



# AB Managed Volatility Equities Fund (Managed Fund)—MVE Class

## MVE-Class Objective

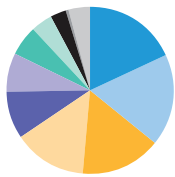
- The AB Managed Volatility Equities Fund (Managed Fund)—MVE Class (the “MVE-Class”) aims to achieve returns that exceed the S&P/ASX 300 Accumulation Index after fees over the medium to long term.

## Fund Benefits

- An equity investment that seeks to reduce volatility and limit downside risk in falling equity markets while capturing most of the upside in rising markets.
- Potential for long-term capital growth with some income including franked Australian dividend income.
- Access to experienced AB investment professionals and investment processes.

## MVE-Class Structure

### Sector Allocation



- Healthcare: 18.2%
- Financials: 17.7%
- Materials: 15.6%
- Consumer Staples: 14.2%
- Communication Services: 9.1%
- Industrials: 7.6%
- Technology: 5.6%
- Utilities: 4.4%
- Consumer Discretionary: 2.8%
- Real Estate: 0.6%
- Cash: 4.1%

Numbers may not sum due to rounding.

\* Australia exposure is composed of ASX-listed securities.

## Ratings



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## MVE-Class Performance<sup>†</sup>

	Gross Fund Returns	Total Returns	Growth Returns	Distribution Returns	Benchmark Returns <sup>‡</sup>	Relative Returns
<b>One Month</b>	2.39%	2.34%	2.34%	0.00%	1.85%	0.50%
<b>Three Months</b>	4.37%	4.23%	4.23%	-0.00%	-0.98%	5.22%
<b>FYTD</b>	10.31%	9.80%	9.67%	0.13%	15.37%	-5.56%
<b>One Year</b>	2.92%	2.35%	0.52%	1.84%	2.13%	0.23%
<b>Three Years</b>	8.90%	8.30%	6.05%	2.25%	13.97%	-5.67%
<b>Five Years</b>	7.45%	6.85%	4.74%	2.11%	8.23%	-1.38%
<b>Since Inception<sup>§</sup></b>	10.09%	9.48%	6.79%	2.69%	7.75%	1.73%

See Performance Figures disclosures.

<sup>†</sup> Please refer to our website, [www.AllianceBernstein.com.au](http://www.AllianceBernstein.com.au), to view the MVE-Class's performance.

<sup>‡</sup> S&P/ASX 300 Accumulation Index

<sup>§</sup> MVE-Class inception: 31 March 2014

## Top 10 Holdings (% Total Net Assets)

Stock Name	Portfolio	Index
Telstra	4.9	2.3
Coles Group	4.8	1.1
Woolworths	4.7	2.1
Sonic Healthcare	4.6	0.8
APA Group	4.4	0.5
Rio Tinto	4.2	1.9
Medibank	3.7	0.4
Amcor	3.6	0.4
Spark New Zealand	3.5	0.1
Brambles	3.3	0.9
<b>Total Number of Stocks</b>	<b>50</b>	<b>296</b>
<b>Beta<sup>  </sup></b>	<b>0.6</b>	

<sup>||</sup> Beta is a measure of market sensitivity, indicating the extent to which a portfolio fluctuates with an index. The index is assumed to have a beta of 1.0, while a portfolio that is more sensitive to index moves has a beta greater than 1.0, and a portfolio that is less sensitive to index moves has a beta less than 1.0.

## Key Facts

Lead Portfolio Manager	Roy Maslen
Inception Date	31 March 2014
MVE-Class Size	A\$1,718,968,342
APIR	ACM0006AU
Minimum Investment	A\$50,000
Entry/Exit Fee	None
Buy/Sell Spread	0.25%/0.25%
Management Cost	0.55% p.a.
ICR <sup>#</sup>	0.55% p.a.
Distribution Frequency	Semi-annual

<sup>#</sup> Indirect cost ratio (ICR). Financial year to date, annualised

Monthly Fact Sheet

**MVE-Class Review**

- In April, the MVE – Class outperformed its benchmark, the S&P/ASX 300 Index, which was up 1.85% in Australian-dollar terms.

**Contributors**

- For April, holdings within materials and financials contributed, while holdings within technology and an underweight to the real estate sector detracted.
- Gold miner Evolution Mining outperformed as gold prices rallied above US\$2,000.
- An underweight to BHP and a lack of exposure to Fortescue Metals contributed to relative performance, while exposure to Rio Tinto detracted from results. The mining companies underperformed the market as the price of iron fell on concerns that Chinese steel demand was softening.

**Detractors**

- Amcor, a world leader in sustainable packaging, underperformed despite resilient earnings, likely because of concerns that demand for its consumer products could soften. However, although it may experience some short-term headwinds, we believe that its revenue and profits will benefit from passing on cost inflation to customers even if sales volumes only increase marginally. Amcor's healthcare business continues to grow, and the company has a long track record of growing earnings. We see the stock as attractively priced and therefore continue to hold it, and although we do not see it as immune from headwinds, we expect it to do better than the market through a downturn.
- An underweight to biotech company CSL detracted during the month, as its US-dollar earnings benefited from a weakening Australian dollar.

**MVE-Class Change Highlights**

- During the month, we sold our position in Constellation Software. The Canada-based software company has performed very strongly over the past year, and the position was sold, as the valuation is now less attractive.
- Switzerland-based food and beverage company Nestlé is a world-class company that has been successful at passing on food inflation increases to its customer. We exited our position in the company to purchase Gilead Sciences, which we also believe is high quality, but is more attractively valued. Gilead is a world leader in the treatment of life-threatening diseases, including HIV, liver disease and serious respiratory conditions. We believe that the market is ascribing limited value to Gilead's research and development pipeline.
- We also added shares of Australian health insurer Medibank. We gained confidence in its outlook following a period of uncertainty after it became the victim of a sophisticated cybercrime in which sensitive customer data was accessed and posted on the dark web. Medibank's handling of the cyberattack minimised brand damage, and its February result revealed that policyholder numbers had stabilised and returned to pre-attack growth trends. Although some uncertainty remains around the outcome of class action lawsuits relating to the breach, we believe that Medibank's strong capital position mitigates downside risk in the event of an unfavourable outcome. We like Medibank for its strong balance sheet and stable earnings profile.

**To find out more, please speak with your financial adviser or visit [AllianceBernstein.com.au](http://AllianceBernstein.com.au)**

**Access**

There are now multiple ways for investors to access this strategy as MVE Class is now available on the securities market. Trading under the ticker code AMVE, investors can now access the MVE Class via Cboe, an innovative securities and derivatives exchange.



**Invest Through Cboe**

You can invest in the MVE Class directly via your online broking account. The MVE Class is available through Cboe.



**Invest Directly With the Fund**

The MVE Class is also offered on a number of industry leading platforms. By downloading and completing the application form, investors can also buy units directly from AB provided they apply for the minimum investment of A\$50,000 in units.



**Speak to Your Financial Adviser**

Before making a decision to invest, investors should speak with their financial adviser to see if the MVE Class is right for them.

Investors should read the Product Disclosure Statement (PDS) and speak to their financial adviser before making a decision.

### Performance Figures

In Australian dollars. Numbers may not sum due to rounding. The total, growth and distribution returns of the MVE-Class are net of fees and costs and do not allow for tax or inflation. Performance is calculated in accordance with the Financial Services Council Standard No. 6, using the relevant end-of-month exit prices, and assumes that income is reinvested and that the investment is held for the full period. The performance figures are historical and past performance is not necessarily an indication of future performance. The information above may change.

The Benchmark was changed to the S&P/ASX 300 Accumulation Index on 1 June 2019, and retrospectively to the MVE-Class's inception date of 31 March 2014. The MVE-Class's previous benchmarks are the S&P/ASX 300 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt), which was effective 1 March 2016, and the FTSE ASFA Australia 300 Index–Tax Exempt, which was used for the period 31 March 2014 to 29 February 2016.

AB Managed Volatility Equities Fund (Managed Fund)–MVE Class ("MVE-Class") APIR ACM0006AU is a unit class of the AllianceBernstein Managed Volatility Equities Fund ("Fund") (ARSN 099 739 447). AllianceBernstein Investment Management Australia Limited (ABN 58 007 212 606, AFSL 230 683) ("ABIMAL") is the responsible entity of the Fund and is the issuer of units in the MVE-Class. ABIMAL has appointed AllianceBernstein Australia Limited (ABN 53 095 022 718, AFSL 230 698) ("ABAL") as the investment manager of the MVE-Class. ABAL in turn has delegated a portion of the investment manager function to AllianceBernstein L.P. The MVE-Class's Product Disclosure Statement ("PDS") is available by contacting the client services team at AllianceBernstein Australia Limited at (02) 9255 1299 or at [www.alliancebernstein.com.au](http://www.alliancebernstein.com.au). Investors should consider the PDS in deciding to acquire, or continue to hold, units in the MVE-Class.

A Target Market Determination (TMD) for the AB Managed Volatility Equities Fund (Managed Fund)–MVE Class is available free of charge from our website, [www.alliancebernstein.com.au](http://www.alliancebernstein.com.au). The TMD sets out the class of persons who comprise the target market for the AB Managed Volatility Equities Fund (Managed Fund)–MVE Class and the distribution conditions that are applicable, together with a number of other matters that should be considered by retail investors and their advisers.

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This document is released by AllianceBernstein Australia Limited ABN 53 095 022 718, AFSL 230 698.

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