

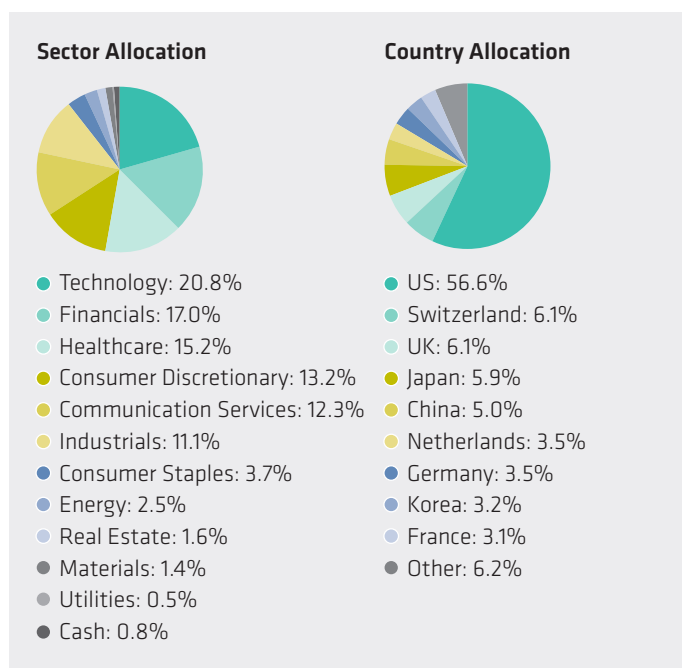


# AB GLOBAL EQUITIES FUND

## PERFORMANCE OBJECTIVE

+ The AB Global Equities Fund (the Fund) aims to achieve returns in excess of the MSCI All Country World Index in Australian dollars after fees over the medium to long term.

## PORTFOLIO COMPOSITION (% OF ASSETS)



Numbers may not sum due to rounding.

## RATINGS



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## FUND PERFORMANCE AS AT SEPTEMBER 30, 2021

	Gross Fund Returns	Total Returns	Growth Returns	Distribution Returns	Benchmark Returns <sup>1</sup>	Relative Returns
<b>1 month</b>	(3.75)%	(3.82)%	(3.82)%	0.00%	(3.00)%	(0.75)%
<b>3 months</b>	1.16%	0.94%	0.94%	0.00%	2.83%	(1.67)%
<b>FYTD</b>	1.16%	0.94%	0.94%	(0.00)%	2.83%	(1.67)%
<b>1 year</b>	27.10%	26.03%	25.45%	0.57%	26.44%	0.66%
<b>3 years</b>	13.25%	12.29%	11.24%	1.05%	12.64%	0.61%
<b>5 years</b>	15.80%	14.78%	13.75%	1.03%	14.51%	1.30%
<b>Since Inception*</b>	12.28%	11.24%	10.26%	0.97%	10.92%	1.36%

See Performance Figures disclosures.

## TOP TEN HOLDINGS (% TOTAL NET ASSETS)

Stock Name	Portfolio	Index
Microsoft	5.0	3.1
Anthem	4.8	0.1
Alphabet	4.3	2.4
Facebook	3.9	1.2
Samsung Electronics	3.4	0.5
Otis Worldwide	3.2	0.1
Cognizant	2.8	0.1
Coca-Cola	2.7	0.3
SAP	2.7	0.2
Prosus	2.6	0.1
<b>Total Number of Stocks</b>	62	2,967

## KEY FACTS

<b>Portfolio Managers</b>	Klaus Ingemann, David Dalgas and Rasmus Lee Hansen
<b>Inception date</b>	July 22, 2015
<b>Fund size</b>	A\$884,271,412
<b>APIR</b>	ACM0009AU
<b>Minimum investment</b>	A\$50,000
<b>Entry/Exit fee</b>	None
<b>Buy/Sell spread</b>	0.20%/0.20%
<b>Management cost</b>	0.85% p.a.
<b>ICR<sup>1</sup></b>	0.85% p.a.
<b>Distribution frequency</b>	Annually

<sup>1</sup> Indirect Cost Ratio (ICR). Financial year-to-date, annualised

## AB GLOBAL EQUITIES FUND

### Monthly Fact Sheet

#### FUND REVIEW

- + In September, the Fund underperformed its benchmark, the MSCI All Country World Index, which was down -3.00% in Australian dollar terms.

#### DETRACTORS

- + Otis Worldwide, a US-based company that develops, manufactures and markets elevators, escalators, moving walkways and related equipment detracted along with other construction-related companies with significant exposure to China's property market. Fallout from increased regulations and the Evergrande situation could affect Otis, as China's construction industry is a major end user of its products. Previously, the company reported strong second-quarter earnings and revenue estimates driven by recovery in its end markets. Despite the impact of a slowdown in China, the Portfolio's Investment Management Team (the Team) continues to view Otis as a leader in a consolidated market, with structural growth opportunities from emerging markets and urbanization.
- + Galaxy Entertainment, a leading casino resort operator headquartered in the gaming hub of Macau, detracted as the spread of the coronavirus delta variant beginning in early August had a negative impact on the travel and tourism sectors and subsequently hurt the nascent rebound in gaming operations. Prior to the slowdown, management had released promising 1H:21 results. Shares also continued to be pressured by general concerns around the Chinese government's intensifying regulatory scrutiny of a growing number of industries. The Team investment case in Galaxy Entertainment remains centered around an eventual return to normality in Macau post-pandemic, where Galaxy is viewed as dynamic and maintains a strong balance sheet.
- + Amsterdam-based Prosus, a global technology investment company, also detracted. The company recently completed a share swap with its parent company, South Africa-based Naspers. Shares of Prosus traded lower in the month, largely driven by the underperformance of Tencent, which continues to feel the effects of the Chinese government's regulatory crackdown. The Team believes Prosus remains attractively valued with a wide spread between net asset value and share price.

#### CONTRIBUTORS

- + Asahi Group, a Japan-based manufacturer of alcoholic beverages, soft drinks and food products, contributed after reporting a significant year-over-year improvement in profit and earnings per share; core operating profit also rose substantially. The Team

believes its investment case in Asahi Group is supported by valuation (i.e., a relative discount versus global peers), stable cash flows and expected cost savings over the coming years.

- + Shares of Royal Dutch Shell rose as oil prices climbed higher on increased demand and low supply. Shell trades at a compelling valuation versus its US peers with compelling free cash flow. Management recently announced the sale of the company's Permian Basin assets to ConocoPhillips, furthering its goal to become a net-zero energy business by 2050. Proceeds will be used to strengthen the company's balance sheet and fund shareholder distributions. The Team remains constructive on management's strategy, which is centered around growth, transition and upstream.
- + Anthem contributed ahead of what is expected to be a strong 3Q:21 earnings announcement. Management had raised guidance for FY:21 profit and revenue earlier in the year, but cautioned that rising coronavirus delta variant cases could trigger higher-than-expected pandemic-related costs in 2H:21. Post-pandemic, the Team believes Anthem's enrollment base will continue to expand, its Medicaid and Medicare business lines remain strong, and its IngenioRX pharmacy offering is well positioned.

#### FUND CHANGE HIGHLIGHTS

- + The Team added to its position in Coca-Cola following weakness in shares. With little change to the Team's view for Coca-Cola's fundamental value, risk/reward is now seen as more compelling.
- + The Team also increased its holdings in Anthem following relative weakness in shares. The Team maintains a constructive view for Anthem based on attractive valuation for above-average market growth.
- + The investment case for Trend Micro deteriorated on a worsened competitive outlook, prompting the Team to exit the position due to weaker risk/reward.
- + The Team also exited EssilorLuxottica, as its investment case played out, with shares hitting its price target.
- + The Portfolio's position in American Express was trimmed on the back of strong performance and better value elsewhere.
- + The Team also trimmed SoftBank Group as the net-asset-value discount narrowed substantially without any material change to underlying value.

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 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.

\* Fund inception: July 22, 2015

† Benchmark: MSCI All Country World Index in Australian dollars

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A Target Market Determination for the AB Global Equities Fund 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 Global Equities Fund and the distribution conditions that are applicable, together with a number of other matters which should be considered by retail investors and their advisers.

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