

Our View On-The-Ground

REGIONAL MARKET VIEWS

From Jungle Myths to Market Moves:

Why Latin America ETFs Might Steal the Show

Forget the usual clichés. While some headlines still paint Latin America as a wild jungle of risk, complete with plot twists and the occasional over-the-top soccer fan, the region is quietly building a portfolio of opportunities that's far more Wall Street than wild.

Yes, LATAM has its share of political drama and economic surprises; however, it boasts world-class reserves of copper, lithium, and oil, not to mention some of the most attractive dividend-paying companies around.

In this market outlook, we'll explore why LATAM ETFs are gaining momentum. They're the unexpected flavor investors didn't know they were missing, the seasoning that brings depth and spice to a global portfolio.

And if we're talking about changing perceptions, think of LATAM ETFs as the Gastón Acurio of investing. Not long ago, Lima was known more for its danger than its delicacies. But thanks to Acurio and the rise of Peruvian cuisine, the city is now celebrated as one of the world's culinary capitals. In the same way, ETFs could be the game-changer that reshapes how investors see the region, salsa dancing its way into portfolios with rhythm, resilience, and returns.

| Value Investing with a Tropical Discount

Latin American stocks are trading at a discount compared to the U.S. and Europe, think ripe mangoes at half price: sweet, juicy, and full of potential upside. With strong growth drivers like commodities, nearshoring, and foreign investment, the growth potential is real. And LATAM ETFs make it simple, no need to cherry-pick stocks when you can grab the whole fruit basket in one trade. Low prices, high potential, and easy access, that's investing con sabor¹.

| Nearshoring: From China to Mexico

Global supply chains are shifting, and Latin America is riding the wave with talent. Companies that once relied on factories in far-off places like China are now setting up shop closer to home, in Mexico,

Colombia, Brazil, and beyond. Less shipping, more control, and a whole lot of cost savings. What's not to love? For investors, this shift isn't just a headline; it's a chance to get in on the action. LATAM ETFs offer direct exposure to the companies benefiting from this production pivot, all bundled into one easy trade.

| Commodity Powerhouse: Copper, Lithium & Oil

The region's natural resources are not only abundant but also strategic. In our previous Regional Market View, "Latin America in Motion: Where Capital Meets Potential," we examined how the region's key commodities are being managed, utilized, and increasingly reshaping global markets.

As the world shifts toward clean energy, LATAM's copper and lithium reserves are well-placed to support the transition. From electric vehicles to solar panels and battery technology, all roads lead to Latin America's mines. For investors seeking to benefit from this resource-driven momentum without selecting individual stocks, LATAM ETFs provide a convenient gateway to the region's strategic advantages.

| Dividends That Dance

Brazilian companies, in particular, know how to treat their shareholders. High dividend yields have been common, and when bundled into an ETF, they can be translated into regular cash flows and a stronger potential total return profile. It's not just growth potential; it's income opportunities with rhythm.

| Diversification Without the Drama

Historically, investing in LATAM meant navigating expensive, illiquid local shares, often with limited transparency and high entry barriers. But ETFs have changed the game. With a single ticker, investors gain exposure to a diverse mix of sectors, countries, and companies, while our managers aim to hedge risk and unlock liquidity.

No need for deep-dive research into individual firms or regional dynamics. Behind each ETF is a dedicated investment team with access to a well-established network of local experts and security analysts across Latin America. They put together a basket of what they believe are top-performing, strategically positioned securities, so investors can tap into the region's potential without speculation.

| Introducing OTGL: Our Hands-On LATAM ETF

At OTGL, we don't just follow an index; we operate according to our own rhythm. This is a dynamic, actively managed ETF built on in-depth, on-the-ground insights across Latin America, from Mexico to Argentina (excluding the Caribbean islands).

Our portfolio is broadly diversified, but our research is laser-focused. We look for companies with overlooked growth potential, those hidden gems often missed by traditional managers due to market inefficiencies. With an opportunistic, style-agnostic approach, we invest across geographies, sectors, and market caps, building a portfolio of 40 to 60 of our best ideas.

We constantly rotate holdings, enter new positions, and aim to stay ahead of political and economic shifts. By remaining flexible and adapting quickly to market changes, we seek to manage risk while capturing upside.

We're not watching LATAM from a distance; we're immersed in it, informed by local expertise and real-time market dynamics. Because in this region, opportunity doesn't knock politely; it shows up with a drumline and demands attention.

If you'd like to learn more about our ETF or meet the OTG team, we'll be in the U.S. from September 8 to 18. Feel free to reach out at otg@otam.net or give us a call at +1 214-628-0506.

This opinion article was written on August 27, 2025 by the team of analysts at OTG Asset Management.

IMPORTANT INFORMATION

Investors should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. This and other information is contained in the Fund's prospectus which may be obtained by calling 888.632.3399. Please read the prospectus carefully before investing.

Investing involves risk, including possible loss of principal. The risks of investing in foreign companies, including those located in emerging markets, can increase the potential for losses in the fund and may include currency fluctuations, political and economic instability, less government regulation, less publicly available information, limited trading markets, differences in financial reporting standards, including recordkeeping standards, less stringent regulation of securities markets and differences in accounting methods.

Small- and mid-cap investing involve greater risks not associated with investing in more established companies, such as greater price volatility, business risk, less liquidity and increased competitive

threat. The ETF is actively-managed and may not meet its investment objective based on the Adviser's success or failure to implement investment strategies. There is no guarantee that a company will pay or continue to pay its dividends.

ETFs are subject to additional risks that do not apply to conventional mutual funds, including the risks that the market price of an ETF's shares may trade at a premium or discount to its net asset value, an active secondary trading market may not develop or be maintained, or trading may be halted by the exchange in which they trade, which may impact an ETF's ability to sell its shares. Shares of any ETF are bought and sold at market price (not NAV) and are not individually redeemed from the ETF. Brokerage commissions will reduce returns. Diversification does not eliminate the risk of experiencing investment loss.

Distributed by Foreside Fund Services, LLC.

¹ Con sabor: Spanish phrase that translates to "with flavor"

Disclosure: Foreign Investment Risk. Foreign investment risks include foreign security risk, foreign currency risk, and foreign sovereign risk. The prices of foreign securities may be more volatile than the prices of securities of U.S. issuers. In addition, changes in exchange rates and interest rates may adversely affect the values of the Fund's foreign investments.

Latin America Risk. The Fund's performance is expected to be closely tied to social, political, and economic conditions within this region and may be more volatile than the performance of funds that invest in more developed countries and/or in more than one region.

Currency Risk. Currency conversion costs and currency fluctuations could erase investment gains or add to investment losses. Currency exchange rates can be volatile.