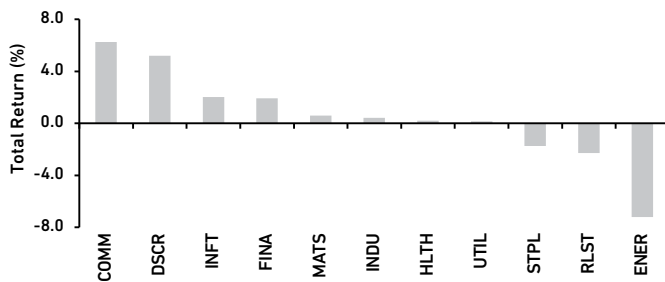


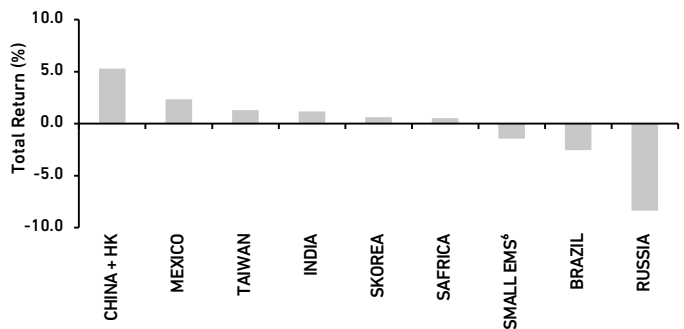
UAE-based **Network International** is the largest independent payment processor in the Middle East and North Africa (MENA), servicing 70,000 merchants and managing card issuance and card transactions for over 220 banks. Even before the coronavirus, the company was well positioned to capitalize on the long-term transition from cash to digital payments in MENA, a region whose digital payment penetration rate is one of the lowest in the world. Having increased its transaction processing capacity five-fold in recent years, Network is well prepared to meet the pandemic-accelerated rise in online and mobile payment volumes. The company's shares came under pressure recently from a sharp fall-off in travel-related transactions in its largest single market of Dubai and general investor skittishness following the high-profile fraud revelations at giant Germany-based payment processor Wirecard. We have assured ourselves by further evaluating Network's internal controls, and see a high-quality business whose recent share price weakness belies its potential for long-term growth

**PERFORMANCE (% TOTAL RETURN) FOR THE PERIODS ENDED OCTOBER 31, 2020<sup>1</sup>**

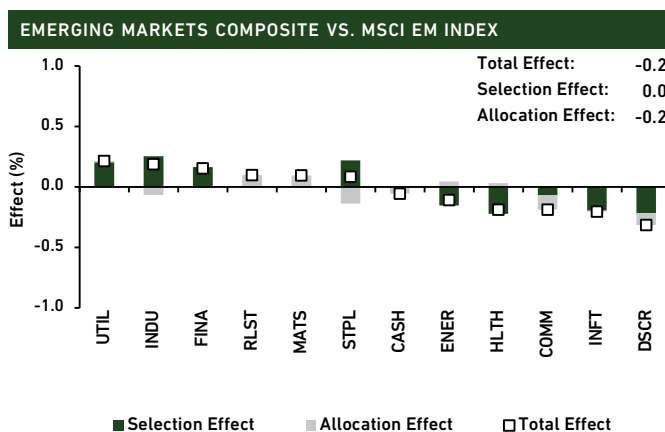
	1 MONTH	YTD	1 YEAR	3 YEARS <sup>2</sup>	5 YEARS <sup>2</sup>	10 YEARS <sup>2</sup>	SINCE INCEPTION <sup>2,3</sup>
HL EMERGING MARKETS (GROSS OF FEES)	1.85	-4.86	2.41	1.40	8.09	4.72	11.94
HL EMERGING MARKETS (NET OF FEES)	1.75	-5.62	1.47	0.49	7.14	3.78	11.02
MSCI EMERGING MARKETS INDEX <sup>4,5</sup>	2.08	1.15	8.62	2.31	8.30	2.78	8.88

**BENCHMARK PERFORMANCE BY SECTOR – OCTOBER**


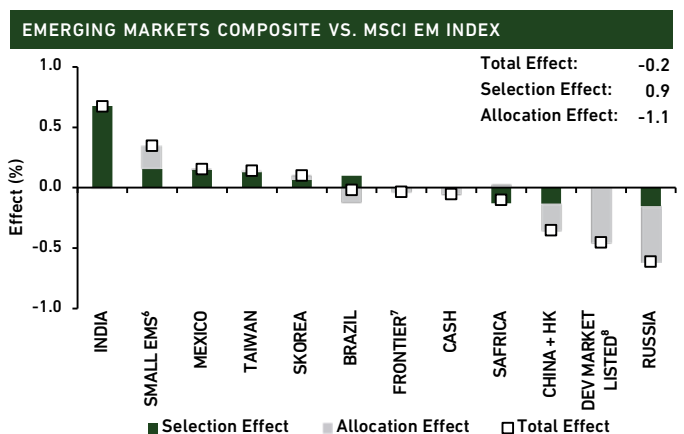
- The Communication Services and Consumer Discretionary sectors were bolstered by a pair of China-based index heavyweights: **Tencent**, after a proposed US ban of its WeChat app was rejected by an appeals court, and **Alibaba**, which rallied on the upbeat outlook it conveyed to investors.
- Energy shares suffered when oil prices fell nearly 10% in the face of new waves of COVID-19 infections in the US and Europe.

**BENCHMARK PERFORMANCE BY GEOGRAPHY – OCTOBER**


- Indonesia was the best-performing market, lifted by the parliament's passage of an economic reform bill designed to support businesses by reducing regulations and relaxing restrictions on foreign investment.
- Turkey was the worst performer. More than half its decline in US dollar terms owed to currency depreciation, after the Turkish central bank declined to raise interest rates.

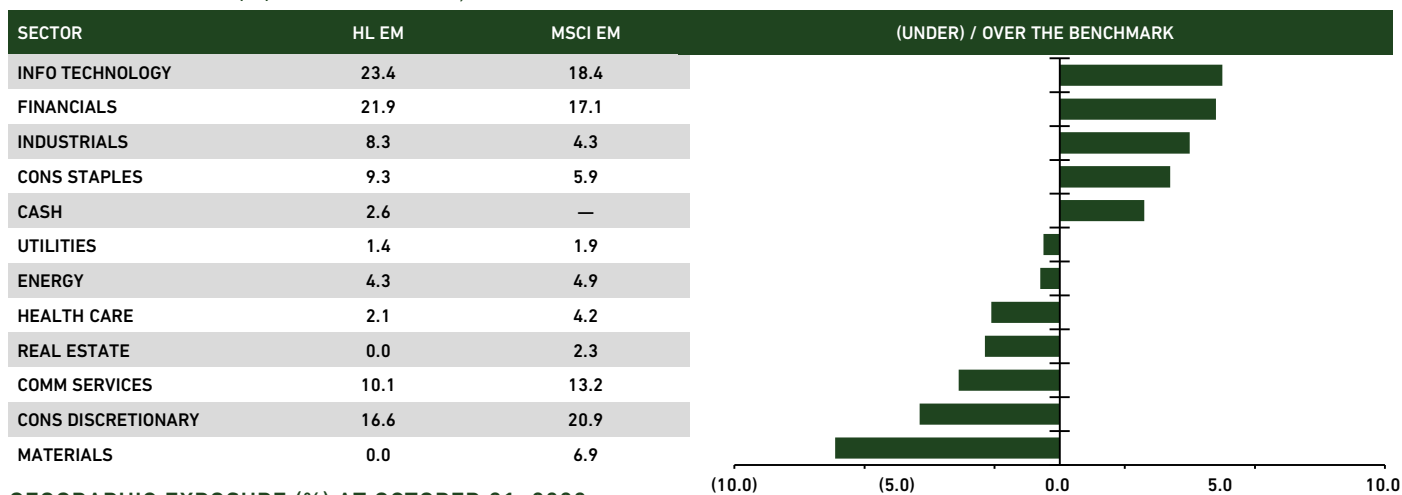
**PERFORMANCE ATTRIBUTION BY SECTOR – OCTOBER**


- Within Industrials, Taiwanese pneumatic equipment producer **AirTAC** led the way. Strong demand for its products has its plants operating at 100% utilization, likely through the end of the year. Among our biggest detractors was Consumer Discretionary holding **Sands China**. Fewer gamblers than expected returned to its tables following lifting of travel restrictions to Macau.

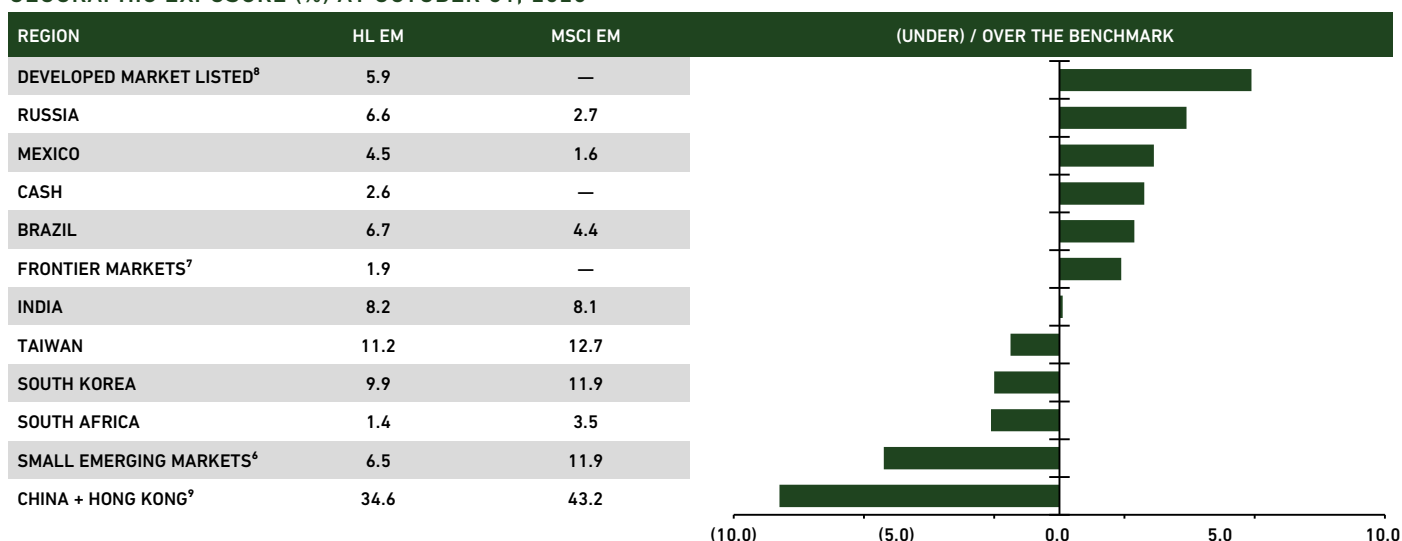
**PERFORMANCE ATTRIBUTION BY GEOGRAPHY – OCTOBER**


- Strong stock selection in India owed to **Kotak Mahindra Bank** and **HDFC Bank**, whose solid earnings results alleviated concerns over their growth prospects and asset quality.
- Russia was a notable laggard as lower oil prices hurt our holdings in **Novatek** and **Lukoil**.

## SECTOR EXPOSURE (%) AT OCTOBER 31, 2020



## GEOGRAPHIC EXPOSURE (%) AT OCTOBER 31, 2020



## ENDNOTES

(1) The October 2020 Composite performance shown is preliminary (2) Annualized returns (3) Inception date: November 30, 1998 (4) The Benchmark Index (5) Gross of withholding taxes (6) Includes the remaining emerging markets, which individually, comprise less than 5% of the Index (7) Includes countries with less-developed markets outside the Index (8) Emerging markets or frontier markets companies listed in developed markets (9) The Harding Loevner Emerging Markets Model Portfolio's end weight in China is 28.1% and Hong Kong is 6.5%. The Benchmark does not include Hong Kong.

## SOURCES

Benchmark Performance: FactSet; MSCI Inc. and S&P.  
Sector/Geographic Attribution: FactSet; Harding Loevner Emerging Markets Composite; MSCI Inc. and S&P.  
Sector/Geographic Exposure: FactSet; Harding Loevner Emerging Markets Model; MSCI Inc. and S&P.

## DISCLOSURES

The Emerging Markets Composite contains fully discretionary, fee-paying accounts investing in non-US equity and equity-equivalent securities of companies domiciled predominately in emerging markets and cash reserves, and is measured against the MSCI Emerging Markets Total Return Index (Gross) for comparison purposes. Harding Loevner LP is an investment adviser registered with the Securities and Exchange Commission. Harding Loevner is an affiliate of Affiliated Managers Group, Inc. (NYSE: AMG), an investment holding company with stakes in a diverse group of boutique firms. Harding Loevner claims compliance with the Global Investment Performance Standards (GIPS®). Harding Loevner has been independently verified for the period November 1, 1989 through June 30, 2020. Verification assesses whether (1) the firm has complied with all composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policy and procedures are designed to calculate and present performance in compliance with GIPS standards. The Emerging Markets Composite has been examined for the periods December 1, 1998 through June 30, 2020. The verification and performance examination reports are available upon request. Performance data quoted represents past performance; past performance does not guarantee future results. Returns are presented both gross and net of management fees and include the reinvestment of all income. Net returns are calculated using actual fees. The US dollar is the currency used to express performance. For complete information on the construction and historical record of the Emerging Markets Composite, please contact Harding Loevner at (908) 218-7900 or visit [www.hardingloevner.com](http://www.hardingloevner.com). The firm maintains a complete list and description of composites, which is available upon request.

The MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets. The Index consists of 26 emerging market countries. You cannot invest directly in this Index.

Companies held in the portfolio during the month appear in bold type; only the first reference to a particular holding appears in bold. The portfolio is actively managed therefore holdings may not be current. They should not be considered recommendations to buy or sell any security. It should not be assumed that investment in the securities identified has been or will be profitable. To request a complete list of holdings for the past year, please contact Harding Loevner.

Portfolio holdings, portfolio attribution, and sector/geographic allocations are supplemental information only and complement a fully compliant Emerging Markets Composite GIPS Presentation, which is available upon request. The Composite and Attribution returns may show discrepancies due to the different data sources for these returns. Composite performance is obtained from Harding Loevner's accounting system and Attribution returns are obtained from the FactSet portfolio analysis system. Please note returns from FactSet are not audited for GIPS compliance and are for reference only.

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