



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.

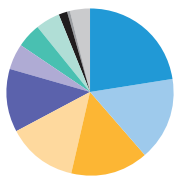
Who Should Consider Investing in the MVE-Class?

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

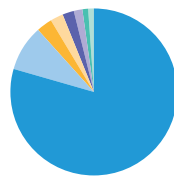
MVE-Class Structure

Sector Allocation



- Consumer Staples: 22.7%
- Financials: 16.0%
- Materials: 15.1%
- Healthcare: 13.6%
- Communication Services: 12.1%
- Technology: 5.0%
- Utilities: 4.8%
- Industrials: 4.7%
- Energy: 1.7%
- Real Estate: 0.6%
- Cash: 3.7%

Country Allocation*



- Australia: 76.7%
- US: 8.5%
- Switzerland: 3.1%
- Japan: 2.4%
- Canada: 2.1%
- Netherlands: 1.6%
- Israel: 1.1%
- Denmark: 0.9%

Numbers may not sum due to rounding.

* Australia exposure is composed of ASX-listed securities.

Ratings



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MVE-Class Performance[†]

	Gross Fund Returns	Total Returns	Growth Returns	Distribution Returns	Benchmark Returns [‡]	Relative Returns
One Month	(3.08)%	(3.13)%	(3.13)%	0.00%	(2.76)%	(0.37)%
Three Months	2.41%	2.27%	2.27%	0.00%	3.08%	(0.81)%
FYTD	2.11%	1.59%	0.80%	0.79%	2.41%	(0.81)%
One Year	4.63%	4.05%	0.42%	3.63%	4.71%	(0.66)%
Three Years	6.10%	5.51%	3.39%	2.12%	8.01%	(2.49)%
Five Years	8.27%	7.68%	5.37%	2.31%	8.98%	(1.30)%
Since Inception [§]	10.47%	9.85%	7.09%	2.76%	8.00%	1.85%

See Performance Figures disclosures.

[†] Please refer to our website, www.AllianceBernstein.com.au, to view the MVE-Class's performance.

[‡] S&P/ASX 300 Accumulation Index

[§] MVE-Class inception: 31 March 2014

Top 10 Holdings (% Total Net Assets)

Stock Name	Portfolio	Index
Medibank	5.0	0.4
Sonic Healthcare	4.9	0.8
Coles Group	4.8	1.1
Telstra	4.7	2.1
Woolworth	4.4	1.9
APA Group	4.3	0.6
Amcor	3.9	0.6
Endeavour Mining	3.6	0.4
Rio Tinto	3.3	2.0
Spark New Zealand	3.1	0.0
Total Number of Stocks	56	295
Beta	0.6	

^{||} 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\$1,605,326,672
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 [#]	0.55% p.a.
Distribution Frequency	Semiannual

[#] Indirect cost ratio (ICR). Financial year to date, annualised

Monthly Fact Sheet

MVE-Class Review

- In May, the MVE – Class underperformed its benchmark, the S&P/ASX 300 Index, which was down -2.76% in Australian-dollar terms.

Detractors

- For May, overweights to the consumer-staples and communication-services sectors dragged on returns, while underweights to real estate and consumerdiscretionary contributed.
- US-based retail giant Walmart underperformed as sales and margins disappointed, predominantly in its discretionary-goods categories.
- Holdings in Australian consumer-staples companies Woolworths and Endeavour Group detracted. During May, both stocks had modest upgrades to their Bloomberg consensus earnings for this financial year. Woolworths underperformed as consumer staples sold off globally because of Walmart’s earnings miss. However, Woolworths is different to Walmart, as it is much less reliant on non-food sales. Additionally, we are seeing good evidence that the supermarket is passing through food inflation with higher prices for consumers. During Endeavour’s investor day, the company guided to higher investment in its core business, which we saw as a positive. Under its prior ownership, many of Endeavour’s assets were starved of investment, and we see numerous earnings-accretive opportunities to upgrade its hotels and gaming machines and purchase more wine brands to help lift the profitability of liquor supermarket Dan Murphy’s.

Contributors

- An overweight to global consumer packaging company Amcor outperformed because of strong third-quarter results. We believe that Amcor’s technology and experience in high- inflation markets such as in South America put the company in a solid position to continue to grow profits in a high-inflation environment.

- Lack of exposure to Goodman Group, a global commercial and industrial property group, contributed. Rising interest rates are causing REITs to broadly underperform. High-growth REITs such as Goodman are most affected by this.
- Health insurer Medibank contributed during the month as insurers more broadly outperformed. As one of the largest health insurers in the country, Medibank continues to be a key beneficiary of improving trends in the health insurance industry, with participation increasing and claims continuing to be benign.

MVE-Class Change Highlights

- During the month, we increased our position in retailer Woolworths, attracted by its supermarket division’s strong operations, which have led to stable earnings.
- We added to our holdings in natural gas and energy infrastructure company APA Group, attracted by its strong free cash flow and balance sheet.
- Additionally, we increased our position in Endeavour. Since its split from retailer Woolworths, we believe that the company has been able to increase its focus and offers ongoing improvement opportunities, as well as defensive exposure to the Australian consumer.
- We exited our position in retailer Wesfarmers, in line with our Portfolio model.
- We sold our shares in medical-equipment manufacturer ResMed, a leading maker of sleep apnea devices that had faced strong demand following a key competitor’s product recall. Though the market had priced in ResMed’s ongoing difficulties meeting this demand due to semiconductor shortages, we are concerned that many of its custom device components come from Shanghai— where factories have been closed because of new pandemic-related lockdowns. As we see this as a potential earnings risk for ResMed, we opted to exit our position.
- We exited our position in music and electronic goods retailer JB Hi-Fi on concerns that Australian discretionary retail spending will be pressured by rising interest rates, higher prices for food and fuel, and reduced consumer sentiment.

To find out more, please speak with your financial adviser or visit AllianceBernstein.com.au

Access

There are now multiple ways for investors to seek to access a strategy designed with the objective of a smoother Australian equities’ experience. The 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.

Monthly Fact Sheet

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. 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. 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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