

Emerging Markets Equity



Monthly Update | January 2025

Composite Performance (% Total Return)

Periods ended January 31, 2025	1 Month	1 Year	3 Years	5 Years	10 Years	Since Inception
HL Emerging Markets Equity (Gross)	1.92	13.43	-4.73	-0.48	2.98	9.86
HL Emerging Markets Equity (Net)	1.84	12.42	-5.57	-1.36	2.08	8.95
MSCI Emerging Markets Index	1.81	15.35	-0.26	3.45	4.16	7.84

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	20.9	13.1	7.8
Industrials	12.2	6.5	5.7
Cash	2.0	-	2.0
Cons Staples	5.2	4.7	0.5
Real Estate	1.8	1.6	0.2
Financials	23.9	23.8	0.1
Health Care	1.8	3.4	-1.6
Comm Services	7.3	9.3	-2.0
Utilities	0.5	2.6	-2.1
Energy	2.2	4.6	-2.4
Info Technology	21.7	24.6	-2.9
Materials	0.5	5.8	-5.3

Geography	HL	Index	Under / Over
Dev. Market Listed	7.6	-	7.6
Frontier Markets	4.0	-	4.0
Latin America	10.1	7.2	2.9
Cash	2.0	-	2.0
Africa	3.8	3.1	0.7
China + Hong Kong	27.9	27.5	0.4
Europe	1.8	2.5	-0.7
Rest of Asia	3.8	4.7	-0.9
Middle East	3.8	7.2	-3.4
India	14.8	18.4	-3.6
South Korea	5.5	9.4	-3.9
Taiwan	14.9	20.0	-5.1

"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 24.7% and Hong Kong is 3.2%. 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) rose nearly 2% in January, trailing the US and other developed markets as the new Trump administration announced higher tariffs on imports from China and free-trade agreement partners Mexico and Canada. (Tariffs on the latter two were subsequently postponed.) Before markets in much of East Asia closed for the Lunar New Year holiday, artificial intelligence (AI) developers at Chinese companies DeepSeek and **Alibaba** announced new versions of open-source AI models with substantially greater efficiency than existing models from US firms, boosting shares of companies using AI such as Alibaba over those of hardware suppliers such as **Hon Hai Precision** and **Delta Electronics**. Elsewhere, Latin America rebounded over 9%, reversing its dip in December that was triggered by a fiscal package in Brazil seen as inadequate to fix its large deficit.

Portfolio

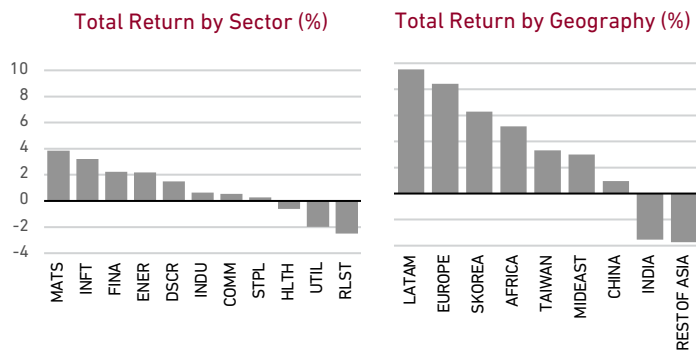
India has been one of the strongest-performing EMs in the past few years, but since October the tide has shifted due to concerns about slowing economic growth as well as the market's high valuation. Our portfolio has long been underweight the market—reflecting the challenge of finding high-quality, growing, yet attractively priced Indian companies—but still holds a diverse selection of stocks across the Financials, Information Technology (IT), and Consumer Discretionary sectors. This diversification demonstrated its value during India's nearly 4% decline this month. **HDFC Bank** was a detractor as banking system liquidity continued to be tight in India, increasing competition for customer deposits and leading to concerns about narrower margins. In contrast, shares of **Maruti Suzuki**, India's largest automaker, were boosted by unexpectedly high sales in December, particularly for small cars.

Ten Largest Holdings

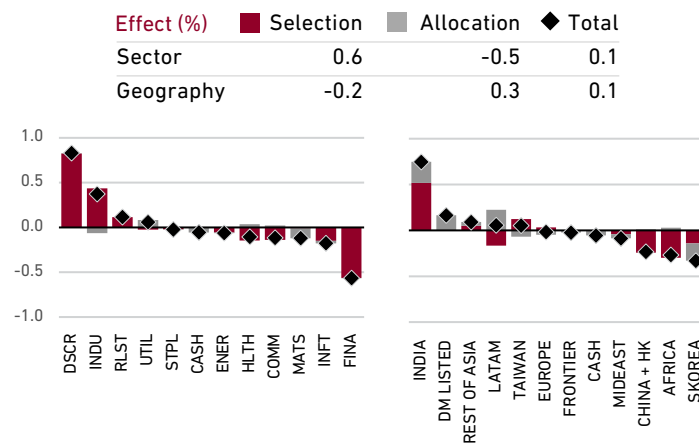
Company	Market	Sector
TSMC	Taiwan	Info Technology
Tencent	China	Comm Services
HDFC Bank	India	Financials
Trip.com Group	China	Cons Discretionary
Tata Consultancy Services	India	Info Technology
Samsung Electronics	South Korea	Info Technology
Maruti Suzuki	India	Cons Discretionary
ICICI Bank	India	Financials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



Performance Attribution | January



"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 Industrials, shares of China's **Sanhua Intelligent Controls** rose after the company's largest customer, Tesla, announced plans to ramp production of its Optimus humanoid robot to thousands of units this year and, aspirationally, up to 500,000 to 1 million units by 2027. Sanhua would be a potential supplier of actuators for Optimus.
- In Consumer Discretionary, Latin American e-commerce company **MercadoLibre** has continued to gain e-commerce market share while cross-selling loans and credit cards to more users.
- HDFC Bank hurt returns in Financials.
- Our underweight in India and overweight in Latin America were helpful.
- Taiwanese semiconductor manufacturer **TSMC** is a large index constituent and was a strong stock; our underweight hurt relative returns.

Top Five Contributors/Detractors (%) | January

to Relative Returns

Contributors	Market	Sector	Index Weight	Effect
Sanhua Intelligent Controls	China	INDU	<0.1	0.29
Maruti Suzuki	India	DSCR	0.2	0.22
MercadoLibre	US	DSCR	-	0.18
WEG	Brazil	INDU	0.2	0.11
Bancolombia	Colombia	FINA	0.1	0.11

Detractors	Market	Sector	Index Weight	Effect
HDFC Bank	India	FINA	1.4	-0.23
TSMC	Taiwan	INFT	10.9	-0.18
Mindray	China	HLTH	<0.1	-0.12
SK Hynix*	South Korea	INFT	1.0	-0.12
PDD Holdings*	China	DSCR	0.9	-0.12

*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 periods. Please read the disclosures below, 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 September 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 September 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@hlmet.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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