

Emerging Markets Equity



Monthly Update | November 2023

Composite Performance (% Total Return)

Periods ended November 30, 2023	1 Month	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
HL Emerging Markets Equity (Gross)	8.12	4.11	3.27	-6.61	1.07	2.32	9.96
HL Emerging Markets Equity (Net)	8.04	3.26	2.37	-7.43	0.18	1.43	9.06
MSCI Emerging Markets Index	8.02	6.08	4.65	-3.66	2.73	2.50	7.64

The composite performance returns shown are preliminary. Returns are annualized for periods greater than one year. Emerging Markets Equity composite inception date: November 30, 1998. MSCI Emerging Markets Index, the benchmark index, is shown gross of withholding taxes. Please read the above performance in conjunction with the disclosures on the last page of this report.

Portfolio Positioning (% Weight)

Sector	HL	Index	Under / Over
Industrials	13.0	6.6	
Cash	3.8	-	
Info Technology	24.1	21.5	
Cons Discretionary	14.7	13.1	
Financials	23.2	22.1	
Cons Staples	6.4	6.1	
Health Care	3.4	3.9	
Real Estate	1.0	1.6	
Utilities	0.6	2.6	
Comm Services	6.8	9.6	
Energy	2.1	5.1	
Materials	0.9	7.8	

Geography	HL	Index	Under / Over
Dev. Market Listed	6.6	-	
Latin America	13.6	9.1	
Cash	3.8	-	
Frontier Markets	2.6	-	
China + Hong Kong	28.9	28.4	
Europe	1.7	2.5	
Africa	2.3	3.2	
Taiwan	13.9	15.8	
Rest of Asia	3.6	5.6	
India	12.5	15.7	
South Korea	8.4	12.7	
Middle East	2.1	7.0	

"HL": Emerging Markets model portfolio. "Index": MSCI Emerging Markets Index.

"China + Hong Kong": The Harding Loevner Emerging Markets model portfolio's end weight in China is 25.3% and Hong Kong is 3.6%. The benchmark does not include Hong Kong. "Dev. Market Listed": Emerging markets or frontier markets companies listed in developed markets, excluding Hong Kong. "Frontier Markets": Includes countries with less-developed markets outside the index.

Investment Perspectives

Market

Emerging Markets (EMs) delivered their best monthly performance this year as inflation data improved, the US Federal Reserve paused rate hikes, and relations between the United States and China appeared less frosty following a meeting between Presidents Joe Biden and Xi Jinping. All sectors and regions rose. Information Technology was the strongest sector as semiconductor companies reported a strong acceleration in chip sales, while Consumer Discretionary stocks rose the least, pressured by Chinese mega-caps **Alibaba** and Meituan. South Korean stocks were among the strongest, rising on the announcement of a temporary ban on short-selling. While positive, China lagged yet again, despite an improvement in retail sales and industrial production data.

Portfolio

Pradipta Chakraborty, Co-lead Portfolio Manager on the EM Equity strategy, traveled to Mexico in November to see first-hand how the country is positioned to benefit from the re-mapping of global supply chains and China's declining share of US imports. While multinational companies building factories in Mexico face some challenges, namely adequate infrastructure, we believe that the country is at the beginning of a multi-year period of structural growth. The surge in foreign direct investment should percolate down to banks and consumer companies, including several that we own. **GF Banorte** plans to hire more than 1,000 new employees to manage increased demand from smaller companies supporting new multinational factories, while convenience store operator **FEMSA** opened nearly 300 new stores in the third quarter of this year in anticipation of future demand growth.

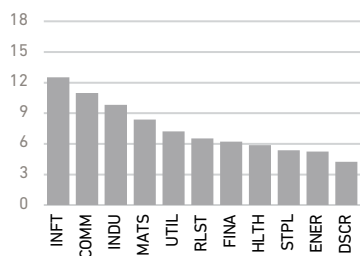
Ten Largest Holdings

Company	Market	Sector
TSMC	Taiwan	Info Technology
Samsung Electronics	South Korea	Info Technology
HDFC Bank	India	Financials
Tencent	China	Comm Services
Tata Consultancy Services	India	Info Technology
Maruti Suzuki	India	Cons Discretionary
FEMSA	Mexico	Cons Staples
Eclat Textile	Taiwan	Cons Discretionary
GF Banorte	Mexico	Financials
Tenaris	Italy	Energy

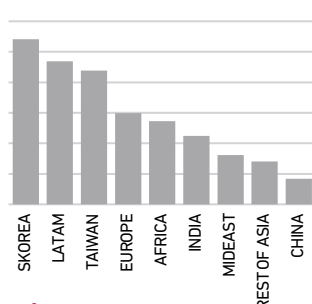
Ten Largest Holdings are the top ten holdings by weight. Please read the disclosures on the last page, which are an integral part of this presentation.

Benchmark Performance | Nov.

Total Return by Sector (%)

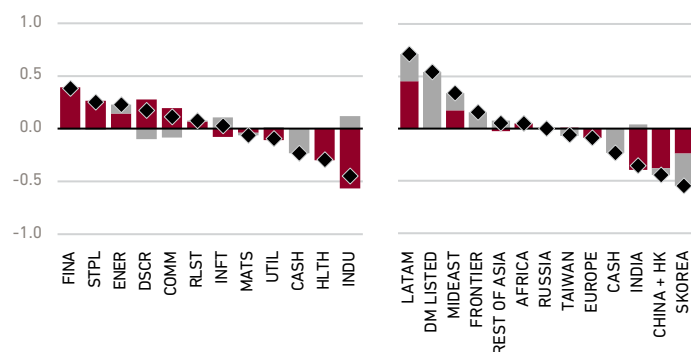


Total Return by Geography (%)



Performance Attribution | Nov.

	Effect (%)	Selection	Allocation	Total
Sector		0.2	-0.1	0.1
Geography		-0.5	0.6	0.1



"DM LISTED": Emerging markets or frontier markets companies listed in developed markets, excluding Hong Kong. "FRONTIER": Includes countries with less-developed markets outside the index.
 "RUSSIA": At the close of trading on March 9, 2022, MSCI removed Russia from its indexes at a price that was effectively zero.

- We outperformed in Brazil. Shares of retailer **Magazine Luiza** rose sharply after the company reported a jump in gross margins thanks to growth in third-party sales and service revenue.
- Two stocks not in the portfolio had a significant impact on relative returns. We benefited from not owning Meituan—China's largest marketplace for local services—after the company warned of slowing growth. Our absence from Temu's parent, Pinduoduo, hurt us after the company posted strong quarterly results.
- Shares of China's **Ping An Insurance** fell after reports that Chinese authorities had asked the company to take a controlling stake in troubled property developer Country Garden Holdings; Ping An has denied the reports.

Top Five Contributors/Detractors (%) | Nov.

to Relative Returns

Contributors	Market	Sector	Index Weight	Effect
Globant	US	INFT	—	0.34
Magazine Luiza	Brazil	DSCR	<0.1	0.33
Meituan*	China	DSCR	1.1	0.30
Eclat Textile	Taiwan	DSCR	<0.1	0.22
Localiza	Brazil	INDU	0.2	0.15

Detractors

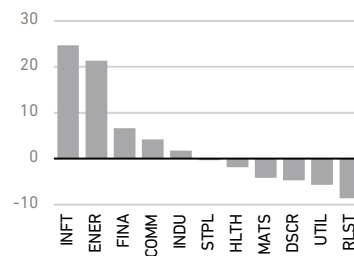
PDD Holdings*	China	DSCR	1.0	-0.36
Ping An Insurance	China	FINA	0.6	-0.20
WuXi AppTec	China	HLTH	0.1	-0.20
CATL	China	INDU	0.1	-0.18
LONGi	China	INFT	<0.1	-0.17

*Company was not held in the portfolio; its absence had an impact on the portfolio's return relative to the index.

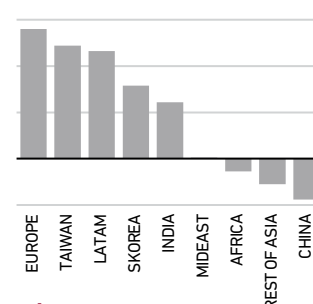
Index weight is the average weight of the security in the index over the MTD and YTD periods. Please read the disclosures on the last page, which are an integral part of this presentation.

Benchmark Performance | YTD

Total Return by Sector (%)

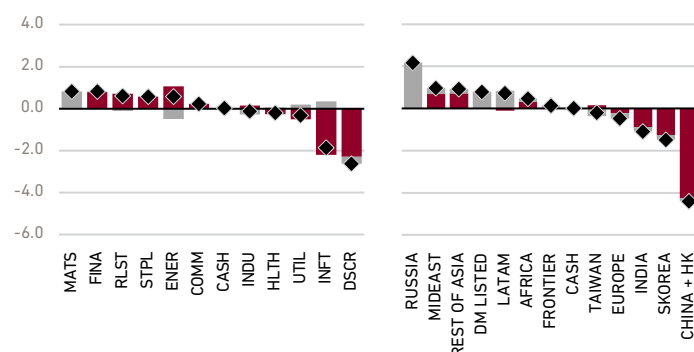


Total Return by Geography (%)



Performance Attribution | YTD

	Effect (%)	Selection	Allocation	Total
Sector		-1.6	0.2	-1.4
Geography		-4.8	3.4	-1.4



- Weak consumer sentiment in China has hurt many of our holdings, including Chinese duty-free retailer **CTGDF** and athletic apparel company **Li-Ning** as well as South Korean consumer products maker **LG Household & Health Care**. Weak industrial demand weighed on Chinese natural gas distributor **ENN Energy**.
- Concerns about increasing competition in solar equipment impacted China's **LONGi** despite strong demand.
- Our sales of two Russian holdings—Novatek in April and Yandex in October—realized value for our clients.
- Mexican convenience store operator and Coca-Cola bottler FEMSA rallied on good operating results along with a strategic refocus on its strongest businesses.

Top Five Contributors/Detractors (%) | YTD

to Relative Returns

Contributors	Market	Sector	Index Weight	Effect
Novatek	Russia	ENER	—	1.21
Yandex	Russia	COMM	—	0.96
Meituan	China	DSCR	1.2	0.85
FEMSA	Mexico	STPL	0.3	0.68
Aspeed	Taiwan	INFT	—	0.55

Detractors

Li-Ning	China	DSCR	0.2	-1.19
LONGi	China	INFT	<0.1	-1.08
LG Household & Health Care	South Korea	STPL	0.1	-0.88
CTGDF	China	DSCR	0.1	-0.87
ENN Energy	China	UTIL	0.1	-0.60

Sources

Benchmark Performance: FactSet, MSCI Inc.

Sector/Geographic Attribution: Harding Loevner Emerging Markets Equity composite, FactSet, MSCI Inc.

Sector/Geographic Positioning and Ten Largest Holdings: Harding Loevner Emerging Markets Equity model, FactSet, MSCI Inc.

Disclosures

Past performance does not guarantee future results. Invested capital is at risk of loss. The holdings identified do not represent all of the securities purchased, sold, or recommended for advisory clients.

For comparison purposes the composite return is measured against the MSCI Emerging Markets Total Return Index (Gross). Harding Loevner LP is an investment adviser registered with the Securities and Exchange Commission. 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, 2023. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. The Emerging Markets composite has had a performance examination for the periods December 1, 1998 through June 30, 2023. 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 invest@hlmnet.com. The firm maintains a complete list of composite descriptions, a list of limited distribution pooled fund descriptions, and a list of broad distribution pooled funds, which are available upon request. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

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 24 emerging market countries. You cannot invest directly in this index.

Companies held in the portfolio at the end of 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. The portfolio holdings identified above do not represent all of the securities held in the portfolio. To request a complete list of holdings for the past year, please contact Harding Loevner. The following information is available upon request: (1) information describing the methodology of the contribution data and (2) a list showing the weight and relative contribution to return of all holdings during the month.

Portfolio holdings, portfolio attribution, contributors and detractors, and sector/geographic portfolio positioning are supplemental information only and complement a fully compliant Emerging Markets Equity composite GIPS Presentation, which is available upon request. Performance of contributors and detractors is net of fees, which is calculated by taking the difference between net and gross composite performance for the Emerging Markets Equity strategy prorated by asset weight in the portfolio and subtracted from each security's return. 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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