

**Brandes Investment Partners, L.P.**

Global Equity: Russell 3000 Benchmark

For the month of: **January** **2025****Manager Performance Calculations**

\* Annualized returns

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Brandes	4.96%	4.52%	18.49%	11.14%	13.11%
Russell 3000	3.16%	6.66%	26.32%	11.35%	14.58%

**Performance Attribution & Strategy Comments**

Global equity markets saw a strong start to the year, with Value stocks outperforming Growth stocks and developed market equities outperforming emerging market equities. European stocks led the way, a shift from the strong markets we have seen in the U.S. Against this backdrop the Brandes Global Equity portfolio rose and outperformed the broader index. While tariff concerns hung over markets the portfolio's US holdings performed well due to strong stock selection. The largest sector contributor on a relative basis was the portfolio's large underweight to the Information Technology sector and good performance of select holdings. We have been conservative in our earnings projections so the portfolio was not negatively impacted by the DeepSeek developments of a potentially cheaper AI model. Conversely select holdings in Communication Services detracted from overall performance. On a country basis the largest relative contributor to outperformance was the portfolio's US exposure, followed by holdings in Switzerland. Holdings in Hong Kong, on the other hand, detracted. As of 1/31/25, the largest absolute country weightings were in the U.S. - although the portfolio is significantly underweight relative to the index - the United Kingdom and France; the largest sector weightings were Financials, Health Care and Industrials. During the month the Global Investment Committee initiated no new positions and had one full sell of German software company SAP, which rose on strong earnings and reached our estimate of intrinsic value. The PERSI Global Equity portfolio continues to hold key positions in the economically sensitive financials sector and the more defensive health care sector, while maintaining its largest underweight to technology. Value stocks continue to trade within the least expensive decile relative to growth (MSCI World Value vs. MSCI World Growth) across various valuation measures (price/earnings, price/cash flow, and enterprise value/sales). However the valuation gap between U.S. and international stocks (MSCI USA vs. MSCI EAFE) widened as 2024 marked the largest outperformance year for U.S. stocks relative to international stocks since 1997. As a result, U.S. stocks now trade at their most expensive levels relative to international stocks since the inception of the MSCI indices in 1970, even when adjusting for sector differences.

We are excited about the long-term prospects of our holdings, which display attractive fundamentals and in aggregate trade at more compelling valuation levels than the benchmark, in our opinion.

<b>Total Firm Assets Under Management (\$m) as of:</b>	Qtr 4	\$	28,641
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**Organizational/Personnel Changes**

None

**Account Turnover**

Gained:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
Lost:	Number of Accounts:	0	Total Market Value (\$m):	\$	-
	Reason(s):	N/A			

**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**

Portfolio Guideline:	Index	Brandes	Calc	Min	Max	Compliance
B3. Security position <= 5% of the account @ purchase						ok
B4. Number of issues		69		40	70	ok
B5. Normal Country Exposures:						
United States & Canada		45%		30%	100%	ok
Americas ex U.S.		5%		0%	40%	ok
United Kingdom		14%		0%	25%	ok
Europe ex U.K.		22%		0%	50%	ok
Japan		1%		0%	45%	ok
Pacific ex Japan		11%		0%	40%	ok
Non-Index Countries		0%		0%	20%	ok
Cash & Hedges		1%				
Total		100%				
B6. Normal International Portfolio Characteristics (FTSE All World ex U.S. "Large")						
Capitalization	\$112,210	\$92,428	82%	30%	125%	ok
Price/Book Value	1.9	1.4	73%	50%	100%	ok
Price/Earnings	15.9	14.6	92%	50%	100%	ok
Price/Cash Flow	10.3	7.3	70%	50%	100%	ok
Dividend Yield	2.8	3.3	117%	90%	150%	ok
B7. Normal U.S. Portfolio Characteristics (Russell 3000)						
Capitalization	\$816,507	\$177,311	22%	30%	125%	check
Price/Book Value	4.7	1.8	38%	50%	100%	check
Price/Earnings	26.8	15.3	57%	50%	100%	ok
Price/Cash Flow	18.2	10.6	58%	50%	100%	ok
Dividend Yield	1.2	2.2	181%	90%	150%	check
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		16%			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**

B7. Capitalization:	Current US mkt historically wide spread btw Value/Growth causing all portf characteristics to skew even more "value" than our typical range.
B7. Price/Book Value:	Current US mkt historically wide spread btw Value/Growth causing all portf characteristics to skew even more "value" than our typical range.
B7. Dividend Yield:	Current US mkt historically wide spread btw Value/Growth causing all portf characteristics to skew even more "value" than our typical range.