the dividend payment date or, at the shareholder's option, paid in cash. Net realized capital gains, to the extent available, will be distributed at least annually. Distributions to shareholders are based on income tax regulations and therefore, their characteristics may differ for financial statement and tax purposes.

General: Securities transactions are accounted for on a trade date basis. Interest income is accrued as earned and dividend income is recorded on the ex-dividend date. Certain income from foreign securities is recognized as soon as information is available to the Fund. Realized gains and losses from the sale of securities are recorded on an identified cost basis. Net investment income (other than class specific expenses) and realized and unrealized gains and losses are allocated daily to each class of shares based upon the relative net asset value of outstanding shares of each class of shares at the beginning of the day (after adjusting for the current share activity of the respective class). Expenses common to all Funds are allocated among the Funds comprising the Trust based upon their relative net asset values or other appropriate allocation methods.

Guarantees and Indemnifications: Under the Trust's organizational documents, its officers and Trustees are indemnified against certain liabilities arising out of the performance of their duties to the Fund. Additionally, in the normal course of business the Trust enters into contracts with service providers that contain general indemnification clauses. The Trust's maximum exposure under these arrangements is unknown. However, based on experience, the Trust expects the risk of loss to be remote.

Use of Estimates: The preparation of financial statements, in conformity with generally accepted accounting principles, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

NOTE 3 – INVESTMENT ADVISORY FEE AND OTHER TRANSACTIONS WITH AFFILIATES

Pursuant to an investment advisory agreement, Thornburg Investment Management, Inc. (the “Advisor”) serves as the investment advisor and performs services to the Fund for which the fees are payable at the end of each month. For the year ended September 30, 2011, these fees were payable at annual rates ranging from .875 of 1% to .675 of 1% per annum of the average daily net assets of the Fund depending on the Fund’s asset size. The Trust also has entered into administrative services agreements with the Advisor, whereby the Advisor will perform certain administrative services for the shareholders of each class of the Fund’s shares, and for which fees will be payable at an annual rate of up to .125 of 1% per annum of the average daily net assets attributable to each class of shares. For the year ended September 30, 2011, the Advisor contractually reimbursed certain class specific expenses, administrative fees, and distribution fees of \$3,324 for Class A shares, \$133,142 for Class I shares, \$488,803 for Class R3 shares, \$61,370 for Class R4 shares, and \$610,821 for Class R5 shares.

The Trust has an underwriting agreement with Thornburg Securities Corporation (the “Distributor,” an affiliate of the Advisor), which acts as the distributor of the Fund’s shares. For the year ended September 30, 2011, the Distributor has advised the Fund that it earned commissions aggregating \$14,664 from the sale of Class A shares, and collected contingent deferred sales charges aggregating \$9,854 from redemptions of Class C shares of the Fund.

Pursuant to a service plan under Rule 12b-1 of the Investment Company Act of 1940, the Fund may reimburse to the Advisor an amount not to exceed .25 of 1% per annum of the average daily net assets attributable to each class of shares of the Fund for payments made by the Advisor to securities dealers and other financial institutions to obtain various shareholder and distribution related services. For the year ended September 30, 2011, there were no 12b-1 service plan fees charged for Class I and R5 shares. The Advisor may pay out of its own resources additional expenses for distribution of the Fund’s shares.

The Trust has also adopted distribution plans pursuant to Rule 12b-1, applicable only to the Fund’s Class C and Class R3 shares, under which the Fund compensates the Distributor for services in promoting the sale of Class C and Class R3 shares of the Fund at an annual rate of up to .75 of 1% per annum of the average daily net assets attributable to Class C shares, and an annual rate of up to .25 of 1% per annum of the average daily net assets attributable to Class R3 shares. Total fees incurred by the Distributor for each class of shares of the Fund under their respective Service and Distribution Plans for the year ended September 30, 2011, are set forth in the Statement of Operations.

The Trust has an agreement with the custodian bank to indirectly pay a portion of the custodian’s fees through credits earned by the Fund’s cash on deposit with the bank. This deposit agreement is an alternative to overnight investments. Custodial fees have been adjusted to reflect amounts that would have been paid without this agreement, with a corresponding adjustment reflected as fees paid indirectly in the Statement of Operations. For the year ended September 30, 2011, there were no fees paid indirectly.

Certain officers and Trustees of the Trust are also officers or directors of the Advisor and Distributor. The compensation of independent Trustees is borne by the Trust.

NOTE 4 – SHARES OF BENEFICIAL INTEREST

At September 30, 2011, there were an unlimited number of shares of beneficial interest authorized. Transactions in shares of beneficial interest were as follows:

	Year Ended September 30, 2011		Year Ended September 30, 2010	
	Shares	Amount	Shares	Amount
Class A Shares				
Shares sold	1,523,774	\$ 23,528,867	3,895,692	\$ 53,800,051
Shares issued to shareholders in reinvestment of dividends	-	-	-	-
Shares repurchased	(12,914,624)	(199,351,773)	(14,432,625)	(197,604,891)
Redemption fees received*	-	2,064	-	1,092
Net increase (decrease)	<u>(11,390,850)</u>	<u>\$ (175,820,842)</u>	<u>(10,536,933)</u>	<u>\$ (143,803,748)</u>

NOTES TO FINANCIAL STATEMENTS, CONTINUED

Thornburg Core Growth Fund

September 30, 2011

	Year Ended September 30, 2011		Year Ended September 30, 2010	
	Shares	Amount	Shares	Amount
Class C Shares				
Shares sold	660,446	\$ 9,280,741	1,070,092	\$ 13,715,365
Shares issued to shareholders in reinvestment of dividends	-	-	-	-
Shares repurchased	(6,273,338)	(89,056,037)	(7,016,592)	(88,887,938)
Redemption fees received*	-	1,305	-	614
Net increase (decrease)	<u>(5,612,892)</u>	<u>\$ (79,773,991)</u>	<u>(5,946,500)</u>	<u>\$ (75,171,959)</u>
Class I Shares				
Shares sold	2,621,591	\$ 41,975,065	3,751,437	\$ 53,348,009
Shares issued to shareholders in reinvestment of dividends	-	-	-	-
Shares repurchased	(6,385,486)	(101,926,048)	(7,276,584)	(102,162,877)
Redemption fees received*	-	1,065	-	476
Net increase (decrease)	<u>(3,763,895)</u>	<u>\$ (59,949,918)</u>	<u>(3,525,147)</u>	<u>\$ (48,814,392)</u>
Class R3 Shares				
Shares sold	1,804,561	\$ 27,972,861	4,447,347	\$ 61,659,930
Shares issued to shareholders in reinvestment of dividends	-	-	-	-
Shares repurchased	(8,987,536)	(138,200,925)	(9,529,774)	(130,933,778)
Redemption fees received*	-	1,133	-	609
Net increase (decrease)	<u>(7,182,975)</u>	<u>\$ (110,226,931)</u>	<u>(5,082,427)</u>	<u>\$ (69,273,239)</u>
Class R4 Shares				
Shares sold	489,460	\$ 7,637,091	686,300	\$ 9,351,159
Shares issued to shareholders in reinvestment of dividends	-	-	-	-
Shares repurchased	(1,513,646)	(23,067,562)	(1,147,030)	(15,292,633)
Redemption fees received*	-	108	-	75
Net increase (decrease)	<u>(1,024,186)</u>	<u>\$ (15,430,363)</u>	<u>(460,730)</u>	<u>\$ (5,941,399)</u>
Class R5 Shares				
Shares sold	2,048,486	\$ 33,073,276	6,078,290	\$ 86,903,397
Shares issued to shareholders in reinvestment of dividends	-	-	-	-
Shares repurchased	(19,949,793)	(317,435,221)	(6,402,491)	(90,388,466)
Redemption fees received*	-	1,158	-	810
Net increase (decrease)	<u>(17,901,307)</u>	<u>\$ (284,360,787)</u>	<u>(324,201)</u>	<u>\$ (3,484,259)</u>

* The Fund charges a redemption fee of 1% of the Class A and Class I shares redeemed or exchanged within 30 days of purchase. Redemption fees charged to any class are allocated to all classes upon receipt of payment based on relative net asset values of each class or other appropriate allocation methods.

NOTE 5 – SECURITIES TRANSACTIONS

For the year ended September 30, 2011, the Fund had purchase and sale transactions of investment securities (excluding short-term investments) of \$885,195,763 and \$1,603,704,718, respectively.

NOTE 6 – INCOME TAXES

At September 30, 2011, information on the tax components of capital is as follows:

Cost of investments for tax purposes	<u>\$ 631,744,641</u>
Gross unrealized appreciation on a tax basis	\$ 83,300,951
Gross unrealized depreciation on a tax basis	<u>(77,955,235)</u>
Net unrealized appreciation (depreciation) on investments (tax basis)	<u>\$ 5,345,716</u>

At September 30, 2011, the Fund did not have any undistributed ordinary income or distributable capital gains.

For the fiscal year ended September 30, 2011, the Fund utilized \$228,824,572 of capital loss carryforwards.

At September 30, 2011, the Fund had tax basis capital losses, which may be carried forward to offset future capital gains. To the extent such carryforwards are used, capital gain distributions may be reduced to the extent provided by regulations.

Such capital loss carryforwards expire as follows:

2017	\$ 431,330,022
2018	<u>253,358,410</u>
	<u>\$ 684,688,432</u>

The Regulated Investment Company Modernization Act of 2010 (the “Act”) was signed into law on December 22, 2010. The Act makes changes to a number of tax rules impacting the Fund. Under the Act, future capital losses generated by the Fund may be carried over indefinitely, but these losses must be used prior to the utilization of any pre-enactment capital losses. Since pre-enactment capital losses may only be carried forward for eight years, there may be a greater likelihood that all or a portion of a Fund’s pre-enactment capital losses will expire unused. In general, the provisions of the Act will be effective for the Fund’s fiscal year ending September 30, 2012.

In order to account for permanent book/tax differences, the Fund decreased net capital paid in on shares of beneficial interest by \$10,505,777, increased accumulated net realized loss by \$66,933, and decreased net investment loss by \$10,572,710. This reclassification has no impact on the net asset value of the Fund. Reclassifications result primarily from nondeductible net operating losses and foreign currency losses.

NOTE 7 – FINANCIAL INSTRUMENTS WITH OFF-BALANCE SHEET RISK AND FOREIGN INVESTMENT RISK

The Fund may use a variety of derivative financial instruments to hedge or adjust the risks affecting its investment portfolio or to enhance investment returns. Provisions of FASB Accounting Standards Codification ASC 815-10-50 (“ASC 815”), require certain disclosures. The disclosures are intended to provide users of financial statements with an understanding of the use of derivative instruments by the Fund and how these derivatives affect the financial position, financial performance and cash flows of the Fund. The Fund does not designate any derivative instruments as hedging instruments under ASC 815. Additionally, the Fund’s risk of loss may exceed the amounts recognized on the Statement of Assets and Liabilities.

For the year ended September 30, 2011, the Fund did not invest in any derivative financial instruments of the type addressed by ASC 815.

OTHER NOTES:

Risks: The Fund's investments subject it to risks including, but not limited to, management risk, market and economic risk, risks affecting specific issuers, liquidity risk, the risks associated with investments in smaller companies and non-U.S. issuers, credit risk, and interest rate risk. Please see the Fund's prospectus for a discussion of the risks associated with an investment in the Fund.

Subsequent Events: Fund management believes no events have occurred between September 30, 2011 and the date of issuance of the financial statements, which require adjustment to, or disclosure in the accompanying financial statements.

FINANCIAL HIGHLIGHTS

Thornburg Core Growth Fund

PER SHARE PERFORMANCE (for a share outstanding throughout the Year)+

Unless Otherwise Noted, Periods are Fiscal Years Ended Sept. 30,	Net Asset Value Beginning of Year	Net Investment Income (Loss)	Net Realized & Unrealized Gain (Loss) on Investments	Total from Investment Operations	Dividends from Net Investment Income	Dividends from Net Realized Gains	Total Dividends	Net Asset Value End of Year
Class A Shares								
2011 ^(b)	\$ 13.81	(0.15)	(0.33)	(0.48)	-	-	-	\$ 13.33
2010 ^(b)	\$ 13.61	(0.15)	0.35	0.20	-	-	-	\$ 13.81
2009 ^(b)	\$ 13.36	(0.09)	0.34	0.25	-	-	-	\$ 13.61
2008 ^(b)	\$ 20.72	(0.10)	(7.25)	(7.35)	-	(0.01)	(0.01)	\$ 13.36
2007 ^(b)	\$ 16.38	(0.15)	4.49	4.34	-	-	-	\$ 20.72
Class C Shares								
2011	\$ 12.75	(0.24)	(0.29)	(0.53)	-	-	-	\$ 12.22
2010	\$ 12.66	(0.23)	0.32	0.09	-	-	-	\$ 12.75
2009	\$ 12.53	(0.16)	0.29	0.13	-	-	-	\$ 12.66
2008	\$ 19.57	(0.22)	(6.81)	(7.03)	-	(0.01)	(0.01)	\$ 12.53
2007	\$ 15.59	(0.28)	4.26	3.98	-	-	-	\$ 19.57
Class I Shares								
2011	\$ 14.31	(0.08)	(0.35)	(0.43)	-	-	-	\$ 13.88
2010	\$ 14.04	(0.09)	0.36	0.27	-	-	-	\$ 14.31
2009	\$ 13.71	(0.03)	0.36	0.33	-	-	-	\$ 14.04
2008	\$ 21.16	(0.03)	(7.41)	(7.44)	-	(0.01)	(0.01)	\$ 13.71
2007	\$ 16.66	(0.08)	4.58	4.50	-	-	-	\$ 21.16
Class R3 Shares								
2011	\$ 13.82	(0.16)	(0.33)	(0.49)	-	-	-	\$ 13.33
2010	\$ 13.62	(0.15)	0.35	0.20	-	-	-	\$ 13.82
2009	\$ 13.37	(0.09)	0.34	0.25	-	-	-	\$ 13.62
2008	\$ 20.75	(0.13)	(7.24)	(7.37)	-	(0.01)	(0.01)	\$ 13.37
2007	\$ 16.43	(0.18)	4.50	4.32	-	-	-	\$ 20.75
Class R4 Shares								
2011	\$ 13.84	(0.14)	(0.33)	(0.47)	-	-	-	\$ 13.37
2010	\$ 13.63	(0.14)	0.35	0.21	-	-	-	\$ 13.84
2009	\$ 13.37	(0.08)	0.34	0.26	-	-	-	\$ 13.63
2008	\$ 20.73	(0.13)	(7.22)	(7.35)	-	(0.01)	(0.01)	\$ 13.37
2007 ^(c)	\$ 18.90	(0.12)	1.95	1.83	-	-	-	\$ 20.73
Class R5 Shares								
2011	\$ 14.30	(0.08)	(0.36)	(0.44)	-	-	-	\$ 13.86
2010	\$ 14.02	(0.08)	0.36	0.28	-	-	-	\$ 14.30
2009	\$ 13.70	(0.04)	0.36	0.32	-	-	-	\$ 14.02
2008	\$ 21.15	(0.05)	(7.39)	(7.44)	-	(0.01)	(0.01)	\$ 13.70
2007	\$ 16.65	(0.07)	4.57	4.50	-	-	-	\$ 21.15

(a) Not annualized for periods less than one year.

(b) Sales loads are not reflected in computing total return.

(c) Effective date of this class of shares was February 1, 2007.

(d) Annualized.

(e) Due to the size of net assets and fixed expenses, ratios may appear disproportionate.

+ Based on weighted average shares outstanding.

See notes to financial statements.

FINANCIAL HIGHLIGHTS, CONTINUED

Thornburg Core Growth Fund

RATIOS TO AVERAGE NET ASSETS

Net Investment Income (Loss) (%)	Expenses, After Expense Reductions (%)	Expenses, After Expense	
		Reductions and Net of Custody Credits (%)	Expenses, Before Expense Reductions (%)

(0.96)	1.45	1.45	1.45
(1.09)	1.48	1.48	1.48
(0.81)	1.48	1.48	1.49
(0.58)	1.38	1.38	1.38
(0.78)	1.37	1.36	1.37

(1.71)	2.20	2.20	2.20
(1.84)	2.23	2.23	2.23
(1.59)	2.26	2.26	2.26
(1.34)	2.13	2.13	2.13
(1.53)	2.12	2.11	2.12

(0.49)	0.99	0.99	1.07
(0.60)	0.99	0.99	1.08
(0.29)	0.97	0.97	1.08
(0.17)	0.96	0.96	0.96
(0.39)	0.98	0.97	0.98

(1.01)	1.50	1.50	1.77
(1.11)	1.50	1.50	1.79
(0.84)	1.49	1.49	1.76
(0.74)	1.50	1.50	1.72
(0.91)	1.51	1.50	1.64

(0.91)	1.40	1.40	1.76
(1.01)	1.40	1.40	1.73
(0.77)	1.40	1.40	1.83
(0.78)	1.40	1.40	1.73
(0.93) ^(d)	1.41 ^(d)	1.40 ^(d)	8.74 ^{(d)(e)}

(0.51)	0.99	0.99	1.22
(0.60)	0.99	0.99	1.18
(0.34)	0.99	0.99	1.27
(0.30)	0.99	0.99	1.18
(0.37)	0.95	0.95	0.97

SUPPLEMENTAL DATA

Total Return (%) ^(a)	Portfolio Turnover Rate (%)	Net Assets at End of Year (Thousands)
------------------------------------	--------------------------------	---

(3.48)	80.53	\$ 208,135
1.47	75.06	\$ 372,954
1.87	82.86	\$ 511,065
(35.48)	79.73	\$ 738,457
26.50	82.37	\$ 1,470,020

(4.16)	80.53	\$ 137,799
0.71	75.06	\$ 215,413
1.04	82.86	\$ 289,224
(35.93)	79.73	\$ 385,110
25.53	82.37	\$ 664,252

(3.00)	80.53	\$ 114,679
1.92	75.06	\$ 172,126
2.41	82.86	\$ 218,300
(35.17)	79.73	\$ 346,497
27.01	82.37	\$ 642,143

(3.55)	80.53	\$ 109,127
1.47	75.06	\$ 212,360
1.87	82.86	\$ 278,576
(35.53)	79.73	\$ 289,500
26.29	82.37	\$ 414,267

(3.40)	80.53	\$ 10,423
1.54	75.06	\$ 24,968
1.94	82.86	\$ 30,871
(35.47)	79.73	\$ 21,047
9.68	82.37	\$ 3,508

(3.08)	80.53	\$ 66,901
2.00	75.06	\$ 324,963
2.34	82.86	\$ 323,268
(35.19)	79.73	\$ 251,299
27.03	82.37	\$ 158,084

To the Trustees and Shareholders of
Thornburg Core Growth Fund

In our opinion, the accompanying statement of assets and liabilities, including the schedule of investments, and the related statements of operations and of changes in net assets and the financial highlights present fairly, in all material respects, the financial position of Thornburg Core Growth Fund (one of the portfolios constituting Thornburg Investment Trust, hereafter referred to as the “Fund”) at September 30, 2011, the results of its operations for the year then ended, the changes in its net assets for each of the two years in the period then ended and the financial highlights for each of the periods presented, in conformity with accounting principles generally accepted in the United States of America. These financial statements and financial highlights (hereafter referred to as “financial statements”) are the responsibility of the Fund’s management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits, which included confirmation of securities at September 30, 2011 by correspondence with the custodian and brokers, provide a reasonable basis for our opinion.

PricewaterhouseCoopers LLP

New York, New York
November 21, 2011

EXPENSE EXAMPLE

Thornburg Core Growth Fund

September 30, 2011 (Unaudited)

As a shareholder of the Fund, you incur two types of costs:

(1) transaction costs, including

(a) sales charges (loads) on purchase payments for Class A shares;

(b) a deferred sales charge on redemptions of any part or all of a purchase of \$1 million of Class A shares within 12 months of purchase;

(c) a deferred sales charge on redemptions of Class C shares within 12 months of purchase;

(d) a 30-day redemption fee on Class A and Class I shares;

(2) ongoing costs, including management fees; distribution and/or service (I2b-1) fees; and other Fund expenses.

This example is intended to help you understand your ongoing costs (in dollars) of investing in the Fund and to compare these costs with the ongoing costs of investing in other mutual funds.

The example is based on a \$1,000 investment beginning on April 1, 2011, and held until September 30, 2011.

ACTUAL EXPENSES

For each class of shares, the first line of the table at right provides information about actual account values and actual expenses. You may use the information in this line, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line for your class of shares under the heading entitled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

HYPOTHETICAL EXAMPLE FOR COMPARISON PURPOSES

For each class of shares, the second line of the table at right provides information about hypothetical account values and hypothetical expenses based on the Fund's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Fund's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Fund and other funds. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other funds.

	Beginning Account Value 4/1/11	Ending Account Value 9/30/11	Expenses Paid During Period† 4/1/11–9/30/11
Class A Shares			
Actual	\$1,000.00	\$ 817.30	\$ 6.50
Hypothetical*	\$1,000.00	\$ 1,017.92	\$ 7.21
Class C Shares			
Actual	\$1,000.00	\$ 814.10	\$ 9.91
Hypothetical*	\$1,000.00	\$ 1,014.14	\$ 11.00
Class I Shares			
Actual	\$1,000.00	\$ 819.40	\$ 4.52
Hypothetical*	\$1,000.00	\$ 1,020.10	\$ 5.01
Class R3 Shares			
Actual	\$1,000.00	\$ 816.80	\$ 6.83
Hypothetical*	\$1,000.00	\$ 1,017.55	\$ 7.59
Class R4 Shares			
Actual	\$1,000.00	\$ 817.70	\$ 6.38
Hypothetical*	\$1,000.00	\$ 1,018.05	\$ 7.08
Class R5 Shares			
Actual	\$1,000.00	\$ 818.70	\$ 4.51
Hypothetical*	\$1,000.00	\$ 1,020.10	\$ 5.01

† Expenses are equal to the annualized expense ratio for each class (A: 1.43%; C: 2.18%; I: 0.99%; R3: 1.50%; R4: 1.40%; R5: 0.99%) multiplied by the average account value over the period, multiplied by 183/365 to reflect the one-half year period.

* Hypothetical assumes a rate of return of 5% per year before expenses.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs, such as sales charges (loads), redemption fees, or exchange fees. Therefore, the second line of the table for each class of shares is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different funds. In addition, if these transactional costs were included, your costs would have been higher.

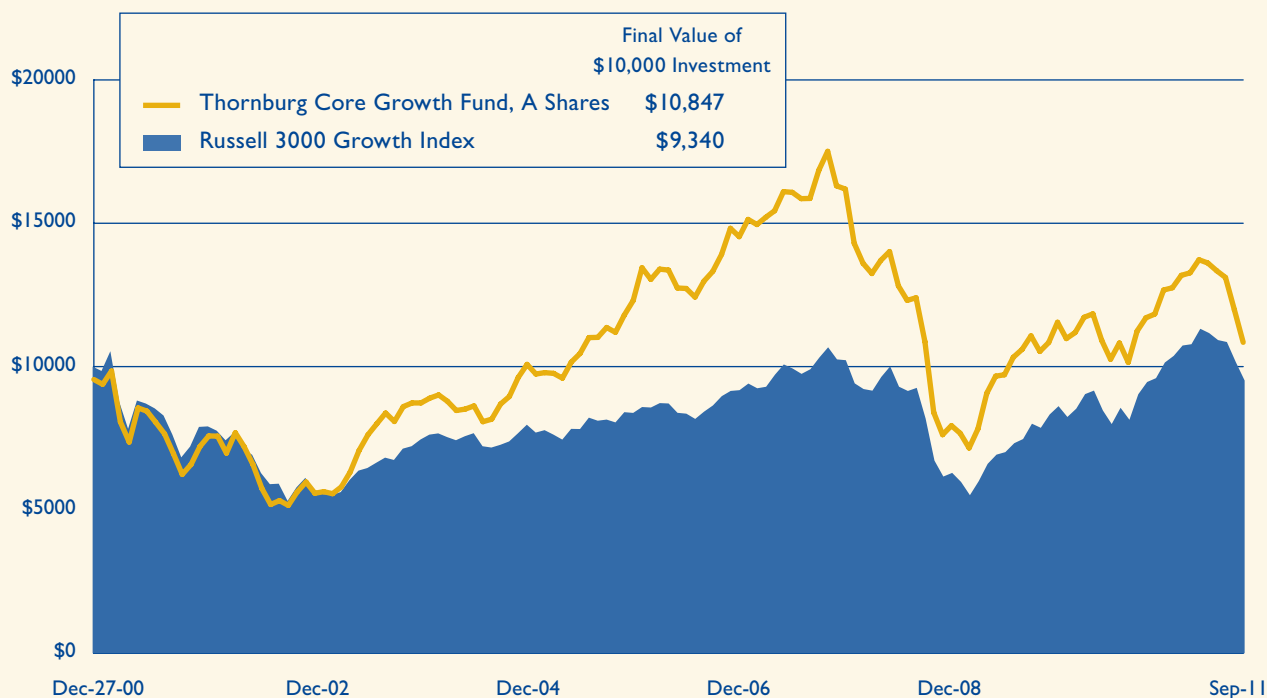
INDEX COMPARISON

Thornburg Core Growth Fund

September 30, 2011 (Unaudited)

GROWTH OF A HYPOTHETICAL \$10,000 INVESTMENT

Thornburg Core Growth Fund versus Russell 3000 Growth Index (December 27, 2000 to September 30, 2011)



AVERAGE ANNUAL TOTAL RETURNS

For periods ended September 30, 2011 (with sales charge)

	1 Yr	5 Yrs	10 Yrs	Since Inception
A Shares (Incep: 12/27/00)	-7.81%	-4.90%	5.20%	0.76%
C Shares (Incep: 12/27/00)	-5.12%	-4.74%	4.83%	0.38%
I Shares (Incep: 11/1/03)	-3.00%	-3.57%	-	3.36%
R3 Shares (Incep: 7/1/03)	-3.55%	-4.08%	-	4.29%
R4 Shares (Incep: 2/1/07)	-3.40%	-	-	-7.15%
R5 Shares (Incep: 10/3/05)	-3.08%	-3.59%	-	-0.39%
Russell 3000 Growth Index (Since: 12/27/00)	3.39%	1.56%	3.18%	-0.62%

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 800.847.0200. The performance data and graph do not reflect the deduction of taxes that a shareholder would pay on distributions or the redemption of Fund shares. Returns reflect the reinvestment of dividends and capital gains as well as applicable sales charges. Class A shares are sold with a maximum sales charge of 4.50%. Class C shares are subject to a 1% contingent deferred sales charge (CDSC) for the first year only. There is no up-front sales charge for Class I, R3, R4, and R5 shares. Class A and I shares are subject to a 1% 30-day redemption fee.

TRUSTEES AND OFFICERS

Thornburg Core Growth Fund

September 30, 2011 (Unaudited)

Name, Age, Position Held with Fund Year Elected	Principal Occupation(s) During Past Five Years	Other Directorships Held by Trustee
INTERESTED TRUSTEES⁽¹⁾⁽²⁾⁽⁴⁾		
Garrett Thornburg, 65 Chairman of Trustees, Trustee since 1987 ⁽³⁾	Chairman and controlling shareholder and, until 2008, CEO of Thornburg Investment Management, Inc. (investment advisor); Chairman, CEO, and controlling shareholder of Thornburg Securities Corporation (securities dealer); CEO until 2007 and Chairman until 2009 of TMST, Inc. (f/k/a Thornburg Mortgage, Inc.) (real estate investment trust); President and Sole Director of Thornburg Mortgage Advisory Corporation (investment manager to TMST, Inc.).	None
Brian J. McMahon, 55 Trustee since 2001, Member of Governance & Nominating Committee & Operations Risk Oversight Committee, President since 1997 ⁽⁵⁾⁽⁶⁾	CEO since 2008, President, Managing Director, Chief Investment Officer, and Portfolio Manager of Thornburg Investment Management, Inc.	None
INDEPENDENT TRUSTEES⁽¹⁾⁽²⁾⁽⁴⁾		
David A. Ater, 66 Trustee since 1994, Member of Audit Committee & Governance & Nominating Committee	Principal in Ater & Associates, Santa Fe, NM (developer, planner and broker of residential and commercial real estate); owner, developer and broker for various real estate projects.	None
David D. Chase, 70 Trustee since 2000, Chairman of Audit Committee	Managing Member of Vestor Associates, LLC, Santa Fe, NM (private equity fund); Managing Member of CS Group, LLC, Santa Fe, NM (merchant bank).	None
Eliot R. Cutler, 65 Trustee since 2004 & Nominating Committee, Chairman of Governance	Senior Counsel and, until 2009, Partner in Akin, Gump, Strauss, Hauer & Feld LLP (law firm) in Washington, D.C. and Beijing, China.	None
Susan H. Dubin, 62 Trustee since 2004, Member of Audit Committee	President of Dubin Investments, Ltd., Greenwich, CT (private investment fund); Director and officer of various charitable organizations.	None
Owen D. Van Essen, 57 Trustee since 2004, Member of Governance & Nominating Committee & Chairman of Operations Risk Oversight Committee	President of Dirks, Van Essen & Murray, Santa Fe, NM (newspaper mergers and acquisitions).	None
James W. Weyhrauch, 52 Trustee since 1996, Member of Audit Committee & Operations Risk Oversight Committee	Real estate broker, Santa Fe Properties, Santa Fe, NM; Vice Chairman of Nambe LLC, Santa Fe, NM (manufacturing & design company).	None

TRUSTEES AND OFFICERS, CONTINUED

Thornburg Core Growth Fund

September 30, 2011 (Unaudited)

Name, Age, Position Held with Fund Year Elected	Principal Occupation(s) During Past Five Years	Other Directorships Held by Trustee
OFFICERS OF THE FUND (WHO ARE NOT TRUSTEES)⁽¹⁾⁽⁶⁾⁽⁷⁾		
George T. Strickland, 48 Vice President since 1996, Treasurer since 2007 ⁽⁶⁾	Portfolio Manager, Vice President, and Managing Director of Thornburg Investment Management, Inc.	Not applicable
William V. Fries, 72 Vice President since 1995	Portfolio Manager, Vice President, and Managing Director of Thornburg Investment Management, Inc.	Not applicable
Leigh Moiola, 44 Vice President since 2001	Vice President, Managing Director, and Director of Marketing of Thornburg Investment Management, Inc.	Not applicable
Alexander Motola, 41 Vice President since 2001	Portfolio Manager, Vice President, and Managing Director of Thornburg Investment Management, Inc.	Not applicable
Wendy Trevisani, 40 Vice President since 1999	Portfolio Manager and Managing Director of Thornburg Investment Management, Inc.	Not applicable
Joshua Gonze, 48 Vice President since 1999	Portfolio Manager since 2007, Managing Director, and Associate Portfolio Manager until 2007 of Thornburg Investment Management, Inc.	Not applicable
Christopher Ihlefeld, 41 Vice President since 2003	Portfolio Manager since 2007, Managing Director, and Associate Portfolio Manager until 2007 of Thornburg Investment Management, Inc.	Not applicable
Leon Sandersfeld, 45 Vice President since 2003	Managing Director since 2007 and Fund Accounting Director of Thornburg Investment Management, Inc.	Not applicable
Sasha Wilcoxon, 37 Vice President since 2003 Secretary since 2007 ⁽⁶⁾	Managing Director since 2007, Director of Operations, and Vice President of Thornburg Investment Management, Inc.	Not applicable
Edward Maran, 53 Vice President since 2004	Portfolio Manager and Managing Director of Thornburg Investment Management, Inc.	Not applicable
Vinson Walden, 41 Vice President since 2004	Portfolio Manager and Managing Director of Thornburg Investment Management, Inc.	Not applicable
Thomas Garcia, 40 Vice President since 2006	Vice President since 2011, Managing Director, Head Equity Trader, and Associate Portfolio Manager of Thornburg Investment Management, Inc.	Not applicable
Lei Wang, 40 Vice President since 2006	Portfolio Manager and Managing Director of Thornburg Investment Management, Inc.	Not applicable
Connor Browne, 32 Vice President since 2006	Portfolio Manager and Managing Director of Thornburg Investment Management, Inc.	Not applicable
Jason Brady, 37 Vice President since 2007	Vice President since 2011, Portfolio Manager since 2007, Managing Director since 2007, and Associate Portfolio Manager 2006–2007 of Thornburg Investment Management, Inc.	Not applicable

TRUSTEES AND OFFICERS, CONTINUED

Thornburg Core Growth Fund

September 30, 2011 (Unaudited)

Name, Age, Position Held with Fund Year Elected	Principal Occupation(s) During Past Five Years	Other Directorships Held by Trustee
Lewis Kaufman, 35 Vice President since 2007	Portfolio Manager since 2007, Managing Director since 2007, and Associate Portfolio Manager until 2009 of Thornburg Investment Management, Inc.	Not applicable
Christopher Ryon, 55 Vice President since 2008	Portfolio Manager since 2009, Managing Director since 2009, and Associate Portfolio Manager 2008–2009 of Thornburg Investment Management, Inc.; Principal of Vanguard Funds until 2008.	Not applicable
Lon Erickson, 36 Vice President since 2008	Portfolio Manager since 2010, Managing Director since 2010, and Associate Portfolio Manager 2008–2010 of Thornburg Investment Management, Inc.; Senior Analyst of State Farm Insurance until 2008.	Not applicable
Kathleen Brady, 51 Vice President since 2008	Senior Tax Accountant since 2007 of Thornburg Investment Management, Inc.; Chief Financial Officer of Vestor Partners, LP (private equity fund) until 2007.	Not applicable
Jack Gardner, 57 Vice President since 2008	Managing Director since 2007 of Thornburg Investment Management, Inc.; President since 2008 and National Sales Director of Thornburg Securities Corporation.	Not applicable
Laura Hillstrom, 44 Vice President since 2009	Chief Administrative Officer since 2009, Vice President and Managing Director, and Director of Information Systems until 2009 of Thornburg Investment Management, Inc.	Not applicable

- (1) Each person's address is 2300 North Ridgetop Road, Santa Fe, New Mexico 87506.
- (2) The Fund is one of sixteen separate investment "Funds" or "series" of Thornburg Investment Trust (the "Trust"), which comprises the Thornburg mutual fund complex and is organized as a Massachusetts business trust. Thornburg Investment Management, Inc. is the investment advisor to, and manages, the sixteen Funds of the Trust. Each Trustee oversees the sixteen Funds of the Trust.
- (3) Mr. Thornburg is considered an "interested" Trustee under the Investment Company Act of 1940 because he is the sole director and controlling shareholder of Thornburg Investment Management, Inc., the investment advisor to the sixteen active Funds of the Trust, and is the sole director and controlling shareholder of Thornburg Securities Corporation, the distributor of shares for the Trust.
- (4) Each Trustee serves in office until the election and qualification of a successor.
- (5) Mr. McMahon is considered an "interested" Trustee because he is the chief executive officer and president of Thornburg Investment Management, Inc.
- (6) The Trust's president, secretary, and treasurer each serves a one-year term or until the election and qualification of a successor; each other officer serves at the pleasure of the Trustees.
- (7) Assistant vice presidents, assistant secretaries and assistant treasurers are not shown.

The Statement of Additional Information for each Fund of the Trust includes additional information about the Trustees and is available, without charge and upon request, by calling 1-800-847-0200.

PORTFOLIO PROXY VOTING**Policies and Procedures:**

The Trust has delegated to Thornburg Investment Management, Inc. (the “Advisor”) voting decisions respecting proxies for the Fund’s voting securities. The Advisor makes voting decisions in accordance with its Proxy Voting Policy. A description of the Policy is available (i) without charge, upon request, by calling the Advisor toll-free at 1-800-847-0200, (ii) on the Thornburg website at www.thornburg.com, and (iii) on the Securities and Exchange Commission’s website at www.sec.gov.

Information regarding how proxies were voted is available on or before August 31 of each year for the twelve months ending the preceding June 30. This information is available (i) without charge, upon request by calling the Advisor toll-free at 1-800-847-0200, (ii) on the Thornburg website at www.thornburg.com, and (iii) on the Securities and Exchange Commission’s website at www.sec.gov.

AVAILABILITY OF QUARTERLY PORTFOLIO SCHEDULE

The Fund files with the Securities and Exchange Commission schedules of its portfolio holdings on Form N-Q for the first and third quarters of each fiscal year. The Fund’s Forms N-Q are available on the Commission’s website at www.sec.gov, or may be reviewed and copied at the Commission’s Public Reference Room in Washington, D.C. Information on the operation of the Public Reference Room may be obtained by calling 1-800-SEC-0330. The Fund also makes this information available on its website at www.thornburg.com / download or upon request by calling 1-800-847-0200.

STATEMENT RESPECTING RENEWAL OF INVESTMENT ADVISORY AGREEMENT

Thornburg Investment Management, Inc. (the “Advisor”) provides investment management services to Thornburg Core Growth Fund pursuant to an investment advisory agreement. The Trustees consider the renewal of this agreement annually, and most recently determined to renew the agreement on September 13, 2011.

In anticipation of their recent annual consideration of the advisory agreement’s renewal, the independent Trustees met in May 2011 to plan the annual evaluation of the Advisor’s performance and to specify the information the Advisor would present to the Trustees for their review. The Advisor’s chief investment officer subsequently reviewed portions of this information with the Trustees and addressed questions presented by the Trustees at a meeting session scheduled for that purpose, and the independent Trustees thereafter met in independent session to consider the Advisor’s presentation and various specific issues respecting their consideration of the advisory agreement’s renewal. Following these sessions, the Trustees met to consider a renewal of the agreement, and the independent Trustees voted unanimously at that meeting to renew the agreement for an additional term of one year.

The information below summarizes certain factors considered by the Trustees in connection with the determination to renew the advisory agreement. In determining to renew the agreement, the Trustees did not identify any single factor as controlling, and this summary does not describe all of the matters considered by the Trustees in making their determination.

Quality of Services; Fund Investment Performance. The Trustees evaluated the nature, extent and quality of services provided by the Advisor under the advisory agreement, and evaluated the investment performance of the Fund.

In connection with their general supervision of the Advisor, and as an important element of their annual consideration of a renewal of the advisory agreement, the Trustees received and considered reports from the Advisor throughout the year. These reports addressed a wide range of topics, including particularly the Advisor’s selection of investments and execution of the Fund’s investment strategies. In addition, the Trustees considered information provided to them at their request in anticipation of their annual evaluation of the Advisor’s services, including (i) the Fund’s absolute investment performance and achievement of stated objectives, (ii) the Advisor’s commentary on the Fund’s performance in the context of the Fund’s objectives and reasonable expectations, and business, market and economic conditions, (iii) measures of the Fund’s investment returns over different periods of time, relative to a category of equity mutual funds selected by an independent mutual fund analyst firm, and relative to broad-based securities indices, (iv) the Fund’s cumulative investment return since inception relative to the securities index, and (v) comparative measures of estimated earnings growth, portfolio volatility, risk and return.

The Trustees also considered their perceptions of portfolio management personnel developed in formal and informal meetings throughout the year, the Advisor’s staffing and other resources, trade execution, the Advisor’s performance of accounting and other services, the Advisor’s observance of compliance and regulatory requirements, the Advisor’s responsiveness to the Trustees, and other factors.

In reviewing quantitative and performance data presented, the Trustees noted (among other aspects of the data) comparative performance data for the ten most recent calendar years, which showed the Fund's investment return for the most recent calendar year was lower than the average return for the mutual fund category and the returns for the two indices, and that the Fund's returns for the preceding nine calendar years had exceeded the average returns of the category in seven of the nine years, exceeded the returns of the first index in eight of the nine years, and had exceeded or been comparable to the returns of the second index in eight of the nine years. Other noted quantitative data showed that the Fund's investment returns fell within or close to the top half of performance for the mutual fund category for the three-month and year-to-date periods ended with the second quarter of the current year, fell within the third quartile of performance for the category for the one-year and three-year periods, and fell near the lowest decile for the five-year period. The Trustees noted that the Fund's returns over a ten-year period fell within the top decile of the performance for the category, and also noted in this regard the Fund's higher cumulative return since inception (net of expenses) relative to the Fund's benchmark Russell 3000 Growth Index.

The Trustees concluded, based upon these and other considerations, that the nature, extent and quality of the Advisor's services were sufficient and that the Advisor had satisfactorily pursued the Fund's stated investment objectives. The Trustees further concluded that the investment performance of the Fund was satisfactory in the context of the Fund's objectives and policies, and prevailing market conditions.

Fees and Expenses; Profitability of Advisor; Economies of Scale; Ancillary Benefits to Advisor: The Trustees evaluated the level of the management fee charged by the Advisor to the Fund, and in this connection, reviewed the profitability of the Advisor, economies of scale potentially available to the Fund and whether the Advisor received any ancillary benefits from its relationship with the Fund.

In evaluating the level of the management fee charged by the Advisor to the Fund, the Trustees considered the fee charged by the Advisor and the other expenses charged to the Fund in light of the nature and quality of services provided, comparison of the actual Advisor's fee and Fund expenses to the statement of fees and expenses in the Fund's prospectuses, and comparisons of the Advisor's fee and other Fund expenses to median and average fees and expenses charged to two groups of equity mutual funds assembled by independent mutual fund analyst firms. Comparative fee and expense data noted by the Trustees showed that the management fee charged by the Advisor was somewhat higher than the median and average fee rates charged to the groups of mutual funds assembled by the mutual fund analyst firms, and that the overall expense ratio of the Fund was slightly higher than the median and average expense ratios for the same fund groups. The Trustees did not identify these differences as significant. The Trustees considered information about the fees charged by the Advisor to other investment management clients, together with information about fees charged by other advisors to different clients, and analysis of the differences between the requirements of institutional clients and mutual funds and the consequently different investment management services rendered, respectively, to institutional clients and mutual funds. The Trustees confirmed their previous observations that the differences between the fees charged by the Advisor to different types of clients did not appear exceptional, and that the fee rates charged by investment advisors to institutional clients had limited relevance to the evaluation of fee rates charged to mutual funds, because of the significant differences between the respective requirements of institutional clients and mutual funds, the differences between the respective services rendered to institutional clients and mutual funds, and the different circumstances in which the respective fees originate.

In reviewing the profitability of the Advisor, the Trustees considered costs incurred by the Advisor and data comparing the profitability of the Advisor to other investment management firms. The information provided did not indicate that the Advisor's profitability was unusual, and the Trustees noted the adequacy of the Advisor's resources and service capabilities. In reviewing the extent to which economies of scale would be realized by the Fund as it grows and whether fee levels reflect economies of scale, the Trustees considered the breakpoint structure for advisory fees chargeable to the Fund, the demonstrated economies of scale enjoyed by the Fund and other Funds of the Trust as they had grown in size, and economies of scale realized by other mutual funds. The information provided demonstrated to the Trustees that the Fund has realized economies of scale and may reasonably be expected to realize economies of scale as the Fund grows in size, due to the breakpoint fee structure of the advisory agreement and other factors. In reviewing potential benefits to the Advisor because of its relationship to the Fund, the Trustees considered the Advisor's receipt of certain research services from broker dealers, and the benefits to both the Fund and the Advisor of the Advisor's expansion of its staffing, compliance and systems capabilities and other resources to serve a broader variety of investment management clients. No unusual or unfair benefits to the Advisor from its relationship to the Fund were identified by the Trustees.

The Trustees concluded, based upon their consideration of these and other factors, that the management fee charged to the Fund by the Advisor was fair and reasonable in view of the nature, extent and quality of the services provided by the Advisor, the clear disclo-

OTHER INFORMATION, CONTINUED

Thornburg Core Growth Fund

September 30, 2011 (Unaudited)

sure of fees and expenses in the Fund's prospectuses, the investment performance of the Fund, and comparisons of fees and expenses charged to the Fund to fees and expenses charged to other mutual funds.

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Trustees' Statement to Shareholders

Not part of the Certified Annual Report

September 13, 2011

The Trustees believe current and prospective shareholders should know how we discharge our responsibilities in supervising the Funds' investment advisor and in reviewing the advisor's contract for renewal. Since 2005, we have issued a statement which sets out clearly the three principal guidelines that we follow in supervising the Trust's investment advisor on your behalf. In accordance with our customary practice, in September of this year we again reviewed our statement and concluded we should reissue this statement outlining the principal features of our supervision of the advisor's performance of investment management services for the Funds.

We begin with the premise that each shareholder selected his or her Fund because its investments are managed by the investment advisor identified in the prospectus and in accordance with the objective and policies described in the prospectus. We realize, as each of you do, that if you believe that your Fund's stated objective and policies no longer serve your personal investment goals, you can sell your shares and leave the Fund.

Therefore, we believe that our primary supervisory task – our principal obligation to you – is to assess the nature and quality of the advisor's services, and to confirm that the advisor actively and competently pursues the Fund's objective, in accordance with the policies set out in the prospectus. To do this, we meet regularly with management to review your Fund's portfolio and to discuss the advisor's specific actions and judgments in pursuing the Fund's objective. We do not substitute our own judgment for the advisor's decisions in selecting investments; the advisor is paid to exercise its informed judgment on investment decisions, and we seek to confirm, in reviewing the advisor's performance, that the advisor is doing just that.

Second, while we are conscious of costs and the effect that costs have on shareholders' returns, we do not seek the lowest fees or expense ratio as our sole or primary objective. We try to make sure that your Fund's fees and costs are reasonable in relationship to the services rendered and that they are generally in line with those charged by other expert investment advisors, consistent with our belief that the Fund's investors searched for and expect that expertise and attention and have decided to pay a reasonable price for it. We do not put the management contract "out to bid" as a matter of course, and we would not do so unless we had concluded that the advisor materially had failed to pursue the Fund's objectives in accordance with its policies, or for other equally important reasons. We believe that any other approach would be inconsistent with your interests and contrary to your expectations when you bought shares of the Fund in the first place.

Finally, because we believe that most Thornburg Fund shareholders have invested with a long-term perspective, we try not to focus too much on the fashions of the moment and on short-term performance. The market will not favor any specific investment objective or set of policies at all times and under all economic circumstances. A fund will experience periods of both high and low returns relative to other funds and other investments. Even if one of our Funds is not favored by the market at a particular time, we believe that the advisor is nonetheless obliged to remain true to the Fund's objective and policies, and we watch to see that it does so.

Retirement and Education Accounts

Thornburg Investment Management offers retirement and education savings accounts that can help you meet a variety of planning challenges. For account applications or further information on any of the accounts below, please call 1-800-847-0200 or go to www.thornburg.com/ira. Your financial advisor can help you determine which plan is right for you.

Individual Retirement Accounts

Individual Retirement Accounts (IRAs) provide a tax-advantaged means to save money for the future. For a detailed outline of the difference between retirement accounts, see www.thornburg.com/ira. Rollovers are available. Call 1-800-847-0200 for more information.

Traditional IRAs – Contributions to Traditional IRAs are tax deductible for eligible individuals, and withdrawals are taxed as additional ordinary income. You may contribute to an IRA if you receive compensation and are under 70½, even if you are covered by an employer retirement plan. Deductible contributions are subject to certain qualifications. Please consult your tax advisor.

Roth IRAs – Under a Roth IRA, there is no tax deduction for contributions, but there is no income tax on qualified withdrawals. For a more detailed comparison of Traditional and Roth IRAs, please see our web site at www.thornburg.com/ira.

SEP IRAs – Simplified Employee Pension (SEP) IRAs are established by employers. The employer is allowed a tax deduction for contributions made to the SEP Plan and makes contributions to each eligible employee's SEP IRA on a discretionary basis.

SIMPLE IRAs – Savings Incentive Match Plan for Employees of Small Employers (SIMPLE) is designed to give small business owners a simplified method to establish and contribute to a retirement plan for employees. The employer is allowed a tax deduction for contributions and makes either matching or non-elective contributions to each eligible employee's SIMPLE IRA. Employees may make salary deferral contributions.

Coverdell Education Savings Account

These savings accounts are designed to provide a way to save money for higher education expenses. In an Education Savings Account, earnings and interest grow tax-free, and qualified withdrawals used to pay for eligible higher-education expenses are tax- and penalty-free.

Funds Available

The following funds are available in the accounts listed above:

- Thornburg International Value Fund
- Thornburg Value Fund
- Thornburg Core Growth Fund
- Thornburg Investment Income Builder Fund
- Thornburg Global Opportunities Fund
- Thornburg International Growth Fund
- Thornburg Developing World Fund
- Thornburg Limited Term U.S. Government Fund
- Thornburg Limited Term Income Fund
- Thornburg Strategic Income Fund



The Firm

Thornburg Investment Management is a privately held investment management company based in Santa Fe, New Mexico with assets under management of \$70 billion. Founded in 1982, the firm manages seven equity funds, nine bond funds, and separate portfolios for select institutions and individuals.

Investment Philosophy

We seek to preserve and increase the real wealth of the Funds' shareholders after accounting for inflation, taxes, and investment expenses. We're committed to disciplined investing and managing risk in all market environments.

Portfolio Holdings Disclosure

We believe you should know about your portfolio. Our web site keeps investors informed of the Funds' equity holdings. Go to www.thornburg.com/funds for commentary on our equity fund holdings.

Co-Ownership of Funds

We invest side-by-side with the Funds' shareholders. Our employees have invested \$248 million in Thornburg products.

Thornburg Equity Funds

Thornburg's equity research uses a fundamental and comprehensive analytical approach. Thornburg equity funds focus on a limited number of securities so that each holding can impact performance. The equity team searches for firms believed to have a promising future and seeks to buy shares of those companies at a discount to their intrinsic value.

- Thornburg Value Fund
- Thornburg International Value Fund
- Thornburg Core Growth Fund
- Thornburg Investment Income Builder Fund
- Thornburg Global Opportunities Fund
- Thornburg International Growth Fund
- Thornburg Developing World Fund

Thornburg Bond Funds

Thornburg Investment Management applies a disciplined philosophy to fixed-income management. Since the launch of our first fixed-income fund over 25 years ago, we have been conducting fundamental, bottom-up research in an effort to identify bonds which we believe provide the best return for a given level of risk. We are very organic in our approach, avoiding leverage or complex strategies which could backfire in periods of market uncertainty.

- Thornburg Limited Term Municipal Fund
- Thornburg Intermediate Municipal Fund
- Thornburg California Limited Term Municipal Fund
- Thornburg New Mexico Intermediate Municipal Fund
- Thornburg New York Intermediate Municipal Fund
- Thornburg Strategic Municipal Income Fund
- Thornburg Limited Term U.S. Government Fund
- Thornburg Limited Term Income Fund
- Thornburg Strategic Income Fund

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.

For additional information, please visit www.thornburg.com

Thornburg Investment Management, Inc. 2300 North Ridgeway Road, Santa Fe, NM 87506

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Thornburg Investment Management®
Strategies for Building Real Wealth

This Annual Report is submitted for the general information of shareholders of the Fund. It is not authorized for distribution to prospective investors in the Fund unless preceded or accompanied by an effective prospectus.

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