



PEAR TREE AXIOM EMERGING MARKETS WORLD EQUITY FUND

FOR THE QUARTER ENDED JUNE 30, 2020 the Pear Tree Axiom Emerging Markets World Equity Fund's Ordinary Shares (the "Fund") outperformed its benchmark, the MSCI Emerging Markets Index (the "Index"). During the period, the Fund achieved a return of 21.65% at net asset value compared to 18.18% for the Index.

Market Conditions and Investment Strategies

After the worst first quarter in MSCI EM Index history, emerging markets snapped back with an 18% gain in the second quarter, the best quarterly performance in 11 years. Granted, earnings revisions were negative for the quarter, and the gain in the Index was driven by a 29% expansion in the forward P/E ratio from 11x to 14x. Global liquidity, courtesy of unprecedented central bank stimulus, helped stabilize emerging market currencies and commodity prices, and was an important factor in the equity markets recovery.

The overweight allocation to high growth sectors contributed positively to the quarter. Additionally, Consumer Discretionary, Communications Services and Health Care stood out in terms of stock selection. The common denominator in these three sectors was the outperformance of e-commerce, internet and telemedicine stocks which benefited from accelerated growth during the COVID-19 crisis. The Financials sector was another key contributor as exchanges in Brazil and Hong Kong and a combination of low rates, high liquidity and growing product and listing activity are driving higher trading volumes. Meanwhile the Materials sector was a detractor this quarter as relatively defensive holdings lagged the cyclical rally. China was the largest contributor, despite lagging the Index in the second quarter. Chinese holdings outperformed in high growth areas including e-commerce, Health Care, Industrials and software. Brazil also showed positive stock selection and led holdings in the e-commerce and stock exchange industries. On the negative side, the relatively defensive and underweight posture in South Africa contributed negatively as that market rebounded sharply in the second quarter.

Portfolio Changes

The Fund increased its relative allocation to the Financials sector throughout the quarter, adding to its position in China International Capital, while also starting a new position in Hong Kong Exchanges & Clearing. Both are benefitting from policy tailwinds, as China actively reforms its capital markets to allow for accelerated capital market issuance and the inclusion of a broader swath of potential issuers. A notable new position for the Fund during the period was Zhongsheng, a leading Chinese auto dealer, with the largest premium car sales volume in China. The Fund reduced its Information Technology sector weight, most notably reducing the position sizes of Samsung Electronics and SK Hynix due to uncertainty on DRAM pricing in 2H20 due to building inventory levels, slower memory content growth in phones and less supply tightness. The Fund selectively exited names where fundamental trends had deteriorated, such as FirstRand after a Moody's credit downgrade due to degradation to credit quality brought on by COVID-19.

Outlook

While near term emerging market P/E valuations are elevated relative to history, the outlook for earnings growth appears to be improving. Global economic growth is subject to unusually high uncertainties related to COVID-19, we believe the outlook for the large economies of emerging Asia is robust, even without a dramatic 2009-style stimulus from China. And while the lesser developed economies in Asia and many Latin American countries struggle with a deeper health care and economic crisis, the path of reopening economies we expect to continue. From a bottom up perspective, the COVID-19 crisis has accelerated several preexisting trends, most notably increased online activity. The resulting positive change continues to present attractive investment opportunities well suited to Axiom's dynamic growth philosophy. ❖

TOTAL EXPENSE RATIOS*

	Gross Expense Ratio*	Net Expense Ratio*
Ordinary Shares	1.71%	1.49%
Institutional Shares	1.46%	1.12%
R6 Shares	1.31%	1.00%

* Per Prospectus dated August 3, 2020, as amended. Reflects all fee waivers and expense reimbursements currently in effect. Fee waivers and expense reimbursements may not be amended, rescinded or terminated before July 31, 2021 without the consent of the Fund's Trustees.

A WORD ABOUT RISK

Investing in foreign markets, particularly emerging markets, can be more volatile than the U.S. market due to increased risks of adverse issuer, political, regulatory, market or economic developments and can perform differently than the U.S. market.

Investment Products

- Not FDIC insured
- May lose value
- No bank guarantee

PEAR TREE AXIOM EMERGING MARKETS WORLD EQUITY FUND PORTFOLIO HIGHLIGHTS

as of June 30, 2020 (The portfolio is actively managed. Holdings and weightings are subject to change daily.)

Top Ten Holdings

Percentage of total net assets	38.5%
Alibaba Group Holding Ltd.	7.2%
Taiwan Semiconductor Manufacturing Co., Ltd.	6.1%
Tencent Holdings Limited	4.8%
Naspers Limited N Shares	4.6%
JD.com Inc.	3.6%
Samsung Electronics Company Limited	3.6%
iShares Core MSCI Emerging Markets ETF	2.7%
Reliance Industries Ltd.	2.4%
Naver Corp.	1.8%
Microsoft Corporation	1.7%

The companies mentioned in the commentary on page one have the following percentage of total net assets as of 06/30/2020:

SK Hynix, Inc.	1.1%
Zhongsheng Group Holdings Ltd.	1.0%
Hong Kong Exchanges & Clearing Ltd.	1.0%
China International Capital Corporation Limited - H	0.8%

PERFORMANCE

as of June 30, 2020

Average Annual Total Returns at Net Asset Value

	Unannualized		Annualized				Since Inception	Inception Date
	Q2	Calendar YTD	1-Year	3-Year	5-Year	10-Year		
Ordinary Shares	21.65%	-3.74%	5.56%	3.48%	1.78%	2.99%	4.83%	09/30/94
Institutional Shares	21.77%	-3.52%	5.99%	3.91%	2.13%	3.30%	6.11%	04/02/96
R6 Shares	21.76%	-3.45%	6.20%	—	—	—	9.35%	01/28/19
MSCI EM ¹	18.18%	-9.67%	-3.05%	2.27%	3.24%	3.63%	4.78%	—

¹The Morgan Stanley Capital International Emerging Markets ("MSCI EM") Index is an unmanaged index comprised of stocks located in countries other than the United States. It is widely recognized as representative of the general market for emerging markets. Index returns assume the reinvestment of dividends and, unlike Fund returns, do not reflect fees or expenses. You cannot invest directly in an Index. For comparative performance purposes, the beginning date for the Index is 09/30/94.

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. For the most recent month-end performance, visit the Fund's website at www.peartreefunds.com.