

## Bernstein Global Strategic Value

Global Equity: MSCI ACWI Benchmark

For the month of: **April** **2023**

### 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>
Bernstein GSV	2.63%	-1.33%	4.19%	13.06%	2.35%
MSCI ACWI		1.57%	2.06%	12.04%	7.03%
Russell 3000	1.07%	1.34%	1.50%	14.07%	10.60%

### Performance Attribution & Strategy Comments

**Portfolio Performance:** For April and the year to date, the Portfolio rose in absolute terms and outperformed its benchmark, the MSCI ACWI, before fees. During the month, both stock and sector selection contributed to relative returns. Stock selection within utilities and transportation helped performance the most. Selection within consumer staples and consumer cyclicals detracted. XPO Logistics, a freight transportation company, was the leading contributor during the month. Shares climbed on news that the company had hired a highly regarded executive from a competitor as its new chief operating officer. US homebuilder PulteGroup reported strong 1Q:23 results, delivering an earnings-per-share increase ahead of expectations and a guide for secondquarter deliveries that is up to 30% above its first-quarter levels. The company highlighted its strong orders, closings and margins in 1Q:23, following more signs of housing-market stabilization with strong demand from consumers across all buyers' segments and price points. Enel, an Italy-based multinational electricity and gas distributor, contributed. Enel announced it was considering the sale of a majority stake in its energy storage unit in a move aimed at further reducing the company's debt. With Enel shareholders set to vote on a new management team in May, the CEO candidate proposed by the Italian government signaled his commitment to continuing Enel's asset sale strategy to reduce debt, which sent shares of the company higher. Robert Half International was the biggest detractor in April. The company's 1Q:23 earnings generally met expectations, but year-over-year revenue declined and 2Q:23 guidance fell below consensus for the second quarter in a row. Spirit AeroSystems, an aerostructures manufacturer and maintenance, repair and overhaul service provider, detracted after announcing a manufacturing issue that will delay the production and delivery of its Boeing 737 aircrafts. Netherlands-based NXP Semiconductors, a top supplier of chips to the automotive industry, traded lower ahead of firstquarter earnings as investors weighed concerns about soft demand for the company's ultra-wideband solutions against momentum in the automotive endmarket segment.

**Outlook:** Despite persistent concerns about future economic growth and the impact of central bank policy, corporate earnings have remained broadly resilient, and companies have reported first-quarter results that have generally exceeded expectations. In this uncertain environment, we continue to find ample investment opportunities in companies across sectors and geographies that we believe offer fundamental strength that is underappreciated by investors. We will continue to diligently monitor the fundamental outlook for our Portfolio holdings and remain poised to react to evolving risks and opportunities that may present themselves.

### Manager Style Summary

*Bernstein is a research-driven, value-based, "bottom-up" manager, whose process is driven by individual security selection. Country allocations are a by-product of the stock selection process, which drives the portfolio country over and under weights. They invest in companies with long-term earnings power, which are undervalued due to an overreaction by the market. This value bias will result in a portfolio which will tend to have lower P/E and P/B ratios and higher dividend yields, relative to the market. The Global Strategic Value product is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.*

## Bernstein Global Strategic Value

Global Equity: MSCI ACWI Benchmark

### Portfolio Guideline Compliance

Portfolio Guideline:	Index	Bernstein	Calc	Min	Max	Compliance
B3. Security position <= 10% of the account @ purchase						ok
B4. Number of issues		65.0		25	75	ok
B5. Normal Regional Exposures (* benchmark +/- min/max):						
United States *	61%	48%		36%	86%	ok
Europe ex U.K. *	13%	19%		-2%	28%	ok
UK *	4%	10%		-6%	14%	ok
Japan *	5%	4%		-5%	15%	ok
Emerging Markets		11%		0%	20%	ok
Other		8%		0%	20%	ok
B6. Normal Global Portfolio Characteristics (MSCI ACWI)						
Capitalization	348,244	105,789	30%	50%	100%	check
Price/Book Value	2.6	1.8	67%	50%	100%	ok
Price/Earnings (Next 12 mo)	14.8	10.3	70%	50%	100%	ok
Price/Cash Flow	12.3	6.4	52%	50%	100%	ok
Dividend Yield	2.2	2.6	117%	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
Forwards executed with Custodian <= 100% of the total mv of account, given credit check						ok
F2. Brokerage commissions not to exceed \$0.05/share for U.S. equities						ok
F3. Annual turnover		33%		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

B6. Capitalization: Our portfolio average capitalisation weight relative to the benchmark is driven by two factors. We find some smaller cap ideas very attractive.

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

Qtr 1 \$675,919

### Organizational/Personnel Changes

Investment decisions for Global Strategic Value are made by the Chief Investment Officer and Director of Research. For the month of April 2023 there were no personnel changes for the GSV portfolio.

### Account Turnover

Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	2	Total Market Value (\$m):	\$	(523.0)
	Reason(s):	1) Asset allocation rebalance – consolidated value managers to increase exposure to FI 2) Client transitioned to OCIO to manage entire fund and fired all existing managers			