

# Emerging Markets Equity

August 2025 Monthly Update



## Performance

Total Return (%) Periods Ended August 31, 2025

	1 Month	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
HL Emerging Markets Equity (Gross)	4.49	18.56	15.40	9.61	2.86	5.90	10.25
HL Emerging Markets Equity (Net)	4.42	17.88	14.40	8.65	1.96	4.97	9.34
MSCI Emerging Markets Index	1.47	19.63	17.66	11.38	5.68	7.35	8.31

Performance returns are of the composite. 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	Relative Weight
Cons Discretionary	21.8	12.7	5.0
Industrials	12.0	6.9	3.0
Cash	2.3	—	1.0
Cons Staples	4.7	4.3	0.5
Real Estate	1.6	1.5	0.1
Financials	22.4	23.4	-0.5
Health Care	1.6	3.6	-1.0
Comm Services	8.3	10.4	-1.5
Info Technology	22.5	24.6	-1.5
Energy	1.8	4.1	-2.0
Utilities	0.0	2.4	-2.0
Materials	1.0	6.1	-4.0

Region	HL	Index	Relative Weight
Dev. Market Listed	5.7	—	3.0
Frontier Markets	4.8	—	2.0
Cash	2.3	—	1.0
Latin America	8.5	7.3	1.0
Africa	4.0	3.4	0.5
India	15.8	16.2	-0.5
Rest of Asia	3.3	4.0	-0.5
Europe	1.4	2.7	-1.0
China + Hong Kong	28.7	30.4	-1.0
Taiwan	16.2	19.0	-2.0
Middle East	3.1	6.4	-3.0
South Korea	6.2	10.6	-4.0

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

"China + Hong Kong": The Harding Loevner Emerging Markets model portfolio's end weight in China is 25.2% and Hong Kong is 3.5%. 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 continued their upward trajectory, with Latin America buoyed by the prospect that interest rates would fall from high levels in light of the US Federal Reserve's more dovish outlook. Brazil rose 10% despite the US's imposition of 50% tariffs due to President Trump's political disagreement with Brazil's ruling party. China was boosted by the government's ongoing efforts to combat persistent deflation by reducing overcapacity in key industries, including batteries, solar power equipment, express delivery, and commodity production. India fell the most among major markets in reaction to the 50% tariffs imposed by the US, ostensibly to punish its purchases of Russian oil.

### Portfolio

In August, the US imposed a 20% tariff on all goods imported from Vietnam—significantly lower than the 46% tariff threatened in April but still enough to potentially hurt Vietnamese exporters. But tariffs are not a major worry for our sole Vietnamese holding, Mobile World. As the country's largest multi-format retailer, Mobile World has enjoyed strong growth in its grocery and consumer electronics businesses by catering to rising domestic demand. Management has enhanced revenues-per-store at its groceries and opened more than 200 new stores this year. Its electronics business also enjoys a long runway for growth as consumers' rising spending power and faster-paced lifestyles inspire them to seek higher-quality products. Mobile World's revenues and earnings rose year-over-year around 10% and 50%, respectively, in the first half of 2025.

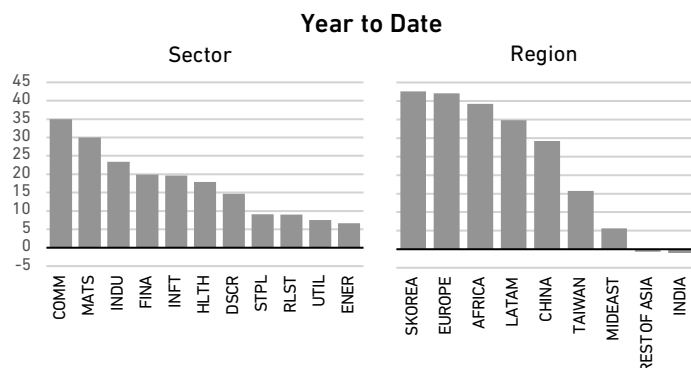
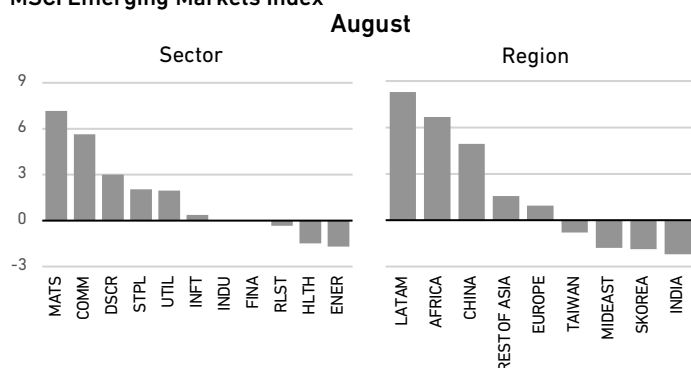
## Ten Largest Holdings

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

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.

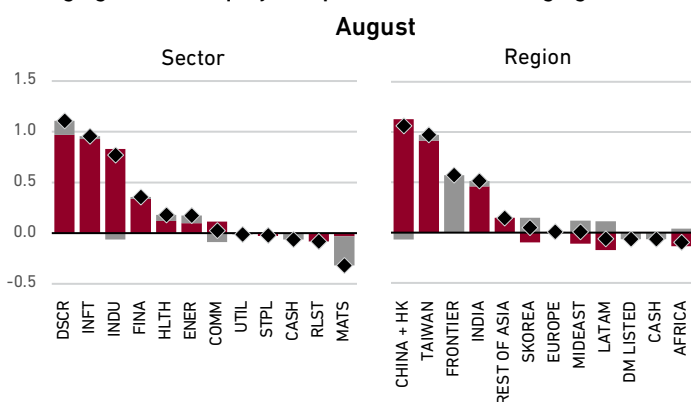
## Index Performance (USD %)

### MSCI Emerging Markets Index

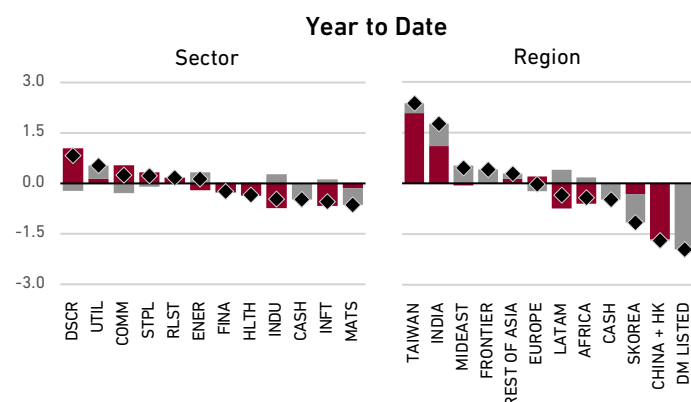


## Performance Attribution Effect (%)

### Emerging Markets Equity Composite vs. MSCI Emerging Markets Index



Effect (%)	Selection	Allocation	Total
Sector	3.2	-0.2	3.0
Region	2.1	0.9	3.0



Effect (%)	Selection	Allocation	Total
Sector	0.1	-0.9	-0.8
Region	0.1	-0.9	-0.8

\*"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.

- In **China**, online travel-services company Trip.com Group announced a US\$5 billion share repurchase program and reported better than expected results for both sales and margins.
- Shares of **India's** Maruti Suzuki rose in anticipation of a government tax cut on small cars. The proposed cut aims to provide relief for middle-class buyers and stimulate consumption.
- In **Financials**, shares of India's HDFC Bank fell due to concerns about the impact of US tariffs on the economy, which could curtail a long-awaited rebound in loan growth.
- Information Technology (IT)**-services holdings—Globant, EPAM, and Tata Consultancy Services—detracted amid slowing industry growth and uncertainty over whether artificial intelligence (AI)-related developments will positively impact demand for digital IT services.
- In **Brazil**, industrial equipment manufacturer WEG reported slowing domestic revenue growth. Its shares were also hurt by US tariff concerns.
- In **Taiwan**, shares of IT company Delta Electronics soared due to strong demand for its AI server and data center power and cooling products. Similarly, Aspeed benefited from high demand for its BMC (baseboard management controller) chips used in both general-purpose and AI servers.

## Relative Returns (%)

**August**

Largest Contributors	Market	Sector	Index Weight	Effect
Delta Electronics	Taiwan	INFT	0.5	0.49
Trip.com Group	China	DSCR	0.4	0.45
Maruti Suzuki	India	DSCR	0.2	0.33
CATL	China	INDU	0.2	0.25
Mobile World	Vietnam	DSCR	—	0.24

Largest Detractors	Market	Sector	Index Weight	Effect
HDFC Bank	India	FINA	1.4	-0.24
AirTAC	Taiwan	INDU	<0.1	-0.17
Globant	US	INFT	—	-0.16
ICICI Bank	India	FINA	1.0	-0.11
Nu Holdings*	Brazil	FINA	0.5	-0.09

**Year to Date**

Largest Contributors	Market	Sector	Index Weight	Effect
Delta Electronics	Taiwan	INFT	0.3	1.09
Aspeed	Taiwan	INFT	—	1.02
Meituan*	China	DSCR	1.1	0.65
Safaricom	Kenya	COMM	—	0.47
GF Banorte	Mexico	FINA	0.3	0.41

Largest Detractors	Market	Sector	Index Weight	Effect
Globant	US	INFT	—	-1.72
Tata Consultancy Services	India	INFT	0.5	-1.13
WEG	Brazil	INDU	0.2	-0.61
Eclat Textile	Taiwan	DSCR	<0.1	-0.53
Tenaris	Italy	ENER	—	-0.46

\*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/Region Attribution: Harding Loevner Emerging Markets Equity composite, FactSet, MSCI Inc.

Sector/Region 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 March 31, 2025. 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 Equity composite has had a performance examination for the periods December 1, 1998 through March 31, 2025. 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 Equity 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.

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/region portfolio positioning are supplemental information only and complement a fully compliant Emerging Markets Equity composite GIPS Presentation, which is available upon request. Performance attribution and performance of contributors and detractors is gross of fees and expenses. 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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