



Completion Funds: Helping Round Out Your SMA Portfolio

What are completion funds and why are they in your separately managed account (SMA)? Completion funds offer diversification and access to opportunities that would be hard to obtain with individual bonds. That's critical in today's market, where portfolio flexibility and active management are more prevalent than ever.

How Completion Funds Work

Completion funds—also known as income shares or commingled vehicles—are a lot like open-end mutual funds, with two key differences: First, you don't pay any additional management fees. Second, the general public can't invest in completion funds; they're for the exclusive use of AB's SMA clients.

By reserving access to SMA investors, completion funds don't have to contend with major swings in investment flows like traditional retail mutual funds do, since SMA assets tend to be stickier. Using completion funds, investors can access parts of the bond market that might be hard to tap by purchasing individual bonds. That's critical, because in today's bond market, you must be flexible.

Benefits of Completion Funds: Helping Round Out Your SMA Portfolio

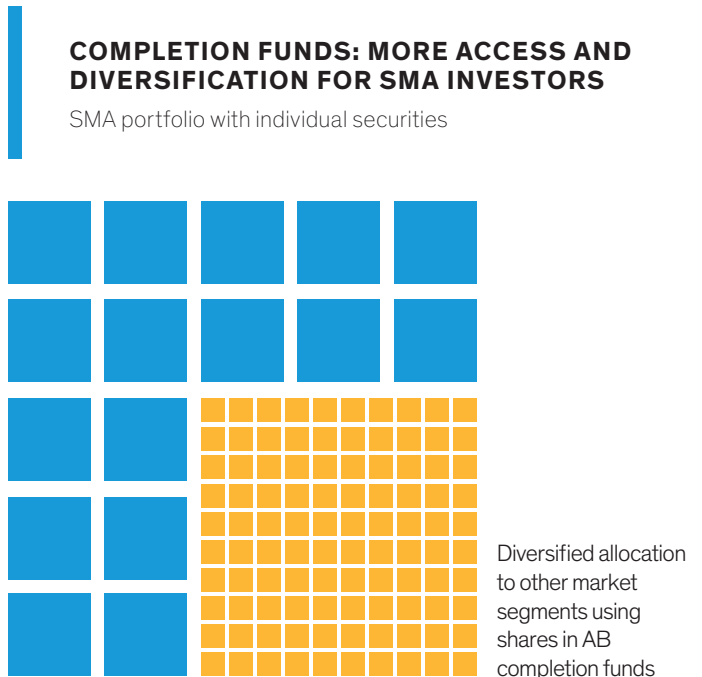
Diversification: Completion funds offer greater diversification than holding individual bonds, allowing investors to spread out risk across hundreds of issuers, diversifying idiosyncratic risk.

Access to Broader Opportunities: Completion funds expand the investment universe to areas that traditional SMA investors cannot access efficiently, such as municipal credit and tax-efficient inflation protection.

Increase in Portfolio Yield and Return Potential: Completion funds facilitate buying areas of fixed-income markets such as municipal credit, which can boost portfolio income and total return over time.

Enhanced Liquidity: Completion funds can buy and sell in large block sizes, which increases portfolio liquidity and minimizes transaction costs.

Augmented Active Management: Completion funds facilitate an efficient, highly active portfolio. Additionally, portfolio position changes in completion funds instantaneously affect the entire SMA account base, creating a more uniform client experience.



Source: AB

Today's municipal bond strategy needs to be flexible, dynamic and able to pivot to attractive areas of the market based on future expectations. As AB's fixed-income SMA business has eclipsed 20,000 SMA portfolios, completion funds enable us to implement trades quickly and consistently across our account base, with the goal of adding long-term value.

Investment Products Offered:

Municipal Bond SMAs	Equity SMAs
AB Tax-Aware Fixed Income Opportunities Portfolio	AB Strategic Research Balanced Portfolio (SMA)
AB Municipal Impact Portfolio (SMA)	
AB Municipal Income Portfolio (SMA)	

Learn More

About Our AB Municipal SMA Portfolios

Please Contact Us at (800) 227 4618 or visit abfunds.com/go/SMAs

There is no assurance that a separately managed account will achieve its investment objective. Separately managed accounts are subject to market risk: the market values of securities owned will fluctuate so that your investment, when redeemed, may be worth more or less than its original cost.

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