

## Todd Q1 2025 International Intrinsic Value Opportunity Review

	1Q 2025	1 Year	3 Year*	5 Year*	7 Year*	10 Year*
International IV Opportunity (Gross)	15.12%	14.74%	10.13%	16.16%	6.00%	5.57%
International IV Opportunity (Net)	14.89%	13.80%	9.22%	15.20%	5.12%	4.69%
MSCI ACWI ex-US (Net)	5.23%	6.09%	4.48%	10.92%	4.47%	4.98%
MSCI ACWI ex-US Value (Net)	8.57%	11.35%	7.23%	13.62%	4.57%	4.71%

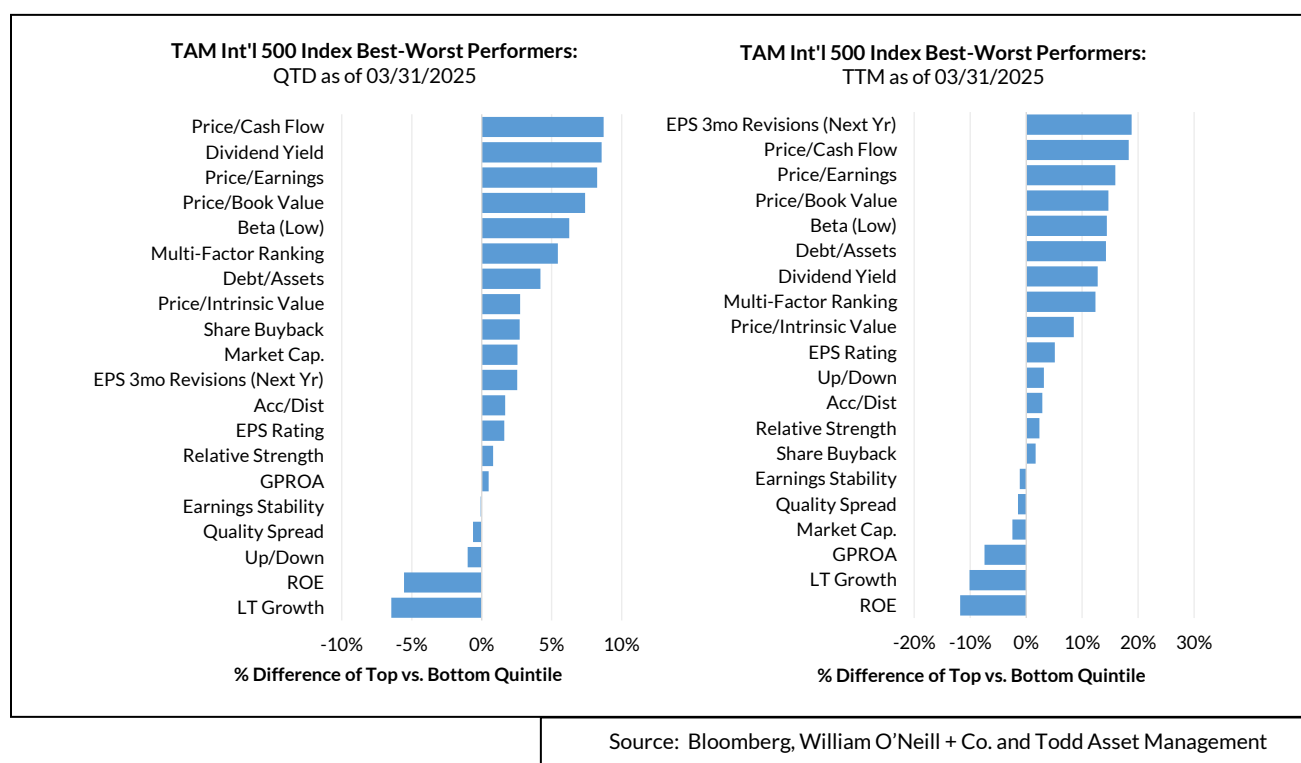
\* Annualized Total Returns. Please refer to the attached Performance Disclosure for further information.

### Performance Review

Our International Intrinsic Value Opportunity strategy got off to a very strong start to the year, posting returns that were well ahead of the ACWI ex-US year-to-date. Cyclical leadership in international markets persisted through the first parts of the year before giving way in March (and the first week of April) as US trade policy took center stage with tariff announcements on April 2nd which were worse than most economists “worst-case-scenario”. Despite this, international markets continue to outperform US markets year-to-date. The renewed interest in international equities has been a long time coming and stands in stark contrast to the sentiment at the beginning of the year which centered around “US Exceptionalism”.

The specific details of US trade policy are likely to be different by the time this note hits the press, so we’ll keep it high level. Confidence in US policy is being challenged as decades of status quo arrangements (trade, security, etc.) are being reformed. Look no further than the bond and forex markets, where the US Dollar and Treasuries have both seen weakness. Time will tell whether this was driven by foreigners selling US assets or the unwind of a large levered bet, but it certainly got the administration’s attention. While there may be offsetting measures enacted later this year, this marks a huge sea change on the policy front as the US becomes much more restrictive after years of aggressive stimulus. And as the Trump administration attempts to pick up the proverbial “can” that has been kicked down the road for decades as it relates to trade, debt and government largess, international economies are starting to become much more accommodative. The German election feels like it was ages ago, but the enormous fiscal package and lifting of their “debt brake” in March is emblematic of the much more pro-growth stance Europe and other international economies are taking to revive their economies. Trade policy is ruling the day right now, but the shift from Europe to take a more proactive approach to their economic growth engine is a big deal that could have a lasting impact on markets.

## Factor Performance<sup>1</sup>



Value factors continued to exert their leadership in international markets during the first quarter with each Price ratio (P/E, P/B, P/S and P/CF) and Dividend Yield ranking at the top of the list. In broader terms the ACWI ex-US Value index outperformed the ACWI ex-US Growth by +6.75% through March. In that same light and perhaps unsurprisingly, Growth metrics were among the worst performing factors in the quarter. It was also interesting to see such broad breadth among the factors in a quarter that was capped off with uncertainty on the US policy front.

## Performance Attribution

The strategy's outperformance during the 1st quarter was driven mostly by stock selection within the Consumer Discretionary, Financials, and Materials sectors while stock selection within Communication services and an underweight in Industrials detracted from performance. Regionally, our overweight allocation in Europe and stock selection within Emerging Markets contributed positively to performance, while no regional allocation had a negative impact on performance.

Our top five contributors to performance this quarter were Alibaba, Heidelberg Materials, Commerzbank, BNP Paribas, and Kinross Gold. Alibaba shares surged during the 1st quarter after the launch of DeepSeek's low-cost AI model, followed by a meeting between Xi Jinping and tech industry leaders where he signaled an earlier era of tech crackdown is now over. These events reignited global investor interest in Chinese tech companies. Heidelberg Materials shares gained on optimism from the German parliament's passage of a historic debt-backed defense and

infrastructure package, earmarking ~€500bn for infrastructure, which Heidelberg should benefit from. BNP Paribas and Commerzbank both benefitted from a steepening European yield curve, while improving economic growth in the Eurozone should support banking activity. Kinross Gold shares performed well as gold prices remained elevated amid lingering geopolitical uncertainties, driving record free cash flow and higher margins in 2024.

Our top five detractors from performance this quarter were Novo Nordisk, Nedbank Group, HudBay Minerals, Autoliv, and KB Financial. Novo Nordisk shares continued their decline in Q1 amid tariff uncertainties and rival Eli Lilly presenting GLP-1 clinical trials which showed greater weight loss compared to Novo's new GLP-1 treatments. Nedbank shares fell on the back of slower growth in net interest income due to muted credit demand, prompting downgrades on the stock. HudBay Minerals shares fell during the quarter after reporting disappointing 2024 results and lowering its 2025 guidance, expecting gold production to be down in 2025 vs 2024. Autoliv shares retreated during the quarter as tariff related disruptions intensified, spurring downgrades and lower price-targets for the stock from analysts. Shares of KB Financial retreated as US tariffs could weigh on South Korea's export-led economy, while high private sector debt and political turmoil trouble the fundamental outlook for KB.

We are always available via email or phone and welcome your calls. If you have any questions, please feel free to contact any of us for further information.

Curt Scott, CFA      Jack White, CFA      Jack Holden CFA      Shaun Siers, CFA

04/21/2025

MSCI ACWI ex-US (Net) – 319.92

MSCI ACWI ex-US Value (Net) – 336.63

*Refer to Performance Disclosure on the following page for more information on the performance numbers presented. These notes are an integral part of this letter and should not be reproduced or duplicated without these notes.*

Todd Asset Management LLC ("TAM") is a registered investment advisor headquartered in the Commonwealth of Kentucky. The firm only transacts business in states where it is properly notice filed or is excluded or exempted from registration requirements. This publication has been distributed for informational purposes only and should not be considered as investment advice or a recommendation of any particular security, strategy, or investment product. Past performance does not provide any guarantee of future performance, and one should not rely on performance as an indication of future performance. There is no guarantee that the investment strategy will work under all market conditions. Investments involve varying degrees of risk, and there can be no assurance that this product is suitable for everyone's investment portfolio. Commentary contains subjective judgements, management opinions and assumptions subject to change without notice. Commentary is based on information as of the period covered by this publication. Information contained herein has been obtained from sources believed to be reliable but not guaranteed. No part of this publication may be reproduced in any form, or referred to in any other publication, without express written permission of TAM. © 2025.

1. TAM Int'l 500 Index is a list of the 500 largest US listed international companies by market cap. This list is used for factor analysis where the index is ranked/sorted by a certain factor then divided into quintiles. Returns are then calculated on a monthly basis for each quintile.

## TODD ASSET MANAGEMENT LLC

### INTERNATIONAL INTRINSIC VALUE OPPORTUNITY COMPOSITE DISCLOSURE

Past performance does not provide any guarantee of future performance, and one should not rely on the Composite or any security's performance as an indication of future performance. Investment return and principal value of an investment will fluctuate so that the value of the account may be worth more or less than the original invested cost. There is no guarantee that this investment strategy will work under all market conditions.

Specific stocks discussed are included to help demonstrate the investment process or, as a review of the Composite's results; and are not intended as recommendations of said securities and carry no implications about past or future performance. All or some of the specific stocks mentioned may have been purchased or sold by accounts within the Composite during the period, or since the period, and may be purchased or sold in the future. The compilation of information contained herein reflects the views and opinions of TAM financial professionals at the time of creation which may change at any time without prior notification. There is no guarantee that any forward-looking opinions will occur.

Todd Asset Management LLC ("TAM") is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The performance presented represents a Composite of fully discretionary accounts invested primarily in large cap internationally domiciled, US traded equity securities using a rules-based process based on intrinsic value, financial strength, profitability strength, and market acceptance. The objective is to seek capital appreciation.

Todd Asset Management LLC, formerly Todd-Veredus Asset Management LLC began operations on June 1, 1998 as Veredus Asset Management LLC (VAM). Effective May 1, 2009, VAM combined with Todd Investment Advisors, Inc. (TIA). TIA (and its predecessors) was founded in 1967 by Bosworth M. Todd. Upon the combination of VAM and TIA in 2009, Veredus Asset Management LLC changed its name to Todd-Veredus Asset Management LLC (TVAM). On February 28, 2013, after a change in ownership involving some VAM unitholders, TVAM changed its name to Todd Asset Management LLC. The firm continues to offer the same strategies managed by individuals using the process founded under TIA.

The International Intrinsic Value Opportunity Composite contains fully discretionary accounts that use the MSCI ACWI ex-US Index as the benchmark. All fee-paying, fully discretionary portfolios under our management are included in a Composite. Accounts are eligible for inclusion in the Composite at the beginning of the first calendar quarter after the month of initial funding and upon being fully invested.

TAM claims compliance with the Global Investment Performance Standards (GIPS®). The Firm has been independently verified for the periods January 1, 2008 through December 31, 2024. VAM was verified for the period July 1, 1989 through December 31, 2007 by a previous verifier. TIA's compliance with the GIPS® standards has been verified for the period January 1, 1993 through April 30, 2009. The International Intrinsic Value Opportunity Composite has been examined for the periods July 1, 2014 through December 31, 2024. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein. To receive additional information regarding TAM, including a GIPS Composite Report for the strategy presented, contact Monica Slyter at 1-888-544-8633, or write Todd Asset Management LLC, 101 South Fifth Street, Suite 3100, Louisville, Kentucky 40202, or [mslyter@toddasasset.com](mailto:mslyter@toddasasset.com).

The performance information is presented on a trade date basis, both gross and net of management fees, net of transaction costs and foreign withholding taxes, and includes the reinvestment of all income. Net of fee performance was calculated using the applicable annual management fee schedule of 0.80% applied monthly. Actual investment advisory fees incurred by clients may vary. The currency used to calculate and express performance is U.S. dollars. All cash reserves and equivalents have been included in the performance.

The Composite performance has been compared to the following benchmark. The index is unmanaged, and not available for direct investment; it includes reinvestment of dividends; it does not reflect management fees or transaction costs. The volatility of the index and a client account will not be the same

MSCI ACWI ex-U.S. (net) Index is a float-adjusted market capitalization index that is designed to measure the combined equity market performance of developed and emerging market countries excluding the United States. The ACWI ex-U.S. includes both developed and emerging markets. For investors who benchmark their U.S. and international stocks separately, this index provides a way to monitor international exposure apart from U.S. investments. The net index considers the impact of tax withholdings on dividend income.

MSCI ACWI Value (net) Index is a float-adjusted index of securities exhibiting overall value style characteristics across both developed and emerging markets. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield.

Risks - Investments involve varying degrees of risk, and there can be no assurance that this product is suitable for your investment portfolio. The International Opportunity product is designed for long-term investors who are willing to accept short-term price fluctuations. This product generally holds 30 securities and is rebalanced every 3 months, thus it is more concentrated and may generate more investment turnover than other products. It is not required to be diversified by sector, and should be considered a more sector concentrated, aggressive application of the price to intrinsic value investment philosophy. There are general and market risks involved in this product, along with the risks of ownership in a foreign security (ADR, or similar securities) including political instability, confiscation of property, reduced legal protection, market liquidity, and adverse changes in currency exchange rates. Investing in emerging market securities can magnify these risks due to their smaller economies. There are times the overall market may not favor value-style investing, and it is possible the intrinsic value of the underlying stocks may never be realized.

At acceptance, TAM will provide all clients with a copy of our current Form ADV, Part 2A ("Disclosure Brochure"), Form ADV Part 2Bs, which are the Brochure Supplements for each advisory person supporting a particular client, and, if an individual investor, the Form ADV Part 3 (client Relationship Summary or Form CRS). You may also obtain a copy of these disclosures on the SEC website at <http://adviserinfo.sec.gov>.

The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or crediting any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. ([www.msci.com](http://www.msci.com)).