



AB DYNAMIC GLOBAL FIXED INCOME FUND

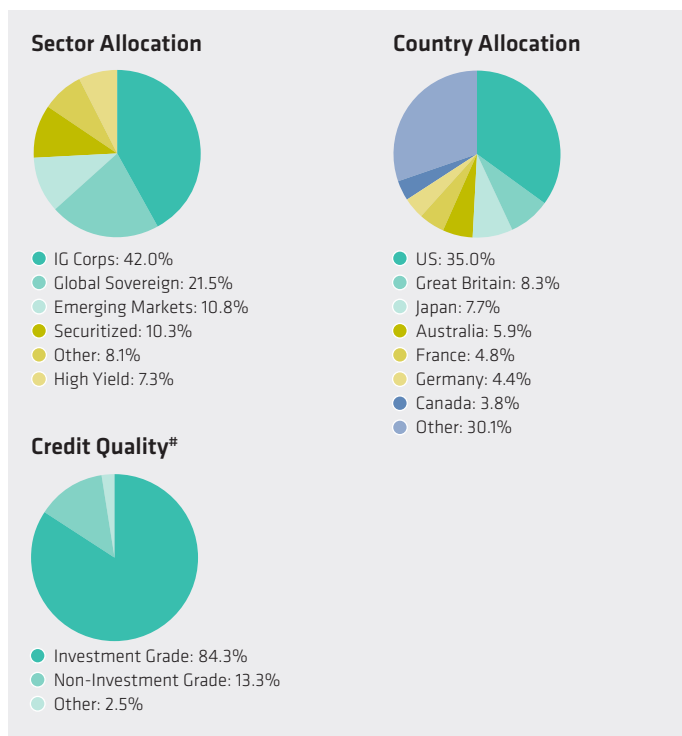
FUND OBJECTIVE

+ The AB Dynamic Global Fixed Income Fund (the "Fund") aims to achieve returns that exceed the Bloomberg Ausbond Bank Bill Index after fees over 5 year periods.

WHO SHOULD CONSIDER INVESTING IN THIS FUND?

- + Investors with higher risk tolerances
- + Investors seeking income returns exceeding Australian bank bill rates over the long term by investing in global debt or fixed income securities.

FUND COMPOSITION (% OF ASSETS)



FUND PERFORMANCE AS AT AUGUST 31, 2020

	Gross Fund Returns	Total Returns	Growth Returns	Distribution Returns	Benchmark Returns ¹
1 month	0.38%	0.33%	0.33%	0.00%	0.01%
3 month	1.97%	1.83%	(0.02)%	1.85%	0.03%
1 year	2.54%	1.99%	(0.63)%	2.62%	0.66%
2 year	3.89%	3.34%	1.04%	2.29%	1.24%
3 year	3.11%	2.56%	0.65%	1.91%	1.44%
4 year	3.19%	2.60%	0.09%	2.51%	1.52%
5 year	3.76%	3.15%	0.29%	2.86%	1.66%
Since Inception²	3.81%	3.19%	0.81%	2.38%	1.84%

See Fund Composition Disclosure and Performance Figures disclosures.

KEY FACTS

Lead Portfolio Manager	John Taylor
Inception date	June 2, 2014
Fund size	A\$536,630,383
APIR	ACM0001AU
Minimum investment	A\$50,000
Entry/Exit price	None
Buy/Sell spread	0.15%/0.15%
Management cost	0.55% p.a.
ICR³	0.55% p.a.
Distribution frequency	Quarterly

FUND STATISTICS

Weighted Duration⁴	2.77
Current Yield	2.69
Yield to Maturity⁵	1.91
Total Number of Issues⁶	433

- 1 Benchmark: Bloomberg Ausbond Bank Bill Index
- 2 Fund inception: June 2, 2014
- 3 Indirect Cost Ratio (ICR). Financial year-to-date, annualised
- 4 A time measure of the Fund's interest-rate sensitivity
- 5 Return before all fees that the Fund would earn over next year based on current market conditions if no changes to interest rates or current portfolio. It is not an actual return.
- 6 The Total Number of Issues excludes derivatives, derivatives offsets and cash equivalents

RATINGS



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AB DYNAMIC GLOBAL FIXED INCOME FUND

Monthly Fact Sheet

FUND REVIEW

- + In August, the Fund delivered positive returns and outperformed its benchmark. Sector/security selection drove the relative outperformance. This was helped most by our allocations to investment-grade corporates in the US, eurozone and UK amid the continuously constructive risk tone. Exposure to US credit risk-transfer securities (CRTs) also contributed as CRTs recovered from their July declines. An allocation to US commercial mortgage-backed securities (CMBS) also contributed. Further adding to returns were our allocations to high-yield corporates—especially subordinated European bank debt and emerging-market (EM) sovereigns.
- + Currency positioning was additive as we captured the US dollar weakness and European currency strength across a number of position themes. These included the initiation of a structural shift toward a long euro allocation.
- + Country/yield-curve positioning detracted, primarily driven by our yield-curve positioning in the US and Australia—due to our exposure in the long end of the curves as yields rose and curves steepened. Local Chinese duration also hampered returns as Chinese front-end rates underperformed most global peers during the month.
- + The Fund continues to be long credit risk, mostly balanced between the US and Europe in BBB-rated investment-grade bonds. Our strategy continues to focus on taking profits on industries and issuers that have tightened strongly and rotating the risk into industries that have lagged the rally where spreads remain elevated amid the cyclical outlook and direct impact from the lockdown measures.
- + Over the month, we reduced exposure to consumer non-cyclicals and media, while we added exposure to renewable energy to the Fund. We also slightly reduced our position within banking.
- + Our currency positioning remains dynamic and focuses mostly on the relative value between currency pairs. The improved fiscal cohesion and narrowing interest-rate differentials support our view that the euro has embarked on a structural appreciation trend. Therefore, the Fund shows a current bias toward European currencies compared to the US dollar and British pound. Over the month, we increased our long in the euro and maintained our long Swedish krona position. We also initiated a new long in the Norwegian krone. We closed short positions in the New Zealand dollar and the yen. In Japan, we believe the risk for the yen to appreciate has risen until there is clarity on the replacement for Prime Minister Abe.

FUND STRATEGY

- + Overall Fund duration was increased, trending 0.1 years higher over the month. Within US dollar-denominated duration, we reduced our overall long duration position. Specifically, we closed our long position to the five-year part of the curve and reduced our long in the 10-year part of the curve.

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

Fund Composition Disclosure

Numbers may not sum due to rounding.

The Fund seeks to control risks and enhance returns through currency management. The Fund intends to hedge to Australian dollars most of the foreign currency exposures of its debt and fixed income securities, however up to 10% of the Fund's net asset value may be exposed to the risks and returns of international currencies. The Fund is currently 98.5% hedged to Australian dollars. # The Fund may invest up to 40% of its assets in lower rated, higher yielding non-investment grade debt and fixed income securities as rated by a credit rating agency ("CRA"). Debt and fixed income securities that are rated below investment grade are commonly referred to as "junk bonds". They are considered to be more speculative in nature and subject to a greater risk of loss of principal and interest income than investment grade securities. Investment grade rated assets, on the other hand, are those which, in the opinion of a CRA, are more likely to meet their financial commitments. Ratings assigned by a CRA are merely the opinion of that CRA about the likelihood of the issuers of the rated securities to meet their debt obligations when they fall due or the likelihood of loss in the event of a default of the issuer of the rated securities. Credit ratings used by the Investment Manager are intended for use by wholesale clients, and should not be relied upon by retail clients when making a decision about the product offered in the Fund's PDS. Ratings should not be taken to be an indication of investment merit or a recommendation to buy, sell or hold any particular investment. There are inherent limitations with credit ratings; future events and developments cannot be foreseen and credit ratings may change over time due to, among other things, a change in the financial condition of the issuer. The investment manager may use credit ratings of securities as an input into security selection alongside the investment manager's own screening, research and risk management processes.

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.

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