GLOBAL X INSIGHTS

# Global X Emerging Markets Great Consumer ETF (EMC) 2Q26 Commentary

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*Emerging Market equities rallied sharply this quarter behind AI-driven technology demand. EMC's performance for the quarter matched the benchmark for the quarter as strong stock selection offset underweight positioning in Korea and Taiwan.*

### Market Review

MSCI Emerging Markets Index (Net) returned 24.05% in the second quarter, one of the strongest quarters for the asset class in years and outperforming the S&P 500 index, which rose 14.9% over the quarter[1]. Technology led the advance, driven by continued AI infrastructure spending and rising semiconductor demand across Taiwan and Korea. These two markets, as measured by MSCI, rallied over 87% and 48% respectively over the period.[2] WTI crude oil fell sharply as geopolitical tensions improved and supply concerns eased[3] acting as a tailwind to importers, but a headwind to oil producers. The U.S. Dollar Index (DXY) firmed modestly over the quarter, a mild headwind that did little to slow risk appetite.[4] There were significant differences in performance across emerging markets.. South Korea, Taiwan, and Hungary delivered the best absolute performance in the index, while Indonesia and China lagged.[5]

### Fund Performance & Attribution

EMC returned 24.05% at NAV in the second quarter, in line with the MSCI Emerging Markets Index (Net) (“the benchmark”) return of 24.05%. Year to date, the fund returned 21.20% versus 23.85% for the benchmark.

From a country perspective, stock selection in Taiwan, India, and Chile drove the largest relative gains. Stock selection in China and underweight position in South Korea detracted the most to relative performance.

From a sector perspective, positioning in information technology, materials, and energy each added relative value, while industrials, consumer discretionary, and consumer staples detracted.

In terms of individual securities, MediaTek, the Samsung Electronics GDR, and Delta Electronics contributed the most to performance. Xiaomi, Samsung Electro-Mechanics, and Taiwan Semiconductor Manufacturing were the largest detractors, the latter reflecting an underweight position as the stock rallied through the quarter.

We added Kazatomprom, OTP Bank, Samsung C&T, Samsung Electro-Mechanics, and SK Square during the quarter, funded in part by trims to positions in TBC Bank Group and United International Transportation.

## EMC PERFORMANCE THROUGH JUNE 30, 2026 (%)

| | Q1 | 1Y | 3Y* | 5Y* | 10Y* | Since Inception** |
|---|---|---|---|---|---|---|
| NAV | 24.05 | 28.19 | 15.45 | -1.87 | 6.89 | 4.99 |
| Market Price | 22.11 | 29.20 | 15.86 | -1.72 | 6.97 | 5.04 |
| MSCI Emerging Markets Index (Net) | 24.05 | 43.51 | 23.03 | 7.20 | 10.07 | 5.65 |

Source: Global X ETFs.

*Annualized

**Annualized from 09/24/2010

***The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. For performance data current to the most recent quarter- and month-end, please visit globalxetfs.com/emc. Expense Ratio: 0.65%.***

*Effective May 12, 2023, the fund acquired the performance, financial, accounting, and other historical information of the Mirae Asset Emerging Markets Great Consumer Fund. Performance shown prior to May 15, 2023 reflects the return of the Mirae Asset Emerging Markets Great Consumer Fund's I shares with a NAV conversion ratio of 0.47 applied in connection with the acquisition. Market price returns prior to that date reflect the predecessor fund's NAV return.*

## EMC TOP 10 HOLDINGS AS OF JUNE 30, 2026 EXCLUDING CASH (% OF NAV)

| | | | |
|---|---|---|---|
| SAMSUNG ELECTR-GDR REG S | 10.18% | TENCENT HOLDINGS LTD | 3.59% |
| TAIWAN SEMICONDUCTOR MANUFAC | 6.56% | ALIBABA GROUP HOLDING LTD | 2.84% |
| TAIWAN SEMICONDUCTOR-SP ADR | 4.50% | DELTA ELECTRONICS INC | 2.60% |
| MEDIATEK INC | 4.41% | SK SQUARE CO LTD | 2.32% |
| SK HYNIX INC | 4.28% | ICICI BANK LTD-SPON ADR | 2.32% |

Source: Global X ETFs.

Holdings are subject to change.

### Outlook

We stay constructive on emerging markets heading into the third quarter. In our experience, three factors tend to drive emerging market (EM) performance: the U.S. dollar, U.S. interest rates, and China. These forces shaped prior cycles, including the 2001–2010 period when EM equities materially outperformed developed markets[6]. Today, elements of that backdrop appear to be re-emerging. A new Federal Reserve Governor, a dollar trending toward mean reversion, and early signs of renewed stimulus in China suggest a more supportive setup. We also remain constructive on the technology cycle in North Asia, commodity exposure, political reform and monetary policy in Latin America, and the long-term structural growth story in India.

## Why This Fund

We believe active management remains critical, as potential outcomes across EM can vary. Companies that generate returns above their cost of capital, supported by strong management and disciplined balance sheets, should outperform. The strategy focuses on actively identifying businesses positioned to benefit from long-term secular growth in domestic consumption, while maintaining limited exposure to more cyclical commodity segments. EMC delivers bottom-up fundamental analysis with the fee structure, liquidity, transparency, and potential tax efficiency of its ETF wrapper.

## Related ETF

EMC – Global X Emerging Markets Great Consumer ETF

*Click the fund name above to view current performance and holdings. Holdings are subject to change. Current and future holdings are subject to risk.*

### Footnotes

1. Bloomberg LP. Data as of June 30, 2026.
2. Bloomberg LP. Attribution of MSCI Emerging Markets Index, data as of June 30, 2026.
3. Bloomberg LP. Data as of June 30, 2026. Generic 1st 'CL' Future (WTI Crude).
4. Ibid. U.S. Dollar Index (DXY Index).
5. Bloomberg LP. Data as of June 30, 2026.
6. Bloomberg LP. Data from January 1, 2000 to December 31, 2010. MSCI Emerging Markets Index (MXEF Index), S&P 500 Index (.INX), MSCI All Country World Index Net Total Return USD Index (NDUEACWF).

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