



# AB Mortgage Income Portfolio

## Strategy

Seeks high risk-adjusted total return by:

- Investing in predominantly USD-denominated mortgage-related securities and other asset-backed securities
- Dynamically balancing return-seeking and risk-reducing assets through investments in securitized credit (including high yield) in search of returns when market opportunities are available, and in high-quality bonds such as agency mortgage-backed securities when markets are risk-averse
- Employing a dynamic, flexible, opportunistic approach that integrates proprietary quantitative research with fundamental analysis

## Profile

The Portfolio will suit higher-risk-tolerant investors seeking the income potential of mortgage-related fixed-income investment.

- Fund Inception:** 20/02/2014
- Domicile:** Luxembourg
- Fiscal Year End:** 31-August
- Subscription/Redemption:** Daily
- Net Assets:** \$880,55 million
- Total # of Holdings:** 388
- Order Placement Cutoff Time:** 4PM US ET; 6PM CET for Currency-Hedged share classes
- Base Currency:** US Dollar
- Reporting Currencies:** Euro, Singapore Dollar
- Currency-Hedged Share Classes:** Euro
- Benchmark:** Secured Overnight Financing Rate (SOFR)<sup>1</sup>
- Fund Type:** FCP

## Portfolio Management & Experience

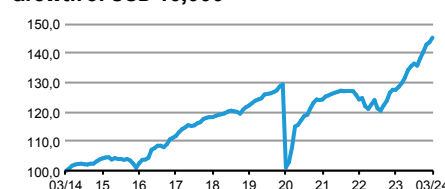
- Michael S. Canter:** 30 years
- Charlie Choi:** 19 years
- Daniel Krup:** 22 years

## Risk Profile



The risk indicator assumes you keep your investment in the Portfolio for 5 years. This is the recommended holding period for this Portfolio. You may not be able to sell your shares easily or you may have to sell at a price that significantly impacts on how much you get back. The summary risk indicator (SRI) is a guide to the level of risk of this Portfolio compared to other investment funds. It shows how likely it is that the Portfolio will lose money because of movements in the markets.

## Growth of USD 10,000



## Past performance does not guarantee future results.

The performance shown is net of ongoing charges and assumes an investment of USD 10,000 at inception of the share class. Other personal securities account costs (e.g., custody fees) may additionally reduce performance.

## Complete 12 Month Returns %

Class	04/14 03/15	04/15 03/16	04/16 03/17	04/17 03/18	04/18 03/19	04/19 03/20	04/20 03/21	04/21 03/22	04/22 03/23	04/23 03/24
I USD	4,06	-1,43	8,92	5,70	3,23	-17,11	22,70	-0,02	2,61	13,87
I2 EUR H	-	-	-	-	0,33	-19,84	21,04	-0,82	0,00	11,82
<b>I2 USD</b>	<b>4,25</b>	<b>-1,47</b>	<b>8,93</b>	<b>5,76</b>	<b>3,31</b>	<b>-17,23</b>	<b>22,85</b>	<b>0,00</b>	<b>2,62</b>	<b>13,91</b>
<b>Benchmark</b>	<b>0,23</b>	<b>0,33</b>	<b>0,75</b>	<b>1,24</b>	<b>2,46</b>	<b>2,33</b>	<b>0,58</b>	<b>0,08</b>	<b>1,77</b>	<b>5,22</b>

Past performance does not guarantee future results.

## Performance % (Returns Are Annualized For Periods Longer Than One Year)

Class	1 Month	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception
I USD	1,05	3,37	13,87	5,32	3,51	3,77	3,77
I2 EUR H	0,93	3,04	11,82	3,51	1,48	-	1,27
<b>I2 USD</b>	<b>1,11</b>	<b>3,45</b>	<b>13,91</b>	<b>5,34</b>	<b>3,52</b>	<b>3,81</b>	<b>3,80</b>
<b>Benchmark</b>	<b>0,44</b>	<b>1,35</b>	<b>5,22</b>	<b>2,34</b>	<b>1,98</b>	<b>1,49</b>	<b>1,47*</b>

Past performance does not guarantee future results. <sup>\*</sup>Since inception performance is from inception date of Class I2 USD. See page 2 for inception dates.

## Calendar Year Performance %

Class	2019	2020	2021	2022	2023
I USD	6,54	-3,31	3,26	-2,69	13,49
I2 EUR H	3,42	-5,45	2,40	-4,76	11,12
<b>I2 USD</b>	<b>6,56</b>	<b>-3,29</b>	<b>3,24</b>	<b>-2,66</b>	<b>13,47</b>
<b>Benchmark</b>	<b>2,54</b>	<b>1,03</b>	<b>0,17</b>	<b>0,74</b>	<b>4,85</b>

Past performance does not guarantee future results. The value of investments and the income from them will vary. Your capital is at risk. Performance data are provided in the share class currency, and include the change in net asset value and the reinvestment of any distributions paid on Portfolio shares for the period shown. Performance data are net of management fees, but do not reflect sales charges or the effect of taxes. Returns for other share classes will vary due to different charges and expenses.

Source: AllianceBernstein (AB).

## NOTES

**The Portfolio uses the Benchmark shown for comparison purposes only. The Portfolio is actively managed and the Investment Manager is not constrained by its Benchmark when implementing the Portfolio's investment strategy.** The Portfolio's benchmark, used for performance comparison, was changed as of 31 December 2021. The past performance data prior to this date was based on 3-Month USD LIBOR. The Secured Overnight Financing Rate (SOFR) is a broad measure of the cost of borrowing cash overnight collateralized by Treasury securities. An investor cannot invest directly in an index, and their results are not indicative of the performance for any specific investment, including an AB fund. Indices do not include sales charges or operating expenses associated with an investment in a mutual fund, which would reduce total returns.

## Share Class Information

Class	ISIN	Bloomberg	Inception	Dist. Yield <sup>2</sup>	Dividend <sup>3</sup>	Net Asset Value <sup>4</sup>
I USD	LU1021292294	ASMIUSD:LX	20/02/2014	8,40	0,08	11,53
I2 EUR H	LU1699968225	ABMI2EH:LX	17/10/2017	-	-	16,27
<b>I2 USD</b>	<b>LU1021292617</b>	<b>ASMI2SD:LX</b>	<b>20/02/2014</b>	<b>-</b>	<b>-</b>	<b>21,87</b>

## NOTES

<sup>2</sup>Yields are calculated based on the latest available distribution rate per share for a particular class. The yield is not guaranteed and will fluctuate.

<sup>3</sup>For distributing classes, a Portfolio may pay dividends from gross income (before reduction for fees and expenses), realized and unrealized gains, and capital attributable to the relevant class. Investors should note that distributions in excess of net income (gross income less fees and expenses) may represent a return of the investor's original investment amount and as such may result in a decrease in the net asset value per unit for the relevant class. Distributions out of capital may be taxed as income in certain jurisdictions.

<sup>4</sup>Net asset value is denominated in the share class currency.

## Fees & Charges

Class	Max Entry Charge %*	Exit Charge	Ongoing Charge %**	Performance Fee
I USD	1,50	none	0,80	none
I2 EUR H	1,50	none	0,80	none
<b>I2 USD</b>	<b>1,50</b>	<b>none</b>	<b>0,80</b>	<b>none</b>

Ongoing charges include fees and certain expenses of the Portfolio as of the most recent KID, and may be subject to a cap which is reflected above if applicable. Full details of the charges are available in the Portfolio's prospectus. \*This is the maximum figure; the entry charge may be less than this. \*\*Ongoing Charge include management fees and other administrative or operating costs. This is an estimate based on actual costs over the last year.

## Holdings & Allocations

Top Ten Holdings	%
UMBS 6.00%, TBA	4,01
GNMA 5.50%, TBA	2,84
GNMA 5.00%, TBA	2,01
Pikes Peak CLO 8 6.749%, 07/20/34	1,14
FHLM 7.32%, 04/25/42	1,09
FHLM 16.435%, 10/25/48	1,08
FHLM 6.17%, 09/25/41	0,92
Goldentree Loan Opportunities XI 6.91%, 01/18/31	0,91
FHLM 7.17%, 01/25/42	0,89
FHLM 10.235%, 02/25/50	0,87
<b>Total</b>	<b>15,76</b>

**Source: AllianceBernstein (AB).** Portfolio holdings and weightings are subject to change.

†As of 1 January 2018, AB updated its internal methodology used for calculating Yield to Worst for the Portfolio. ‡The highest of Moody's or S&P or at least one other nationally recognized statistical rating organization ("NRSO") or internationally recognized statistical rating organization ("IRSO"). For guideline compliance purposes, the Investment Manager currently monitors the lowest of Moody's or S&P or at least one other NRSO or IRSO. Credit quality is a measure of the creditworthiness and risk of a bond or portfolio, based on the issuer's financial condition. AAA is highest and D is lowest. Ratings may not accurately reflect credit risk and are subject to change.

## Portfolio Statistics

Effective Duration	0,89 Yrs.
Average Credit Quality	BBB+
Yield to Worst %†	7,86

Sector Allocation	%
Collateralized Mortgage Obligations	34,94
Collateralized Loan Obligations	22,63
Commercial Mortgage-Backed Securities	20,06
Agency RMBS	11,84
Non-Agency RMBS	4,97
Asset-Backed Securities	2,94
Other	2,62
Currency Allocation	%
US Dollar	100,00

Country Allocation	%
United States	100,00
Credit Quality‡	%
AAA	45,40
AA	4,97
A	11,30
BBB	15,60
BB	6,74
B	2,45
CCC & Below	3,09
Not Rated	22,57
Other	-12,12

**Investment Risks To Consider** These and other risks are described in the Portfolio's prospectus.

**Investment in the Portfolio entails certain risks.** Investment returns and principal value of the Portfolio will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Some of the principal risks of investing in the Portfolio include:

**Liquidity Risk:** The risk that arises when adverse market conditions affect the ability to sell assets when necessary. Reduced liquidity may have a negative impact on the price of the assets.

**Allocation Risk:** The risk that the allocation of investments between growth and value companies may have a more significant effect on the Portfolio's Net Asset Value (NAV) when one of these strategies is not performing as well as the other. In addition, the transaction costs of rebalancing the investments may, over time, be significant.

**Portfolio Turnover Risk:** A portfolio may be actively managed and turnover may, in response to market conditions, exceed 100%. A higher rate of portfolio turnover increases brokerage and other expenses. High portfolio turnover may also result in the realization of substantial net short-term capital gains, which may be taxable when distributed.

**Derivatives Risk:** The Portfolio may include financial derivative instruments. These may be used to obtain, increase or reduce exposure to underlying assets and may create gearing; their use may result in greater fluctuations of the net asset value.

**OTC Derivatives Counterparty Risk:** Transactions in over-the-counter (OTC) derivatives markets may have generally less governmental regulation and supervision than transactions entered into on organized exchanges. These will be subject to the risk that its direct counterparty will not perform its obligations and that the Portfolio will sustain losses.

**Structured Investments Risk:** These types of instruments are potentially more volatile and carry greater market risks than traditional debt instruments, depending on the structure. Changes in a benchmark may be magnified by the terms of the structured instrument and have an even more dramatic and substantial effect upon its value. These instruments may be less liquid and more difficult to price than less complex instruments.

**Fixed-Income Securities Risk:** The value of these investments will change in response to fluctuations in interest rates and currency exchange rates, as well as changes in the credit quality of the issuer. Also, medium, lower and unrated securities may be subject to wider fluctuations in yield and market values than higher-rated securities.

**Lower-Rated and Unrated Instruments Risk:** These securities are subject to a greater risk of loss of capital and interest, and are usually less liquid and more volatile. Some investments may be in high-yielding fixed-income securities, so the risk of depreciation and capital losses may be unavoidable.

**Sovereign Debt Obligations Risk:** The risk that government-issued debt obligations will be exposed to direct or indirect consequences of political, social and economic changes in various countries. Political changes or the economic status of a country may impact the willingness or ability of a government to honour its payment obligations.

**Corporate Debt Obligations Risk:** The risk that a particular issuer may not fulfill its payment and other obligations. In addition, an issuer may experience adverse changes to its financial position or a decrease in its credit rating resulting in increased debt obligation price volatility and negative liquidity. There may also be a higher risk of default.

This is a marketing communication

**Dividends are not paid for all share classes and are not guaranteed. The Portfolio is meant as a vehicle for diversification and does not represent a complete investment program. Before making an investment decision, prospective investors should read the prospectus carefully and discuss risk and the Portfolio's fees and charges with their financial adviser to determine if the investment is appropriate for them. This financial promotion is directed solely at persons in jurisdictions where the funds and relevant share class are registered or who may otherwise lawfully receive it. Investors should review the Portfolio's full Prospectus, together with the Portfolio's Key Investor Information Document (KIID) or Key Information Document (KID) and the most recent financial statements. Copies of these documents, including the latest annual report and, if issued thereafter, the latest semi-annual report, may be obtained free of charge from AllianceBernstein (Luxembourg) S.à r.l. by visiting [www.alliancebernstein.com](http://www.alliancebernstein.com) or [www.eifs.lu/alliancebernstein](http://www.eifs.lu/alliancebernstein), or in printed form by contacting the local distributor in the jurisdictions in which the funds are authorised for distribution.**

**Investors are encouraged to consult their independent financial advisors regarding the suitability of Shares of the Portfolio for their investment needs.**

**Past performance does not guarantee future results.** The actual return achieved by investors in other currencies may increase or decrease as a result of currency fluctuations. Currency-hedged share classes use hedging techniques in an attempt to reduce—but not eliminate—fluctuations between the investor's holdings in a particular currency-hedged share class denominated in the investor's investing currency and the Portfolio's base currency. The goal is to deliver returns that track the Portfolio's base currency returns more closely.

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