

Brandes Emerging Markets Value (BEMIX)

Fund Snapshot

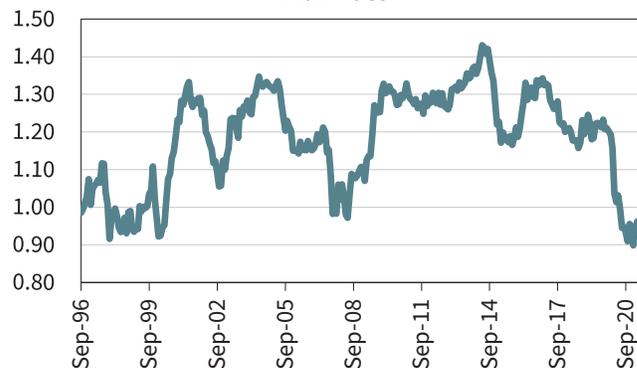
Investment Philosophy & Process

The firm's investment approach is rooted in a Benjamin Graham-inspired value philosophy, and the fund employs a classic deep-value strategy of trying to buy stocks well below their estimate of fair value when the stocks are cheap for cyclical reasons or due to temporary but addressable problems. The fund, like all Brandes funds, is team-managed by an investment committee. The Emerging Markets Investment Committee has four members, three of whom are also active research analysts. Analysts focus on the fundamentals of companies and their industries in order to develop an estimate of the intrinsic value of each stock they determine to be a potential buy candidate (usually because it has screened cheaply on one or more metrics, or is part of a currently unpopular industry, country, or region). The fund's managers will buy a stock when it sells at a significant discount to their assessment of intrinsic value. The portfolio is built from the bottom up, based on the individual investment opportunities identified by analysts and sector teams. The overarching goal is maximizing portfolio-level margin of safety. However, there are guidelines around portfolio construction to ensure a prudent level of diversification and reduce risk. Country and industry weightings typically don't exceed the greater of (a) 20% of the portfolio, or (b) 150% of the country or industry weight in the benchmark, though the fund may have no allocation to a country or industry if the team finds no attractive opportunities. Industry concentration is a secondary consideration, and the quality of the company is considered on the margin as it relates to position sizing. Everything else being equal, positions with the highest margin of safety will have the highest weightings, although liquidity and volatility also factor into the decision. Positions are sold when the margin of safety becomes unattractive relative to other opportunities.

Analysis & Opinion

We believe Brandes Emerging Markets Value possesses a number of attractive characteristics and has a very good chance of beating its benchmark over the long term, as it has in the past. Our positive opinion of the fund stems from the firm's disciplined value strategy; lengthy tenure investing in emerging markets; willingness to deviate significantly from the benchmark in country, industry, and market-cap weightings; and the positive dynamics resulting from the team investment committee structure. Because of both the Brandes approach and the nature of emerging markets, the fund can produce a bumpy ride over any given short- to medium-term (even multiyear) time period. We believe the fund is best paired with a growth-oriented manager in emerging markets (such as Baron Emerging Markets) to balance its distinctive deep-value style.

Relative Strength: Brandes Emerging Markets Value vs. MSCI Emerging Markets*



Source: Litman Gregory Analytics. The relative strength chart above displays the relative performance of the fund compared to this benchmark. A rising line indicates outperformance.

Asset Class Category	Emerging Markets
Managers	Christopher J. Garrett, Gerardo Zamorano, Louis Y. Lau, Mauricio Abadia
Min. Initial Investment	\$100,000
Expense Ratio	1.12%

Performance as of 6/30/21

	Brandes Emerging Markets Value	MSCI Emerging Markets*
YTD	9.79%	7.58%
2020	-6.18%	18.69%
2019	18.59%	18.90%
2018	-15.57%	-14.25%
2017	25.99%	37.75%
2016	25.74%	11.60%
One-Year	37.51%	41.36%
Three-Year	4.67%	11.67%
Five-Year	6.83%	13.43%
10-Year	1.72%	4.65%
Since Start of Record	6.95%	7.09%

Source: Litman Gregory Analytics. Start of record September 1, 1996. Prior to the inception of the fund, we use the manager's separate-account record. *We use the gross return index to benchmark this fund due to its longer history.

For discretionary use by investment professionals. This research report is provided for informational purposes only and on the condition that it will not form the sole basis for any investment decision. The fund's prospectus contains its investment objectives, risks, charges, expenses and other important information and should be read and considered carefully before investing. Past performance is no guarantee of future results. Any reference to a market index is included for illustrative purposes only, as it is not possible to directly invest in an index. Indices are unmanaged, hypothetical vehicles that serve as market indicators and do not account for the deduction of management fees or transaction costs generally associated with investable products, which otherwise have the effect of reducing the performance of an actual investment portfolio.