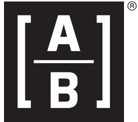

AB GLOBAL BOND FUND

Advisor Class: ANAYX

Fund Performance

In the third quarter of 2021, the Global Bond Fund (Advisor Share Class) delivered positive absolute returns and outperformed its benchmark, the Bloomberg Global Aggregate Index (USD hedged), which returned 0.09%. The Fund also outperformed US core bonds, as measured by the Bloomberg US Aggregate Index. Year to date, the Fund decreased in absolute terms but outperformed the benchmark's return of –1.43%.

Over the quarter, the Fund's US and UK duration underweights had the largest positive impact on performance, particularly from our active duration trades and tactically moving our positioning in both countries. Allocations to inflation-linked securities continued to contribute to performance, where we took profits on our European inflation-linked bond holdings.

An allocation to emerging-market (EM) credit hampered returns, as the asset class came under pressure toward the end of the quarter due to headlines around Evergrande.

Global Market Review

During the quarter, as the global growth recovery continued and the coronavirus delta variant began to peak, numerous crosscurrents impacted fixed-income markets. Transitory inflation expectations were questioned as inflation prints were higher than expected. In addition, challenges in China from its property sector and the ongoing debt-ceiling debate in the US contributed to investor uncertainty. Interest rates were volatile—declining early in the period over growth concerns surrounding the delta variant as well as a number of technical factors—then rising for the remainder of the quarter, driven mostly by inflation and central bank tapering headlines.

Developed-market (DM) central banks appear to be approaching policy normalization, while inflation is more pervasive and persistent than many had anticipated. The US Federal Reserve (the Fed) indicated that tapering of its asset purchase program is imminent, and the dot plot revisions pointed to an increase in the number of Federal Open Market Committee members who expect that it may be appropriate to raise short-term rates next year. At the same time, the Bank of England (BoE) hinted that a modest tightening of monetary policy may be necessary to meet its inflation target before the asset purchase program ends. The European Central Bank (ECB) signaled a "moderately lower" pace of asset purchases in the fourth quarter, and its pandemic emergency purchase programme is set to expire in March 2022. Still, bond purchases under the Asset Purchase Programme are expected to continue for the foreseeable future. Over the quarter, among 10-year government bonds, yields rose the most in the UK and Canada, up 31 and 12 basis points (b.p.), respectively. Yields rose by modest amounts in the eurozone, US and Japan, and were 4 b.p. lower in Australia.

The accommodative posture by DM central banks created the backdrop for the continuation of investor demand for higher-yielding assets. DM high-yield corporate bonds posted positive returns and outperformed DM government bonds. Investment-grade DM corporate bonds were down in absolute terms but in line with duration-matched treasuries. Within EM, corporate bonds had positive returns, EM sovereign debt trailed, and EM local-currency bonds underperformed the most as the US dollar gained on most DM and EM currencies during the period. Securitized assets were mixed, with credit risk–transfer securities (CRTs) and collateralized loan obligations (CLOs) delivering positive returns while returns in the commercial mortgage-backed securities (CMBS) varied.

Fund Positioning

Portfolio risk levels ended 3Q:21 flat/modestly lower as we continued to book profits on credit positions that have seen spreads return to pre-COVID-19 levels. We are still underweight duration and overweight credit, but less so than at the beginning of the quarter. Duration was tactically moved around over the period. At the start of the quarter, we were underweight duration relative to that of the benchmark. Duration was modestly increased in July, decreased in August and increased in September, ending the quarter underweight relative to the benchmark. The Fund's main duration overweights were in Australia, Germany, China and Italy. We want to be overweight countries whose central banks are buying more bonds than will be issued or where the recovery is more tenuous than in the US. Our main duration underweights were in the US, the UK and France. We want to be underweight countries that have a lot of issuance and where the economy is recovering faster than other global economies. We think that yields are being driven higher by more economic reopening, return to offices and the employment growth associated with that. That should allow the Fed to begin tapering in November.

During the quarter, we tactically moved US duration but remained underweight. In July, we bought duration as a nod toward the positioning unwind and delta variant concerns that had driven strong momentum in global yields lower. This was a tactical move with a plan to likely reestablish more of a duration underweight at a later date. In

Investors should consider the investment objectives, risks, charges and expenses of the Fund/Portfolio carefully before investing. For copies of our prospectus or summary prospectus, which contain this and other information, visit us online at www.abfunds.com or contact your AB representative. Please read the prospectus and/or summary prospectus carefully before investing.

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the first week of August, treasury yields continued to move lower and hit our key technical level, at which point we sold duration and moved more underweight again. When yields sold off strongly late in the quarter and hit our target level, we bought back duration and reduced our underweight. These active duration trades were additive to performance.

We tactically moved UK duration, remaining underweight. The tactical trades made to our UK duration positioning were in conjunction with our US trades. There has been little disruption from Brexit, the vaccine rollout has been great, and the economic reopening looks bright. Furthermore, there are a number of reasons why UK yields should rise and underperform European rates over the coming months.

In France, we increased our underweight duration, given the looming political risks.

Canadian rates have displayed a higher-than-normal beta compared with the US and have outpaced the US on the recent move up in yields. In September, we used the selloff to close out our Canadian underweight and move to a neutral position, relative to the benchmark.

We have given up some ground being long Australia this year. The team reduced the overweight in the second quarter but made no changes to the position this quarter.

We have maintainted our overweight to Germany over the period. Toward the end of the second quarter, we switched some of our European duration exposure in the periphery (Spain and Italy, specifically) to capitalize on the ECB's continuing QE theme. The ECB's tolerance for yields rising is minimal, and its pushback against rising yields, a weaker growth picture in Europe and COVID-19 concerns make us believe that European rates should outperform UK rates. No changes were made to this position in the third quarter.

We maintained our overweight allocation to China over the quarter. The team favors Chinese duration because of its extremely strong credit quality (mid-AA), decent nominal yield and negative correlation to risk assets. Further, Chinese yields already saw a meaningful increase last year.

In September, our European inflation-linked bonds (France and Germany) hit our target, so we booked profits. We also added back some inflation exposure in Australia. Australian breakevens are 50 b.p. below the central bank's inflation target. We are likely to see inflationary pressures push higher in the coming weeks on the back of Australia easing lockdowns and reopening their economy.

Exposure to investment-grade corporate bonds was decreased during the quarter as the team used BBB-rated investment-grade corporates as a funding source and tried to rotate those profits into securitized assets (AAA/AA-rated CLOs). We were selective in names, as much of the premium that used to be paid to own corporate credit has now diminished while spreads have compressed to historically tight levels. Exposure to high-yield corporates was decreased as we booked profits on a few of the higher-quality names that performed well. While we continue to look for value opportunities where spreads still offer room to tighten, especially in the higher-rated part of the high-yield market, we remain cognizant that valuations are expensive in parts of the credit market. Thus, we focused on taking profits on investment-grade corporates that don't offer upside and added to BB-rated names with strong potential to be upgraded to investment grade.

We increased our EM local-currency exposure. Our local exposure is very minimal––the majority of which comes from China, which is fully hedged––with which we are very comfortable. Exposure to EM hard currency was maintained, as we modestly trimmed some corporate positions while adding to sovereigns, resulting in a flat allocation change overall. We remain constructive on EM debt as hard-currency valuations are compelling, and EM debt sovereigns and corporates offer an attractive spread pickup over DM corporates. Additionally, EM debt stands to benefit from the recovery in global growth, low rates in DM and investors' continued search for yield, strong technicals and a more predictable US administration.

Coming into 2021, our currency strategy pivoted to tactically capitalize on the improved risk sentiment for EM amid the global economic upswing. However, the fast adjustments in US Treasury yields during 1Q:21 put limits on the upside to these positions. Consequently, we moderated our currency risk during the second quarter and reduced it to the lower end of our historical range, keeping it there in this quarter. More recently, with EM central banks hiking rates, the carry from EM currencies is about 100 b.p. above the five-year average, opposed to high-yield credit spreads sitting 100 b.p. below the five-year average. Going forward, the team is evaluating rotating out of some credit risk into EM risk as valuations become more compelling.

Within securitized assets, we very modestly trimmed some of the higher-quality tranche bonds that do not offer much upside. CRTs have benefitted from a strong housing market in the US. Most recently, home price growth increased to a new all-time high of 19.7% year over year. The housing market is supported by a supply and demand imbalance as millions of millennials reach the average age of the first-time home buyer in the US and more people look to move to the suburbs thanks to additional work-from-home flexibility and low mortgage rates. Exposure to CMBS was reduced, as we saw the relative strength in CMBS BBB-rated bonds, prompting the team to trim our exposure. In the commercial market, delinquencies have continued to decline, and the sector is benefiting from the reopening of the US economy. We have focused on reducing some of our exposure to CMBS, while redeploying the capital into high-quality CLOs.

Global Economic Recap and Outlook

Global growth expectations have shifted markedly in recent months from widespread optimism and upside risks to a more sober assessment of the economic outlook. We are also concerned that global supply-chain dislocations could be more pervasive and persistent than expected. So, while our GDP forecasts have not changed very much, the relative stability of our estimates masks an important change in the narrative surrounding growth risks and inflation. Of particular concern to us is the specter of a more challenging growth and inflation mix and a less certain outlook for

monetary policy—one in which the only choices available to central banks may be quite difficult ones.

For now, we share the view that inflation is likely to fall back next year. But upward pressure on prices has already been less transitory than expected, perhaps hinting at a more fundamental shift in inflation dynamics. How central banks respond will depend on their tolerance for higher inflation and the extent to which inflation expectations are well anchored. That is likely to mean greater dispersion among yields in DM countries. But the key focus for investors remains the Fed. As things currently stand, we do not expect a US rate hike until 2023. But rapid tapering would in theory leave the door open for an earlier rate move, giving investors something else to be distressed about. The longer-term outlook is clouded by strong secular trends, including populism and insular trade protectionism. Deglobalization will likely continue as countries and economic blocs attempt to create independence in areas including medical equipment and supplies, batteries, semiconductor chips and rare earth minerals. Resolution of trade conflicts remains elusive while geopolitical trade pacts are in flux.

We have trimmed our global GDP estimate from 6.1% to 5.9%, based on lowered estimates of DM and EM GDP growth of 5.2% and 6.9%, respectively. We also expect lower global growth of 4.2% in 2022 as economies normalize. Both forecasts are well above the precrisis trend of about 3.0%. Global manufacturing continues to be in expansion, according to the J.P. Morgan/IHS Markit Manufacturing PMIs, which held steady in September at 54.1.

In the US, robust policy support means that 2021 is likely to be the best year for GDP growth in nearly 40 years. As these policy measures fade in 2022, we expect growth to moderate but remain above the long-term trend. Consumer demand has rebounded very quickly in tandem as the US economy has reopened, with the supply side of the economy struggling to keep up. Those challenges have been more persistent than we expected, in part because the coronavirus delta variant continues to have global impact on supply chains that have not rebooted as quickly as forecast. The resulting imbalance between supply and demand has pushed prices higher, but we believe that most of the pricing pressures are transitory and that inflation should decelerate in 2022. If we are correct, this will allow the Fed to remain accommodative across the forecast horizon. But if price pressures spill over into higher inflation expectations, the Fed may have to respond more quickly than it anticipates or we anticipate. We doubt that the Fed will raise rates next year since there is no urgency for the Fed to act. The IHS Markit manufacturing sector PMIs moderated from 61.1 to 60.5 in September, mostly due to material shortages and supply-chain bottlenecks. Given the impact of the delta variant and supply-chain disruptions, we have lowered our US GDP forecast for this year to 6.1%.

Politics are again at the forefront. The debt ceiling looms, and the course of fiscal policy remains uncertain. We expect some additional fiscal support but, if we are incorrect, the growth outlook will deteriorate meaningfully. Inflation has started to seep into public discussion in ways not witnessed in years. If this changes consumer behavior or weighs on investor sentiment, it could have a negative economic impact and increase the odds of more durable price pressures.

Just a few months ago, it appeared that the pandemic was largely behind us. While the delta variant has not had the level of economic impact of the first wave of the virus, it is a timely reminder that public health remains a precondition for economic health. We are encouraged by rising vaccination rates, and falling outbreaks, and we do not expect COVID-19 to be the dominant economic variable in the next few quarters. Even so, the growth outlook has moderated. The initial reopening-driven boom has largely passed, and more normal rates of growth look set to take hold. We still believe fiscal policy is a crucial component of our forward-looking outlook, and we are closely watching developments in Washington.

The Canadian economy is largely tracking the global recovery trend. Canadian growth is set to fade into a more normal expansion, albeit one in which supply bottlenecks raise risks surrounding inflation. Manufacturing PMIs remained robust in September at 57.0, a slight decline from the prior month. We expect the Bank of Canada (BoC) to be a few months ahead of the Fed in winding down its quantitative easing purchases next year, and we also anticipate one rate hike from the BoC in 2022. However, rising commodity prices could boost growth and lead to more rapid monetary tightening. After Canada's snap election called by Prime Minister Justin Trudeau resulted in no significant political change, we saw little reason to alter our forecasts meaningfully and maintained our 2021 GDP growth estimate of 4.5%. Price pressures may be more persistent than previously thought, as is the case elsewhere, and growth seems set to slow somewhat next year in line with the global trend. The BoC seems less inclined to leave maximally accommodative monetary policy in place compared with the Fed, but the difference is one of timing rather than direction.

After a strong second quarter in which output in the UK grew by 4.8% (nonannualized) as the economy reopened, economic growth has slowed to a more modest pace. We have lowered our 2021 growth forecast to 6.2% from 7.0%, and even this could prove optimistic, given persistent supply-side challenges. The most pressing issue is the surge in natural gas prices, which is likely to push domestic fuel prices sharply higher and weigh on real incomes in the fourth quarter. We expect headline inflation to rise to 4.0%, or higher, by year-end. But the greatest conundrum is in the labor market. At the beginning of the pandemic, there was a widely held view that the economy would emerge with surplus labor as some jobs and activity were permanently lost. But the opposite seems to be happening, with more signs of labor-market dislocation and stress. Job vacancies have reached record highs and there are signs of upward pressure on wage growth. Much will depend on the labor-market response as the Coronavirus Job Retention Scheme wound down at the end of September. This severely complicates the BoE task, and minutes from the September Monetary Policy Committee meeting indicated that a rate hike might not be that far away.

Partly because of the lingering trade impact of Brexit, the UK may be uniquely exposed to supply-side disruption. Manufacturing PMIs fell

from 60.3 to 56.3 in September, mostly from slowing demand and supply-chain issues. In a worst-case scenario, this could lead to a combination of slowing growth, higher inflation and rising interest rates. The labor market will be pivotal. Relations with the European Union remain tense, and there is a risk that this could spill over into a mini trade war and even a repudiation of the recently negotiated trade agreement.

In the eurozone, we have raised our 2021 growth forecast to 5.1% from 4.5%. This mainly reflects a better-than-expected performance during the first half of the year when governments were largely successful in shielding their economies from the full impact of restrictions on economic and social activity. However, we also draw confidence from the recent success of vaccination programs, which, after a shaky start, are now approaching critical mass. Survey data and mobility indicators also point to an ongoing, if less vigorous, pace of expansion. Manufacturing PMIs moderated from 61.4 to 58.7 in September primarily because of supply-chain disruptions, especially in the German automotive sector. Consumer confidence rose in September and is now close to the 20-year highs. For now, positive news on the vaccine front and the fading threat from the delta variant are outweighing concerns about surging natural gas prices plaguing the continent.

We expect the underlying pace of growth to slow next year and have lowered our 2022 calendar-year forecast to 4.0%. That's still significantly higher than the economy's trend rate of growth, reflecting strong post-lockdown momentum and a very accommodative policy mix. The biggest adjustments to our forecasts are on the inflation front. Despite government attempts to cushion the blow, surging natural gas prices are likely to push headline inflation sharply higher in coming months—perhaps above 4.0%. A surge in headline inflation is likely to embolden the hawks on the ECB Governing Council to push for an accelerated withdrawal of monetary accommodation. But if core inflation, wage growth and inflation expectations remain subdued, as we expect, most Council members are likely to regard these pressures as transitory and look past price spikes. We expect the ECB to slow the pace of its asset purchases next year, but continue to buy a sufficient amount of bonds to prevent a sharp increase in yields. A rate hike is still a very distant prospect in our opinion. Any evidence that price pressures are seeping into core inflation, wage growth or inflation expectations could give ECB hawks the ammunition needed to force a more aggressive withdrawal of monetary stimulus.

The German federal election on September 26 was narrowly won by Olaf Scholz of Germany's Social Democratic Party (SDP). The coming weeks will shape Germany's political future and eurozone influence as the SDP attempts to form a coalition with other parties. French and Italian politics are now set to move into the spotlight. While President Macron looks well placed to win April's presidential election, it probably will not prevent markets from being anxious over a possible right-wing victory. Meanwhile, the selection of a new Italian president could undermine the stability of Mario Draghi's government and his reform agenda.

Chinese growth has slowed notably in recent months. Several factors, some idiosyncratic, have contributed to this— such as another COVID-19 outbreak, flooding, subdued export momentum, a slowdown in the property sector and, more recently, production and power restrictions. Looking ahead, the upside for exports is likely to be limited while household consumption remains sluggish. Manufacturing PMIs have steadily fallen from a very strong peak and were at an inflection point of 50.0 in September. Another key driver, private investment, has also moderated in recent months, with worsening profitability amid higher commodity prices combined with rising uncertainty.

The Chinese credit markets came under pressure recently when Evergrande, the biggest and most indebted property developer in the world, began defaulting on its debt. While no single property developer—not even Evergrande—is systemically important in the context of China's huge economy, China's property sector, taken as a whole, is. Property developers and the sectors that depend on them, such as suppliers of heavy equipment and building materials, have total debts of RMB 101 trillion—amounting to 35% of China's financial system and equivalent to 100% of the country's GDP. So, while individual property developers might be allowed to fail, Beijing is very likely to take steps to ensure that the fallout for the sector will be limited. Should signs of contagion grow, we expect Chinese authorities to help ease funding pressures and help rekindle investor confidence through coordination with the large state-owned banks and through potential policy adjustments. We expect most property developers in China to muddle through this period of short-term volatility. However, financial market turmoil could prove self-fulfilling, if diminished access to offshore bond markets render property developers' offshore refinancing unviable for an extended period.

From near-term risk perspectives, another COVID-19 outbreak could hit consumption again, policy coordination failure may lead to downward pressure on growth, and changes to policy goals could potentially affect cyclical policy and the growth outlook. Policymakers have expressed their concerns about downside risks and have started to take measures to support growth, particularly on the fiscal front. Our policy expectations are for a more expansionary fiscal program, with accelerated on-budget spending and public investment. We also predict a supportive and stable interest-rate policy with a bias toward targeted liquidity support to small and medium-size enterprises. We also see a continued hawkish bias in nationwide property policy with flexibility at the local level to release some suppressed demand from first-time home buyers.

Chinese GDP growth is likely to decelerate, partially because of these and other temporary factors. With organic drivers like private consumption and capital spending still sluggish, limited export momentum, hawkish property policy (though with some local flexibility) and production restrictions likely, cyclical policy needs to ramp up quickly to shore up the economy. While we do not expect the massive policy stimulus seen in previous downward cycles, this should be sufficient to help growth rebound in the fourth quarter. Given all of these factors, we have lowered our 2021 GDP forecast down from 9.0% to 8.0%.

Aside from the pandemic and delayed 2020 Summer Olympics, the key development over the past three months in Japan has been on the political front, with the resignation of the widely unpopular Prime Minister Yoshihide Suga. This set up a four-way contest for the leadership of the ruling Liberal Democratic Party, which was won by former foreign minister Fumio Kishida. He will be confirmed as Japan's prime minister in a parliamentary session on October 4, 2021. In our view, this is likely to prove to be a conservative and traditional choice. Beyond implementing a post-lockdown fiscal stimulus package, it seems unlikely there will be a big reset on the macroeconomic front, or major changes to Japan's geopolitical approach. Importantly, the conservative status quo bias applies to monetary policy as well. Accordingly, we expect no material change to the monetary policy environment. The Bank of Japan (BoJ) remains cemented to yield-curve control at least until the end of BoJ Governor Haruhiko Kuroda's term in April 2023.

After peaking in late August, Japan's pandemic cases have fallen sharply, setting the stage for a fourth-quarter bounce back. Additional fiscal stimulus will also help, a key commitment of Fumio Kishida. Acceleration in vaccine rollouts is clearly helping despite a slow start, and close to 60% of Japan's population is now fully vaccinated. As a result, the government announced that the state of emergency was lifted at the end of September. A decent bounce in areas of the economy affected by restrictions is clearly in the offing through the fourth quarter. Service sector PMIs in September point to a rebounding consumer, with an improved reading of 47.4, up from 42.9 in August. However, manufacturing PMIs fell into contraction, down from a minor expansion of 51.0 to 48.1. Risk factors include a stumble in global growth and/or a sharply stronger yen. We have trimmed our 2021 GDP forecast to 2.1%.

The delta variant has wreaked havoc with the pandemic narrative in Australia and New Zealand. After Australia and New Zealand spent most of 2021 as "COVID-19–zero" countries, the delta outbreak in Sydney in July and subsequent spread to other Australian states and New Zealand led to reimposition of restrictions and a sharp corresponding fall in economic activity. New Zealand still seems better placed, so we expect the Reserve Bank of New Zealand to raise short-term rates at its next opportunity, maintaining its relatively hawkish posture. The contrast with the Reserve Bank of Australia (RBA) remains stark. Despite expecting an economic bounce as pandemic risks fade, the RBA maintains that conditions for a rate hike will not be in place until well into 2024. September PMIs point to an improving economy in Australia, with services and manufacturing PMIs showing improvement. But the economic damage from the pandemic and the potential for slowing commodity exports to China have led us to lower our full-year GDP estimate to 4.0% for 2021.

Current forecasts and performance are no guarantee of future results. References to specific securities are presented to illustrate our investment philosophy and are not to be considered advice or recommendations. This information reflects prevailing market conditions and our judgments as of the date indicated, which are subject to change. In preparing this presentation, we have relied upon and assumed without independent verification, the accuracy and completeness of all information available from third-party sources. It should not be assumed that any investments made in the future will be profitable or will equal the performance of the selected investments referenced herein.

PORTFOLIO INFORMATION

Class	Ticker	Inception Date
A	ANAGX	3/27/92
C	ANACX	5/3/93
Advisor	ANAYX	11/5/07
I	ANAIX	11/5/07
Z	ANAZX	10/15/13

Portfolio Characteristics	
Effective Duration[1]	7.33 years
Total Number of Holdings	921
Average Bond Price	$104.8

Portfolio Statistics	
Sharpe Ratio (3 yr)[2]	0.72
Standard Deviation (3 yr)[3]	4.49

Sector Breakdown[4]	
Global Governments	47.22%
Corporates - Investment Grade	23.15
Corporates - Non-Investment Grade	6.51
Mortgage Pass-Throughs	4.27
Collateralized Mortgage Obligations	4.24
Quasi-Sovereigns	4.10
Collateralized Loan Obligations	2.64
Commercial Mortgage-Backed Securities	2.19
Governments - Sovereign Agencies	1.73
Derivatives, Cash & Other	3.95

Quality Breakdown[4,5]	
Highest of S&P/Moody's/Fitch	
AAA	32.28%
AA	4.69
A	26.53
BBB	26.95
BB	8.14
B	1.46
CCC & Below	0.07
Not Rated	0.41
Short Term Investments	0.94

Country Breakdown[4]	
United States	44.44%
Japan	9.22
China	8.22
Italy	7.69
Canada	4.60
Other	25.83

Net Currency Exposure[4]

Top Long Positions		Top Short Positions	
US Dollar	99.25%	Chinese Yuan Renminbi (Offshore)	-5.15%
Chinese Yuan Renminbi	4.32	Indonesian Rupiah	-1.01
New Taiwan Dollar	1.01	Swiss Franc	-1.00
Other	2.99	Other	-0.41

1 Effective Duration is a measure of the sensitivity of an asset or portfolio's price to interest rate movements.
2 Sharpe Ratio is a measure of the fund's return relative to the investment risk it has taken. A higher Sharpe Ratio means the fund's returns have been better given the level of risk the fund has taken.
3 Standard Deviation is a measure of the dispersion of a portfolio's return from its mean.
4 Holdings (including derivatives) are expressed as a percentage of net assets and may vary over time.
5 The highest of S&P, Moody's and Fitch. Not rated securities are those rated by another nationally recognized statistic rating organization. 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. If applicable, the Pre-Refunded category includes bonds which are secured by US Government Securities and therefore are deemed high-quality investment-grade by the Adviser.

QUARTERLY AVERAGE ANNUAL TOTAL RETURNS AS OF 09/30/21: ADVISOR CLASS PERFORMANCE

	QTD	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs	Since Inception	Expense Ratios as of 1/29/21	
Global Bond Fund†	0.18%	-0.80%	1.17%	4.23%	2.74%	3.56%	4.30%	Gross	0.55%
Bloomberg Global Agg Bond Index (USD hedged)	0.09	-1.43	-0.56	4.64	2.89	3.57	4.06	Net‡	–
Bloomberg Global Treasury Bond Index (USD hedged)	0.07	-1.96	-1.66	4.20	2.49	3.36	3.82		
Morningstar World Bond-USD Hedged Category	-0.08	-1.53	0.45	4.61	2.72	3.15	3.88		
SEC Current Yield (30-day)*‡ –%	Unsubsidized Yield 1.31%								

The performance shown above represents past performance and does not guarantee future results. Current performance may be lower or higher than the performance information shown. You may obtain performance information current to the most recent month-end by visiting www.abfunds.com. The investment return and principal value of an investment in the Portfolio will fluctuate, so that your shares, when redeemed, may be worth more or less than their original cost. Advisor Class shares have no front-end or contingent deferred sales charges, however when purchased through a financial advisor additional fees may apply. Returns for other share classes will vary due to different charges and expenses. Performance assumes reinvestment of distributions and does not account for taxes. If applicable, high double-digit returns are highly unusual and cannot be sustained; such returns are primarily achieved during favorable market conditions.

† The Fund's Advisor Class share inception date is 11/5/07 and is the date used to calculate since inception annualized performance.

‡ If applicable, this reflects the Adviser's contractual waiver of a portion of its advisory fee and/or reimbursement of a portion of the Fund's operating expenses. Absent reimbursements or waivers, performance would have been lower.

* Yields for other share classes will vary due to different expenses. Unsubsidized SEC yield is calculated using the total expense ratio excluding any fee waivers.

Bloomberg Global Aggregate Bond Index represents the performance of the global investment-grade developed fixed-income markets. Bloomberg Global Treasury Bond Index represents the performance of Treasuries within global investment-grade fixed-income markets.

Investors cannot invest directly in indices or averages, and their performance does not reflect fees and expenses or represent the performance of any AB fund.

Sources: FactSet, Morningstar Inc. and AB.

A WORD ABOUT RISK

Market Risk: The market values of the portfolio's holdings rise and fall from day to day, so investments may lose value. **Interest Rate Risk:** As interest rates rise, bond prices fall and vice versa—long-term securities tend to rise and fall more than short-term securities. **Credit Risk:** A bond's credit rating reflects the issuer's ability to make timely payments of interest or principal—the lower the rating, the higher the risk of default. If the issuer's financial strength deteriorates, the issuer's rating may be lowered and the bond's value may decline. **Inflation Risk:** Prices for goods and services tend to rise over time, which may erode the purchasing power of investments. **Foreign (Non-US) Risk:** Non-US securities may be more volatile because of political, regulatory, market and economic uncertainties associated with such securities. Fluctuations in currency exchange rates may negatively affect the value of the investment or reduce returns. These risks are magnified in emerging or developing markets. **Diversification Risk:** Portfolios that hold a smaller number of securities may be more volatile than more diversified portfolios, since gains or losses from each security will have a greater impact on the portfolio's overall value. **Derivatives Risk:** Investing in derivative instruments such as options, futures, forwards or swaps can be riskier than traditional investments, and may be more volatile, especially in a down market. **Leverage Risk:** Trying to enhance investment returns by borrowing money or using other leverage tools—magnify both gains and losses, resulting in greater volatility. **Below Investment Grade Securities Risk:** Investments in fixed-income securities with lower ratings (commonly known as "junk bonds") tend to have a higher probability that an issuer will default or fail to meet its payment obligations.

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