

# American Beacon International Equity Fund

Quarterly Performance Attribution as of December 31, 2020

American Beacon®  
FUNDS

R5 Class: AAIEX

Total Fund AUM: \$2.6 billion

## TOTAL RETURNS (%) & MORNINGSTAR RANKINGS

### Expense Ratios (%)

	Gross	Net	NAV	QTR	YTD	1 YR	3 YR	5 YR	10 YR
American Beacon International Equity Fund	0.73	0.73	18.35	20.75	1.06	1.06	0.32	4.79	4.45
MSCI EAFE Index <sup>1</sup>				16.05	7.82	7.82	4.28	7.45	5.51
MSCI EAFE Value Index				19.20	-2.63	-2.63	-1.24	4.20	3.37
% Rank / # of funds in category: Foreign Large Value						51 / 352	52 / 322	63 / 280	26 / 184

Class Inception: 8/7/91. Periods more than one year have been annualized.

*Performance shown is historical and is not indicative of future returns. Investment returns and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Performance shown is as of date indicated, and current performance may be lower or higher than the performance data quoted. To obtain performance as of the most recent month end, please visit [americanbeaconfunds.com](http://americanbeaconfunds.com) or call 800.967.9009. Please note that the recent performance of the securities market has helped produce short-term returns that are not typical and may not continue in the future.*

## TOP 10 HOLDINGS (%)

### Fund

## SECTOR WEIGHTINGS (%)

### Fund

### Index<sup>1</sup>

## SUB-ADVISORS (%)

### Fund

Sanofi	3.1	Financials	23.3	16.3	Causeway Capital Management LLC	33.8
Novartis AG	2.7	Industrials	17.4	15.2	Lazard Asset Management LLC	33.6
BNP Paribas S.A.	2.2	Health Care	13.4	12.9	American Century Investment Management, Inc.	32.5
Volkswagen AG	2.0	Consumer Discretionary	12.0	12.5		
TOTAL S.E.	2.0	Information Technology	8.3	8.9		
Samsung Electronics Co., Ltd.	2.0	Telecommunication Services	6.8	5.2		
Takeda Pharmaceutical Co., Ltd.	1.9	Consumer Staples	5.7	10.9		
Barclays PLC	1.7	Energy	4.4	3.1		
Sumitomo Mitsui Financial Group, Inc.	1.7	Materials	4.2	7.9		
ABB Ltd.	1.6	Utilities	3.4	3.9		
<b>Total Fund Holdings</b>	<b>140</b>	Real Estate	1.1	3.1		

Ending weights as of 12/31/20. May not equal 100% due to rounding.

## TOP CONTRIBUTORS

### Return (%)

### Contribution to Fund<sup>2</sup>

## TOP DETRACTORS

### Return (%)

### Contribution to Fund<sup>2</sup>

Barclays PLC	63.3	103 bps	SAP SE	-10.6	-50 bps
BNP Paribas S.A.	46.8	101 bps	Sanofi	-4.0	-16 bps
Samsung Electronics Co., Ltd.	48.7	78 bps	Alfresa Holdings Corp.	-16.1	-15 bps
Banco Bilbao Vizcaya Argentaria S.A.	78.1	62 bps	Haseko Corp.	-12.3	-12 bps
TOTAL S.E.	25.4	54 bps	Ipsen S.A.	-20.8	-10 bps

## SECURITY-LEVEL ATTRIBUTION (R5 CLASS)

### Performance Commentary for the Quarter Ended December 31, 2020 (Attribution vs. MSCI EAFE Index)

#### Country: Security selection – positive / Country allocation – positive

- The Fund's stock selection in the United Kingdom (**Barclays PLC**, up 63.3%; **WPP PLC**, up 40.4%) and Switzerland (**Credit Suisse Group AG**, up 32.0%; **UBS Group AG**, up 29.1%) contributed the most to performance. Security selection in Japan (**Alfresa Holdings Corp.**, down 16.1%; **Takeda Pharmaceutical Co., Ltd.**, up 1.0%) detracted from the Fund's performance.
- From an allocation perspective, overweighting South Korea and France added to the Fund's performance. Conversely, a null allocation to Australia partially offset relative performance.

#### Sector: Security selection – positive / Sector allocation – positive

- The Fund's security selection contributed to relative performance, particularly in the Financials sector (**Barclays PLC**, up 63.3%; **BNP Paribas S.A.**, up 46.8%) and Industrials sector (**Ryanair Holdings PLC**, **Sponsored ADR**, up 35.9%; **Airbus SE**, up 58.5%). Security selection in the Energy sector (**CNOOC Ltd.**, down 4.7%) detracted from the Fund's relative performance.
- From a sector allocation perspective, overweighting the Financials sector and the underweighting the Consumer Staples sector helped the Fund's relative performance, while underweighting the Materials sector slightly offset relative outperformance.

©2021 Morningstar, Inc. All rights reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

**This material is for financial professional use only. It may not be reproduced or shown to members of the public or used in written form as sales literature.**

Any opinions herein, including forecasts, reflect our judgment as of the end of the quarter and are subject to change. This report is not a complete analysis of market conditions and therefore, should not be relied upon as investment advice.

## R5 Class: AAIX

## Performance Attribution as of December 31, 2020

THREE-YEAR RISK SUMMARY	Fund
R2	0.97
Alpha	-4.56
Beta	1.22
Sharpe Ratio	-0.06
Standard Deviation	22.49

TOP FIVE COUNTRY WEIGHTINGS (%)	Fund	Index <sup>1</sup>
France	17.6	10.2
Japan	16.8	25.2
United Kingdom	15.2	13.4
Germany	11.8	9.1
Switzerland	9.6	9.9

Endings weights as of 12/31/20. Excludes cash.

## THREE-MONTH ATTRIBUTION – ECONOMIC SECTOR (September 30, 2020 – December 31, 2020)

	Average Weights			Base Returns			Value Added		
	Fund	Index <sup>1</sup>	Difference	Fund	Index <sup>1</sup>	Difference	Allocation	Selection	Total <sup>3</sup>
Financials	23.46	15.63	7.83	30.23	25.48	4.75	0.88	1.06	1.96
Industrials	17.26	14.98	2.28	20.45	16.12	4.33	0.22	0.70	0.93
Health Care	13.33	13.82	-0.49	-1.32	4.00	-5.32	0.28	-0.68	-0.40
Consumer Discretionary	11.83	12.12	-0.29	22.99	22.25	0.74	0.01	0.10	0.12
Information Technology	7.91	8.51	-0.59	24.85	16.96	7.89	0.00	0.57	0.57
Communication Services	7.30	5.45	1.84	25.65	16.15	9.50	0.02	0.61	0.63
Consumer Staples	5.68	11.60	-5.92	9.34	6.68	2.66	0.73	0.13	0.86
Energy	5.00	2.86	2.14	20.85	31.34	-10.49	0.52	-1.32	-0.81
Materials	4.06	7.60	-3.54	23.60	20.27	3.33	-0.11	0.11	0.00
Utilities	3.14	3.97	-0.84	15.78	13.57	2.21	0.22	0.08	0.30
Real Estate	1.12	3.11	-1.99	15.39	14.85	0.54	0.02	-0.87	-0.85

May not equal 100% due to rounding.

## 12-MONTH ATTRIBUTION – ECONOMIC SECTOR (December 31, 2019 – December 31, 2020)

	Average Weights			Base Returns			Value Added		
	Fund	Index <sup>1</sup>	Difference	Fund	Index <sup>1</sup>	Difference	Allocation	Selection	Total <sup>3</sup>
Financials	22.47	16.53	5.94	-7.73	-3.44	-4.29	-0.07	-0.56	-0.64
Industrials	17.35	14.48	2.87	4.67	11.08	-6.41	0.39	-0.88	-0.49
Health Care	12.50	13.78	-1.27	-4.19	12.14	-16.33	0.14	-1.92	-1.78
Consumer Discretionary	11.57	11.57	0.00	9.34	15.90	-6.56	0.07	-0.27	-0.20
Communication Services	8.32	5.42	2.91	11.96	12.88	-0.92	0.30	-0.25	0.05
Information Technology	7.56	7.98	-0.41	30.47	29.71	0.76	-0.04	0.10	0.06
Energy	6.05	3.59	2.46	-34.35	-26.91	-7.44	-0.77	-1.53	-2.29
Consumer Staples	5.95	11.85	-5.90	-4.36	5.84	-10.20	0.44	-0.70	-0.27
Materials	4.60	7.21	-2.61	20.60	21.52	-0.92	-0.36	-0.16	-0.53
Utilities	2.63	4.02	-1.39	11.85	14.86	-3.02	0.13	-0.01	0.12
Real Estate	1.01	3.27	-2.25	9.62	-6.74	16.35	0.44	-0.75	-0.31

May not equal 100% due to rounding.

Investing in **foreign securities** may involve heightened risk due to currency fluctuations and economic and political risks. Investing in **value stocks** may limit downside risk over time; however, the Fund may produce more modest gains than riskier stock funds as a trade-off for this potentially lower risk. The use of **futures contracts** for cash management may subject the Fund to losing more money than invested. The Fund participates in a **securities lending** program. Please see the prospectus for a complete discussion of the Fund's risks. There can be no assurances that the investment objectives of this Fund will be met.

**Important Information:** All investing involves risk, including possible loss of principal. Indexes are unmanaged and one cannot invest directly in an index.

A portion of fees charged to the R5 Class was waived from 2013 through 2015. Performance prior to waiving fees was lower than actual returns shown for 2013 through 2015. Specific information about any Fund may be found at [americanbeaconfunds.com](http://americanbeaconfunds.com) or in the prospectus.

<sup>1</sup>The MSCI® EAFE Index is a market capitalization weighted index of international stock performance composed of equities from developed markets excluding the U.S. and Canada.

<sup>2</sup>Contribution in basis points to the Fund's absolute return on a gross basis.

<sup>3</sup>Contribution to the Fund's relative return on a gross basis.

The MSCI® EAFE Value Index is an unmanaged index of those stocks in the MSCI® EAFE Index with lower price-to-book ratios and lower forecasted growth values. The MSCI information contained herein: (1) is provided "as is," (2) is proprietary to MSCI and/or its content providers, (3) may not be used to create any financial instruments or products or any indexes and (4) may not be copied or distributed without MSCI's express written consent. MSCI disclaims all warranties with respect to the information. Neither MSCI nor its content providers are responsible for any damages or losses arising from any use of this information.

*American Beacon is a registered service mark of American Beacon Advisors, Inc. American Beacon Funds and American Beacon International Equity Fund are service marks of American Beacon Advisors, Inc.*

**You should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. The prospectus and summary prospectus contain this and additional information regarding the Fund. To obtain a prospectus and summary prospectus, call 800.967.9009 or visit [americanbeaconfunds.com](http://americanbeaconfunds.com). The prospectus and summary prospectus should be read carefully before investing.**