



AB MANAGED VOLATILITY EQUITIES FUND

FUND OBJECTIVE

+ The AB Managed Volatility Equities Fund (the "Fund") aims to achieve returns that exceed the S&P/ASX 300 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt) after fees over the medium to long term.

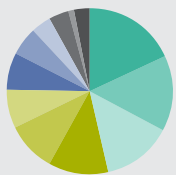
WHO SHOULD CONSIDER INVESTING IN THIS FUND?

The Fund is designed for equity investors, including retirees and pre-retirees, seeking:

- + Lower volatility
- + Reduced downside risk in falling equity markets
- + The potential for long-term capital growth and some income, including franked Australian dividend income

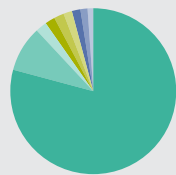
FUND STRUCTURE

Sector Allocation



- Financials: 18.1%
- Healthcare: 14.8%
- Materials: 13.7%
- Consumer Discretionary: 11.6%
- Consumer Staples: 9.7%
- Industrials: 7.5%
- Communication Services: 7.3%
- Technology: 5.5%
- Energy: 4.0%
- Real Estate: 3.7%
- Utilities: 1.1%
- Cash: 3.0%

Country Allocation¹



- Australia: 76.9%
- US: 8.5%
- Japan: 2.3%
- Switzerland: 1.9%
- Hong Kong: 1.7%
- UK: 1.7%
- Norway: 1.5%
- Israel: 1.4%
- Canada: 1.0%

Numbers may not sum due to rounding.

RATINGS



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FUND PERFORMANCE² AS AT JANUARY 31, 2019

	Gross Fund Returns	Total Returns	Growth Returns	Distribution Returns	Accrued Franking Credits	Benchmark Returns ³	Relative Returns
	(A)			(B)	(C)	(A)+(B)-(C)	
1 month	2.27%	2.22%	2.22%	0.00%	0.00%	3.99%	(1.76)%
3 months	1.12%	0.98%	0.67%	0.32%	0.22%	1.74%	(0.53)%
FYTD	(3.27)%	(3.60)%	(3.92)%	0.32%	0.53%	(2.61)%	(0.46)%
1 year	4.94%	4.39%	2.68%	1.70%	0.93%	2.65%	2.67%
2 years	10.19%	9.64%	7.19%	2.45%	0.90%	8.16%	2.38%
3 years	10.00%	9.45%	6.73%	2.72%	0.87%	11.67%	(1.34)%
Since Inception⁴	11.53%	10.98%	7.81%	3.17%	0.79%	7.66%	4.12%

See Performance Figures disclosures.

TOP TEN HOLDINGS (% TOTAL NET ASSETS)

Stock Name	Portfolio	Index
Wesfarmers	4.7	2.3
Westpac	4.4	5.3
Transurban	4.3	2.0
IAG	4.2	1.0
Sonic Healthcare	3.3	0.7
NAB	3.2	4.1
ANZ	3.1	4.5
ResMed	2.8	0.4
Goodman Group	2.6	1.2
Qantas Airways	2.5	0.6
Total number of stocks	73	294
Beta⁵		0.7

KEY FACTS

Portfolio Manager	Roy Maslen
Inception date	March 31, 2014
Fund size	A\$353,886,989
APIR	ACM0006AU
Minimum investment	A\$25,000
Entry/Exit fee	None
Buy/Sell spread	0.25%/0.25%
Management cost	0.55% p.a.
ICR⁶	0.55% p.a.
Distribution frequency	Quarterly

¹ Australia exposure is comprised of ASX-listed securities

² Please refer to our website www.AllianceBernstein.com.au to view the Fund's performance and the impact of Franking Credits

³ S&P/ASX 300 Franking Credit Adjusted Daily Total Return Index (Tax-Exempt)

⁴ Fund Inception: March 31, 2014

⁵ Beta is a measure of market-sensitivity, indicating the extent to which a portfolio fluctuates with an index. The index is assumed to have a Beta of 1.0, whilst a portfolio that is more sensitive to index moves has a Beta greater than 1.0, and a portfolio that is less sensitive to index moves has a Beta less than 1.0

⁶ Indirect Cost Ratio (ICR). Financial year-to-date, annualised

AB MANAGED VOLATILITY EQUITIES FUND

Monthly Fact Sheet

FUND REVIEW

- + In January, the Fund underperformed its benchmark, the S&P/ASX 300 Index (Franking Credit Adjusted Daily Total Return), which was up 3.99% in Australian-dollar terms.

CONTRIBUTORS

- + Our underweight to Commonwealth Bank of Australia (CBA) contributed, as the bank underperformed through January in line with its sector. Underperformance seems to have been driven by the expectation of negative outcomes in the final report of the banking royal commission.
- + Cochlear also contributed to returns. The medical device company rallied due to broker upgrades to earnings.
- + Our lack of exposure to annuity provider Challenger contributed, as the company materially downgraded its outlook.

DETRACTORS

- + Medical equipment manufacturer ResMed detracted, and our retained position in the company disappointed for two reasons. First, non-US sales were slightly down on the prior corresponding period and second, ResMed made an acquisition that included some of the associated costs to be above the profit line, whereas many other companies report the same costs at below the profit line.
- + Australia's Qantas Airways had been a strong performer in the fourth quarter but gave up some of those gains as strength in oil price dragged on sentiment.

- + Disappointing results from Air New Zealand sparked concern about emerging weakness in discretionary travel.

FUND CHANGE HIGHLIGHTS

- + During the month, we added to our holdings in Goodman Group, as we like its strong balance sheet and positive exposure to online retailing, which should hurt real estate investment trusts that are more exposed to shopping centres.
- + We purchased shares of fast-food restaurant McDonald's as the vast majority of its stores are of the franchise model, which is capital light, generates strong margins and cash flows, and provides limited short-term operation volatility.
- + We also purchased shares of North American foodservice distributor Sysco. The company is well-positioned to deliver solid growth and returns, as restaurant demand growth continues to outpace grocery demand growth.
- + We trimmed our holdings in Orora Packaging Australia to generate cash for adds that exhibited marginally higher profitability metrics and better price stability.

To find out more please speak with your financial adviser or visit
www.AllianceBernstein.com.au

Performance Figures

In Australian Dollars. Numbers may not sum due to rounding. The Total, Growth and Distribution Returns of the AB Managed Volatility Equities Fund ("Fund") are net of fees and costs and do not allow for tax or inflation. Gross Fund Returns and Total Returns presented in the above table do not include an adjustment for franking credits. Performance is calculated using the relevant end of month Exit Prices and assumes that income is re-invested and that the investment is held for the full period. The performance figures are historical and past performance is not necessarily an indication of future performance. The information above may change.

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