

## Performance (% Total Return)

Periods ended April 30, 2021 <sup>1</sup>	1 Month	YTD	1 Year	3 Years <sup>2</sup>	5 Years <sup>2</sup>	Since Inception <sup>2,3</sup>
HL World Equity (Gross)	6.19	9.21	55.18	20.04	19.48	15.73
HL World Equity (Net)	6.09	8.99	54.57	19.55	19.00	15.26
MSCI All Country World Index <sup>4,5</sup>	4.70	9.98	46.01	14.70	14.65	11.51
MSCI World Index <sup>5,6</sup>	4.41	9.30	46.40	13.89	14.44	11.02

## Portfolio Positioning (% Weight)

Sector	HL World	MSCI World	(Under) / Over
Health Care	21.1	12.3	8.8
Financials	16.9	13.8	3.1
Cash	2.9	—	2.9
Info Technology	24.1	21.5	2.6
Comm Services	9.5	9.2	0.3
Industrials	11.0	10.7	0.3
Energy	2.3	3.0	-0.7
Cons Discretionary	9.8	12.1	-2.3
Real Estate	0.0	2.7	-2.7
Utilities	0.2	3.0	-2.8
Materials	0.0	4.6	-4.6
Cons Staples	2.2	7.1	-4.9

## Investment Perspectives

### Market

The impacts of the pandemic and vaccination rollout across the world were diverse. Robust vaccination efforts and strengthening economic activity pushed US stocks ahead, while Japanese stocks declined after the country instated a new, more stringent state of emergency in response to another virus wave. The sharp rise in cases in India led to a softening in oil demand in the country. This, combined with new emissions reduction targets announced by the US and the UK, kept Energy returns flat for the month.

### Portfolio

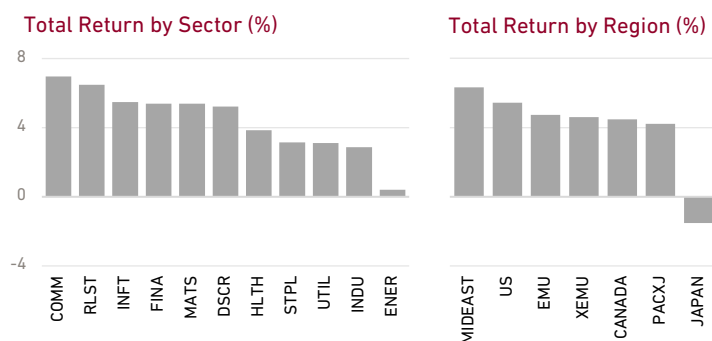
Portfolio holding **Nike** offers a lens on the rapidly evolving retail landscape, where trends in consumer behavior have been accelerated by the pandemic. The past year has offered an opportunity for forward-looking, tech-savvy consumer brands to strengthen relationships with their customers. Nike ended its distribution partnerships with several major retailers including Macy's, DSW, and Urban Outfitters as part of its plan to shift more sales to a direct to consumer (DTC) model. We expect the DTC approach—which already represents 35% of Nike's revenue—will further strengthen Nike's digital presence and lead to higher margins.

Geography	HL World	MSCI World	(Under) / Over
Emerging Markets	5.3	—	5.3
Cash	2.9	—	2.9
Europe ex-EMU	10.9	9.1	1.8
Pacific ex-Japan	3.6	3.5	0.1
Frontier Markets <sup>7</sup>	0.0	—	0.0
Middle East	0.0	0.2	-0.2
Europe EMU	8.2	9.9	-1.7
US	64.8	67.0	-2.2
Japan	4.3	7.1	-2.8
Canada	0.0	3.2	-3.2

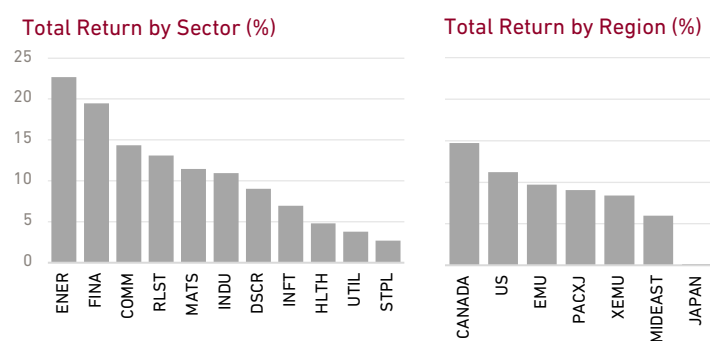
## Top Ten Holdings

Company	Country	Sector
First Republic Bank	US	Financials
Alphabet	US	Comm Services
SVB Financial Group	US	Financials
Amazon.com	US	Cons Discretionary
Facebook	US	Comm Services
PayPal	US	Info Technology
CME Group	US	Financials
John Deere	US	Industrials
Illumina	US	Health Care
Microsoft	US	Info Technology

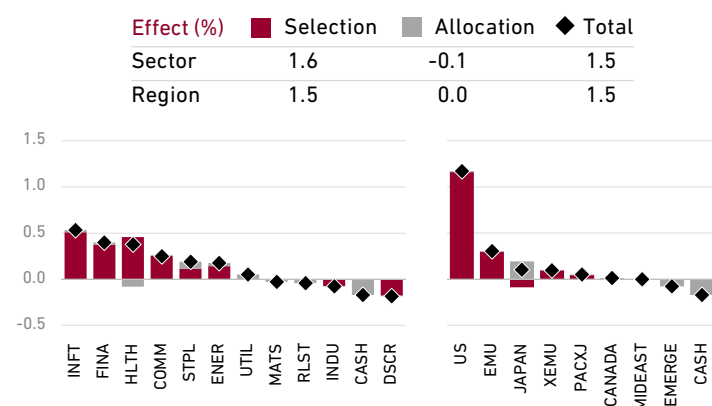
## Benchmark Performance | Apr.



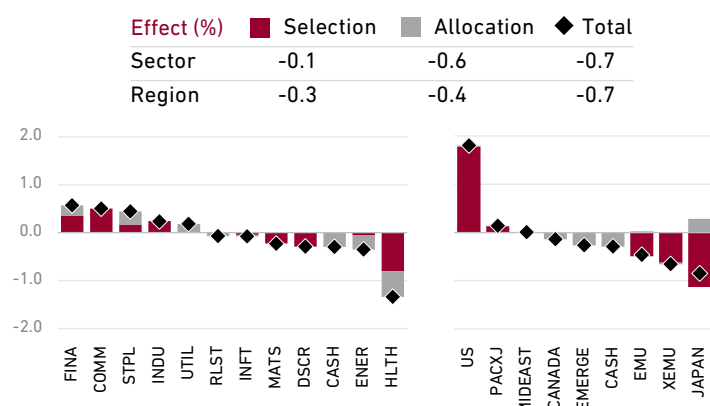
## Benchmark Performance | YTD



## Portfolio Attribution | Apr.



## Performance Attribution | YTD



- Shares of US-based digital payments company **PayPal** rose following its initiation of support for cryptocurrency transactions.
- eBay's** shares declined on disappointing forward guidance despite strong reported earnings.
- In Financials, shares of US bank **SVB Financial Group** rose after the company reported exceptional earnings growth, offsetting the decline of off-benchmark holding India's **HDFC Bank**, which increased its loan loss provisions due to the country's recent spike in COVID-19 cases.

- The World Equity strategy has suffered from the recent surge in lower-quality, less highly valued stocks. The trend is particularly evident within Health Care, where many of our holdings have underperformed.
- Among regions, the lone bright spot for relative performance was the US. Shares of tractor maker **John Deere**, SVB Financial Group, and **First Republic Bank** have benefitted from an improving US economy.

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

Contributors	Country	Sector	Index Weight	Effect
SVB Financial Group	US	FINA	<0.1	0.41
First Republic Bank	US	FINA	0.1	0.23
EPAM	US	INFT	0.1	0.15
IQVIA	US	HLTH	<0.1	0.12
PayPal	US	INFT	0.5	0.12
<b>Detractors</b>				
eBay	US	DSCR	0.1	-0.23
Sysmex	Japan	HLTH	<0.1	-0.21
CME Group	US	FINA	0.1	-0.16
John Deere	US	INDU	0.2	-0.16
Chugai Pharmaceutical	Japan	HLTH	0.1	-0.15

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

Contributors	Country	Sector	Index Weight	Effect
SVB Financial Group	US	FINA	<0.1	0.98
First Republic Bank	US	FINA	0.1	0.58
Protolabs	US	INDU	—	0.51
John Deere	US	INDU	0.2	0.49
Alphabet	US	COMM	2.2	0.29
<b>Detractors</b>				
Sysmex	Japan	HLTH	<0.1	-0.55
Vertex Pharmaceuticals	US	HLTH	0.1	-0.35
Nike	US	DSCR	0.3	-0.34
TeamViewer	Germany	INFT	<0.1	-0.33
Keyence	Japan	INFT	0.2	-0.32

## Endnotes

(1) The April 2021 Composite performance shown is preliminary (2) Annualized returns (3) Inception date: September 30, 2013 (4) The Benchmark Index (5) Gross of withholding taxes (6) Supplemental Index (7) Includes countries with less-developed markets outside the Index.

## Sources

Benchmark Performance: FactSet; MSCI Inc. and S&P.

Sector/Geographic Attribution: FactSet; Harding Loevner World Equity Composite; MSCI Inc. and S&P.

Sector/Geographic Exposure and Top Ten Holdings: FactSet; Harding Loevner World Equity Model; MSCI Inc. and S&P.

## Disclosures

For comparison purposes the Composite return is measured against the MSCI All Country World Total Return Index. 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 claims compliance with the Global Investment Performance Standards (GIPS®). Harding Loevner has been independently verified for the period November 1, 1989 through December 31, 2020. 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 World Equity Composite has been examined for the periods October 1, 2013 through December 31, 2020. 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 World Equity Composite, please contact Harding Loevner at (908) 218-7900 or visit [www.hardingloevner.com](http://www.hardingloevner.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 All Country World Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets. The Index consists of 50 developed and emerging market countries. You cannot invest directly in these Indices.

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. 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 World Equity 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.

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 2021 FactSet Research Systems, Inc. All rights reserved.