

# Ox Capital Dynamic Emerging Markets Fund

ARSN 649 969 264 | APIR HOW6479AU



## Monthly Report January 2026

Performance	1 month %	3 months %	1 year %	2 years % p.a.	3 years % p.a.	Inception % p.a.
Fund Return (Net) <sup>1</sup>	2.9	-1.2	20.0	17.0	8.1	3.2
MSCI Emerging Market Net Return Index AUD unhedged	3.6	2.3	27.2	24.4	17.0	8.0
<b>Active Return</b>	-0.7	-3.5	-7.1	-7.4	-8.9	-4.8

<sup>1</sup> The returns are calculated after fees have been deducted and assume distributions have been reinvested. No allowances are made for tax when calculating these figures. Past performance is not a reliable indicator of future performance. The inception date for the fund is 20 September 2021.

Source: Fidante Partners Limited, 31 January 2026

Fund Facts	
<b>Portfolio managers</b>	Joseph Lai, Douglas Huey, Alan Zhang
<b>Inception date</b>	20 September 2021
<b>Management fee</b>	1.00% p.a.
<b>Performance fee</b>	15% of the Fund's daily return above the benchmark <sup>2</sup>
<b>Fund objective</b>	The Fund aims to provide an absolute return and capital growth over the long term and outperform its benchmark after costs over rolling five year periods.
<b>Initial investment</b>	\$10,000
<b>Minimum suggested timeframe</b>	5 years
<b>Buy/sell spread<sup>2</sup></b>	+0.25% / -0.25%
<b>Fund FUM</b>	AUD \$60.2 M
<b>Distribution frequency</b>	Annual

Top 10 Positions		
Company	Sector	%
Taiwan Semiconductor Manufacturing Co Ltd	Information Tech	7.70
Samsung Electronics Co Ltd	Information Tech	6.48
SK Hynix Inc	Information Tech	5.93
Tencent Holdings Ltd	Comm Services	3.85
Alibaba Group Holding Ltd	Consumer Disc	3.26
Ping An Insurance Group Co of China Ltd	Financials Ex Prop	3.20
Banco BTG Pactual SA	Financials Ex Prop	3.09
NHN Corp	Comm Services	2.91
Kuaishou Technology	Comm Services	2.90
Bank Negara Indonesia Persero Tbk PT	Financials Ex Prop	2.83
<b>Total</b>		<b>42.15</b>

### Fund Features

**Concentrated:** A portfolio of 30-50 high quality, undervalued, well run companies that have the potential to generate high absolute returns over the medium to long term.

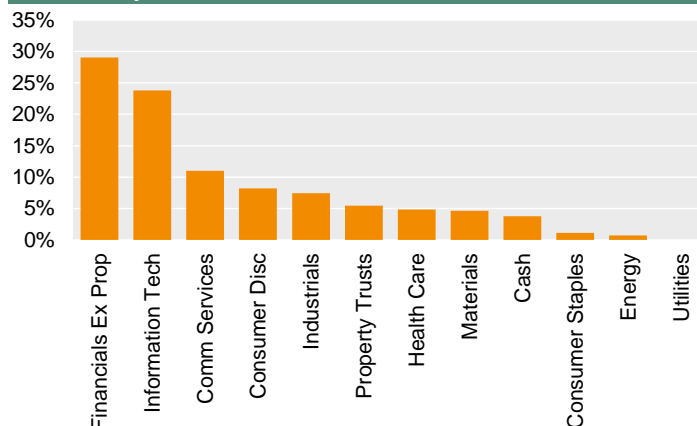
**Capture growth:** Ox Capital's investment approach is to identify the immense positive change taking place in Asia and other key emerging markets and to find companies that can benefit from those trends.

**Macro overlay:** A quantitative model provides a bird's eye view of how macro conditions impact equity markets and helps guide country and sector asset allocation.

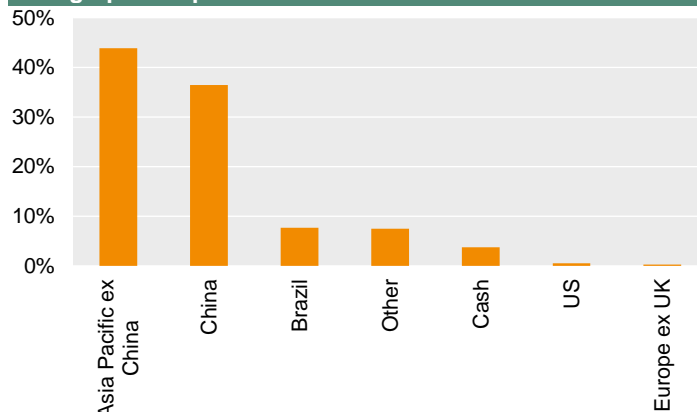
**Capital protection strategies:** The Fund can use derivatives such as index futures and equity swaps to help protect the portfolio from market volatility and to obtain synthetic exposure to stocks or markets.

**Experienced team:** A team of experienced and passionate emerging market investors strongly aligned with clients' investment objectives.

### Sector Exposure



### Geographic Exposure



## Fund Performance

In January 2026, the Fund returned 2.9% compared to 3.6% by the MSCI Emerging Markets AUD Index.

Top contributors were a South Korean semiconductor company, a Chinese short-form video and social e-commerce platform and a Chinese property developer (SK Hynix, Kuaishou Technology and China Jinmao Holdings). The top detractors were an Indonesian bank, a leading global battery manufacturer and a Chinese smart device company.

## Our Positioning

The portfolio remained well invested at the end of January, with a net invested position of over 90%. There were no major portfolio changes during the month.

Geographically, the fund remained overweight in China, Indonesia, and Vietnam markets relative to the index, and underweight in Taiwan and India.

We took advantage of the weak sentiment in Indonesia, following the news that MSCI is reviewing the weighting of Indonesia in the MSCI Emerging Markets Index, and added selectively to our positions.

We also selectively added to our exposure in the Chinese property market by adding to our position in KE Holdings, the 'realestate.com' of China. Despite sluggish property sales in December, it is noticeable that the Chinese A-share property index picked up in 2026. Domestic investors anticipate further measures to stabilise and ultimately support the property market.

Our sense is that investors are looking for opportunities outside of the US. Comment from a broker: "\$ weakness is driving asset allocation away from \$ assets to EM. We are already seeing this in the ETF space with share creations all pointing north for all the majors ... Our PT desk has also seen a fair amount of EM ETF creation flow as well. YTD we've seen \$7bn of buying, the most in any month historically."

While the USD strengthened a touch post the announcement of the new Federal Reserve chairman, it remains to be seen if the strength underlying the USD can persist. There are structural challenges facing the USD. Keep in mind, a weak USD is a tailwind for emerging markets. Since 1967, there were five large USD bear markets. EM stocks performed especially well during those bouts of USD weakness, along with gold.

Chart 15: The five big US bear markets since 1967



Table 1: Gold & EM stocks - the big outperformers in US bear markets

US\$ bear market	Start	End	US\$	Gold	EM stocks	S&P 500
End of Bretton Woods	Sep/69	Jul/73	-27%	154%	116%	9%
Stagflation	Aug/76	Dec/78	-23%	114%	54%	-9%
Plaza Accord	Mar/85	Dec/87	-48%	68%	70%	36%
9/11	Jan/02	Apr/06	-41%	229%	248%	21%
2008	Jan/08	Jan/20	-37%	103%	31%	19%
America First	Jan/20	Jan/25	-30%	141%	104%	15%

Source: South Global Investment Strategy, Bloomberg, GFD Finance, Periodic price returns.

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The sluggish economy in 2H 2025 in China provides a supportive backdrop for Chinese equities in 2026. Specifically, the consensus EPS growth forecast for the MSCI China Index in 2025 was cut from +9% in Jan-2025 to -2% by year end. Yet, the latest consensus forecast projects MSCI China EPS to increase 11% YoY in 2026. The following two charts point to sluggish earning momentum in 2H 2025 but poised for improvement in 2026.

Exhibit 10: Consensus expects MSCI China EPS to grow 11% in 2026



Source: MSCI FactSet

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Exhibit 11: A-share non-financial firms' earnings rose 2% YoY in 9M25



Source: Wind, Company reports

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We recently released our 2026 outlook piece. For further insight into how we are looking at the world and investing in EMs into 2026, please see this piece: [Emerging markets outlook \(and drinking tea\) in 2026 - Ox Capital Management](#).

For further information, please contact:

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This material has been prepared by Ox Capital Management ABN 60 648 887 914 AFSL 533828 (OxCapital), the investment manager of the Ox Capital Dynamic Emerging Markets Fund ARSN 649 969 264 (Fund). Fidante Partners Limited ABN 94 002 835 592 AFSL 234 668 (Fidante Partners) is a member of the Challenger Limited group of companies (Challenger Group) and is the responsible entity of the Fund. Other than information which is identified as sourced from Fidante in relation to the Fund, Fidante is not responsible for the information in this material, including any statements of opinion. It is general information only and is not intended to provide you with financial advice or take into account your objectives, financial situation or needs. You should consider, with a financial adviser, whether the information is suitable to your circumstances. The Fund's Target Market Determination and Product Disclosure Statement (PDS) available at [www.fidante.com](http://www.fidante.com) should be considered before making a decision about whether to buy or hold units in the Fund. To the extent permitted by law, no liability is accepted for any loss or damage as a result of any reliance on this information. Past performance is not a reliable indicator of future performance. OxCapital and Fidante Partners have entered into arrangements in connection with the distribution and administration of financial products to which this material relates. In connection with those arrangements, OxCapital and Fidante Partners may receive remuneration or other benefits in respect of financial services provided by the parties. Investments in the Fund are subject to investment risk, including possible delays in repayment and loss of income or principal invested. Accordingly, the performance, the repayment of capital or any particular rate of return on your investments are not guaranteed by any member of the Challenger Group.