



Q1 2026

# The Era of EM Exceptionalism



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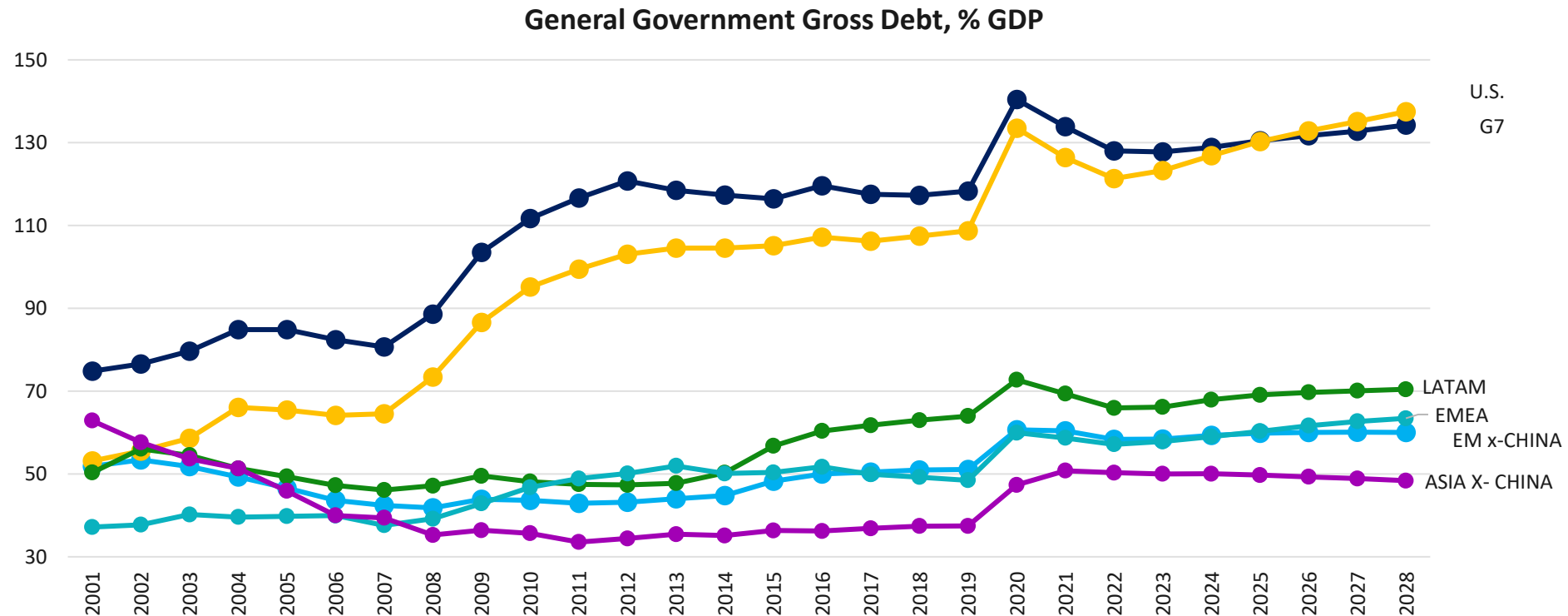
Disclosures

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# The Fundamental Case for EM Bonds

# EMs Have Low Debt (and DMs Have High and Persistent Debt)

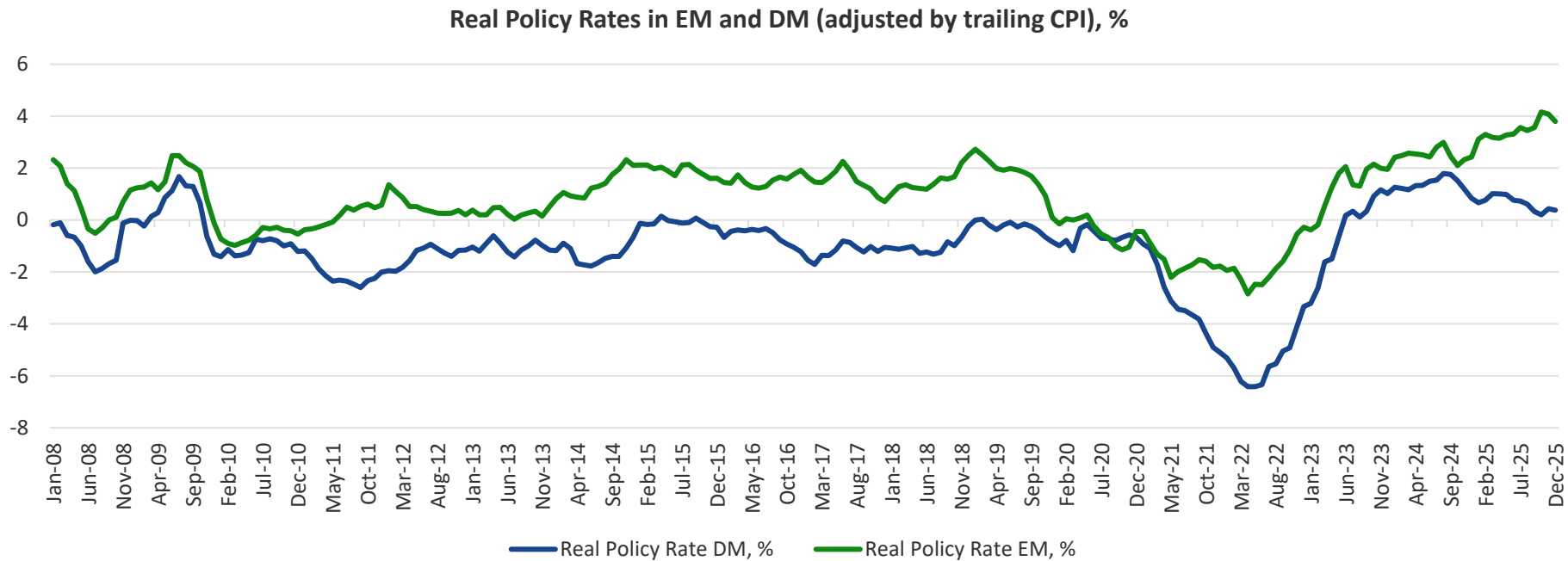
- EM debt levels remain below DM, and Asian debt levels are lowest within EM
- This relative lack of “fiscal dominance” in EM has very specific and supportive implications
- Adjusted for central bank reserves in USD, many EMs are net creditors in USD



Source: VanEck Research; International Monetary Fund; Bloomberg LP. Data as of October 2025. Not intended as a prediction of future results. For illustrative purposes only. Past performance is no guarantee of future results.

# Independent Central Banks

- Low debt allows EM central banks to be truly independent and inflation-focused (no “fiscal dominance” here)
- EM can “absorb” inflation pressures more than DM
- Real policy rates in EM have been much higher for decades; DM policy rates have been lower and further boosted with QE

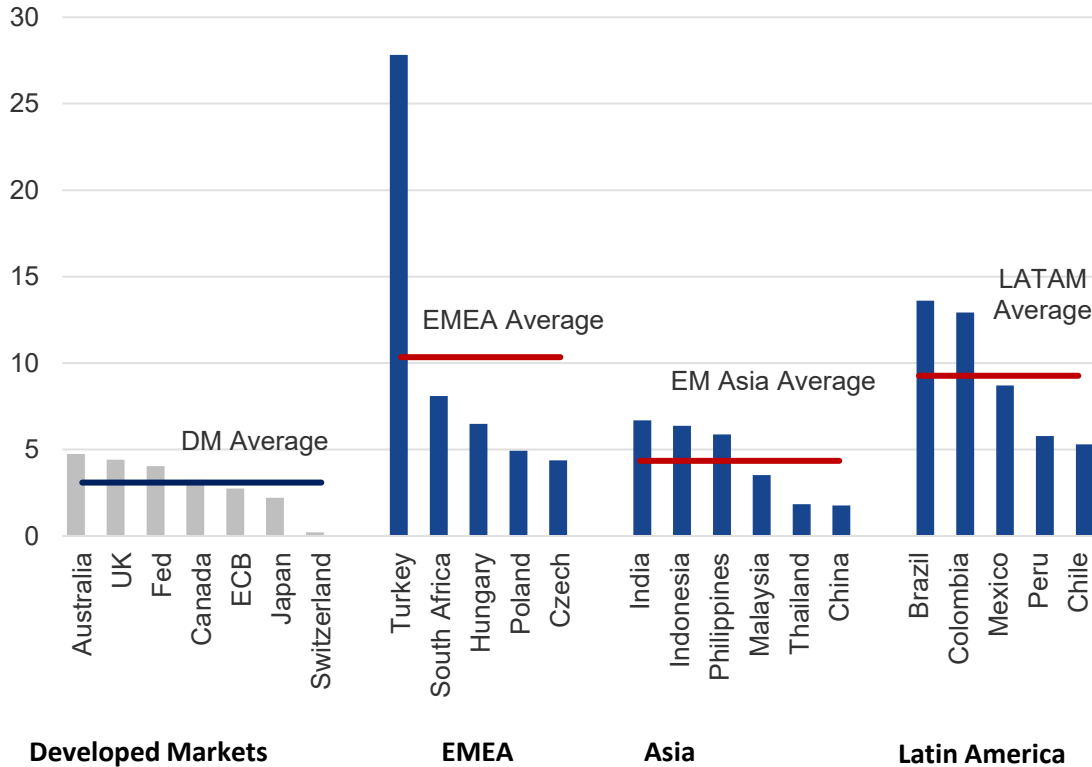


Source: VanEck Research; Bloomberg LP. Data as of December 2025. Past performance is not indicative of future results.

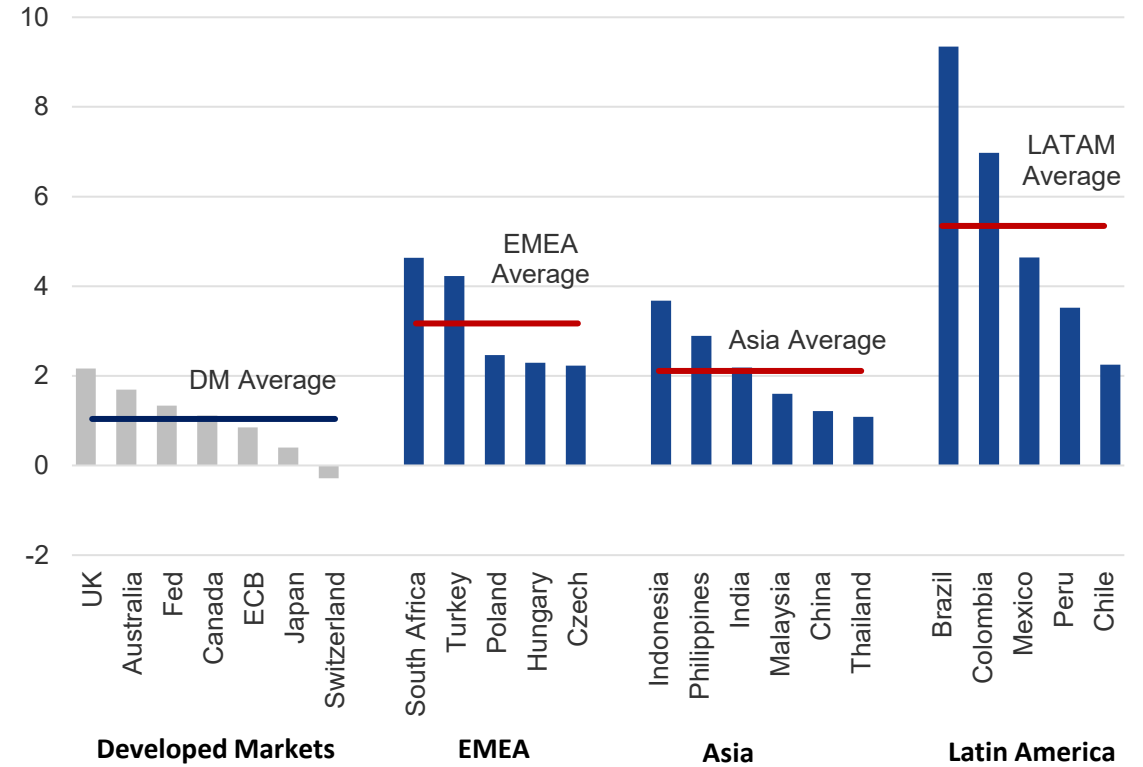
# EM Market Rates High in Real and Nominal Terms

- EM curves have steepness – real policy rates are high, but so are real market rates
- Most EM central banks have maintained high real rates, awaiting Fed cutting

**Nominal 10Y Market Rates in EM and DM, %**



**Real 10Y Market Rates in EM and DM, %**

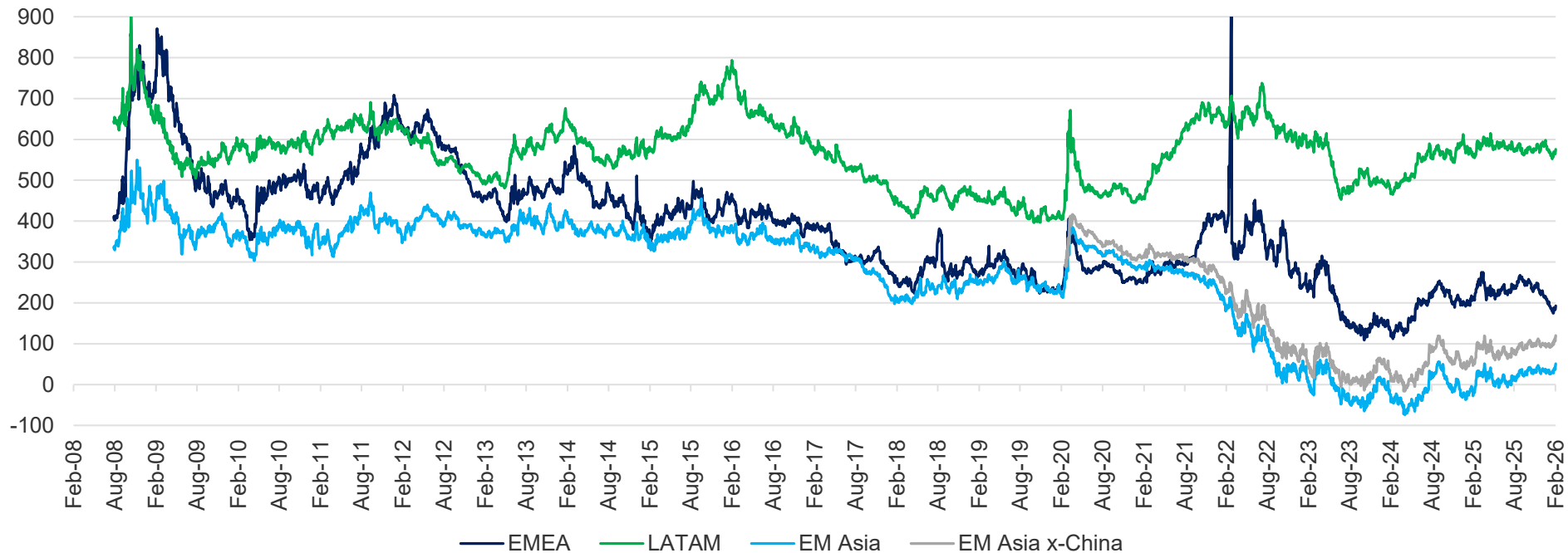


Source: VanEck Research; Bloomberg LP. Data as of February 2026. Past performance is not indicative of future results.

# EM Local Currency Yields Lower, But Varies by Region

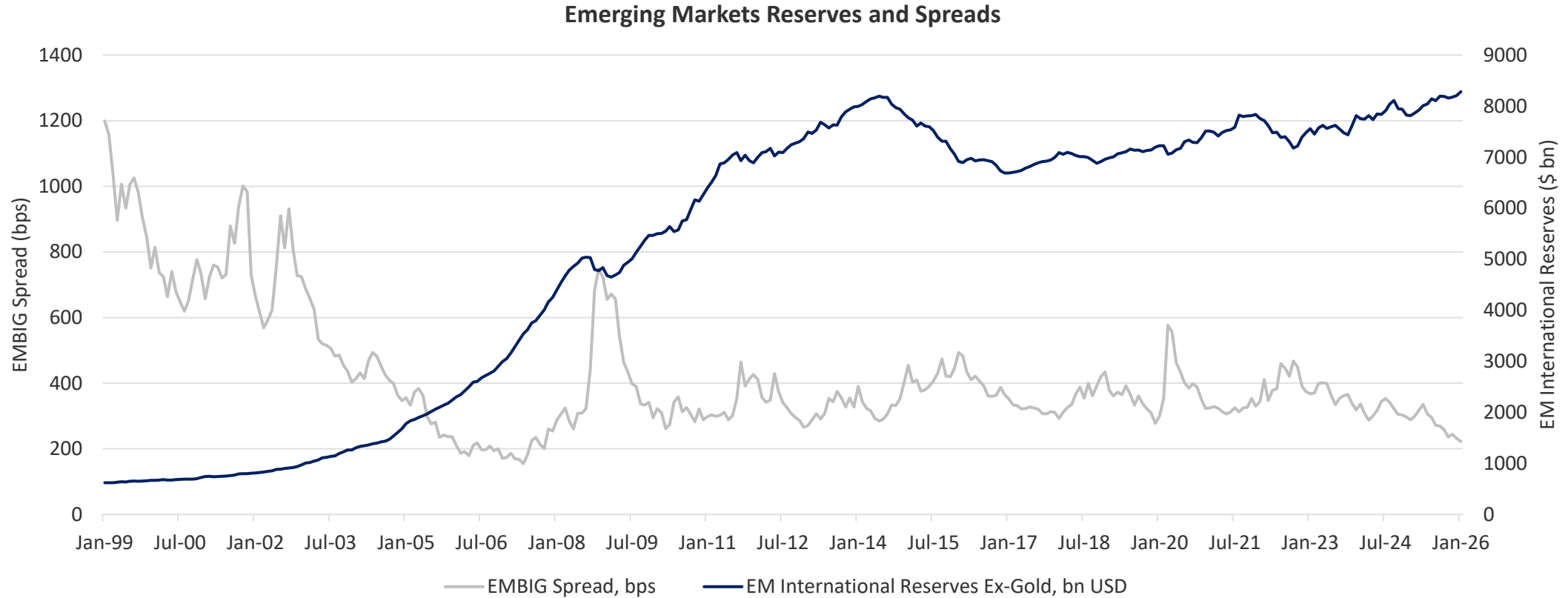
- EM local currency rallied, and its yield differential with US Treasuries is now at record lows
- By region, this was led by “graduating” Asia, while LatAm has not “caught up”
- Asia’s rates converged to US rates during two US fiscal crises, a UK fiscal crisis and a US/Swiss banking crisis

EM Regions - GBI-EM/5Y UST Yield Differentials, bps



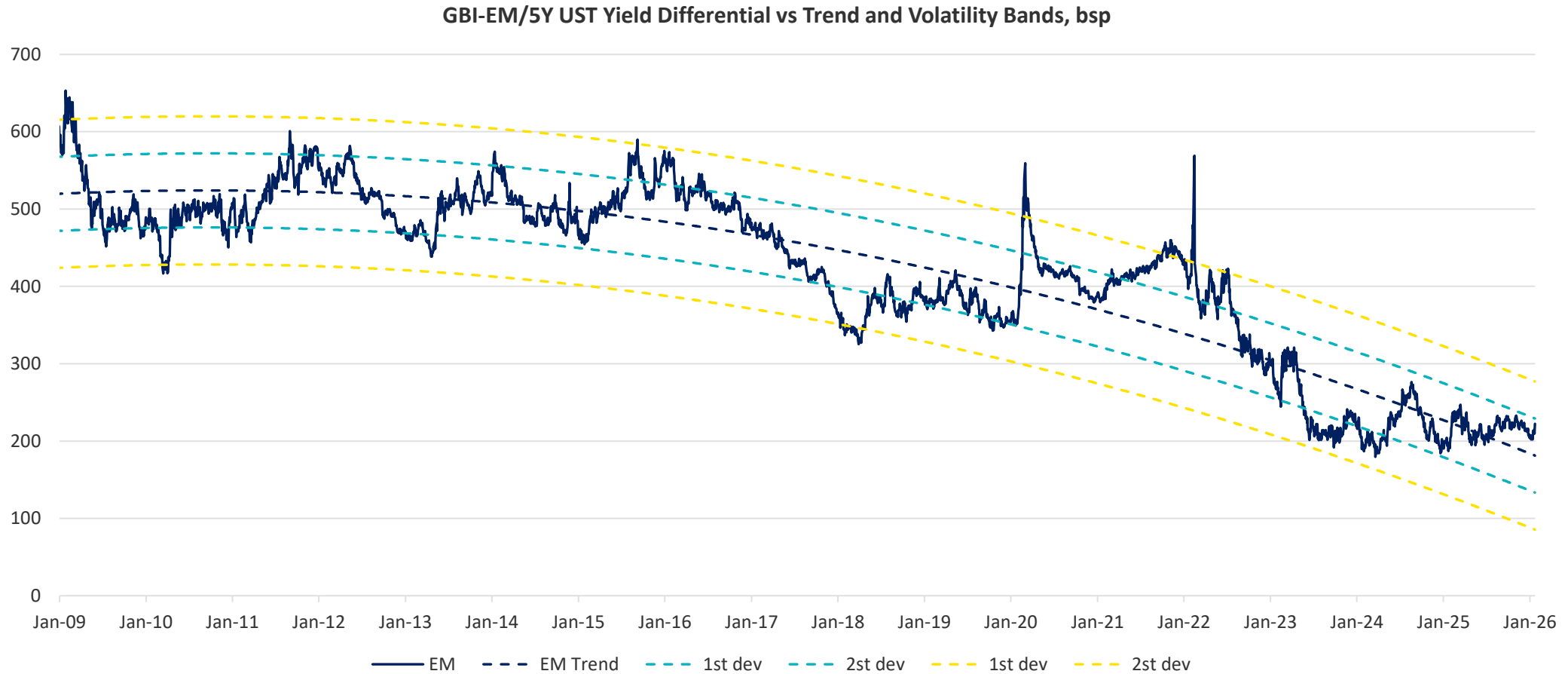
Source: VanEck Research; Bloomberg LP. Data as of February 2026. GBI-EM is represented by the J.P. Morgan GBI-EM Global Diversified Index; EMEA represented by J.P. Morgan GBI-EM Global Diversified Europe Index; Latam represented by J.P. Morgan GBI-EM Global Diversified Latin America Index; EM Asia represented by J.P. Morgan GBI-EM Global Diversified Asia Index; EM Asia x-China represented by J.P. Morgan GBI-EM Global Diversified Asia ex-China Index. Index performance is not representative of fund performance. It is not possible to invest directly in an index. Past performance does not guarantee future results.

# EM Sovereign Spreads Rallied First



Source: Bloomberg LP. Data as of February 2026. Past performance is not indicative of future results.

# Now EM Local Bonds' Premium vs. Treasuries Is Falling

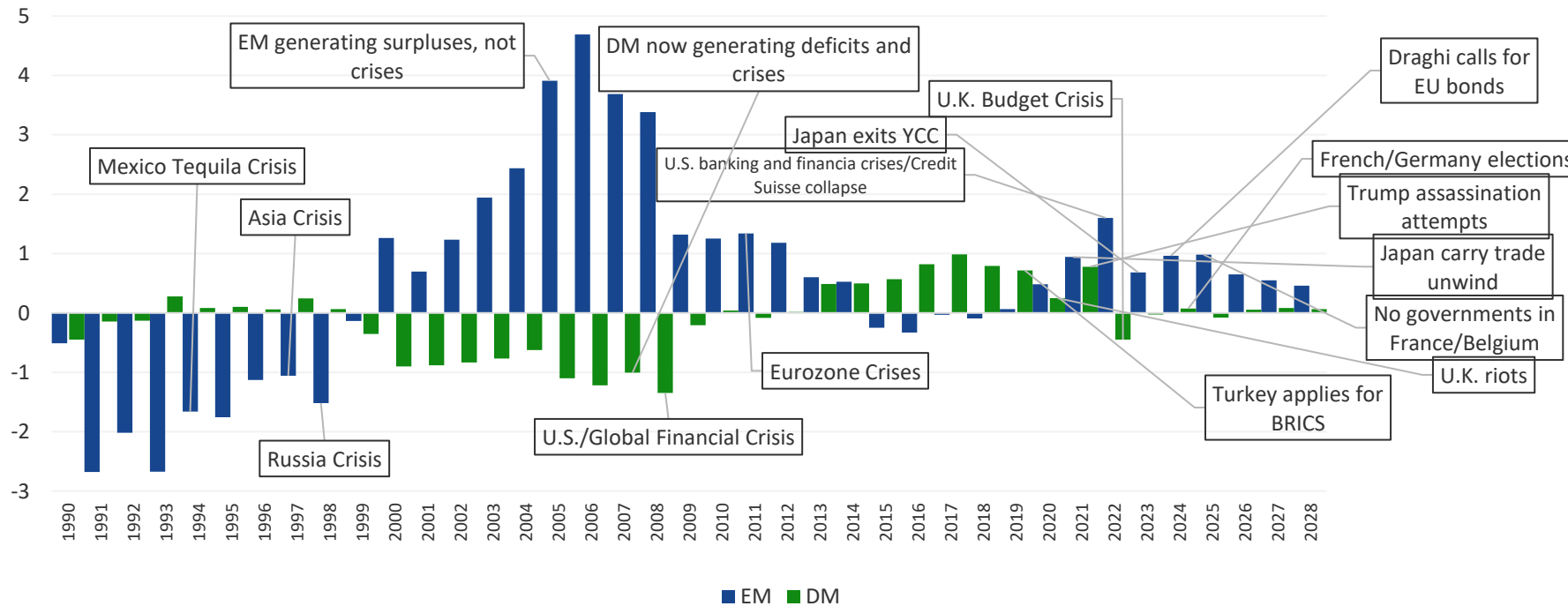


**Source:** VanEck Research; Bloomberg LP. Data as of February 2026. Past performance is not indicative of future results.

# Crises Take Place Outside of EM

- Fiscal dominance occurs when debts and deficits are so high that monetary policy loses traction
- This condition has led DM countries to decrease their focus on inflation control and has yielded crises in DM in recent years
- This dynamic always destabilizes politics, society and de-anchors inflation expectations
- EM benefits from using orthodox economic policies, which have yielded lower inflation and few crises, and which are politically supported

**EM and DM Current Account Balances, % GDP**



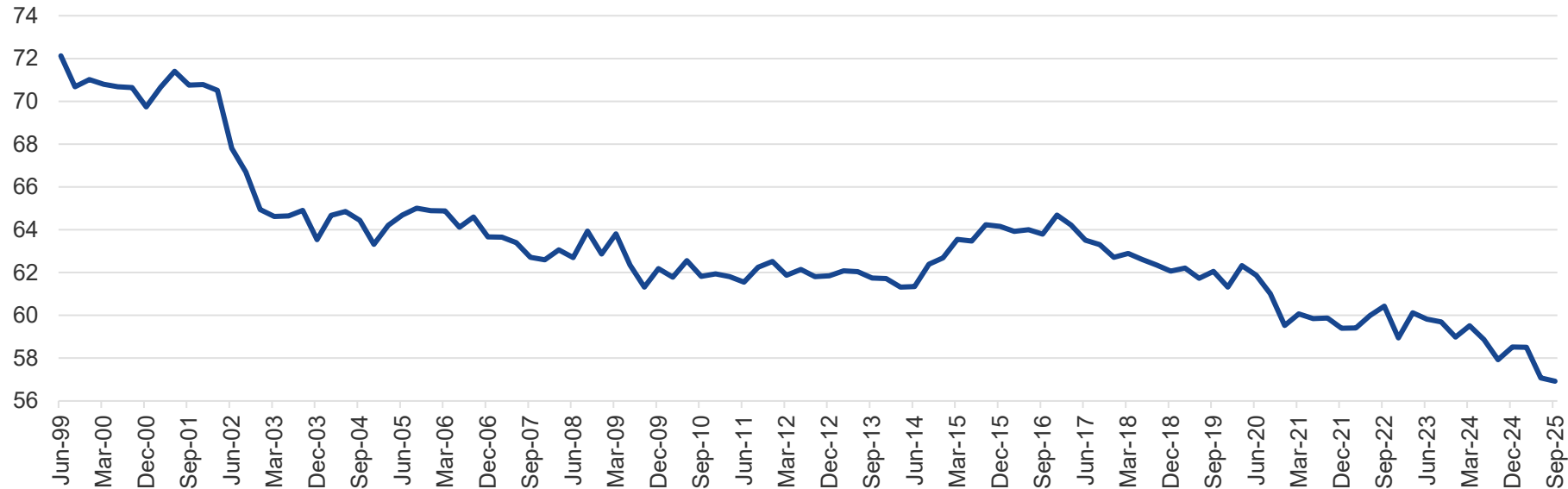
Source: International Monetary Fund (IMF); Bloomberg LP. Data as of February 2026. Past performance is not indicative of future results.

# Why Now

# Geopolitics A Tailwind

- DMs need financing from the surplus-producing EMs, but are threatening sanctions on their lenders
- Most EM sovereign debt is in their own currencies
- EM countries that are net USD creditors and commodity exporters benefit from a tumultuous environment
- Local bonds have been benefited as central banks opt for higher-yielding reserve assets, in addition to gold
- China's US treasury reserves are still nowhere near their lows

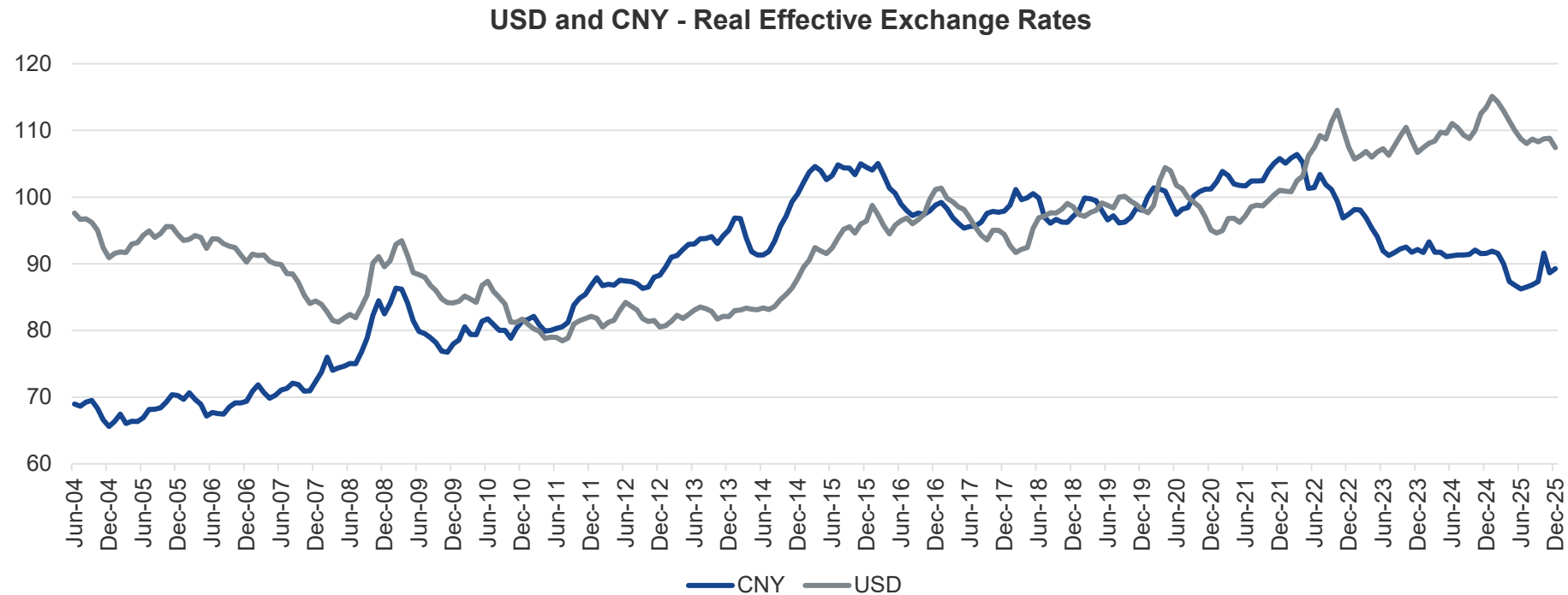
USD Share in Total Allocated International Reserves, %



Source: International Monetary Fund (IMF); Bloomberg LP. Data as of December 2025. Past performance is not indicative of future results.

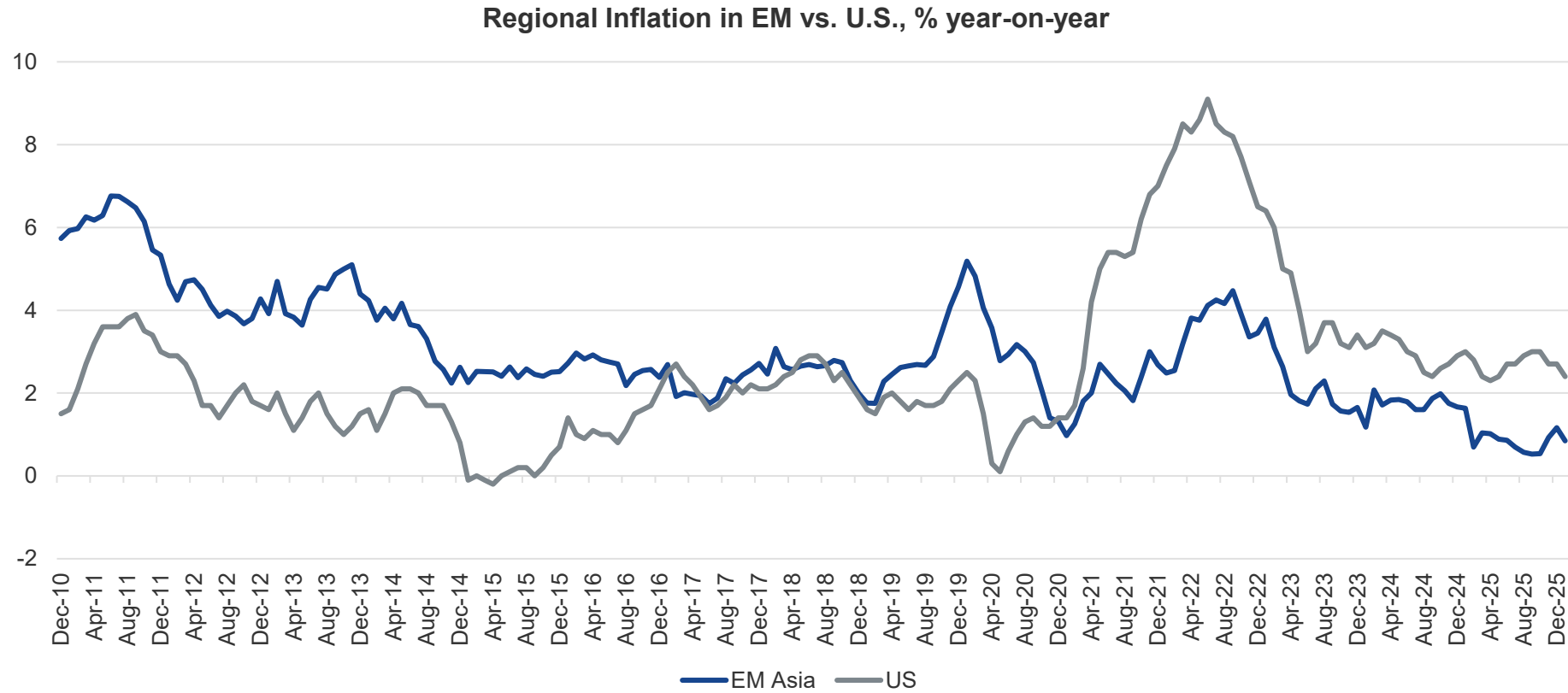
# CNY: Undervalued, USD: Overvalued

- China's low inflation relative to the US has been in-train for a long time
- The BIS REER has CNY undervalued (by around 30%) and USD overvalued
- RMB/CNY stability is consistent with internationalization of RMB



Source: VanEck Research; International Monetary Fund; Bloomberg LP. Data as of January 2026. Not intended as a prediction of future results. For illustrative purposes only. Past performance is no guarantee of future results.

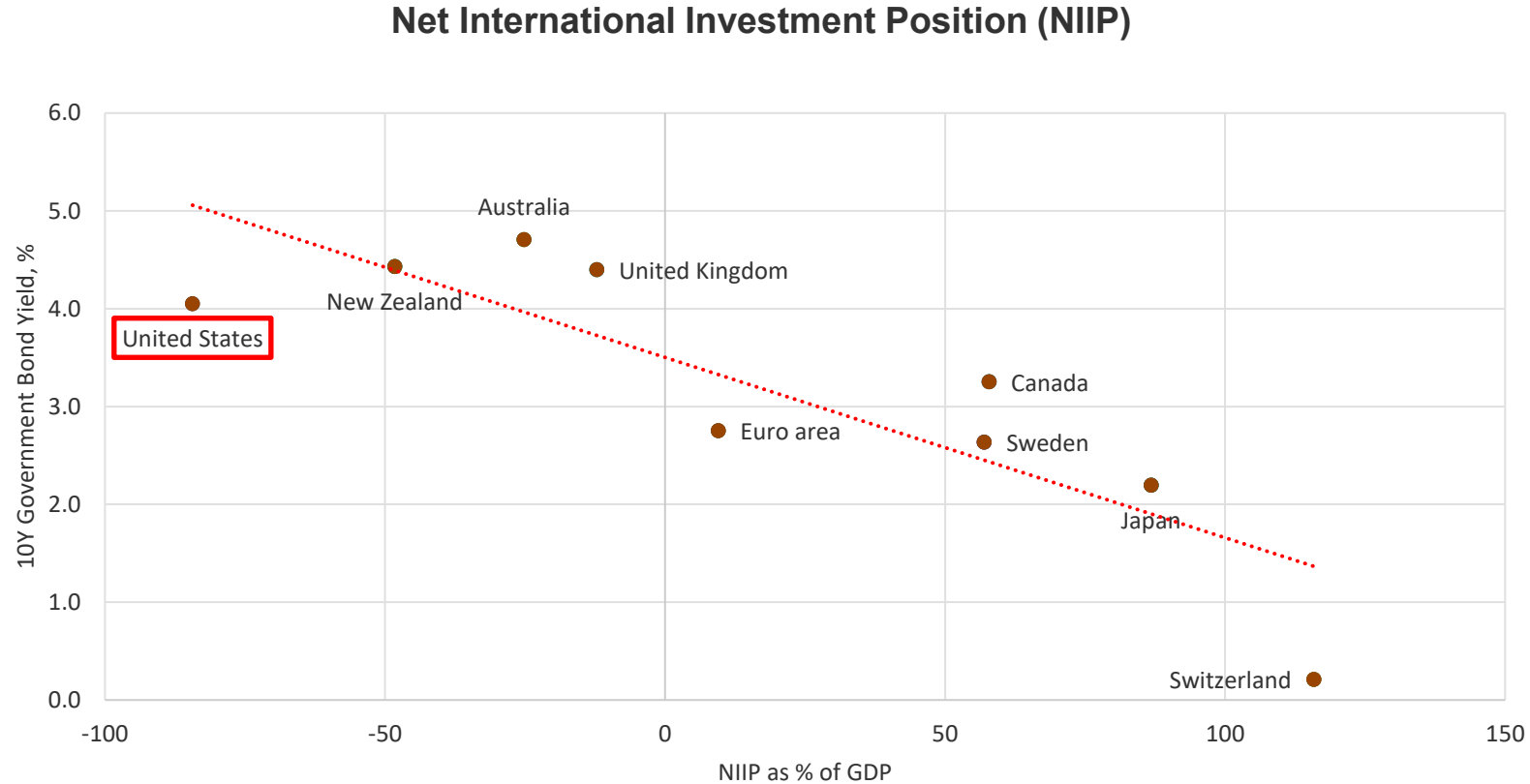
# EM Orthodoxy = Low Inflation, DM Heterodoxy = Stagflation



Source: VanEck Research; Bloomberg LP. Data as of January 2026. Not intended as a prediction of future results. For illustrative purposes only. Past performance is no guarantee of future results.

# NIIP Says Weaker USD

- The US Net International Investment Position implies USD weakness (or higher rates)

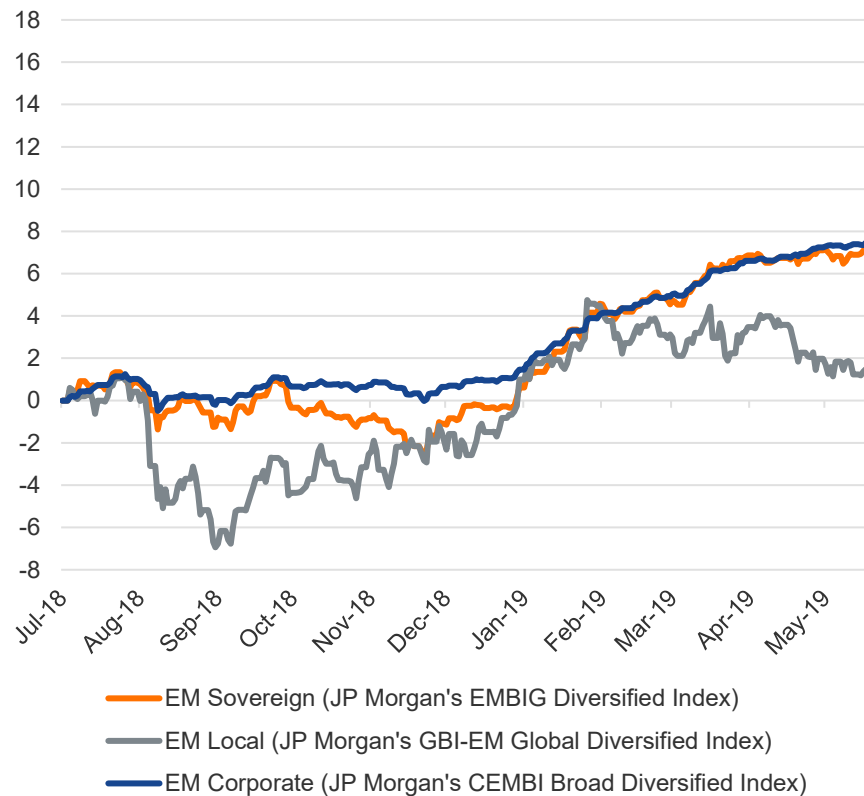


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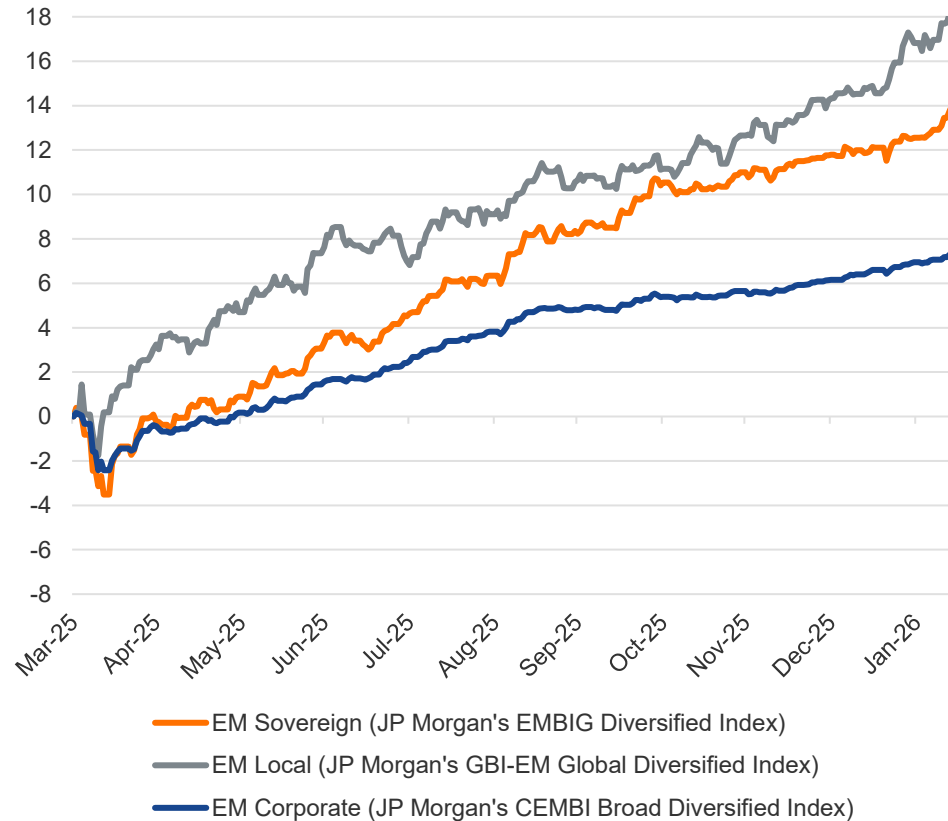
# EMFX Rallied Under Trump 2 Tariffs

- Under Trump 2, All EM bonds rallied, especially local currency, despite consensus view that tariffs were negative for EM
- Markets seem to have no explanation other than “USD down”

**EM Fixed Income in Early Stages of Trade War 1.0 (2018/2019)**



**EM Fixed Income in Early Stages of Trade War 2.0 (2025/26)**

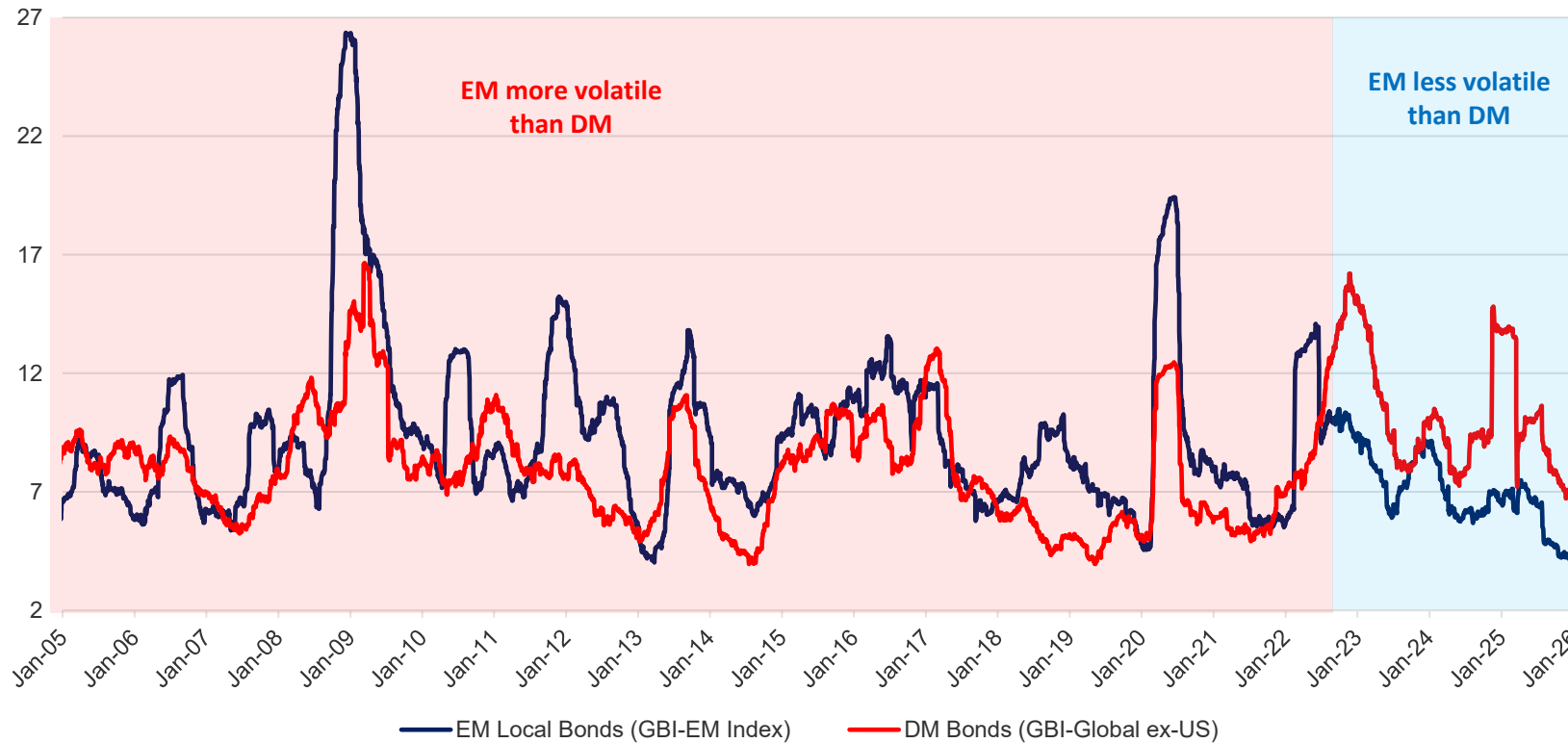


Source: VanEck Research; Bloomberg LP. Data as of February 2026. Not intended as a prediction of future results. For illustrative purposes only. Past performance is no guarantee of future results.

# EM Local Bonds Volatility Lower Than DM

- We already know the ex-post returns and the current carry in EM are superior to DM
- EM local bond volatility is now lower than DM

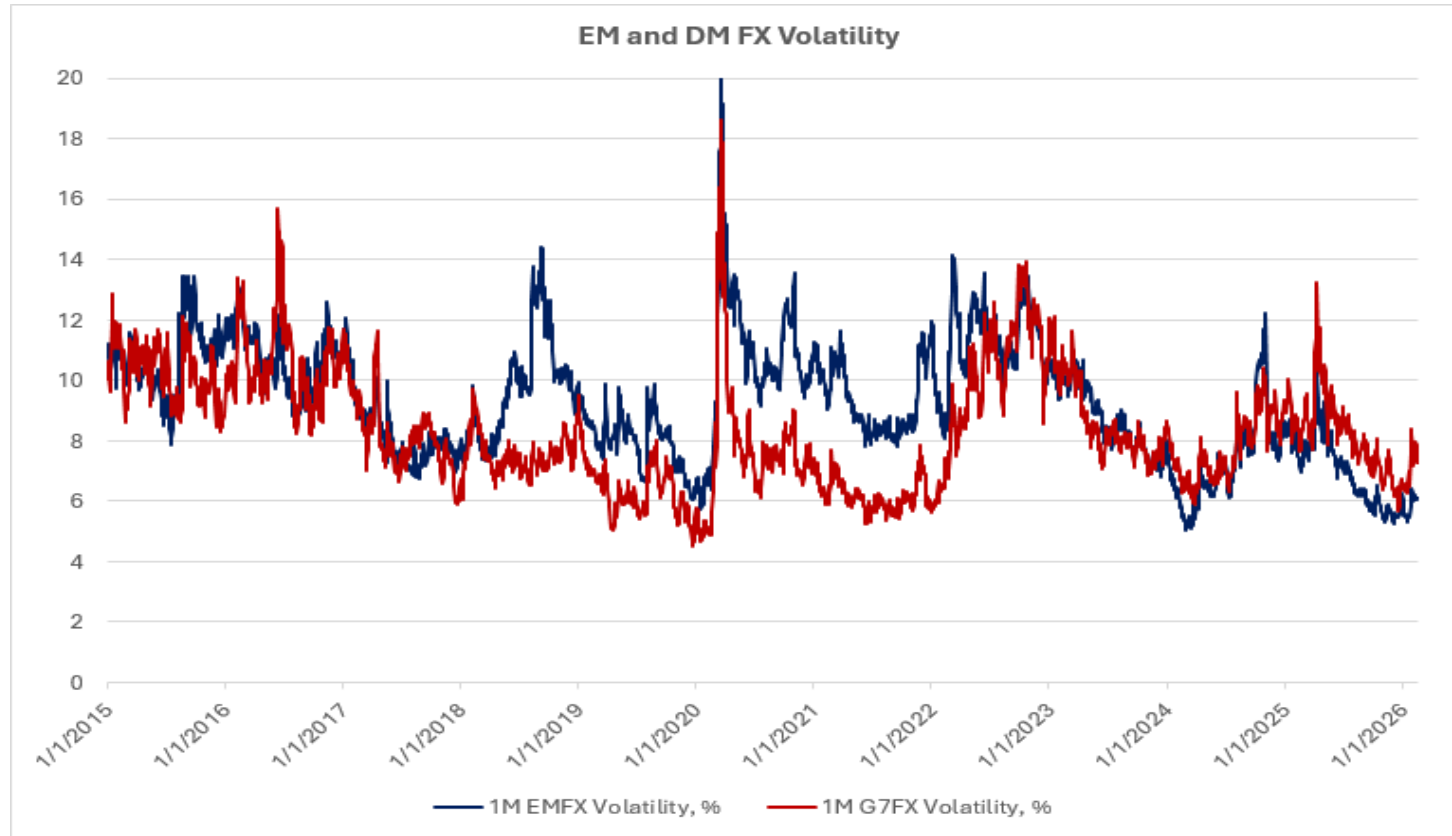
**EM Local Bonds vs DM Sovereigns - 90-day Total Return Volatility (%)**



**Source:** VanEck Research; Bloomberg LP. Data as of February 2026. Not intended as a prediction of future results. For illustrative purposes only. Past performance is no guarantee of future results.

# FX Volatility Lower Than DM

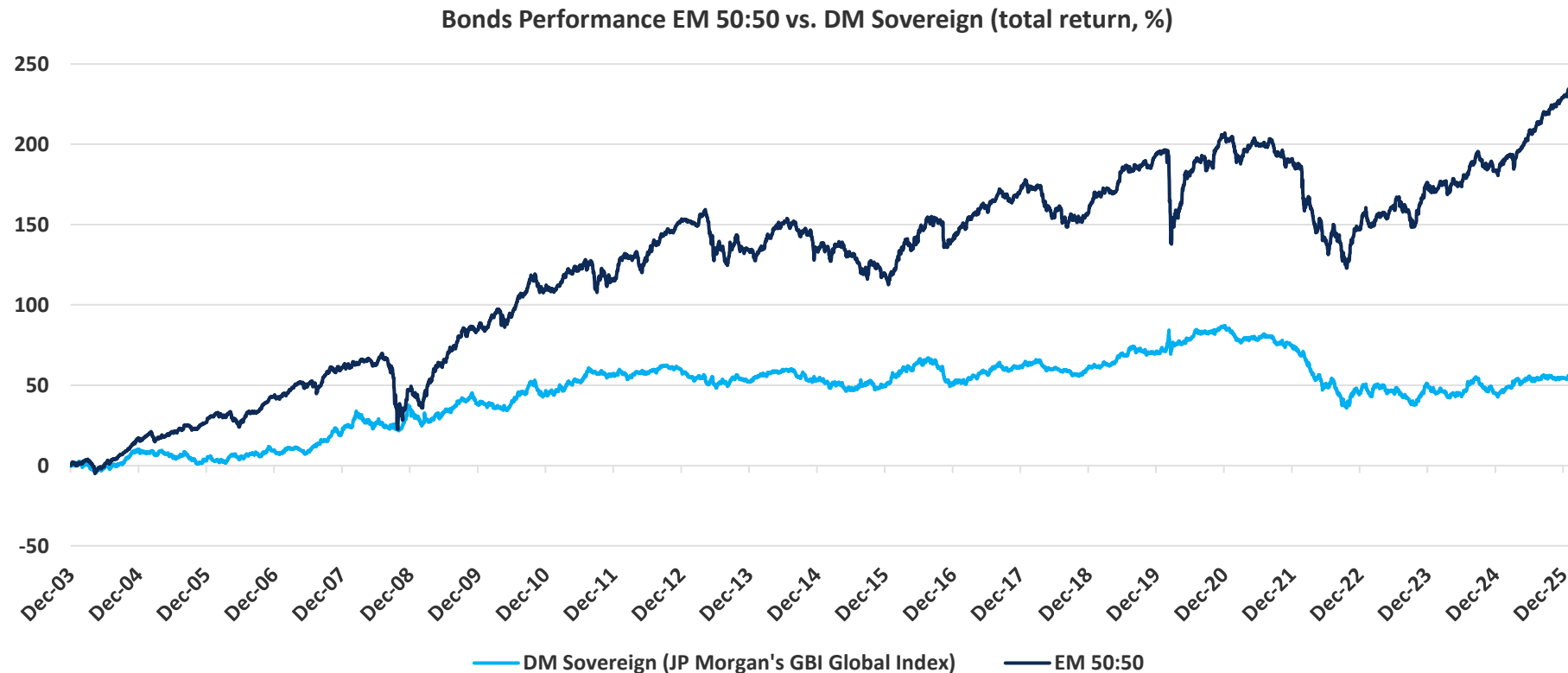
- FX volatility levels in emerging markets are now lower than DM



Source: VanEck Research; Bloomberg LP. Data as of February 2026. Not intended as a prediction of future results. For illustrative purposes only. Past performance is no guarantee of future results.

# EM Bonds Outperformed

- Performance shows that EM sovereign bonds outperformed DM sovereign bonds
- Volatility-adjusted measures also show EM bonds warranting far larger allocations to fixed income and 60/40 portfolios

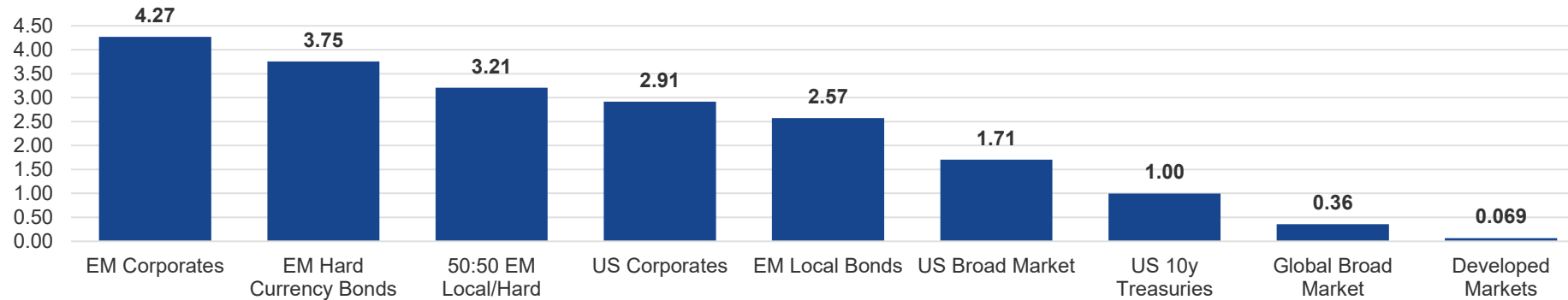


Source: Bloomberg LP. Data as of February 2026. Past performance is not indicative of future results.

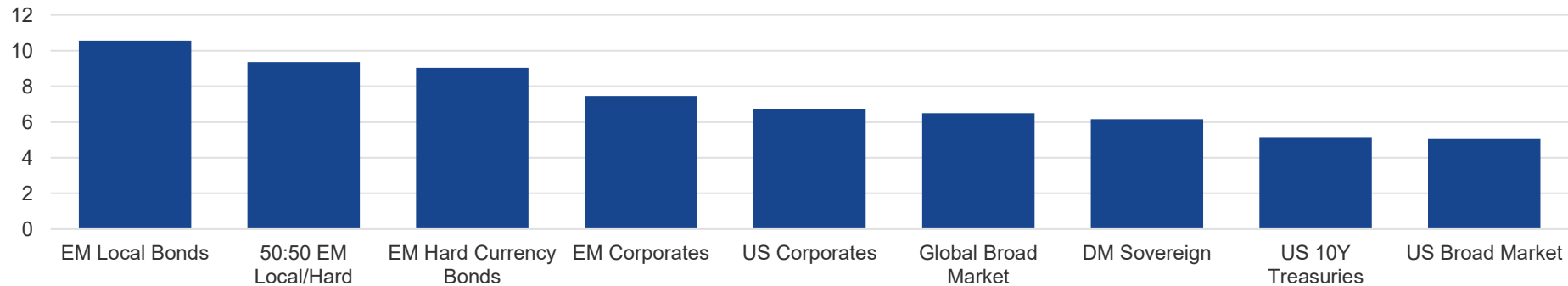
# EM Bonds Outperformed

- EM corporates outperformed US corporates outright and vol-adjusted (US HY looks ok, though)
- US and DM Sovereigns have high vol relative to return
- Efficient frontier using 25 years of return and vol data points to much higher allocations to EM bonds

Performance by Asset Class - 10 Years



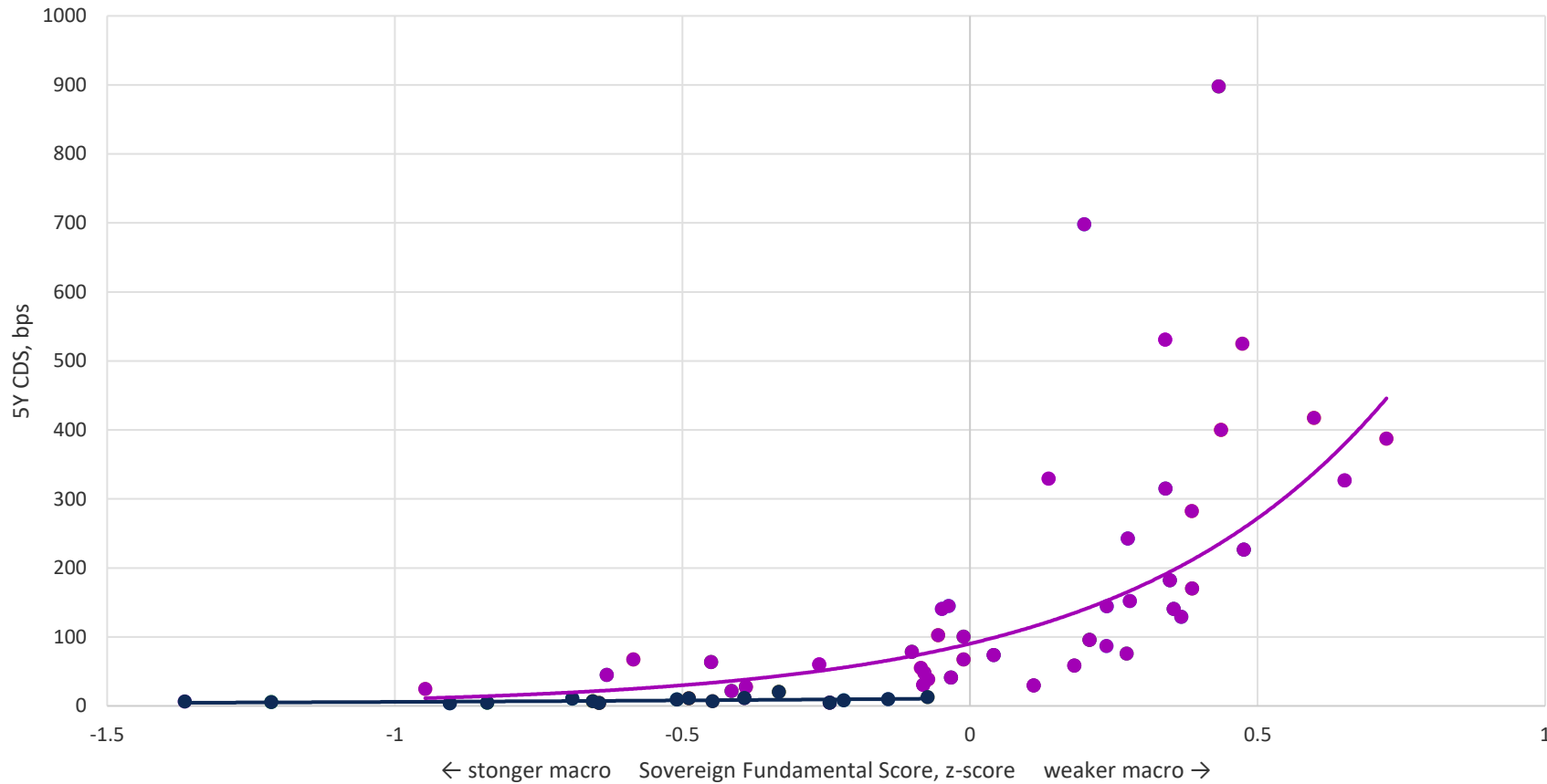
Volatility by Asset Class - 10 Years



Source: Bloomberg LP. Data as of March 2026. Past performance is not indicative of future results.

# EMs Pay More, Fundamentally-Adjusted

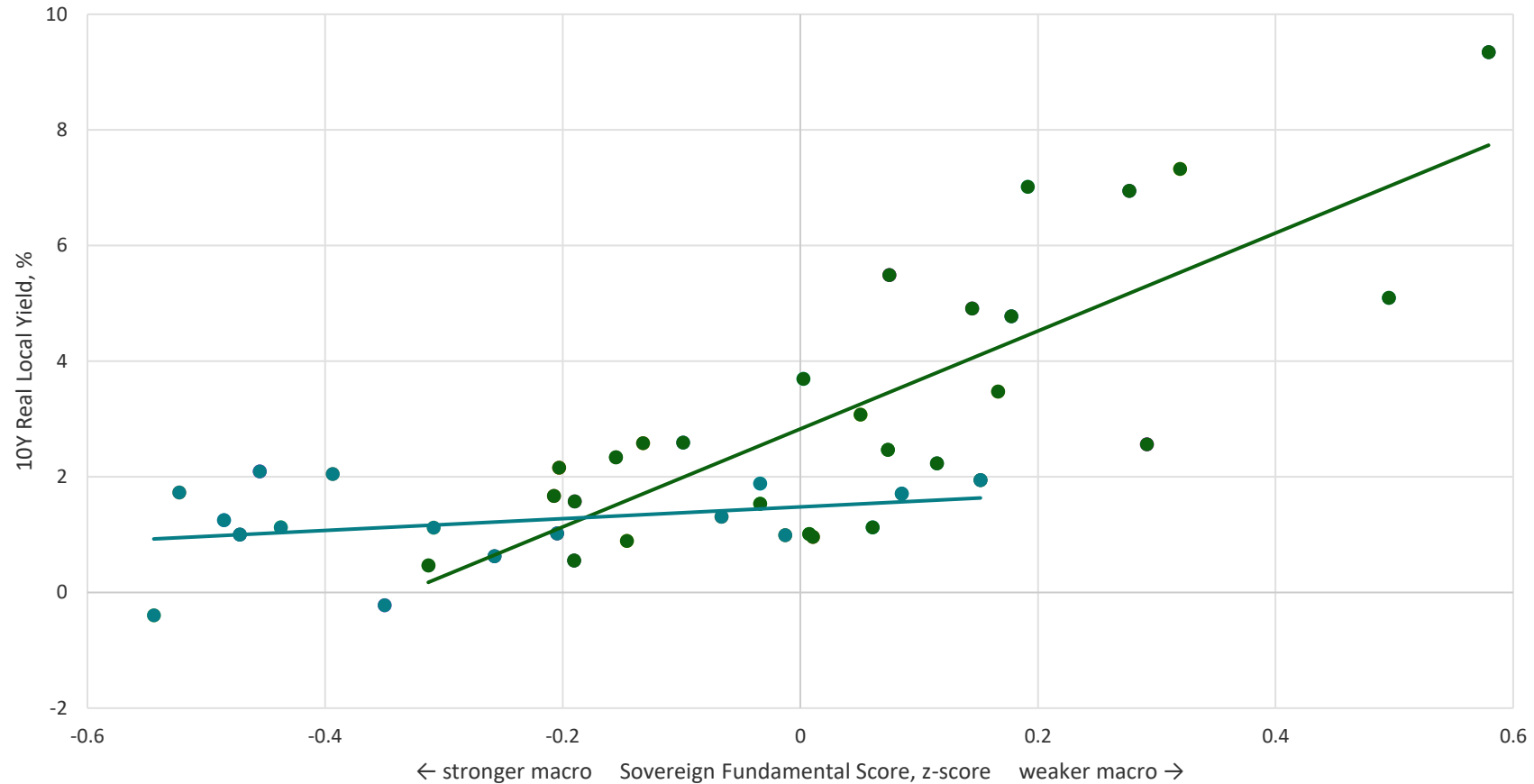
- EMs pay higher yields (spreads) in USD than DM, adjusted for fundamentals



Source: VanEck Research; International Monetary Fund; Bloomberg LP. Data as of September 2025. Not intended as a prediction of future results. For illustrative purposes only. Past performance is no guarantee of future results.

# EMs Pay More, Fundamentally-Adjusted

- EMs pay more than DM in local currency, adjusted for fundamentals



Source: VanEck Research; International Monetary Fund; Bloomberg LP. Data as of September 2025. Not intended as a prediction of future results. For illustrative purposes only. Past performance is no guarantee of future results.

# Positioning and Performance

# Flexibility to Adapt

- Curation fits fundamental and market landscape
- EM debt is not a monolith and is filled with alpha – sails for many winds
- EM local currency in a potentially new state of nature



## USD Depreciation

- Bias towards exposure to local currency
- Asia local the safer-haven
- Latam local the higher-beta asset price, with commodities exposure
- CEMEA local in-between, with upside growth risks from Europe militarization
- Local currency duration not constrained by USD duration



## Trade, Growth Uncertainty

- Uncertainty transmits to recession risk
- Credit spreads are tight, highly correlated, and can react in lock-step on recession or risk-off
- Corporate credit spreads especially risky, due to extreme popularity combined with under-appreciated illiquidity risks
- Low spread duration, extreme curation



## The Less Correlated

- Latam is perhaps secular, due to political and geopolitical developments
- Latam exports commodities, has market-friendly political outcomes, and is supported by US strategic attention
- SSA remains the region that will replace Russia as Europe's commodities supplier.
- Occasional opportunities in frontier local currency, but "frontier" is too popular



## Caution in some large benchmark weights

- India – not ready for prime-time
- Indonesia – bombing in prime-time
- Mexico – long-term convergence possible, but so is short-term destabilization
- China – tactical exposure at least
- Avoiding Russia/USA geopolitical risk in selected Europe

# Carry and Diversification

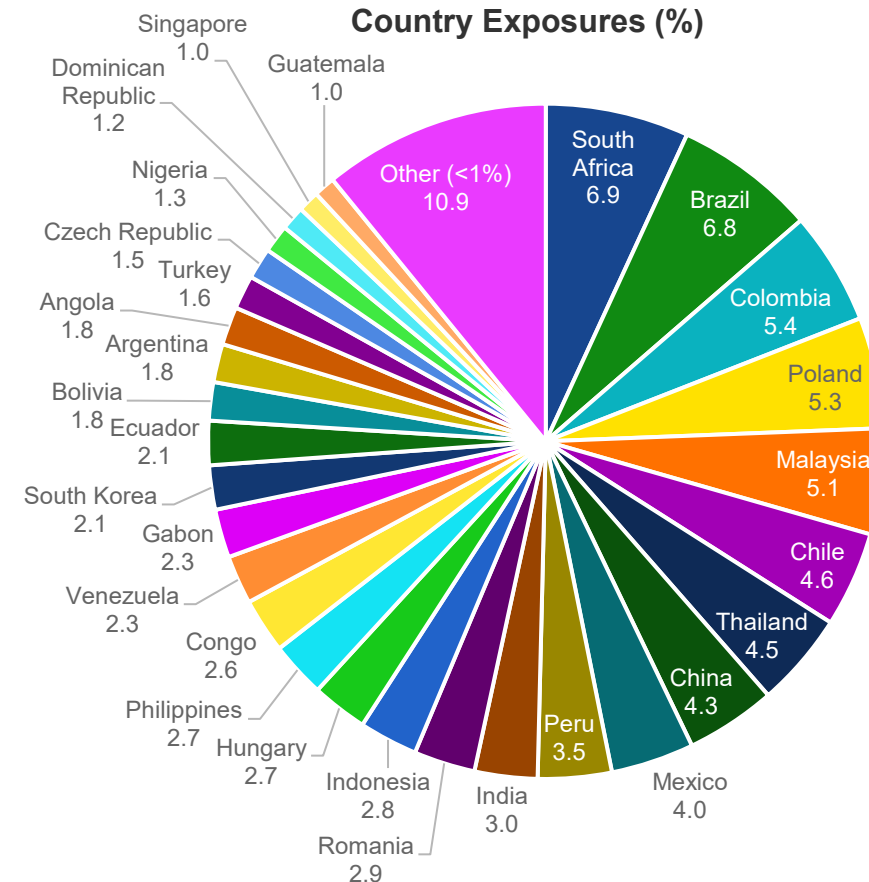


## Portfolio Characteristics

As of 3/31/2026	Portfolio
Yield to Worst	7.6
Yield to Maturity	7.6
Modified Duration	6.0
Effective Duration	5.9
Years to Maturity	9.0
Current Yield	6.8
Coupon Rate	10.2

## Credit Quality Breakdown

Composite Rating	Weight (%)
AAA	1.0
AA	5.1
A	19.1
BBB	23.2
BB	21.9
B	11.6
CCC	9.2
CC	2.9
C	0.0
NR	6.0



\*Includes remaining countries with a portfolio weight of 1.5% or less as well as cash exposure.

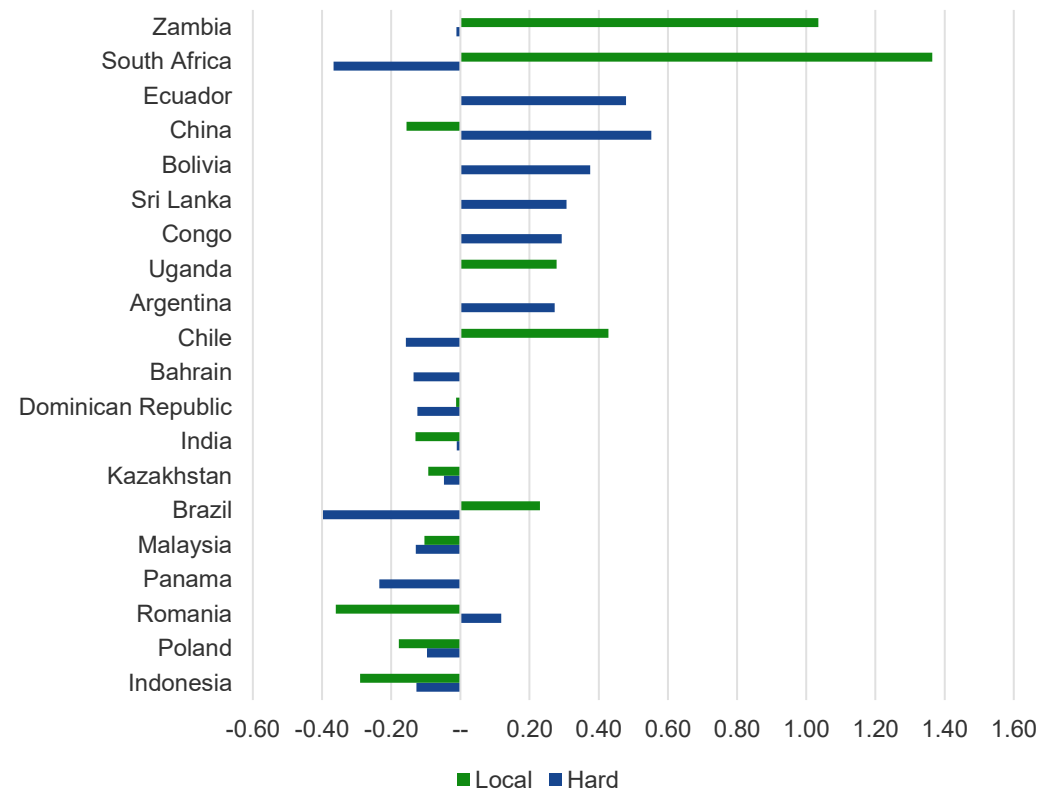
Source: FactSet. Data as of March 2026.

**For illustrative purposes only.** The information above is intended to demonstrate VanEck's investment process and strategies, and the types of investment opportunities VanEck may consider. During any given stage of the investment process the selection criteria may vary from those shown above.

# 2025 Fund Over/Under Performance, by country

- **Zambia a winner**
  - Small, persistent, high-carry investment in a reforming policy framework
- **South Africa a winner**
  - Fund had overweight to a big EM local outperformer
- **Ecuador an outperformer**
  - IMF program, US support, deep reform commitment
- **China kept adding to performance**
  - Fund had small selected corporate exposures that generated outsized returns
- **Indonesia an underperformer**
  - Fund had exposure, since reduced, to an underperformer
- **Poland an underperformer**
  - Fund had an suboptimal allocations

**Top/Bottom Contribution to Return Difference vs. Benchmark (%)**



Source: VanEck as of March 2026.

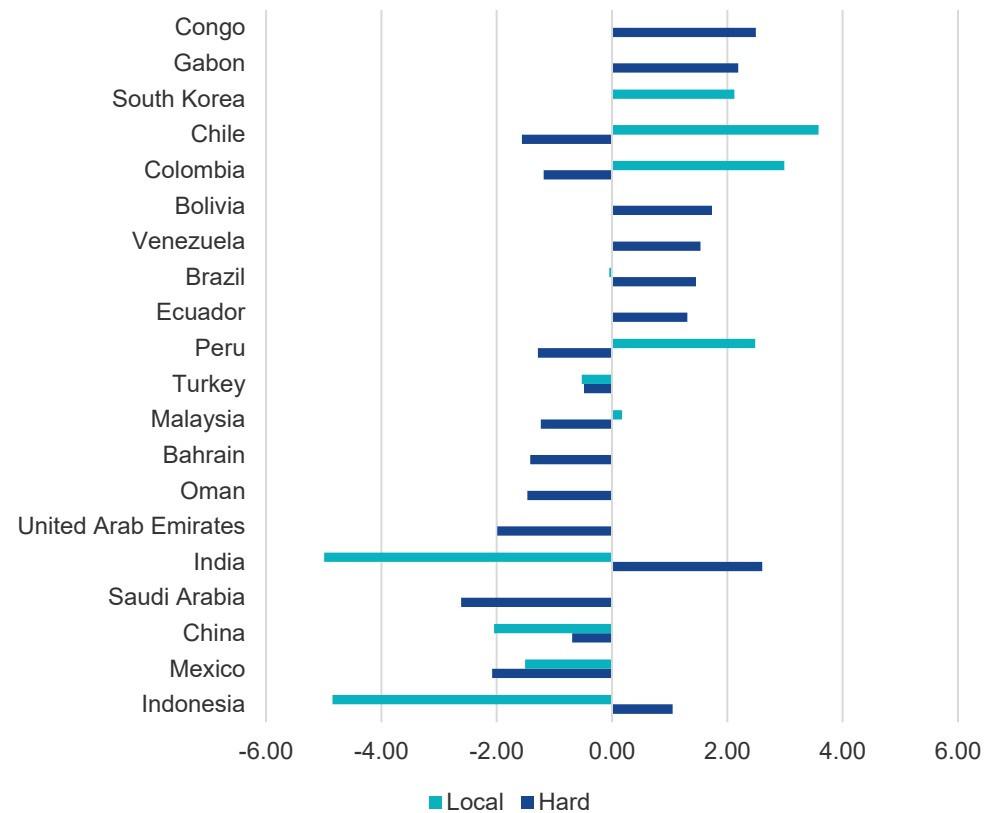
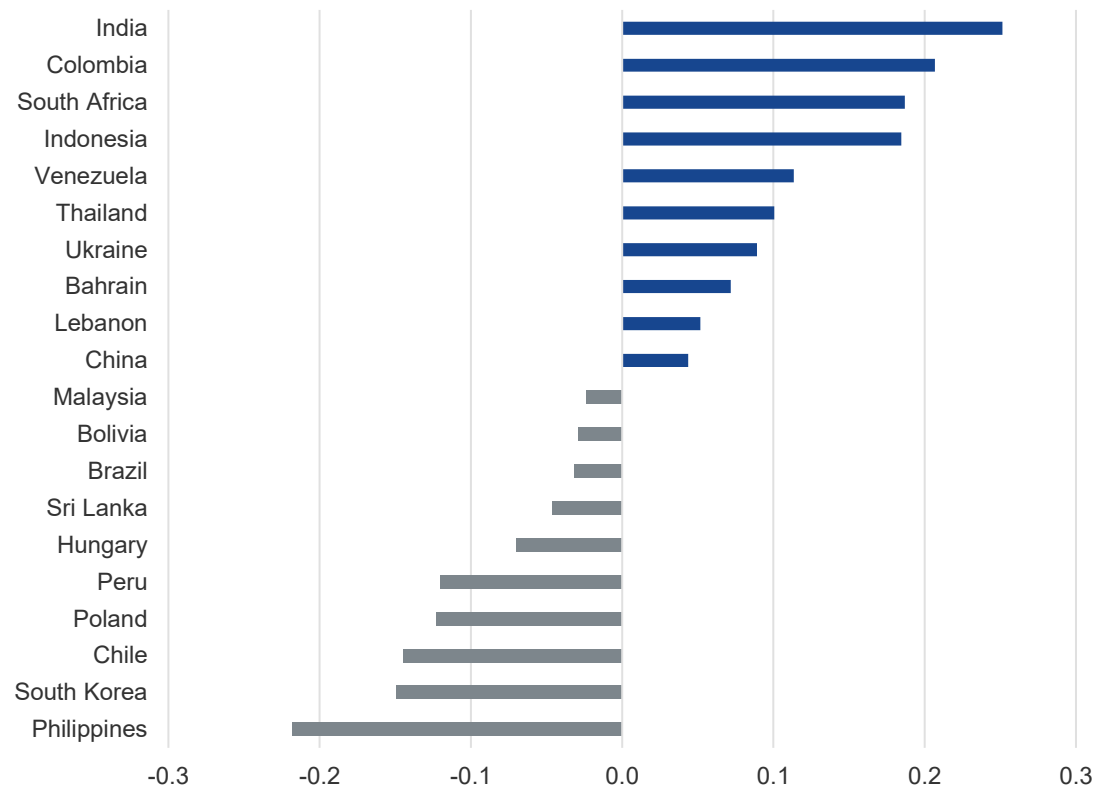
Based on the VanEck Emerging Markets Bond UCITS portfolio. Index is represented by the Fund's benchmark, 50% J.P. Morgan EMBI Global Diversified Index / 50% J.P. Morgan GBI-EM Global Diversified Index. Index performance is not representative of fund performance. It is not possible to invest directly in an index. Past performance does not guarantee future results.

# Underweights and Overweights



Access the Opportunities

### Country Weight Difference vs. Benchmark (as of 3/31/2026)

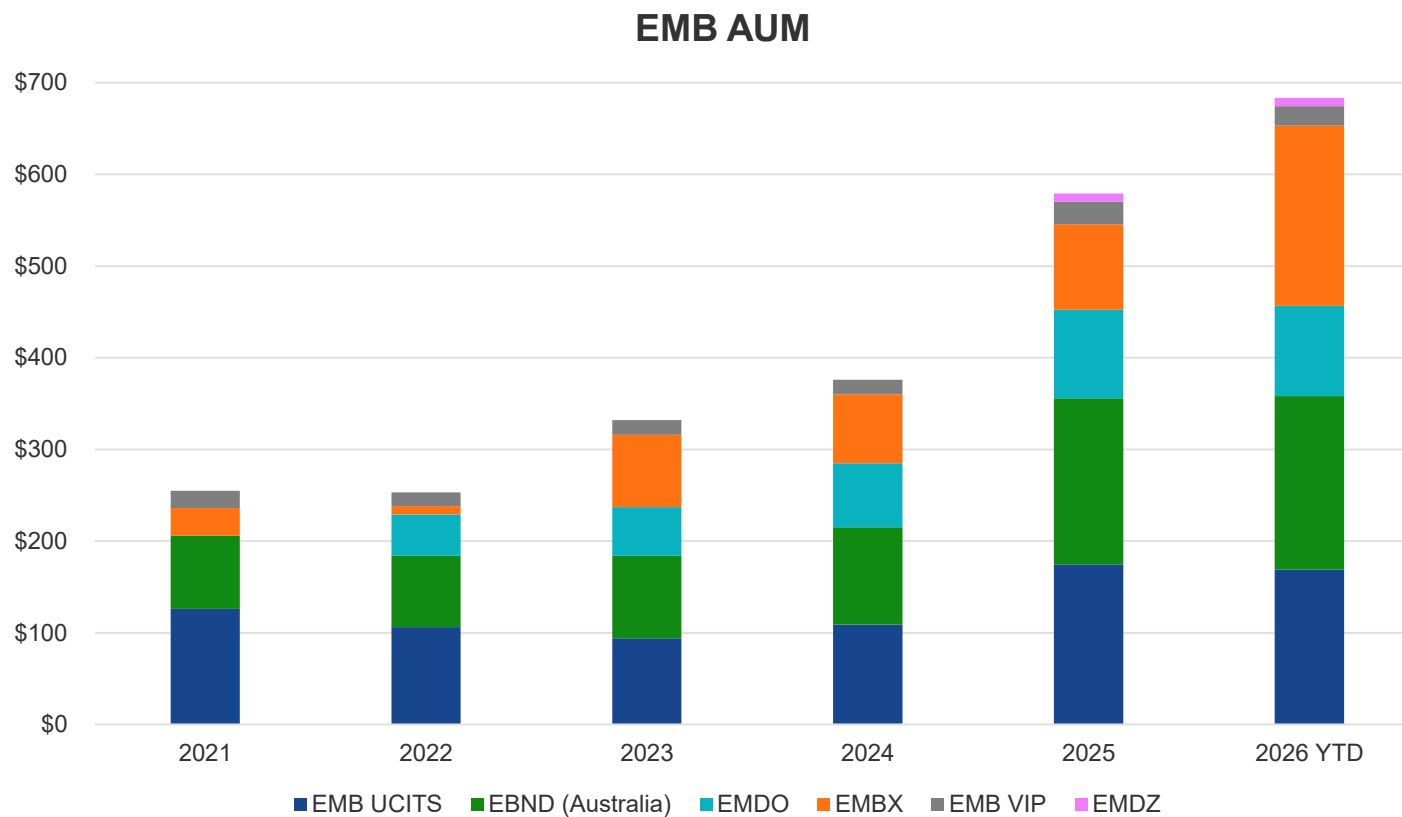


Source: FactSet, VanEck as of 3/31/2026. Indices shown are unmanaged and not subject to fees and expenses typically associated with managed accounts or investment funds. One cannot invest in the index. Index descriptions provided at the end of this presentation. Past performance is not indicative of future results.

# Steady Growth in AUM



Access the Opportunities



Source: VanEck Research. Data as of March 2026. Past performance is not indicative of future results.

# Fund Performance



## Average Annual Total Returns

Month end as of March 2026	1 MO*	3 MO*	YTD	1 YR	3 YR	5 YR	10 YR	LIFE
USD R1 Inc (Inception 12/06/14)	-4.20	-0.89	-0.89	13.42	8.71	4.03	4.05	1.82
USD I1 Inc (Inception 20/08/13)	-4.16	-0.77	-0.77	13.99	9.25	4.60	4.79	3.51
USD I2 Inc (Inception 20/08/13)	-4.15	-0.74	-0.74	14.10	9.36	4.71	4.92	3.63
EUR Hedged I1 Inc (Inception 6/10/15)	-4.31	-1.25	-1.25	11.31	6.96	2.44	2.52	2.77
EUR Hedged I2 Inc (Inception 22/08/17)	-4.30	-1.23	-1.23	11.37	7.06	2.57	-	1.97
50% GBI-EM/50% EMBI - USD <sup>2</sup>	-4.41	-1.75	-1.75	11.11	8.19	2.31	3.22	2.51
Global Bond Index	-3.10	-1.09	-1.09	3.87	2.38	-1.78	0.36	0.37

\*Periods less than one year are not annualized.

<sup>1</sup>Investment through authorized financial institutions only.

<sup>2</sup>Life performance for the benchmarks is presented in USD as of Class R1 inception date of 12/06/2014.

Global Bond Index is represented by ICE BofA Global Broad Index is a flagship measure of global investment grade debt from a multitude local currency markets. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging market issuers.

Source: VanEck. Data as of March 2026.

For illustrative purposes only. Historical information is not indicative of future results; current data may differ from data quoted. Each index listed is unmanaged and the returns include the reinvestment of all dividends, but do not reflect the payment of transaction costs, advisory fees or expenses that are associated with an investment in any fund. An index's performance is not illustrative of any fund's performance. You cannot invest in an index. Index descriptions are shown in the Appendix – supplemental information section.

Past performance of the sub-fund is no guarantee for future performance. Any performance presented herein is for illustrative purposes only. Historical information is not indicative of future results; current data may differ from data quoted. Performance information does not take into account the commissions and costs incurred on the issue and redemption of units. Performance information is presented net of fees, but gross of tax liabilities. Please call 800.826.2333 or visit vaneck.com for performance current to the most recent month ended.

# VanEck–Emerging Markets Bond UCITS

## Fund details

Inception date	20 August 2013
Legal structure	ICAV – UCITS Compliant
Registered in the following countries	Austria, Finland, Denmark, Germany, Ireland, Italy, Luxembourg, Netherlands, Norway, Sweden, Switzerland, U.K.
Investment manager (by delegation of the management company)	VanEck Associates Corporation
Management company	VanEck Asset Management B.V.
Central administration (by delegation of the management company), custodian and depository	State Street Bank Ireland
Global distributor (by delegation of the management company)	VanEck (Europe) GmbH
Auditor	KPMG
Investment terms	Share Class USD R1 Inc
▪ Total Expense Ratio (TER)	1.20%
▪ Subscription Fee	Up to 5.00%
▪ Liquidity	Daily
▪ Subscription & redemption deadline	13:00 IST on (T)
▪ Subscription payment date	Before 8 am IST on the Dealing Day
▪ Redemption payment date	Within 3 Business Days following the relevant Dealing Day
▪ Redemption penalties	None
▪ Minimum investment	\$100
▪ Reference currency	US\$
Code	Share Class USD R1 Inc
▪ ISIN	IE00BYXQSJ74
▪ Valoren	36845145
▪ Wkn	A2DLGV
▪ Lipper	68428121
▪ Bloomberg ticker	VAEMBR1 ID

# VanEck–Emerging Markets Bond UCITS



## Fund details

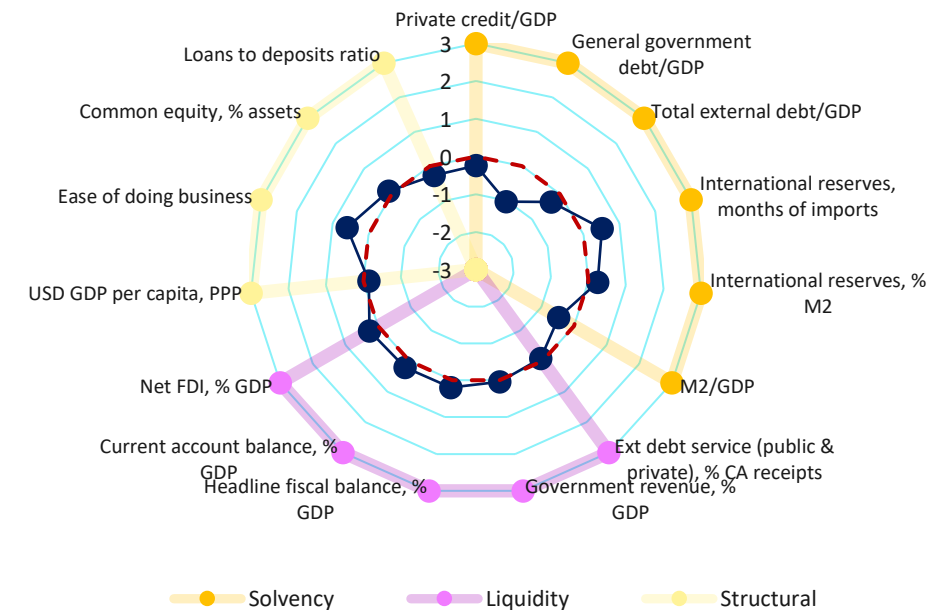
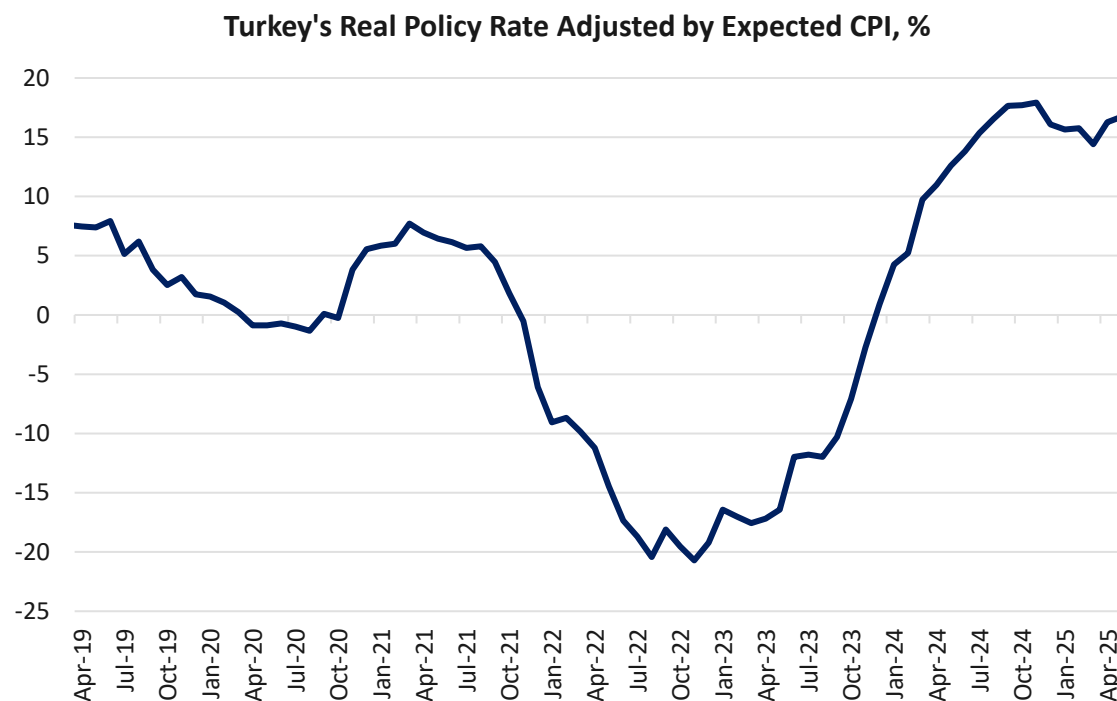
Investment terms	Share class USD I1 Inc	Share class USD I2 Inc	Share class USD M Inc <sup>1</sup>	Share class EUR Hedged I1 Inc
▪ Total Expense Ratio (TER)	0.70%	0.60%	0.90%	0.76%
▪ Subscription Fee	None	None	None	None
▪ Liquidity	Daily	Daily	Daily	Daily
▪ Subscription & redemption deadline	13:00 IST on (T)	13:00 IST on (T)	13:00 IST on (T)	13:00 IST on (T)
▪ Subscription payment date	Within 2 business days following the relevant dealing day	Within 2 business days following the relevant dealing day	Within 2 business days following the relevant dealing day	Within 2 business days following the relevant dealing day
▪ Redemption payment date	Within 3 business days following the relevant dealing day	Within 3 business days following the relevant dealing day	Within 3 business days following the relevant dealing day	Within 3 business days following the relevant dealing day
▪ Redemption penalties	None	None	None	None
▪ Minimum investment	\$1.000.000	\$20.000.000	\$100.000	€1.000.000
▪ Reference currency	US\$	US\$	US\$	EUR
Code	Share class USD I1 Inc	Share class USD I2 Inc	Share class USD M Inc	Share class EUR hedged I1 Inc
▪ ISIN	IE00BYXQSF37	IE00BYXQSG44	IE00BYXQSH50	IE00BYXQSD13
▪ Valoren	36845151	36845156	36845158	36845162
▪ Wkn	A2DLGS	A2DLGT	A2DLGU	A2DLGR
▪ Lipper	68428118	68428119	68428120	68428117
▪ Bloomberg ticker	VAUMUI1 ID	VAUMUI2 ID	VAUEMMI ID	VAEMI1H ID

# Curated Country Selection

# Turkey – U-turn is For Real

- Turkey shifted its policy by reducing the fiscal deficit, cutting subsidized credit, tightening standards, and FX depreciation to restore competitiveness
- Top officials made it clear that they have a mandate to maintain interest rates at levels where monetary policy would be restrictive
- CBRT rebuilt credibility with aggressive rate hikes, and part of the local yield curve is now positive in real terms and attractive in our valuation process

Policy Rate	%	40.5
CPI	%yoy	32.95
5Y Local Yield	%	33.31999
Sovereign Spread	bps	248



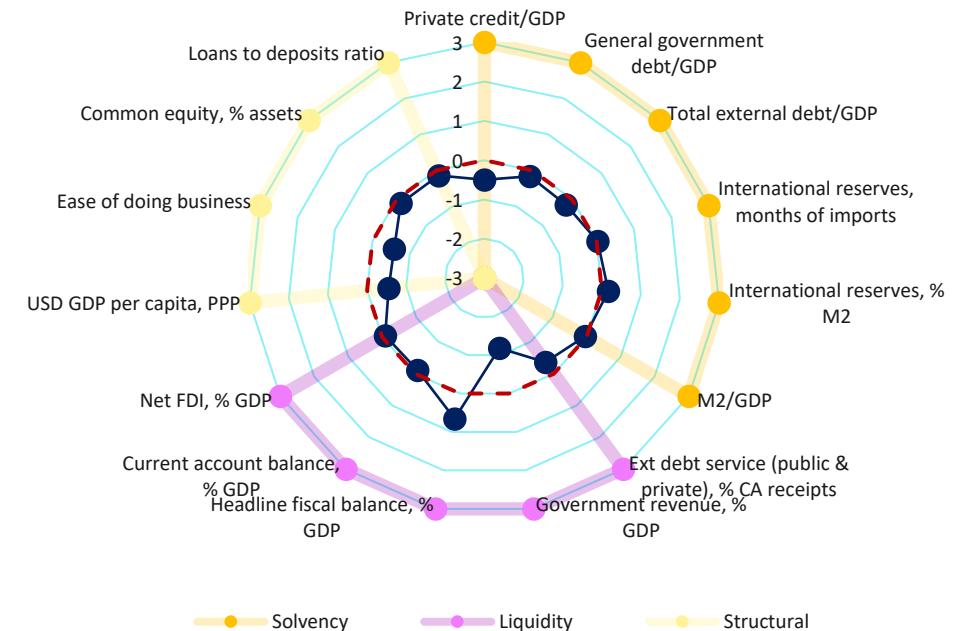
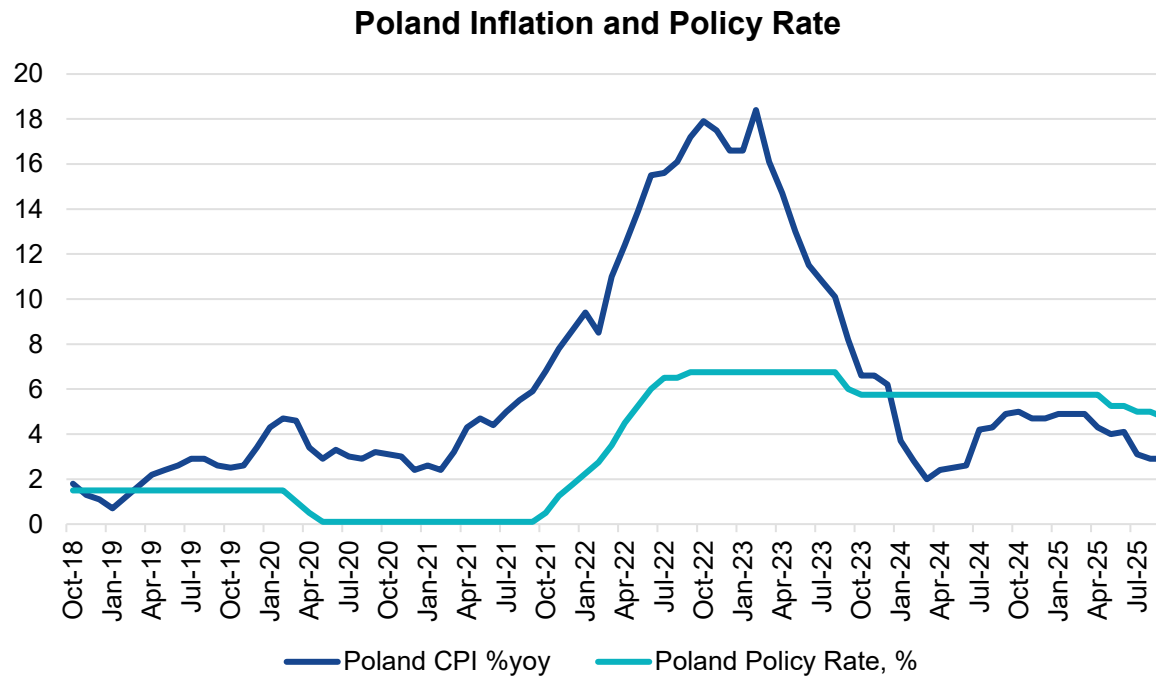
Source: Bloomberg LP. Data as of September 2025. Past performance does not guarantee future results.

Certain statements contained herein may constitute projections, forecasts and other forward looking statements, which do not reflect actual results.

# Poland – Political changes, credible policies

- Poland's relations with the EU are solid, including the disbursement of EU funds
- The cabinet still aims to improve Poland's fiscal trajectory, which worsened in the past two years
- Poland's current account adjustment and successful disinflation provide supportive backdrop for local exposure
- Poland's central bank is easing but cautiously

Policy Rate	%	4.75
CPI	%yoy	2.9
5Y Local Yield	%	4.85
Sovereign Spread	bps	90

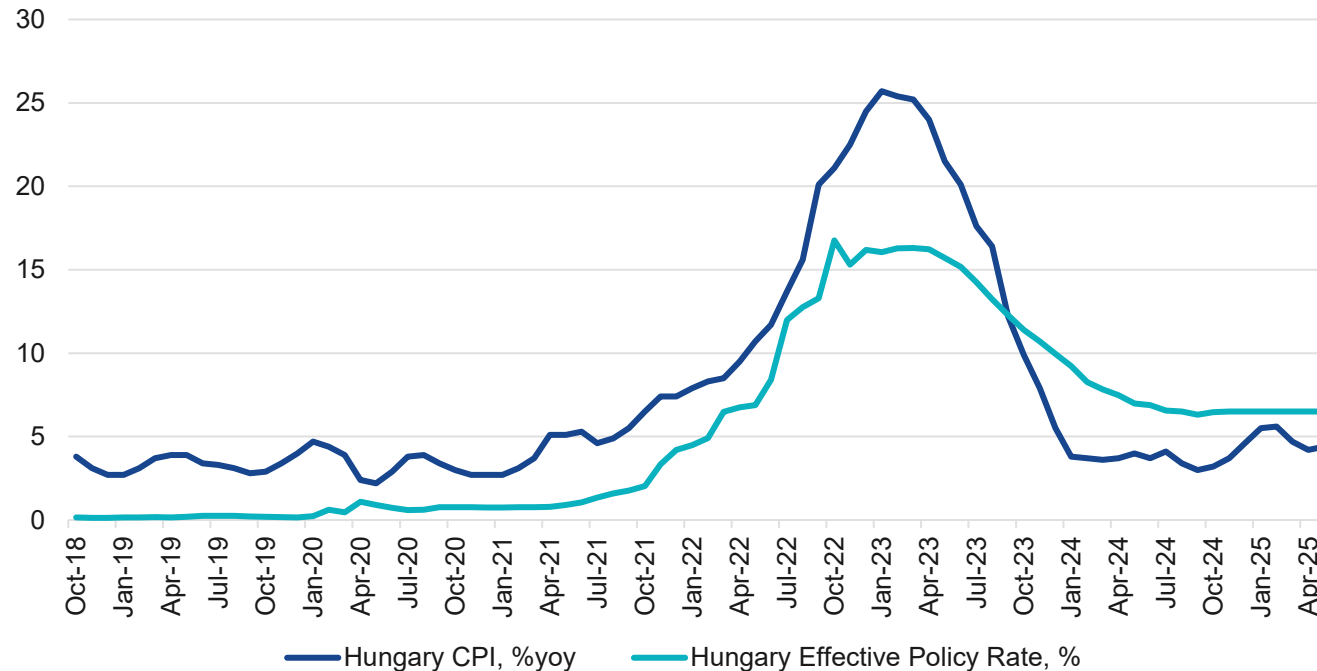


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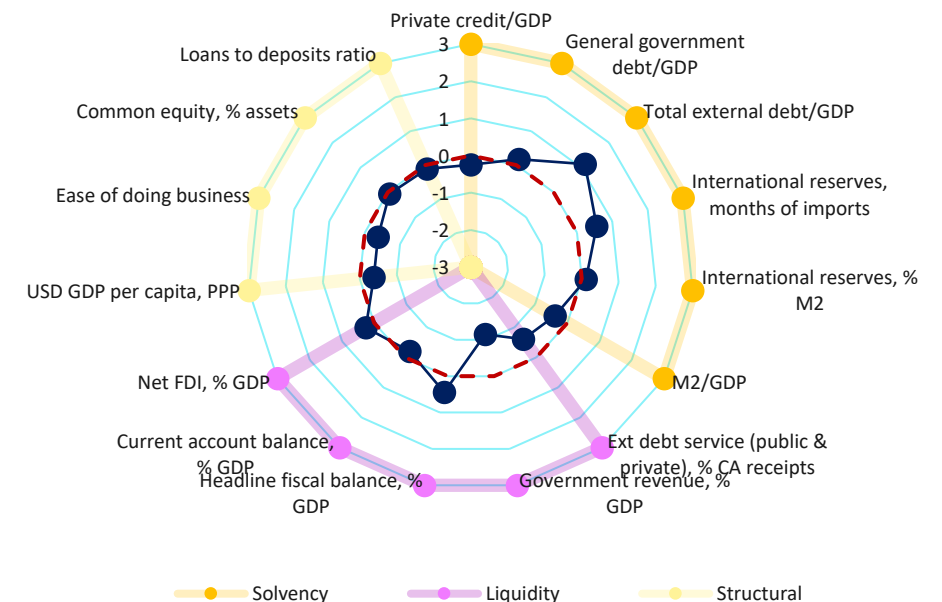
# Hungary – Focusing on correcting past mistakes

- Hungary's politics generates a lot of bad press, but inflation is now in single digits, allowing the central bank to resume rate cuts in 2026
- Lower inflation improves growth prospects, which in turn should further strengthen fiscal performance (which remains unaffected by the electoral cycle)
- A major uncertainty is the disbursement of the EU funds, which has only partially abated

Hungary Inflation and Effective Policy Rate, %



Policy Rate	%	6.5
CPI	%yoy	4.3
5Y Local Yield	%	6.3
Sovereign Spread	bps	123

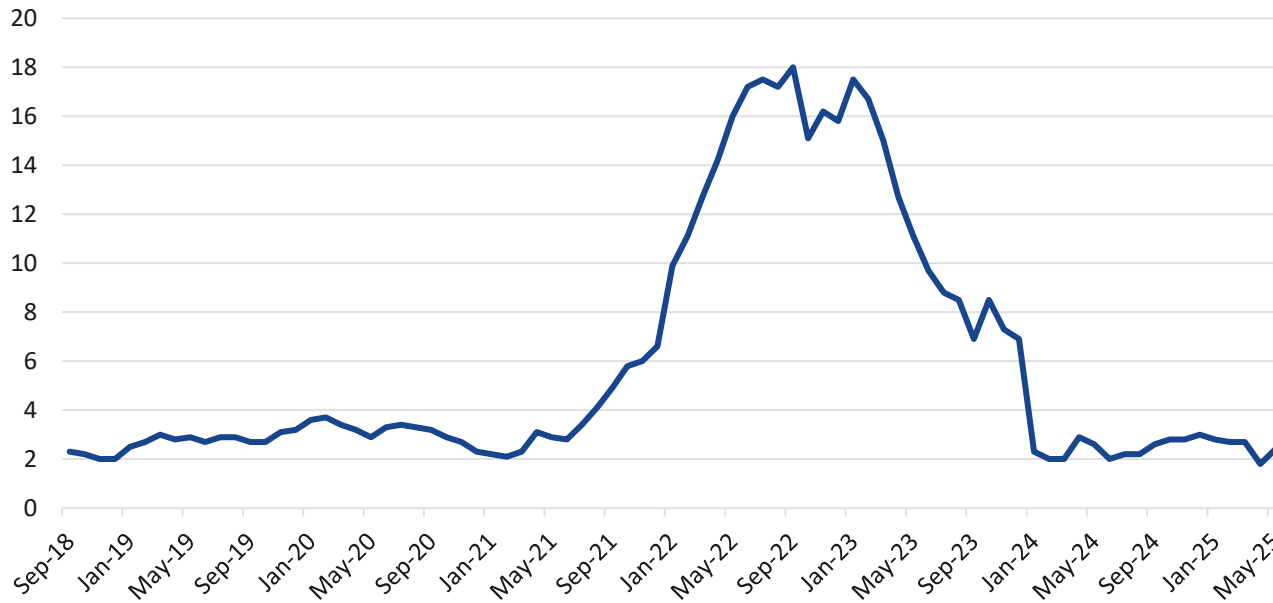


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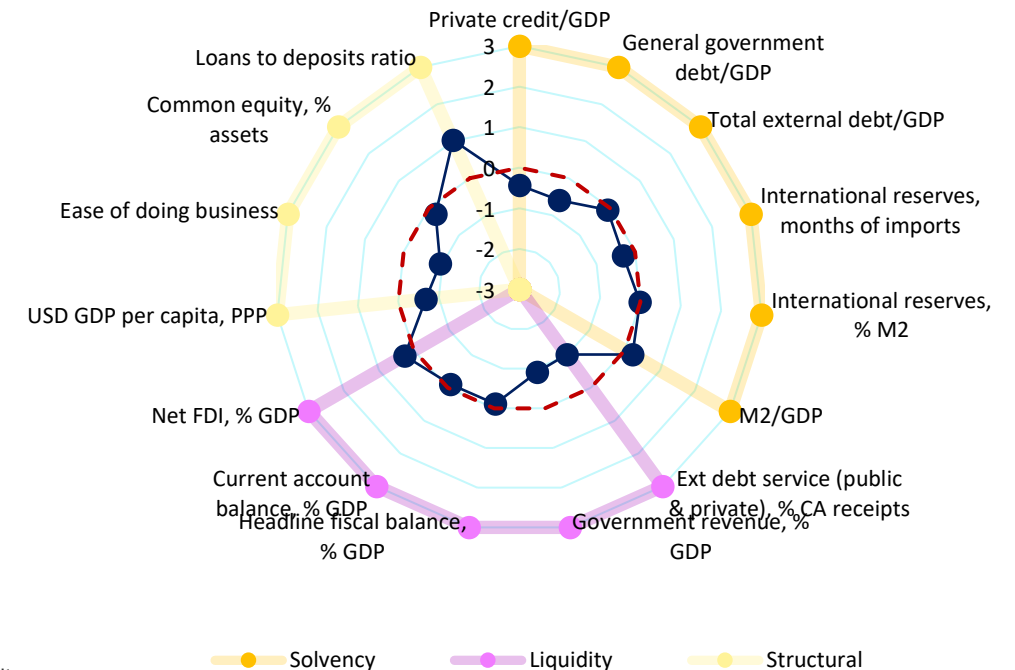
# Czech Republic – Seeing Significant Disinflation

- Inflation is low but the central bank is ending its easing cycle as the economy is rebounding
- Small fiscal deficits should keep both inflation and external imbalances in check
- The fiscal trajectory is unlikely to be affected by the political changes (the election rhetoric notwithstanding)

Czech CPI, % year-on-year



Policy Rate	%	3.5
CPI	%yoy	2.5
5Y Local Yield	%	3.97
5Y CDS	bps	12.26



Source: Bloomberg LP. Data as of September 2025. Past performance does not guarantee future results.

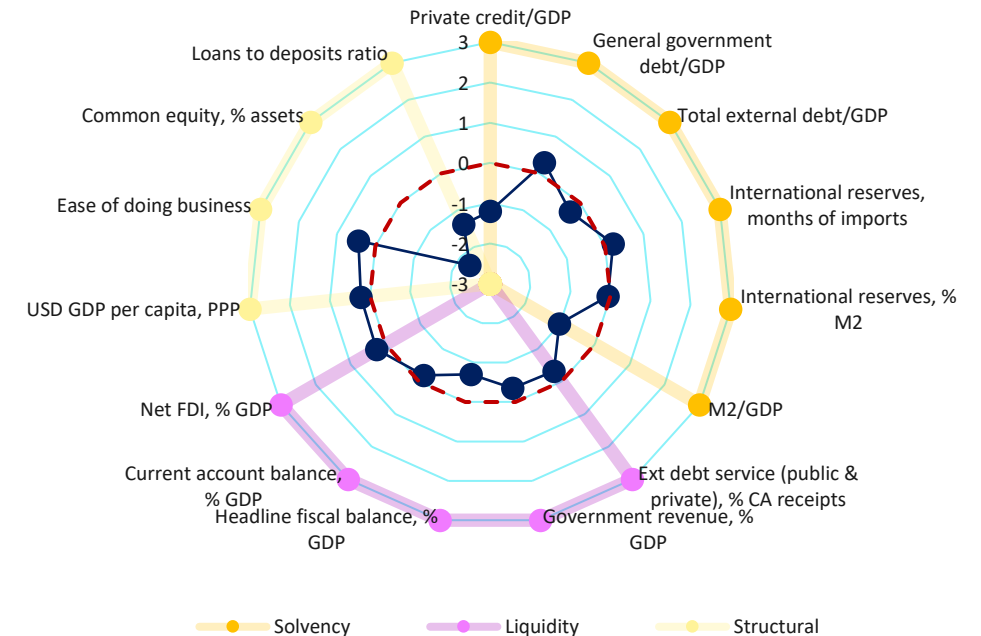
Certain statements contained herein may constitute projections, forecasts and other forward-looking statements, which do not reflect actual results.

# Argentina – Navigating Political Currents

- Argentina’s new IMF program is an important policy anchor - the U.S. political and financial support is a bonus
- The government is committed to disinflation and fiscal consolidation
- The midterm elections will determine the reform agenda for the next 2 years – growth and the future of the currency band are top priorities



Policy Rate	%	29
CPI	%yoy	33.6
5Y Local Yield	%	42.1
Sovereign Spread	bps	1264



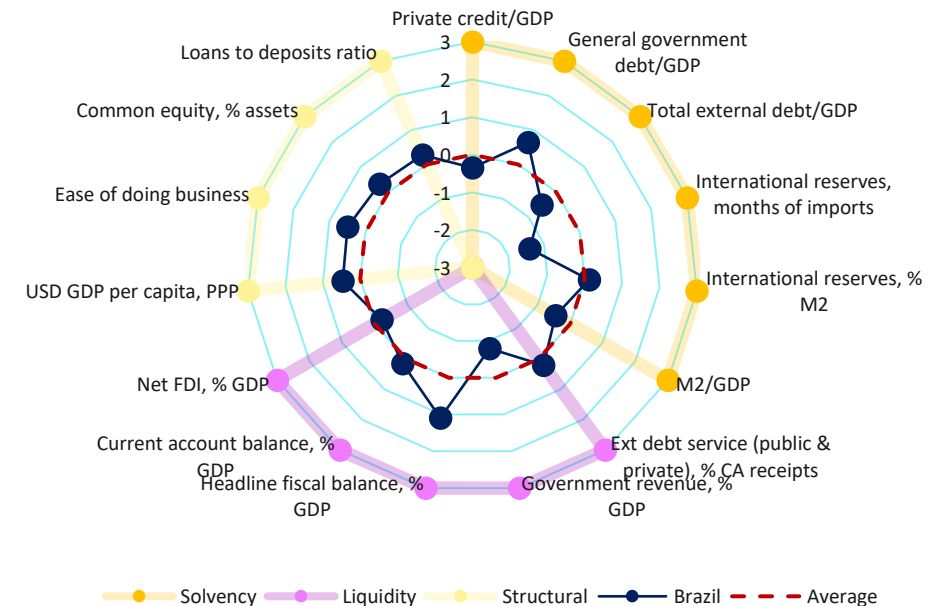
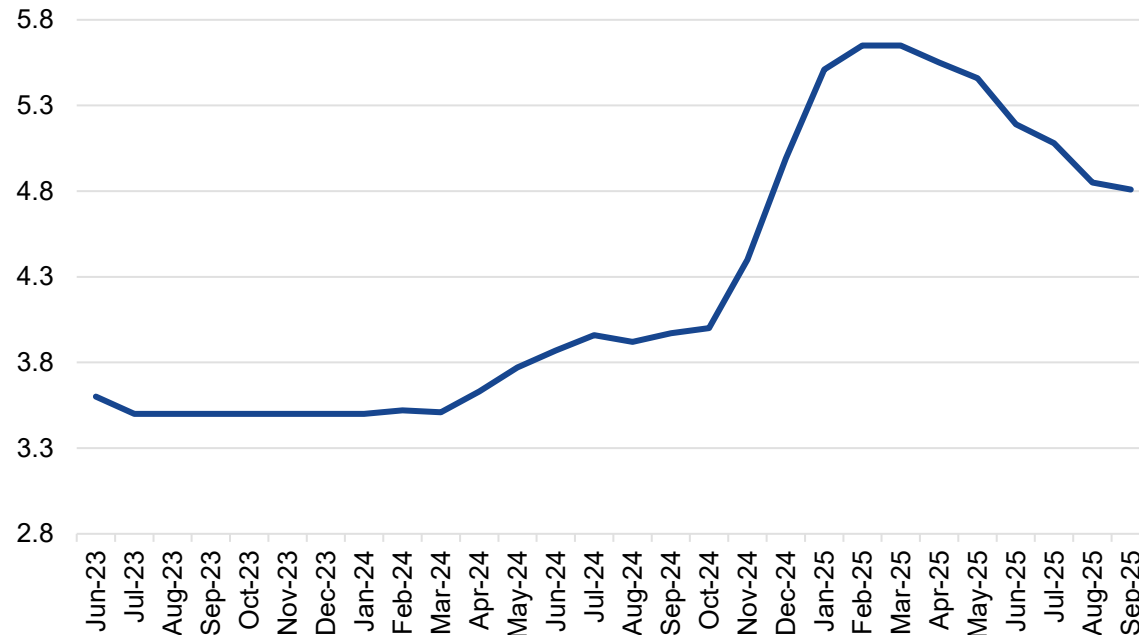
Source: Bloomberg LP. Data as of September 2025. Past performance does not guarantee future results.

# Brazil – Politics Challenging Fundamentals

- The central bank’s aggressive rate hike frontloading and on-going disinflation resulted in the highest real policy rate among major EMs
- The external balance still looks solid
- Inflation expectations had peaked, and the government is at least trying to keep this year’s fiscal outcome in check (e.g., unanimous tax reform approval)

Policy Rate	%	15
CPI	%yoy	5.13
5Y Local Yield	%	13.56
Sovereign Spread	bps	187

**Brazil Inflation Expectations for 2025, %**



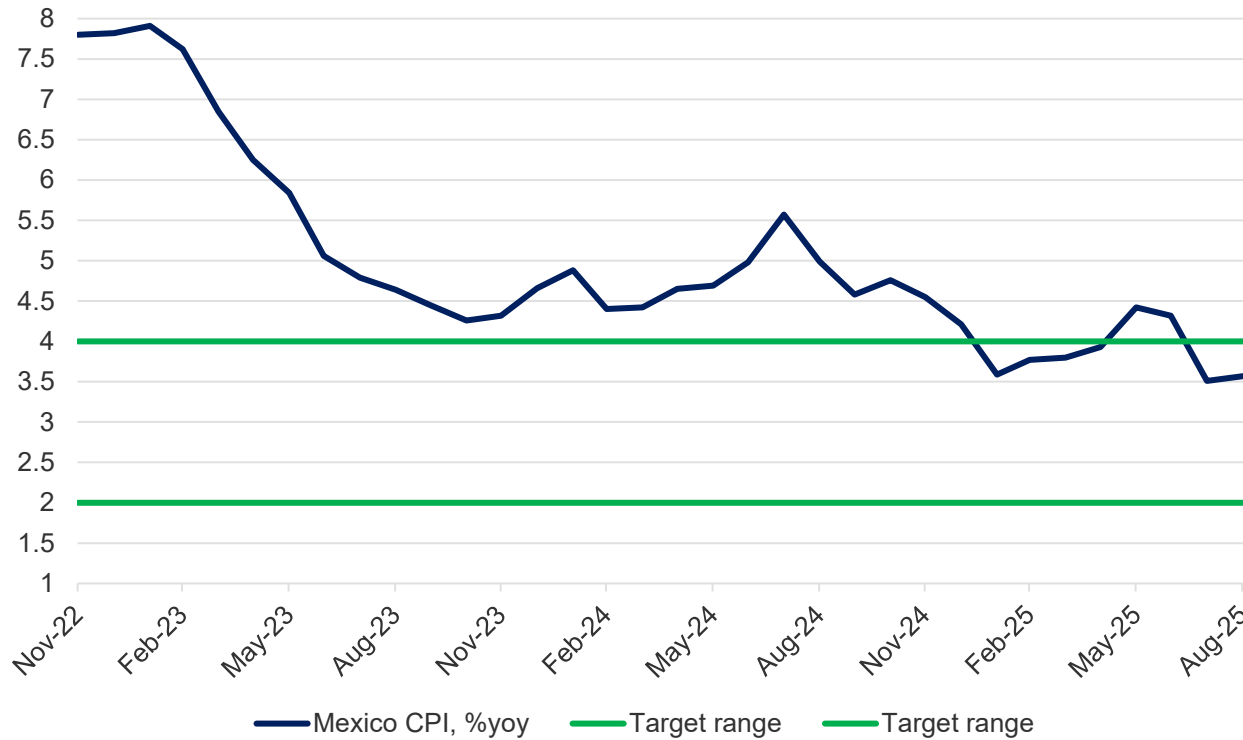
Source: Bloomberg LP. Data as of September 2025. Past performance does not guarantee future results.

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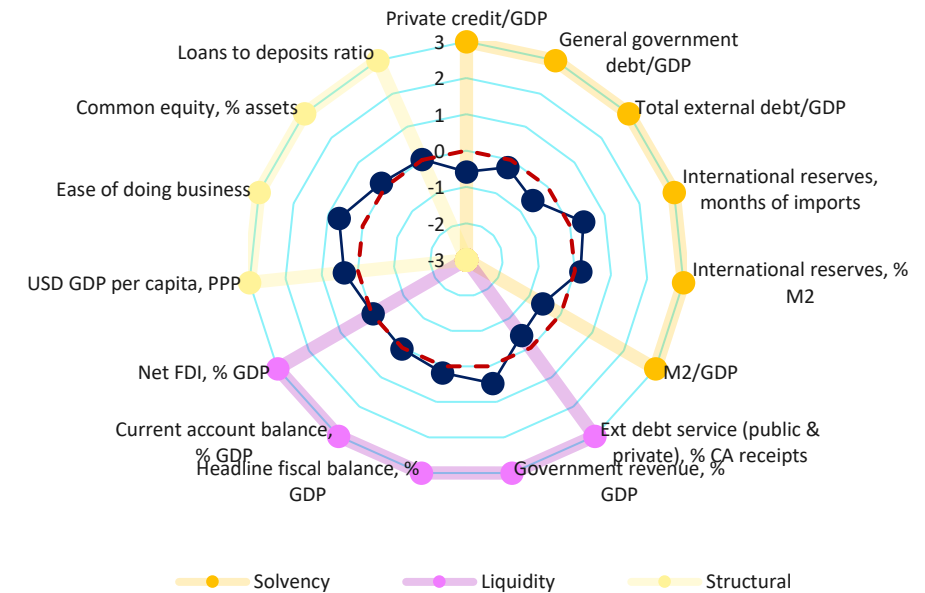
# Mexico – orthodox with some serious convergence trades

- Inflation is close to the target, the high real policy rate leaves room for additional easing against the backdrop of softening growth
- President Sheinbaum is handling the trade war challenges in a responsible manner
- Pension reform could anchor local bonds and provide financing for key structural reforms (electricity)

Mexico CPI, %yoy



Policy Rate	%	7.5
CPI	%yoy	3.57
5Y Local Yield	%	8.17
Sovereign Spread	bps	216

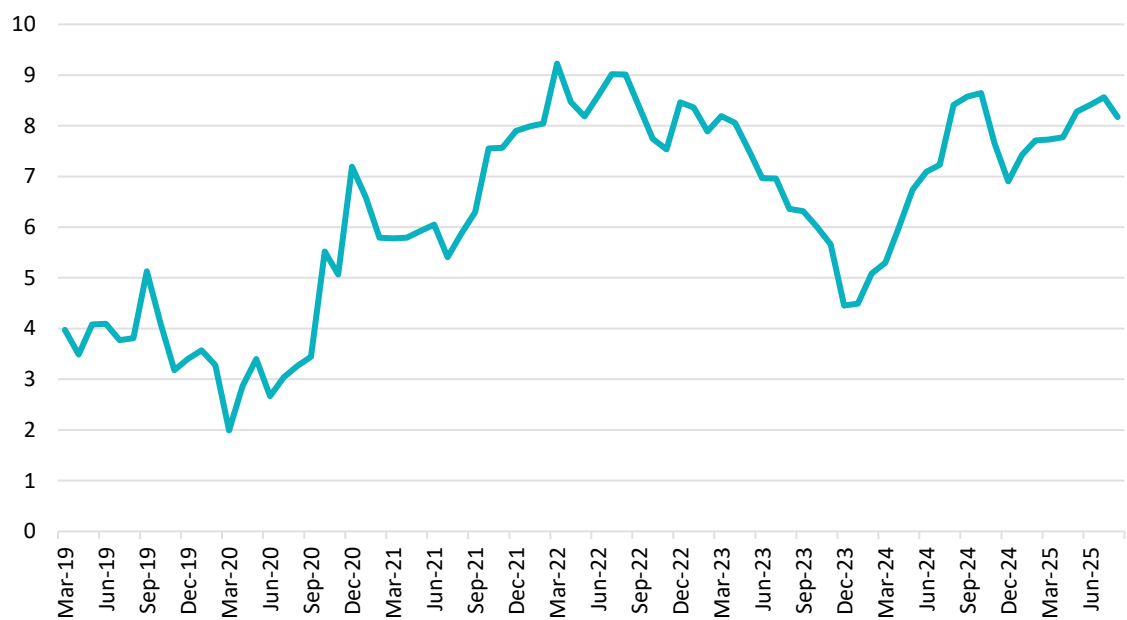


Source: Bloomberg LP. Data as of September 2025. Past performance does not guarantee future results.

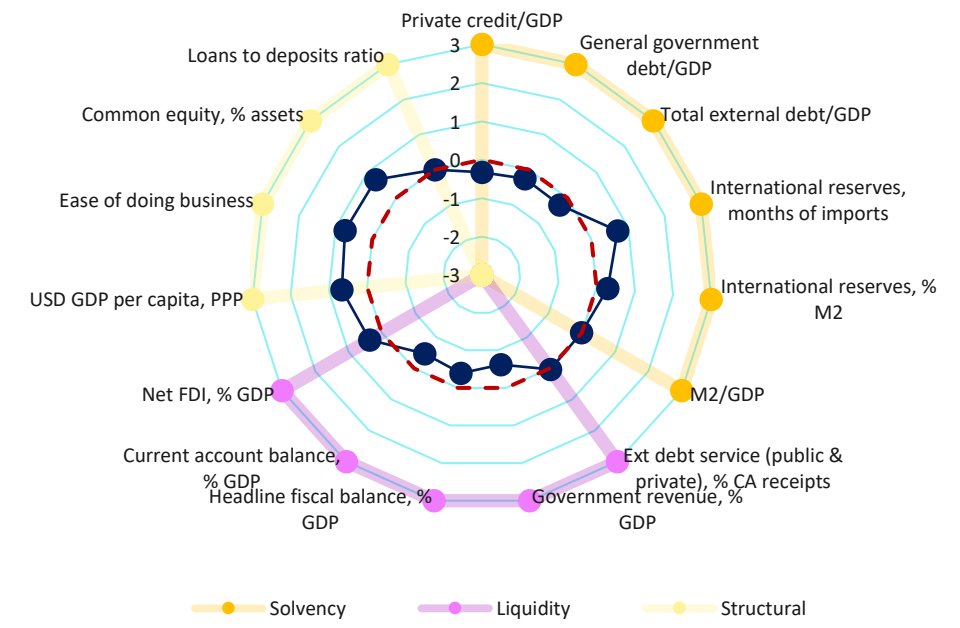
# Ecuador – Changes in Policy Improve Outlook

- President Noboa renewed his fiscal consolidation drive after the election victory, eliminating key budget subsidies (diesel)
- Positive export price shocks (cocoa, gold) is an extra boon in 2025
- The constitutional court authorized President Noboa to proceed with the referendum – which is a high-stake move, but it shows his determination to reform the country

Ecuador International Reserves, bn USD



CPI	%yoy	0.81
Sovereign Spread	bps	770

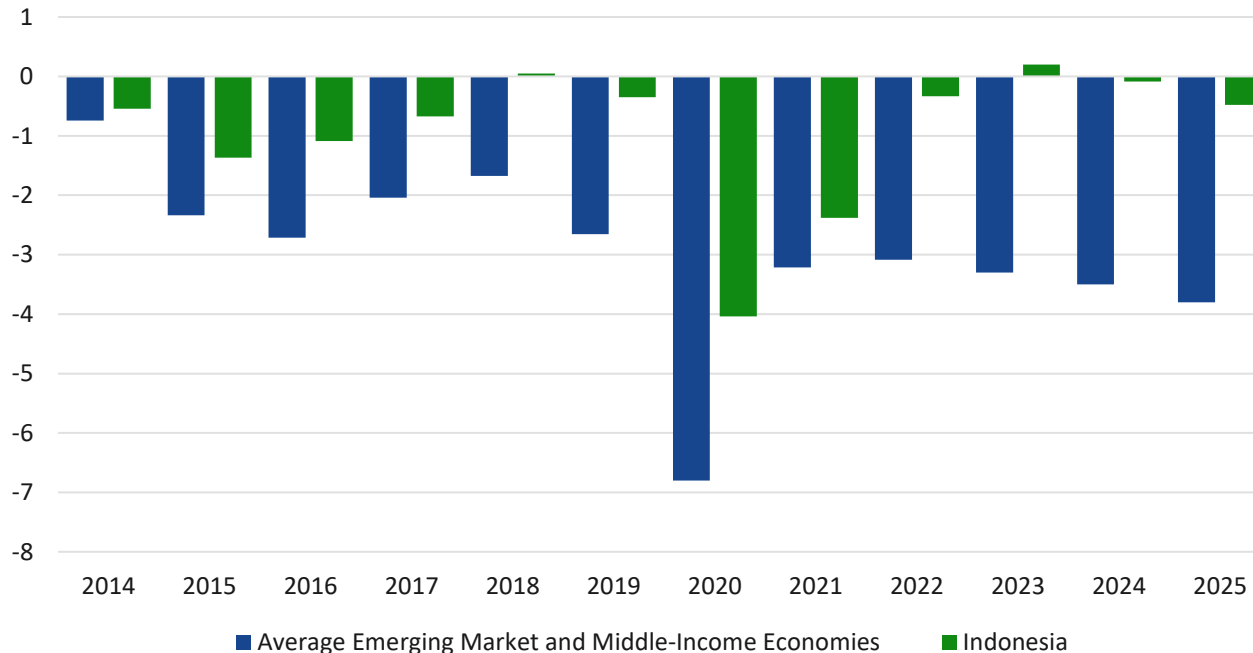


Source: Bloomberg LP. Data as of September 2025. Past performance does not guarantee future results.

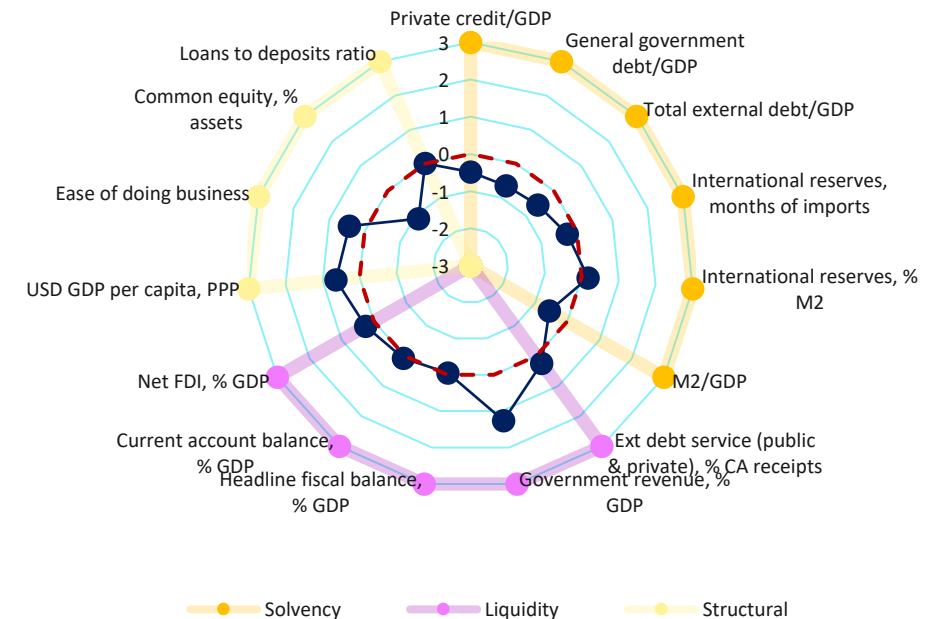
# Indonesia – low inflation, credible policies, external buffers

- The country is a higher-yielding spot in EM Asia.
- Growth recovery and disinflation support cautious monetary easing and trade surplus provides fundamental support for the currency.
- The government’s spending, however, should be closely monitored – the pro-growth stance is getting more pronounced (and not just on the fiscal side but in monetary policy as well)

General Government's Primary Balance, % GDP



Policy Rate	%	4.75
CPI	%yoy	2.65
5Y Local Yield	%	5.4
Sovereign Spread	bps	81



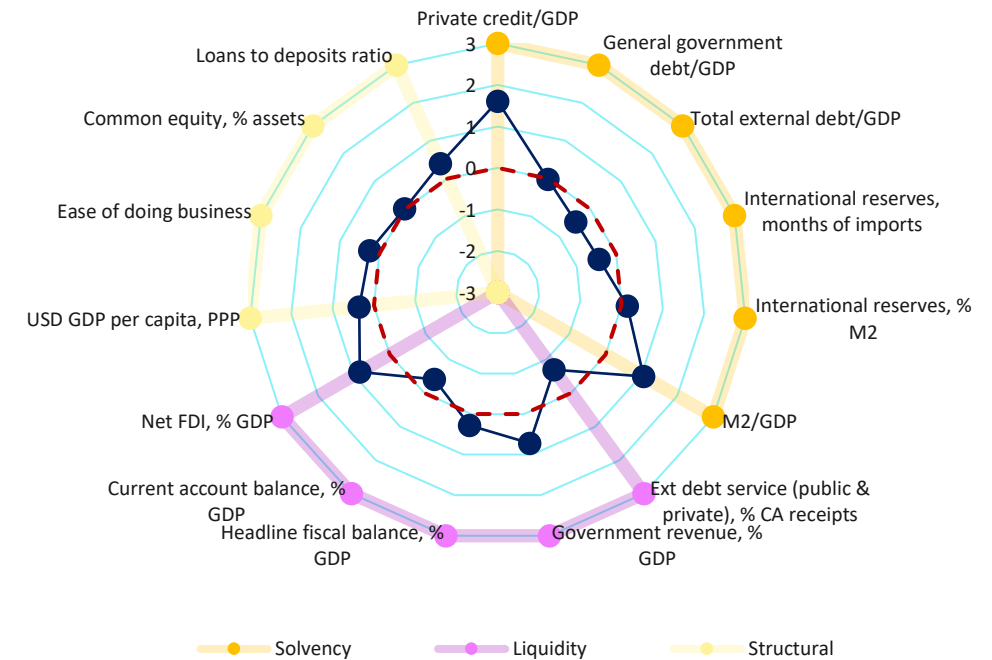
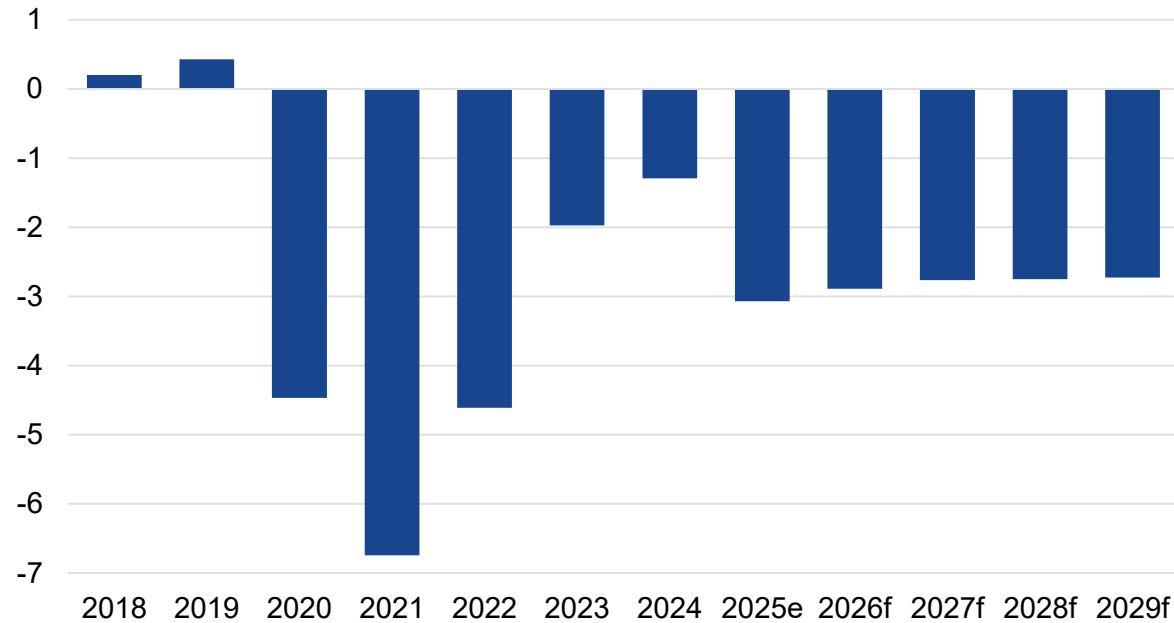
Source: Bloomberg LP. Data as of September 2025. Past performance does not guarantee future results.

# Thailand – New Government, New Governor, New Stimulus?

- Thailand was a major beneficiary of the “Sell America” market narrative
- However, Thai fiscal policy room is limited – as is room for policy rate cuts - which necessitates reforms
- A key risk is exposure to higher oil prices

Policy Rate	%	1.5
CPI	%yoy	-0.79
5Y Local Yield	%	1.16
5Y CDS	bps	39

**Thailand Budget Balance, % GDP**

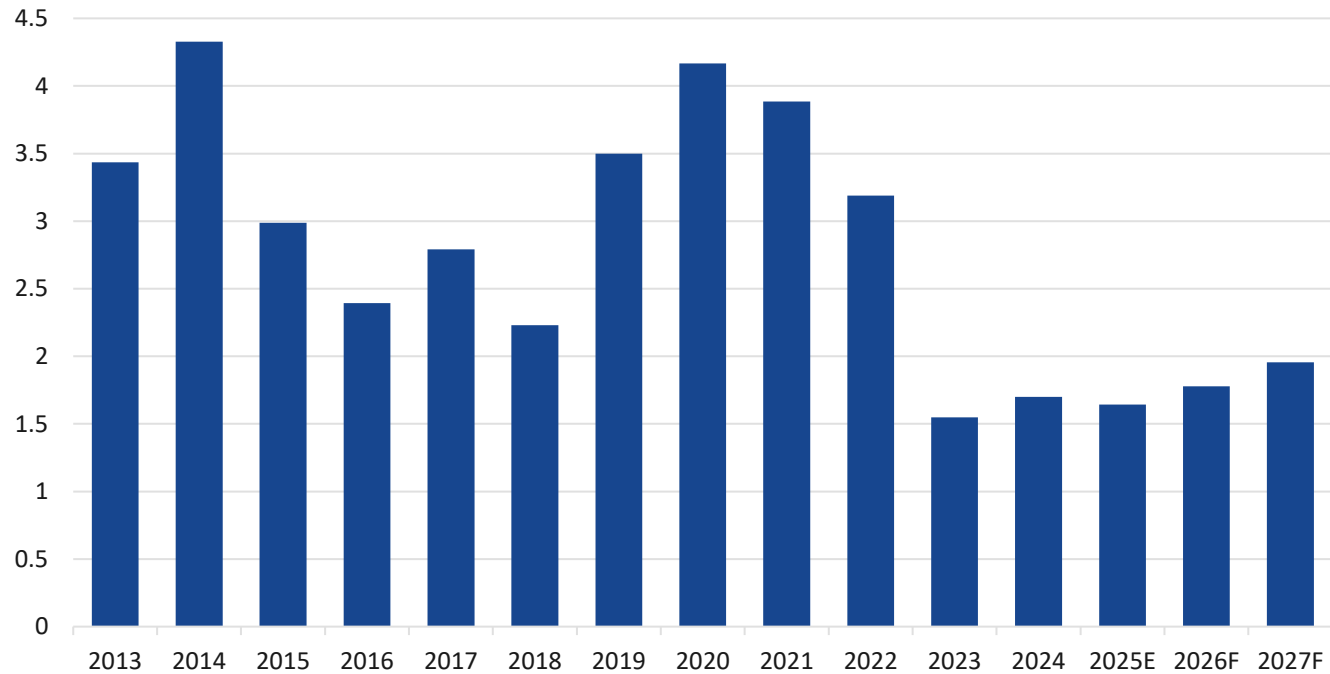


Source: Bloomberg LP. Data as of September 2025. Past performance does not guarantee future results.

# Malaysia – Still Going Strong

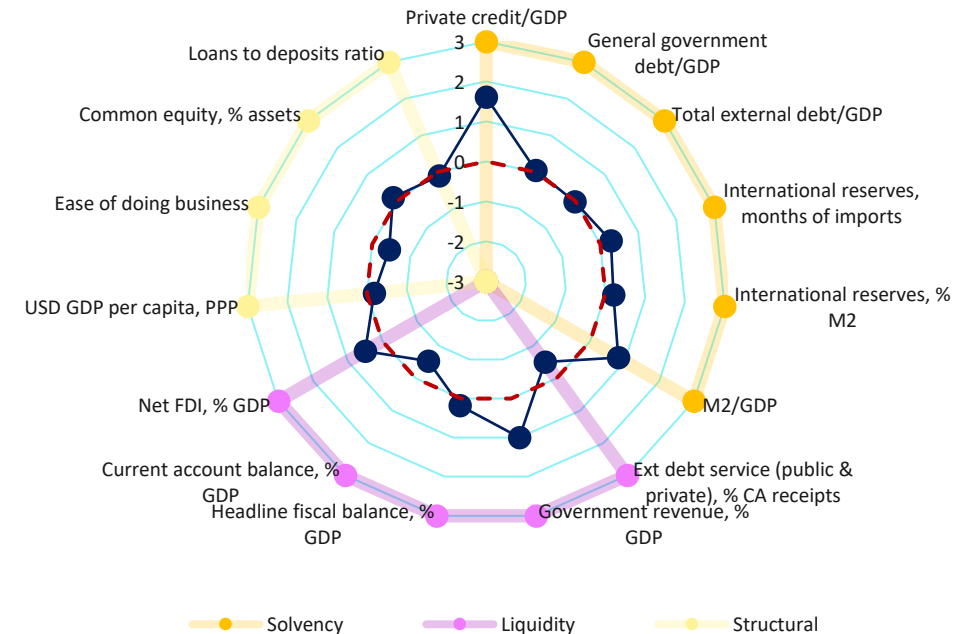
- Lower but more sustainable and resilient 2025 growth (~4.2%)
- Disinflation is entrenched, which might open room for rate cuts despite FX concerns
- Current account to remain in surplus and balance of payments could benefit from China tourism/FDI and sizable export exposure to mainland China (~17% of GDP)

Malaysia Current Account Balance, % GDP



Source: Bloomberg LP. Data as of September 2025. Past performance does not guarantee future results.

Policy Rate	%	2.8
CPI	%yoy	1.3
5Y Local Yield	%	3.4
Sovereign Spread	bps	57

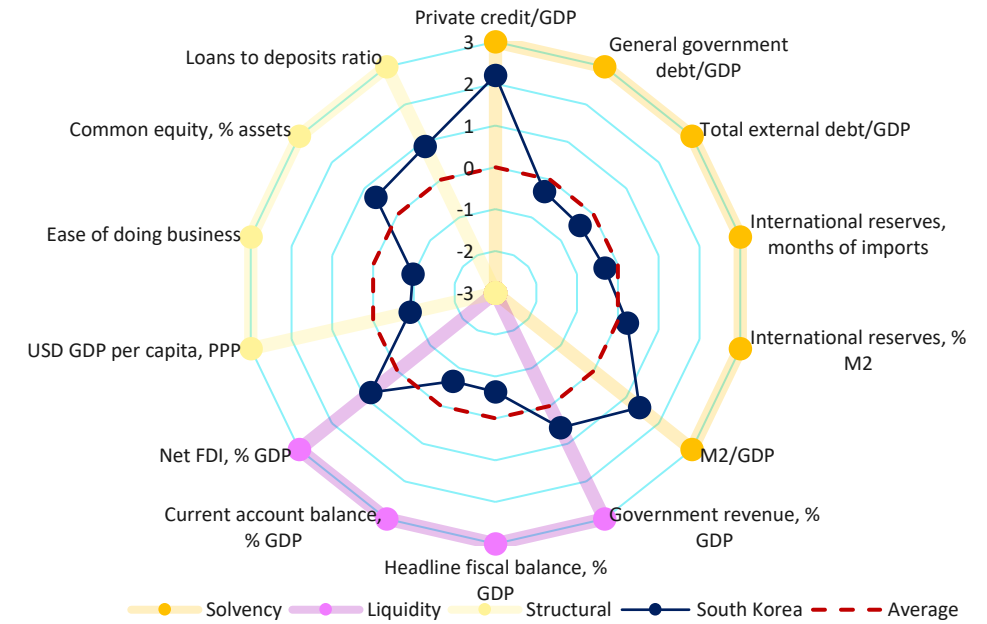
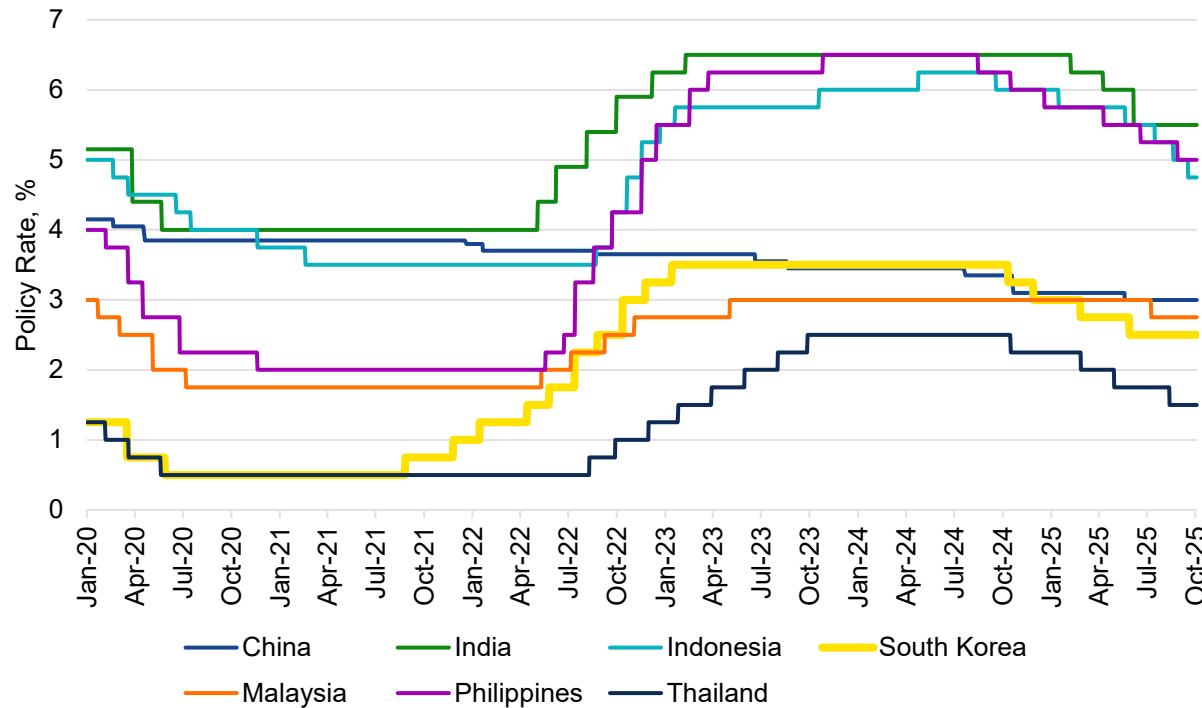


# South Korea – Tailwinds from China and Earlier Tightening

- Inflation is easing allowing the Bank of Korea to cut rates
- The government is handling the trade war challenges well, negotiating a relatively low effective tariff rate with the U.S.
- South Korea’s low yields make it highly correlated to G-10 rates, but the currency is benefitting from the “Sell America” narrative

Policy Rate	%	2.5
CPI	%yoy	2.1
5Y Local Yield	%	2.7
Sovereign Spread	bps	23.5

**EM Asia Policy Rates Evolution**

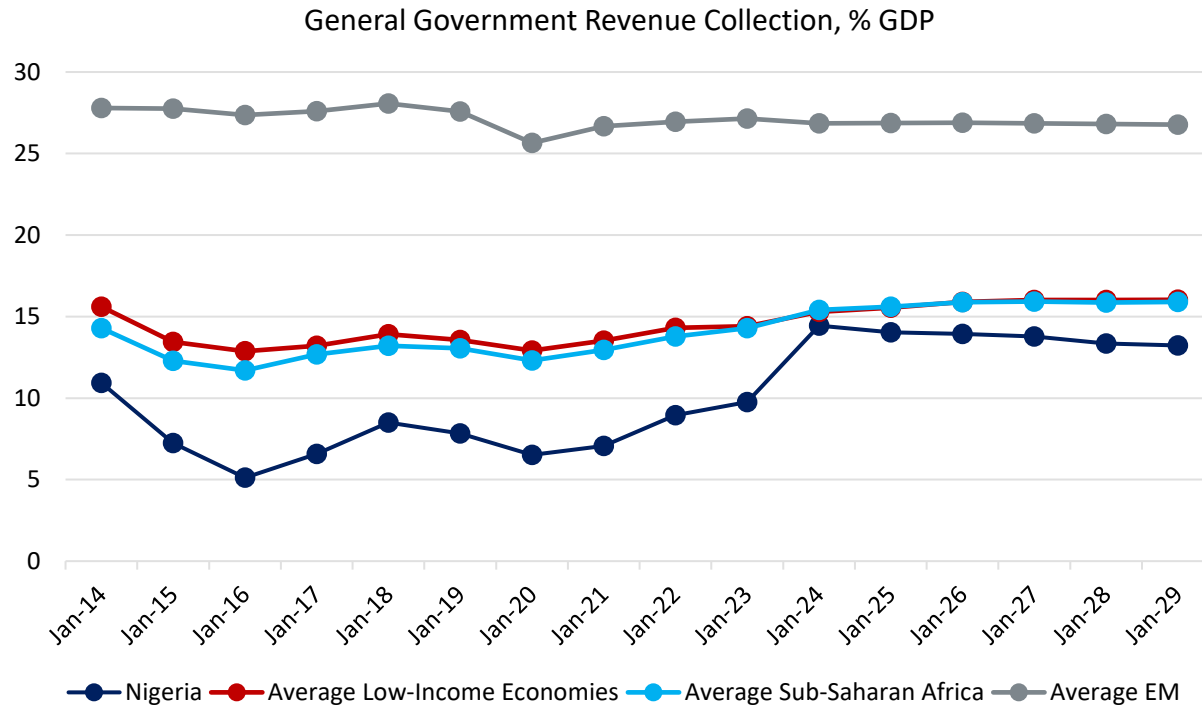


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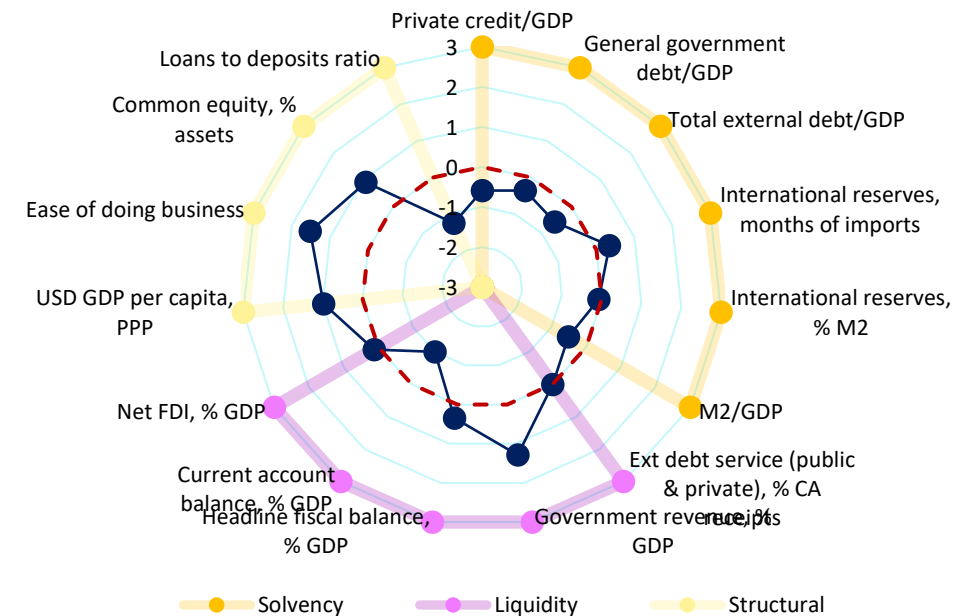
# Nigeria – Orthodox Policies Yield Results

- The presidential election brought positive points on the structural front, including FX unification announcements and subsidy removal
- The unification of multiple exchange rates, the elimination of FX backlogs, and pro-active rate hikes are now the reality
- A credible fiscal adjustment plan, especially as regards higher revenue collection, is another major requirement

Policy Rate	%	27
CPI	%yoy	20.1
5Y Local Yield	%	16.4
Sovereign Spread	bps	420



Source: Bloomberg LP. Data as of September 2025. Past performance does not guarantee future results.

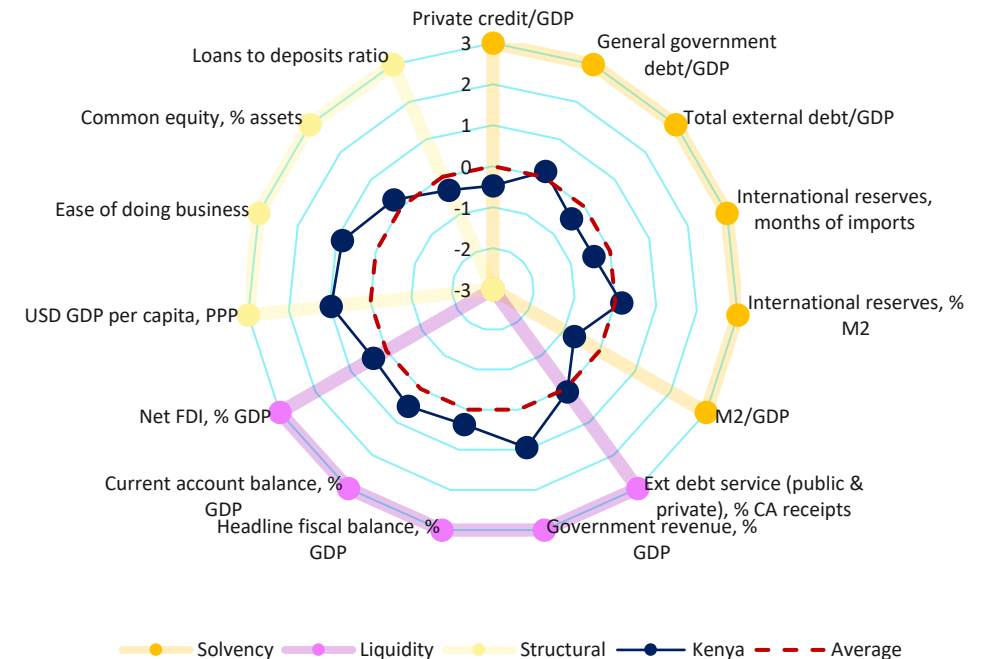
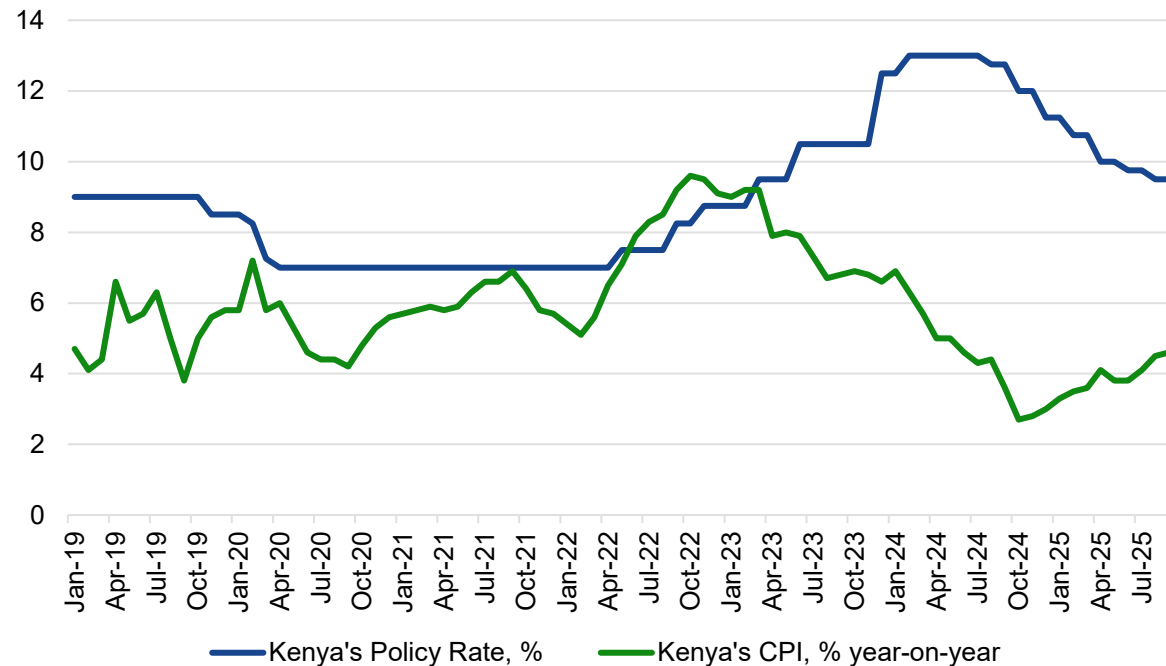


# Kenya – Reforms Are Paying Off

- The IMF-led policy adjustment – both fiscal and monetary – is already bringing results (lower inflation, improved current account balance, strong KES)
- 2024 Eurobond refinancing eased debt service pressures (the next major amortizations are in 2027-28)
- Kenya’s commitment to deeper reforms is key for future success

Policy Rate	%	9.5
CPI	%yoy	4.6
5Y Local Yield	%	11.6
Sovereign Spread	bps	443.6

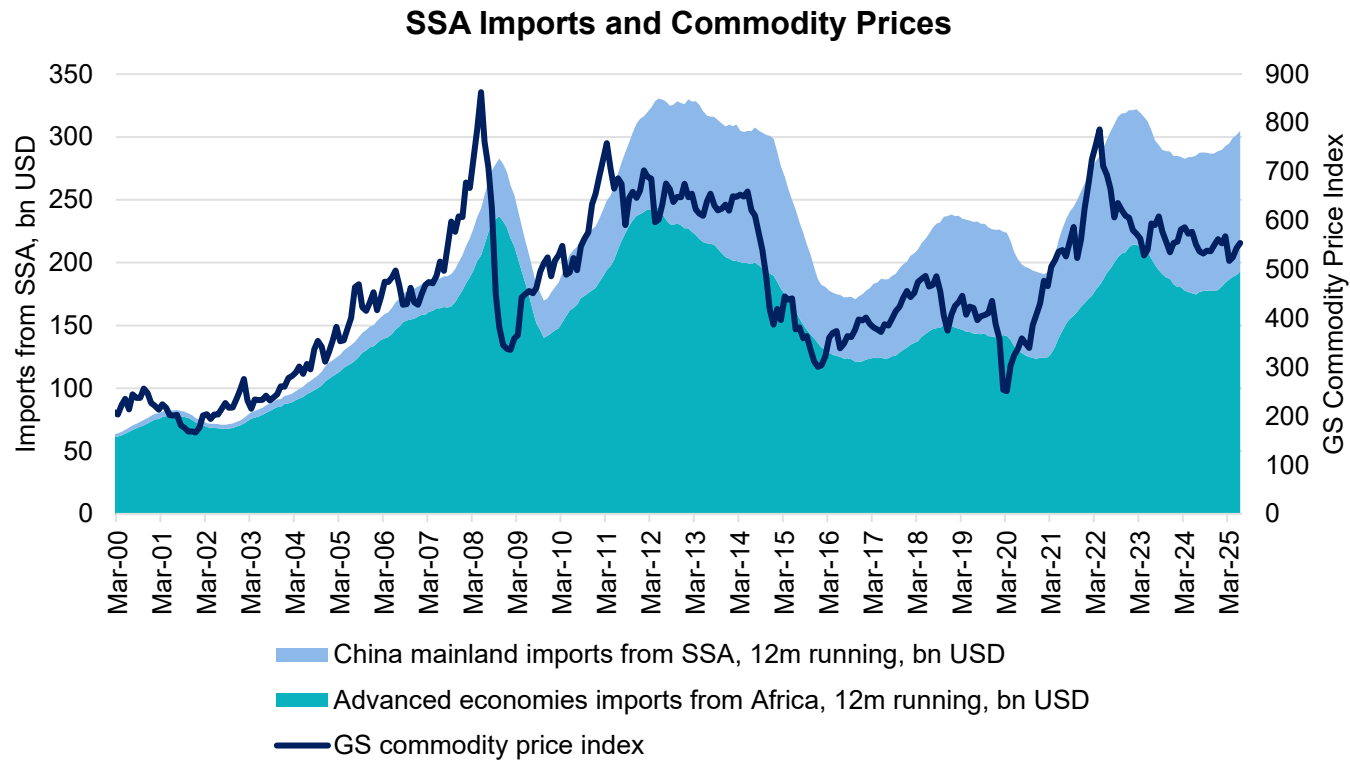
Kenya - Inflation and Policy Rate



Source: Bloomberg LP. Data as of September 2025. Past performance does not guarantee future results.

# Sub-Saharan Africa – Upside From China’s Re-Opening

- China’s re-opening should be a major tailwind for Sub-Saharan Africa’s commodity exports’ growth and capital/FX inflows
- Lower external vulnerabilities due to renewed access to the international capital markets and clarity on debt restructuring (Ghana, Zambia)
- However, debt affordability/debt distress is a huge issue in the region



Source: Bloomberg LP. Data as of September 2025. Past performance does not guarantee future results.

# Appendix

# Investment Management Team



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**Eric Fine**

## Portfolio Manager

- 36 years of industry experience | 16 years at VanEck
- Portfolio Manager for the active Emerging Markets Fixed Income Strategy
- Oversees the Emerging Markets Fixed Income Team including asset allocation, fixed income research and security selection
- Joined VanEck in 2009, previously, held senior leadership positions and ran Morgan Stanley's Emerging Markets Fixed Income and Economics Research Team and EM Debt Proprietary Trading
- Advised numerous governments on economic policies and debt profiles; rescheduled sovereign debts in Russia, Turkey and the Dominican Republic
- MPA, International Trade/Finance, Harvard University
- BA, Public Policy, Duke University



**David Austerweil**

## Deputy Portfolio Manager

- 23 years of EM experience | 13 years at VanEck
- Deputy Portfolio Manager for the active Emerging Markets Fixed Income Strategy
- Joined VanEck in 2012
- Prior to VanEck, Vice President at ING Financial Services on the Emerging Markets Credit Trading & Structuring desk
- Previously, member of the portfolio management team at The Rohatyn Group and Director in the Quantitative Financial Research group at Fitch Ratings
- MS, Financial Engineering, Columbia University
- BA, Computer Science, Columbia University

# Investment Management Team



Access the Opportunities



**Natalia Gurushina**  
**Chief Economist**

- 30 years of industry experience | 12 years at VanEck
- Chief Economist for the active Emerging Markets Fixed Income Strategy
- Joined VanEck in 2013
- Prior to VanEck, worked at Roubini Global Economics in emerging markets currency/fixed income and G10 currency strategies
- Previously, Analyst at Pantera Capital Management and as EMEA Economist at Deutsche Bank and Russia/CIS Economist at Bankers Trust
- PhD, Economic History, University of Oxford
- BA, Economics, Moscow State University



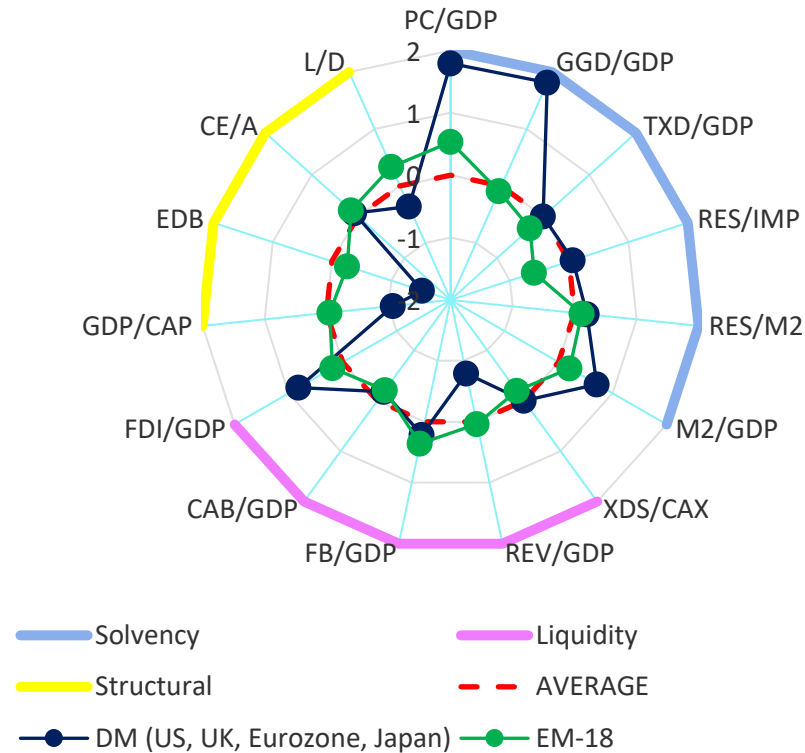
**Robert Schmieder**  
**Senior Corporate Analyst**

- 38 years of industry experience | 10 years at VanEck
- Senior Corporate Analyst for the active Emerging Markets Fixed Income Strategy
- Joined VanEck in 2015
- Prior to VanEck, Executive Director/Head of Latin America Credit Research at BBVA Securities
- Previously, Managing Director/Head of Latin America Corporate Credit Research at HSBC Securities (USA) Inc.
- MBA, International Finance, New York University
- MA, Spanish Literature, New York University
- BA, Spanish Language and Literature, New York University

# Economic Landscape – EM Fundamentals Strong Overall

- DM continues to have high government and private debt, low “reserves”, and leveraged banking systems
- EM fundamentals across a range of metrics look better/similar now compared to the pre-COVID time periods
- EM post-pandemic fundamentals continue to look much better than DM post-pandemic fundamentals across a range of metrics

**Fundamentals - EM-18 vs. DM (in st devs vs world average)**

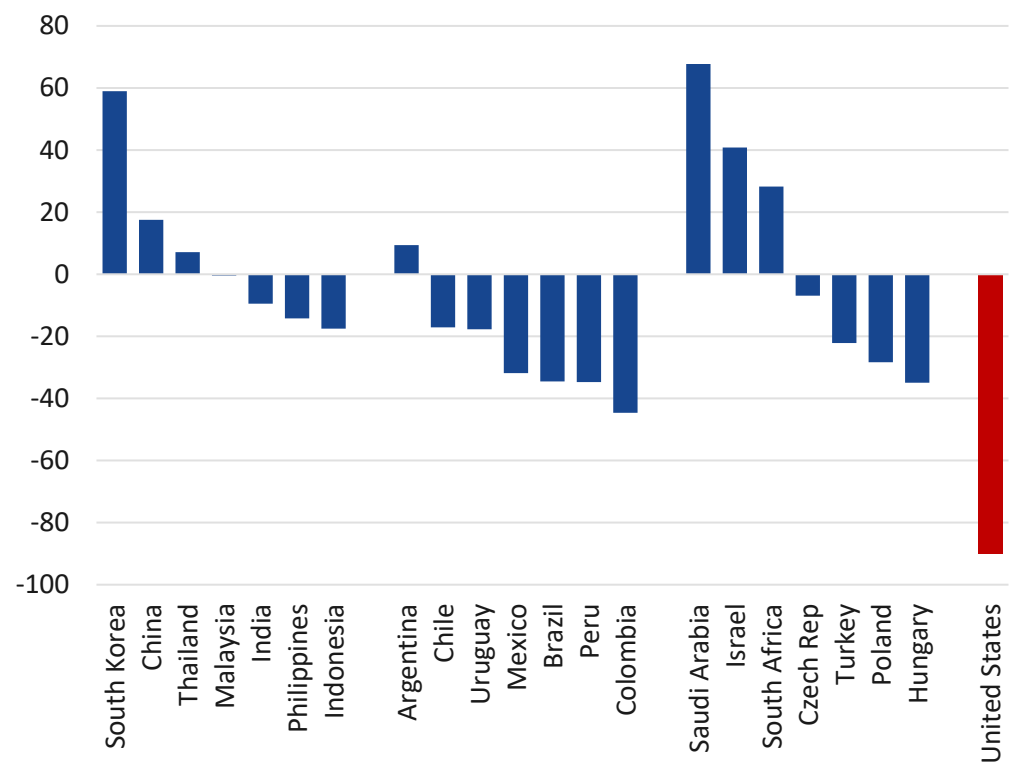


Source: VanEck Research, IMF, Moody's, World Bank; Bloomberg LP. Data as of October 2025. Past performance is not indicative of future results.

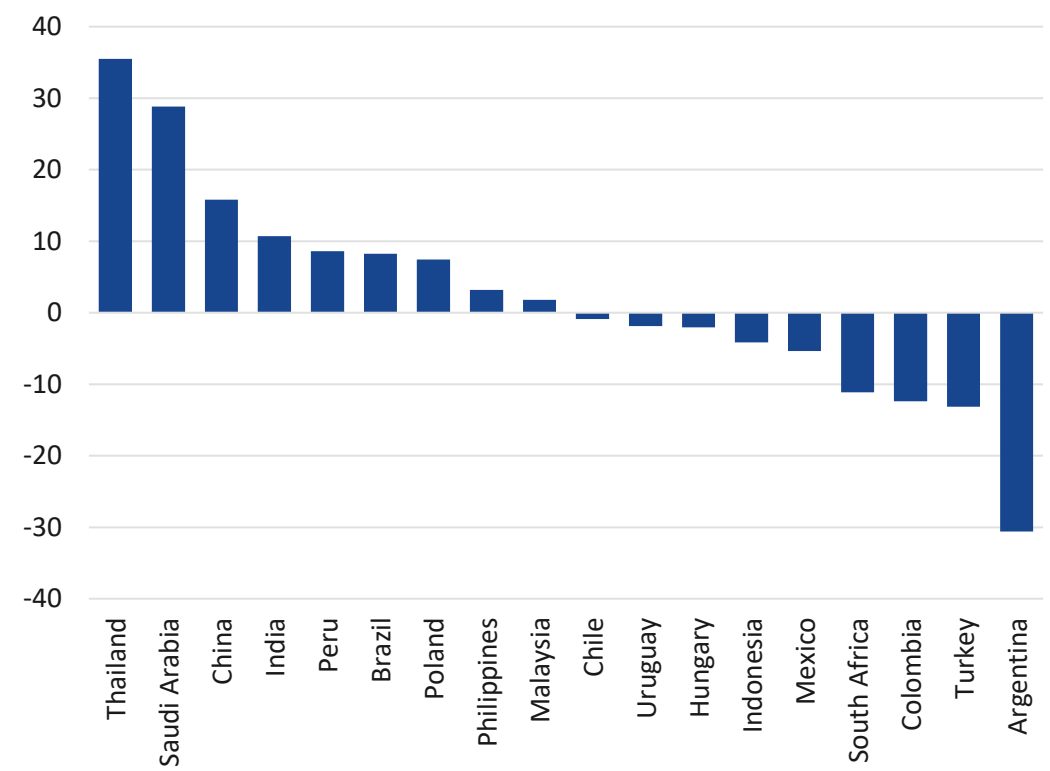
# NIIP and Net Sovereign Creditors

- Accumulated surpluses of EMs are significant and enhance fundamental quality
- Many accumulated surpluses may be re-shored to home or other non-US shores

**Net International Investment Position, % GDP**

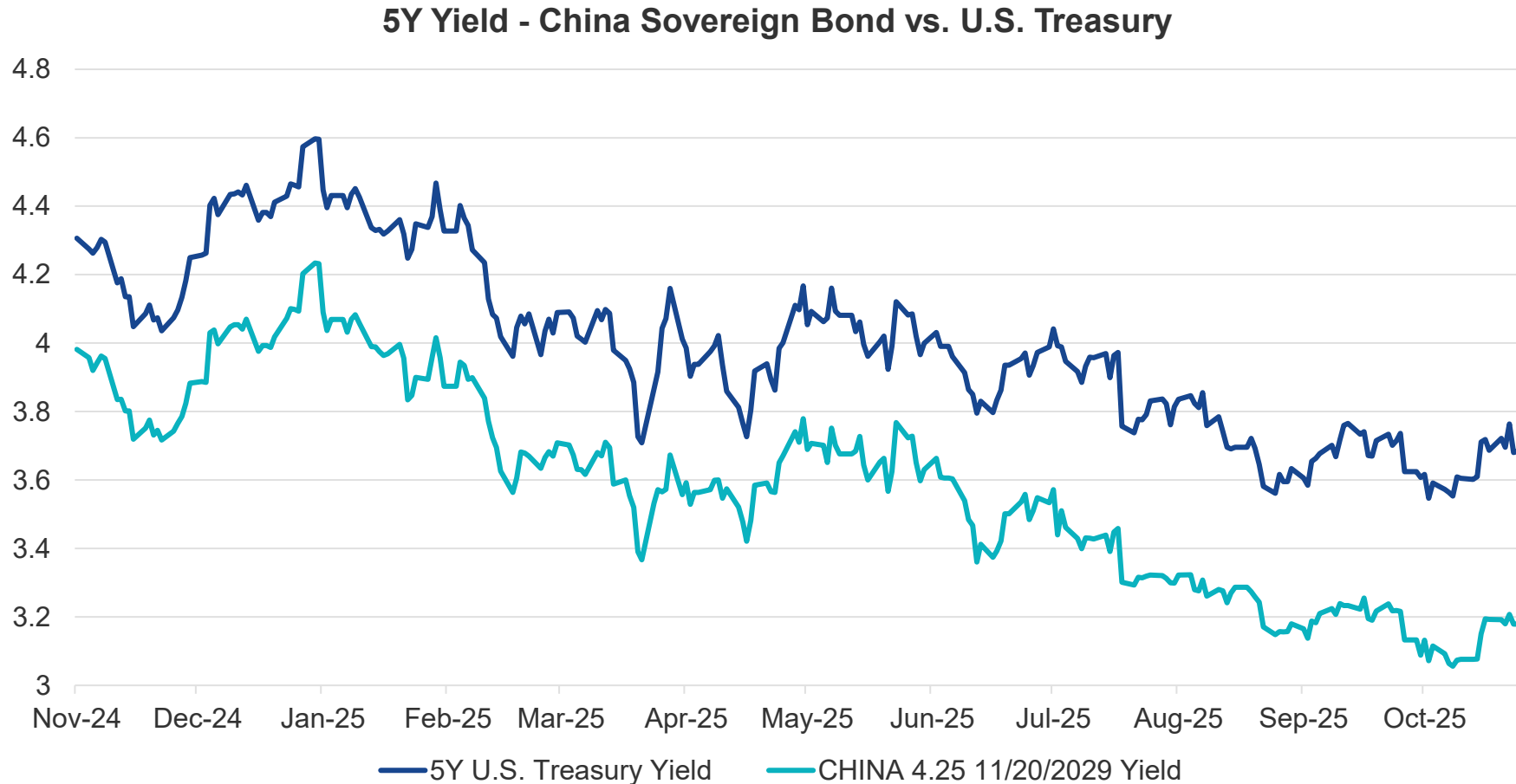


**Net Sovereign Creditor Status, % GDP**



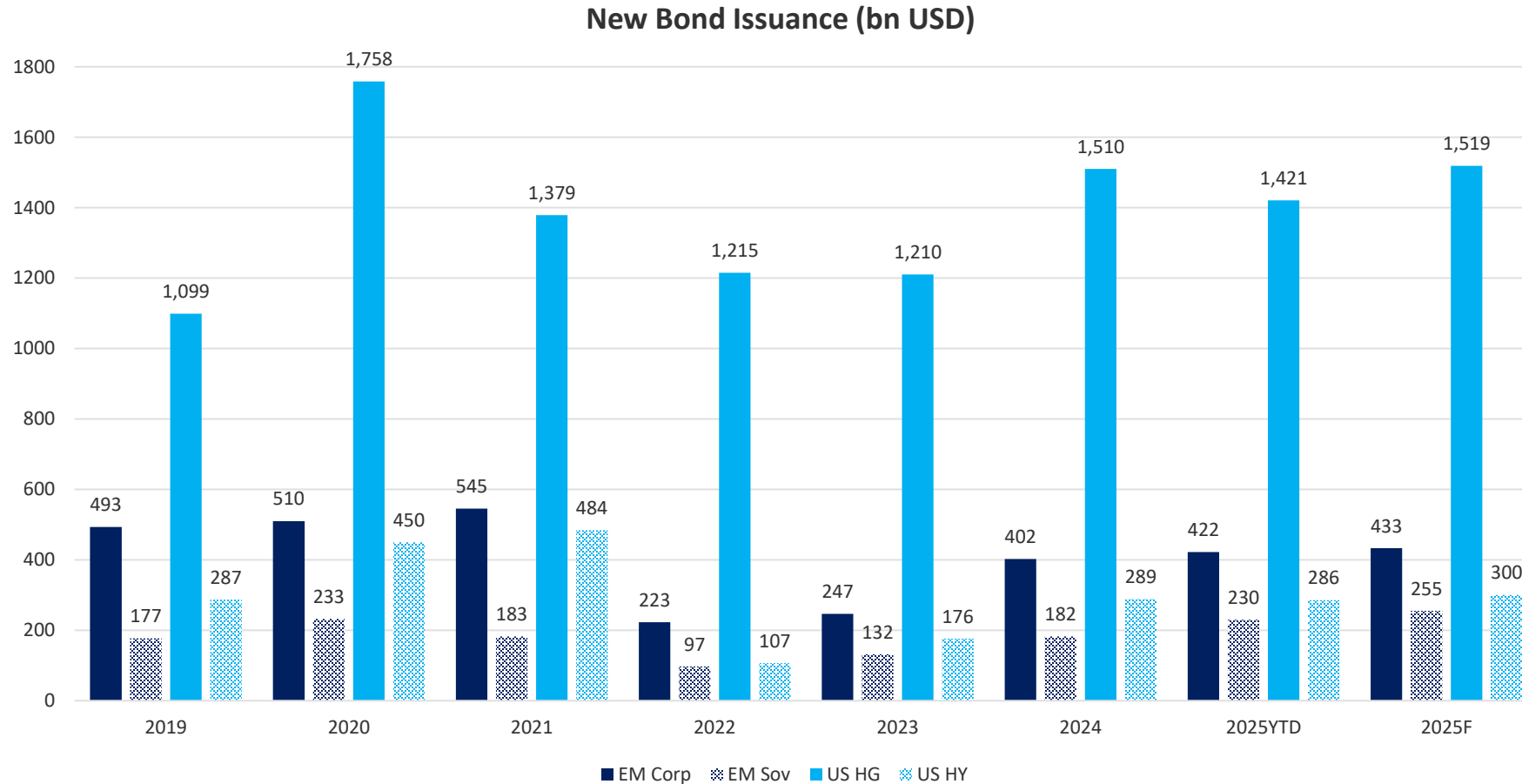
Source: VanEck Research; Bloomberg LP. Data as of June 2025. Past performance is no guarantee of future results. Please see important disclosures and definitions at the end of the presentation.

# Chinese Government Bond Yields are Higher Than US Treasuries



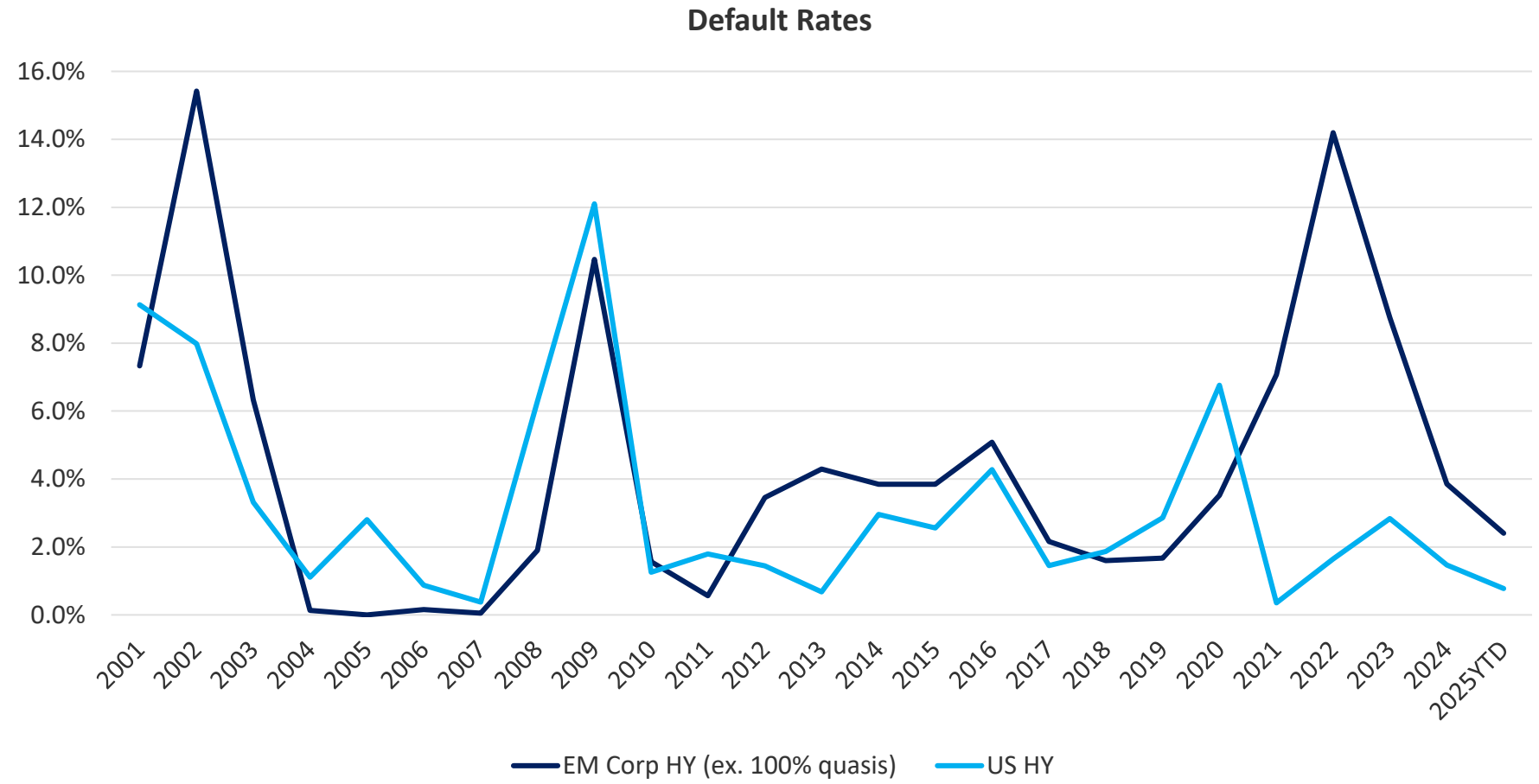
Source: VanEck Research, Bloomberg LP. Data as of October 2025. Past performance is not indicative of future results.

# EM New Bond Issuance vs. US Investment Grade, US High Yield



Source: VanEck Research, Bloomberg LP. Data as of October 2025. Past performance is not indicative of future results.

# Default Rates vs. US High Yield

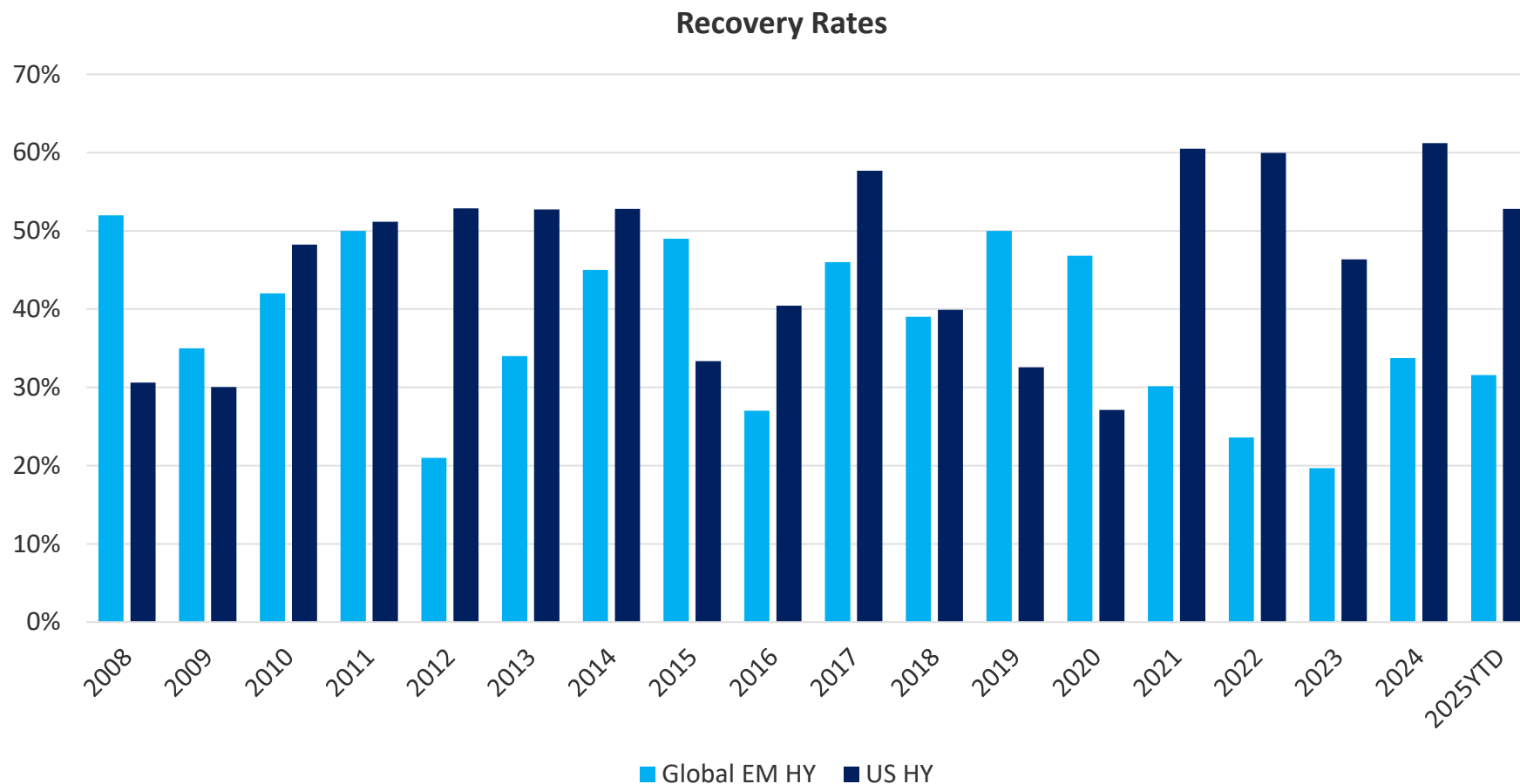


Source: VanEck Research, Bloomberg LP. Data as of October 2025. Past performance is not indicative of future results.

# Recovery Rates vs. US High Yield

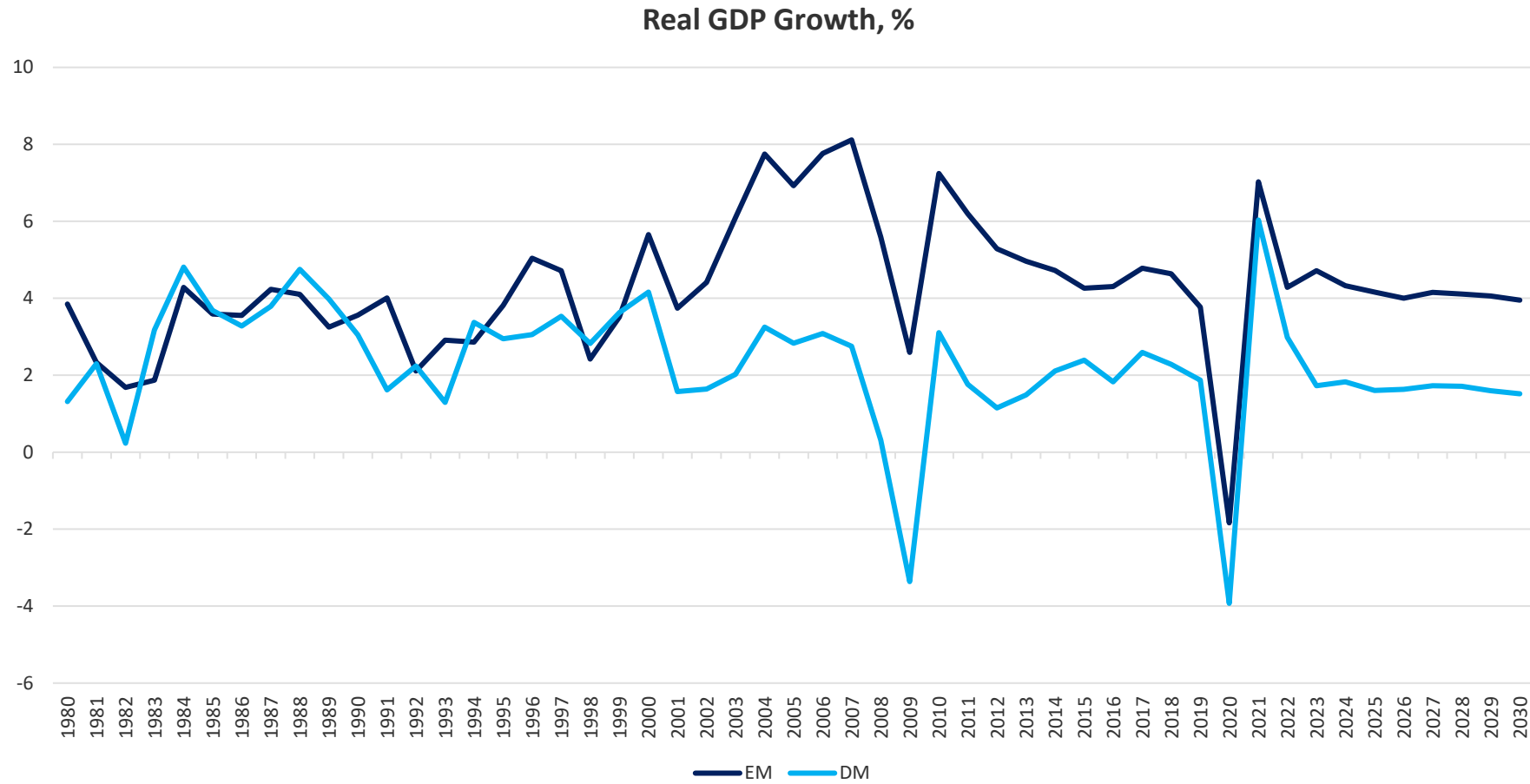


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Source: VanEck Research, Bloomberg LP. Data as of October 2025. Past performance is not indicative of future results.

# Real GDP Growth is Higher in EM vs. DM

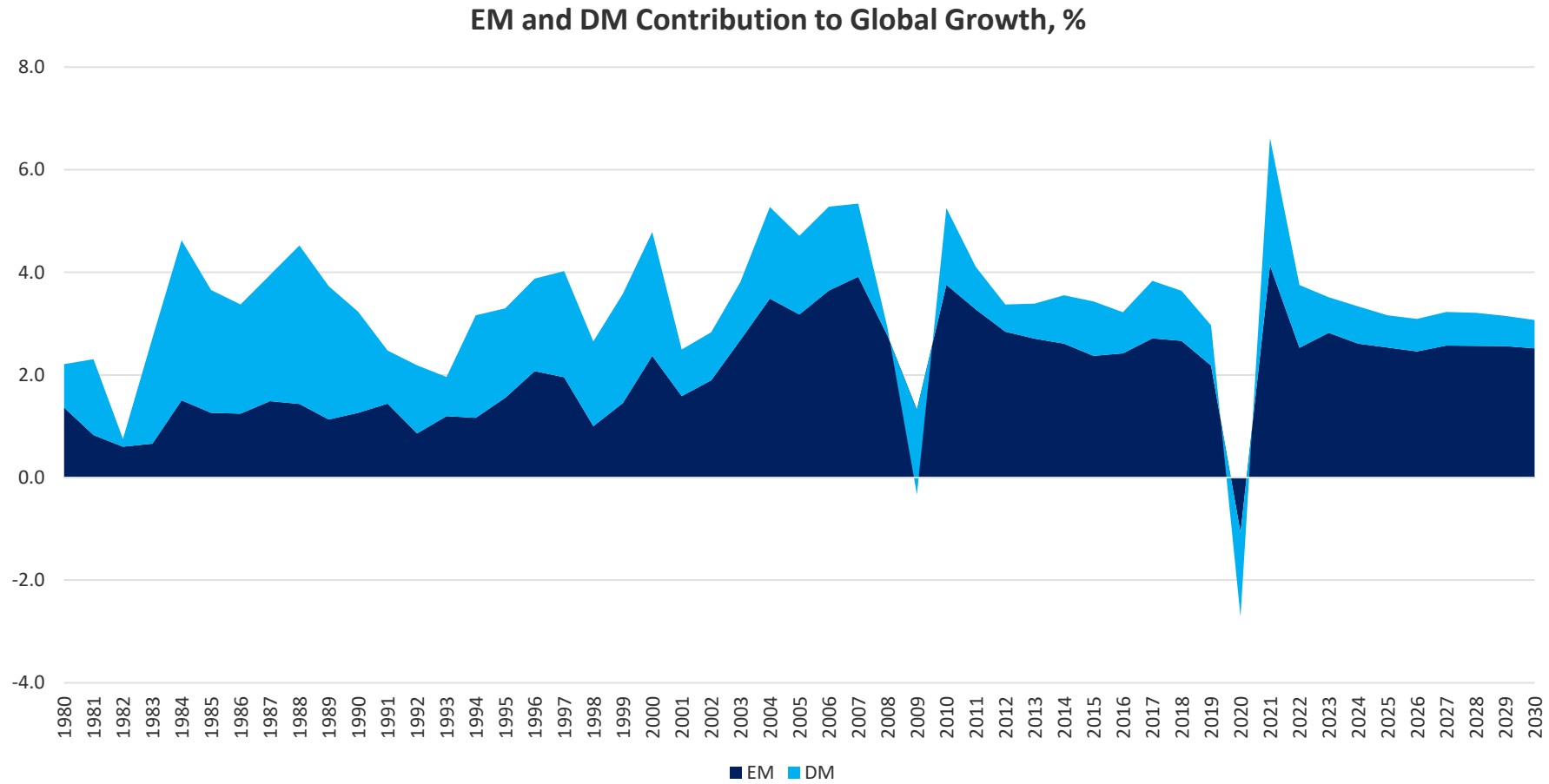


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# EM Contributes to Global Growth More Than DM



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Morgan Government Bond Index-Emerging Markets Global Diversified (GBI-EM). **J.P. Morgan GBI-EM Global Diversified Europe Index** tracks local currency bonds issued by European Emerging Markets governments. **J.P. Morgan GBI-EM Global Diversified Asia Index** tracks local currency bonds issued by Asian Emerging Markets governments. **J.P. Morgan GBI-EM Global Diversified Latin America Index** tracks local currency bonds issued by Latin American Emerging Markets governments. **J.P. Morgan GBI-EM Global Diversified Asia ex-China Index** tracks local currency bonds issued by Asian Emerging Markets governments excluding China. **CEMBI HY+:** The J.P. Morgan Corporate Emerging Markets High Yield Bond index tracks U.S. dollar high yield bonds issued by emerging markets corporates. **CEMBI IG+:** The J.P. Morgan Corporate Emerging Markets High Yield Bond index tracks U.S. dollar investment grade bonds issued by emerging markets corporates. **EMBIG HY:** The J.P. 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Inclusion is based on currency denomination of a bond and not country of risk of the issuer. **US Treasury:** The Bloomberg US Treasury Index measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury. **US IG:** The Bloomberg US Corporate Bond Index measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD denominated securities publicly issues by US and non-US industrial, utility and financial issuers. Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The index may not be copied, used or distributed without J.P. Morgan's written approval. Copyright 2014, J.P. Morgan Chase & Co. All rights reserved. The **Barclays Capital U.S. Corporate High-Yield Bond Index** is composed of fixed-rate, publicly issued, non-investment grade debt. 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