TCW Emerging Markets Local Currency Income Fund

SECOND QUARTER 2019 | TGWIX, TGWNX

TCWFunds
TCW Family of Funds

Investment Objective & Philosophy

The Fund's investment objective is to seek to provide high total return from current income and capital appreciation, through investment in debt securities denominated in the local currencies of various Emerging Market Countries.

The Fund may use derivative instruments to provide investment access to certain markets. The Fund may, but is not required to, hedge its exposure to non-U.S. currencies.

Investment Approach

The TCW Emerging Markets Local Currency Income Fund primarily invests in bonds and money market instruments issued or guaranteed by non-financial companies, financial institutions and government entities in emerging market countries denominated in the local currency of these countries. The Fund may use derivative instruments to provide investment access to certain markets. The Fund may, but is not required to, hedge its exposure to non-U.S. currencies.

The Fund's value seeking investment approach has been developed to identify and capitalize the best reward-risk opportunities in emerging markets local currency fixed income. Its experienced team of research, trading and investment professionals utilizes highly developed research methods to establish a dynamic link between fundamentals, foreign exchange dynamics, market valuations and portfolio strategy.

The Fund's value seeking investment approach has been developed to identify and capitalize the best reward-risk opportunities in emerging markets local currency fixed income.

Why Emerging Markets Local Currency?

- Spread between EM and Developed Market (DM) growth expected to moderately improve in 2019
- Trade competitiveness has improved, with EM currencies down over 30% since the time of the taper tantrum, despite improved fundamentals
- With average yields of approximately 5.80%, EM local currency offers some of the highest real yields in global fixed income

Why TCW EM Local Currency Income?

The Investment Team

- Senior portfolio managers have an average of over 32 years of experience in emerging markets investing, through both up and down markets.
- EM sovereign analysts have extensive policy as well as investment experience and our EM corporate credit team has been in place since the late 1990s, long before the advent of the corporate bond index in December 2007.
- EM strategists dedicated to local currency and corporates add an important perspective on shorter-term technicals, helping to fine tune the timing, structure and sizing of trades.

The Investment Process

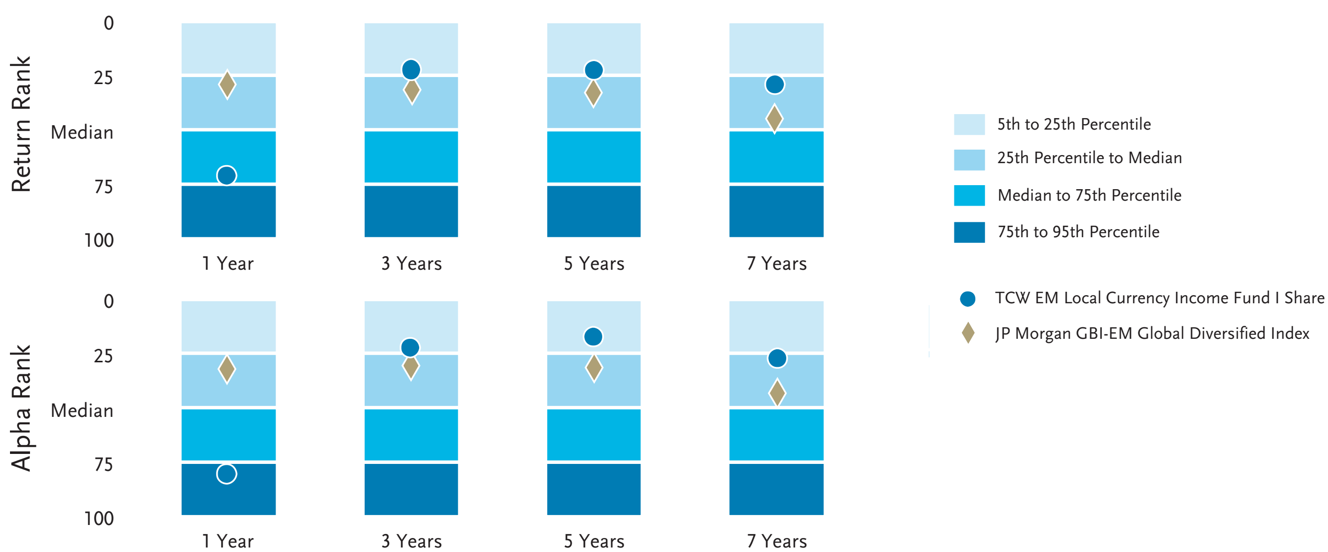
- Highly developed fundamentals based investment process tested under extreme market conditions.
- Identify the most attractive opportunities in the global emerging markets local currency universe
- Sophisticated internal process to forecast currency rates and local market interest rate curves
- Scenario analysis performed on each investment idea to determine base, upside and downside cases
- Strong emphasis on risk and liquidity management

There is no assurance that the objectives and/or trends will come to pass or be maintained.

TCW Emerging Markets Local Currency Income Fund

SECOND QUARTER 2019

Manager vs. Universe[1]



Annualized Returns AS OF JUNE 30, 2019

		Annualized					
(%)	Quarter	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
TGWIX (I Share)	**5.86**	**7.62**	**4.42**	**-0.03**	**–**	**1.50**	**12/14/10**
TGWNX (N Share)	**5.87**	**7.62**	**4.38**	**-0.03**	**–**	**1.48**	**12/14/10**
JP Morgan GBI-EM Global Diversified Index[2]	5.64	8.99	4.24	-0.45	–	1.05[3]	

Expense Ratio (%)	I Share	N Share
Gross	0.95	1.32
Net[4]	0.85	0.90

Annual fund operating expenses as stated in the Prospectus dated February 28, 2019, excluding interest and acquired fund fees and expenses, if any.

1 Morningstar Emerging Markets Local Currency Bond Fund Universe - The universe of all funds in the category as defined by Morningstar as of June 30, 2019. The 1 year period included 71 managers, 67 managers for the 3 year period, 60 managers for the 5 year period, and 58 managers for the 7 year period. **2** JP Morgan EMBI Global Diversified Index - A comprehensive global local emerging markets index that consists of regularly traded, liquid fixed-rate, domestic currency government bonds and includes only the countries which give access to their capital market to foreign investors (excludes China and India). The index is market capitalization weighted, with a cap of 10% to any one country. The index is unhedged USD and figures do not reflect any deduction for fees, expenses or taxes. The index is not available for direct investment; therefore its performance does not reflect a reduction for fees or expenses incurred in managing a portfolio. The securities in the index may be substantially different from those in the Fund. **3** For period 12/14/10 – 6/30/19. **4** Effective January 1, 2019, the Advisor has contractually agreed to cap the expenses (excluding interest, brokerage, extraordinary expenses and acquired fund fees and expenses, if any) to 0.85% of average daily net assets with respect to Class I shares and 0.90% of average daily net assets with respect to Class N shares until March 1, 2020.

Fund share prices and returns will fluctuate with market conditions, currencies, and the economic and political climates where the investments are made. Emerging markets securities carry special risks, such as less developed or less efficient trading markets, a lack of company information, and differing auditing and legal standards. The securities markets of emerging markets countries can be extremely volatile.

The performance data presented represents past performance and is no guarantee of future results. Total returns include reinvestment of dividends and distributions. Current performance may be lower or higher than the performance data presented. Performance data current to the most recent month end is available on the Fund's website at TCW.com. Investment returns and principal value will fluctuate with market conditions. The value of an investment in the Fund, when redeemed, may be worth more or less than its original purchase cost.

You should consider the investment objectives, risks, charges and expenses of a mutual fund carefully before investing. A Fund's Prospectus and Summary Prospectus contain this and other information about the Fund. To receive a Prospectus, please call 800-386-3829 or you may download the Prospectus from the Fund's website at TCW.com. Please read it carefully.

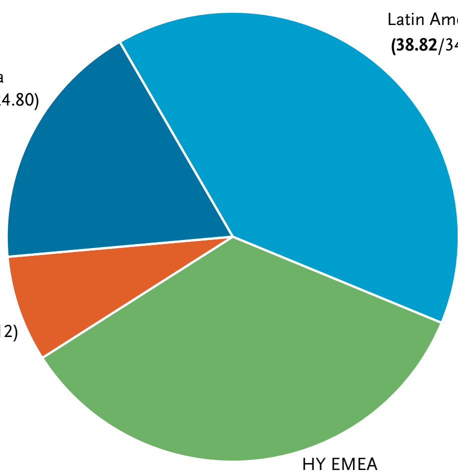
The TCW Funds are distributed by TCW Funds Distributors LLC.

Portfolio Profile

	Fund	Index
Blended Spread[1]	543 bps	377 bps
Effective Duration	5.56 years	5.43 years
Average Life	8.70 years	7.83 years
Portfolio Credit Quality Distribution (%):[2]		
A	11.94	
BBB	49.80	
BB	23.89	
B	11.03	
CCC	1.40	
Sovereigns	96.10%	
Corporates	1.45%	
Quasi-Sovereigns	0.51%	
Cash & Equivalents	1.94%	
Investment Grade	61.74%	
High Yield	36.32%	
Assets Under Management	$231.20 million	

Regional Breakdown (%)

(**EMLC Allocation** / Index Weight)



Top Five Net Currency Exposures (%)

	TGWIX	Index	Relative UW/OW[3]
Indonesia	10.94	10.00	0.94
Mexico	10.93	10.00	0.93
South Africa	10.76	8.85	1.91
Brazil	10.74	10.00	0.74
Colombia	8.89	6.87	2.02

Currency	**UW/OW**	**GBI-EM GD**	**Off Index**
Latin America	4.36	4.36	
HY EMEA	10.47	2.22	8.26
Europe	1.89	-2.43	4.33
Asia	-1.94	-1.94	0.00
Total	**14.78**	**2.20**	**12.58**

Bonds	**TGWIX**	**GBI-EM GD**	**UW/OW**
Latin America	38.82	34.57	4.25
HY EMEA	34.02	20.51	13.51
Europe	7.48	20.12	-12.63
Asia	17.74	24.80	-7.06
Total	**98.06**	**100.00**	**-1.94**

Duration	**TGWIX**	**GBI-EM GD**	**UW/OW**
Latin America	5.48	5.22	0.26
HY EMEA	5.08	5.55	-0.46
Europe	6.78	4.54	2.24
Asia	6.72	6.34	0.37
Total	**5.56**	**5.43**	**0.13**

Contribution to Duration	**TGWIX**	**GBI-EM GD**	**UW/OW**
Latin America	2.13	1.81	0.32
HY EMEA	1.73	1.14	0.59
Europe	0.51	0.91	-0.41
Asia	1.19	1.57	-0.38
Total	**5.56**	**5.43**	**0.13**

Source: TCW Portfolio Analytics; Data as of June 30, 2019

1 Blended Spread – Represents the difference between bond yields issued in emerging markets versus U.S. Treasuries.

2 These ratings are provided by one or more outside credit agencies including Moodys, Standard & Poor's and Fitch Ratings. The procedure used in calculating the Fund's ratings breakdown involves assigning a rating based on the decision rule below, linking the rating to the Moody's rating factor (numerical scale), weighting the securities and their ratings by their market value dollar amount and arriving at a weighted average rating factor. Credit quality ratings are subject to change and pertain to the underlying holdings of the Fund and not the Fund itself. The decision rule used in calculating the Fund's ratings breakdown involves: i) a 2 out of 3 approach of the ratings of the three credit agencies Moody's, Standard & Poor's & Fitch for each security; in the rare cases where the rating buckets of the three agencies differ the middle of the three will be taken; if ratings are only available from two agencies the lower of the two would be selected; ii) applying a "Ca" rating (which is the lowest rating with a numerical value) if the security is unrated by any of these three agencies; and iii) applying "Aaa" rating to cash, which is invested in overnight repo backed by U.S. Treasuries. Gradations of creditworthiness are indicated by rating symbols, with each symbol representing a group in which the credit characteristics are broadly the same. The AAA rating is the highest (best) rating and D is the lowest (worst) rating, the Unrated category contains bonds that are not rated by a nationally recognized statistical rating organization. The procedure has been in effect since the change in methodology used by JP Morgan for the EMBIGD index in late 2015. The credit quality of the investments in the portfolio does not apply to the stability or safety of the Fund.

3 Underweight/Overweight

Portfolio characteristics and holdings are subject to change at any time.

TCW Emerging Markets Local Currency Income Fund

SECOND QUARTER 2019

Investment Team

Penelope D. Foley
Group Managing Director
Emerging Markets

David I. Robbins
Group Managing Director
Emerging Markets

Alex Stanojevic
Managing Director
Emerging Markets

	Number	Avg. number of years with firm	Avg. years of investment expertise
Portfolio Managers	3	21	32
Sovereign Research Analysts	7	8	14
Corporate Research Analysts	5	11	17
Traders	3	8	14
Portfolio Specialist	1	6	17

INVESTMENT RISKS

Counterparty Risk – Counterparty risk refers to the risk that the other party to a contract, such as individually negotiated or over-the-counter derivatives, will not fulfill its contractual obligations, which may cause losses or additional costs to a Fund or cause a Fund to experience delays in recovering its assets. **Credit Risk** – Credit risk refers to the likelihood that an issuer will default in the payment of principal and/or interest on a security. **Debt Securities Risk** – Debt securities are subject to two primary (but not exclusive) types of risk: credit risk and interest rate risk. These risks can affect a debt security's price volatility to varying degrees, depending upon the nature of the instrument. **Derivatives Risk** – The use of derivatives involves risks different from, or possibly greater than, the risks associated with investing directly in the underlying instrument. Derivatives can be highly volatile, illiquid and difficult to value, and there is the risk that changes in the value of a derivative held by a Fund will not correlate perfectly with the underlying asset, reference rate or index. Certain types of derivatives involve greater risks than the underlying obligations because, in addition to general market risks, they are subject to counterparty risk and liquidity risk. **Distressed and Defaulted Securities Risk** – Repayment of defaulted securities and obligations of distressed issuers (including insolvent issuers or issuers in payment or covenant default, in workout or restructuring or in bankruptcy or solvency proceedings) is subject to significant uncertainties, including suspension of interest payments on defaulted or distressed securities and incurring additional costs to protect its investment. In addition, defaulted or distressed securities involve the substantial risk that principal will not be repaid. **Emerging Market Country Risk/Developing Market Country Risk** – Investing in emerging and developing market countries involves substantial risk due to, among others, higher brokerage costs in certain countries; different accounting standards; thinner trading markets as compared to those in developed countries; the possibility of currency transfer restrictions; and the risk of expropriation, nationalization or other adverse political, economic or social developments, and such countries may lack the social, political and economic stability characteristics of developed countries. The securities markets of emerging and developing market countries can be substantially smaller, less developed, less liquid and more volatile than the major securities markets in the U.S. and other developed nations. Currencies of emerging and developing market countries experience devaluations relative to the U.S. dollar from time to time. **Foreign Currency Risk** – Currency exchange rates may fluctuate significantly and unpredictably. As a result, a Fund's investments in foreign currencies, in foreign securities that are denominated, trade, and/or receive revenues in foreign currencies, or in derivatives that provide exposure to foreign currencies may reduce the returns of the Fund. **Foreign Investing Risk** – Investments in foreign securities generally involve higher costs than investments in U.S. securities, including higher transaction and custody costs as well as additional taxes imposed by foreign governments. In addition, security trading practices abroad may offer less protection to investors such as the Funds, and foreign countries typically impose less thorough regulations on brokers, dealers, stock exchanges, corporate insiders and listed companies than does the U.S. **Frequent Trading Risk** – Frequent trading will lead to increased portfolio turnover and increased brokerage commissions and may produce capital gains which are taxable to shareholders when distributed. **Interest Rate Risk** – Interest rate risk is the potential for a decline in bond prices due to rising interest rates. **Issuer Risk** – The value of securities held by a Fund may decline for a number of reasons directly related to an issuer, such as changes in the financial condition of the issuer, management performance, financial leverage and reduced demand for the issuer's goods or services. **Junk Bond Risk** – Junk bonds have a higher degree of default risk, may be less liquid than higher-rated bonds and may be subject to greater price volatility due to such factors as specific issuer developments, interest rate sensitivity, negative perceptions of junk bonds generally and less secondary market liquidity. **Leverage Risk** – During periods of adverse market conditions, the use of leverage, such as borrowing, reverse repurchase agreements, and certain derivatives, may cause a Fund to lose more money than would have been the case if leverage was not used. **Liquidity Risk** – A Fund's investments in illiquid securities may reduce the returns of the Fund because it may not be able to sell the illiquid securities at an advantageous time or price. **Market Risk** – Returns from the securities in which a Fund invests may underperform returns from the various general securities markets or different asset classes. Adverse events in an issuer's performance or financial position can depress the value of its securities, as can liquidity and the depth of the market for that security, a market's current attitudes about types of securities, market reactions to political or economic events, including litigation, and tax and regulatory effects (including lack of adequate regulations and federal, state and other government and regulatory intervention to regulate or support institutions, markets and Funds). **Non-Diversification Risk** – Because a relatively higher percentage of the Fund's assets may be invested in the securities of a limited number of issuers, the Fund may be more susceptible to any single economic, political or regulatory event than a diversified fund. **Non-U.S. Sovereign Debt Risk** – Creditor seniority rights, claims to collateral and similar rights may provide limited protection and may be unenforceable. Legal protections available with respect to corporate issuers (e.g., bankruptcy, liquidation and reorganization laws) do not generally apply to governmental entities or sovereign debt. A Fund may have limited recourse to compel payment in the event of a default. **Portfolio Management Risk** – Portfolio management risk is the risk that an investment strategy may fail to produce the intended results. **Price Volatility Risk** – The value of a Fund's investment portfolio will change as the prices of its investments go up or down. The Funds that invest primarily in the equity securities of small- and/or mid-capitalization companies are generally subject to greater price volatility than mutual funds that primarily invest in large companies. The fewer the number of issuers in which a Fund invests, the greater the potential volatility of its portfolio. **Securities Selection Risk** – The specific securities held in a Fund's investment portfolio may underperform those held by other funds investing in the same asset class or benchmarks that are representative of the asset class because of a portfolio manager's choice of securities. **Valuation Risk** – Portfolio instruments may be sold at prices different from the values established by the Fund, particularly for investments that trade in low volume, in volatile markets or over the counter or that are fair valued. Portfolio securities that are valued using techniques other than market quotations, including "fair valued" securities, may be subject to greater fluctuation in their value from one day to the next than would be the case if market quotations were used. A Fund may from time to time purchase an "odd lot" or smaller quantity of a security that trades at a discount to the price of a "round lot" or larger quantity preferred for trading by institutional investors. There is no assurance that the Fund could sell a portfolio security for the value established for it at any time and it is possible that the Fund would incur a loss because a portfolio security is sold at a discount to its established value. *Please see the Fund's Prospectus for more information on these and other risks.*

TCWFunds

Headquarters: 865 South Figueroa Street, Suite 1800 | Los Angeles, California 90017 | 213 244 0000

1251 Avenue of the Americas, Suite 4700 | New York, New York 10020 | 212 771 4000

www.TCW.com

FUNDlcf1188 7/31/2019