Monthly commentary / 30.4.2026

Vontobel Fund – mtx Emerging Markets Leaders ex China

Marketing document for institutional investors in: AT, CH, DE, DK, ES, FI, FR, GB, IT, LU, NL, NO, SE.

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

- Emerging markets posted a strong rebound, with the MSCI EM ex China Index rising 18.0%, significantly outperforming developed markets equities.
- The mtx Emerging Markets Leaders ex China (EMLX) fund returned +19.3% (gross of fees) during April.
- The EMLX fund has outperformed the benchmark by +5.0% (gross of fees) during the first four months of the year.

Market developments

Emerging markets ex-China delivered a strong rebound, with the MSCI EM ex-China Index rising 18.0%, outperforming broader emerging markets as China continued to act as a drag. Globally, equities advanced on improving risk sentiment, led by Asia Pacific (+13.2%), followed by the U.S. (+10.5%) and Europe (+7.0%). The rally was supported by expectations of an Iran–US peace deal. A temporary ceasefire in early April was extended, keeping talks alive and easing concerns around the Strait of Hormuz. While specific progress remains limited, continued engagement has lifted confidence and helped underpin markets, even as some fuel disruptions persist in parts of Asia.

Performance across EM ex-China was highly concentrated in North Asia, where Korea (+37.4%) and Taiwan (+26.6%) rallied sharply to record highs, supported by strong first-quarter earnings and upgrades across the AI-driven semiconductor supply chain.

Returns were led by information technology, which significantly outperformed with a gain of 37.3%, far ahead of all other sectors, followed by robust performance in industrials (+23.7%), highlighting a strong cyclical momentum. Consumer discretionary (+10.4%) and real estate (+9.2%) also posted solid gains, reinforcing the pro-growth backdrop. In contrast, traditionally defensive sectors such as health care (+5.4%) and consumer staples (+5.4%), as well as financials (+5.6%) and energy (+6.0%), lagged the broader market, while communication services was the weakest performer at +4.2%. Overall, market leadership remained concentrated in growth and cyclicals, skewed toward growth-oriented and externally exposed sectors, consistent with the strong performance of North Asia and the AI-driven technology cycle, while defensive segments lagged the rally.

Elsewhere, performance was more moderate. India (+8.6%) lagged North Asia, with gains driven primarily by domestic sectors such as financials and real estate, while its IT sector faced continued concerns around AI disruption. ASEAN markets (+2.0%) also underperformed in the tech-driven rally, with Indonesia notably weaker. Latin American markets delivered positive returns but lagged Asia. Brazil rose 4.2%, while Mexico faced headwinds from a sharp drop in public investment and weak corporate earnings. The divergence reflects sector composition: Asian markets benefited from strong technology and semiconductor exposure amid the AI-driven rally, whereas Latin America's heavier weighting in commodities, financials, and consumer sectors saw more muted performance.

Portfolio review

Over the course of the month, the EMLX fund returned +19.3% (gross of fees), outperforming the benchmark return by +1.2%. Stock selection was the main driver of this outperformance for the month, particularly in the information technology sector. On the negative side, the portfolio had negative stock selection within industrials and materials. Sector allocation also had a slight positive impact overall, with the portfolio particularly benefiting from its underweights to financials and consumer staples. From a country perspective, stock selection in 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 Brazil and Mexico.

At the end of April, our portfolio comprised 54 companies (56 holdings, with two holdings each for Localiza and Samsung Electronics). During the month, we initiated a new position in OTP Bank (financials, Hungary) as well as in Firstrand (financials, South Africa).

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. Industrial automation firm Airtac rose 43.3% on strong sales growth, higher margins, and robust automation demand.

Gold Fields, Bank Mandiri, and Vista Energy all underperformed the broader index in April, with returns of −12.6%, −7.0%, and +5.6%, respectively. The weakness primarily reflects sector exposure in a month dominated by a technology-driven rally, with Gold Fields pressured by softer gold sentiment, Vista Energy's gains capped by an earnings miss despite strong operations, and Bank Mandiri weighed down by weaker Indonesian financials lacking exposure to the AI-led tech surge.

Outlook

The long-term outlook for EM equities remains compelling, supported by robust fundamentals, projected earnings growth of +35.1% in 2026, and attractive valuations trading at a significant discount to developed markets. Regional fiscal measures and a potential ceasefire in the Iran conflict 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 EM equities likely to face continued pressure in Q2. While risks persist, the structural investment case for EM equities remains intact for long-term investors.

Fundamentals

The fundamental backdrop for MSCI EM equities remains broadly supportive, driven by strong earnings expectations and structural tailwinds. Consensus forecasts project MSCI EM earnings growth of approximately 35.1% 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 EM equities relative to DM and U.S. benchmarks.

The strong pre-conflict momentum of EM equities was evident in robust earnings growth in Q4 2025. Excluding the drag from China internet giants like Alibaba, JD.com, and Baidu, EM earnings surged +31% YoY, led by Korea (+71% YoY) and Taiwan (+35% YoY). Latin America also delivered healthy gains, with Brazil (+34% YoY) and Mexico (+44% YoY) contributing strongly. Overall, topline growth in EM (excluding Alibaba, JD.com, and Baidu) tracked a healthy +10% YoY. Within 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 Latin America benefited from robust performances in Brazil and Mexico.

Consensus forecasts for Q1 2026 indicate stellar net income growth of over +40% for MSCI EM. South Korea is expected to lead with +117% YoY growth, followed by Taiwan (+32% YoY) and China (+30% YoY). In Latin America, Brazil (+17% YoY) and Mexico (+6% YoY) are projected to deliver moderate growth, while in EMEA, Saudi Arabia (+6% YoY) and the UAE (+5% YoY) are expected to post single-digit gains. However, it is important to note that only 54% of MSCI EM constituents (by count) have consensus earnings forecasts for Q1 2026, leaving room for potential revisions.

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. Global and EM growth are expected to slow as higher energy costs and weaker demand weigh on exports. 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 (e.g., Latin America), but the demand lift is likely to be outweighed in the near term by the drag on energy-consuming regions (e.g., Asia and EMEA). Approximately 28% of the MSCI EM benchmark has 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 EM 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 EM equities remain attractive on both an absolute and relative basis. The MSCI EM index currently trades at approximately 13.5x 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. Regionally, CEEMEA markets trade at approximately 11.2x forward P/E, and Latin America at around 11.6x, compared to 14.1x for EM Asia. On a historical basis, EM valuations are only moderately above long-term averages, with the aggregate EM forward multiple of 13.5x compared to a long-term average near 11.7x.

Price-to-book metrics further support the relative valuation case, with EM equities trading at approximately 2.4x 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.

For institutional investors only/not for public viewing or distribution

Macroeconomic Outlook

The macroeconomic environment for emerging markets remains broadly constructive, though near-term uncertainty has risen due to geopolitical risks and energy price volatility. Policymakers in several EM economies are implementing fiscal measures, such as subsidies and tax adjustments, to mitigate the impact of higher oil prices and stabilize domestic demand.

Growth expectations vary across regions. In Latin America, economic momentum is supported by commodity exposure and easing policy expectations. For instance, GDP growth forecasts for Mexico have been revised slightly higher to around 1.7% for 2026, reflecting improving domestic demand and positive carryover effects from stronger activity in late 2025. In Brazil, disinflation trends and the anticipated start of a monetary easing cycle are expected to support growth, although political uncertainty ahead of elections may temper the pace of recovery.

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. At an aggregate level, EM sector composition provides some resilience to energy shocks, with approximately 28% of the MSCI EM index consisting of sectors with negative earnings sensitivity to oil prices. Even in a severe scenario assuming zero growth in these sectors, EM earnings growth for 2026 would decline only moderately from 35.1% to approximately 30.7%.

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 EM performance. Additionally, following the strong Q1 rally, previously crowded markets may be vulnerable to sharper corrections if global risk sentiment deteriorates.

Flows

Emerging market 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, while GEM, Latin America, and EMEA experienced outflows. Market-level trends indicate selling pressure in Korea, Taiwan, and India, while Brazil and some ASEAN markets attracted inflows. February data highlighted strong subscriptions in China (+USD 6.2 billion) and Mexico (+USD 1.5 billion). A stabilization in geopolitical risks could renew strategic allocations, though uncertainty may continue to drive episodic volatility.

·

[Insert Outlook Comment here]

Fund characteristics

Fund name	Vontobel Fund – mtx Emerging Markets Leaders ex China
ISIN	LU2601939379
Share class	I USD
Reference index	MSCI Emerging Markets Index ex China TR Net 10/40
Inception date	20.9.2023

Historical performance (net returns, in %)

Time period	Fund	Ref. index
MTD	19.2%	18.1%
YTD	25.8%	20.9%
1 year	67.9%	56.7%
3 yrs p.a.	–	–
5 yrs p.a.	–	–
10 yrs p.a.	–	–
ITD p.a.	29.5%	25.8%

Time period	Fund	Ref. index
2025	37.2%	33.6%
2024	3.4%	2.3%
2023	–	–
2022	–	–
2021	–	–
2020	–	–
2019	–	–
2018	–	–
2017	–	–
2016	–	–

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

- Investments in emerging markets entail increased liquidity and operational risks as these markets tend to be underdeveloped and more exposed to political, legal, tax and foreign exchange control risks.
- 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, DK, ES, FI, FR, GB, IT, LU, NL, NO, SE.

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/. 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. **Denmark**: The KID is available in Danish. **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 sub-funds 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. 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 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 these instruments or may provide or have provided corporate finance or other services to relevant companies.
Any index referred to herein is the intellectual property (including registered trademarks) of the applicable licensor. Any product based on an index is in no way sponsored, endorsed, sold or promoted by the applicable licensor and it shall not have any liability with respect thereto. Refer to am.vontobel.com/terms-of-licenses for more details.

Although Vontobel believes that the information provided in this document is based on reliable sources, it cannot assume responsibility for the quality, correctness, timeliness or completeness of the information contained in this document. Except as permitted under applicable copyright laws, none of this information may be reproduced, adapted, uploaded to a third party, linked to, framed, performed in public, distributed or transmitted in any form by any process without the specific written consent of Vontobel. To the maximum extent permitted by law, Vontobel will not be liable in any way for any loss or damage suffered by you through use or access to this information, or Vontobel's failure to provide this information. Our liability for negligence, breach of contract or contravention of any law as a result of our failure to provide this information or any part of it, or for any problems with this information, which cannot be lawfully excluded, is limited, at our option and to the maximum extent permitted by law, to resupplying this information or any part of it to you, or to paying for the resupply of this information or any part of it to you. Neither this document nor any copy of it may be distributed in any jurisdiction where its distribution may be restricted by law. Persons who receive this document should make themselves aware of and adhere to any such restrictions. In particular, this document must not be distributed or handed over to US persons and must not be distributed in the USA.

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