

# East Capital Q4 2025: A strong end to an excellent year

**Emerging and frontier markets closed 2025 on a strong note, marking an excellent year. Performance was supported by AI momentum, easing financial conditions and growing investor interest beyond US equities.**

## Highlights from Q4 2025:

- Emerging markets outperformed the S&P 500 in 2025, marking their strongest relative performance since 2008.
- China and Korea led gains as confidence in AI-related growth broadened across sectors.
- Frontier markets continued to deliver solid performance, supported by low correlations and domestic growth.

With elevated valuations and increasingly concentrated returns in a narrow set of US stocks, investors are paying closer attention to opportunities across emerging and frontier markets.

[\*\*Read East Capital's full Q4 commentary\*\*](#) for insights into what drove market performance in 2025 and how we view developments ahead.

**Watch the latest episode of *Meet East Capital*** – CIO Jacob Grapengiesser and Portfolio Manager David Nicholls discuss the key drivers behind Q4 performance and where they see opportunities across emerging and frontier markets.

[\*\*Watch the episode on YouTube\*\*](#)

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## Risk information - East Capital

Past performance is no guarantee for future performance. Fund units may go up or down in value and may be affected by changes in exchange rates. Investors may not get back the amount invested.

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Please read the Prospectus and the KID, which are available on the fund page at [www.eastcapital.com](http://www.eastcapital.com).

**East Capital Group**

East Capital Group is a global asset manager based in Sweden since 1997. We offer a range of investment solutions within equities, fixed income securities, real estate and alternatives. The essence of our business is not only to find attractive investment opportunities, but also to work to drive positive change, influencing industries around the world to become more sustainable. We have a broad range of international investors including leading institutions, companies and private individuals.

Within East Capital Group you will find East Capital - specialising in emerging and frontier market strategies, East Capital Real Estate - managing commercial real estate investments in Central and Eastern Europe, Espiria - offering bespoke global and Nordic equities and fixed income strategies, and Adrigo - a Nordic long/short fund strategy targeting absolute returns. East Capital Group owns 49% of Cicero Fonder and 51% of Hjerta AB.

For further information please visit our website: [www.eastcapital.group](http://www.eastcapital.group)

**Image Attachments**

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