Goldman Sachs Research

Portfolio Strategy Research

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ASIAN EQUITY PERSPECTIVES

Leaning into earnings: Taiwan to OW, KOSPI target to 12k, narrower China focus: H shares to MW, A remains OW; derivative overlays to hedge North Asia pullback risk

Earnings are driving Asian equity returns. We lean into north Asia where earnings growth is strongest, raising Taiwan to OW and our KOSPI target in Korea to 12,000. We narrow our China focus and lower H shares to MW, remaining OW A shares. Put spread collars in Korea and Taiwan can hedge correction risk after strong gains and signs of increased speculation. Overall, we raise our MXAPJ 12m index target to 1,080 on higher earnings, stay OW north Asia and hard tech.

- **Strong, but highly concentrated, regional equity returns.** The MXAPJ index is +27% ytd, but ex-Korea/Taiwan it is down 4%.
- **Earnings are the driver.** The strongest earnings growth is in information technology (1Q26 +185% yoy), which is also the best performing sector ytd (+93%).
- **Taiwan to OW.** 85% of the market is exposed to AI revenues, 39% 2026/27 earnings growth, 0.7 PEG ratio.
- **KOSPI 12m target to 12,000.** Higher earnings, underpriced memory cycle duration, rerating catalysts. Stay OW.
- **China: focus on earnings – H shares to MW, stay OW A shares.** Index composition is hindering MXCN, helping onshore benchmarks. Thematic focus.
- **Risks: Narrow breadth, retail speculation.** TSMC is 41% of TWSE index; Samsung Electronics and Hynix are 53% of KOSPI. Leveraged ETF AUM is up sharply.
- **Derivative overlays to hedge correction risk.** Zero cost put spread collars on KOSPI2 and TWSE indices.
- **Regional snapshot:** Higher earnings (60%/22% EPS growth in 2026/27), MXAPJ 12m target 1,080 (+18% USD price return), OW north Asia and tech hardware.

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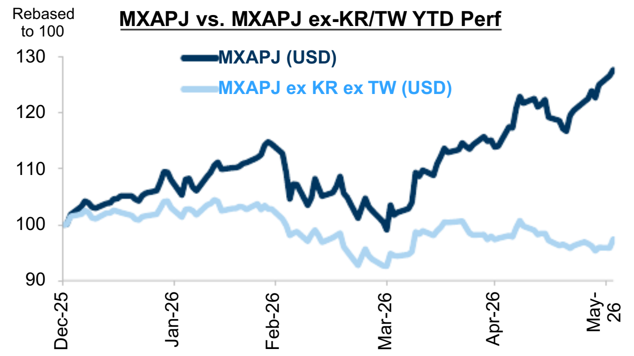
1. Strong, but highly concentrated, regional equity returns

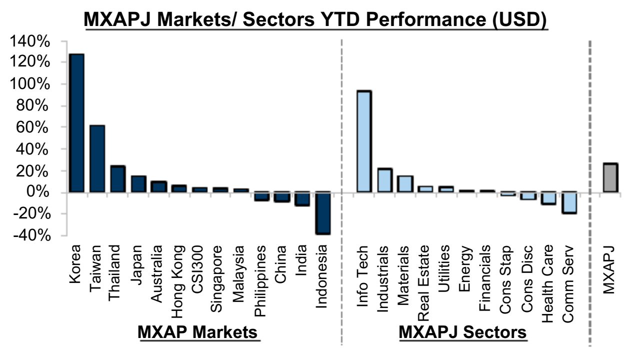
The Asian regional MXAPJ index is up 27% ytd, outstripping developed markets and the aggregate MSCI all-country world index (+12%). However, this performance has been driven largely by Korea and Taiwan, which have gained 127% and 62%, respectively. In contrast, ASEAN markets- notably Indonesia (-38%)- and India (-12%) have disappointed. This performance disparity, which is over 160% between Korea and Indonesia, can largely be explained by the twin axes of energy supply shock sensitivity and technology sector exposure. North Asia has greater buffers to the Iran war energy shock and is the epicenter of the AI trade, whereas south Asia is more exposed to energy price pass-throughs and has little listed AI representation. Sector performance clearly demonstrates this: information technology is +93% ytd, whereas most other GICS1 sectors are marginally positive to down for the year.

Exhibit 1: Asia regional equities are performing well, driven by Korea and Taiwan



Source: FactSet, Goldman Sachs Global Investment Resarch

Exhibit 2: The ytd performance spread between Korea and Indonesia is over 160%



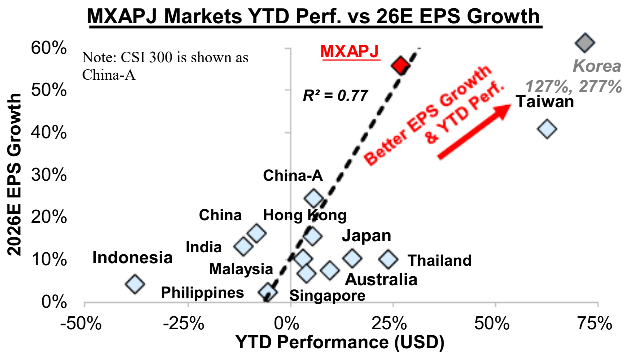
Source: FactSet, Goldman Sachs Global Investment Resarch

2. Earnings are the driver

Earnings are driving the region's equity performance. Stocks that are delivering growth in earnings (or revenues in the case of earlier stage industries) are being rewarded, while those that are falling short on growth are being punished or ignored. At the sector level, information technology delivered 185% yoy profit growth in 1Q26 and is the best performing GICS1 sector. By market, Korea is the extreme example: consensus earnings growth forecasts have risen from 48% at the start of the year to 275% currently, driving KOSPI to outsized gains. In the US, our strategists note that exceptionally strong 1Q earnings have lifted forward EPS estimates 15% and propelled the S&P500 index to an +11% ytd return.

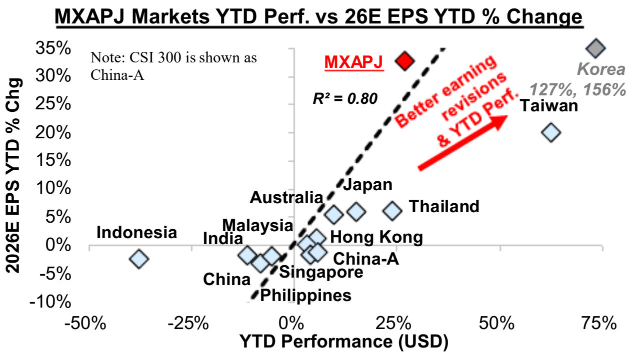
We raise earnings estimates yet again for Korea and Taiwan and have also toned up profit projections in Japan. In Korea, we raise 2026/27E EPS growth to +320%/+35% (from +300%/+28%) and expect a further +12% in 2028 (versus consensus of -6%), as we think the market still underestimates the durability of the memory upcycle. Our tech analysts' supply-demand analysis also points to continued undersupply extending through at least 2028. In Taiwan, we lift 2026/27E EPS growth to +48%/+30% (cumulatively 12pp higher than consensus), supported by continued tech capex and further margin expansion. By contrast, we lower China H 2026/27E EPS growth by 4pp/2pp to +8%/+12%, driven by soft earnings in the index-heavy software sector. In aggregate, we now expect regional earnings growth for 2026 and 2027 to be 60% and 22% (consensus 56% and 20%). This is the key fundamental driver of share price performance and our continuing constructive view, and stands in favorable contrast to the extended period of poor regional profit delivery from 2011-2024 which we examined in several global strategy papers (see here and here).

Exhibit 3: The wide disparity in market performance is mostly explained by the level of earnings growth...



Source: FactSet, MSCI, Goldman Sachs Global Investment Research

Exhibit 4: ... and revisions to consensus growth expectations



Source: FactSet, MSCI, Goldman Sachs Global Investment Research

Exhibit 5: We raise our earnings growth forecasts for Korea, Taiwan, and Japan

EPS Growth	Consensus			GS		GS (OLD*)	
Markets	**2025**	**2026E**	**2027E**	**2026E**	**2027E**	**2026E**	**2027E**
Australia	3%	7%	6%	6%	5%	6%	5%
China	-1%	16%	18%	8%	12%	12%	14%
China-A	4%	24%	16%	20%	13%	20%	13%
Hong Kong	2%	16%	6%	16%	7%	16%	7%
India	10%	13%	16%	8%	13%	8%	13%
Indonesia	-2%	4%	9%	1%	8%	1%	8%
Korea	35%	277%	28%	320%	35%	300%	28%
Malaysia	-1%	10%	6%	8%	8%	8%	8%
Philippines	14%	2%	9%	0%	8%	1%	9%
Singapore	0%	7%	10%	6%	8%	5%	8%
Taiwan	22%	41%	25%	48%	30%	45%	28%
Thailand	12%	10%	5%	8%	6%	8%	6%
MXAPJ	**9%**	**56%**	**20%**	**60%**	**22%**	**60%**	**20%**
Japan* (CY)	**11%**	**12%**	**11%**	**11%**	**11%**	**11%**	**11%**

Note: Light blue (vs. grey) shaded numbers indicate upward (vs. downward) revisions vs. GS OLD (as of May 7)

Source: FactSet, I/B/E/S, Goldman Sachs Global Investment Research

3. Taiwan to OW

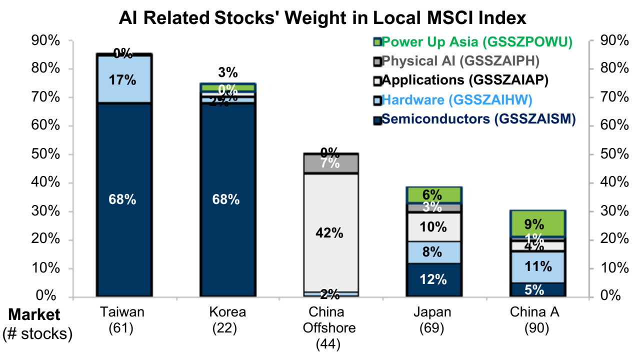
We have long held a positive view on Taiwan but have differentiated our north Asia market views by leaning towards Korea given that market's higher earnings growth and lower valuation. **Given our conviction that AI investment will enable tech hardware to deliver strong earnings growth to and beyond 2028, we raise Taiwan to overweight.** Our refreshed 51,000 TWSE index target implies 12% return.

First, Taiwan is the market with the **greatest exposure to AI** with close to 85% of market cap having some portion of revenues directly from AI-related activity. Most of this is in the hardware supply chain that benefits from large and growing hyperscaler investment, including foundry and packaging, AI server ODMs, power infrastructure, networking, cooling, optics, and ABF substrates. Aggregate market earnings grew 22% in 2025 and we project above-consensus 48% and 30% growth in 2026 and 2027. **After Korea, this is the best compound earnings growth** for the 13 markets under our Asian coverage.

Second, **valuations are attractive relative to growth**. Absolute levels are high: the forward P/E is 22.2x, over 3 s.d. above the market's 10-year mean. However, on a PEG ratio basis (forward P/E vs. 2027 EPS Growth), Taiwan trades at 0.7x, which is the second lowest regionally after Korea, and around -1 s.d. below the regional PEG mean.

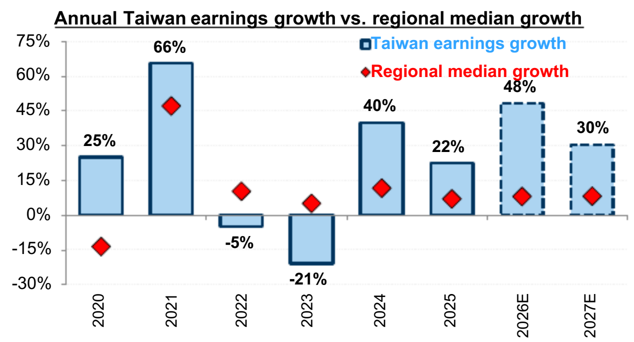
Last, tactical risks are present. The market has performed strongly ytd (+60%), momentum indicators are elevated, hedge fund exposure is at the high end of the range, retail activity is high, and the market is pricing little cross-strait risk. This supports **derivative overlays to protect against the risk of a trading correction**, which we detail later. But the appeal of sustained profit growth driven by one of the strongest global themes argues for a constructive strategic stance.

Exhibit 6: Taiwan is the epicenter of the north Asia AI trade



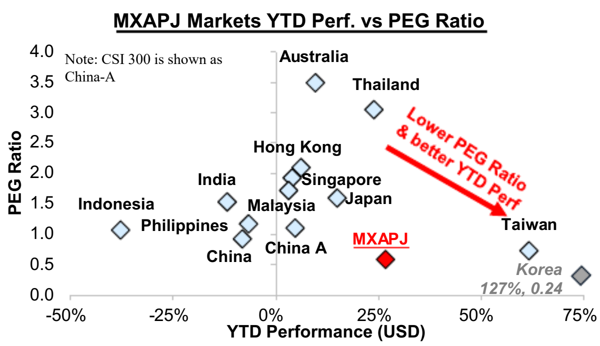
Source: FactSet, MSCI, Goldman Sachs Global Investment Research

Exhibit 7: Taiwan's earnings are likely to continue to outpace median earnings growth in Asia



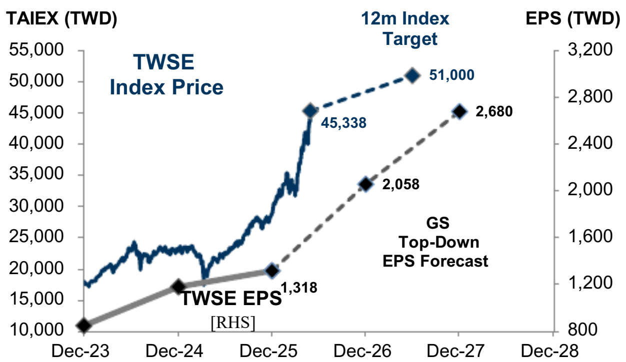
Source: FactSet, I/B/E/S, Goldman Sachs Global Investment Research

Exhibit 8: Although Taiwan is trading at the upper range of its historical valuation, this is supported by its strong expected earnings growth



Source: FactSet, I/B/E/S, Goldman Sachs Global Investment Research

Exhibit 9: Our refreshed TWSE 51,000 12m index target is driven by earnings growth with some allowance for valuation moderation



Source: FactSet, Goldman Sachs Global Investment Research

4. Korea: KOSPI 12m target to 12,000

We remain overweight Korea and raise our 12m KOSPI target to 12,000, implying 37% price return. This is driven by higher earnings and a conservative 8x forward P/E multiple. We acknowledge the market has more than doubled this year, that Samsung Electronics and Hynix now account for over half the market cap, that retail speculative activity has increased, and that the market is vulnerable to a correction. We suggest downside protection strategies later but argue the strategic case for Korea remains compelling.

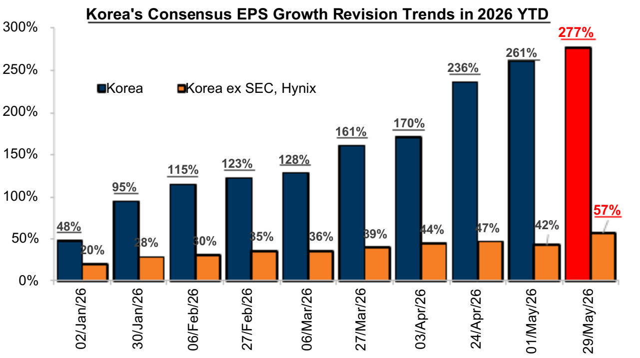
First, **earnings expectations continue to rise**. Consensus has revised 2026 earnings from 48% at the start of the year to 277%. Stripping out the two heavyweight memory stocks, the rest of the market is now expected to grow 2026 profits 57%, up from 20% in January. We raise our 2026 and 2027 earnings growth forecasts further to 320% and 35% and note Korea is delivering the best profits in the region by a wide measure: 1Q26 growth was 218% yoy, propelled by strong revenue and margin increases.

Second, **the market continues to underprice the likely duration of the semiconductor memory cycle**. As our analysts and we have argued, demand for compute is growing faster than supply can respond, leading to pricing power for memory providers and magnified earnings delivery given high operating leverage. At roughly 5x forward earnings, the market is implicitly expressing a skeptical view on how long the Korean memory stocks can maintain current high levels of profitability. We expect the cycle to last longer than previous ones and therefore maintain a positive view on this important part of the market.

Third, **the market remains undervalued and has catalysts to rerate further**. Over 60% of the broad market trades below book value and further progress on corporate governance reform is expected in 2H2026. The most notable policy is the anti-stock price suppression effort which could re-rate companies trading below their book value. Other themes related to the Value Up program include preferred shares, low price-to-book/high dividend yield stocks, and treasury share cancellation plays. We also remain constructive on other themes including defense, shipbuilding, and the power supply chain.

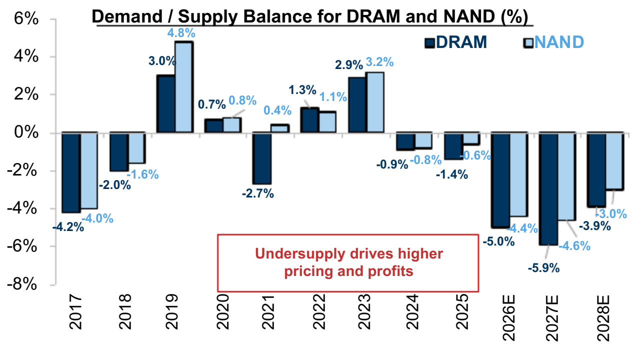
Last, we examine how Korea has traded past cyclicality. At market peaks, median valuation was 10x P/E, and at market bottoms median valuation was 11.4x P/E after 33% earnings downgrades. **Korea currently trades at 8.2x consensus forward P/E, which is 20% below past peak levels**. Further, applying past earnings downgrades and trough valuations to current conditions results in a downside index level of 7,820. Korea could have a deeper tactical correction than this, but this historical analysis suggests the market is well supported as long as earnings come through and that a drawdown would be an opportunity to build positions.

Exhibit 10: Consensus earnings forecasts continue to rise; market earnings growth ex-Samsung Electronics and Hynix is now over 50% indicating opportunities beyond the memory stocks



Source: FactSet, MSCI, Goldman Sachs Global Investment Research

Exhibit 11: Despite strong share price gains, the market is still underpricing the likely duration of high profitability for the memory stocks driven by persistent supply shortfall vs. rapidly rising demand for compute



Note: Based on our Tech Equity analysts' estimates

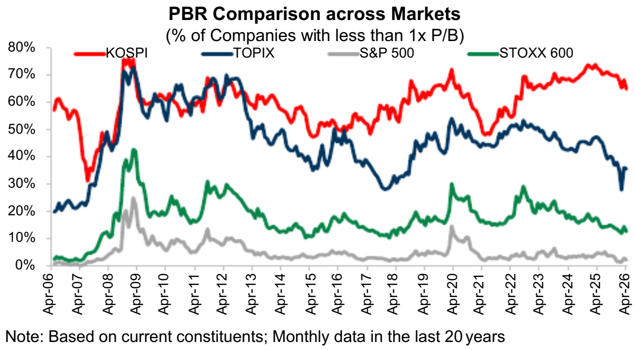
Source: Goldman Sachs Global Investment Research, Company data

Exhibit 12: Corporate governance-related policies in 2H2026 could propel performance of Value-Up themes including holding companies

Measures	Key policy agendas and catalysts related to corporate governance reform		Timetable
	Agenda	Details and Key Provision	
Amendments to Stewardship Code and Corporate Governance Disclosures	Stewardship Code Revisions	- Private committee-led implementation monitoring and post-management - Greater disclosure/use of inspection results, and alignment with global standards. - Strengthening disclosure of shareholders' meeting voting results - A plan to incorporate stewardship code compliance assessments into the selection of asset managers and fund allocations for the National Pension Fund	1H/2026
	Capital Allocation and Corporate Governance Disclosure Reform	- Expansion of the scope of application to every KOSPI company in 2026, the focus toward enhancing inspections and revising guidelines to promote substantive governance reform and adherence to core principles - Disclosure of shareholder return and dividend policies such as dividends and stock buybacks by comparing the company's return on invested capital (ROIC) or return on equity (ROE) with the cost of capital (COE)	
Capital Market Act Amendment	Mandatory tender offer	- Under the latest 2026 revisions, the acquirer is generally required to offer to purchase up to 100% (or at least a majority stake of 50% + 1 share, depending on the specific bill version) to ensure minority shareholders can exit at the same "control premium" as the majority owner.	2026
	Tighter dual-listing regulations	- Tightening dual listing guidelines to clarify definitions, types, and approval criteria—addressing market confusion and improving predictability for participants	2026
Expansion of Retirement Pensions	The amendment of the Employee Retirement Benefit Security Act	Gradually expand the target of small and medium-sized enterprise retirement pension funds to 100 or fewer people	2026
Tax Incentives	Retail Investors	-Tax Support for Reshoring Investment Accounts (RIAs, 100%, 80%, 50% for Q1/Q2/2H respectively) - ISA Tax-Exempt Limit Expansion for Retail Investors	2026
	Anti-Stock price suppression	- For companies with a Price-to-Book Ratio (PBR) below 0.8, inheritance and gift taxes are now calculated based on 80% of the company's net asset value (NAV) rather than the suppressed market price. - To balance the increased burden, the 20% additional tax surcharge previously applied to "major shareholder" stakes has been abolished in favor of a fair value assessment that can reach an effective rate of nearly 50%.	

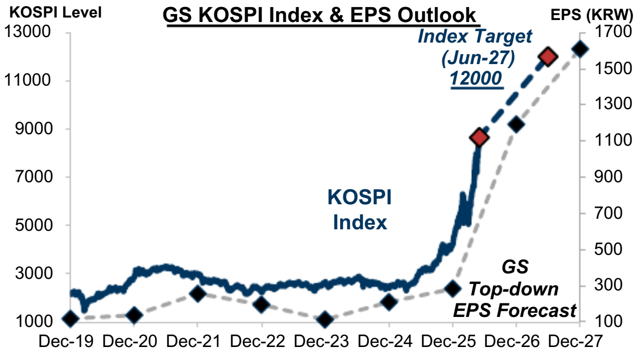
Source: National Assembly, Various local media, Data compiled by Goldman Sachs Global Investment Research

Exhibit 13: Over 60% of KOSPI index constituents trade below book value



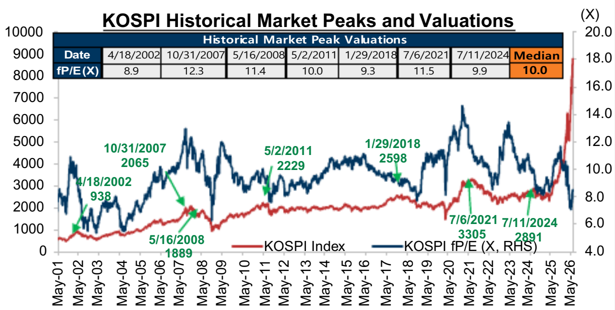
Source: FactSet, I/B/E/S, Goldman Sachs Global Investment Research

Exhibit 14: Our refreshed Kospi 12,000 12m index target is driven by earnings growth and a still conservative 8x P/E multiple



Source: Bloomberg, Goldman Sachs Global Investment Research

Exhibit 15: Using historical earnings cyclicality and valuation, KOSPI cyclical downside would be roughly where the market is trading, suggesting risk/reward remains positively skewed



EPS Peak		EPS Trough		EPS	NTM P/E (X)	
Date	EPS Level	Date	EPS Level	Downgrade (%)	At the EPS Peak	At the EPS Trough
7/4/2008	171.1	4/3/2009	100.6	-41%	9.3	13.0
6/26/2012	224.4	2/11/2016	174.8	-22%	8.2	10.7
1/24/2018	270.5	8/15/2019	180.6	-33%	9.4	10.8
2/25/2020	188.4	5/12/2020	165.6	-12%	11.2	11.9
7/29/2021	286.0	4/5/2023	172.0	-40%	11.4	14.8
9/5/2024	295.2	2/13/2025	275.5	-7%	8.8	9.4
Median				-33%	9.4	11.4
Current Consensus NTM EPS Integer (A)			1032	Potential Earnings downgrades(A x -33%) (B)		689
Median fP/E at Historical EPS bottoms (C)			11.4	Potential KOSPI under earnings downgrades(B x C)		7819

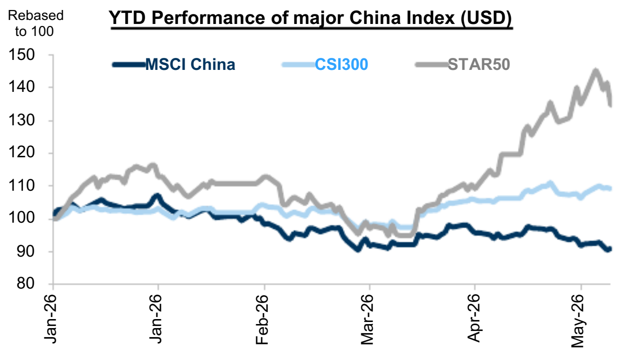
Source: Quantiwise, Goldman Sachs Global Investment Research

5. China: focusing on earnings- H shares to MW, stay OW A shares

Index composition is currently impeding the performance of offshore China given a high weighting of broadly software-related stocks which have not been delivering good earnings growth. While profits may improve in 2H26, the market may remain skeptical until earnings are reported given past disappointments relative to expectations. We therefore **moderate our stance on MSCI China to market weight, while remaining overweight A shares given more attractive sector composition and improving profit prospects.** We continue to **favor key themes including select AI and 15th Five Year Plan beneficiaries**, which can be found in both the onshore and offshore markets. Our China strategy team examines this in greater detail here.

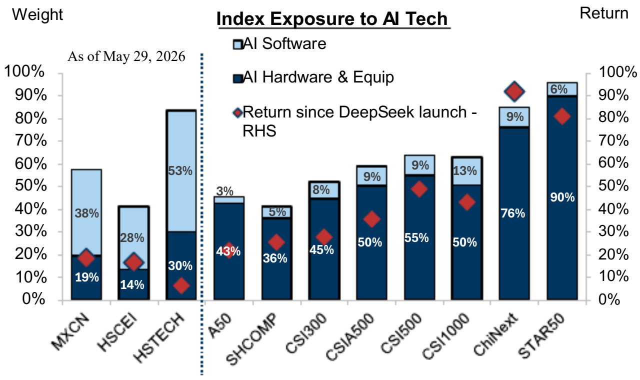
The ytd performance of different China indices shows the stark differences between different parts of the China equity universe. MSCI China, which is the offshore benchmark, is down -8%; the CSI300 index, which is the large cap A share benchmark, is up +9%; and the Star50 index, which is the Shanghai Stock Exchange's Science and Technology Innovation Board benchmark, has gained +35%. These performance differences can be explained by their relative weightings in AI hardware & equipment and AI software. MXCN has only 19% in hardware but 38% in software, CSI300 has 45% in hardware and 8% in software, while STAR50 has 90% in hardware and just 6% in software.

Exhibit 16: Three Chinas: large cap offshore, large cap onshore, and high-tech strategic emerging sectors



Source: FactSet, Goldman Sachs Global Investment Research

Exhibit 17: Indices with higher AI Hardware exposure have outperformed in the past year



Source: FactSet, MSCI, HSI, CSI, Goldman Sachs Global Investment Research

MSCI China performance has been impeded by its index composition and lack of earnings. 35% of the index is in 9 stocks that are broadly software related and which have not been producing good earnings growth: aggregate index profit growth was just 7% in 2025 and is -5% yoy in 1Q26. This suggests that the market is unlikely to price a potential recovery in profits until results are delivered. Even if performance improves in 2H as we expect, 3Q results will not be reported until October, which is 5 months off.

Exhibit 18: 35% of MSCI China is in 9 stocks that are broadly software related, which is hindering index performance

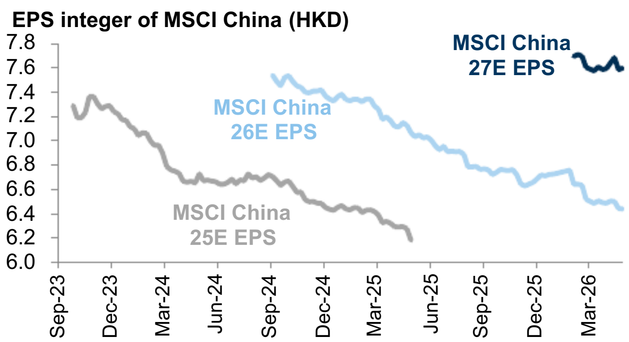
Large-Cap Chinese Tech Stocks in the MXCN

Company Name	Index Cap (US$bn)	Index Cap (%)	YTD Return (USD)
Tencent	343	13%	-28%
Alibaba Group	262	10%	-15%
Xiaomi	63	2%	-27%
Meituan	50	2%	-25%
PDD Holdings (ADR)	50	2%	-23%
NetEase	44	2%	-10%
Baidu	34	1%	-3%
JD.com	33	1%	0%
Trip.com	28	1%	-32%
Large-Cap Tech Stocks	**907**	**35%**	**-22%**
MSCI China	**2,565**	**100%**	**-8%**

Note: Market cap as of Jun 1, 2026

Source: MSCI, FactSet, Goldman Sachs Global Investment Research

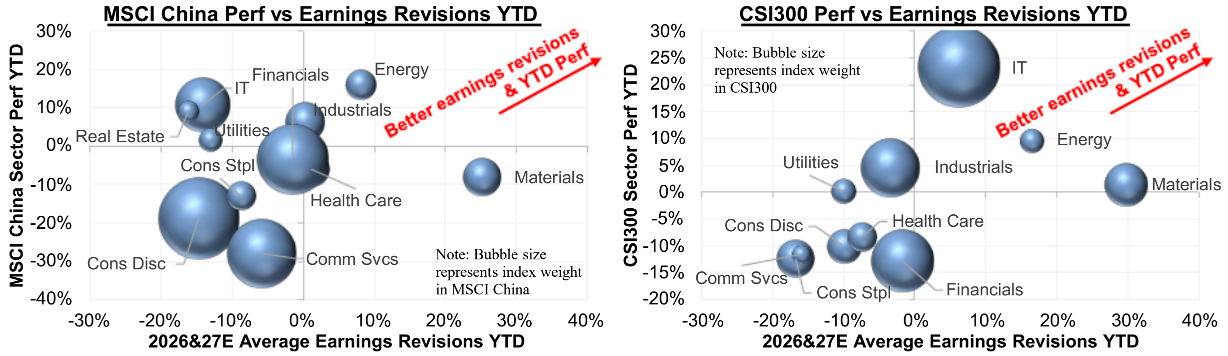
Exhibit 19: MSCI China earnings have been continuously downgraded; the market is less likely to price a potential recovery until results are delivered



Source: FactSet, IBES, MSCI

In contrast, **the onshore A share market appears better placed from an index composition and earnings delivery perspective**. The CSI300 index has greater exposure to manufacturing and AI hardware, which are benefiting from a recovery in producer price inflation after 41 months in deflation. NBS industrial profits, which have grown 18% yoy in the first 4 months of the year, are a good indicator of improving fortunes for A shares, which have also seen consensus 2026 profit growth estimates rise to 24% in recent months (we recently raised our forecast from 16% to 20%).

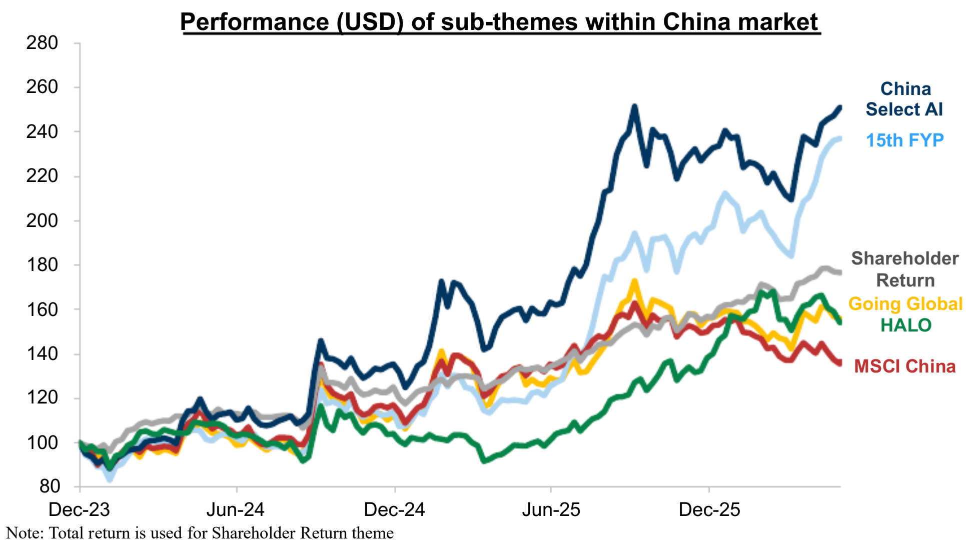
Exhibit 20: Index composition is impeding offshore and helping onshore China equities as investors are rewarding sectors with earnings and/or revenue growth



Source: FactSet, Goldman Sachs Global Investment Research

We continue to focus on top themes and note the ample opportunity for alpha generation in the China equity universe. We favor select parts of the AI, beneficiaries of the 15th 5YP, going global leaders, and improving shareholder return.

Exhibit 21: Ample alpha opportunity

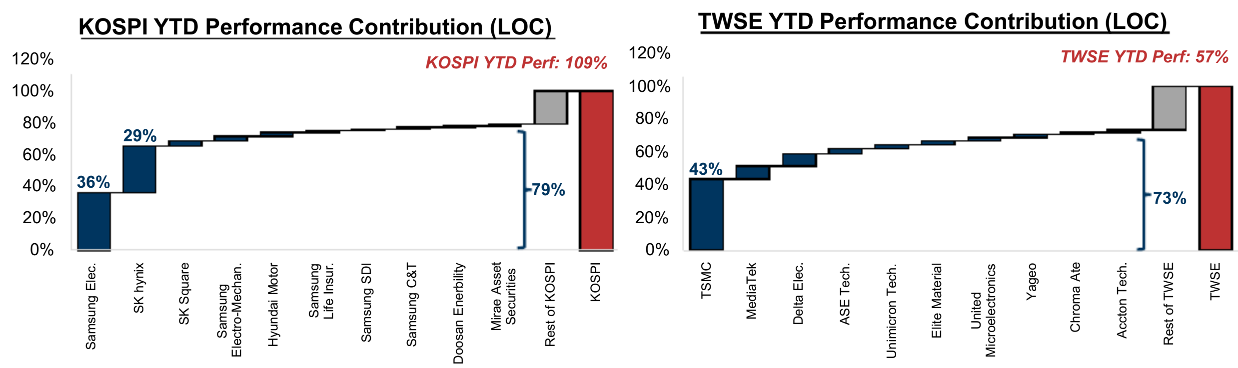


Source: FactSet, Goldman Sachs Global Investment Research

6. Risks: Narrow breadth, retail speculation

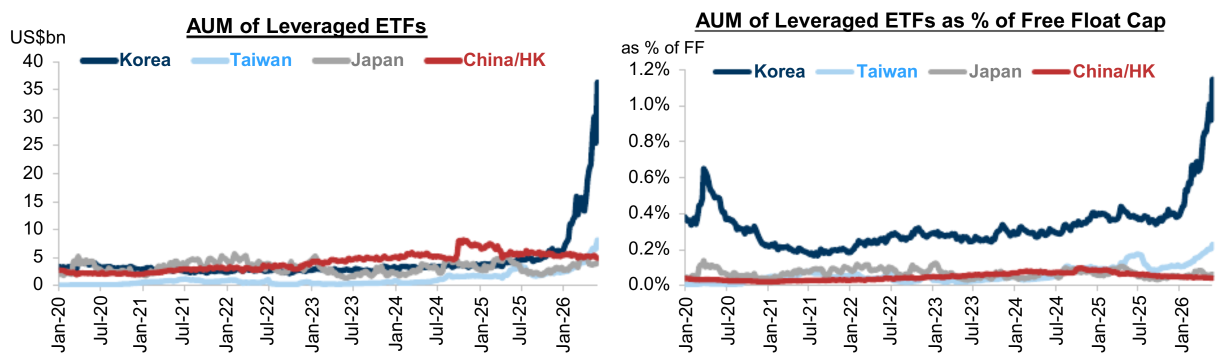
Powerful ytd gains in Korea and Taiwan raise the risk of pullbacks that could be painful for investors with shorter horizons and tighter drawdown limits. Two issues in particular stand out. First, both **north Asian markets have heavy index concentration** in a few names by virtue of how successful those companies have been. In Taiwan, TSMC is the dominant stock with a $1.9tr market cap, a 55% weight in the MSCI Taiwan index, and a 41% weight in the broader TAIEX index. In Korea, Samsung Electronics and Hynix now have market caps of $1.4tr and $1.1tr, and 29% and 24% respective weights in the KOSPI index. Any change to the outlook for these stocks will have outsized impacts on their markets. Second, **retail speculation has recently risen**, most notably in Korea. After net selling their home market in favor of the US last year, retail investors have turned net buyers, accumulating $34bn in the past 3 months. In particular, purchases of leveraged ETFs have increased, driving AUM of these funds to around $35bn or 1.2% of Korean market cap. This raises the risk of a leveraged unwind in the event of a market correction.

Exhibit 22: Gains in Korea and Taiwan are concentrated in large cap semiconductor stocks



Source: FactSet, Goldman Sachs Global Investment Research

Exhibit 23: Retail investors in Korea are focusing on leveraged ETFs: AUM has reached ~US$35bn and 1.2% of free-float market cap



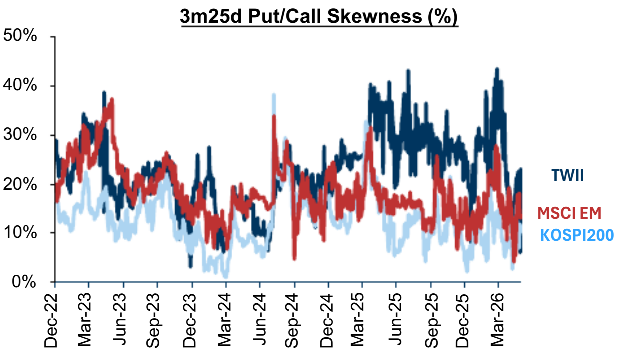
Source: EPFR, Goldman Sachs Global Investment Research

7. Derivative overlays to hedge correction risk

The outsized performance of Korea and Taiwan raises the risk of a sharp pullback, particularly given increases in speculative positioning. We remain strategically positive on both markets as noted above but recognize they are extended and vulnerable to profit taking. We therefore view derivative overlays as attractive ways to cushion downside risk and shape positively skewed outcomes.

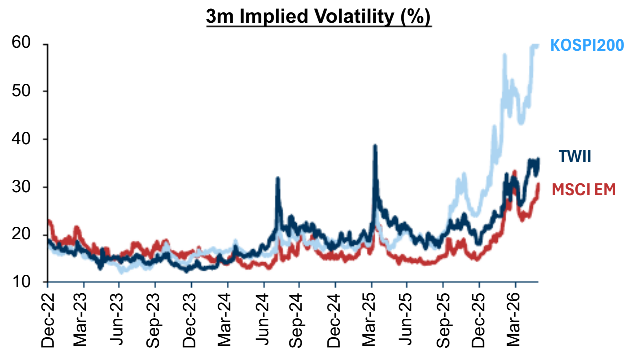
We favor put spread collars on KOSPI200 and TWSE indices at zero cost. The combination of increased volatility and a reduction in put/call skew following the sharp recovery from end-March lows results in attractive structures to hedge downside risk without giving up too much upside. For example, selling a 135% Dec call on KOSPI2 can fund a 90%/67.5% put spread, while for TWSE selling a 127.5% Dec call can fully fund a 90%/75% put spread. Given the roughly 7m duration of this structure, theta decay will not build until later in the year, whereas a pullback in markets would likely result in rising vega and gamma, suggesting investors would be protected at least partially even if the index does not fall 10% to the 90% put strike level.

Exhibit 24: Put/call skew has decreased as markets have rallied, increasing the attractiveness of selling calls to fund put spreads



Source: Bloomberg, Goldman Sachs Global Investment Research

Exhibit 25: Higher volatility also increases the attraction of put spread collars, which are net sellers of vol

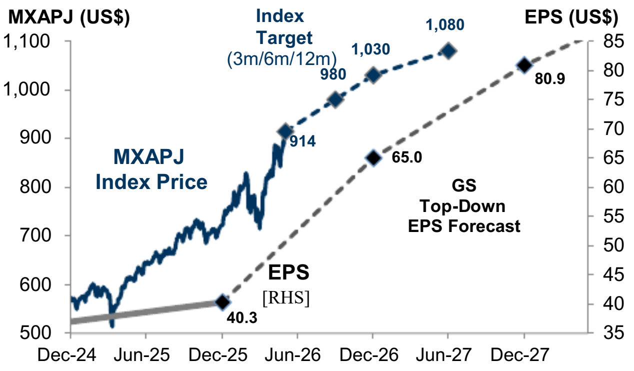


Source: Bloomberg, Goldman Sachs Global Investment Research

8. Regional snapshot: higher target, OW north Asia and tech hardware

We raise our 12m MXAPJ target to 1,080 from 990, driven primarily by higher earnings, alongside a 3-month time roll to 2Q2027. This implies 18%/20% USD price/total returns. **Our 3m/6m targets are 980 and 1,030 (previously 900 and 940)**. We remain OW north Asia (Korea, Taiwan, Japan, and China A) and fund this with underweights in ASEAN (Indonesia, Philippines, Thailand) and Australia. Our sector tilts are towards tech hardware & semis and capital goods funded by consumer, software, and defensives. We lower internet to MW in line with a more balanced view on offshore China. Thematically, we continue to focus on AI beneficiaries, HALO, power demand, geopolitical plays (defense, US reindustrialization), and China opportunities.

Exhibit 26: We raise our 12m MXAPJ target to 1,080 on continued strength in Tech H/W and Semis sector



Source: FactSet, Goldman Sachs Global Investment Research

Exhibit 27: We remain overweight north Asia and underweight much of ASEAN and Australia

GS Strategy APxJ Market Allocation

	Market	Index	Index Level	GS 12m Target	Target fPE	z-score (10yr)	Chg to Target	USD Total Return
OW	Korea	KOSPI	8,788	12,000	8.0x	-1.3	37%	40%
	China A	CSI300	4,844	5,500	15.0x	+1.5	14%	19%
	Japan	TPX	3,948	4,400	17.6x	+2.7	11%	17%
	Taiwan ▲	TWSE	45,338	51,000	18.8x	+1.8	12%	16%
MW	Hong Kong	MXHK	15,940	17,600	14.8x	+0.2	10%	15%
	Malaysia	FBMKLCI	1,683	1,820	14.0x	-0.7	8%	14%
	China ▼	MXCN	77	85	12.0x	+0.1	11%	14%
	Singapore	FSSTI	5,038	5,400	16.0x	+1.7	7%	14%
	India	NIFTY	23,383	26,500	19.4x	-0.3	13%	12%
UW	Philippines	PCOMP	5,799	6,200	9.5x	-1.8	7%	10%
	Australia	AS51	8,729	9,200	17.7x	+0.8	5%	10%
	Indonesia	JCI	6,127	6,300	8.8x	-2.7	3%	9%
	Thailand	SET	1,568	1,650	18.0x	+1.1	5%	8%
	MXAPJ (USD)		914	1,080	12.4x	-0.9	18%	20%

Note (1): 12m index targets are as of Jun-2027; Return for MXAPJ is in USD terms

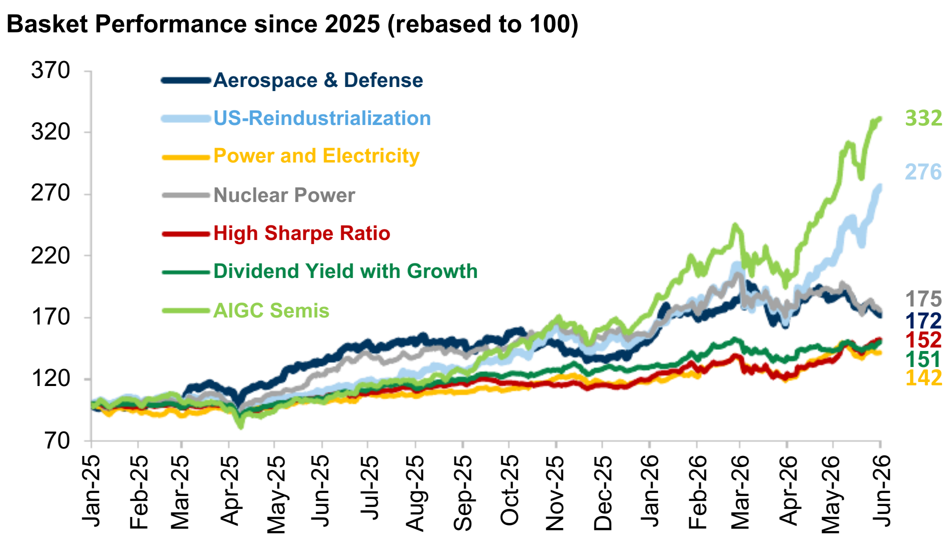
Source: Goldman Sachs Global Investment Research

Exhibit 28: We favor north Asia and tech hardware AI exposure; key themes include HALO/energy security, defense, and US reindustrialization

Summary Views				
Returns & Growth (MXAPJ)		12m index target: 1080, implying 18%/20% USD price/total return; GSe path (3/6/12m): 980/1030/1080; 60%/22% EPSg in 2026/27	Themes & Implementation Ideas	**AI Beneficiaries:** Infrastructure (Servers, Hardware, Semis)
				HALO (Heavy Assets, Low Obsolescence): Capital Intensive vs. Light
Markets	OW	Japan, Korea, China A, Taiwan ▲		**Power Demand:** Nuclear Power, Renewables, Power & Electricity
	MW	Singapore, Hong Kong, Malaysia, India, China Offshore ▼		**Geopolitics:** U.S. Reindustrialization, Aerospace & Defense, Oil Supply Shock Winner
	UW	Australia, Thailand, Indonesia, Philippines		**Revision Momentum:** Consensus Revision Winners, Strong EPS Revisions
Sectors	OW	Tech H/W & Semis, Capital Goods, Health Care, Energy		**China Opportunities:** 15th FYP Portfolio, Going Global, China Select AI
	MW	Insurance & Other Fins, Property, Banks, Chemicals, Metals & Mining, Consumer Retail & Durables, Telecom Services, Internet/Media/Entertainment ▼		
	UW	Transportation, Software & Services, Utilities, Autos, Consumer Staples		

Source: Goldman Sachs Global Investment Research

Exhibit 29: Our top regional themes continue to perform well



Source: FactSet, MSCI, Goldman Sachs Global Investment Research

Disclosure Appendix

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