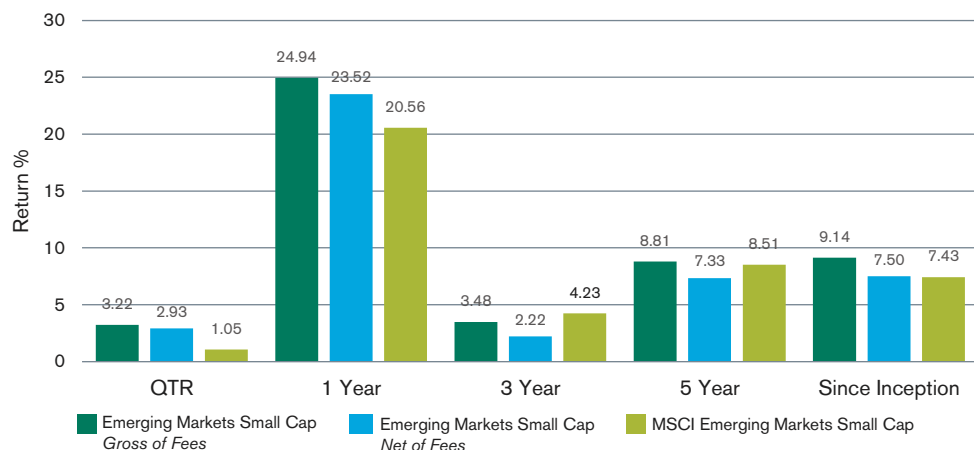


## Quarterly Review

## Composite Performance

Periods Ending March 31, 2024



Source: FactSet

Returns calculated in U.S. dollars. The value of investments can fluctuate. Data assumes reinvestment of dividends and capital gains. Data reflects past performance. Past performance does not guarantee future results.

Periods greater than one year have been annualized.

## At a Glance

**Inception:** May 1, 2016**Benchmark:** MSCI Emerging Markets Small Cap**AUM:** \$17.56 million

## Portfolio Management Team

Name	Start Date	
	Industry	Firm
Patricia Ribeiro	1984	2006
Sherwin Soo, CFA	1995	2011

## Quarterly Top Relative Contributors and Detractors

Contributor	(%)	Detractor	(%)
MakeMyTrip Ltd	0.78	Global Unichip Corp	-0.33
Indian Hotels Co Ltd	0.70	AU Small Finance Bank Ltd	-0.32
PB Fintech Ltd	0.50	WNS Holdings Ltd	-0.29
ASMedia Technology Inc	0.45	Hyundai Autoever Corp	-0.29
Phoenix Mills Ltd/The	0.41	Jyothy Labs Ltd	-0.27

## Attribution Analysis

One Year Ending March 31, 2024



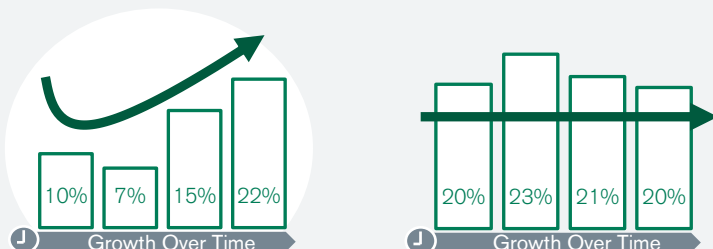
Source: FactSet

## Investing With a Well-Defined Bottom-Up Growth Philosophy

We believe that accelerating, sustainable growth in revenues and earnings, driven by an inflection in business fundamentals, results in stock price outperformance.

- We focus on inflection points in companies' fundamentals because we believe markets are inefficient at identifying such points.
- Our process is designed to uncover stocks that outperform as earnings growth accelerates, market expectations rise and multiples expand.

**We believe the direction of earnings growth is a more powerful predictor of stock price performance than the absolute level of growth.**



## Investment Process

### INVESTMENT UNIVERSE

Market capitalization >\$500M  
Small Cap as defined by MSCI\*  
Daily trading liquidity >\$2M  
Approx. 1,200 companies

1 IDEA GENERATION	2 FUNDAMENTAL ANALYSIS	3 PORTFOLIO CONSTRUCTION	PORTFOLIO
325-375 Companies	200-250 Companies		80-110 Holdings
Identify companies exhibiting accelerating growth and improving fundamentals: Fundamental information flow Quantitative screens	Confirm acceleration is genuine and sustainable	Focus portfolio on best ideas Monitor risk controls and guidelines	



### Goal

Seeks to outperform the MSCI Emerging Markets Small Cap by 3% to 5% annualized over a market cycle.

### Risk Guidelines

Maximum position size: 3% active weight

Regional exposure: +/- 10% of benchmark weight

Sector exposure: +/- 10% of benchmark weight

Expected tracking error: 4% to 8% versus benchmark

\*Represents the bottom 15% capitalization of each country as defined by MSCI; this generally translates to a minimum market cap of \$500M and maximum of \$5B (at purchase).

Risk management does not imply low risk. The total return target is aspirational in nature and is not based on any criteria or assumptions. The target is not meant to reflect any projection or promise of performance. No guarantee or representation is being made that any account will or is likely to achieve the objectives or targets shown.

## Portfolio Characteristics

Characteristics	Portfolio	Benchmark
Weighted Average Market Capitalization	\$3.0 B	\$1.1 B
Median Market Capitalization	\$2.0 B	\$0.4 B
P/E Ratio, Forecasted 1-Year	17.8 x	13.8 x
EPS Growth, Historical 1-Year	20.1%	11.1%
EPS Growth, Forecasted 1-Year	29.3%	27.9%
ROE, Historical 1-Year	18.6%	12.9%
% in Cash and Cash Equivalents	2.5%	0.0%
Turnover, 1-Year	42%	21%
Number of Holdings	93	2053

Source: FactSet

Forecasts are not a reliable indicator of future performance.

## Top 10 Holdings

Holding	Country	Industry	Assets (%)
Prestige Estates Projects Ltd	India	Real Estate Management & Development	2.89
Indian Hotels Co Ltd	India	Hotels, Restaurants & Leisure	2.70
Varun Beverages Ltd	India	Beverages	2.47
ASMedia Technology Inc	Taiwan	Semiconductors & Semiconductor Equipment	2.44
Phoenix Mills Ltd/The	India	Real Estate Management & Development	2.41
MakeMyTrip Ltd	India	Hotels, Restaurants & Leisure	2.28
Qualitas Controladora SAB de CV	Mexico	Insurance	2.26
King Yuan Electronics Co Ltd	Taiwan	Semiconductors & Semiconductor Equipment	2.20
Gentera SAB de CV	Mexico	Consumer Finance	2.05
Corp Inmobiliaria Vesta SAB de CV	Mexico	Real Estate Management & Development	1.98
<b>Total</b>			<b>23.68%</b>

Source: FactSet

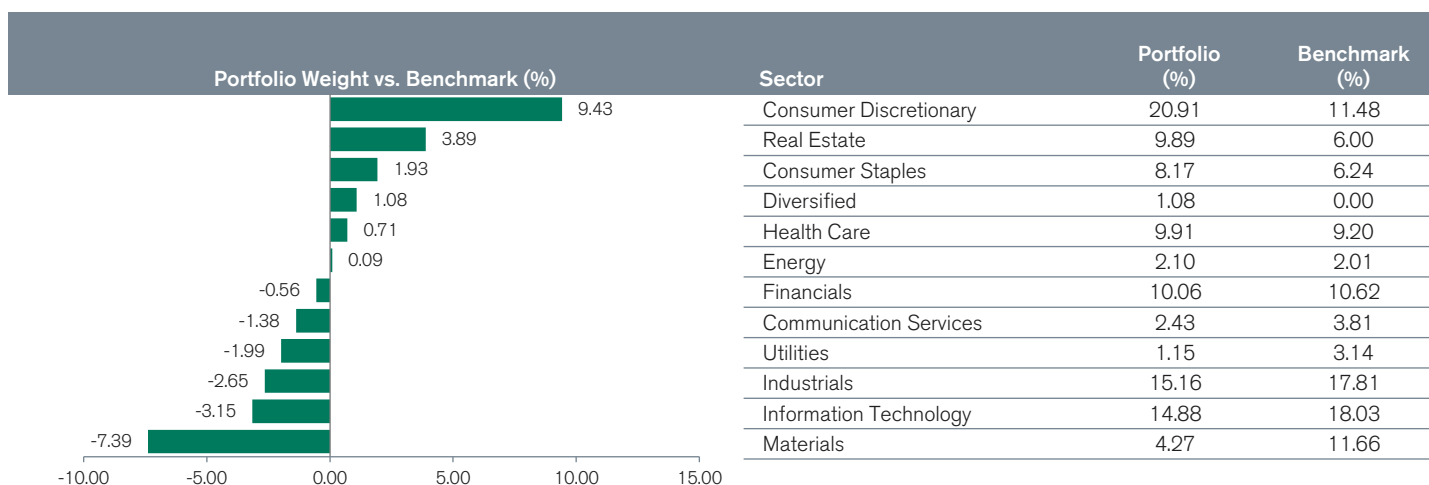
## Top 10 Overweights

Holding	Portfolio Weight (%)	Benchmark Weight (%)	Overweight (%)
Prestige Estates Projects Ltd	2.89	0.00	2.89
Indian Hotels Co Ltd	2.70	0.00	2.70
Varun Beverages Ltd	2.47	0.00	2.47
MakeMyTrip Ltd	2.28	0.00	2.28
ASMedia Technology Inc	2.44	0.16	2.28
Phoenix Mills Ltd/The	2.41	0.27	2.14
Qualitas Controladora SAB de CV	2.26	0.19	2.07
King Yuan Electronics Co Ltd	2.20	0.30	1.90
Gentera SAB de CV	2.05	0.15	1.90
Corp Inmobiliaria Vesta SAB de CV	1.98	0.26	1.72

Source: FactSet

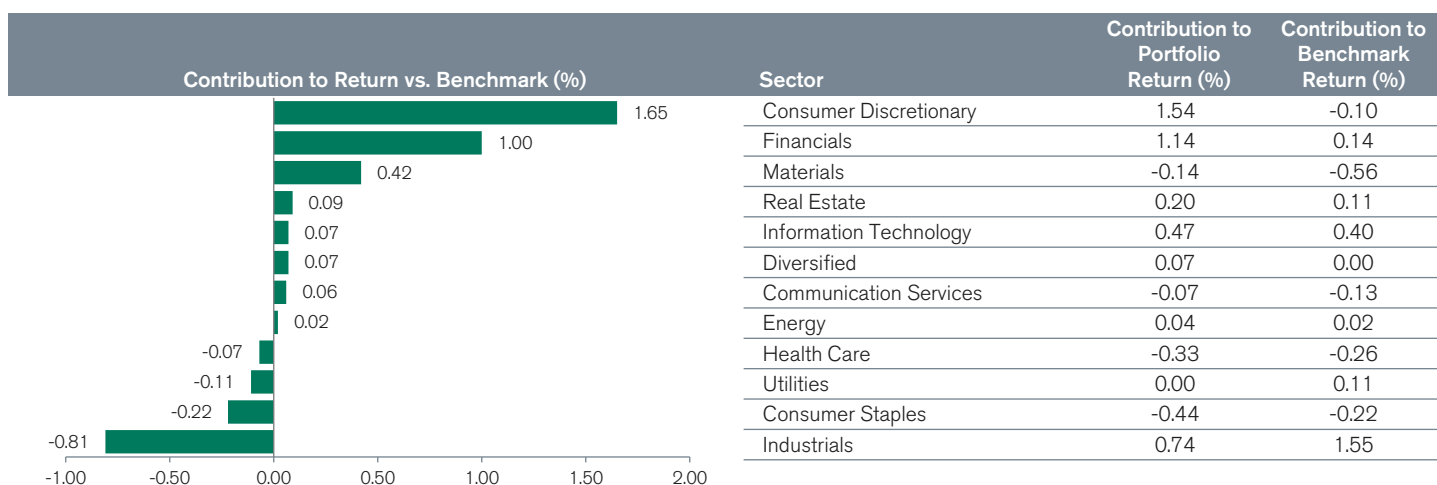
The holdings listed should not be considered recommendations to purchase or sell a particular security. Equity holdings are grouped to include common shares, depository receipts, rights and warrants issued by the same company. Portfolio holdings subject to change without notice.

## Sector Allocation



Source: FactSet

## Quarterly Sector Performance

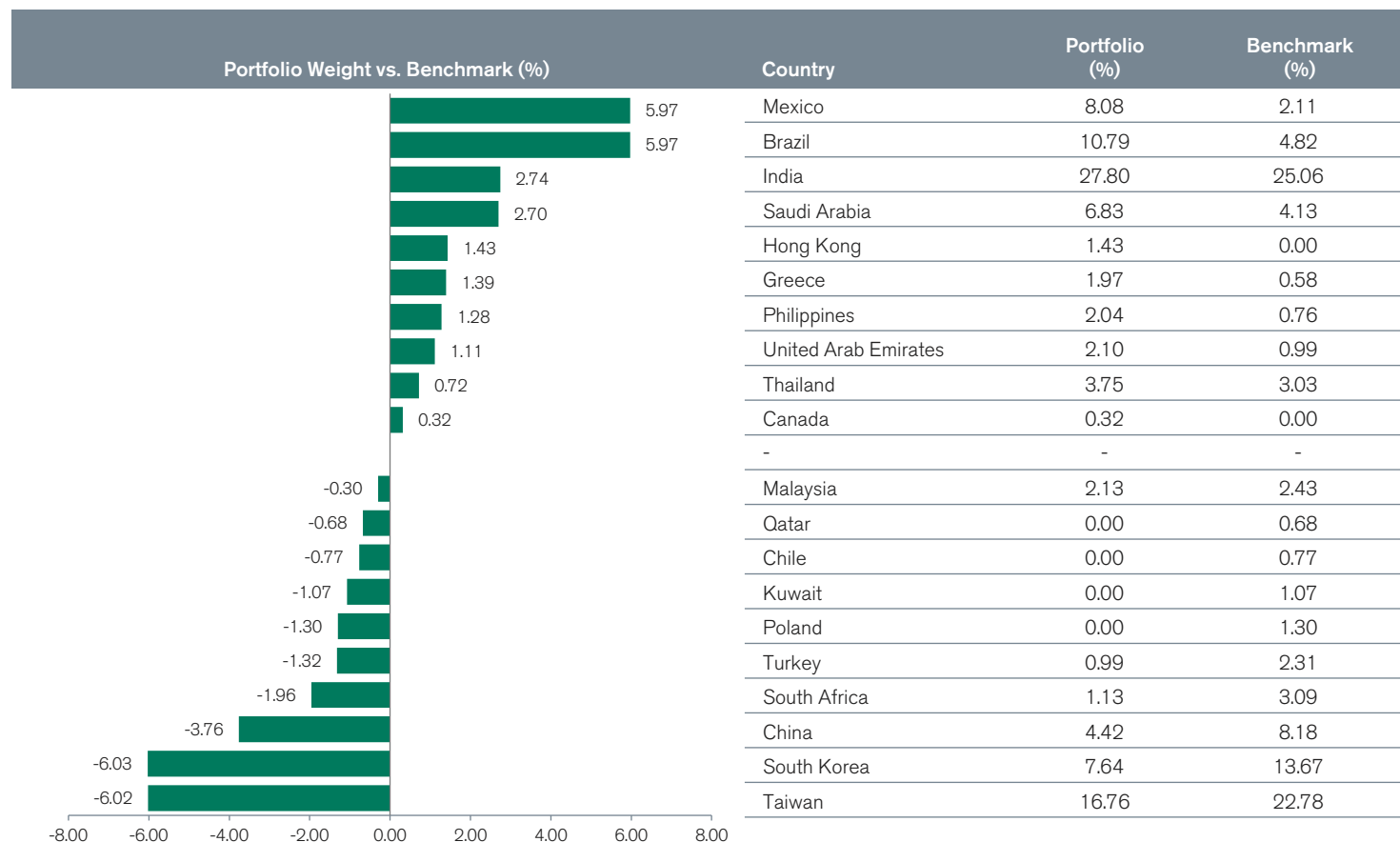


Source: FactSet

When shown, "Diversified" includes portfolio holdings that cannot be attributed to a specific GICS sector.

Past performance is no guarantee of future results.

## Country Allocation: Top 10 Over/Underweights



Source: FactSet

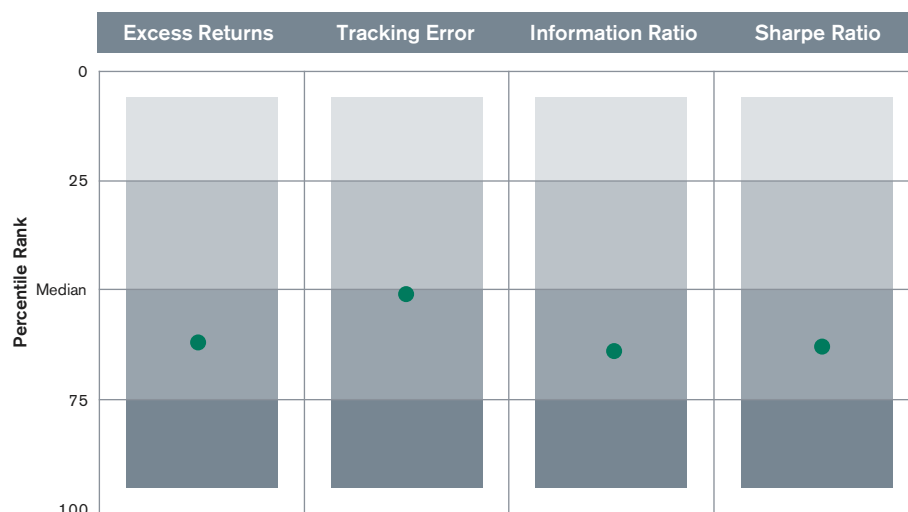
## Quarterly Top Relative Contributors and Detractors by Country

Contributor	(%)	Detractor	(%)
India	2.51	South Korea	-1.35
China	0.53	Taiwan	-0.58
Mexico	0.45	Saudi Arabia	-0.31
Hong Kong	0.35	Turkey	-0.16
Philippines	0.22	United Arab Emirates	-0.10

Source: FactSet

## Risk-Adjusted Performance

Three-Year Risk-Adjusted Performance vs. eVestment Global Emerging Mkts Small Cap Equity vs. MSCI Emerging Markets Small Cap, Citigroup 3-Month T-Bill



● American Century Investments Emerging Markets Small Cap

	Excess Returns	Tracking Error	Information Ratio	Sharpe Ratio
<b>Manager</b>	-0.75	5.32	-0.14	0.05
<b>Percentile Rank</b>	62	51	64	63
<b>Median</b>	0.83	5.50	0.11	0.14

Source: eVestment Analytics

Excess returns are gross of fees.

Rankings for Tracking Error are inverted.

Number of products in the universe was 58.

## Quarterly Commentary

### Portfolio Review

**Emerging markets (EM) stocks advanced but trailed developed markets.** Expectations for interest rate cuts by major central banks helped lift EM equities, but mixed inflation data and a likely shallower trajectory for cuts limited gains. Excitement around artificial intelligence fueled gains, especially in Taiwan. Chinese stocks declined, despite a strong February, amid recovery concerns and geopolitical tensions.

**Global activity data showed signs of improvement.** After rising in January, the S&P Global Composite Purchasing Managers' Index increased again in February, showing manufacturing sector growth for the first time in 18 months. Services activity remained robust. While China's economic recovery gained steam amid stronger-than-expected activity data, the country's property sector distress deepened.

**Hotels, restaurants and leisure holdings drove outperformance.** Beyond top overall relative contributors MakeMyTrip and Indian Hotels, off-benchmark positions in MGM China Holdings and Tongcheng Travel Holdings, and an overweight to Philippines-based Bloomberry Resorts, added significant value. Shares benefited from rising leisure travel demand and the continuing relaxation of travel restrictions.

**Stock selection in financials helped relative returns.** In addition to PB Fintech, a top overall contributor, an overweight to Mexico-based Genera bolstered relative performance. The bank's shares advanced amid positive earnings momentum, helped by weakened competition in Mexico. We continue to like Genera's business model, encouraging outlook and improved capital management.

**Positioning in industrials detracted.** Stock selection and an underweight to the sector weighed on relative returns. WNS Holdings was a leading overall detractor, while shares of South Korea-based builder Samsung Engineering declined as sluggish hydrocarbon orders prompted concerns about lower operating profits and earnings. The company's decision to postpone shareholder rewards in early 2024 also weighed on the stock.

### Key Contributors

**MakeMyTrip.** The online travel company's shares rose amid buoyant travel sentiment in India, supported by government efforts to promote travel and tourism and improve international air connectivity. Demand for domestic and international leisure travel has structurally improved, creating more favorable supply side dynamics.

**Indian Hotels.** The company reported a strong set of quarterly numbers with a healthy outlook driven by favorable supply/demand dynamics, market share gains, improving cost efficiencies and continued growth.

**PB Fintech.** Digital brokers are gaining from rising insurance penetration and customer shift to online channels. PB Fintech operates India's largest online insurance platform, with better than a 90% market share, and we believe the company will likely witness strong growth in premiums.

### Key Detractors

**Global Unichip.** The chipmaker's weak guidance hurt investor sentiment, with the 2024 sales growth forecast falling below consensus. Fourth-quarter sales and margins failed to live up to expectations, and analysts lowered earnings estimates.

**AU Small Finance Bank.** Shares were weak amid continuing asset-quality woes and concerns about lending growth, raising concerns about asset-quality risk and near-term pressure on net interest margins. Early in the quarter, AU reported a miss on earnings as provisions accelerated. We exited the position during the quarter.

**WNS Holdings.** The business process management company's shares declined sharply after WNS revealed the loss of a top client in early February. Near-term downward earnings revisions by analysts pressured the stock in February and March.

### Notable Trades

**Marcopolo.** We added the company, which makes coach and bus bodies as well as automotive parts, given its post-pandemic sales recovery, strong backlog and high contracted volumes. Marcopolo's domestic outlook is positive, reflecting the need to renew the Brazilian bus fleet. We believe volume and earnings growth will likely accelerate.

**Poly Medicure.** We initiated a position in the India-based medical device company. The largest Indian exporter of consumable medical devices, Poly Medicure is expanding its capacity. In our view, recent market share gains will likely continue with new product launches.

**AU Small Finance Bank.** We exited the position, due to the company's compressed net interest margins, rising provision costs and elected operating expenses, which helped drive a moderation in the bank's return on assets ratio.

**Vivara Participacoes.** The jewelry store chain reported soft fourth-quarter results, with lower-than-anticipated profitability levels. Furthermore, the unexpected replacement of the company's CEO raised corporate governance concerns, while a perceived lack of strategic clarity undermined investor confidence.

### Positioning for the Future

The portfolio continues to invest in companies where we believe fundamentals are strong and improving but share price performance does not fully reflect these factors. Our process is based on individual security selection, but broad themes have emerged.

**We expect resilient economic growth in EM.** We have a favorable outlook for emerging markets (EM) and expect the economic growth differential compared to developed markets to widen. Declining headline inflation and a likely Fed pivot may pave the way for EM central banks to ease monetary policy aggressively. Having risen more sharply than developed markets during the global inflation shock, EM interest rates have further to fall. Historically, EM stocks have performed well when GDP estimates are revised higher and policy rates are revised lower.

**Nearshoring fuels economic growth in Latin America.** Mexico has played a crucial role and experienced increased foreign direct investment as businesses opt for shorter supply chains. The resilience of the U.S. economy and record remittances from migrant workers sending money home to support their families have also provided favorable conditions in Mexico. Meanwhile, Brazil benefits from robust domestic demand, which should get additional support from lower interest rates.

**No quick fix in China.** Despite a robust rebound in Chinese New Year holiday travel and consumption, China faces continuing challenges to economic growth from the property market downturn, subdued household spending and lingering deflationary pressures. During the recently completed National People's Congress, China's government indicated that monetary and credit policies would be supportive but would not include aggressive easing. Nonetheless, we believe the government's strategic focus on nurturing productivity, developing the digital economy and promoting domestic consumption could create opportunities and potentially reward fundamental stock selection in China.



## Available Vehicles

<b>Separate Account</b>	Available in U.S. and certain non-U.S. countries
<b>Collective Investment Fund</b>	Available only in U.S.
<b>Emerging Markets Small Cap Fund</b>	
<b>I Share Class - AECSX</b>	Available only in U.S.
<b>Investor Share Class - AECVX</b>	Available only in U.S.
<b>A Share Class - AECLX</b>	Available only in U.S.
<b>C Share Class - AECHX</b>	Available only in U.S.
<b>R Share Class - AECMX</b>	Available only in U.S.
<b>R6 Share Class - AECTX</b>	Available only in U.S.

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