

# Allianz

## Asia ex China

### Equity

## Monthly commentary

- The Fund aims at long-term capital growth by investing in Equities of Asian Markets (excluding PRC) in accordance with environmental and social characteristics. With the adoption of the Sustainability Key Performance Indicator Strategy (Relative) ("KPI Strategy (Relative)"), the Fund aims to achieve the reduction in greenhouse gas emissions ("GHG") of the Fund's portfolio which shall be at least 20% lower than that of its benchmark index within the same period ("Sustainability KPI").
- The Fund is exposed to significant risks of investment/general market, emerging market, country and region, company-specific, currency (such as exchange controls).
- The Fund is exposed to sustainable investment risks relating to KPI Strategy (Relative) (such as foregoing opportunities to buy certain securities when it might otherwise be advantageous to do so, and/or selling securities when it might be disadvantageous to do so or relying on information and data from third party ESG research data providers and internal analyses which may be subjective, incomplete, inaccurate or unavailable). The Fund focuses on the Sustainability KPI which may reduce risk diversifications and may be more volatile compared to broadly based funds. Also, the Fund may be particularly focusing on the GHG emission efficiency of the investee companies rather than their financial performance which may have an adverse impact on the Fund's performance.
- The Fund may invest in financial derivative instruments ("FDI") which may expose to higher leverage, counterparty, liquidity, valuation, volatility, market and over the counter transaction risks. The Fund's net derivative exposure may be up to 50% of the Fund's net asset value.
- This investment may involve risks that could result in loss of part or entire amount of investors' investment.
- In making investment decisions, investors should not rely solely on this material.

**Note:** Dividend payments may, at the sole discretion of the Investment Manager, be made out of the Fund's capital or effectively out of the Fund's capital which represents a return or withdrawal of part of the amount investors originally invested and/or capital gains attributable to the original investment. This may result in an immediate decrease in the NAV per share and the capital of the Fund available for investment in the future and capital growth may be reduced, in particular for hedged share classes for which the distribution amount and NAV of any hedged share classes (HSC) may be adversely affected by differences in the interests rates of the reference currency of the HSC and the base currency of the Fund.

## What Happened in October

The portfolio underperformed with the benchmark in October. Stock selection in South Korea and India were the main detractors. From a sector perspective, key detractions came from consumer discretionary, information technology, and industrials.

On a single stock basis, top detractors were two companies in Taiwan, a precision mechanical component maker, a semiconductor testing solutions company, and a Korean manufacturer of precision metal parts for electronics and automotive.

On the other hand, key contributors were two companies in Korea, SK Hynix\*, a semiconductor company, an industrial conglomerate, as well as a Taiwanese electronics manufacturer.



## Outlook and Strategy

We added positions in two Taiwanese companies, including a specialty chemical maker for semiconductors, as well as a Vietnamese securities brokerage firm. To fund this, we exited a Singaporean food and beverage company, and a Korean cosmetic container manufacturer.

At month end, the top holdings of the portfolio were Taiwan Semiconductor Manufacturing Company (TSMC)\*, the leading foundry globally, Samsung Electronics\*, the smartphone and memory maker in Korea, and SK Hynix\*. Overall, the portfolio is overweight in Vietnam and India while underweight in Malaysia and Indonesia. On a sector level, the largest sector overweight of the portfolio was consumer discretionary while the largest sector underweight was materials.

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Source: Bloomberg, Allianz Global Investors, as at 31 October 2025 unless otherwise stated.

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