



AB MANAGED VOLATILITY EQUITIES FUND—MVE CLASS

MVE-CLASS OBJECTIVE

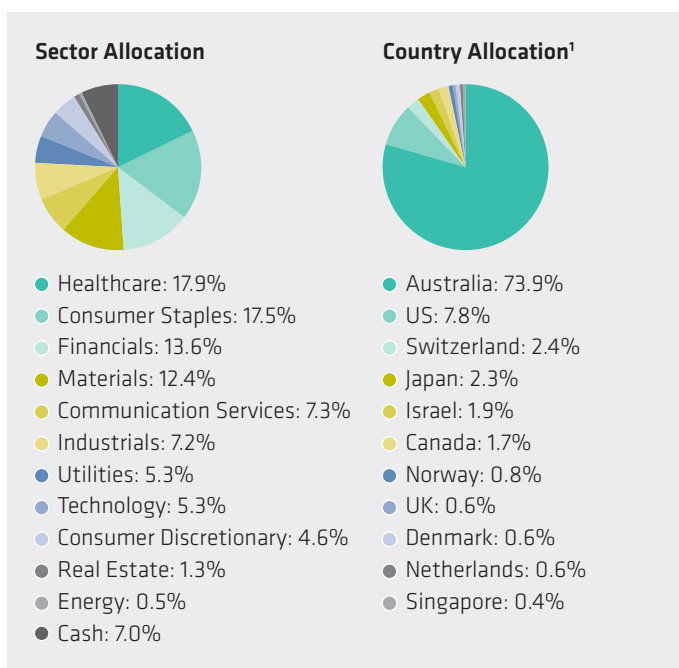
+ The AB Managed Volatility Equities Fund—MVE Class (the “MVE-Class”) aims to achieve returns that exceed the S&P/ASX 300 Accumulation Index after fees over the medium to long term.

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 PERFORMANCE² AS AT AUGUST 31, 2020

	Gross Fund Returns	Total Returns	Growth Returns	Distribution Returns	Benchmark Returns	Relative Returns
1 month	(0.33)%	(0.38)%	(0.38)%	0.00%	3.05%	(3.43)%
3 months	2.05%	1.91%	1.68%	0.23%	6.19%	(4.28)%
FYTD	0.86%	0.77%	0.77%	0.00%	3.67%	(2.90)%
1 year	(3.70)%	(4.25)%	(4.79)%	0.54%	(4.82)%	0.57%
3 years	8.86%	8.31%	6.40%	1.91%	6.24%	2.06%
5 years	10.16%	9.61%	7.29%	2.32%	7.58%	2.03%
Since Inception⁴	11.09%	10.55%	7.74%	2.81%	6.27%	4.28%

See Performance Figures disclosures.

TOP TEN HOLDINGS (% TOTAL NET ASSETS)

Stock Name	Portfolio	Index
Coles Group	4.6	1.2
Transurban	4.2	2.1
Medibank	4.2	0.4
Sonic Healthcare	4.1	0.9
Woolworths	3.6	2.9
Telstra	3.4	2.0
ResMed	3.4	0.5
Northern Star Resources	3.3	0.6
CSL LTD	3.0	7.5
Commonwealth Bank of Australia	2.9	7.0
Total Number of Stocks	62	294
Beta⁵	0.6	

KEY FACTS

Lead Portfolio Manager	Roy Maslen
Inception date	March 31, 2014
MVE-Class size	A\$1,089,128,193
APIR	ACM0006AU
Minimum investment	A\$50,000
Entry/Exit fee	None
Buy/Sell spread	0.25%/0.25%
Management cost	0.55% p.a.
ICR⁶	0.55% p.a.
Distribution frequency	Quarterly

¹ Australia exposure is comprised of ASX-listed securities

² Please refer to our website 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—MVE CLASS

Monthly Fact Sheet

MVE-CLASS REVIEW

- + In August, the MVE – Class underperformed its benchmark, the S&P/ASX 300 Index, which rose 3.05% in Australian-dollar terms.

CONTRIBUTORS

- + Our underweight to Commonwealth Bank of Australia contributed following an earnings result that failed to justify its premium multiples versus its peers.
- + Australian Coca-Cola bottler Coca-Cola Amatil contributed after reporting first-half results that showed strong cash flows and evidence of recovering volumes in the core Australian market.
- + Amcor is a high-quality producer of flexible packaging. While it has faced COVID-19 headwinds in some of its businesses, Amcor is well positioned in some key food and medical markets that have performed very well. In addition, the company continues to grow earnings as it realises synergies following its acquisition of Bemis.

DETRACTORS

- + Stock selection within materials and healthcare detracted most, offsetting contributions from selection within the consumer-staples and utilities sectors.
- + ResMed's results disappointed the market, indicating that its strong ventilator sales, a result of COVID-19, were likely to fade over the coming quarters. Nonetheless, our outlook on the company remains positive, as we believe ResMed's core strength lays in its sleep apnea and medical software businesses.
- + Gold prices rallied over \$200 per ounce in June and July, but in

August gave back some of those gains. As a result, Northern Star Resources declined as the price of gold pulled back.

- + Health insurer Medibank detracted after its earnings result highlighted a difficult claims-inflation environment. Medibank continues to demonstrate countercyclical earnings and has a strong balance sheet, hence why we continue to see a role for the stock in a diversified portfolio.

MVE-CLASS CHANGE HIGHLIGHTS

- + During the month, we exited our position in Fortescue Metals to take profits and due to downside risk from a potential fall in the price of iron ore, which is currently trading at a six-year high.
- + We added to our shares of toll-road operator Transurban. We continue to believe that there will be strong traffic growth once the Melbourne COVID-19 shutdown is lifted.
- + We added to our position in communication-services company Telstra as we see it as having attractively priced free cash flow.
- + We added to the portfolio's holdings of Citrix Systems, which is a provider of remote working technologies and an ongoing beneficiary of the work-from-home environment.
- + We exited our position in Bendigo Bank on concerns about its ability to control costs in a low-revenue-growth environment.
- + Finally, we trimmed our position in technology company NICE Systems to collect profits after a period of strong performance.

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

Performance Figures

In Australian Dollars. Numbers may not sum due to rounding. The Total, Growth and Distribution Returns of the Fund 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.

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