TCWFunds

TCW Family of Funds

Performance as of September 30, 2019

(%)	I Share	N Share[1]	Index[2]
Latest Quarter	0.28	0.18	1.36
1 Year (annualized)	1.32	1.09	4.00
3 Years (annualized)	6.63	6.39	9.43
5 Years (annualized)	5.74	5.49	7.79
10 Years (annualized)	10.86	10.57	11.46
Since Inception (annualized)	6.95	8.90	7.75; 10.12[3]

Expense Ratio (%)	I Share	N Share
Gross	0.73	1.00
Net[4]	0.73	0.95

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

Source: State Street B&T

1 The performance data includes the performance of the Fund's predecessor investment company, ("SG Cowen Predecessor Fund"), which prior to December 14, 2001, was managed by SG Cowen Asset Management Company, Inc. The SG Cowen Predecessor Fund has investment objectives and strategies that are substantially similar to the Fund. The SG Cowen Predecessor Fund's performance was calculated using the fees and expenses of the Class A shares not including the 4.75% sales charge for Class A shares of the SG Cowen Predecessor Fund.

2 Russell 1000® Value Index – Measures the performance of the large-cap value segment of the U.S. equity universe. It includes those Russell 1000 companies with lower price-to-book ratios and lower expected growth values. 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 The annualized since inception return for the index reflects the inception date of the Class I and Class N Share Funds, respectively. For period 10/29/04-9/30/19; 9/19/86-9/30/19.

4 Effective January 1, 2019, the Fund's investment advisor has agreed to waive fees and/or reimburse expenses to limit the Fund's total annual operating expenses (excluding interest, brokerage, extraordinary expenses and acquired fund fees and expenses, if any) to 0.73% of average daily net assets with respect to Class I shares and 0.95% of average daily net assets with respect to Class N shares. This contractual fee waiver/expense reimbursement will remain in place through March 1, 2020 and may be terminated by the investment adviser, or extended or modified with approval of the Board of Directors.

**Portfolio holdings are stated as a percentage of the Fund's total net assets including cash and cash equivalents as of September 30, 2019.

THIRD QUARTER 2019 COMMENTARY

TCW Relative Value Dividend Appreciation Fund

Investment Environment

U.S. equities turned in a modest showing in the third quarter. July was much ado about corporate earnings which were largely positive with a majority of S&P 500 companies beating estimates. In aggregate, earnings were up 3% year-over-year with revenue growth of nearly 5%. 2Q:19 U.S. GDP came in better than expected at 2.0% year-over-year, boosted by consumer and government expenditures while business investment (perhaps due in large part to uncertainty on trade), declining inventories, and net imports were a drag. As widely expected, for the first time in over a decade, the Federal Open Market Committee (FOMC) cut rates by 25 basis points at its July 31 meeting and was followed by a second reduction of the same magnitude in September. August began inauspiciously with President Trump's tweet announcing the imposition of 10% tariff on $300 billion worth of Chinese goods. China soon thereafter allowed its currency (renminbi) to cross over the crucial 7/1 threshold versus the U.S. dollar. In response, the U.S. Treasury Department officially designated China as a "currency manipulator." The equity markets remained turbulent throughout the month with much of the volatility due to the ongoing trade war between the two sides and its ripple effect on the global economy; Germany, the Eurozone's largest economy, contracted in the second quarter. The yield curve's inversion stoked U.S. recessionary fears, however positive, albeit slowing, economic data helped assuage concerns due to a relatively strong and confident U.S. consumer. Toward quarter end stocks were rattled but soon thereafter recovered upon the whistleblower complaint which has subsequently led to a presidential impeachment inquiry. The two most recent impeachment inquiries' (Richard Nixon; down and Bill Clinton; up) impact on U.S. markets was mixed and much more dependent on underlying economic growth.

Sector Weightings[5]

Over the course of the quarter, the best performing sectors were the traditionally defensive/bond proxy utilities (9.3%), real estate (7.7%), and consumer staples (6.1%) while the bottom performers were energy (-6.3%), health care (-2.3%), and materials (-0.1%). The portfolio's sector weights detracted due largely to the overweight in energy and to a much lesser extent the underweights in consumer staples, information technology, and real estate. The underweight in consumer discretionary and overweight in utilities offset some of the loss.

Security Selection[5]

Over the course of the quarter, the portfolio's top ten holdings by weight returned 2.4%, on average[6], with a mix of solid performance from AT&T (T; 3.81%**), Intercontinental Exchange (ICE; 3.53%**), Johnson Controls (JCI; 3.19%**), and JPMorgan Chase (JPM; 4.60%**) and lagging returns from Gilead (GILD; 3.47%**) and Chevron (CVX; 4.41%**). The portfolio's best relative contribution came from its communication services holdings which outperformed the group 11.3% versus 2.2 led by AT&T. Medtronic (MDT; 1.99%**)

5 Relative performance versus the S&P 500 Index. **6** Based on a simple average of the top ten quarterly returns

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.

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Top Ten Securities (%)

JPMorgan Chase & Co.	4.60
Chevron	4.41
AT&T	3.81
Citigroup	3.56
Intercontinental Exchange	3.53
Gilead Sciences	3.47
MetLife	3.42
Cypress Semiconductor	3.33
Johnson Controls International	3.19
Maxim Integrated Products	3.07

Security percentages are calculated on the total net asset value, including cash and cash equivalents.

Sector Weightings (%)

Financials	20.92
Information Technology	15.32
Health Care	13.46
Energy	12.76
Industrials	10.11
Communication Services	6.72
Consumer Staples	5.17
Consumer Discretionary	4.92
Utilities	4.16
Materials	3.73
Real Estate	1.79
Cash	0.93

Source: TCW

Past performance is no guarantee of future results.

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

It should not be assumed that an investment in the securities listed was or will be profitable.

**Portfolio holdings are stated as a percentage of the Fund's total net assets including cash and cash equivalents as of September 30, 2019.

† Not held by the Fund as of September 30, 2019.

led to the outperformance in health care where the portfolio's names gained 0.1% outpacing their peers' loss of -2.2%. Lennar (LEN; 2.42%**) and Target (TGT; 1.03%**) highlighted in consumer discretionary where the portfolio's names returned 6.4% versus their peers rise of 0.5% while the portfolio's consumer staples and energy names also outperformed. On the downside, the portfolio's largest detraction occurred in information technology where its names returned -1.2% versus the group gain of 3.3% due to Corning (GLW; 2.32%**), Cisco Systems (CSCO; 2.81%**), and not owning Apple†. The portfolio's materials names, mostly due to Freeport-McMoRan (FCX; 0.98%**), underperformed the group returning -10.2% versus -0.1% while its utilities holdings too underperformed. The portfolio also lost some ground with its industrials names due to General Electric (GE; 1.69%**) and Textron (TXT; 1.08%**); offsetting some of the loss was strong performance from United Parcel Service (UPS; 2.58%**) and Johnson Controls.

Market Outlook

On August 5, 2019, the S&P 500 dividend yield eclipsed that of the 10-Year U.S. Treasury, a sign that stocks are undervalued. If past history is any indication, large cap stocks may be poised for another strong 1- to 2-year rally. The occurrences in October 1962, when the two yields nearly converged, and again in November 2008, September 2011, and January 2016 when the S&P 500 yield topped the 10-Year U.S. Treasury, were positive tipping points in the equity markets. In the two years post each event, the S&P 500 increased 20% on an annualized basis.

Increased tariffs are our base case scenario. Supply chain dynamics on stock prices should not be as impactful in 2H:19 as they had been in 2H:18 as companies have been adapting quickly to reconfigure their supply chains. Intermediate and longer term, U.S. corporations have made supply chain moves for products built overseas not for "in country" consumption and can continue to make significant supply chain adjustments. Although from a relatively low base, imports to the U.S. from Vietnam increased over 30% year-over-year in Q2:19. The U.S./China trade war remains one of the biggest concerns though there are some signs of rapprochement. High ranking officials from the two sides are holding talks, marking the thirteenth time senior-level representatives from both sides have met to negotiate a deal.

We believe the U.S. is still the best place to invest. Due in part to trade tensions, global growth concerns have increased as have recessionary fears with Italy now in recession (and its government in disarray) and the Eurozone's largest economy Germany posting a negative 2Q:19 GDP. Just over one-half of respondents in a survey conducted by Bank of America/Merrill Lynch† stated a worsening trade war as their top concern. Additionally, the UK/Brexit situation remains thorny. Argentina facing a deepening economic crisis, Hong Kong protests, Iran, and Syria are each dampening business confidence and a decline to the U.S. ISM Manufacturing Purchasing Managers Index (PMI). To combat the slowdown, a massive global easing cycle has gained traction with the U.S., Chinese, European, New Zealand, Thailand, Indian, and Australian central banks all now in stimulus mode since April. The transmission mechanisms for central bank easing lags by six to nine months so positive evidence of their efforts should be felt by year end and into the first half of 2020.

The risk of a U.S. recession has risen with the yield curve's inversion highlighting bond investors' concerns and putting pressure on some financials' net interest income. The classic recessionary causes such as an overheated economy, earnings recession, runaway inflation, and financial imbalances are not evident but must be monitored vigilantly and could be assured if tariffs increase further and consumer spending wavers. U.S. GDP headwinds include China/U.S. tariffs raising prices, more prohibited semiconductor and semi-equipment sales to Huawei and other Chinese companies being placed on the U.S. "Security List", and fewer aircraft deliveries as the Boeing† 737 Max continues to be grounded for the foreseeable future.

There have been many times when the macro has overwhelmed the micro company specific fundamentals but the "truth will out." Companies, when faced with adversity, typically will undertake cost cutting and restructuring, and reinvest in the people and technology to stay relevant and competitive. If management teams are not strong enough, company boards and investors may force change. Historically, extreme growth valuation levels have reversed with value sizably outperforming growth over multiple years. The dilemma investors face is whether 1) they should continue to "ride" momentum and the S&P 500 (which are showing signs of fatigue with mega market caps and technology-led selloffs), or 2) consider value stocks as "insurance" with attractive valuations that have been overlooked and oversold as a result of the growth decade. As value investors, we believe it is imperative to stick to the fundamentals (cash flow, earnings, and company specific catalysts) and those companies with the balance sheets and management teams to prevail over time. Stocks trading at attractive valuations, with ample long-term growth prospects, should ultimately win investor favor. Finally, prudent investors should maintain diversification in both styles to avoid chasing potential seismic changes as well as curtail risk and be in the position to gain throughout economic cycles which should smooth returns over time.

Within the S&P 500, at September 30, 2019, 413 companies (or 82%) currently pay a dividend, nearly the highest percentage since September 1998 and two-thirds of the companies within the universe raised dividends during the last twelve months ending September. Over time, we believe investors have been rewarded by investing in those companies best able to increase and sustain future dividend growth. For S&P 500 companies, the current 2.0% dividend yield represents a ratio of 40-45% of profits. Current and future dividend payouts are supported by rising economic profits and already significant holdings of corporate cash. Historically, the S&P 500 payout ratio as a percentage of profits has averaged over 52% since 1990. Over one-half of S&P 500 companies that currently pay a dividend (at September 30) have dividend yields greater than the 10-Year Treasury and some stocks in the portfolio have better yields than their own five-year corporate bonds (e.g., Chevron, Gilead, and AT&T). With the strategy's earnings yield above the S&P 500's of 5.9%, we believe common stocks still represent a much better value than Treasuries, corporate bonds, or many real estate investment trusts (REITs).

The RVDA portfolio remains attractively valued relative to the Russell 1000 Value. Using consensus estimates (the RV team's own estimates are higher), the portfolio's 2Y EPS annualized growth rate is double digits. The portfolio's higher growth potential versus the value benchmark while simultaneously trading at a discount underscores the "Search for Value Poised for Growth" Relative Value investment philosophy.

We thank you for your continued support.

Sincerely,

Diane E. Jaffee, CFA
Group Managing Director
Equities

Representative Buys (Ticker; Sector)*

ConAgra Brands (CAG; Consumer Staples) (0.47%)** ConAgra Brands, headquartered in Chicago, IL, is a packaged food manufacturer marketing well-known consumer brands including Healthy Choice, Marie Callender's, Chef Boyardee, Hunts, Orville Redenbacher, Reddi-Wip, Slim Jim, Hebrew National, and Swiss Mix. At initiation, CAG had a $13 billion market capitalization and met all five valuation factors: price-to sales, price-to-earnings, price-to-cash flow, price-to-book and dividend yield. The catalysts are new management

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and restructuring. In 2015, Sean Connolly was hired as the company's CEO as an agent of change. Mr. Connolly brings a record of being a value creator during previous stints at Hillshire Brands†, Sara Lee†, and Campbell Soup Company†. He has already implemented a significant positive transformation by upgrading CAG's brand portfolio through acquisitions and divestitures, bringing costs down, and increasing innovation. This has led to steady increases in volume and margins with less discounting and promotion, closing a large gap between ConAgra and its peers. As to restructuring, the company acquired Pinnacle Foods (PF), a medium-sized food manufacturer for $8.1 billion in cash and stock. Pinnacle brings to ConAgra well-known brands such as BirdsEye, VanDeKamps, Hungry Man, Vlasic, Duncan Hines, and Wishbone. The acquisition provides numerous means to enhance value including: 1) adding scale to CAG's already large frozen foods business, one of the fastest-growing subsectors within the food industry, and 2) generating synergies at minimum of $210 million cumulative over the next two years. The combination of the two companies has the potential to drive earnings and cash flow growth significantly greater than its food industry peers leading to expected outperformance of the shares.

Representative Sells (Ticker; Sector)

There were no sells this quarter.

This material may include estimates, projections and other "forward-looking" statements. Actual events may differ substantially from those presented. TCW assumes no duty to update any such statements.

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INVESTMENT RISKS

Equity investments entail equity risk and price volatility risk. The value of stocks and other equity securities will change based on changes in a company's financial condition and in overall market and economic conditions. *Please see the Fund's Prospectus for more information on these and other risks.*

GLOSSARY OF TERMS

Aggregate – Formed or calculated by the combination of many separate units or items; total. **Base Case** – A term used to describe the highest probability outcome in the opinion of the presenter or author. It is often used in conjunction with describing other possible outcomes usually labeled "downside", "negative", "adverse", "upside", or "positive". **Basis Point** – one hundredth of one percent, used chiefly in expressing differences of interest rates. **Brexit** – An abbreviation of "British exit", which refers to the June 23, 2016 referendum by British voters to exit the European Union. **Cash Flow** – The movement of money into or out of a business, project, or financial product. **Central Bank** – A monopolized and often nationalized institution given privileged control over the production and distribution of money and credit. **Contraction** – A phase of the business cycle in which the economy as a whole is in decline. More specifically, contraction occurs after the business cycle peaks, but before it becomes a trough. According to most economists, a contraction is said to occur when a country's real GDP has declined for two or more consecutive quarters. **Corporate** – Of or relating to a bond issued by a corporation as opposed to a bond issued by the U.S. Treasury, a non-U.S. government or a municipality. **Currency Manipulation** – a policy used by governments and central banks of some of America's largest trading partners to artificially lower the value of their currency (in turn lowering the cost of their exports) to gain an unfair competitive advantage. **Defensive** – Stock that provides a constant dividend and stable earnings regardless of the state of the overall stock market. **Distribution** – Distributions of income and capital gains that mutual funds make to their investors periodically during a calendar year. **Dividend** – A distribution of a portion of a company's earnings, decided by the board of directors, to a class of its shareholders. **Dividend Yield** – A financial ratio that shows how much a company pays out in dividends each year relative to its share price. In the absence of any capital gains, the dividend yield is the return on investment for a stock. **Eurozone** – A geographic and economic region that consists of all the European Union countries that have fully incorporated the euro as their national currency. **Federal Reserve (the Fed)** – The central bank of the United States which regulates the U.S. monetary and financial system. **FOMC (Federal

TCW Relative Value Dividend Appreciation Fund

Open Market Committee) – The branch of the Federal Reserve Board that determines the direction of monetary policy. **GDP (Gross Domestic Product)** – The market value of all final goods and services produced within a country in a given period of time. **ISM (Institute For Supply Management)** – A non-profit organization that serves professionals, who are employed in the supply management profession. **Macroeconomic** – Relating to the branch of economics concerned with large-scale or general economic factors, such as interest rates and national productivity. **Market Capitalization** – Represents the aggregate value of a company or stock. It is obtained by multiplying the number of shares outstanding by their current price per share. **Microeconomic** – the part of economics concerned with single factors and the effects of individual decisions. **Overweight** – A condition where the portfolio exposure to a given asset class (or risk measure) exceeds that of the benchmark index. **PMI (Purchasing Managers Index)** – An indicator of the economic health of the manufacturing sector. The PMI index is based on five major indicators: new orders, inventory levels, production, supplier deliveries and the employment environment. **Price-to-Book Value** (P/BV or Price/Book or 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 per share. **Price-to-Cash Flow** – A ratio that measures the market's expectations of a firm's future financial health. It is calculated by dividing the share price by the cash flow per share. **Price-to-Earnings Ratio (P/E)** – A valuation ratio of a company's current share price compared to its per-share earnings. **Price-to-Sales** – A ratio for valuing a stock relative to its own past performance, other companies, or the market itself. **REIT (Real Estate Investment Trusts)** – Any corporation, trust or association that acts as an investment agent specializing in real estate and real estate mortgages" under Internal Revenue Code section 856. **Recession** – Two consecutive quarters of negative economic growth as measured by a country's gross domestic product. **Restructuring** – A significant modification made to the debt, operations or structure of a company. **Tariff** –A tax imposed on imported goods and services. **Standard & Poor's 500 Index (S&P 500)** – An index of 505 stocks issued by 500 large companies with market capitalizations of at least $6.1 billion. It is seen as a leading indicator of U.S. equities and a reflection of the performance of the large-cap universe. **Stimulus** – Something that causes a reaction; an incentive. **Tightening** – Short for tight monetary policy. A situation in which a central bank enacts relatively high target interest rates to lower the available of credit. Effectively "tightening" the supply of credit. **Total Return** – The rate of return on a security, including income from dividends and interest, as well as appreciation or depreciation in the price of the security, over a given time period of time. **Underweight** – A condition where a portfolio does not hold a sufficient amount of a particular security when compared to the security's weight in the underlying benchmark portfolio. **U.S. Treasuries (U.S. Treasury Securities)** – Bills, notes and bonds that are debt obligations of the U.S. government. **Value Stocks** – A stock that tends to trade at a lower price relative to it's fundamentals (i.e. dividends, earnings, sales, etc.) and thus considered undervalued by a value investor. **Valuations** – The process of determining the current worth of an asset or company. There are many techniques that can be used to determine value, some are subjective and others are objective. **Volatility** – A measure of the risk of price moves for a security calculated from the standard deviation of day-to-day logarithmic historical price changes. **Yield** – The income return on an investment. This refers to the interest or dividends received from a security and is usually expressed annually as a percentage based on the investment's cost, its current market value or its face value. **Yield Curve** – A line that plots the interest rates, at a set point in time, of bonds having equal credit quality, but differing maturity dates. The most frequently reported yield curve compares the three-month, two-year, five-year and 30-year U.S. Treasury debt. This yield curve is used as a benchmark for other debt in the market, such as mortgage rates or bank lending rates. The curve is also used to predict changes in economic output and growth.