

Bernstein Emerging Markets Value
Emerging Markets Equity: MSCI EM Benchmark

For the month of: **August** **2021**

Manager Performance Calculations

* Annualized returns

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Bernstein EMV	3.19%	-0.60%	39.85%	10.62%	9.51%
MSCI EMF	2.32%	-4.12%	21.12%	9.87%	10.40%

Country Allocation Comparison

<u>Over-weight</u>	<u>Bernstein</u>	<u>EMF</u>	<u>Under-weight</u>	<u>Bernstein</u>	<u>EMF</u>
Vietnam	5.20%		China	8.88%	11.66%
Korea	18.01%	13.00%	Saudi Arabia		3.16%
Philippines	4.01%	0.63%	India	21.39%	33.94%

Performance Attribution & Strategy Comments

PORTFOLIO PERFORMANCE: In August, the Portfolio outperformed its benchmark, before fees. An overweight to the financials and utilities sectors contributed to relative returns, while an underweight to industrials and consumer staples detracted. Stock selection within consumer discretionary contributed to performance, while selection within materials detracted. From a country perspective, an underweight to China helped performance, while an underweight to Vietnam hurt. Not holding Alibaba Group contributed, as the stock lagged for the month on continued concerns over the Chinese government's intervention in the business of internet companies. Kunlun Energy also contributed. The Hong Kong-listed natural gas company reported better-than-expected earnings on good volumes from its core gas-distribution business. United Microelectronics helped performance, as pricing continues to look strong at older generation foundries where there has been little additional supply but strong demand. Poland-based Bank Pekao contributed to relative performance. The company's earnings were better than expected and improvement in net interest margin and stable credit trends boosted its outlook. Guangzhou Automobile Group Co. helped relative performance, as shares rose on speculation the company would list a separate share for its electric vehicle (EV) business. During the month, commodity stocks generally lagged as weaker-than-expected US economic numbers and fears of COVID-19 variants led investors to worry that global growth might slow. As a result, First Quantum Minerals, KGHM Polska Miedz and POSCO all detracted. Chinese gaming company International Games System also detracted for the month. Earnings were disappointing as non-operating expense was higher than expected. Taiwan-based memory chip manufacturer Nanya Technology also detracted as DRAM prices have weakened recently, even while industry inventory remains low. **OUTLOOK:** While COVID-19 continues to loom over many EM countries, economic recovery is under way and creating broad investment opportunities. We continue to believe that it is early in the value recovery and that significant potential remains for EM value stocks—particularly, higher-quality companies with resilient businesses, strong balance sheets and promising profitability. As COVID-19 vaccines continue to be more widely distributed, we anticipate that global demand and economic activity will recover, supported by additional stimulus and central bank accommodation. Our largest holdings remain concentrated in sectors set to benefit the most from a global demand recovery in 2021, including financials, technology and energy. These companies provide a diverse set of opportunities to position portfolios for a long-term value recovery. strong balance sheets.

Manager Style Summary

Bernstein a value-oriented, "bottom-up" manager, focusing on individual security selection, where country and sector allocations are an outgrowth of stock selection. As with their global product, they seek companies which are undervalued relative to their long-term earnings prospects due overreaction by the market. Although country selection is a by-product of the stock selection process, Bernstein seeks to reduce risk and enhance returns by limiting country concentration and maintaining stable country weights, as compared to the historical volatility of country weightings in the MSCI Em Index.

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Portfolio Guideline Compliance

Portfolio Guideline:	Index	Bernstein	Calc	Min	Max	Compliance
B3. Security position <= 8% of the account @ purchase						ok
B4. Number of issues		77		70	100	ok
B5. Normal Regional Exposures (* benchmark +/- min/max):						
Latin America *	8%	8%		-7%	23%	ok
Asia *	78%	76%		63%	93%	ok
EMEA *	14%	13%		-1%	29%	ok
Other		3%		0%	20%	ok
Total		100%				
B6. Normal Portfolio Characteristics (MSCI EM)						
Capitalization	138,454	42,594	31%	25%	100%	ok
Price/Book Value	2.0	1.1	53%	30%	100%	ok
Price/Earnings (Next 12 mo)	13.8	8.0	58%	30%	100%	ok
Price/Cash Flow	10.9	4.9	45%	30%	100%	ok
Dividend Yield	2.1	3.4	164%	75%	200%	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/ counterparty <= 30% of total mv of account						ok
F3. Annual turnover		34%		30%	40%	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.

Total Firm Assets Under Management (\$m) as of:

Qtr 2 \$ 738,379

Organizational/Personnel Changes

Investment decisions for Emerging Markets Value are made by the Chief Investment Officer and Director of Research. For the month of August 2021, there were no personnel changes for the EMV portfolio.

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$ -
Lost:	Number of Accounts:	1	Total Market Value (\$m):	\$ 319.0
Reason(s):	As of July 31, 2021, updated quarterly. Client is consolidating external managers and gets EM exposure from Global mandates with ACWI benchmarks.			