

Class N | MFQAX

Class I | MFQTX



FIRST QUADRANT

**Headquarters:** Pasadena, CA

**Founded:** 1988

**Specialization:** Offers strategies in three main areas including optimal beta, diversified alpha and total return solutions

### Portfolio Managers

Jia Ye  
David Chrisman

### Style<sup>3</sup>

All Cap



### Benchmark

Russell 3000<sup>®</sup> Index

### Fund highlights

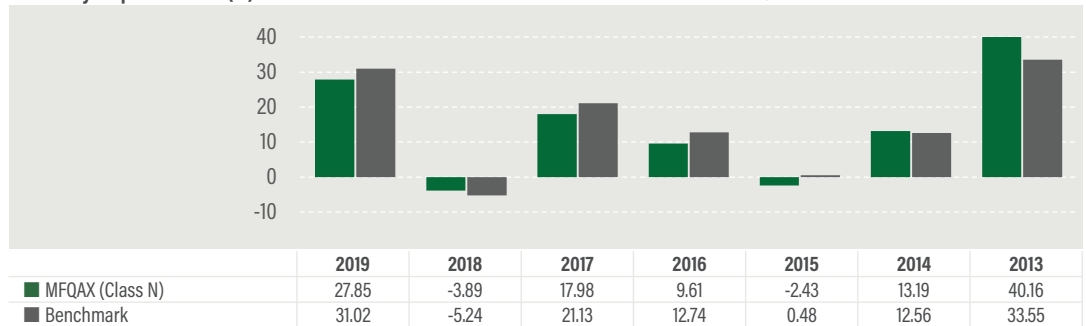
- ▶ Experienced boutique manager known for its systematic, theory based investment processes
- ▶ Investment approach based on belief that significant and recurring fundamental market inefficiencies and behavioral biases may be exploited
- ▶ Strives to minimize taxable distributions to shareholders by employing a variety of tax-sensitive investment techniques

### Average annual returns (%)<sup>1</sup> (as of 06/30/20)

	Inception	Q2	YTD	1 Yr	3 Yr	5 Yr	10 Yr	Since Incept
MFQAX (Class N) - Return before taxes on distributions	03/01/06	20.18	-9.84	1.60	6.92	6.47	12.47	7.15
MFQAX (Class N) - Return after taxes on distributions	03/01/06	20.18	-9.84	1.51	6.74	6.30	12.35	7.05
MFQAX (Class N) - Return after taxes on distributions & sale of shares <sup>2</sup>	03/01/06	11.94	-5.83	1.02	5.34	5.05	10.45	5.92
MFQTX (Class I) - Return before taxes on distributions	12/18/00	20.21	-9.76	1.85	7.18	6.74	12.75	6.92
MFQTX (Class I) - Return after taxes on distributions	12/18/00	20.21	-9.76	1.70	6.93	6.50	12.58	6.79
MFQTX (Class I) - Return after taxes on distributions & sale of shares <sup>2</sup>	12/18/00	11.97	-5.78	1.22	5.54	5.26	10.69	5.84
Benchmark	-	22.03	-3.48	6.53	10.04	10.03	13.72	6.77 <sup>4</sup>

### Calendar year performance (%)<sup>5</sup>

Expense Ratios (gross/net): Class N 1.28% / 1.14%, Class I 1.03% / 0.89%



### Sector weightings (%)<sup>6</sup>

Sector	Fund	Benchmark
Information Technology	27.72	26.57
Health Care	15.05	14.90
Financials	11.38	10.52
Consumer Discretionary	11.08	11.31
Communication Services	9.58	9.81
Industrials	8.07	8.76
Consumer Staples	5.30	6.27
Real Estate	3.03	3.59
Energy	2.48	2.61
Utilities	2.31	2.96
Materials	1.82	2.70
Cash & Other	2.18	0.00

### Top ten holdings (%)<sup>7</sup>

Holding	% of Net Assets
Apple Inc	4.60
Microsoft Corp	4.59
Visa Inc, Class A	4.46
Amazon.com Inc	4.36
MasterCard Inc, Class A	4.26
UnitedHealth Group Inc	3.81
Berkshire Hathaway Inc, Class B	2.88
Brown & Brown Inc	2.68
Amgen Inc	2.32
Facebook Inc, Class A	2.06
TOTAL %	36.02

### About AMG Funds

The largest network of institutional quality boutique investment solutions through a single point of access

Unrivaled access to insights of over 25 independent and autonomous investment managers

More than 75 actively managed products covering the risk spectrum for investors searching beyond the index

<sup>1</sup> Returns for periods less than one year are not annualized.

<sup>2</sup> Represents a hypothetical scenario where an investor sells all their current shares at the end of the time period indicated. The return reflects the impact of taxable gains, losses and distributions as a result of those sales. After-tax returns are calculated using the highest historical individual federal income and capital gains tax rate, and do not reflect the impact of any applicable state and local taxes. In a scenario where you do not sell all your shares at the end of the time period indicated, your returns will vary.

<sup>3</sup> Style box placement is based on Fund's principal investment strategies. It does not necessarily represent the Fund's current or future portfolio holdings.

<sup>4</sup> Since the inception of Class I shares on December 18, 2000.

<sup>5</sup> Performance is shown for the class of shares with the longest track record. If there are multiple share classes with the same inception date then performance represents the share class with the highest expense ratio. In cases where the share class with the longest track record has lower expenses, the performance of share classes with higher expenses would result in lower performance than that shown.

<sup>6</sup> Weights may not equal 100% due to rounding.

<sup>7</sup> Mention of a specific security should not be considered a recommendation to buy or a solicitation to sell that security. Holdings are subject to change.

*The performance data shown represents past performance. Past performance is not a guarantee of future results. Current performance may be lower or higher than the performance data quoted. The investment return and the principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. For performance information through the most recent month end please call 800.835.3879 or visit our website at amgfunds.com.*



## Fund facts

Share Class	Ticker	Expense Ratio (Gross/Net)	Minimum Initial Investment	12b-1 Fees
Class N	MFQAX	1.28% / 1.14% <sup>1</sup>	\$2,000	0.25%
Class I	MFQTX	1.03% / 0.89% <sup>1</sup>	\$100,000	-

Characteristics<sup>2</sup>

	Fund Assets (Mil.\$)	Number of Holdings	Weighted Avg. Market Cap (Mil.\$)	Weighted Avg. P/E (Trailing EPS) <sup>3</sup>	EPS Growth (Trailing 5-yr %) <sup>4,5</sup>
Fund	63	197	346,132	21.93	15.56
Benchmark	-	3,008	328,919	22.51	13.00

Risk/reward statistics<sup>2,6</sup>

Ticker	Alpha <sup>7</sup>	Standard Deviation <sup>5</sup>	Sharpe Ratio	Upside Capture Ratio <sup>7</sup>	Downside Capture Ratio <sup>7</sup>	Beta <sup>7</sup>	Tracking Error <sup>7</sup>	Information Ratio <sup>7</sup>
MFQAX	-3.06	18.42	0.28	93.94	106.77	1.04	3.54	-0.88

<sup>1</sup> The Fund's Investment Manager has contractually agreed, through March 1, 2021, to limit fund operating expenses. The net expense ratio reflects this limitation, while the gross expense ratio does not. Please refer to the Fund's Prospectus for additional information on the Fund's expenses.

<sup>2</sup> Characteristics derived from FactSet.

<sup>3</sup> Weighted harmonic average.

<sup>4</sup> Weighted average.

<sup>5</sup> Annualized.

<sup>6</sup> Calculated for a three-year period.

<sup>7</sup> Relative to primary benchmark.

**Investors should carefully consider the Fund's investment objectives, risks, charges and expenses before investing. For this and other information, please call 800.835.3879 or visit [amgfunds.com](http://amgfunds.com) for a free Prospectus. Read it carefully before investing or sending money.**

## Definitions

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

**Beta:** Beta measures the relationship between the portfolio's excess return over T-bills (representing a risk-free rate) relative to the excess return of the portfolio's benchmark. A low beta does not imply that the portfolio has a low level of volatility; rather, a low beta means that the portfolio's market-related risk is low. Beta is often referred to as systematic risk.

**Downside Capture Ratio:** The downside capture ratio measures a manager's performance in down markets relative to a particular benchmark. A down market is one in which the market's quarterly (or monthly) return is less than zero. For example, a ratio of 50% means that the portfolio's value fell half as much as its benchmark index during down markets.

**Earnings Per Share (EPS):** Earnings Per Share (EPS) is a company's profits per share of common stock.

**Information Ratio:** The information ratio (IR) measures a portfolio manager's ability to generate excess returns relative to a benchmark, but also attempts to identify the consistency of the portfolio manager. The higher the IR, the more consistent a manager is.

**Market Capitalization:** This figure represents the current stock-market value of a company's equity. It is calculated as the current share price times the number of shares outstanding as of the most recent quarter.

**Price/earnings Ratio (P/E):** Price/earnings (or P/E) ratio is a comparison of the company's closing stock price and its trailing 12-month earnings per share.

**Sharpe Ratio:** The Sharpe ratio is calculated using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe ratio, the better the portfolio's historical risk-adjusted performance.

**Standard Deviation:** Annualized standard deviation is a measure of the dispersion of a set of data from its mean. The more spread apart the data, the higher the deviation. Standard deviation is calculated as the square root of variance.

**Tracking Error:** Tracking error measures the standard deviation of the excess returns a portfolio generates compared to its benchmark. If a manager tracks a benchmark closely, then tracking error will be low. If a manager tracks a benchmark perfectly, then tracking error will be zero.

**Upside Capture Ratio:** The upside capture ratio is a measure of a manager's performance in up markets relative to a particular benchmark. An up market is one in which the market's quarterly (or monthly) return is greater than or equal to zero. For example, a ratio of 50% means that the portfolio's value increased half as much as its benchmark index during up markets.

The Fund may invest in derivatives such as options and futures; the complexity and rapidly changing structure of derivatives markets may increase the possibility of market losses.

The Fund invests in large-capitalization companies that may underperform other stock funds (such as funds that focus on small- and medium-capitalization companies) when stocks of large-capitalization companies are out of favor.

Although the Fund is managed to minimize taxable distributions, it may not be able to avoid taxable distributions.

Market prices of investments held by the Fund may fall rapidly or unpredictably due to a variety of economic or political factors, market conditions, disasters or public health issues, or in response to events that affect particular industries or companies.

In managing the Fund, the Fund's Subadviser may rely heavily on one or more quantitative models ("Model") and information and data supplied by third parties ("Data"). When a Model or Data used in managing the Fund contains an error, or is incorrect or incomplete, any investment decision made in reliance on the Model or Data may not produce the desired results and the Fund may realize losses. In addition, any hedging based on a faulty Model or Data may prove to be unsuccessful.

The Russell 3000® Index is composed of the 3,000 largest U.S. companies as measured by market capitalization, and represents about 98% of the U.S. stock market.

Unlike the Fund, indices are unmanaged, are not available for investment and do not incur expenses.

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