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 9/30/2022)

Chevron Corp	3.82
Cigna Corp	3.59
Amdocs Ltd	2.98
McKesson Corp	2.86
Wells Fargo & Co	2.73
Fiserv Inc	2.71
Merck & Co Inc	2.65
CVS Health Corp	2.60
Bank of America Corp	2.59
Pfizer Inc	2.49

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

The Brandes U.S. Value Fund fell 5.37% (Class I Shares) in the quarter, performing roughly in line with its benchmark, the Russell 1000 Value Index, which fell 5.62%.

Positive Contributors

A variety of health care services companies, including **Cardinal Health, Cigna, McKesson, HCA Healthcare**, and **CVS Health**, were the most significant contributors to performance. The industry held up better than the declining overall market, and the Fund's holdings performed better than the industry with several reporting strong earnings results.

Recent purchase **Fiserv**, a payment processing company, rose after announcing improved earnings and a stronger revenue forecast for the year, as did **World Fuel Services**, a company focused on the procurement, distribution and storage of fuel for the aviation, trucking, and marine industries. Electronic manufacturing services company **Flex** also rose.

Performance Detractors

Comcast and **FedEx** both saw their share prices decline significantly as both had announcements that reflected concern about weakening economic demand. FedEx withdrew its earnings guidance and Comcast, in addition to competitive pressures, expected a housing slowdown would have a negative impact on its short-term broadband subscriber growth. Other more economically sensitive companies, such as flooring company **Mohawk** and consumer finance firm **OneMain Holdings**, also saw their share prices decline.

Oil service company **Halliburton,** a strong performer earlier in the year, saw its share price pull back in the quarter as the WTI crude oil price declined from over $100 in June to less than $80 at the end of the quarter. Recent purchase **Open Text** also saw its share price fall after it announced its intention to acquire a large U.K.-based software company, Micro Focus. The market reacted negatively to the news, likely due to the size of the acquisition and the additional debt needed to fund it. However, Micro Focus's stock had declined over the last several years, and with Open Text's history of integrating mature software companies into its business model and migrating the target's customers to the cloud, we think there is potential for executional improvement and value creation.

Select Activity in the Quarter

The investment committee divested its holdings in **Change Healthcare, Allete**, and **Avnet**. While there were no new positions initiated, the committee did add to several holdings including **Cognizant, Willis Towers Watson**, and regional banks **PNC** and **Truist.**

Change Healthcare's acquisition by UnitedHealth was approved, leading to its share price appreciating and we divested our position.

Allete, an electric utility, and Avnet, a semiconductor distributor, were also divested as their stock prices had held up better than the overall market during the year and the investment committee decided to deploy capital to more attractively priced opportunities amid the market volatility.

IT service firm Cognizant declined along with other technology and IT service companies this year amid concerns about economic growth, employee turnover, rising costs, and IT spending. While IT service firms tend to be moderately economically sensitive, we believe that Cognizant's focus on digital technologies and its ability to save costs for its customers should continue to position it for long-term growth, despite facing some near-term economic headwinds. As the margin of safety on the company has expanded this year, we added to our position.

We also added to our regional bank exposure through our holdings in PNC Financial and Truist, as we believe they are positioned to benefit from the rising interest rate environment, while also featuring strong capital positions and attractive return of capital to shareholders through buybacks and dividends.

Finally, we added to our recently initiated position in insurance broker and benefits consultant Willis Towers Watson. The company's share price declined along with the market early this summer, but we continue to believe that the firm offers an attractive turnaround story and has the potential for self-help.

Year-to-Date Briefing

The Brandes U.S. Value Fund fell 16.66% (Class I Shares) in the nine months ended September 30, 2022, outperforming its benchmark, the Russell 1000 Value Index, which fell 17.75%.

The largest driver of our outperformance relative to the benchmark has been our stock selection within the health care, materials, and technology sectors. As mentioned above, health care companies McKesson, Cigna, and Cardinal have all performed well, as has our holding in **Merck,** all up in a declining overall market. Oil related companies **Chevron** and Halliburton have also aided returns amid rising oil prices this year. Other contributors included chemical companies **Westlake** and **Corteva**, as well as technology company **Amdocs**.

The largest detractors from returns for the year have been our holdings and overweight in financials, as well as our underweight to oil and gas companies (largely due to not owning Exxon and ConocoPhilips, which are two of the three largest energy constituents in the benchmark). Consumer finance company OneMain Holdings, as well as trust banks **State Street** and **Bank of New York Mellon,** declined more than the overall market. Semiconductor related holdings **Applied Materials** and **Micron Technology** also declined during the year due to concerns around a short-term downturn in the semiconductor cycle amid building inventories.

Other detractors include FedEx, Mohawk, and Comcast as mentioned earlier in this note.

Current Positioning

As of September 30, 2022, from an industry/sector standpoint, the Fund's largest relative overweight positions remained in the economically sensitive financials sector, the more defensive health care sector, and various areas within the technology sector that are exposed to secular growth at what we consider to be reasonable valuations.

Our financials overweight has not performed well overall this year, but we believe our holdings are well capitalized, trade at attractive valuation levels, and should benefit from a rising interest rate environment. Our allocation to technology stocks has increased this year as the sector has meaningfully underperformed the broader market (Russell 1000), helping create new investment opportunities as well as opportunities to add to some of our existing holdings.

Our most significant underweights are in consumer staples, utilities, and real estate, which generally appear expensive as, from our perspective, investors are overpaying for perceived defensiveness amidst 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 we find value in the traditionally defensive health care sector.

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.

Despite their strong relative performance this year, U.S. value stocks (MSCI USA Value) continue to trade at their cheapest decile relative to growth stocks (MSCI USA Growth) across a variety of valuation metrics (e.g., price/earnings, price/cash flow, EV/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 did well.

While a variety of headwinds face stocks today (e.g., elevated inflation, slowing economic growth and recession concerns, energy risk, and political and regulatory risks just to name a few), we believe that at today's valuations, value stocks and the Fund 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 the long term. We take into account many of the economic concerns noted above when we are evaluating a potential investment, determining the impact they may have on the investment's intrinsic value. But given the heightened volatility and extremes that exist in the market today, we feel the Fund's overall positioning offers an attractive opportunity for long-term investors.

Average Annual Total Returns (%) as of September 30, 2022							
Without Load	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception 10/1/2021
Class I	-5.37	-16.66	--	--	--	--	-11.44
Class A	-5.41	-16.77	--	--	--	--	-11.39
Class R6	-5.36	-16.76	--	--	--	--	-11.39
With Load	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception 10/1/2021
Class A	-10.88	-21.58	--	--	--	--	-16.49
Russell 1000 Value Index	-5.62	-17.75	--	--	--	--	-12.46
Russell 1000 Index	-4.61	-24.59	--	--	--	--	-18.15

Operating Expenses: Class I: 26.55% (gross), 0.70% (net) Class A: 26.75% (gross), 0.95% (net) Class R6: 26.50% (gross), 0.60% (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, 2023. 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.
EV/Sales: Compares the enterprise value of a company to its annual sales.
Margin of Safety: The discount of a security's market price to what the firm believes is the intrinsic value of that security.
Price/Cash Flow: Price per share divided by cash flow per share.
Price/Earnings: Price per share divided by earnings per share.
Return on Capital: Net income minus dividends divided by total capital; used to assess a company's efficiency at allocating the capital under its control to profitable investments.

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.
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The Russell 1000 Value Index with gross dividends measures performance of the large cap 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.

The Russell 1000 Index with gross dividends measures performance of the large cap segment of the U.S. equity universe.

Diversification does not assure a profit or protect against a loss in a declining market.

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.brandesfunds.com. 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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