



AB American Income Portfolio

Market Overview

- Following a robust five-month rally, developed-market (DM) government bond returns fell as investors digested strong US employment and retail sales reports and eyed major economies' deficits and borrowing needs. The absence of a US Federal Reserve (Fed) policy meeting in October and uncertainty surrounding the US presidential election added to bond-market volatility.
- US high-yield and investment-grade corporate bonds declined during the month. Meanwhile, securitized assets delivered mixed returns, with higher-quality securities underperforming their lower-rated counterparts.
- Emerging market (EM) hard-currency sovereign bonds and EM hard-currency corporate bonds also lost ground in October.
- The US dollar gained against all DM and EM currencies during the month.

Portfolio Performance (as of 31/10/2024)

	1 Month	Year to Date	Since Inception 01/07/1993 (Annualized)
Class A USD (NAV)	-2.22%	2.97%	5.23%
Charges Applied (2.5%)	-4.66%	0.38%	5.15%

- In October, the Portfolio's allocation to high-yield corporate bonds strongly contributed to performance. A lower-than-benchmark position in agency mortgages also proved beneficial, as did an allocation to EM corporate and government bonds that did not feature in the benchmark index. Our choice of investment-grade corporate bond holdings contributed more modestly.
- A lower-than-benchmark weight to duration (this measures the sensitivity of a portfolio's price to interest-rate movements) also added value; however, our yield-curve positioning offset some of those gains.

Market Outlook

- We remain optimistic that focused monetary easing can prevent economic recessions. Our base case scenario is for most central banks to steadily return interest rates to their long-term averages or neutral over the next few quarters.
- Now that interest rate cuts have started, investors will focus on how fast and far borrowing costs will fall. If the global economy weakens by more than expected, rate cuts will likely accelerate, given fiscal stimulus measures would have less of an impact due to the large size of most DM economies' budget deficits.
- We expect the Fed to ease steadily unless economic growth does not slow as forecast—a so-called “no landing.” While the hiring rate has eased materially in the US, overall hiring is consistent with solid growth. If labor trends remain intact, we believe the US economy can slow down without entering a period of stagnation.

Past performance is not indicative of future results. Performance calculations are based on a single pricing basis, include the change in Net Asset Value and reinvestment of any distributions paid on Portfolio shares for the period shown, net of assumed front-end load (FEL) 2.5% for Class A shares. For Class A shares, maximum front-end load (FEL): Up to 5%. Accordingly, these figures do not represent actual returns to an investor.

Investment risks to consider. These and other risks are described in the Portfolio's prospectus.

Investment in the Portfolio entails certain risks. Investment returns and principal value of the Portfolio will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Some of the principal risks of investing in the Portfolio include:

Country Risks in the US: Investments in issuers located in the US may have more market, political and economic risks because of particular factors affecting that country. **Credit risk:** The Portfolio will invest in fixed-income securities (including bonds) issued by companies and other entities and the Portfolio will be subject to the risk that a particular issuer may not fulfil its payment or other obligations in respect of such fixed-income securities. Generally, debt instruments with a lower credit rating or that are unrated are more susceptible to the credit risk of the issuers. In the event of a default or credit rating downgrading of the issuers of the fixed income securities, the Portfolio's value may be adversely affected and investors may suffer a substantial loss as a result. **Derivatives Risk:** The Portfolio is entitled to use derivative instruments for hedging and/or EPM purposes which may involve additional risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. **Fixed-income securities Risk:** As interest rates rise, bond prices fall and vice versa – long-term securities tend to rise and fall more than short-term securities. The Portfolio will invest in fixed-income securities where their value will change in response to fluctuations in interest rates and currency exchange rates, as well as changes in credit quality of the issuer. **Liquidity Risk:** The risk that arises when adverse market conditions affect the ability to sell assets when necessary. Reduced liquidity may have a negative impact on the price of the assets.

Important Information

The Portfolio is part of AB FCP I (referred to as "AB"). AB is a mutual investment fund (fonds commun de placement) organized under the laws of the Grand Duchy of Luxembourg.

Investment involves risk. Past performance is no guarantee of future results.

The information contained here reflects the views of AllianceBernstein L.P. or its affiliates and sources it believes are reliable as of the date of this publication. AllianceBernstein L.P. makes no representations or warranties concerning the accuracy of any data. There is no guarantee that any projection, forecast or opinion in this material will be realized. Past performance does not guarantee future results. The views expressed here may change at any time after the date of this publication. This document is for informational purposes only and does not constitute investment advice. AllianceBernstein L.P. does not provide tax, legal or accounting advice. It does not take an investor's personal investment objectives or financial situation into account; investors should discuss their individual circumstances with appropriate professionals before making any decisions. This information should not be construed as sales or marketing material or an offer of solicitation for the purchase or sale of, any financial instrument, product or service sponsored by AllianceBernstein or its affiliates.

The Fund is meant as a vehicle for diversification and does not represent a complete investment program. Some of the principal risks of investing in the Fund (risks typically associated with ordinary market conditions) include concentration/focus risk, currency risk, derivatives risk, emerging/frontier markets risk, equity securities risk, hedging risk, market risk, and securities lending risk. The Portfolio is entitled to use derivative instruments for hedging and/or EPM purposes which may involve additional risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. These and other risks are described in the Fund's prospectus. Prospective investors should read the prospectus and Product Highlights Sheet carefully and discuss risk and the fund's fees and charges with their financial adviser to determine if the investment is appropriate for them.

This information is directed solely at persons in jurisdictions where the funds and relevant share class are registered or who may otherwise lawfully receive it. Before investing in AllianceBernstein funds, investors should review the fund's full prospectus, together with the fund's Product Highlights Sheet and the most recent financial statements. Copies of these documents, including the latest annual report and, if issued thereafter, the latest semi-annual report, may be obtained free of charge from www.abfunds.com / www.alliancebernstein.com or by contacting the local distributor in the jurisdictions in which the funds are authorized for distribution.

References to specific securities are presented for the purpose of providing information regarding a particular investment sector, or to illustrate the application of AllianceBernstein's investment philosophy, and are not to be considered recommendations by AllianceBernstein. The specific securities identified and described above may or may not be held by the Portfolio at any given time. The transactions summarized herein represent those securities for which positions were initiated, eliminated or traded by the Portfolio, and are provided for informational purposes only. The specific securities listed do not represent all the securities purchased or sold by the Portfolio. Opinions and estimates expressed are AllianceBernstein's present opinions only, reflecting information currently available to AllianceBernstein as well as prevailing market conditions. Such opinions involve a number of assumptions which may not prove valid, and are subject to change without notice. Not all investments in the securities identified should be assumed to be profitable and future investments may not be profitable. A list of the Portfolio's holdings is available at www.alliancebernstein.com

This document has been issued by AllianceBernstein (Singapore) Ltd. ("ABSL", Company Registration No. 199703364C). AllianceBernstein (Luxembourg) S.à r.l. is the management company of the portfolio and has appointed ABSL as its agent for service of process and as its Singapore representative. AllianceBernstein (Singapore) Ltd. is regulated by the Monetary Authority of Singapore. This advertisement has not been reviewed by the Monetary Authority of Singapore.

The [A/B] logo is a registered service mark of AllianceBernstein and AllianceBernstein® is a registered service mark used by permission of the owner, AllianceBernstein L.P. © 2024 AllianceBernstein L.P.