

# Emerging Markets Equity Fund

Fund Focus - February 2026



## Investment Strategy

The investment strategy includes both a top-down strategy, which takes account of overall economic and market trends in each country, and a bottom-up strategy, which employs fundamental research for security selection. The investment team looks for companies with a sustainable shareholder yield backed by strong company financials and fundamentals.

## Portfolio Characteristics

Funds Under Managemem..	\$4.09m
Number of Holdings	107
Turnover Ratio %	70.74^
Latest Distribution Date	30 June 2025
Latest Distribution Amount	8.1144
Benchmark	MSCI Emerging Markets Index in \$A (net dividends reinvested)

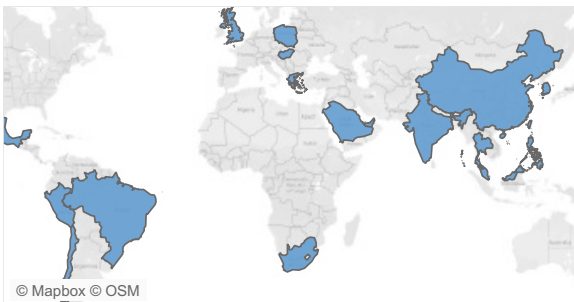
## Fund Facts

APIR Code	ZUR0614AU
Inception Date	26 June 2014
Total Est. Management Cost %	1.13
Est. Transactional Op. Cost %	0
Buy/Sell Spread %	0.00
Distribution Frequency	Annually
Underlying Fund Manager	Allspring Global Investments

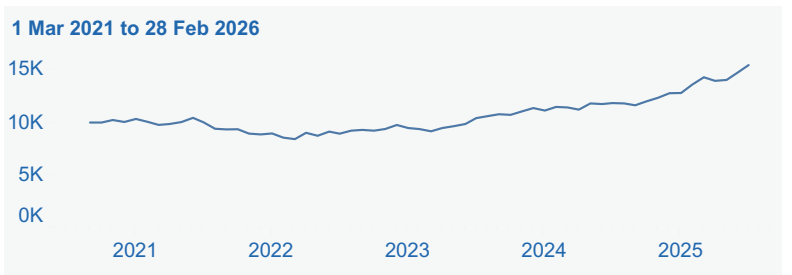
## Fund Performance After Fees\*

	1 Month	3 Months	1 Year	3 Years	5 Years	Since Inception
Distribution	0.00	0.00	8.64	7.38	6.48	5.56
Growth	4.60	10.74	21.83	12.64	3.33	3.12
Total	4.60	10.74	30.47	20.02	9.81	8.69
Benchmark	3.70	8.83	30.85	19.29	8.08	8.90

## Market Exposure



## Investment Growth (\$10,000)



## Risk Reward

1 Mar 2021 to 28 Feb 2026



## Portfolio Equity Sectors (%)



## Top 10 Holdings (%)

	Weight	Benchmark
Taiwan Semiconductor Ma..	9.13	13.38
Samsung Electronics Co., L..	6.95	6.06
ASE Technology Holding C..	4.30	0.35
Tencent Holdings Ltd	4.04	3.59
MediaTek Inc	3.44	0.81
Alibaba Group Holding Limi..	2.99	2.67
SK hynix Inc.	2.56	3.42
Hyundai Motor Company	1.81	0.53
Samsung Electronics Co Lt..	1.60	0.69
China Construction Bank C..	1.39	0.83

## Risk Statistics

1 Mar 2021 to 28 Feb 2026

Std Dev	10.24
Alpha	2.74
Beta	0.86
Sharpe Ratio (arith)	0.96
Up Capture Ratio	93.17
Down Capture Ratio	75.70
Currency Management %	0

### Market Commentary

Emerging markets moved up in February with the MSCI Emerging Markets index returning 3.70% in Australian dollars. At the sector level, nine of the eleven sectors traded higher. Information technology, materials, and industrials were the best performing sectors whereas communication services and consumer discretionary served as the worst performing areas of the market. At the country level, eleven out of twenty-four countries traded higher. The best performing countries were Korea, Thailand, and Taiwan while Columbia, Chile, and Greece served as the largest country laggards.

### Fund Commentary

The Fund delivered a strong return of 4.60% in February and outperformed the solid index return.

In February, the China/Hong Kong markets underperformed despite China's Lunar New Year consumer data surprising to the upside, signalling improving domestic demand, while Shanghai's easing of housing purchase restrictions reinforced policy support for the property sector. Newly announced US tariff rates appear relatively favourable for China at current levels, providing an additional external tailwind for sentiment. Taiwan equities advanced with the strong market performance driven by Taiwan's economic growth outlook that has been mainly driven by artificial intelligence (AI) export orders. The Taiwan government revised its 2026 gross domestic product (GDP) growth forecast up to 7.7% versus a previous expectation of 3.5%. Korea's stock market also pulled forward strongly in February. Although valuations remain modest, the market is supported by a strong memory cycle and a solid earnings outlook for Samsung Electronics and SK Hynix.

India's market underperformed in February on AI-driven concerns in the information technology sector. The Reserve Bank of India maintained policy rates. In Thailand, the market outperformed as a surprise election performance by Prime Minister Anutin Charnvirakul's Bhumjaithai Party (BJT) drove hope of a more stable government than in the past. Indonesia's market underperformed despite a stronger-than-expected Q4 GDP print as policy responses from the regulators failed to alleviate market concerns on MSCI warning. Moody's "negative" credit outlook revision further hit sentiment. The Philippines' market outperformed on due to a stronger peso, and renewed foreign inflows, despite macroeconomic headwinds. Malaysia underperformed as the pace of its currency's appreciation slowed. However, the underlying economy remains healthy with benign inflation and Q4 GDP growth coming in above expectations.

Within the Europe, the Middle East, and Africa (EMEA region), the United Arab Emirates underperformed while the Central Bank and Core42 announced plans to develop sovereign financial cloud infrastructure. Greece underperformed as the Ministry of National Economy announced six privatisations and five tax reforms in focus for 2026. South Africa advanced as the 2026 budget presented by the National Treasury suggests fiscal consolidation to continue with debt to GDP ratio peaking in 2025/26 at 78.9%. Performance lagged in Poland following the announcement of a 1 trillion-zloty (\$281 billion) defence spending plan, with government emphasising that foreign companies must invest locally and transfer technology if they want to sell to Poland.

In Latin America, the region slightly underperformed. Mexico advanced as Mexican armed forces captured and killed the leader of the largest drug cartel in the country. The operation used intelligence provided by the US. Brazil underperformed as Flavio Bolsonaro is tied with President Lula in most polls. Peru gained as Congress impeached interim President Jeri and appointed new President José Balcázar who will have a caretaker role until July.

The investment team are constructive on emerging markets (EM) for 2026 due to its political visibility, continued policy accommodation albeit at a slower pace, economic growth premium, and low investor positioning. Trump trade policy headwinds have largely dissipated. Moreover, many emerging market countries have large domestic markets and flexibility for fiscal adjustments to support growth. Additional easing by EM central banks will depend on inflationary pressure from higher oil. Strong manufacturing and exports, particularly in the technology AI supply chain, should spill over to domestic consumption. Double-digit earnings growth, rising buybacks and dividends, plus foreign exchange gains are expected to further drive returns. EM valuations, though not cheap, are at a compelling discount to developed markets.

\* Performance returns quoted are compound rates of return calculated on exit prices and assume reinvestment of distributions. Returns are calculated net of all ongoing fees and any taxes payable by the fund. Total return includes both growth and distribution returns. Growth return is the change in exit price over the relevant period. The benchmark return shown is a gross return. Please note that figures shown are rounded to one decimal place, therefore some rounding errors may occur.

The Estimated Total Management Cost of 1.13% includes and Estimated Performance Fee of 0% and Estimated Indirect Costs of 0.14%. ^12 month turnover as of 31 December 2025.

#### Past performance is not a reliable indicator of future performance.

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