

ODIN Emerging Markets 28/02/2026

The fund has share classes in SEK, NOK and EUR: A, B, C, D, D2, F, G, H, I

FUND COMMENTARY

In February, emerging markets continued the strong trend seen at the start of the year, with particularly robust performance in South Korea, Taiwan, and several Latin American markets. At the same time, the picture became more mixed due to rising oil prices and increasing geopolitical tensions in the Middle East.

So far in 2026, South Korea and Taiwan rank among the strongest equity markets globally, supported by a powerful upswing in the technology sector. Capital inflows into emerging markets have increased, with Korea and Taiwan highlighted as the primary beneficiaries, as they appear to be among the biggest winners of the ongoing AI-driven investment wave.

Latin America has also seen positive performance in the first two months of the year, with strong contributions from countries such as Brazil and Mexico. The region is benefiting from expectations of lower interest rates, improving inflation dynamics, and generally attractive valuations compared with developed markets. The combination of strong performance in Asia and Latin America has therefore made these regions the key contributors to emerging-market returns so far this year.

A major driver behind the rally in Korea and Taiwan remains the very strong momentum within technology, particularly in companies supplying the semiconductor and AI-infrastructure ecosystems. Demand for advanced chips, testing equipment, and other AI-related infrastructure has remained high, and several leading technology companies have delivered results that exceeded expectations.

A good example is the Taiwanese company Chroma ATE, which supplies automated testing equipment to the semiconductor, electronics, and energy-storage industries. The company recently reported exceptionally strong results for 2025, with more than 30 percent revenue growth and more than a doubling of net income. Management also provided very strong signals regarding continued demand growth in 2026, supported by an unusually strong order book. As chips become larger, more expensive, and more complex, more testing is required to ensure that fewer units must be discarded unnecessarily. This dynamic has been reflected in the company's share price, which has been a highly positive contributor to ODIN Emerging Markets.

While equity markets in Korea, Taiwan, and Latin America delivered strong results throughout February, tensions in the Middle East continued to escalate, and risks related to Iran have kept oil prices elevated. Fears of potential disruptions to oil shipments through the Strait of Hormuz and broader geopolitical uncertainty have pushed oil prices higher, even as the global market still has significant inventories and spare capacity in the short term.

Higher oil prices create headwinds for energy-importing growth economies, with India being particularly vulnerable. For India, sustained increases in oil prices mean higher import costs, pressure on the currency, and weakened purchasing power — all of which threaten the country's growth momentum. Likewise, the heightened geopolitical risk in the Middle East has now begun to weigh on local equity markets in the region.

ODIN Emerging Markets currently has no direct investments in the Middle East and maintains generally low exposure to the region. However, this does not mean the fund is unaffected by developments in Iran. Increased volatility and certain short-term negative effects are to be expected in companies with energy-intensive operations, those exposed to tourism, or those affected by broad-based market uncertainty.

ODIN Emerging Markets is an actively managed equity fund that invests broadly in companies across emerging economies, focusing on quality, strong market positions, and sensible valuations. Over the long term, these recent developments do not change our strategy.

Portfolio Managers:



Dan Erik Glover



Håvard Opland

Why invest in this fund?

ODIN Emerging Markets targets long-term growth drivers in emerging economies, such as increased purchasing power among consumers and technological development. We have a "defensive" fund for those customers who want to participate in the growth and rising prosperity in emerging markets, but do not want too much risk.

How is the fund positioned?

ODIN Emerging Markets currently consists of companies in emerging markets with strong market positions, high returns on capital and what we judge to be good corporate governance. Many of our companies sell their products directly to the consumer and will thus benefit from growth in the middle classes while being largely shielded from political influence. With a focus on stable business models with good growth potential, the fund is well positioned to generate good returns in the years ahead. We want companies that operate in different markets and sell different products to different customers.