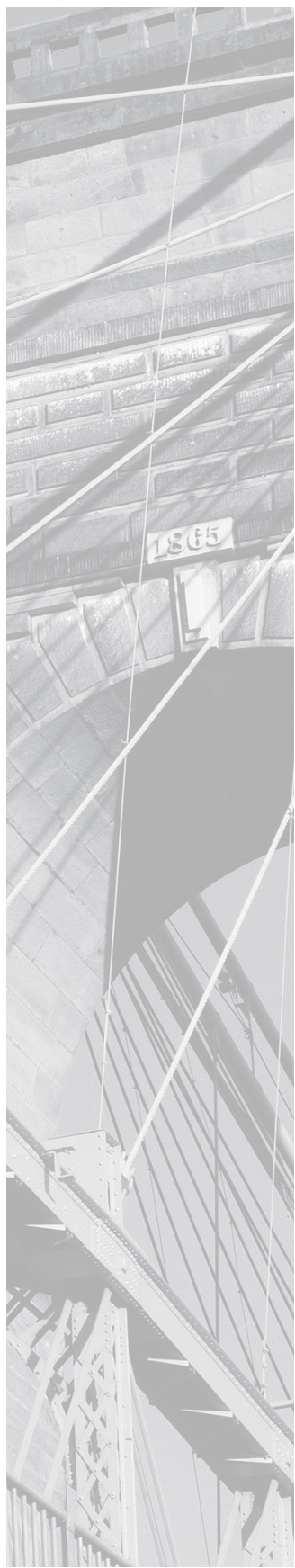


International Equity ADR Intra-Quarter Commentary—February 2025



International equities performed well in February, outperforming U.S. equities and continuing their strong start to the year. Leading indicators have begun to suggest that the U.S. economy is slowing, providing a tailwind to international equities from both a weaker U.S. dollar and increased flows to international stocks.

While inflation remains above target for the broad eurozone, stable price trends in Germany, France, Italy, and Spain all reinforce expectations that the European Central Bank may continue to loosen monetary policy. Economic growth in the eurozone remains sluggish, with GDP contracting quarter-over-quarter in both France and Germany in the fourth quarter. In addition, uncertainty looms over Europe's economic outlook due to potential U.S. tariffs on European exports, which could further weaken economic momentum.

Consumer inflation in Tokyo eased in February, with core consumer prices rising 2.2% from a year earlier, below both January's 2.5% increase and economist expectations of 2.3%. The slowdown, driven by revived government subsidies for energy, has tempered speculation of an imminent interest rate hike by the Bank of Japan (BOJ), but core inflation in Japan remains above the BOJ's target, which will likely result in interest rate hikes this year. Concerns continue to persist over President Trump's tariff policies and how they could impact Japan's export-focused manufacturing sector.

China's manufacturing sector expanded unexpectedly in February, with the official PMI rising to 50.2 from January's 49.1, signaling resilience despite fresh U.S. tariffs. Additional tariffs announced by the U.S. pose risks and may be a wake-up call that Trump's softer-than-expected

GEOGRAPHICAL EXPOSURE & PORTFOLIO CHANGES ⁽¹⁾ ⁽²⁾

Region	Ending Weight ⁽³⁾	Change from 1/31/2025	International Equity ADR Additions & (International Equity ADR Deletions) ⁽⁴⁾
Western Europe	44.0%	+0.4%	FinVolution Group (PT Bank Mandiri)
Asia/Pacific	33.4%	+1.0%	
North America	14.6%	-0.3%	
Central & South America	3.7%	+0.1%	
Middle East & Africa	3.3%	-0.4%	
Cash	0.9%	-0.7%	
Eastern Europe	0.0%	0.0%	
Developed Markets	69.0%	-0.9%	
Emerging Markets	30.0%	+1.6%	
Cash	0.9%	-0.7%	

⁽¹⁾ Based on a representative account of the strategy discussed. Portfolio characteristics (e.g., sector weights, valuation, growth rate) are based on a representative account that we believe is illustrative of the strategy. All accounts in the strategy are invested identically in the same securities unless a client has imposed restrictions. Characteristics and/or holdings on a given date may vary due to pending trades.

⁽²⁾ Renaissance determines an issuer's country classification based on company filings and data provided by third-party sources such as Bloomberg or FactSet. Renaissance considers an issuer to be located in an emerging market country if the issuer is domiciled or incorporated in an emerging market country (as defined by the iShares MSCI Emerging Markets ETF) or exhibits risk characteristics (e.g., economic, geopolitical and regulatory risks) similar to emerging market countries.

⁽³⁾ Weights as of the end of the presentation period. Cumulative total weighting may not add up to 100% due to rounding of percentages to the nearest decimal place.

⁽⁴⁾ Any securities referenced should not be considered a recommendation to purchase or sell a particular security. These securities represent a portion of the companies held in a representative account in this strategy as of the date stated and are intended for informational purposes only. The reader should not assume that investments in the securities identified or discussed were or will prove to be profitable. The past performance of these securities is no guarantee of future results. The specific securities identified and described may not represent all of the securities purchased, sold, or recommended for this strategy. To request a complete list of holdings recommendations for this strategy over the past year or a list showing the contribution of every holding to the performance of the representative account for the time period stated, please contact Renaissance at compliance@reninv.com.

Sources: Renaissance Research, FactSet

International Equity ADR Intra-Quarter Commentary—February 2025



CONTRIBUTORS TO RETURN⁽¹⁾⁽²⁾

Ticker	Company Name	Average Weight ⁽³⁾	Contribution to Return
TOP FIVE CONTRIBUTORS—INTERNATIONAL EQUITY ADR			
BYDDY	BYD	2.12%	0.61%
BABA	Alibaba Group	1.95%	0.55%
RYCEY	Rolls-Royce	1.90%	0.44%
LNVGY	Lenovo Group	1.89%	0.38%
TCEHY	Tencent	2.14%	0.36%
BOTTOM FIVE CONTRIBUTORS—INTERNATIONAL EQUITY ADR			
TSM	Taiwan Semiconductor Manufacturing	3.04%	-0.43%
PRYMY	Prysmian	1.80%	-0.26%
BKRKY	PT Bank Rakyat Indonesia	1.13%	-0.26%
TSEM	Tower Semiconductor	1.89%	-0.25%
TTDKY	TDK	1.49%	-0.23%

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⁽²⁾The securities listed should not be considered a recommendation to purchase or sell a particular security. These securities represent the top five and bottom five contributors by weight to the performance of a representative account in this strategy as of the date stated and are intended for informational purposes only. The reader should not assume that investments in the securities identified or discussed were or will prove to be profitable. The past performance of these securities is no guarantee of future results. The specific securities identified and described may not represent all of the securities purchased, sold, or recommended for this strategy. To request a complete list of holdings recommendations for this strategy over the past year or a list showing the contribution of every holding to the performance of the representative account for the time period stated, please contact Renaissance at compliance@reninv.com.

⁽³⁾Average weights over the presentation period.

Sources: Renaissance Research, FactSet

stance on China might be short-lived. Investors are now focused on Beijing's upcoming legislative session, where officials will likely outline growth targets and stimulus measures.

Our portfolio performance was positive on an absolute basis but trailed our benchmark. Strong selection in Consumer Discretionary and Industrials offset weak selection in Information Technology and Financials. The portfolio's emerging markets holdings outperformed its developed markets holdings, while the opposite was true for the benchmark. Western Europe contributed the most to performance, as our United Kingdom holdings continue to perform well, extending their rally from last month. The Middle East & Africa region detracted the most from returns due to continued negative performance from our Israeli holdings.

Our best-performing stock during the month was **BYD** (China). The Chinese automobile and battery manufacturer saw strong returns in February after unveiling its God's Eye autonomous driving system and announcing that it will be equipped on all models above RMB 100k. Further, BYD signed a contract to build the world's largest grid-scale battery storage project. Our worst-performing stock was **Taiwan Semiconductor Manufacturing** (Taiwan), which continues to decline following DeepSeek's announcement that its V3 model required less than \$6 million in computing power from Nvidia H800 chips. Investor concerns over potential reductions in future AI capital expenditures by hyperscalers have also weighed on sentiment. However, the company is well-positioned for growth as it advances the ramp-up of its 2-nanometer technology.

Stock markets may remain volatile as investors grapple with heightened trade tensions under President Trump's second-term policies. While earlier tariff threats were perceived as bargaining tools with little lasting market impact, his recent approach has become more forceful.

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Countermeasures from key trading partners could strain trade-dependent industries, potentially fueling inflation and discouraging global business investment. However, if new trade agreements are reached with the U.S., international stocks—currently trading at a historically deep discount to their American counterparts—could see substantial gains.

DISCLOSURES

The opinions stated in this presentation are those of Renaissance as of February 28, 2025 and are subject to change at any time due to changes in market or economic conditions.

GICS[®] SECTOR INFORMATION

Sector Listing according to MSCI and S&P Dow Jones data: MSCI and S&P Dow Jones do not make any express or implied warranties or representations and shall have no liability whatsoever with respect to any GICS data contained herein.

PERFORMANCE

If Renaissance or benchmark performance is shown, it represents historically achieved results, and is no guarantee of future performance. All performance is shown in U.S. dollars unless otherwise stated. Future investments may be made under materially different economic conditions, in different securities and using different investment strategies and these differences may have a significant effect on the results portrayed. Each of these material market or economic conditions may or may not be repeated. Therefore, there may be sharp differences between the benchmark or Renaissance performance shown and the actual performance results achieved by any particular client. Benchmark results are shown for comparison purposes only. The benchmark presented represents unmanaged portfolios whose characteristics differ from the composite portfolios; however, they tend to represent the investment environment existing during the time periods shown. The benchmark cannot be invested in directly. The returns of the benchmark do not include any transaction costs, management fees or other costs. The holdings of the client portfolios in our composites may differ significantly from the securities that comprise the benchmark shown. The benchmark has been selected to represent what Renaissance believes is an appropriate benchmark with which to compare the composite performance.

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REFERENCED ETF

iShares MSCI Emerging Markets ETF—The iShares MSCI Emerging Markets ETF seeks to track the investment results of an index composed of large- and mid-capitalization emerging market equities.

STOCK REFERENCES

Any securities referenced should not be considered a recommendation to purchase or sell a particular security. These securities represent a portion of the companies held in a representative account in this strategy as of the date stated and are intended for informational purposes only. Nonperformance-based criteria have been used to select the securities listed unless otherwise stated. The reader should not assume that investments in the securities identified or discussed were or will prove to be profitable. The past performance of these securities is no guarantee of future results. The specific securities identified and described may not represent all of the securities purchased, sold, or recommended for this strategy. To request a complete list of holdings recommendations for this strategy over the past year or a list showing the contribution of every holding to the performance of the representative account for the time period stated, please contact Renaissance at compliance@reninv.com.