Vontobel

Monthly commentary / 30.4.2026

Vontobel Fund – mtx Asian Leaders (ex Japan)

Marketing document for institutional investors in: AT, CH, DE, ES, FI, FR, GB, IT, LI, LU, NL, NO, PT, SE, SG (Professional Investors only).

Investors in France should note that, relative to the expectations of the Autorité des Marchés Financiers, this fund presents disproportionate communication on the consideration of non-financial criteria in its investment policy.

Summary

- Asian markets posted a strong rebound, with the MSCI AC Asia ex Japan Index rising 15.9%, significantly outperforming developed markets equities.
- The mtx Asian Leaders (AL) fund returned +18.7% (gross of fees) during April 2026.
- The AL fund has outperformed the benchmark by +4.8% (gross of fees) during the first fourth months of the year.

Market developments

Asian equities delivered a very strong performance in April (+15.9%), supported by a global risk-on environment and easing geopolitical concerns, with the regional index rising in line with the broader EM rally. Gains were heavily concentrated in North Asia, where Korea and Taiwan surged on the back of strong earnings and continued momentum in the AI-driven semiconductor cycle. At the sector level, information technology was the clearest standout, rising 34.7% and driving a significant share of overall market returns, while industrials (+20.5%) also benefited from improving global manufacturing expectations. In contrast, performance was more mixed across other sectors, with more domestically oriented areas such as consumer discretionary (+5.4%) and financials (+5.7%) lagging, and communication services (-0.4%) the only sector to decline. Overall, market leadership remained narrow and firmly tilted toward technology and externally exposed sectors, consistent with the strength of North Asia.

At the country level, performance showed a clear divergence within the region. South Korea (+38.3%) was the standout performer, followed by strong gains in Taiwan (+27.8%), reflecting the rally in semiconductor and export-oriented sectors. India also delivered solid returns (+9.1%), supported by domestic demand, while Southeast Asian markets such as Thailand (+5.0%) and Malaysia (+4.3%) posted more moderate gains. In contrast, China (+3.8%) and Hong Kong (+3.6%) lagged significantly, weighed down by weaker domestic fundamentals. Indonesia (-6.9%) and Macau (-3.6%) were notable underperformers, highlighting a lack of participation in the broader tech-driven rally. Overall, returns were highly skewed toward North Asia, reinforcing the concentration of market leadership during the month.

Portfolio review

Over the course of the month, the strategy returned +18.7% (gross of fees), outperforming the benchmark return by +2.7%. Stock selection was the main driver of this outperformance for the month, particularly in the information technology and materials sectors. On the negative side, the portfolio had negative stock selection within consumer discretionary. Sector allocation also had a positive impact overall, with the portfolio particularly benefitting from its overweight to information technology as well as the underweights to consumer staples and health care. From a country perspective, stock selection in China, Taiwan, and India were among the largest contributors to performance for the month, while stock selection in South Korea was the largest detractors. In addition, country allocation had a negative impact overall, with the portfolio particularly affected by its overweight to China and Vietnam.

At the end of April, our portfolio comprised of 41 companies (42 holdings, with two holdings for Samsung Electronics). During the month, we did not add any new positions to the portfolio, nor did we fully exit any holdings.

Performance analysis

Semiconductor and technology hardware stocks rallied strongly in April on AI-driven demand, led by Elite Material (+60.4%), SK Hynix (+48.8%), and Accton (+38.6%), alongside Samsung Electronics (+21.1%) and TSMC (+16.2). Strong 1Q26 earnings and improved outlooks across the AI supply chain - supported by higher capex from U.S. hyperscalers - also pushed semiconductor-heavy Asian markets to record highs, with Korea (+37.4%), Taiwan (+26.6%), and Japan (+9.1%) leading gains. Furthermore, performance was underpinned by a persistent memory chip shortage, robust earnings, and strong export growth in Korea, reinforcing the sector’s solid fundamentals.

Chinese stocks were mixed in April. Airtac and China Jushi outperformed, benefiting from China’s manufacturing recovery and strong demand in electronics, batteries, and automation. Airtac rose 43.3% on strong sales growth, higher margins, and robust automation demand, while China Jushi gained 35.0% as higher prices and tight supply boosted profits. In contrast, Tencent (-5.8%) and Galaxy Entertainment (-7.7%) lagged—Tencent on rising AI investment costs weighing on margins, and Galaxy on still-soft Macau sentiment despite a gradually improving outlook. Overall, the sector continued to face weak consumer demand and an uneven recovery.

Outlook

The long-term outlook for Asian equities remains compelling, supported by robust fundamentals, projected earnings growth of +40.4% in 2026, and attractive valuations trading at a significant discount to developed markets. Regional fiscal measures and improving geopolitical stability could further stabilize markets and create selective opportunities for investors. In the near term, however, volatility is expected due to geopolitical tensions, energy price shocks, and tighter financial conditions. Historical patterns suggest that supply-driven oil price surges may lead to market corrections, with Asian equities likely to face continued pressure in Q2. While risks persist, the structural investment case for Asian equities remains intact for long-term investors.

Fundamentals

The fundamental backdrop for Asian equities remains broadly supportive, driven by strong earnings expectations and structural tailwinds. Consensus forecasts project earnings growth of approximately +40.4% in 2026 (compared to +16% for MSCI DM and +18% for U.S. equities), supported by technology investment cycles, policy stimulus, and improving governance in key markets. However, higher risk premiums and rising interest rates are compressing valuation multiples for Asian equities relative to DM and U.S. benchmarks.

The strong pre-conflict momentum of Asian equities was evident in robust earnings growth in Q4 2025. Excluding the drag from China internet giants like Alibaba, JD.com, and Baidu, Asian earnings surged +31% YoY, led by Korea (+71% YoY) and Taiwan (+35% YoY). Overall, topline growth in Asian (excluding Alibaba, JD.com, and Baidu) tracked a healthy +7% YoY. Within Asian EM, Korea posted the strongest growth in net income, with significant contributions from the Information Technology, Industrials, and Financials sectors. Taiwan also recorded strong net income growth.

While Q1 2026 forecasts appear promising, downward earnings revisions often lag energy shocks by 2–3 quarters, with historical oil supply shocks showing significant regional and sectoral impacts. Governments are implementing price caps and subsidies to shield growth and corporate margins in the near term, but prolonged disruptions could strain fiscal resources and hurt demand, particularly among weaker consumers. North Asia is managing oil shortages effectively through strategic reserves, advanced supply management, diplomatic agreements for Iranian vessel passage and Russian oil access and plans to ramp up coal-fired power plants and revitalize nuclear power plants. Southeast Asia shows mixed resilience, with Thailand implementing a fuel crisis plan and subsidizing diesel at $32 million daily, while Vietnam seeks supply support from Japan and South Korea. South Asia remains the most vulnerable, with Bangladesh facing imminent oil shortages, India raising LPG and jet fuel prices while activating emergency measures, and households stockpiling electric cooktops amid cooking gas concerns.

Higher energy prices are expected to support incomes in energy-producing and exporting economies, but the demand lift is likely to be outweighed in the near term by the drag on energy-consuming regions in Asia. Approximately 28% of the MSCI EM benchmark have a negative beta to oil prices, including Consumer Staples, Consumer Discretionary, Real Estate, Communication Services, Utilities, and Healthcare. These sectors are particularly vulnerable to higher input costs, reduced disposable incomes, tighter household budgets, rising fuel costs, and inflation-driven deferrals of non-essential spending. If earnings growth for these six sectors were to contract to zero in 2026, the overall EM earnings growth forecast would decline from +35.1% to approximately +30.7%.

The technology sector remains the largest contributor to Asian earnings growth, benefiting from strong initial demand and sufficient reserves of critical inputs such as helium and bromine. Companies in Korea and Taiwan, for example, are estimated to have 4–6 months of buffer reserves for these materials. However, prolonged geopolitical uncertainty and tighter financial conditions could disrupt supply chains and weaken global demand, putting 2026 EPS estimates at risk. A slowdown in global economic activity could also dampen demand for technology products and AI data centers, which are key growth drivers for Korean and Taiwanese tech giants.

Valuation

Valuations for Asian equities remain attractive on both an absolute and relative basis. Asian equities currently trade at approximately 11.8x forward earnings, compared to 20.0x for developed markets and 21.8x for U.S. equities, representing a valuation discount of roughly 30–40% versus major developed market benchmarks. On a historical basis, Asian valuations are now moderately below the long-term average of 12.2x. Price-to-book metrics further support the relative valuation case, with Asian equities trading at approximately 2.2x book value compared to 3.9x for developed markets. This valuation backdrop indicates that risk-driven corrections during Q2 could present tactical entry opportunities for long-term investors, though sustained macro shocks could delay further multiple expansion.

Macroeconomic Outlook

The macroeconomic environment for Asian markets remains broadly constructive, though near-term uncertainty has risen due to geopolitical risks and energy price volatility. Policymakers in several Asian economies are implementing fiscal measures, such as subsidies and tax adjustments, to mitigate the impact of higher oil prices and stabilize domestic demand. In Asia, macro conditions remain closely tied to global technology demand and export dynamics. Strong semiconductor investment cycles and resilient trade activity are bolstering growth prospects in markets such as Korea and Taiwan.

Risks

Key downside risks include geopolitical tensions, energy price volatility, U.S. dollar strength, and global growth risks. Persistently high oil prices could pressure corporate margins and household purchasing power, particularly in energy-importing economies. While governments are currently absorbing part of the shock, sustained price increases may eventually be passed on to consumers, leading to earnings downgrades with a lag of 2–3 quarters.

Currency dynamics also pose risks, as a stronger U.S. dollar and tighter global financial conditions could disrupt capital flows and weigh on performance. Additionally, following the strong Q1 rally, previously crowded markets may be vulnerable to sharper corrections if global risk sentiment deteriorates.

Flows

EM capital flows have shown mixed trends amid geopolitical

tensions. Year-to-date, EM equity funds have attracted USD 77.5 billion in inflows, though recent weeks have seen a slowdown. ETFs turned positive with +USD 1.1 billion in inflows, while non-ETFs experienced outflows of -USD 1.7 billion in the same period.
Regionally, Asia ex-Japan saw modest inflows. Market-level trends indicate selling pressure in Korea, Taiwan, and India, while some ASEAN markets attracted inflows. February data highlighted strong subscriptions in China (+USD 6.2 billion). A stabilization in geopolitical risks could renew strategic allocations, though uncertainty may continue to drive episodic volatility.

Fund characteristics

Fund name	Vontobel Fund – mtx Asian Leaders (ex Japan)
ISIN	LU0384410279
Share class	I USD
Reference index	MSCI All Country Asia (ex Japan) TRN to 5.5.2025, MSCI AC Asia ex Japan Index 10/40 TRN USD thereafter
Inception date	17.11.2008

Historical performance (net returns, in %)

Time period	Fund	Ref. index
MTD	18.2%	15.9%
YTD	18.5%	13.8%
1 year	58.3%	45.7%
3 yrs p.a.	21.2%	20.2%
5 yrs p.a.	5.0%	5.2%
10 yrs p.a.	11.2%	9.8%
ITD p.a.	11.8%	10.5%

Time period	Fund	Ref. index
2025	33.2%	31.3%
2024	10.3%	12.0%
2023	5.6%	6.0%
2022	-24.2%	-19.7%
2021	-4.2%	-4.7%
2020	26.4%	25.0%
2019	18.8%	18.7%
2018	-16.4%	-14.8%
2017	55.6%	41.7%
2016	5.5%	5.4%

Past performance is not a reliable indicator of current or future performance.
Performance data does not take into account any commissions and costs charged when shares of the fund are issued and redeemed, if applicable. The return of the fund may go down as well as up, e.g. due to changes in rates of exchange between currencies. The value of the money invested in the fund can increase or decrease and there is no guarantee that all or part of your invested capital can be redeemed.

Investment risks

- A company's stock price may be adversely affected by changes in the company, its industry or economic environment and prices can change quickly. Equities typically involve higher risks than bonds and money market instruments.
- The sub-fund’s investments may be subject to sustainability risks. The sustainability risks that the sub-fund may be subject to are likely to have an immaterial impact on the value of the sub-fund’s investments in the medium to long term due to the mitigating nature of the sub-fund’s ESG approach. The sub-fund’s performance may be positively or negatively affected by its sustainability strategy. The ability to meet social or environmental objectives might be affected by incomplete or inaccurate data from third-party providers. Information on how environmental and social objectives are achieved and how sustainability risks are managed in this sub-fund may be obtained from vontobel.com/sfdr.

Important legal information
This marketing document was produced by one or more companies of the Vontobel Group (collectively “Vontobel”) for institutional clients, for distribution in AT, CH, DE, ES, FI, FR, GB, IT, LI, LU, NL, NO, PT, SE, SG (Professional Investors only).

This document is for information purposes only and does not constitute an offer, solicitation or recommendation to buy or sell shares of the fund/fund units or any investment instruments, to effect any transactions or to conclude any legal act of any kind whatsoever. Subscriptions of shares of the fund should in any event be made solely on the basis of the fund’s current sales prospectus (the “Sales Prospectus”), the Key (Investor) Information

Document ("K(I)ID"), its articles of incorporation and the most recent annual and semi-annual report of the fund and after seeking the advice of an independent finance, legal, accounting and tax specialist. This document is directed only at recipients who are institutional clients, such as eligible counterparties or professional clients as defined by the Markets in Financial Instruments Directive 2014/65/EC ("MiFID") or similar regulations in other jurisdictions, or as qualified investors as defined by Switzerland's Collective Investment Schemes Act ("CISA").
Neither the fund, nor the Management Company nor the Investment Manager make any representation or warranty, express or implied, with respect to the fairness, correctness, accuracy, reasonableness or completeness of an assessment of ESG research and the correct execution of the ESG strategy. As investors may have different views regarding what constitutes sustainable investing or a sustainable investment, the fund may invest in issuers that do not reflect the beliefs and values of any specific investor.
Past performance is not a reliable indicator of current or future performance.
Performance data does not take into account any commissions and costs charged when shares of the fund are issued and redeemed, if applicable. The return of the fund may go down as well as up, e.g. due to changes in rates of exchange between currencies. The value of the money invested in the fund can increase or decrease and there is no guarantee that all or part of your invested capital can be redeemed.
Interested parties may obtain the above-mentioned documents free of charge from the authorized distribution agencies and from the offices of the fund at 49 Avenue J.F. Kennedy, L-1855 **Luxembourg**, the facilities agent in **Austria**: Erste Bank der oesterreichischen Sparkassen AG, Am Belvedere 1, A-1100 Vienna, the representative in **Switzerland**: Vontobel Fonds Services AG, Gotthardstrasse 43, 8022 Zurich, the paying agent in Switzerland: Bank Vontobel AG, Gotthardstrasse 43, 8022 Zurich, the European facilities agent for **Germany**: PwC Tax and Advisory, Société coopérative – GFD, 2, rue Gerhard Mercator, L-2182 Luxembourg, Email: lu_pwc.gfd.facsvs@pwc.com, gfdplatform.pwc.lu/facilities-agent/, the information agent in **Liechtenstein**: LLB Fund Services AG, Äulestrasse 80, FL-9490 Vaduz. Refer for more information on the fund to the latest prospectus, annual and semi-annual reports as well as the key (investor) information documents ("K(I)ID"). These documents may also be downloaded from our website at vontobel.com/am. A summary of investor rights (including information on representative actions for the protection of the collective interests of consumers under EU Directive 2020/1828) is available in English under: vontobel.com/vamsa-investor-information. Vontobel may decide to terminate the arrangements made for the purpose of marketing its collective investment schemes in accordance with Article 93a of Directive 2009/65/EC. **Finland**: The KID is available in Finnish. The KID is available in French. The fund is authorized to the commercialization in **France**. Refer for more information on the funds to the KID. **Italy**: Refer for more information regarding subscriptions in Italy to the Modulo di Sottoscrizione. For any further information: Vontobel Asset Management S.A., Milan Branch, Piazza degli Affari 2, 20123 Milano, telefono: 0263673444, e-mail: clientrelation.it@vontobel.com. **Netherlands**: The fund and its subfunds are included in the register of Netherlands' Authority for the Financial Markets as mentioned in article 1:107 of the Financial Markets Supervision Act ("Wet op het financiële toezicht"). **Norway**: The KID is available in Norwegian. Please note that certain sub-funds are exclusively available to qualified investors in Andorra or **Portugal**. In **Spain**, funds authorized for distribution are recorded in the register of foreign collective investment companies maintained by the Spanish CNMV (under number 280). The KID can be obtained in Spanish from Vontobel Asset Management S.A., Sucursal en España, Paseo de la Castellana, 91, Planta 5, 28046 Madrid. **Sweden**: The KID is available in Swedish. The fund and its sub-funds are not available to retail investors in **Singapore**. Selected sub-funds of the fund are currently recognized as restricted schemes by the Monetary Authority of Singapore. These sub-funds may only be offered to certain prescribed persons on certain conditions as provided in the "Securities and Futures Act", Chapter 289 of Singapore. This document was approved by Vontobel Pte. Ltd., which is licensed with the Monetary Authority of Singapore as a Capital Markets Services Licensee and Exempt Financial Adviser and has its registered office at 8 Marina Boulevard, Marina Bay Financial Centre (Tower 1), Level 04-03, Singapore 018981. This advertisement has not been reviewed by the Monetary Authority of Singapore. The fund is not authorized by the Securities and Futures Commission in **Hong Kong**. It may only be offered to those investors qualifying as professional investors under the Securities and Futures Ordinance. The contents of this document have not been reviewed by any regulatory authority in Hong Kong. You are advised to exercise caution and if you are in doubt about any of the contents of this document, you should obtain independent professional advice. This document was approved by Vontobel (Hong Kong) Ltd., which is licensed by the Securities and Futures Commission of Hong Kong and provides services only to professional investors as defined under the Securities and Futures Ordinance (Cap. 571) of Hong Kong and has its registered office at 1901 Gloucester Tower, The Landmark 15 Queen's Road Central, Hong Kong. This advertisement has not been reviewed by the Securities and Futures Commission. The fund authorized for distribution in the **United Kingdom** and entered into the UK's temporary marketing permissions regime can be viewed in the FCA register under the Scheme Reference Number 466625. The fund is authorized as a UCITS scheme (or is a sub fund of a UCITS scheme) in a European Economic Area (EEA) country, and the scheme is expected to remain authorized as a UCITS while it is in the temporary marketing permissions regime. This information was approved by Vontobel Asset Management S.A., London Branch, which has its registered office at 3rd Floor, 70 Conduit Street, London W1S 2GF and is authorized by the Commission de Surveillance du Secteur Financier (CSSF) and subject to limited regulation by the Financial Conduct Authority (FCA). Details about the extent of regulation by the FCA are available from Vontobel Asset Management S.A., London Branch, on request. The KIID can be obtained in English from Vontobel Asset Management S.A., London Branch, 3rd Floor, 70 Conduit Street, London W1S 2GF or downloaded from our website vontobel.com/am.
This document is not the result of a financial analysis and therefore the "Directives on the Independence of Financial Research" of the Swiss Bankers Association are not applicable. Vontobel and/or its board of directors, executive management and employees may have or have had interests or positions in, or traded or acted as market maker in relevant securities. Furthermore, such entities or persons may have executed transactions for clients in

Vontobel Asset Management AG
Gotthardstrasse 43, 8022 Zürich
Switzerland
T +41 58 283 71 11
info@vontobel.com | vontobel.com/am