



# AB MANAGED VOLATILITY EQUITIES FUND (MANAGED FUND)—MVE CLASS

## MVE-CLASS OBJECTIVE

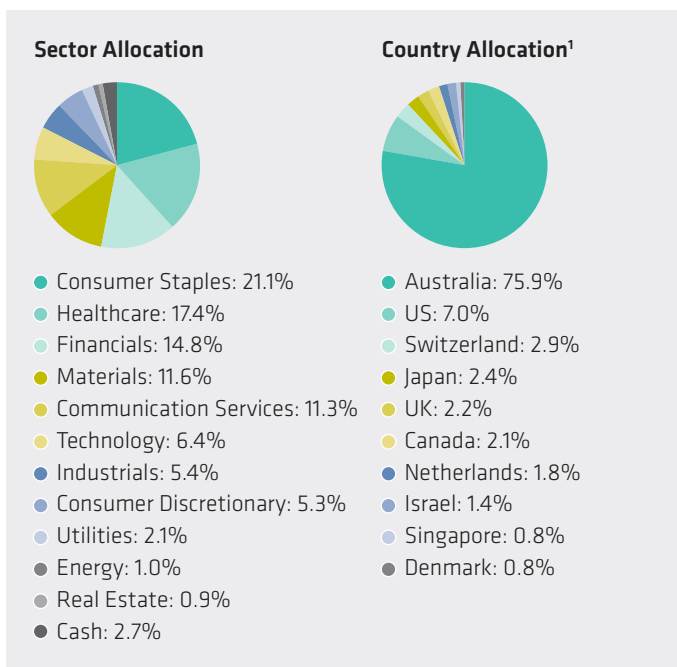
+ The AB Managed Volatility Equities Fund (Managed Fund)—MVE Class (the “MVE-Class”) aims to achieve returns that exceed the S&P/ASX 300 Accumulation Index after fees over the medium to long term.

## WHO SHOULD CONSIDER INVESTING IN THE MVE-CLASS?

The MVE-Class is designed for equity investors, including retirees and pre-retirees, seeking:

- + Lower volatility
- + Reduced downside risk in falling equity markets
- + The potential for long-term capital growth and some income, including franked Australian dividend income

## MVE-CLASS STRUCTURE



Numbers may not sum due to rounding.

## RATINGS



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## MVE-CLASS PERFORMANCE<sup>2</sup> AS AT JANUARY 31, 2022

	Gross Fund Returns	Total Returns	Growth Returns	Distribution Returns	Benchmark Returns	Relative Returns
<b>1 month</b>	(7.62)%	(7.67)%	(7.67)%	0.00%	(6.45)%	(1.21)%
<b>3 months</b>	(4.66)%	(4.79)%	(5.53)%	0.74%	(4.49)%	(0.31)%
<b>FYTD</b>	(2.61)%	(2.93)%	(3.68)%	0.76%	(2.68)%	(0.24)%
<b>1 year</b>	4.84%	4.27%	0.63%	3.64%	9.59%	(5.32)%
<b>3 years</b>	8.13%	7.54%	5.13%	2.40%	10.05%	(2.52)%
<b>5 years</b>	8.97%	8.37%	5.95%	2.42%	8.65%	(0.28)%
<b>Since Inception<sup>4</sup></b>	10.26%	9.65%	6.78%	2.87%	7.65%	2.00%

See Performance Figures disclosures.

## TOP TEN HOLDINGS (% TOTAL NET ASSETS)

Stock Name	Portfolio	Index
Telstra	5.0	2.2
Coles Group	4.7	1.0
Medibank	4.5	0.4
Sonic Healthcare	4.3	0.8
ResMed	3.2	0.6
Amcor	3.2	0.6
CSL	3.0	5.8
Wesfarmers	2.6	2.8
Transurban	2.4	1.8
Spark New Zealand	2.3	0.0
<b>Total Number of Stocks</b>	67	293
<b>Beta<sup>5</sup></b>	<b>0.6</b>	

## KEY FACTS

<b>Lead Portfolio Manager</b>	Roy Maslen
<b>Inception date</b>	March 31, 2014
<b>MVE-Class size</b>	A\$1,488,084,883
<b>APIR</b>	ACM0006AU
<b>Minimum investment</b>	A\$50,000
<b>Entry/Exit fee</b>	None
<b>Buy/Sell spread</b>	0.25%/0.25%
<b>Management cost</b>	0.55% p.a.
<b>ICR<sup>6</sup></b>	0.55% p.a.
<b>Distribution frequency</b>	Semi-Annual

1 Australia exposure is comprised of ASX-listed securities

2 Please refer to our website [www.AllianceBernstein.com.au](http://www.AllianceBernstein.com.au) to view the MVE-Class' performance

3 S&P/ASX 300 Accumulation Index. Please see Performance figures disclosure for more details

4 MVE-Class Inception: March 31, 2014

5 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, whilst 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

6 Indirect Cost Ratio (ICR). Financial year-to-date, annualised

# AB MANAGED VOLATILITY EQUITIES FUND (MANAGED FUND) – MVE CLASS

## Monthly Fact Sheet

### MVE-CLASS REVIEW

- + In January, the MVE – Class underperformed its benchmark, the S&P/ASX 300 Index, which was down -6.45% in Australian-dollar terms.

### DETRACTORS

- + For January, stock selection within and an underweight to materials detracted, as did an overweight to the consumer-staples sector. Some of these losses were mitigated, however, as selection within technology and communication services, as well as an underweight to real estate, contributed. This was a highly unusual down month in that both commodities and financials outperformed. As such, we are disappointed that this was a key factor in preventing the Portfolio from performing its usual, protective role in down markets.
- + Our lack of exposure to BHP detracted the most in the month. BHP's performance appears to have been predominantly driven by its delisting from the UK to exclusively list in Australia. We expect the completion of this event to pressure the stock.
- + Healthcare service providers Sonic Healthcare and Healius underperformed as investors worried that governments in Australia and abroad would phase out PCR coronavirus tests in favour of rapid antigen tests. Although we expect Sonic and Healius to face a swift decline in PCR testing volumes, we believe the companies' core pathology and diagnostic imaging businesses are recovering well from pandemic-induced disruptions.

### CONTRIBUTIONS

- + Telecom company NTT outperformed due to its defensive nature and attractive valuation. In addition, analysts expect ongoing earnings growth throughout 2022 and 2023.
- + Data security company Check Point Software Technologies contributed, as the market continued to appreciate solid results

and outlook from the December quarter.

- + Our underweight position in biotherapeutics company CSL contributed to performance as rising cases of COVID-19 continued to challenge plasma collection volumes.

### MVE-CLASS CHANGE HIGHLIGHTS

- + During the month, we purchased shares of Rio Tinto. While the miner is exposed to iron-ore price volatility, we are attracted to its exposure to other commodities that raise its advantages in areas such as hydroelectric-powered aluminium manufacturing. Additionally, we see Rio as significantly cheaper than BHP.
- + We reduced our position in retailer Woolworths, as we expect the company to see higher pandemic-related costs in the first half of the year following the December disruption caused by the emergence of the omicron variant. In particular, we anticipate the Big W department store brand will see a negative impact on its operations and earnings.
- + We maintained a material underweight to Commonwealth Bank of Australia (CBA), and the banks sector; however, we marginally reduced that underweight after CBA's underperformance in the December quarter.
- + We trimmed our position in Healius, taking profits after the company's share price closed 2021 with strong performance.
- + We also trimmed our position in medical equipment manufacturer ResMed on concern that pandemic-related supply disruptions will make it hard for the company to meet the strong demand for its products.
- + Finally, we added a position in industrial engineering company WorleyParsons, attracted by its exposure to rising oil prices.

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

### 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 re-invested 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 June 1, 2019 and retrospectively to the MVE-Class' inception date of March 31, 2014. The MVE-Class' previous benchmarks are the S&P/ASX 300 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt) which was effective March 1, 2016 and the FTSE ASFA Australia 300 Index - Tax Exempt which was used for the period March 31, 2014 to February 29, 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' 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 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 which should be considered by retail investors and their advisers.

This information is for exclusive use of the wholesale person to whom it is provided and not to be relied upon by any other person.

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