

# International Developed Markets Equity



July 2025 Monthly Update

## Performance

Total Return (%) Periods Ended July 31, 2025

	1 Month	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
HL International Developed Markets Equity (Gross)	-1.18	12.97	10.36	10.87	8.12	8.61	9.06
HL International Developed Markets Equity (Net)	-1.26	12.61	9.85	10.34	7.59	8.06	8.47
MSCI World ex US Index	-1.19	18.04	14.31	14.02	11.23	6.90	7.09
MSCI EAFE Index	-1.39	18.25	13.35	14.14	10.88	6.66	7.09

Performance returns are of the composite. The composite performance returns shown are preliminary. Returns are annualized for periods greater than one year. International Developed Markets Equity composite inception date: February 28, 2010. MSCI World ex US Index, the benchmark index, and MSCI EAFE Index, the supplemental index, are 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
Health Care	18.1	9.8	18.1
Info Technology	15.1	8.4	15.1
Cash	4.0	—	4.0
Materials	9.1	6.4	9.1
Cons Staples	8.1	7.4	8.1
Energy	3.9	4.9	3.9
Real Estate	0.0	1.7	0.0
Industrials	16.6	18.4	16.6
Utilities	0.0	3.4	0.0
Financials	22.0	26.0	22.0
Comm Services	0.0	4.7	0.0
Cons Discretionary	3.1	8.9	3.1

Region	HL	Index	Relative Weight
Emerging Markets	4.8	—	4.8
Cash	4.0	—	4.0
Europe ex EMU	29.4	27.0	29.4
Other	1.9	—	1.9
Pacific ex Japan	11.0	9.9	11.0
Frontier Markets	0.0	—	0.0
Middle East	0.8	0.8	0.8
Japan	18.0	19.3	18.0
Canada	5.6	11.5	5.6
Europe EMU	24.5	31.5	24.5

"HL": International Developed Markets Equity model portfolio. "Index": MSCI World ex US Index.  
 "Frontier Markets": Includes countries with less-developed markets outside the index.  
 "Other": Includes companies listed in the United States.

## Investment Perspectives

### Market

Amid a flurry of newly announced trade deals and tariff threats, developed non-US markets ticked down slightly in July, while the US dollar bounced up 3% after its weakest first half in over 50 years. Pacific ex Japan was a bright spot as Hong Kong rose nearly 5%. Financials also outperformed, led higher by European banks. Consumer Staples and Health Care underperformed as heavyweights in each sector reported weak results and President Trump ratcheted up the pressure on pharmaceutical CEOs to slash US drug prices. By style, growth and quality lagged with the lowest-quality quintile of stocks in the MSCI World ex US index outpacing the highest by nearly 800 basis points.

### Portfolio

The portfolio's exposure to Health Care and Consumer Staples, traditionally sectors rich in quality, growing businesses, has weighed on performance this year, with Health Care detracting again in July. While policy fears and recent results have buffeted share prices, the underpinnings of long-term growth remain. As the leading pureplay consumer health company globally, Haleon sits at the crossroads of the two sectors. US drug store channel weakness hurt growth this year, but outside of the US, growth remains strong. Haleon has been able to expand margins while also increasing advertising spend and investment in innovation. Scale, brand affinity, and product differentiation coupled with favorable demographic trends, increasing consumer health awareness, and geographic expansion provide a runway for profitable growth.

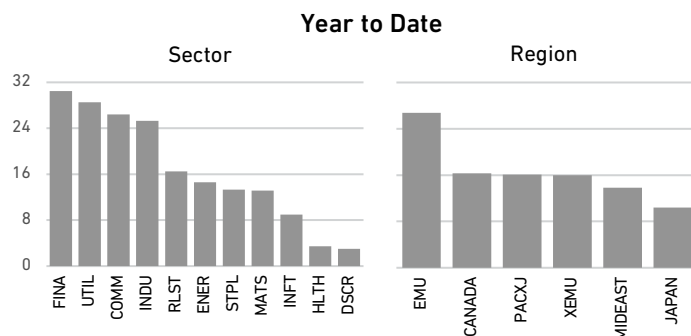
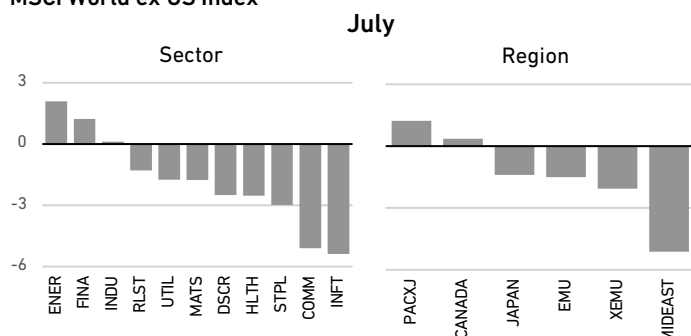
## Ten Largest Holdings

Company	Market	Sector
DBS Group	Singapore	Financials
Shell	UK	Energy
AIA Group	Hong Kong	Financials
Allianz	Germany	Financials
Sony	Japan	Cons Discretionary
Chugai Pharmaceutical	Japan	Health Care
ASML	Netherlands	Info Technology
Haleon	UK	Health Care
L'Oréal	France	Cons Staples
TSMC	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.

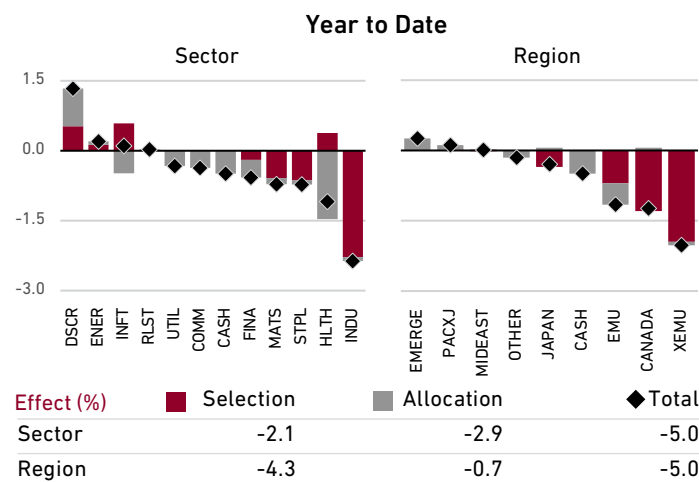
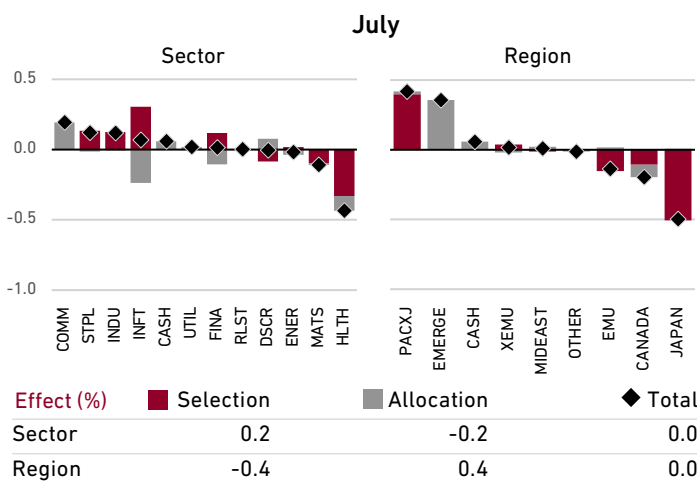
## Index Performance (USD %)

MSCI World ex US Index



## Performance Attribution Effect (%)

International Developed Markets Equity Composite vs. MSCI World ex US Index



\*OTHER\*: Includes companies listed in the United States.

- In **Health Care**, Japan's Chugai Pharmaceutical reported a year-over-year decline in quarterly revenue due to shipment delays of its hemophilia drug Hemlibra.
- In **IT**, South Korean electronics manufacturer Samsung Electronics gained as the company announced it had won a massive contract to produce Tesla's next generation of AI chips.
- In the eurozone, shares of Dutch semiconductor equipment manufacturer ASML fell after CEO Christophe Fouquet provided a conservative outlook for 2026 growth, citing tariff geopolitical challenges and macroeconomic uncertainty relating to tariffs.

- In **Industrials**, shares of Hong Kong-based power tool manufacturer Techtronic Industries declined, pressured by tariff concerns and slowing growth in the US, its core market for its Milwaukee-branded tools. Our lack of exposure to European defense stocks also hurt.
- In **Consumer Discretionary**, Japanese electronics and media company Sony reported better-than-expected fiscal third-quarter results, boosted by strong revenue growth in its gaming division, and provided strong fiscal year guidance.
- The portfolio faced strong style headwinds as shares of the fastest-growing and highest-quality companies significantly underperformed.

## Relative Returns (%)

**July**

Largest Contributors	Market	Sector	Index Weight	Effect
Novo Nordisk*	Denmark	HLTH	1.0	0.31
DBS Group	Singapore	FINA	0.4	0.24
TSMC	Taiwan	INFT	-	0.19
BBVA	Spain	FINA	0.4	0.18
AIA Group	Hong Kong	FINA	0.4	0.17

Largest Detractors	Market	Sector	Index Weight	Effect
ASML	Netherlands	INFT	1.4	-0.17
Haleon	UK	HLTH	0.2	-0.17
Symrise	Germany	MATS	0.1	-0.16
Chugai Pharmaceutical	Japan	HLTH	0.2	-0.15
Nestlé	Switzerland	STPL	1.2	-0.13

**Year to Date**

Largest Contributors	Market	Sector	Index Weight	Effect
BBVA	Spain	FINA	0.4	1.22
Novo Nordisk*	Denmark	HLTH	1.2	0.93
Allianz	Germany	FINA	0.7	0.55
SE Banken	Sweden	FINA	0.1	0.36
AIA Group	Hong Kong	FINA	0.4	0.35

Largest Detractors	Market	Sector	Index Weight	Effect
Symex	Japan	HLTH	<0.1	-0.68
Unicharm	Japan	STPL	<0.1	-0.55
Manulife	Canada	FINA	0.3	-0.53
Couche-Tard	Canada	STPL	0.2	-0.52
Haleon	UK	HLTH	0.2	-0.49

\*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 International Developed Markets Equity composite, FactSet, MSCI Inc.

Sector/Region Positioning and Ten Largest Holdings: Harding Loevner International Developed 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 World ex US 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 International Developed Markets Equity composite has had a performance examination for the periods March 1, 2010 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 International Developed Markets Equity composite, please contact Harding Loevner at (908) 218-7900 or invest@hlmn.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. As of December 31, 2022, the International Developed Markets Equity composite benchmark was changed from the MSCI EAFE Index to the MSCI World ex US Index for all periods.

The MSCI World ex US Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed markets, excluding the US. The index consists of 22 developed market countries. The MSCI EAFE Index (Europe, Australasia, Far East) is a free float-adjusted market capitalization index that is designed to measure developed market equity performance, excluding the US and Canada. The index consists of 21 developed market countries. You cannot invest directly in these indexes.

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 International Developed 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.

MSCI Inc. and S&P do not make any express or implied warranties or representations and shall have no liability whatsoever with respect to any GICS data contained herein.

FactSet Fundamentals, Copyright 2025 FactSet Research Systems, Inc. All rights reserved.



**HARDING  
LOEVNER**

400 Crossing Blvd, 4th Floor, Bridgewater, NJ 08807

T: (908)218-7900

F: (908)218-1915

[HardingLoevner.com](https://www.HardingLoevner.com)

©2025 Harding Loevner