

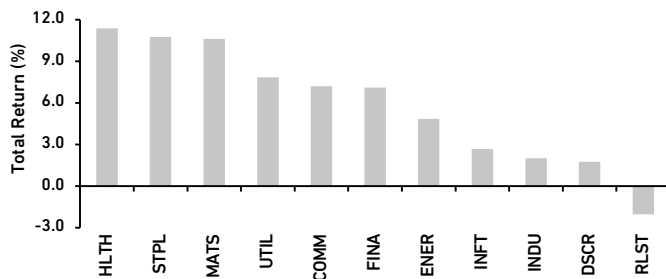
A densely populated nation of 170 million, Bangladesh is among the countries most vulnerable to the COVID-19 pandemic, prompting the government to impose a two-month-long national lockdown starting in late March. Compounding the economic devastation of the lockdown, the country's garment industry—the source of over 80% of exports—saw the cancellation of \$3 billion in orders as textile supply chains were disrupted and worldwide demand for clothing collapsed.

When garment factories reopened, some switched to making urgently needed masks, gowns, and other personal protective equipment. This pivot cushioned the fall in garment industry sales, which finally turned the corner in August. The resumption of economic activity, an interest rate cut, and recovery in overseas remittances boosted share prices, ultimately making Bangladesh the FEM Index's top-performing market for the month. **Square Pharmaceuticals**, the country's leading generic pharmaceutical maker, was among the best performers, reflecting the resiliency of its business throughout the crisis. Approximately one third of Square's products are sold over the counter, so their global sales were less affected by the closure of many doctor's offices. Square has also benefited from increased demand for its immune-boosting vitamins and nutraceuticals.

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

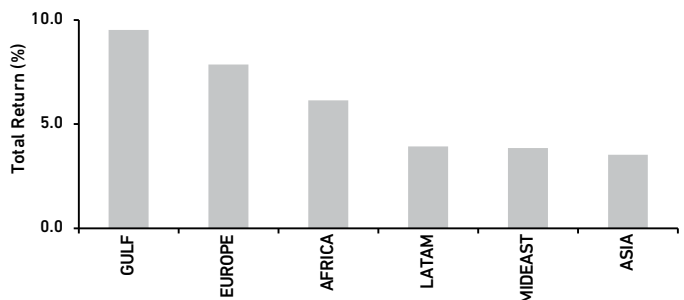
	1 MONTH	YTD	1 YEAR	3 YEARS <sup>2</sup>	5 YEARS <sup>2</sup>	10 YEARS <sup>2</sup>	SINCE INCEPTION <sup>2,3</sup>
HL FRONTIER EMERGING MARKETS (GROSS OF FEES)	6.79	-11.50	-5.58	-2.40	1.47	3.16	0.31
HL FRONTIER EMERGING MARKETS (NET OF FEES)	6.67	-12.31	-6.86	-3.71	0.06	1.69	-1.09
MSCI FRONTIER EMERGING MARKETS INDEX <sup>4,5</sup>	5.62	-15.94	-11.07	-4.08	1.05	1.60	-2.31

### BENCHMARK PERFORMANCE BY SECTOR – AUGUST



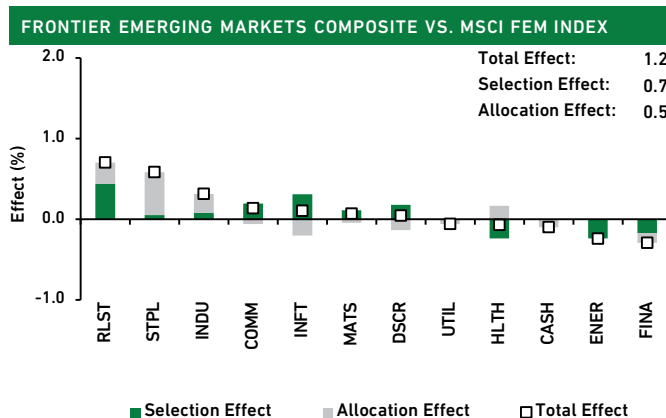
- Real Estate was dragged down by Philippine developers, whose malls have been slow to see a return of customers after the lifting of COVID-19 lockdowns.

### BENCHMARK PERFORMANCE BY GEOGRAPHY – AUGUST



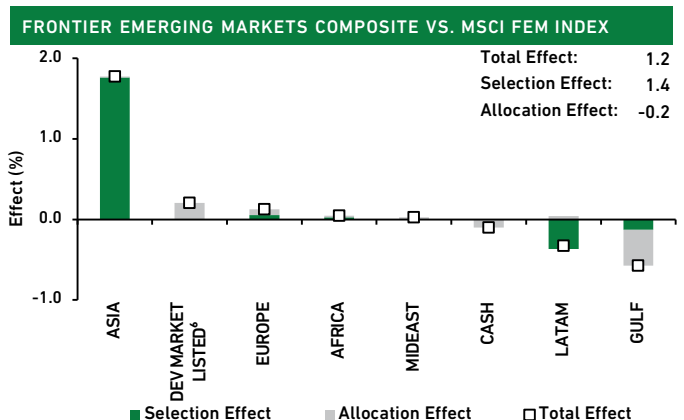
- Shares of **National Bank of Kuwait** contributed to the strong performance of the Gulf States region, lifted by speculative flows ahead of Kuwait's upgrade to Emerging Market status by MSCI, set for November.

### PERFORMANCE ATTRIBUTION BY SECTOR – AUGUST



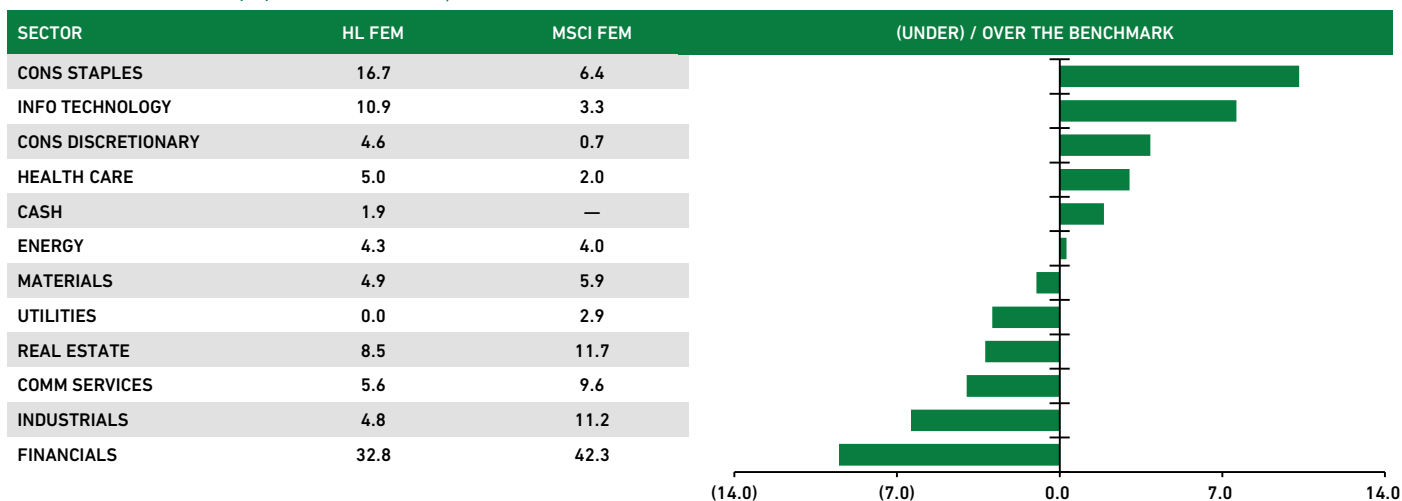
- Information Technology (IT) consulting company **EPAM** contributed to our outperformance in the IT sector. Mass political unrest in its home market of Belarus was not enough to overshadow robust global demand for corporate digital transformations.

### PERFORMANCE ATTRIBUTION BY GEOGRAPHY – AUGUST

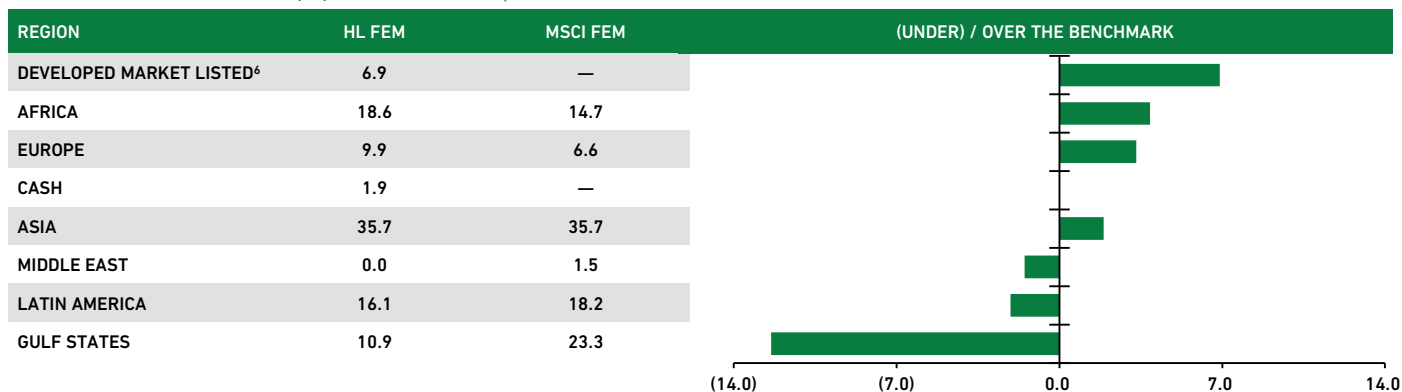


- Egyptian diagnostic lab company **Integrated Diagnostics** detracted from our returns in Africa, as volumes for the company's core pathology business remained weak from the deferral of non-urgent testing, with government labs maintaining their tight grip on the administering of COVID-19 tests.

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



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



## ENDNOTES

(1) The August 2020 Composite performance shown is preliminary (2) Annualized returns (3) Inception date: May 31, 2008 (4) The Benchmark Index (5) Gross of withholding taxes (6) Includes companies in frontier markets or small emerging markets listed in developed markets. Current frontier markets exposure in the portfolio is 46.6% and emerging markets exposure is 44.6%.

## SOURCES

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

## DISCLOSURES

The Frontier Emerging Markets Composite contains fully-discretionary, fee paying accounts investing in non-US equity and equity-equivalent securities of companies domiciled predominately in frontier emerging markets and cash reserves and is measured against the MSCI Frontier 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 assess whether (1) the firm has complied with all the 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 the GIPS standards. Verification does not ensure the accuracy of any composite presentation. The Frontier Emerging Markets Composite has not received a performance examination. 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 Frontier 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 Frontier Emerging Markets Index is a free float-adjusted market capitalization index designed to measure equity market performance in all countries from the MSCI Frontier Markets Index and the lower size spectrum of the MSCI Emerging Markets Index. The Index consists of 28 frontier markets and 6 emerging markets. 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 Frontier 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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