



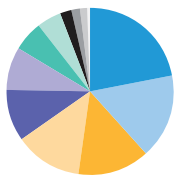
# AB Global Equities Fund

## Fund 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.

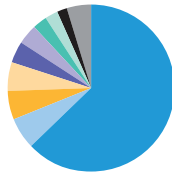
## Fund Structure

### Sector Allocation



- Technology: 22.1%
- Financials: 16.4%
- Healthcare: 13.9%
- Consumer Discretionary: 13.1%
- Industrials: 10.1%
- Communication Services: 8.3%
- Consumer Staples: 5.9%
- Energy: 4.7%
- Real Estate: 2.1%
- Materials: 1.8%
- Utilities: 1.2%
- Cash: 0.5%

### Country Allocation



- US: 62.6%
- Japan: 6.0%
- UK: 5.6%
- France: 5.5%
- Switzerland: 4.1%
- China: 3.9%
- Korea: 2.8%
- Netherlands: 2.4%
- Hong Kong: 1.9%
- Other: 4.6%

Numbers may not sum due to rounding.

## Ratings



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## Fund Performance

	Gross Fund Returns	Total Returns	Growth Returns	Distribution Returns	Benchmark Returns*	Relative Returns
One Month	-4.23%	-4.29%	-4.29%	0.00%	-5.13%	0.90%
Three Months	6.02%	5.83%	5.83%	0.00%	4.07%	1.95%
FYTD	-13.70%	-14.30%	-15.07%	0.77%	-12.48%	-1.22%
One Year	-13.70%	-14.30%	-15.07%	0.77%	-12.48%	-1.22%
Three Years	3.41%	2.59%	1.65%	0.94%	5.26%	-1.85%
Five Years	8.71%	7.83%	6.77%	1.06%	8.27%	0.44%
Since Inception†	8.68%	7.72%	6.80%	0.92%	7.91%	0.77%

See Performance Figures disclosures.

\* Benchmark: MSCI All Country World Index in Australian dollars

† Fund inception: 22 July 2015

## Top 10 Holdings (% Total Net Assets)

Stock Name	Portfolio	Index
Microsoft	5.9	3.0
Otis Worldwide	3.7	0.1
Visa	3.4	0.6
Alphabet Inc.	3.3	1.8
Goldman Sachs	3.3	0.2
Sanofi	3.3	0.2
Asahi Group	3.2	0.0
Anthem	3.0	0.2
Shell	2.9	0.4
Samsung Electronics	2.8	0.4
<b>Total Number of Stocks</b>	<b>55</b>	<b>2,875</b>

## Key Facts

Portfolio Managers	Klaus Ingemann, David Dalgas and Rasmus Lee Hansen
Inception Date	22 July 2015
Fund Size	A\$1,094,194,887
APIR	ACM0009AU
Minimum Investment	A\$50,000
Entry/Exit Fee	None
Buy/Sell Spread	0.20%/0.20%
Management Cost	0.70% p.a.
ICR‡	0.70% p.a.
Distribution Frequency	Annually

‡ Indirect cost ratio (ICR). Financial year to date, annualised

## Monthly Fact Sheet

**Fund Review**

- In December, the Fund outperformed its benchmark, the MSCI All Country World Index, which was down –5.13% in Australian dollar terms.

**Contributors**

- Shares of Mitsubishi UFJ Financial Group (MUFG), a leading Japan-based financial services company, surged along with other Japanese bank stocks following the Bank of Japan's unexpected announcement that it would broaden its yield-curve control tolerance range. The market interpreted this move as a potential precursor to tighter monetary policy, which could bring an end to Japan's ultra-loose monetary policy and benefit its financials sector. The Portfolio's Investment Management Team (the Team) finds MUFG attractively priced and particularly compelling considering the company's more than 20% stake in Morgan Stanley.
- France-based multinational pharmaceutical and healthcare company Sanofi contributed. The stock received a boost from a favourable court ruling, which reduced Sanofi's potential liability concerning Zantac, a heartburn medication that the company previously marketed. Thousands of lawsuits claiming Zantac caused cancer were thrown out by a US federal judge, who found the claims lacked sound scientific merit. The Team's investment case in Sanofi is supported by compelling valuation, both on a stand-alone basis and relative to other European pharma companies.
- Hong Kong-based hotel and casino operator Galaxy Entertainment contributed. Having recently secured a 10-year renewal of its Macau casino license, the company is positioned to benefit from recent easing of China's strict zero-COVID policies, which had hampered Macau gaming revenues. The Team believes that Galaxy Entertainment is attractively priced on normalized earnings, while still offering the best growth optionality in Macau, with new capacity in place.

**Detractors**

- Investment banking company Goldman Sachs detracted. According to reports, the firm is planning significant layoffs amid a broad slowdown in merger and acquisition activity following a year of subdued investment banking movement. The Team finds Goldman Sachs offering re-rating potential attractive, as current valuation seems too cheap compared with profitability metrics.
- South Korea-based electronics corporation Samsung Electronics detracted as DRAM price weakness impacted memory producers. The Team believes that current challenges are more temporary than structural and that Samsung Electronics is uniquely positioned within the industry.

- Cheniere Energy, the US-based natural gas producer, detracted from relative results. The company's stock slipped amid lower natural gas prices, paring some of the stock's 2022 gains that resulted from higher European demand for natural gas following Russia's invasion in Ukraine. The Team's investment rationale in Cheniere Energy is supported by valuation and market positioning.

**Fund Change Highlights**

- The Team added to its position in QUALCOMM, the premier US semiconductor company. QUALCOMM's business revolves around researching, developing, patenting and licensing technologies for use in wireless applications like mobile phones. The company owns the most basic patents on Code Division Multiple Access technologies used in 2G, 3G, 4G and 5G, and licenses these technologies to partners while taking a percentage of the handset value for every phone using its technologies. QUALCOMM's main customers include Apple and Samsung Electronics. Following a sell-off in share price and a de-rating of shares, the Team found the current entry point compelling.
- The Team exited its position in German shoe designer and manufacturer adidas, as shares have been on a downward trend given a mix of sector and idiosyncratic headwinds. The stock spiked briefly during November as the company announced a new CEO and sentiment improved on the potential for China's re-opening. With better risk/reward elsewhere, the Team sold its shares in December.
- The Team trimmed its holding in investment management company BlackRock. Declining markets—both equities and fixed income—have been a headwind for BlackRock during 2022, and our numbers have been adjusted downwards accordingly. With better risk/reward elsewhere based on the Team's recently updated analysis, the position size was reduced.
- The Team also reduced Galaxy Entertainment. The stock fared relatively well during 2022, despite China's strict zero-COVID policies. However, with a less favourable risk/reward profile, the Team trimmed its position.

**To find out more, please speak with your financial adviser or visit**

[AllianceBernstein.com.au](https://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 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.

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