



# Redwheel Next Generation Emerging Markets Equity Fund – March 2026

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This document provides a comprehensive review of the Redwheel Next Generation Emerging Markets Equity Fund based on the information supplied.

## Overview

The Redwheel Next Generation Emerging Markets Equity Fund (NGEN) is an actively managed equity strategy focused on identifying long-term growth opportunities in the next generation of emerging economies.

Unlike many traditional emerging-market funds, which tend to be heavily concentrated in large markets such as China, Taiwan, and India, the strategy seeks opportunities in earlier-stage emerging markets where structural economic development may support long-term growth.

The managers combine:

- Top-down macro analysis of countries and economic cycles
- Structural thematic research
- Bottom-up company analysis

This results in a portfolio that often looks meaningfully different from traditional emerging market strategies, particularly in terms of geographic exposure and sector positioning.

## Fund Structure

The strategy manages approximately \$2.5 billion in assets, which is considered appropriate given the liquidity profile of many of the markets in which the fund invests. The team AUM is \$9.9 billion.

Maintaining moderate fund capacity allows the managers to remain flexible when investing in smaller emerging markets and frontier economies.

Typical portfolio characteristics include:

Metric	Value
Number of holdings	60-90
Active share	87-88%
Average market capitalisation	\$15bn
Forward P/E	9-10x
Price-to-book	1.6x
Expected earnings growth	18-19%

These metrics indicate the managers are seeking companies with strong growth potential while maintaining valuation discipline.

## Investment Team

The Redwheel Emerging and Frontier Markets Team is co-headed by John Malloy and James Johnstone. The Next Generation Emerging Markets Equity strategy is managed by James Johnstone and Victor Erch.



### James Johnstone – Team Head, Portfolio Manager

- James has 30 years of investment management experience and has been managing Redwheel Frontier and Next Generation Emerging Markets Strategies for over 8 years
- Before joining Redwheel in March 2015, James was responsible for frontier markets analysis and portfolio management at Everest Capital.
- Formerly, co-founder and CIO of a multi-strategy Asian hedge fund and analyst at Gartmore and Schroders focusing on emerging market equities.
- MA (Hons) in Classics and Modern Languages, Christ Church, Oxford University



### Victor Erch – Portfolio Manager

- Victor has 11 years of experience in investment management and research
- He has been managing Redwheel Frontier and Next Generation Emerging Markets Strategies together with James since 2021
- Victor started his career as an Analyst within one of the investment teams at Redwheel in 2015, before joining the Emerging and Frontier Markets team in 2017.
- BSc (Hons) in Banking & International Finance from Cass Business School (City, University of London).

They have extensive experience investing across emerging and frontier markets and have developed a strategy based on the idea that economic development occurs in waves, with new countries gradually moving into the global economic spotlight as they industrialise and build stronger domestic economies.

The strategy is supported by a dedicated emerging markets research team within Redwheel, which combines macroeconomic analysis, thematic research, and company-level analysis.



A key part of the team’s approach is extensive on-the-ground research, including company meetings, engagement with management teams and analysis of local economic developments. This helps the team identify opportunities that may not yet be widely recognised by the broader market.

The team also incorporates a top-down macro framework that assesses country-level risks, including political stability, currency dynamics, and economic policy. This top-down research drives direction and focus.

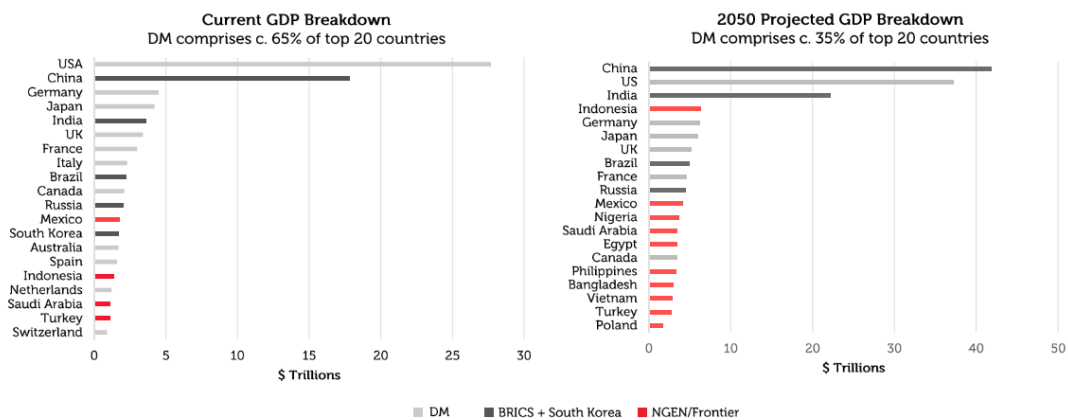
Redwheel is an independent investment management firm with a strong heritage in active equity investing, and the Next Generation Emerging Markets strategy reflects the firm’s focus on high-conviction, differentiated portfolios supported by rigorous research.

## Investment Philosophy

The strategy is built around the idea that economic development occurs in stages.

Many countries that are now developed markets previously followed a similar development path, transitioning from manufacturing-led economies towards more diversified and sophisticated economies.

The managers believe a new group of emerging economies may now follow a similar trajectory.



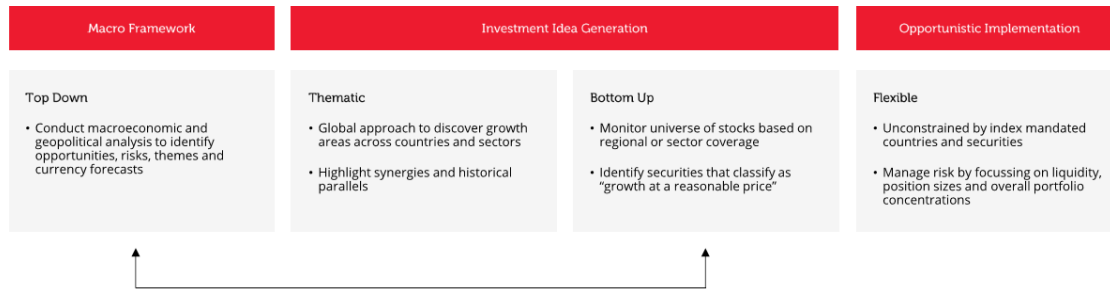
Key structural drivers considered in the investment process include:

- Financial inclusion and expanding banking systems
- Urbanisation and infrastructure development
- Supply chain diversification away from China
- The global energy transition and demand for critical metals
- Expanding domestic consumption and middle-class wealth

These themes form the framework for identifying companies that may benefit from long-term structural change.

## Investment Process

The Redwheel Next Generation Emerging Markets strategy follows a three-stage investment process that combines macroeconomic analysis, thematic research, and bottom-up company analysis.



### 1. Macro and Country Analysis

The investment team begins by analysing global macroeconomic trends and identifying emerging economies that may benefit from structural economic development.

Key considerations include:

- Economic growth potential
- Political stability and regulatory environment
- Currency dynamics
- Demographic trends
- Infrastructure development and industrialisation

This top-down analysis helps the team identify countries that may be entering an economic expansion or structural change phase.

### 2. Structural Themes

The team then identifies long-term structural themes that may drive economic development across these regions.

Examples of themes within the portfolio include:

- Financial inclusion
- Urbanisation and infrastructure development
- Supply chain diversification
- Energy transition and critical metals
- Growth in domestic consumption

These themes provide a framework for identifying sectors and companies that may benefit from long-term structural change.

### 3. Bottom-Up Company Research

Once attractive markets and themes are identified, the team conducts detailed fundamental research on individual companies.

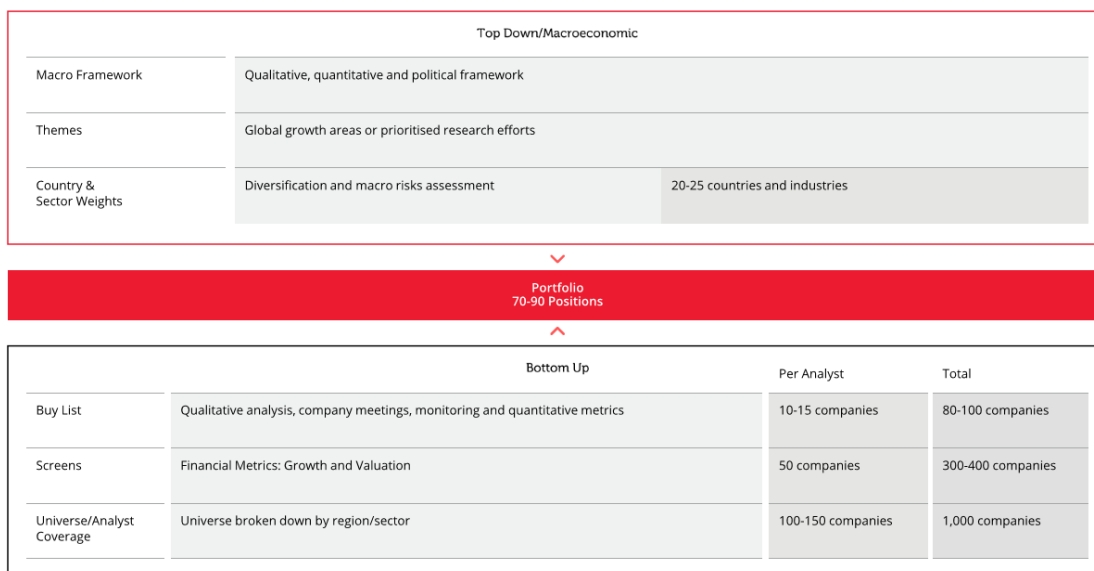
This research focuses on:

- Quality of management
- Competitive advantage
- Balance sheet strength
- Earnings growth potential
- Valuation

The team places a strong emphasis on company engagement and direct meetings with management teams, helping them gain insight into corporate strategy and long-term growth prospects.

### Portfolio Construction

The portfolio typically consists of approximately 90–100 holdings, allowing the managers to maintain diversification while still focusing on high-conviction ideas.



Portfolio Limits & Guidelines		Buy and sell discipline	
Exposure	95%-99%	Buy and sell	Changes in fundamentals and/or relative performance
Benchmark	MSCI Frontier Emerging Markets Index	Typical number of positions	70-90 positions
Liquidity	Min. \$750m market cap. and/or \$2m/day trading (typically)	Typical holding period	1-2 years
Single Issuer Limit	7.5% (at cost)	Turnover target	40-60%
Minimum Exposure	80% (typically)	Typical position sizes	1-3%
Typical Country Guidelines	20%	Exposure to top 10 positions	30%-35%

Key characteristics of portfolio construction include:

- High active share
- Exposure to multiple structural themes
- Diversification across emerging and frontier markets
- Disciplined position sizing to manage risk and liquidity

The result is a portfolio differentiated from traditional emerging-market benchmarks, reflecting the team's conviction in structural growth opportunities across next-generation emerging markets.

## Portfolio Characteristics

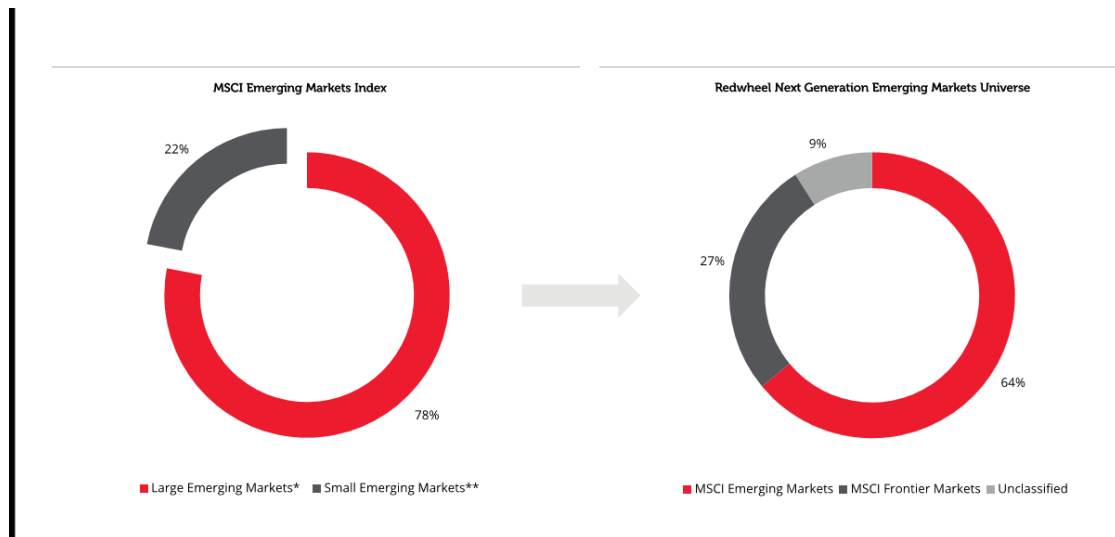
The portfolio reflects a high-conviction, differentiated investment approach and therefore typically diverges from traditional emerging market benchmarks.

### Redwheel Next Generation Emerging Markets Equity Fund Top 10 Positions

February 2026

Position No.	Company	Position Size %	Benchmark Weight %	Country	Sector	Themes
1	First Quantum Minerals	2.5	-	Zambia	Materials	Energy Transition & Green Metals
2	Ivanhoe Mines	2.4	-	DR Congo	Materials	Energy Transition & Green Metals
3	Hochschild Mining	2.3	-	Peru	Materials	Gold and Precious Metals
4	Valterra Platinum	2.2	-	South Africa	Materials	Gold & Precious Metals
5	Vietcombank	2.1	-	Vietnam	Financials	Financial Inclusion & Planning
6	Impala Platinum	2.0	-	South Africa	Materials	Gold & Precious Metals
7	Kazatomprom	1.9	1.7	Kazakhstan	Energy	Energy Transition & Green Metals
8	Halyk Bank	1.9	1.2	Kazakhstan	Financials	Financial Inclusion & Planning
9	Emaar Properties	1.8	-	United Arab Emirates	Real Estate	Urbanization
10	Standard Bank	1.8	-	South Africa	Financials	Financial Inclusion & Planning
<b>Top Ten Total</b>		<b>20.9</b>	<b>2.9</b>			

The strategy invests across a range of emerging and frontier markets, with an emphasis on countries at earlier stages of economic development.



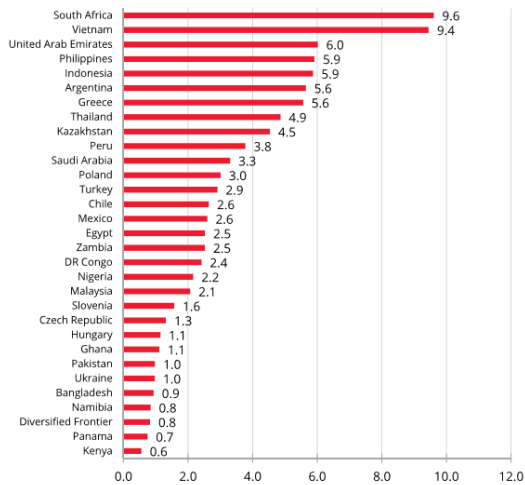
Countries that have historically featured within the portfolio include:

- Vietnam
- Indonesia
- Romania
- Kazakhstan
- Egypt
- Poland
- Nigeria

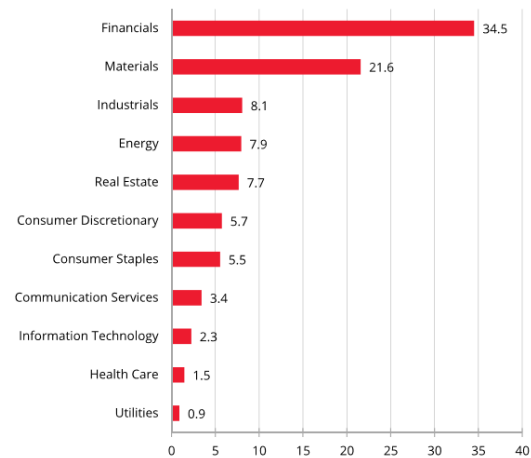
## Redwheel Next Generation Emerging Markets Equity Fund Fund Allocations

February 2026

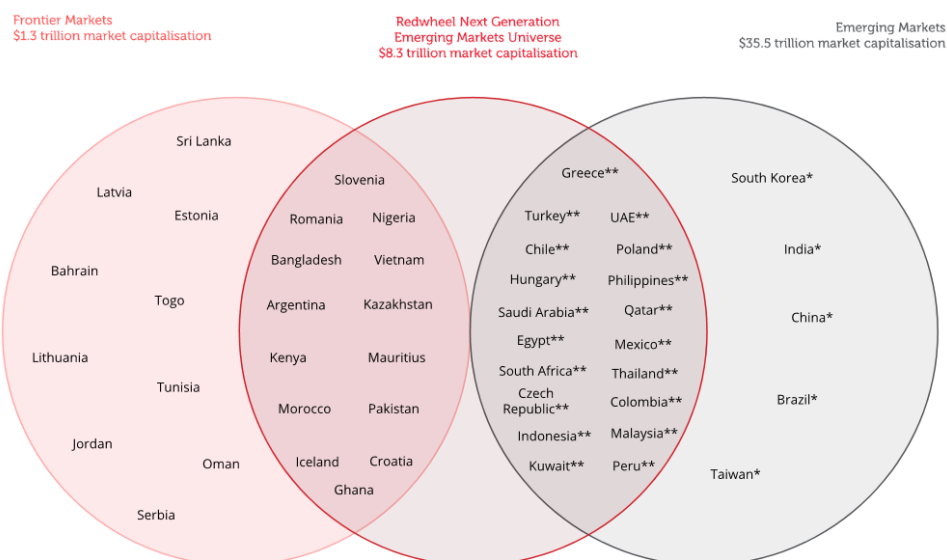
Country Allocation %



Sector Allocation %



This positioning contrasts with many emerging market funds, where exposure is dominated by a small number of large markets.



## Sector Positioning

The fund's sector exposure reflects the structural themes that underpin the investment strategy.

The portfolio typically includes significant exposure to:

### Financials

Banks and financial institutions are benefiting from financial inclusion and expanding credit markets.

### Materials

Companies linked to the global energy transition and the supply of critical metals.

### Industrials

Businesses are benefiting from global supply chain diversification and manufacturing growth.

### Real Estate

Companies linked to urbanisation and property development.

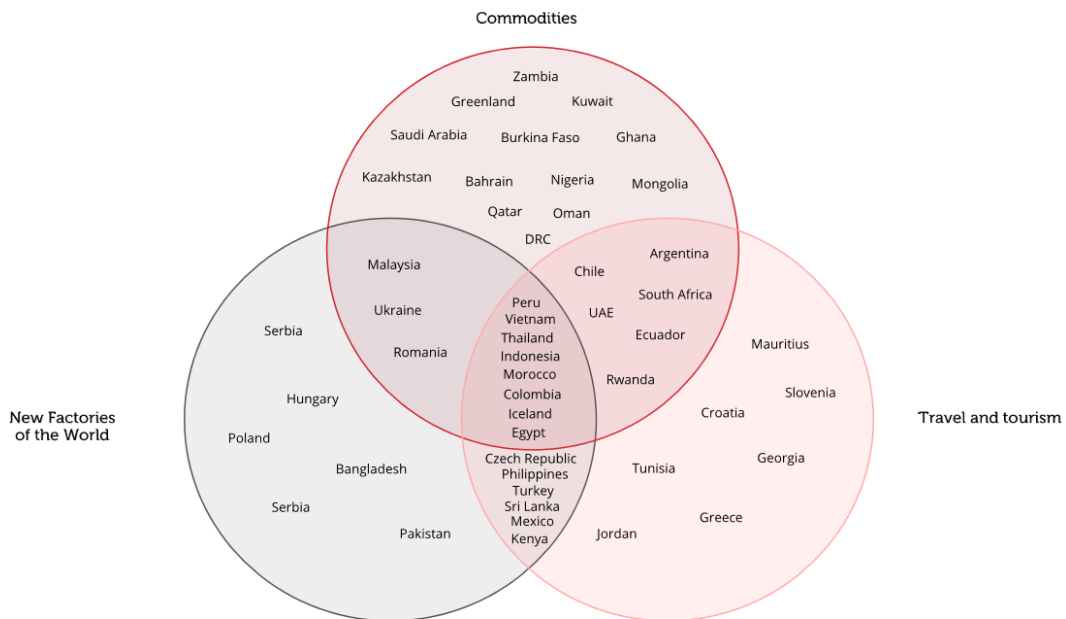
## Utilities and Infrastructure

Businesses supporting electrification and infrastructure expansion.

Compared with traditional emerging market funds, the strategy typically has lower exposure to large technology companies.

## Investment Themes

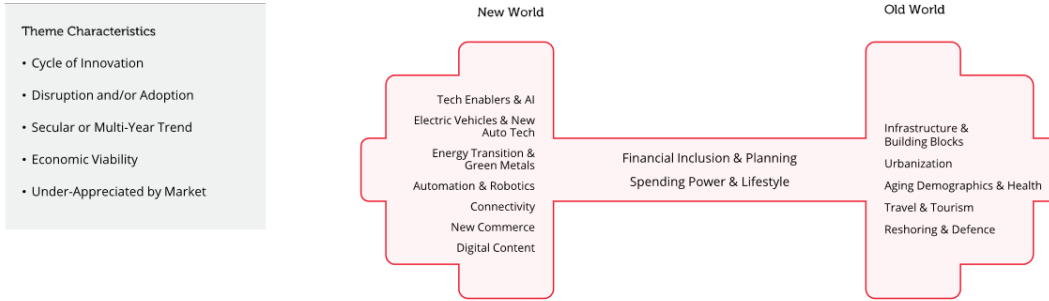
The portfolio is structured around several structural themes that influence portfolio construction.



# Redwheel Next Generation Emerging Markets Equity Fund Investment Process: Thematic Overlay

February 2026

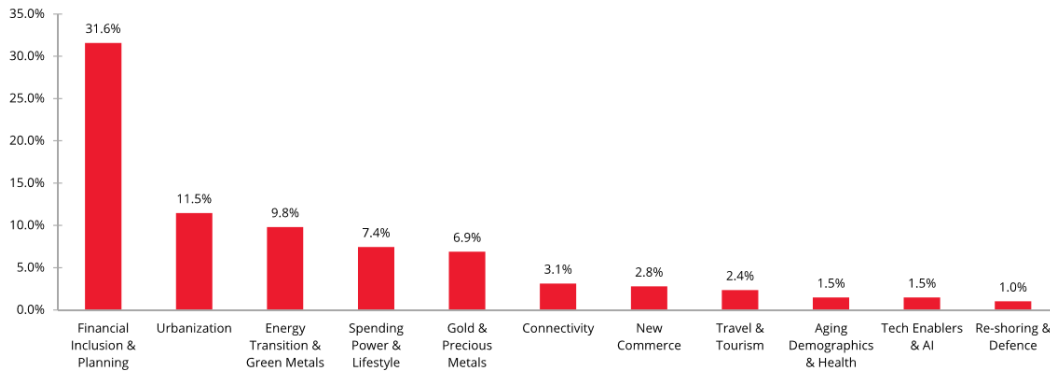
Themes are an important part of how we prioritize our research effort to find actionable ideas.



- Theme Characteristics**
- Cycle of Innovation
  - Disruption and/or Adoption
  - Secular or Multi-Year Trend
  - Economic Viability
  - Under-Appreciated by Market

# Redwheel Next Generation Emerging Markets Equity Fund Thematic Exposure

February 2026



## Financial Inclusion

Banks and financial institutions are expanding access to credit and financial services.

## Urbanisation

Infrastructure development and housing demand are driven by population growth in cities.

## Energy Transition and Critical Metals

Demand for copper, platinum and other metals required for electrification and renewable energy.

## Domestic Consumption

Growth in consumer spending is driven by rising incomes.

These themes provide the foundation for identifying long-term investment opportunities.

## Performance

As with many emerging-market strategies, returns can be influenced by global economic cycles, commodity prices, and investor sentiment towards emerging markets.

	Cumulative Performance (%)		Discrete Monthly Returns (%)				Historical Annual Returns (%)	
	Nav per share	1 Month	3 Month	YTD	1 Year	3 Year	5 Year	Since Inception
Share Class B	326.54	9.58	17.57	9.58	51.50	93.33	184.92	241.38
Index	326.54	8.76	15.46	8.76	54.27	76.11	65.23	59.37

	Cumulative Performance (%)			Discrete Monthly Returns (%)					Historical Annual Returns (%)				
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2019	-	-	-	-0.80	-3.21	4.02	2.57	-6.65	0.01	1.15	1.67	3.80	2.10
2020	-3.97	-8.15	-29.67	16.52	2.58	8.41	2.72	4.03	-3.97	6.48	18.75	9.52	14.23
2021	2.73	6.78	-2.77	7.13	3.26	1.47	-1.57	5.20	0.59	11.34	-2.72	0.50	35.74
2022	1.20	2.47	7.67	-1.58	-0.14	-12.33	0.44	7.29	-10.46	3.96	7.00	0.23	3.49
2023	7.77	-1.41	3.01	2.34	-2.53	6.04	8.90	-2.61	-2.45	-10.15	11.45	5.15	26.14
2024	0.13	2.74	3.45	-1.20	1.32	-3.01	1.74	1.96	3.82	-2.88	-0.73	0.16	7.44
2025	1.48	-2.41	2.15	3.82	4.97	3.74	3.23	4.64	4.81	0.98	1.48	5.73	40.29
2026	9.58	-	-	-	-	-	-	-	-	-	-	-	9.58

	Cumulative Performance (%)		Discrete Monthly Returns (%)		Historical Annual Returns (%)	
	2019	2020	2021	2022	2023	2024
Redwheel Next Generation Emerging Markets Equity Fund	2.10	14.23	35.74	3.49	26.14	7.44

Past performance is not a guide to the future. The price of investments and the income from them may fall as well as rise and investors may not get back the full amount invested.

Total Fund returns are calculated on a NAV-NAV basis net income reinvested and are shown net of all fees.

The fund NAV is based on month end values for Asian markets and market close values for non-Asian markets on the penultimate day of the month. The benchmark data is based on market close for all markets at month end. Month end is the last Luxembourg working day of the month.

Source: Redwheel, MSCI.

These results highlight the cyclical nature of emerging market investing, where periods of strong performance can be followed by periods of volatility.

## Risk Considerations

Investing in emerging and frontier markets carries risks.

### Emerging Market Risk

Political, regulatory and currency risks are generally higher than in developed markets.

### Frontier Market Risk

Some markets may have lower liquidity and less developed financial infrastructure.

### Concentration Risk

The high-conviction nature of the strategy means performance may diverge significantly from benchmarks.

### Commodity Exposure

Exposure to mining and energy transition metals introduces cyclical sensitivity.

For these reasons, the strategy is typically more suitable as a satellite allocation within an emerging markets allocation.

## Money Wise UK View

The Redwheel Next Generation Emerging Markets Equity Fund provides a distinctive approach to emerging market investing, focusing on economies that may be earlier in their development cycle.

The strategy offers:

- differentiated country exposure
- high active share
- clear structural investment themes
- potential diversification within emerging markets allocations

However, the strategy may also experience periods of higher volatility, particularly when emerging markets fall out of favour or when global markets are under stress.

For this reason, the strategy is typically best considered as a satellite allocation alongside a core emerging markets strategy.

## Disclaimer

Past performance is not a reliable guide to future results. The value of investments can fall as well as rise, and investors may not get back the amount originally invested.

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Review Completed: March 2026