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**BRANDES INVESTMENT PARTNERS, L.P.**  
**GLOBAL EQUITY: RUSSELL 3000 BENCHMARK**

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FOR THE MONTH OF:                      **SEPTEMBER**                      **2016**

**MANAGER PERFORMANCE CALCULATIONS**

\* Annualized returns

	Last <u>Month</u>	Last <u>3 Months</u>	Last <u>1 Year</u>	Last <u>3 Years*</u>	Last <u>5 Years*</u>
Brandes	0.88%	7.08%	5.97%	3.41%	10.52%
Russell 3000	0.16%	4.40%	14.96%	10.44%	16.36%

**PERFORMANCE ATTRIBUTION & STRATEGY COMMENTS**

In September 2016 the portfolio outperformed world markets. While the performance gap can go either way in the short term, Brandes believes that its philosophy has the potential for long-term outperformance as good periods can outweigh bad periods over the long-term.

The portfolio's holdings in Banks and Capital Markets, followed by Oil Gas & Consumable Fuels, were the largest contributors to outperformance relative to the index on an industry basis, while on a country basis holdings in the United States and South Korea had the largest positive impact on relative returns for the month. Conversely, holdings in France and Brazil detracted from relative performance, while holdings in Aerospace & Defense and Communications Equipment were among those industries with the largest negative impact on returns for the month.

As of 9/30/16, the largest absolute weightings were in the US (although underweight) and United Kingdom on a country basis, and Pharmaceuticals, Banks and Oil Gas & Consumable Fuels on an industry basis. Overall, Brandes believes that the portfolio is well positioned to deliver favorable long-term results.

While Brandes monitors short-term and top-down events, its investment philosophy focuses on company-by-company analysis with a long-term perspective. This summary includes shorter-term and top-down information, but Brandes continues to focus on applying its bottom-up, value philosophy over the long term with the goal of delivering better-than-benchmark results.

**ORGANIZATIONAL/PERSONNEL CHANGES**

**ACCOUNT TURNOVER**

Gained:	Number of Accounts:	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	Total Market Value (\$m):	\$	-
	Reason(s):			

**MANAGER STYLE SUMMARY**

*Brandes is a classic "bottom-up" manager, focusing primarily on individual security selection (while country allocation is a secondary consideration), with a "value" bias, purchasing stocks primarily on the perceived undervaluation of their existing assets or current earnings. Consequently, the securities in the portfolio will tend to have a higher dividend yield and lower P/E and P/Book ratios compared to the market. Brandes' classic Graham and Dodd value investment style combined with the relatively low number of stocks in the portfolio results in large gains or losses on the portfolio. What has been encouraging is that Brandes has turned in good returns when the markets generally have rewarded growth, rather than value, styles.*

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**PORTFOLIO GUIDELINE COMPLIANCE**

SEPTEMBER

2016

Portfolio Guideline:	Index	Brandes	Calc	Min	Max	Compliance
B3. Security position <= 5% of the account @ purchase						ok
B4. Number of issues		55		40	70	ok
B5. Normal Country Exposures:						
United States & Canada		35%		30%	100%	ok
Americas ex U.S.		4%		0%	40%	ok
United Kingdom		16%		0%	25%	ok
Europe ex U.K.		25%		0%	50%	ok
Japan		5%		0%	45%	ok
Pacific ex Japan		11%		0%	40%	ok
Non-Index Countries		0%		0%	20%	ok
Cash & Hedges		5%				
Total		100%				
B6. Normal International Portfolio Characteristics (FTSE All World ex U.S. "Large")						
Capitalization	\$51,197	\$57,623	113%	30%	125%	ok
Price/Book Value	1.6	1.0	65%	50%	100%	ok
Price/Earnings	16.0	14.5	91%	50%	100%	ok
Price/Cash Flow	9.2	5.2	56%	50%	100%	ok
Dividend Yield	3.1	3.9	126%	90%	150%	ok
B7. Normal U.S. Portfolio Characteristics (Russell 3000)						
Capitalization	\$129,480	\$118,060	91%	30%	125%	ok
Price/Book Value	2.8	1.4	51%	50%	100%	ok
Price/Earnings	20.2	16.0	79%	50%	100%	ok
Price/Cash Flow	13.4	9.2	69%	50%	100%	ok
Dividend Yield	2.1	2.2	107%	90%	150%	ok
C1. Currency or cross-currency position <= value of hedged securities						ok
No executed forward w/o a corresponding securities position.						ok
C2. Max forward w/ counterpart <= 30% of total mv of account						ok
F2. Brokerage commissions not to exceed \$0.05/share or 50% of principal (non-U.S.)						ok
F2. Annual turnover		14%			100%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

**MANAGER EXPLANATIONS FOR DEVIATIONS FROM PORTFOLIO GUIDELINES**

There were no deviations.

Due to data availability, the characteristics above are for the MSCI AC World ex US and MSCI US respectively, but this doesn't materially change the situation.