Brandes U.S. Value Fund

FUND INFORMATION

Class I:	BUVIX
Class A:	BUVAX
Class R6:	BUVRX

STRATEGY

The Fund seeks long-term capital appreciation by investing primarily in the equity securities of U.S. issuers with equity market capitalizations that exceed $5 billion at the time of purchase.

TOP TEN HOLDINGS

(% of assets as of 3/31/2023)

Chevron Corp	3.80
Amdocs Ltd	3.16
Comcast Corp	2.95
Merck & Co Inc	2.87
Fiserv Inc	2.86
FedEx Corp	2.71
Bank of America Corp	2.71
Omnicom Group Inc	2.65
McKesson Corp	2.62
Halliburton Co	2.57

Fund holdings are subject to change at any time at the discretion of the investment manager.

The Brandes U.S. Value Fund fell 0.87% (Class I Shares) in the quarter, underperforming its benchmark, the Russell 1000 Value Index, which increased 1.01%, as well as the broader Russell 1000 Index, which rose 7.46%.

Positive Contributors

Value stocks lagged during the quarter as technology, an area of underweight for Russell 1000 Value compared to Russell 1000, was among the strongest performing sectors. Our overweight to technology companies relative to the Russell 1000 Value Index aided our performance.

Notable performers included semiconductor-related firms **Micron Technology** and **Applied Materials**, as well as software company **Open Text** and **Alphabet**, which all rallied after declining more than the market (Russell 1000) last year. Micron saw its share price rise despite releasing widely expected weak financial results as the market became more optimistic that we are nearing the bottom of the current memory products cycle.

Other contributors included global shipping and distribution firm **FedEx**. The company saw its share price rally as it released positive financial results which showed it has successfully cut costs.

Performance Detractors

Amid the downfall of two crypto-related banks, and the heavily venture-concentrated Silicon Valley Bank, coupled with concerns about deposit outflows and longer-duration investments held at other small and regional banks, it likely isn't a surprise that the bank industry was one of the worst performing in the benchmark during the quarter.

While in aggregate our bank holdings performed better than the benchmark's bank allocation given our exposure to the large money center banks and super regionals, our overweight to the industry weighed on returns. Our most significant detractors included regional banks **PNC** and **Truist**, as well as insurance company **American International Group**.

Amid the concern and negativity in the broad financials sector, our research team and investment committee met frequently as they monitored ongoing developments, updated our valuation estimates, and evaluated risk exposures of our current holdings as well as potential opportunities. As a result of our analysis, we re-allocated across some of our financials holdings favoring money center and trust banks given their attractive valuations and what we consider lower relative risk exposures compared to regional banks.

Other detractors included several of the Fund's strongest performers from 2022, most notably oil service company **Halliburton** as well as health care holdings **Cigna**, **Pfizer**, and **CVS Health**. After rising amid a declining market last year, the health care providers and services industry was one of the worst performing in the first quarter (on par with banks and commercial REITs), and our overweight to the industry hurt relative returns.

Select Activity in the Quarter

The investment committee divested the Fund's position in **Taylor Morrison Home Group** (TMHC).

TMHC was first added to our strategy just over five years ago. The company completed its initial public offering in 2013 and subsequently restructured its operations through a series of acquisitions and divestitures. TMHC's footprint in the Southwest, Texas, and the Southeast underpinned its recovery as those regions continued to have faster than average population growth. When we first purchased TMHC, the U.S. housing market was still in the process of recovering to our estimate of normal cyclically adjusted housing starts. Additionally, TMHC built an inventory of land at low prices due to the slow recovery of the sector and had recently exited the Canadian housing construction business. These factors, along with what we considered a discounted market valuation, made TMHC an attractive investment opportunity.

While the pandemic initially resulted in a slowdown in housing activity, it soon reversed course and the housing market became turbocharged with low interest rates and increased demand for single family homes. Today, TMHC still screens as a traditional value stock and trades at low valuation multiples measured both on price-to-earnings and price-to-book-value metrics. New housing starts in the U.S. are close to what we consider to be normal. However, despite these positive characteristics, the risks of slowing demand and the potential for asset impairment from inflated land values threaten to overwhelm the upside potential. Consequently, the investment committee sold TMHC as it approached our estimate of its intrinsic value.

Current Positioning

As of March 31, 2023, the Fund's largest overweight positions remained in the economically sensitive financials sector, albeit heavily weighted to large money center and trust banks, and the more defensive health care sector. Relative to the Russell 1000 Value Index, we were also significantly overweight technology companies as the sector only accounted for approximately 8% of the index (vs. approximately 25% of the broader Russell 1000 Index).

Our most significant underweights were in consumer staples, utilities, and real estate. These sectors generally appear expensive as, from our perspective, investors are overpaying for perceived defensiveness amid an expected economic downturn. We continue to be careful with our exposure to companies that may be hurt by elevated inflation or those with balance sheet leverage, and instead seek value in the traditionally defensive health care sector.

While a variety of headwinds face stocks today (e.g., elevated inflation and/or potentially increasing interest rates, slowing economic growth and recession concerns, commodity price volatility, and political and regulatory risks (just to name a few), we believe that at today's valuations, value stocks—and the Fund's portfolio in particular—offer an attractive long-term opportunity. It's important to remember that our overall positioning is driven from the bottom up, on a company-by-company basis with a focus on long-term fundamentals. We take into account the economic concerns noted above when we are evaluating a potential investment, estimating the impact they may have on each investment's intrinsic value.

U.S. value stocks (MSCI USA Value) continue to trade in the cheapest quintile relative to growth stocks (MSCI USA Growth) across a variety of valuation metrics (e.g., price/earnings, price/cash flow, enterprise value/sales). The discounts at today's levels have often portended attractive returns over a long-term time horizon for U.S. value stocks, and the Fund has a historical tendency to do well when value stocks do well.

We believe the differences between the Brandes U.S. Value Fund and the broader U.S. market continue to make the Fund an attractive complement to more index-like or growth-oriented alternatives. We remain excited about the Fund's future potential.

Average Annual Total Returns (%) as of March 31, 2023							
Without Load	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception 10/1/2021
Class I	-0.87	-0.87	-3.52	--	--	--	1.60
Class A	-0.89	-0.89	-3.80	--	--	--	1.54
Class R6	-0.87	-0.87	-3.41	--	--	--	1.69
With Load	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception 10/1/2021
Class A	-6.54	-6.54	-9.29	--	--	--	-2.40
Russell 1000 Value Index	1.01	1.01	-5.91	--	--	--	0.43
Russell 1000 Index	7.46	7.46	-8.39	--	--	--	-3.10

Operating Expenses: Class I: 4.13% (gross), 0.71% (net) Class A: 3.35% (gross), 0.96% (net) Class R6: 12.15% (gross), 0.61% (net)

Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the fund may be lower or higher than the performance quoted. All performance is historical and includes reinvestment of dividends and capital gains. Performance data current to the most recent month end may be obtained by calling 1.800.395.3807. Performance data shown with load reflects the Class A maximum sales charge of ***5.75%.*** *Performance shown without load does not reflect the deduction of the sales load. If reflected, the load would reduce the performance quoted.*

The Advisor has contractually agreed to limit the operating expenses through January 28, 2024. The Expense Caps may be terminated at any time by the Board of Trustees upon 60 days notice to the Advisor, or by the Advisor with the consent of the Board. Investment performance reflects fee waivers and/or reimbursement of expenses. In the absence of such waivers/reimbursements, total return would be reduced.

Enterprise Value: Market capitalization plus debt, minority interest and preferred shares, minus total cash and cash equivalents.
Enterprise Value/Sales: Enterprise value divided by annual sales.
Price/Book: Price per share divided by book value per share.
Price/Cash Flow: Price per share divided by cash flow per share.
Price/Earnings: Price per share divided by earnings per share.

The MSCI USA Value Index captures large and mid cap U.S. securities exhibiting overall value style characteristics, defined using book value to price, 12-month forward earnings to price, and dividend yield.
The MSCI USA Growth Index captures large and mid cap U.S. securities exhibiting overall growth style characteristics, defined using long-term forward earnings per share (EPS) growth rate, short-term forward EPS growth rate, current internal growth rate, long-term historical EPS growth trend, and long-term historical sales per share growth trend.
MSCI has not approved, reviewed or produced this report, makes no express or implied warranties or representations and is not liable whatsoever for any data in the report. You may not redistribute the MSCI data or use it as a basis for other indices or investment products.
The Russell 1000 Index with gross dividends measures performance of the large cap segment of the U.S. equity universe.
The Russell 1000 Value Index with gross dividends measures performance of the large cap value segment of the U.S. equity universe. Securities are categorized as growth or value based on their relative book-to-price ratios, historical sales growth, and expected earnings growth.

Diversification does not assure a profit or protect against a loss in a declining market. There is no assurance that a forecast will be accurate. Because of the many variables involved, an investor should not rely on forecasts without realizing their limitations.

Because the values of the Fund's investments will fluctuate with market conditions, so will the value of your investment in the Fund. You could lose money on your investment in the Fund, or the Fund could underperform other investments. The values of the Fund's investments fluctuate in response to the activities of individual companies and general stock market and economic conditions. Diversification does not assure a profit or protect against a loss in a declining market. It is not possible to invest directly in an index.

A mutual fund's investment objectives, risks, charges and expenses must be considered carefully before investing. The statutory and summary prospectuses contain this and other important information about the investment company, and may be obtained by calling 1.800.395.3807 or visiting www.brandes.com/funds. Read carefully before investing.

The foregoing reflects the thoughts and opinions of Brandes Investment Partners® exclusively and is subject to change without notice.

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