



ALLIANCEBERNSTEIN

Targeted income return in a volatile environment

AB Dynamic Global Fixed Interest Fund Why Now?

Our COVID-19 Outlook

The economic outlook remains fluid as the recent global surge in COVID-19 cases continues. The pace of the global economic recovery will be largely based on containing the spread of the virus until treatments and/or vaccines are developed and widely accepted and administered. Global trade conflicts are a further complicating factor. We believe that the investment-grade credit sector, supported by central-bank purchases of high-quality bonds, offers the most opportunities, which we pursue through selective buying of quality names.

Key Details

Objective

- + The AB Dynamic Global Fixed Income Fund (the "Fund") aims to achieve returns that exceed the Bloomberg Ausbond Bank Bill Index after fees over 5-year periods.

Who Should Consider Investing?

- + Investors with higher risk tolerances
- + Investors seeking income returns exceeding Australian bank bill rates over the long term by investing in global debt or fixed income securities.

About AB

Who We Are

AllianceBernstein is a leading global investment management firm that offers high-quality research and diversified investment services to institutional investors, individuals and private wealth clients in major world markets. We are one of the largest investment management firms in the world, with US\$600 billion in assets under management as of 30 June 2020. Our global client base includes some of the world’s leading institutions as well as private wealth clients and retail investors. We maintain research, portfolio management, wealth-management and client service offices around the world, reflecting our global capabilities and the needs of our clients. Partnering closely with our clients, our research and portfolio management teams collaborate across asset classes, regions, sectors, and investment strategies to spark new thinking and deliver superior outcomes to keep our clients “Ahead of Tomorrow.”

Singular Focus: We believe our exclusive focus on asset management—without the potential distractions or conflicts associated with investment banking, insurance writing, commercial banking, or proprietary trading—helps us maintain a highly effective investment organization with a culture that exists solely to benefit our clients.

Defined by a Legacy of Research Excellence: We maintain large and experienced teams of in-house fundamental and quantitative analysts. We focus the full scope of our research expertise and innovation on the global investing landscape with the goal of making a difference for our clients.

Responsible Investor: As a global firm, we care deeply about environmental, social and governance (ESG) issues and the impact they can have on the world and our clients’ financial interests. Our long-standing disciplined research process includes ESG factors, and our fundamental analysts carefully assess whether ESG factors could have a material impact on our forecasts and investment decisions. We take a three-pronged approach to active ownership—directly engaging with issuers as part of our research/investment process, utilizing an engagement framework to assist us in identifying companies we should engage with on ESG issues, and selectively engaging as part of our proxy voting process.

Harnessing Diverse Thinking to Drive Differentiated Insights

Different Viewpoints, Broad Expertise and a Culture of Collaboration Foster Better Ideas



185 Buy-Side Analysts*			
123	Fundamental	16	Multi-Asset
37	Quantitative	21	Alternatives
80	Equities	14	Wealth Management
53	Fixed Income	8	Economists
17 Average Years of Experience			

140 Portfolio Managers			
45	Equities	16	Alternatives
45	Fixed Income	12	Wealth Management
22	Multi-Asset		
22 Average Years of Experience			

Current analysis does not guarantee future results.

Map shows research and investment-management offices.

*Includes one quantitative analyst who provides support across multiple platforms

As of 30 June 2020.

Source: AB

Why Choose AB for Dynamic Global Fixed Income?

If you were lost and alone in a strange and hostile landscape, how would you feel if you suddenly spotted a familiar landmark? In today's uncertain investment environment, the AB Dynamic Fixed Income Fund (DGFI) could provide a welcome sense of orientation for your clients.

How? By being focused on outcomes. That might not sound like much but, if you think about it, a strategy that aims to achieve absolute rather than relative results in current market conditions is likely to be a valued reference point.

That's what DGFI has been aiming to deliver for Australians since it was launched in this country in 2014. As the display (next page) shows, the returns haven't been bad either.

One of the benefits of DGFI's outcome-oriented approach, in our view, is that it avoids the risks inherent in most of the fixed-income strategies available in Australia, which are designed to achieve results relative to a market benchmark.

With bond yields and interest rates so low, such strategies are likely to experience negative returns when rates and yields rise again (bond prices move inversely to bond yields).

DGFI's portfolio is built around specific investments, not benchmarks, and it extends across all fixed-income sectors (not just government bonds) and across all geographies. This creates far greater diversity of risk and opportunity than would otherwise be possible.

And it provides the ability to focus on three key objectives:

- + A return of 2% or more above cash through the investment cycle
- + Negative correlation to equities
- + Capital preservation

This sense of direction and a steady focus on helping investors reach their destination can be reassuring to investors when markets are turbulent.

AB Dynamic Global Fixed Income Fund: Performance Summary

In Australian dollars

	Periods Ended 30 June 2020				
	Q2 2020	Years to Date	One Year	Three Years	Since Inception
Gross Fund Returns	4.96%	2.37%	3.00%	3.69%	3.72%
Total Fund Returns	4.82	1.82	2.44	3.07	3.10
Growth Returns	2.92	(0.80)	0.53	0.21	0.66
Distribution Returns	1.90	2.62	1.91	2.86	2.44
Bloomberg AusBond Bank Bill Index	0.06	0.85	1.53	1.73	1.88

Past performance does not guarantee future results.

Fund inception date: 2 June 2014; The Total, Growth and Distribution Returns of the Fund are net of fees and costs and do not allow for tax or inflation. Gross Fund Returns are calculated using the Total Fund Return plus fees and costs. 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.

Effective 29 September 2017 the Management cost for the AB Dynamic Global Fixed Income Fund is 0.55%. The 0.55% Management cost includes our fees, custody fees, administration costs and audit and tax adviser fees but excludes transactional and operational costs and abnormal costs.

As of 30 June 2020

Source: Bloomberg and AB; see disclaimers on AB Dynamic Global Fixed Income Fund on the last page.

This information is for exclusive use of the wholesale person to whom it is provided and not to be relied upon by any other person.

AllianceBernstein Investment Management Australia Limited (ABN 58 007 212 606, AFSL 230 683) ("ABIMAL") is the responsible entity of the AllianceBernstein Dynamic Global Fixed Income Fund (ARSN 165 810 686) ("Fund" or "AB Dynamic Global Fixed Income Fund") and is the issuer of units in the Fund. AllianceBernstein Australia Limited ("ABAL") ABN 53 095 022 718, AFSL 230 698 is the investment manager of the Fund. ABAL in turn has delegated a portion of the investment manager function to AllianceBernstein L.P. ("AB"). The Fund's Product Disclosure Statement ("PDS") is available by contacting the client services team at AllianceBernstein Australia Limited at (02) 9255 1299 or at www.alliancebernstein.com.au. Investors should consider the PDS in deciding whether to acquire, or continue to hold, units in the Fund.

This information is for exclusive use of the wholesale person to whom it is provided and not to be relied upon by any other person.

Information, forecasts and opinions set out in this document are not personal advice and have not been prepared for any recipient's specific investment objectives, financial situation or particular needs. Neither this document nor the information contained in it are intended to take the place of professional advice. Please note that past performance is not indicative of future performance and projections, although based on current information, may not be realised. Information, forecasts and opinions can change without notice and neither ABIMAL or ABAL guarantees the accuracy of the information at any particular time. Although care has been exercised in compiling the information contained in this report, neither ABIMAL or ABAL warrants that this document is free from errors, inaccuracies or omissions.

This document is released by AllianceBernstein Australia Limited ABN 53 095 022 718, AFSL 230 698.

The [A/B] logo is a registered service mark of AllianceBernstein and AllianceBernstein® is a registered service mark used by permission of the owner, AllianceBernstein L.P.

© 2020 AllianceBernstein L.P.

