

Emerging Markets Equity



Monthly Update | October 2024

Composite Performance (% Total Return)

| Periods ended October 31, 2024 | 1 Month | YTD | 1 Year | 3 Years | 5 Years | 10 Years | Since Inception |
|------------------------------------|---------|-------|--------|---------|---------|----------|-----------------|
| HL Emerging Markets Equity (Gross) | -4.21 | 7.67 | 20.55 | -6.08 | 0.70 | 2.77 | 10.05 |
| HL Emerging Markets Equity (Net) | -4.28 | 6.85 | 19.47 | -6.90 | -0.19 | 1.87 | 9.14 |
| MSCI Emerging Markets Index | -4.32 | 12.17 | 25.95 | -0.99 | 4.34 | 3.83 | 8.00 |

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 |
|--------------------|------|-------|--------------|
| Cons Discretionary | 20.1 | 13.5 | 6.6 |
| Industrials | 13.1 | 6.7 | 6.4 |
| Cash | 1.9 | - | 1.9 |
| Financials | 24.9 | 23.2 | 1.7 |
| Cons Staples | 5.5 | 5.0 | 0.5 |
| Real Estate | 1.1 | 1.6 | -0.5 |
| Health Care | 2.2 | 3.5 | -1.3 |
| Comm Services | 7.0 | 9.0 | -2.0 |
| Info Technology | 21.4 | 23.7 | -2.3 |
| Utilities | 0.5 | 2.8 | -2.3 |
| Energy | 1.9 | 4.6 | -2.7 |
| Materials | 0.4 | 6.4 | -6.0 |

| Geography | HL | Index | Under / Over |
|--------------------|------|-------|--------------|
| Dev. Market Listed | 6.9 | - | 6.9 |
| Frontier Markets | 4.3 | - | 4.3 |
| Latin America | 10.5 | 7.4 | 3.1 |
| Cash | 1.9 | - | 1.9 |
| China + Hong Kong | 28.9 | 27.4 | 1.5 |
| Africa | 4.0 | 3.2 | 0.8 |
| Europe | 1.9 | 2.2 | -0.3 |
| Rest of Asia | 4.5 | 5.2 | -0.7 |
| Middle East | 3.0 | 6.6 | -3.6 |
| India | 14.8 | 18.8 | -4.0 |
| Taiwan | 14.2 | 19.1 | -4.9 |
| South Korea | 5.1 | 10.1 | -5.0 |

"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 25.6% and Hong Kong is 3.3%. 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 were down 4% but managed to outperform international developed markets. China's late September rally continued through the first week of October as investors cheered the most significant coordinated stimulus in the country since the global financial crisis, but the market corrected when policymakers failed to put forth specific figures. Taiwan outperformed on bullishness for artificial intelligence (AI)-led growth for semiconductor companies, particularly index heavyweight **TSMC**. India was the weakest major market after its securities regulator tightened rules on derivatives trading to discourage retail investor-driven speculation.

Portfolio

While China's stimulus package has dominated headlines concerning EM investing, we've continued to find opportunities in smaller emerging and frontier markets. During the month, we added to **Mobile World**, Vietnam's largest multi-format retailer, as its growth outlook for its grocery and electronics businesses remains robust. We also established a new position in **Bupa Arabia**, a leading player in Saudi Arabia's health insurance industry that should benefit from a steady stream of inflows thanks to the country's requirement for health insurance. One of our existing holdings also expanded its geographic footprint; **Kaspi.kz**, Kazakhstan's leading consumer lender, payments provider, and online marketplace, announced its intent to acquire control of the second-largest ecommerce platform in Turkey.

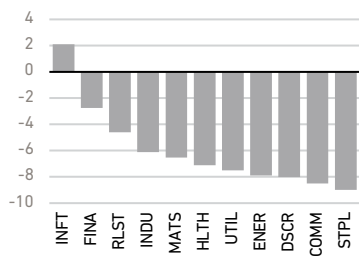
Ten Largest Holdings

| Company | Market | Sector |
|---------------------------|-------------|--------------------|
| TSMC | Taiwan | Info Technology |
| Tencent | China | Comm Services |
| HDFC Bank | India | Financials |
| Samsung Electronics | South Korea | Info Technology |
| Trip.com Group | China | Cons Discretionary |
| Tata Consultancy Services | India | Info Technology |
| ICICI Bank | India | Financials |
| Maruti Suzuki | India | Cons Discretionary |
| Aspeed | Taiwan | Info Technology |
| Delta Electronics | Taiwan | Info Technology |

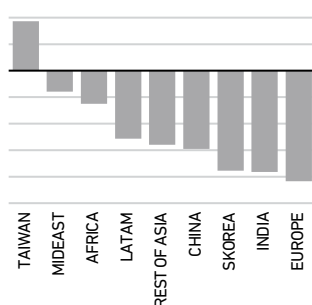
Ten Largest Holdings are the top ten holdings by weight. Please read the disclosures on the last page, which are an integral part of this presentation.

Benchmark Performance | Oct.

Total Return by Sector (%)

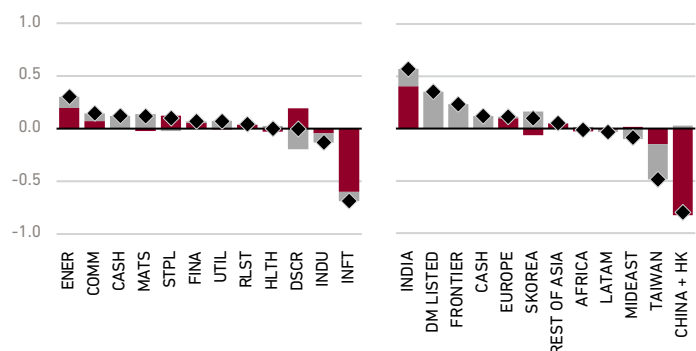


Total Return by Geography (%)



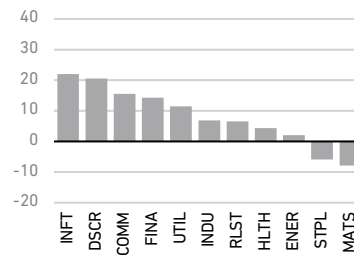
Performance Attribution | Oct.

| Effect (%) | Selection | Allocation | Total |
|------------|-----------|------------|-------|
| Sector | 0.0 | 0.1 | 0.1 |
| Geography | -0.5 | 0.6 | 0.1 |

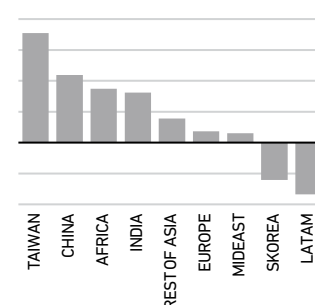


Benchmark Performance | YTD

Total Return by Sector (%)

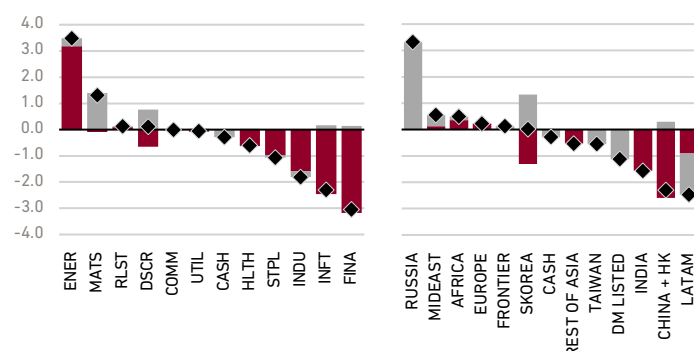


Total Return by Geography (%)



Performance Attribution | YTD

| Effect (%) | Selection | Allocation | Total |
|------------|-----------|------------|-------|
| Sector | -6.3 | 2.2 | -4.1 |
| Geography | -6.2 | 2.1 | -4.1 |



"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.

- Software developer **Globant** rose after management reiterated guidance for growth to accelerate into next year, and after closing one of two small acquisitions it announced in September.
- In Taiwan, our underweight to TSMC hurt as shares rallied on very strong quarterly earnings and guidance for faster growth. This was partly offset by **Delta Electronics**, which reported strong earnings due to AI-driven demand for its server power supplies and high-margin power inductors for cars.
- In India, **Maruti Suzuki** fell after reporting weaker-than-expected quarterly results, reflecting higher pricing discounts and materials costs, though demand has been since improving dramatically with the beginning of the festive season in October.

- The sale of Russian oil producer Lukoil resulted in a sizeable one-off gain to client portfolios.
- Online travel agency **Trip.com Group** outperformed after reporting record high daily bookings during the National Day holiday week, despite generally weak spending elsewhere in China's economy.
- Latin America holdings detracted. In Mexico, the Morena party's victory and uncertainty around US elections took a toll on the broad market, including convenience store operator **FEMSA** and bank **GF Banorte**, while retailer **Walmart de México** declined more as it awaits an antitrust ruling. In Brazil, rental car company **Localiza** declined as used car prices continued to fall, and **XP** fell on the threat of higher-for-longer interest rates.

Top Five Contributors/Detractors (%) | Oct. to Relative Returns

| Contributors | Market | Sector | Index Weight | Effect |
|-------------------|-----------|--------|--------------|--------|
| Trip.com Group | China | DSCR | 0.4 | 0.18 |
| Globant | US | INFT | - | 0.15 |
| Delta Electronics | Taiwan | INFT | 0.3 | 0.14 |
| HDFC Bank | India | FINA | 1.1 | 0.13 |
| Tenaris | Italy | ENER | - | 0.13 |
| Detractors | | | | |
| TSMC | Taiwan | INFT | 9.7 | -0.42 |
| Maruti Suzuki | India | DSCR | 0.2 | -0.31 |
| Meituan* | China | DSCR | 1.5 | -0.14 |
| Hengli Hydraulic | China | INDU | <0.1 | -0.14 |
| AIA Group | Hong Kong | FINA | - | -0.13 |

Top Five Contributors/Detractors (%) | YTD to Relative Returns

| Contributors | Market | Sector | Index Weight | Effect |
|-------------------|--------|--------|--------------|--------|
| Lukoil | Russia | ENER | - | 3.32 |
| Trip.com Group | China | DSCR | 0.4 | 1.17 |
| Aspeed | Taiwan | INFT | - | 0.46 |
| PDD Holdings* | China | DSCR | 1.1 | 0.34 |
| MercadoLibre | US | DSCR | - | 0.30 |
| Detractors | | | | |
| TSMC | Taiwan | INFT | 8.7 | -1.11 |
| Localiza | Brazil | INDU | 0.1 | -0.91 |
| Walmart de México | Mexico | STPL | 0.3 | -0.86 |
| Meituan* | China | DSCR | 1.0 | -0.80 |
| EPAM | US | INFT | - | -0.78 |

*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.

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, 2024. 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, 2024. 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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