VettaFi

ROBO Index 3Q25 Commentary

As of September 30, 2025

The ROBO Global Robotics and Automation Index saw +9% performance during the third quarter, with eight of the eleven subsectors positive. This quarter saw significant strength, recovery, and impact of burgeoning new markets impact in core ROBO subsectors **manufacturing & industrial automation**, **logistics** and **autonomous systems**.

Manufacturing & industrial automation (+21.1) saw strong performance from **Celestica** (+57.8%), **Teradyne** (+49.5%), and **Hon Hai Precision** (+34.1%) which are each seeing their respective end markets strengthening.

Actuation (+12.8%) saw strong growth primarily through exposure to power systems in data centers and overall global electrification, led by **Delta Electronics** (+96.4%) and **Han's Laser** (+70.0%). **Autonomous Systems** (+24.8%) continues to grow in size as a subsector — now 6.5% weighting. It saw strong performance from next-gen mobility players **Joby** (+51.7%) and more recent additions, **Tesla** (+39.5%) and China-based **XPeng** (+29.7%). Smaller subsectors **food & agriculture** and **healthcare** lagged, as the two have been the most hit by current and/or expected tariff impact.

Overall, multiple signals are pointing towards continued strength to finish out 2025 and even stronger conviction towards 2026 pull-through, as seen by order upticks and positive commentary from System Integrators such as **ABB** (+21.2%), **Siemens** (+5.4%) and **Rockwell Automation** (+5.5%). International growth (ex-China) continues to pan out, as geo diversification objectives remain in early stages for the robotics industry.

HTEC Index 3Q25 Commentary

As of September 30, 2025

The ROBO Global Healthcare Technology and Innovation Index **gained 5.7% in the third quarter**, bringing its **year-to-date return to 4.7%.** The performance was underpinned by a positive earnings season, where **78% of index members reported EPS growth and 85% grew sales.**

The quarter saw four out of nine subsegments posting double-digit gains. **Precision medicine (+16.3%)** was a key driver, led by **Arrowhead (+107.6%)**, which announced successful results for its Huntington's disease treatment, now set to become its first commercial product. In **medical instruments (-3.4%)**, STAAR Surgical agreed to a takeover bid priced at a 59% premium. **Telehealth (+30.3%)** has had a strong 2025, while **regenerative medicine (+47.1%)** bounced back after a weak Q2.

Late in the quarter, regulatory headwinds emerged from Washington regarding potential tariffs on medical instruments deemed key to national security. This news put pressure on valuations, which remain below their historical averages.

THNQ Index 3Q25 Commentary

As of September 30, 2025

The ROBO Global Artificial Intelligence Index demonstrated strong Q3 2025 performance (+17.2%), with nine out of ten subsectors positive, outperforming the Vettafi Full Developed World Index's +6.5% return. AI continues to eat the world and adoption is skyrocketing.

As global AI capex surges with no slowdown in sight, **network & security** (+23.4%) has emerged as critical, behind-the-scenes infrastructure. **Astera** led with +118%, while **Pure Storage** (+44%) and **Arista** (+40.1%) showed strong data center pull-through. **Cloud providers** (+37.8%) saw **Nebius** surge (+99%) on a $17B Microsoft deal. **Alibaba** (+58.6%) released QWEN models and announced $51B in AI investments. **Alphabet** (+38.6%) reported Google Cloud expanding 32% with strong Gemini adoption.

Semiconductor (+12.1%) saw **Teradyne** (+50%) and **LAM Research** (+34.9%) recovering as the cycle re-accelerates. **Ambarella** (+25.3%) scored new drone deals with its cutting-edge, low-power chips. **Cognitive computing** (+29.1%) saw new THNQ addition (Q2 2025) **IonQ** (+49.6%) announcing accelerated quantum milestones and major partnerships.

About VettaFi

VettaFi is a provider of indexing, data & analytics, industry leading conferences, and digital distribution services to ETF issuers and fund managers. It operates the ETFdb, Advisor Perspectives, and ETF Trends websites and the LOGICLY portfolio analytics platform — engaging millions of investors annually — empowering and educating the modern financial advisor and institutional investor. VettaFi owns and administers the ROBO Global Index Series. For more information, please visit: www.vettafi.com.

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