Southeast Asia Edition

PC Financial (SG) Pte. Ltd.
寶鉅金融（新加坡）有限公司

2025
Q1 Global Investment Guide
Heritage Account

Quarterly Discussion Theme - Implications of Trump 2.0

PC Financial (SG) Pte. Ltd.
寶鉅金融（新加坡）有限公司

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by being a good steward of your wealth

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Content

Foreword

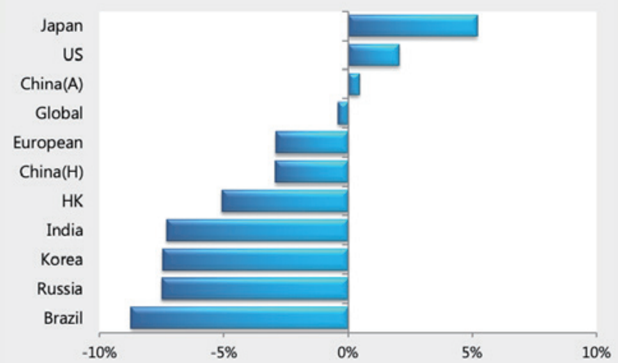
As we enter 2025, the landscape of global markets is set to undergo significant shifts driven by the intersection of U.S. economic exceptionalism and President Trump's multifaceted policy agenda. These policies including tax cuts, deregulation, trade tariffs, immigration reforms (encompassing mass deportation of undocumented migrants and enhanced border security), green policy rollbacks, and foreign policy adjustments are poised to have profound macroeconomic and financial market impacts both in the U.S. and globally. Trump's trade tariffs are likely to create uneven effects across economies, leading to varied fiscal and monetary responses. While Canada, the Eurozone, and China may adopt easing measures to mitigate risks, Japan could consider rate hikes amid regional economic improvements, and the U.S. Fed is expected to moderate rate cuts to manage inflationary pressures resulting from Trump’s policies.

In this dynamic environment, we maintain a strong conviction in an overweight stance on U.S. equities, particularly in sectors benefiting from tax cuts and deregulation. However, if a trade war exacerbates the global slowdown, IG bonds remain a prudent choice, as the Fed would likely respond with accelerated easing measures. This scenario mirrors the events of 2018-2019, when President Trump's trade barriers heightened global economic uncertainties. To enhance portfolio resilience, we also recommend maintaining exposure to uncorrelated assets, such as gold.

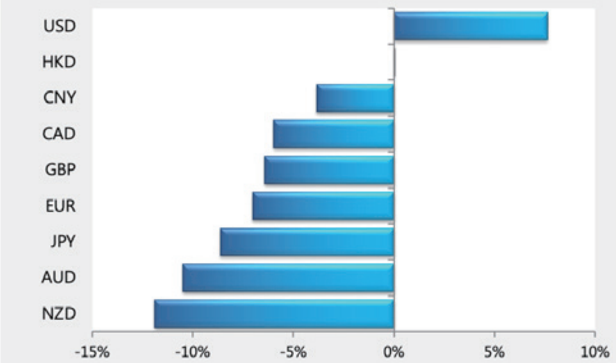
Adopting a "barbell" portfolio approach is critical for navigating uncertain times. This strategy entails positioning at both extremes of the risk spectrum, seeking opportunities in high-beta growth sectors (such as U.S. equities in the technology sector) to leverage the potential upside of Trump's expansionary policies, while concurrently investing in defensive asset classes (such as IG bonds and gold) to protect portfolio performance against potential downside risks. As your private professional wealth manager, we are committed to our mission to continuously create value for our customers. We aim to safeguard our clients' wealth by delivering sustainable and steady returns, and accomplish our core mission goals for our clients. We construct asset allocation and implement our investment strategies with care and diligence, striving to help our customers navigate their way through unpredictable financial markets.

Markets' Performance in the Previous Quarter

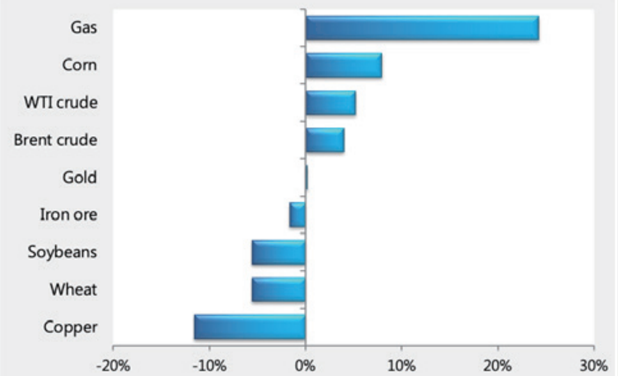
Global Equity Indexes



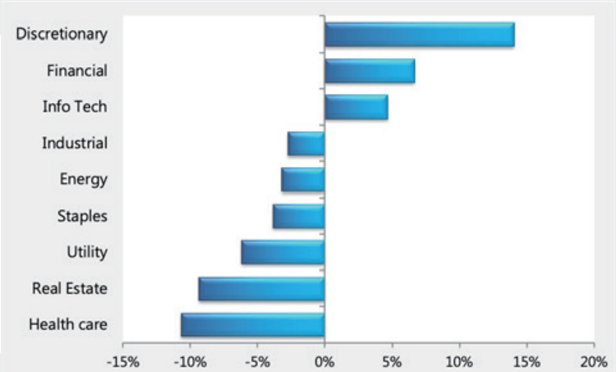
Major Currencies



Commodities



Sectors



Market Commentary on Previous Outperformers and Underperformers

Outperformers : Japan, USD

The Japanese stock market performed remarkably well in 2024Q4, primarily driven by a weakening yen that attracted a significant influx of investors. Reviewing the year as a whole, the Nikkei 225 Index gained nearly 20%, emerging as a standout in global stock markets. At the same time, Japan finally achieved its long-pursued inflation target. Recent inflation exceeded the Bank of Japan's 2% target level, signaling gradual improvements in Japan's economic structure and providing more room for future policy adjustments. On the other hand, the US dollar also showed robust performance in the 2024Q4. Despite the Federal Reserve implementing three consecutive rate cuts during this period, the US Dollar Index rose against expectations. This phenomenon was mainly due to the Fed's cautious forward guidance, maintaining a conservative stance on the prospects for rate cuts in 2025, which fueled market skepticism about the path of monetary easing. Additionally, recent tariff policy statements from Trump may pose potential risks, introducing a new round of inflationary pressures to the market.

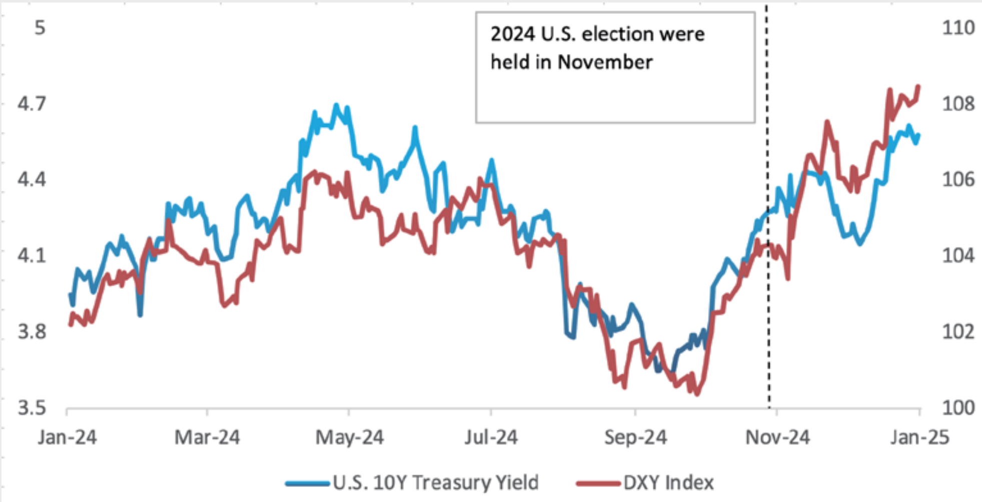
Underperformers : Brazil, NZD

The Brazilian stock market experienced a rather lackluster performance in the 2024Q4, primarily due to the impact of aggressive monetary tightening and market expectations that the Federal Reserve might slow its pace of rate cuts. During the quarter, the Central Bank of Brazil raised interest rates by a total of 150 basis points and pledged to increase the benchmark rate to 14.25% in the coming months. While this move was intended to support the weak real, the ballooning budget deficit exerted pressure on the market, leading to sustained capital outflows and subdued stock market performance. Meanwhile, the New Zealand dollar weakened significantly in 2024Q4, declining by over 10%. This was largely driven by market expectations that the Reserve Bank of New Zealand would implement further substantial rate cuts to support the struggling economy. However, the RBNZ's monetary easing policy diverged from the Federal Reserve's more measured approach to rate cuts, placing additional selling pressure on the Kiwi.

The Tariff Man Returns with the Republican Party Securing a Trifecta

2025 will be an interesting year as the exceptional momentum of U.S. economic growth intersects with the policy framework of Trump's administration. With the Republican Party securing a trifecta, i.e., control of the presidency, the Senate, and the House of Representatives, the stage is set for significant legislative and executive actions. This unified control grants President-elect Trump substantial authority to advance his policy agenda, including potential tax cuts, deregulation, trade tariffs, rollbacks of environmental regulations, shifts in foreign policy, and other measures. While many of Trump's proposed measures remain speculative and subject to evolution post-inauguration on January 20, markets have already responded to his anticipated policy direction. The so-called "Trump trades" have gained momentum, with the S&P 500 up 3.09%, the U.S. Dollar Index rising 4.34%, and the U.S. 10-year Treasury yield surging 7.01% over the November–December period.

Figure 1: "Trump Trades" in play



Source：Bloomberg

We will highlight a few categories of policy measures from Trump's campaign that could materially impact macroeconomic conditions in the U.S. and globally. While the overall direction of these policies is expected to be inflationary, their growth implications are likely to vary.

Tax Cuts & Deregulation: Trump's return signals a shift toward more expansionary U.S. policies, including tax cuts for corporations and households, along with increased deregulation. These initiatives will boost corporate earnings, increase disposable income for consumers, and create a favorable environment for the continued growth of U.S. equities.

Trade Policy & Tariffs: Trump's protectionist stance is poised for revival, potentially including a blanket 10% tariff on most imports and up to 60% on Chinese goods. However, election rhetoric doesn't always translate into actual policy, and Trump may use these tariff threats as bargaining chips. The dynamic is still evolving, but these policies are likely to be inflationary, introduce volatility, and strengthen the U.S. dollar.

Foreign Relations: If Trump fulfills his promise to end all wars, one of the impacts could be lower commodity prices (excluding gold) in 2025.

Rollbacks of Environmental Policies: Trump's pro-fossil-fuel stance is likely to reinvigorate the domestic oil and gas industry. His potential rollback of Biden-era environmental restrictions, along with faster approval of federal drilling permits, could create a more favorable environment for U.S. energy companies. In contrast, the renewable energy sector will face challenges, as Trump's policies prioritize traditional energy sources. The supply of green metals like lithium and copper may be disrupted, as the new administration seeks to increase tariffs, raising costs and affecting the supply chain.

Immigration Policy: Trump's plan for mass deportation of undocumented immigrants could impact U.S. labor force growth and exacerbate existing labor shortages in certain sectors, especially in agriculture, construction, and healthcare. While reducing the workforce could drive up wages for the remaining workers and cause inflationary pressure, it could also reduce domestic consumption, leading to deflationary effects. The overall impact on inflation and GDP growth remains uncertain, as it will depend on the scale and execution of the policy.

Investment Strategy to Position for Trump 2.0

Equities: Trump's tax cuts and deregulation are set to boost domestic consumption and corporate earnings. Beyond these measures, U.S. equities will also benefit from Fed easing, as the central bank shows no immediate intent to pause rate cuts. In contrast, European equities face challenges from U.S. tariffs and the anticipated redirection of Chinese exports from the U.S. to Europe, increasing competition for domestic companies. Meanwhile, the U.S. dollar is expected to remain strong, driven by higher bond yields due to rising tariffs and increased U.S. Treasury bond issuances to fund tax cuts. Asia ex-Japan equities, especially China, may see volatility from tariffs and dollar strength, reinforcing U.S. exceptionalism in the near term.

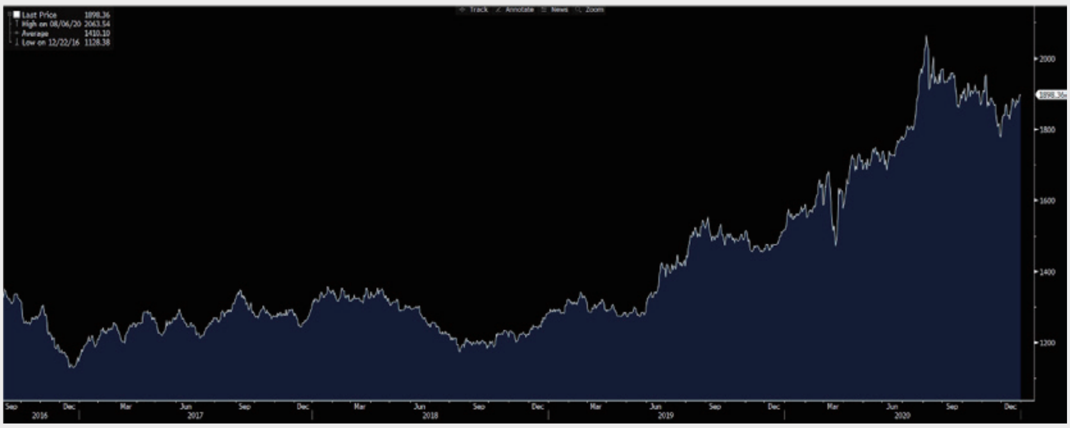
Figure 2: U.S. Equities Outperformed Europe and China (Trump's Election Win Nov 2016 – Loss Nov 2020)

Source：Bloomberg

Bonds: The prevailing view is that bonds could underperform as the Trump administration implements tax cuts and stimulates economic activity. In theory, such measures are inflationary and may slow the pace of Fed rate cuts, posing risks to bonds. However, this perspective only provides part of the picture. Trade tariffs are anticipated to have uneven effects across economies, leading to divergences in central bank policies. This creates opportunities for active investors to rotate between bonds in different countries to capitalize on yield differentials. For passive investors, IG bonds remain a prudent choice, as higher-quality bonds are likely to benefit from Trump's pro-growth policies. Moreover, the U.S. dollar is expected to strengthen, supported by the slower pace of Fed rate cuts and its safe-haven status during economic disruptions caused by tariffs. Consequently, we maintain a preference for USD-denominated bonds over non-USD-denominated bonds.

Commodities: Trump's disruptive trade tariff policies are expected to increase demand for gold as a safe-haven asset. For other commodities (excluding gold), if he keeps his promise to end all wars, prices may decline in 2025.

Figure 3: Trump's Trade Tariffs During His First Term Pushed Gold Prices Higher



Source：Bloomberg

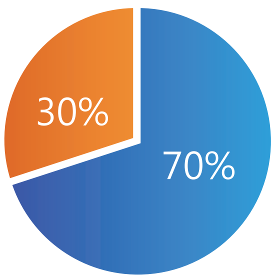
Quarterly Market Outlook

Investment Market	-2	-1	0	+1	+2	Key Points
Stock Market						
U.S.				■		U.S. Equities Exceptionalism to Persist Amid Favorable Fiscal and Monetary Policy Tailwinds
Europe				■		Cautiously Optimistic on Europe Equities as ECB Remains Open to Further Cuts
Japan				■		Japan's Labor Market Performs Hot, Inflation Starts, Monetary Policy Moves Towards Normalization
China			■			Turbulence In the International Situation, Waiting for Favorable Policies
North Asia		■				Korea and Taiwan's Chip Industry Under Pressure, Hong Kong Faces Mounting Fiscal Deficits
Southeast Asia			■			ASEAN Manufacturing Grows Moderately on Domestic Demand Amid External Challenges
Other EM markets			■			Dollar Strength and Global Volatility Pressure Emerging Market Growth
Fixed Income						
IG Bonds				■		Global Easing Cycle Boost Bond Markets
Asian Bonds				■		Global Easing Cycle Boost Bond Markets
Real Estate			■			Chinese Property Stimulus Policy Await Effectiveness
Commodities						
Energy			■			Mixed Signals as Geopolitical Risks Mount Ahead of 2025
Basic Metal			■			Demand for Basic Metals Continues to be Influenced by China's Real Estate Market
Agriculture		■				Wheat Supply has Returned to Normal & Prices are Expected to Trend Downward

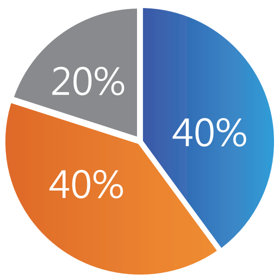
☆ -2 = Strong Sell；-1 = Underweight； 0 = Neutral； 1 = Overweight； 2 = Strong Buy

Portfolio Recommendations

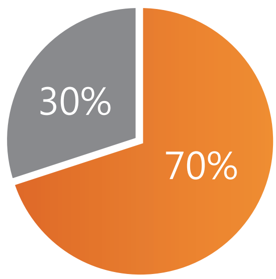
Aggressive



Balanced

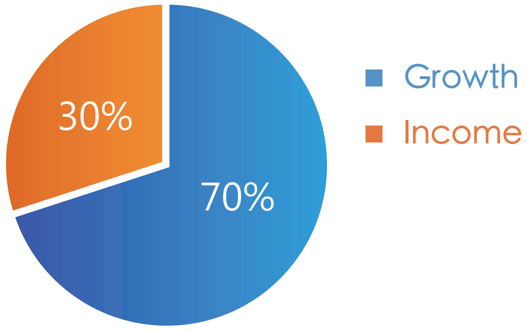


Conservative



■ Growth ■ Income ■ Money Market

Aggressive Portfolio



Growth

Mutual Fund				
Investment Asset	**CUR**	**Investment mandate**	**Market**	**ISIN**
AB SICAV I - International Technology Portfolio A	USD	Invests in companies around the world that derive a majority of their sales from science and technology products and services	Global	LU0060230025
BlackRock Global Funds - World Financials Fund A2	USD	Invests globally in the equity securities of companies whose predominant economic activity is financial services	Global	LU0106831901
Templeton Euroland Fund A (acc)	EUR	Invest in stocks issued by governments and corporate issuers in European Monetary Union member countries	Europe	LU0093666013
abrdn SICAV I - Japanese Sustainable Equity Fund A-acc	USD	Invest in companies listed, incorporated or located in Japan	Japan	LU0912262788
Corporate Stock / Equity Linked Note (ELN)				
Investment Asset	**CUR**	**Company Description**	**Exchange**	**Ticker**
Tesla, Inc.	USD	Production of electric vehicles, on-board computers (FSD systems), solar panels and energy storage equipment	NASDAQ	TSLA.US
Nvidia Corporation	USD	Engaged in the design and manufacture of computer graphics processors, chipsets and related multimedia software	NASDAQ	NVDA.US
Tencent Holdings Ltd	HKD	Mainly provides value-added (VAS) services, online advertising services, financial technology and corporate services	HKEX	700.HK

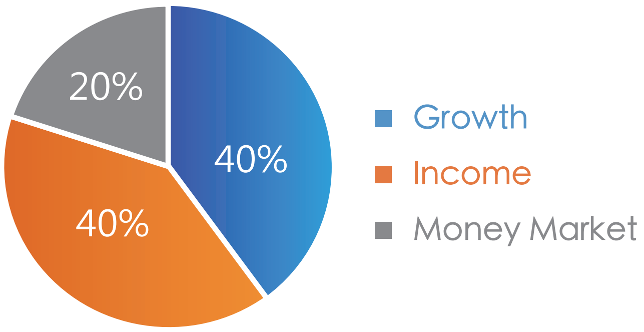
Income

Corporate Bond				
Investment Asset	**CUR**	**Investment Description**	**Coupon**	**ISIN**
Morgan Stanley	USD	YTM: 7.374% / Maturity Date: 2027.06.30	4.421%	US61760QKK93
Citigroup Inc.	USD	YTM: 6.337% / Maturity Date: 2028.10.25	6.415%	US17290A5C00

<Note> Indicative YTM for reference only. Actual YTM is based on the quoted price at point of transaction

Mutual Fund				
Investment Asset	**CUR**	**Investment Mandate**	**Market**	**Ticker**
Manulife Global Multi-Asset Diversified Income Fund (USD) R	USD	Aims to achieve income generation by investing primarily in a diversified portfolio of equity and fixed income securities of companies and/or governments globally	Global	LU2086872988
BGF Global Multi-Asset Income Fund A2	USD	Invests globally in the full spectrum of permitted investments including equities, equity-related securities, fixed income transferable securities, etc	Global	LU0784385840

Balanced Portfolio



Growth

Mutual Fund				
Investment Asset	**CUR**	**Investment Mandate**	**Market**	**ISIN**
AB - American Growth Portfolio	USD	Invests primarily in equity securities of companies that are organized, or have substantial business activities, in the US	USA	LU0079474960
Fidelity Funds - China Consumer Fund A	USD	Invests in involved in the development, manufacture or sales of goods in China or Hong Kong	China	LU0594300179
JPMorgan Funds - Japan Equity Fund	USD	Invests in Japanese companies	Japan	LU0129465034

Exchange Traded Fund				
Investment Asset	**CUR**	**Investment Mandate**	**Market**	**Ticker**
SPDR S&P 500 ETF	USD	Mainly tracks the S&P 500 Index	USA	SPY US
iShares MSCI Japan ETF	USD	Mainly tracks the MSCI Japan Index	Japan	EWJ US

Income

Corporate Bond				
Investment Asset	**CUR**	**Investment Description**	**Coupon**	**ISIN**
FWD Group Holdings Limited	USD	YTM: 6.355% / Maturity Date: 2031.07.02	7.635%	XS2850435731
AIA Group Limited	USD	YTM: 4.713% / Maturity Date: 2027.10.25	5.625%	US00131MAN39
Hong Kong Government	USD	YTM: 4.625% / Maturity Date: 2033.01.11	4.703%	USY3422VCW64

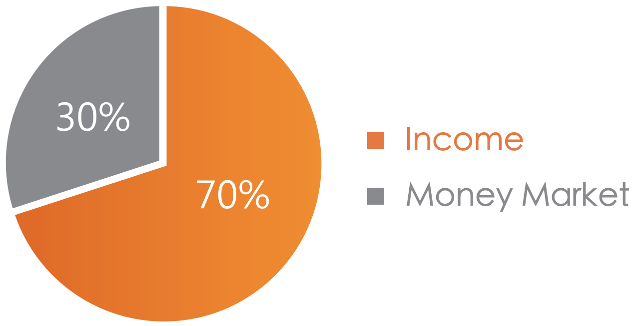
<Note> Indicative YTM for reference only. Actual YTM is based on the quoted price at point of transaction

Exchange Traded Fund				
Investment Asset	**CUR**	**Investment Mandate**	**Market**	**ISIN**
Vanguard Total Bond Market ETF	USD	Tracks Bloomberg U.S. Aggregate Float Adjusted Index	USA	BND US
iShares 5-10 Year Investment Grade Corporate Bond ETF	USD	Tracks ICE BofA 5-10 Year US Corporate Index	USA	IGIB US

Money Market

Mutual Fund				
Investment Asset	**CUR**	**Investment Type**	**Market**	**ISIN**
Global X Asia USD Investment Grade Bond ETF	HKD	Mainly invests in Asia (ex-Japan) bonds denominated and settled in HKD	Asia	3075.HK

Conservative Portfolio



Income

Corporate Bond				
Investment Asset	**CUR**	**Investment Description**	**Coupon**	**ISIN**
Adobe Inc.	USD	YTM: 4.523% / Maturity Date: 2027.04.04	4.850%	US00724PAE97
Apple Inc.	USD	YTM: 4.474% / Maturity Date: 2028.05.10	4.000%	US037833ET32

<Note> Indicative YTM for reference only. Actual YTM is based on the quoted price at point of transaction

Mutual Fund				
Investment Asset	**CUR**	**Investment Mandate**	**Market**	**ISIN**
Fidelity Funds – Asian Bond Fund A-MDIST-USD	USD	Invests primarily in investment grade Asian bonds	Asia	LU0605512432
JPMorgan Funds - Income Fund	USD	Invests primarily in a portfolio of debt securities	Mainly USA	LU1128926489
HSBC Global Investment Funds Ultra Short Duration Bond PC	USD	Invests in bonds and money market instruments	Mainly USA	LU2334455255
PIMCO GIS - Global Investment Grade Credit Fund	USD	Invests primarily in investment grade corporate fixed income instruments	Global	IE00B3K7XK29
Exchange Traded Fund				
Investment Asset	**CUR**	**Investment Mandate**	**Market**	**ISIN**
iShares 20+ Year Treasury Bond ETF	USD	Tracks ICE US Treasury 20+ Year Index	USA	TLT US
iShares 5-10 Year Investment Grade Corporate Bond ETF	USD	Tracks ICE BofA 5-10 Year US Corporate Index	USA	IGIB US
JPMorgan Ultra-Short Income ETF	USD	Actively invests in short-term investment-grade debt	USA	JPST US
iShares International Treasury Bond ETF	USD	Tracks FTSE World Government Bond Index - Developed Markets Capped	Global	IGOV US

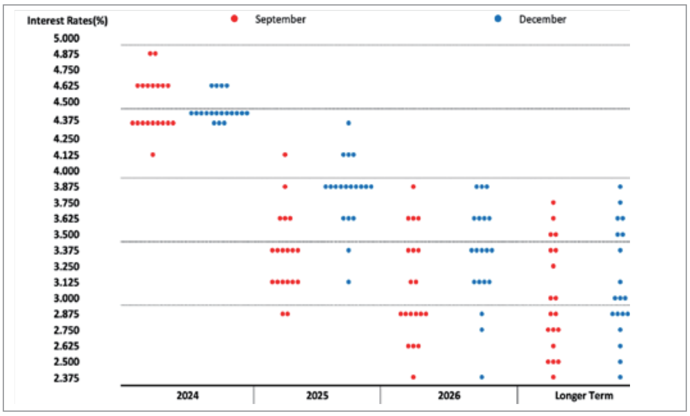
Money Market

Mutual Fund				
Investment Asset	**CUR**	**Investment Type**	**Market**	**ISIN**
Fullerton SGD Cash Fund	SGD	Invests in short-term liquid assets denominated in SGD	Singapore	SG9999005961
Fidelity Funds - US Dollar Cash Fund A-Acc	USD	Invests principally in USD denominated debt securities	USA	LU0261952922

US: U.S. Equities Exceptionalism to Persist Amid Favorable Fiscal and Monetary Policy Tailwinds

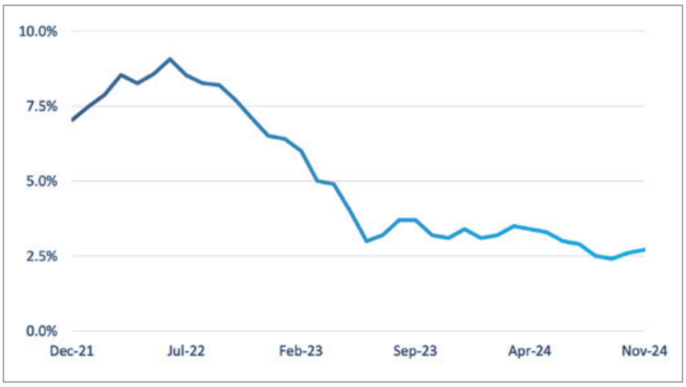
★ 2025 will be an interesting year as the exceptional momentum of U.S. economic growth intersects with the policy framework of President Trump's administration. With the Republican Party securing a trifecta, i.e., control of the presidency, the Senate, and the House of Representatives, the stage is set for significant legislative and executive actions. This unified control grants President-elect Trump substantial authority to advance his policy agenda, including potential tax cuts, deregulation, trade tariffs, rollbacks of environmental regulations, shifts in foreign policy, and other measures. While the specifics of these policies remain speculative and subject to evolution until after the January 20 inauguration, their broader economic implications are likely to be inflationary. Accordingly, the Fed is likely to adjust the pace of monetary easing, though there are currently no signs of an imminent halt to interest rate cuts.

U.S. Fed Latest Dot Plot



★ In November 2024, U.S. CPI increased marginally to 2.7% from 2.6% in October. While inflation remains well above the Fed's target, there are signs of gradual moderation. However, the path of CPI inflation may encounter headwinds from President Trump's proposed tax cuts and trade tariff policies. Trump's policy agenda, including corporate tax cuts and the extension of the Tax Cuts and Jobs Act is poised for swift implementation from the outset of his term. These measures are expected to boost corporate profitability while increasing disposable income for U.S. consumers, thereby stimulating domestic consumption and potentially driving inflation higher. On the trade front, retaliatory tariffs from trade partners could undermine U.S. manufacturers and raise domestic prices. Nonetheless, Trump's second term is anticipated to usher in a more expansionary fiscal stance, boosting U.S. equities in the near term. With favorable fiscal and monetary policies, U.S. equities are well-positioned to sustain their outperformance in 2025Q1.

U.S. Consumer Price Index (YoY)

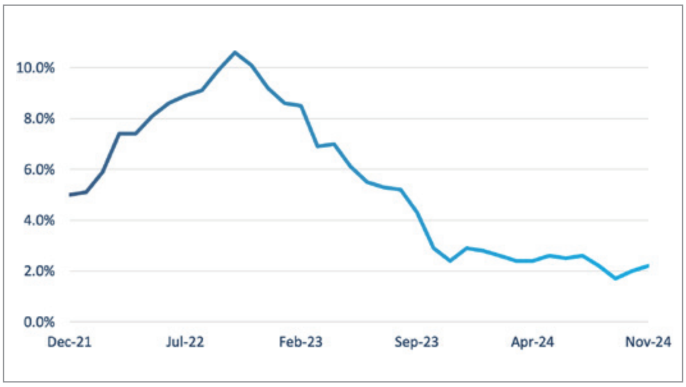


★ Data Source：Bloomberg, 2024/12/31

Europe: Cautiously Optimistic on Europe Equities as ECB Remains Open to Further Cuts

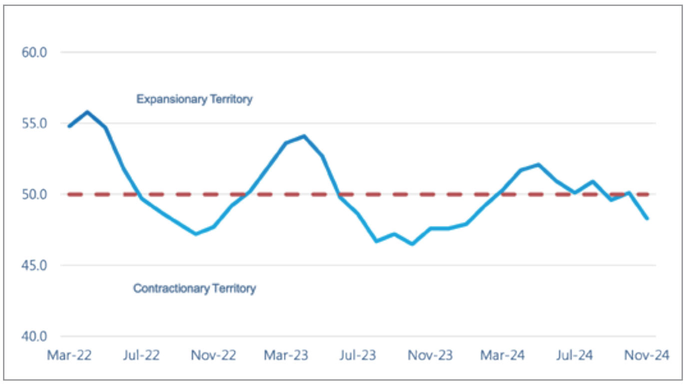
★ The outlook for European equities remains subdued heading in 2025Q1, as the region faces a combination of rising recession risks and geopolitical challenges. In addition to France's economic slowdown, Germany is experiencing contraction, and political instability following the collapse of its governing coalition raises concerns that both countries may be unable to provide the necessary support for Eurozone growth. Uncertainty surrounding potential tariffs under a Trump 2.0 presidency, the extent of U.S. support for Ukraine in the ongoing conflict, and the broader impact of deregulation in the U.S. further complicates the situation. On the inflation front, the Eurozone's CPI rose from 2.0% in October to 2.2% in November, maintaining a relatively benign inflation environment. Given the ongoing growth risks in 2025, the ECB is expected to intensify monetary policy stimulus to bolster the region's economic stability.

Eurozone Consumer Price Index (YoY)



★ Trump's second term is likely to usher in an expanded trade war. A notable risk arises from President Trump's proposal of a blanket 10% tariff, which would directly impact the EU, as the U.S. remains its largest export market. This concern is exacerbated by the fiscal vulnerabilities of several EU member states, many of which are running deficits. Furthermore, the ripple effects of slower economic growth in China and other major trading partners add to the challenges. The anticipated redirection of Chinese exports from the U.S. to European markets, triggered by potential U.S. tariffs on China, is expected to intensify competition for domestic European companies, particularly in the manufacturing sector. The Eurozone composite PMI fell to 48.3 in November 2024, signaling contraction due to an unexpected decline in business activity. Given these dynamics, we expect ECB to focus on economic stimulus through monetary easing, while the Fed may scale back rate cuts to manage inflationary spillovers. As a result, we remain cautiously optimistic about European equities.

Eurozone Composite PMI

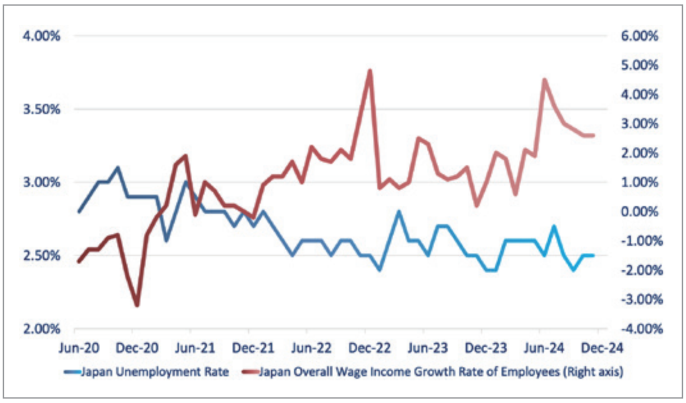


★ Data Source：Bloomberg, 2024/12/31

Japan: Japan's Labor Market Performs Hot, Inflation Starts, Monetary Policy Moves Towards Normalization

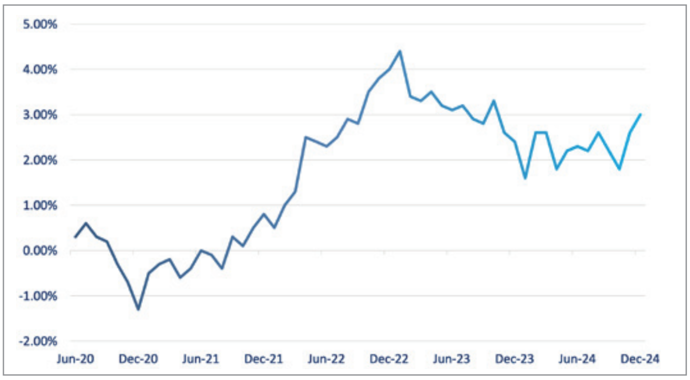
★ The Japanese labor market has recently been thriving, with the national unemployment rate hovering around 2.5%, a historically low level. Demand for labor is strong, and recruitment activity across industries is highly active. Currently, the ratio of job openings to applicants in Japan remains around 1.25, meaning there are 125 job vacancies for every 100 job seekers, indicating a labor shortage in the hiring market. To address this tight labor market, companies are urgently increasing wages and employee benefits to attract and retain talent. As a result, the overall wage growth in Japan is currently at a historic high level. Moreover, the steady rise in employee wages is expected to boost consumption, fostering a virtuous cycle of rising prices and wages. Labor market data serves as a leading indicator, and the robust labor market suggests that Japan's economic activity is becoming increasingly dynamic, which is likely to support the Japanese stock market in 2025.

Japan's Labor Market Performs Hot



★ Following a strong performance in the second quarter, Japan's GDP growth rate exceeded expectations at 0.9% in the third quarter, showing moderate recovery across the first three quarters of 2024. Additionally, since early 2024, Japan's CPI growth rate has remained above the 2% inflation threshold for most of the year. Combined with two interest rate hikes in 2024, this indicates that Japan has definitively emerged from its deflation, marking the end of the negative interest rate era. Currently, the market pricing for Japan's rate hike trajectory suggests a 50-basis-point increase in 2025, with a consensus year-end rate target of 0.725%. In contrast to the global trend of widespread interest rate cuts among major economies, Japan's resilient economic recovery and rate hike expectations are likely to drive a strong yen. This could lead to capital inflows back into Japan, thereby boosting the Japanese stock market. As a result, we maintain an optimistic outlook on the Japanese stock market's performance in the first quarter of 2025 and assign it a "Buy" rating.

Inflation Starts In Japan



★ Data Source：Bloomberg, 2024/12/31

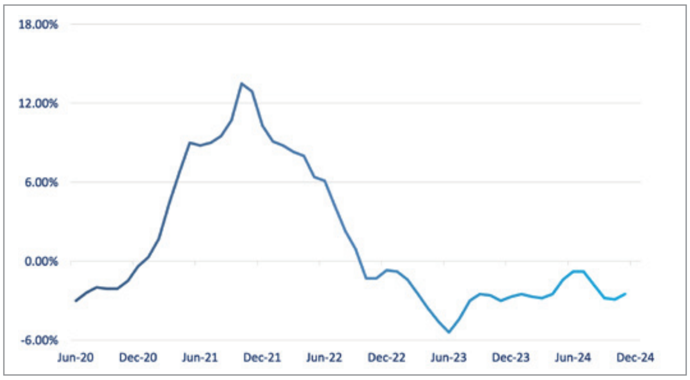
China: Turbulence In The International Situation, Waiting For Favorable Policies

★ Since the policy pivot in September 2024, sentiment in the Chinese stock market has been running high. As of the last trading day of 2024, the Shanghai Composite Index had risen approximately 24.6% from its lowest point before the policy shift in September. Between September 25 and December 31, daily trading volumes on the Shanghai and Shenzhen stock exchanges consistently exceeded 1 trillion yuan, reflecting market confidence in the determination of policymakers and the anticipated rollout of favorable follow-up measures. However, after a rapid rally in the previous phase, the Chinese stock market is currently experiencing sideways fluctuations. The strength of upcoming policy implementations relative to expectations will determine the market's direction. From a data perspective, China's Consumer Price Index (CPI) year-on-year growth has remained in the range of -1% to 1% since falling below 1% in February 2023. It has now fluctuated between 0% and 1% for 10 consecutive months. On the retail side, China's total retail sales grew by 3.45% year-on-year in the first 11 months of 2024, a historically low level.

China's Consumer Price Index (YoY)

★ In the manufacturing sector, China's Producer Price Index (PPI) year-on-year growth has been in negative territory for 26 consecutive months since October 2022, indicating significant downward pressure on prices and reflecting weak overall demand. Meanwhile, China's Manufacturing Purchasing Managers' Index (PMI) has hovered near the threshold of 50, which separates expansion from contraction. Over the 36 months from January 2022 to December 2024, only 13 months were in the expansionary range (above 50), while the other 23 months were in contraction (below 50). Geopolitical conflicts, the implementation of tariff protectionism, and other factors have exerted pressure on exports from China's manufacturing sector, which currently faces a state of relative supply surplus. On the other hand, domestic factors such as slowing economic growth and the downturn in the real estate market have constrained internal demand, weakening the intrinsic momentum of manufacturing. As a result, we maintain a neutral and cautious outlook on the performance of the Chinese stock market in the first quarter of 2025.

China's Producer Price Index (YoY)

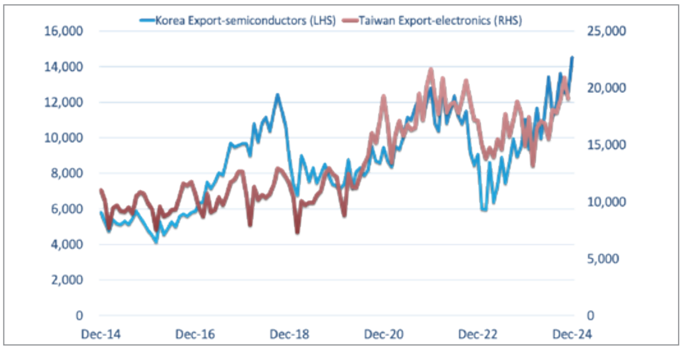


★ Data Source：Bloomberg, 2024/12/31

North Asia: Korea and Taiwan's Chip Industry Under Pressure, Hong Kong Faces Mounting Fiscal Deficits

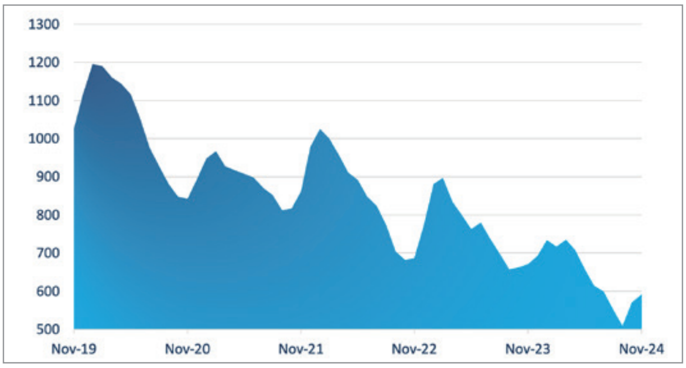
★ Although South Korea's chip exports reached a record high in 2024, the stock market did not experience a significant rally in the 2024Q4. The recent impeachment of South Korea's president has caused major fluctuations in the local capital market. The Korean won has fallen to a historic low, further dampening consumer and business confidence. Additionally, the South Korean government has sharply downgraded its 2025 economic growth forecast from 2.1% to 1.8%, highlighting the pressure from weak private consumption and slowing export momentum. At the same time, Taiwan's chip industry is also facing challenges. Since Donald Trump's presidency, the U.S. has introduced a series of tariff policies and actively promoted the development of its domestic semiconductor industry. These measures pose significant risks to South Korea and Taiwan, both of which heavily rely on chip exports. Overall, the uncertainty in the global trade environment, coupled with South Korea's leadership vacuum, is likely to exacerbate market pressures. Given these factors, we hold a pessimistic view of the economic outlook for South Korea and Taiwan and assign a negative rating to their economies.

South Korea and Taiwan's electronics export (Millions, In USD)



★ Hong Kong is currently facing significant fiscal pressure, recording a deficit of over HKD 100 billion for three consecutive years. As of November, fiscal reserves have dropped to HKD 591.4 billion. While profits tax revenue has remained relatively stable, revenue from land sales and stamp duties has declined sharply. Real estate transactions have traditionally been a major source of income for the Hong Kong government, including stamp duties and land sale proceeds. However, multiple interest rate hikes by the U.S. over the past two years have directly led to a sluggish property market in Hong Kong, with reduced transaction volumes and a lack of enthusiasm among property developers for land acquisitions, further compressing related revenues. Moreover, Hong Kong's structural issue of a narrow tax base has become increasingly evident, with the government overly reliant on real estate-related income. Whenever the property market weakens, the overall fiscal situation suffers a severe blow. Although Hong Kong still has a certain level of fiscal reserves, if the government fails to effectively broaden its tax base, the fiscal deficit could worsen further, posing significant risks to the city's long-term development.

Hong Kong Fiscal Reserves (Billions)

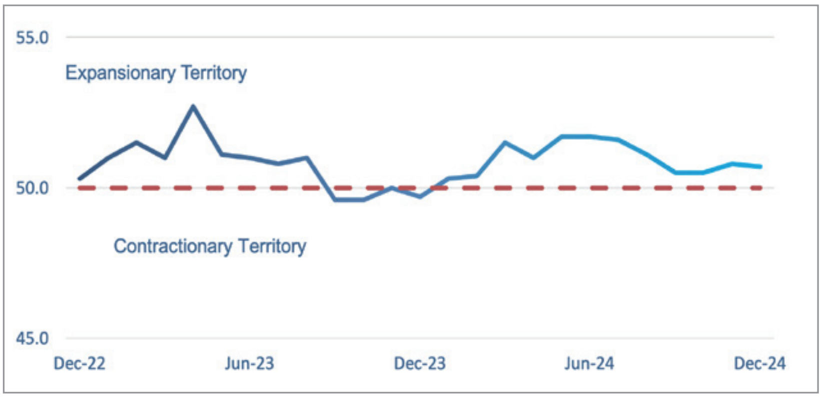


★ Data Source：Bloomberg, 2024/12/31

Southeast Asia: ASEAN Manufacturing Maintains Moderate Growth Driven by Domestic Demand, but External Challenges Hamper Recovery Momentum

★ In 2024Q4, the ASEAN manufacturing PMI index was 50.7 in December. This indicates that the sector remains in expansion territory. Sustained increases in output and new orders have driven improvements in domestic demand, with new orders showing growth for ten consecutive months, underscoring the supportive role of internal demand in economic activity. However, despite the steady performance of domestic demand, employment saw a slight decline, reflecting businesses' cautious stance amid an uncertain economic environment. Weak external demand remains a key challenge, restraining growth in export orders and further impacting business outlooks. Business confidence has fallen to its lowest level in eight months, highlighting concerns about the uncertainty surrounding the global economic outlook. Overall, ASEAN's manufacturing sector demonstrates some stable growth potential driven by domestic demand, but external pressures are limiting a stronger recovery. Therefore, we remain cautiously optimistic about Southeast Asia's outlook.

ASEAN Manufacturing PMI



★ Given the negative correlation between the US dollar and Southeast Asian indices, a stronger dollar may attract global capital flows toward the U.S., reducing foreign direct investment in Southeast Asian countries. Investors are likely to prefer allocating funds to the relatively stable and lower-risk US market while reducing exposure to Southeast Asia. This could also lead to the depreciation of Southeast Asian currencies, increasing the cost of imported goods. For Southeast Asian countries that rely heavily on imported energy, raw materials, and food, rising costs may further translate into higher domestic prices, exacerbating inflation. This would weaken consumers ‘ purchasing power, thereby dampening domestic demand. However, with US-China trade tensions persisting, Southeast Asian countries stand to benefit from the rivalry between the two powers. Therefore, in the short term, we maintain a neutral rating on Southeast Asian stock market.

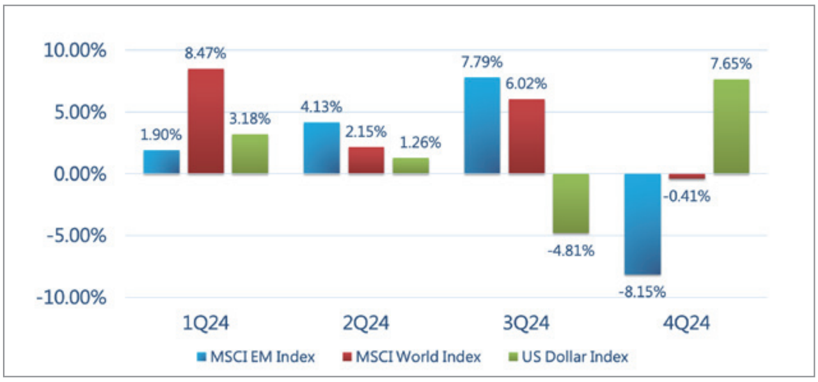
Southeast Asian stocks weaken as dollar strengthens

★ Data Source：Bloomberg, 2024/12/31

Other Emerging Markets: Strength Of The Dollar And Volatility Of The International Situation Put Pressure On Growth In Emerging Market Countries

★ Historically, the performance of the MSCI Emerging Markets Index has shown an inverse correlation with the movement of the U.S. Dollar Index. In Q4 2024, the U.S. Dollar Index increased by 7.65%, while the MSCI Emerging Markets Index dropped by 8.15%. During the same period, the MSCI World Index rose by 7.65%. For the full year 2024, the U.S. Dollar Index gained 7.07%, the MSCI Emerging Markets Index increased by 5.05%, and the MSCI World Index surged by 17%. Looking ahead to 2025, Europe is expected to maintain a faster pace of rate cuts, while the pace of rate cuts in the United States will slow, potentially strengthening the dollar further and putting pressure on emerging markets. However, supported by factors such as global supply chain restructuring and favorable policies, the economic growth prospects of certain emerging market countries remain optimistic. Therefore, we recommend focusing on countries that could benefit from the reshaping of global trade patterns or those likely to implement economic stimulus policies.

Emerging Market Performance VS Dollar



★ At present, while major global economies have entered or are preparing to enter rate-cutting cycles, some emerging market countries have either kept rates unchanged or even raised them again. Brazil, for example, raised rates three times in the second half of 2024, bringing its benchmark rate to 12.25%, a 175-basis-point increase from its mid-year low. Meanwhile, India has maintained its rate at 6.5% for 11 consecutive decisions. Some emerging market countries have been compelled to implement significant rate hikes to combat excessive inflation, keeping rates at high levels for extended periods. However, this high-interest-rate environment exerts pressure on economic activity and may lead to sluggish growth. Even as major global economies are in rate-cutting cycles, uncertain geopolitical conflicts and the rise of trade protectionism could pose additional challenges to the fragile economies of emerging markets. As such, we maintain a neutral and cautious outlook on the performance of emerging markets in the first quarter of 2025.

Global Central Bank Interest Rate Decisions

Country	Recent Interest Rate Changes	Current	Cut Rates?
Canada	- 175 bp	3.25%	↓
Eurozone	- 135 bp	3.15%	↓
Mexico	- 125 bp	10.00%	↓
Brazil	+ 175 bp	12.25%	↑
India	0	6.50%	→

★ Data Source：Bloomberg, 2024/12/31

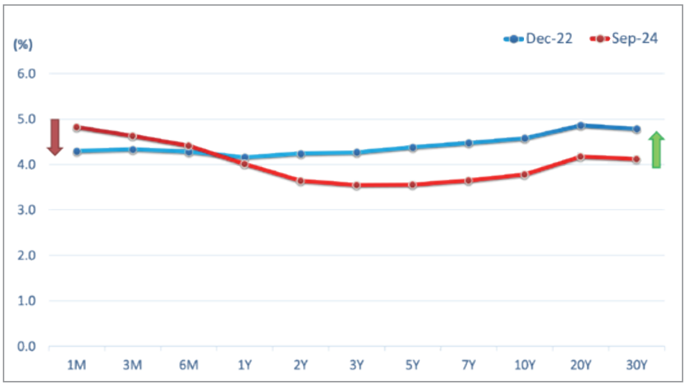
Bond Markets: Global Interest Rate Cutting Cycle Boost Bond Markets

★ At the current stage, with the exception of Japan and some emerging market countries, major global economies—including the United States, Europe, China, and Australia—are either in or about to enter a rate-cutting cycle. Markets expect Europe, Australia, and New Zealand to adopt a relatively aggressive pace of rate cuts in 2025. However, the latest statements from the Federal Reserve indicate a slowdown in the pace of rate cuts for 2025. Meanwhile, the People's Bank of China has signaled that it will consider reducing reserve requirements and interest rates depending on domestic and global economic and financial conditions, as well as the performance of financial markets. Among other Asian countries, South Korea surprised markets with consecutive rate cuts in October and November 2024, totaling 50 basis points. Japan, on the other hand, is likely to continue its rate-hike trajectory. From an investment perspective, we are optimistic about countries expected to continue rate cuts while maintaining robust economic growth, such as China and South Korea.

Asian USD Bond Index

★ In the bond market, a bullish trend has already emerged, as the Federal Reserve cut rates by a total of 100 basis points in the second half of 2024, leading to a steady rise in investment-grade bond prices. Although the Fed has indicated it may slow the pace of rate cuts in 2025, steadily declining inflation data continues to strongly support future rate-cut plans. The clearer rate-cut outlook and faster inflation declines have caused U.S. short-term bond yields to fall and long-term yields to rise, effectively ending the yield curve inversion. This shift suggests a more optimistic market sentiment regarding the U.S. economic outlook. As such, we recommend that investors seize the golden window before the rate-cut cycle concludes and strongly advise purchasing USD-denominated investment-grade bonds.

Interest Rate Inversion Ends



★ Data Source：Bloomberg, 2024/12/31

Industry Trends and Outlook

Banking – U.S. Banks Expected to Benefit from Trump's Pro-Business Agenda and Deregulation

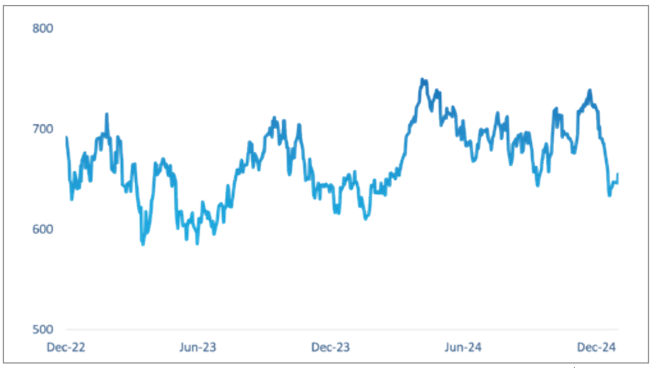
★ The S&P 500 Financials Index rose 6.67% in the fourth quarter of 2024. Global central banks are closely monitoring the return of a Trump presidency and the associated policy shifts, which could have significant macroeconomic and financial market implications worldwide. Economies such as Canada, the Eurozone, and China are likely to adopt aggressive rate cuts to mitigate downside risks, while Japan may pursue rate hikes in response to continued regional economic improvement. The U.S. is expected to moderate rate cuts to manage inflationary pressures linked to Trump's policies. Hence, the performance of banking stocks will largely depend on regional factors, including domestic monetary policy, economic recovery, and U.S. tariffs. U.S. banks are likely to remain at the forefront, supported by Trump's pro-business agenda and deregulation, enabling increased lending and higher profitability. For investors seeking opportunities in this sector, we recommend focusing on well-capitalized "Big Banks", particularly those in the U.S., to capitalize on the favorable policy environment.

S&P500 Financials Index

Energy – Mixed Signals as Geopolitical Risks Mount Ahead of 2025

★ The S&P 500 Energy Index fell 3.20% in the fourth quarter of 2024. The return of a Trump administration is expected to provide favorable conditions for the energy sector, particularly for fossil fuel companies, driven by his “energy dominance” agenda for the U.S. The potential rescission of environmental restrictions enacted by the Biden Administration, alongside expedited approvals for federal drilling permits and leases critical to oil and natural gas production, would create a more conducive operating environment for energy firms. However, the energy market remains influenced by a complex array of geopolitical and economic factors. For instance, the ongoing conflict between Israel and Iran presents a substantial risk to global oil supply, particularly if military actions disrupt oil infrastructure in the region. Furthermore, OPEC+'s extension of production cuts and the EU’s sanctions on Russia continue to add complexity to the market dynamics. Consequently, we maintain a neutral outlook for the sector, expecting continued oil price volatility in 2025Q1.

S&P500 Energy Sector Index



★ Data Source：Bloomberg, 2024/12/31

Industry Trends and Outlook

Technology – Focus on Big Tech with Solid Fundamentals

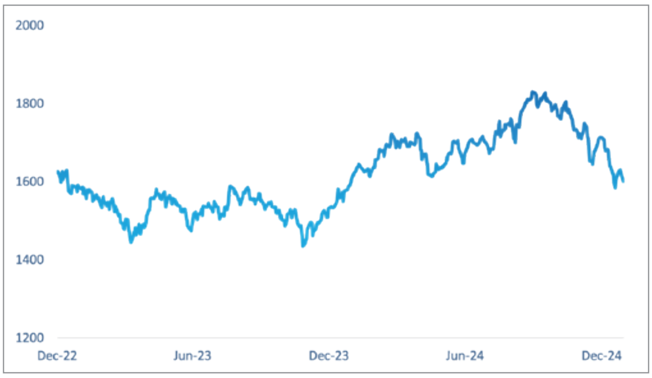
★ The S&P 500 Information Technology Index rose 4.67% in the fourth quarter of 2024. As we enter 2025, technology stocks remain a focal point for investors, primarily driven by trends in artificial intelligence (AI). The ongoing AI revolution is expected to underpin much of the technology sector's growth. The rapid adoption of AI has proven transformative, with companies specializing in AI hardware, software, and services, particularly those involved in semiconductors, cloud infrastructure, and data centers continuing to experience robust demand. We expect AI-driven productivity gains to stimulate ongoing corporate investment in technology. With Trump’s pro-business agenda and Fed easing monetary policy, technology firms, particularly those in the U.S., that exhibit solid fundamentals and are exposed to high-growth sectors such as AI infrastructure and semiconductors are well-positioned for outperformance. Consequently, we maintain a bullish outlook on Big Tech for the upcoming quarter.

S&P500 Info Technology Sector Index

Health Care – Remains a Long-Term Secular Theme

★ The S&P 500 Health Care Index fell 10.67% in the fourth quarter of 2024. The global healthcare sector has proven resilient during market downturns, largely due to the inelastic demand for healthcare services. Several key factors underpin the sector's growth potential, including an aging population, technological advancements, evolving healthcare policies, rising costs, and increasing affluence. Given these dynamics, we recommend focusing on larger pharmaceutical companies within the healthcare space. These firms possess the financial strength to invest in comprehensive R&D, the expertise to secure patent protections, and the resources to acquire leading industry players, ensuring a robust pipeline of innovations. Additionally, long-standing track records are highly valued in the healthcare sector, providing large pharmaceutical companies with a competitive advantage that helps them maintain a leadership position. In contrast to cyclical industries, healthcare demonstrates consistent trajectory of revenue and earnings uptrend across economic cycles.

S&P500 Health Care Sector Index



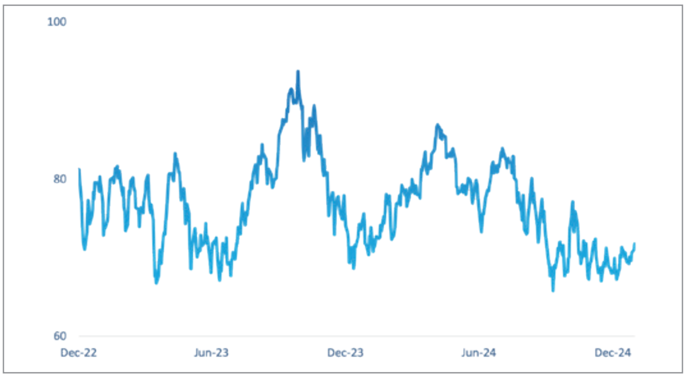
★ Data Source：Bloomberg, 2024/12/31

Commodity Trends and Outlook

Crude Oil – Tug of War Between Weak Demand and Supply Risks

★ Crude oil experienced volatile movements in the past Q4, with prices fluctuating within the $60-$70 range. Despite the Federal Reserve cutting interest rates by a cumulative 100 basis points during 2024Q4, this failed to significantly boost oil prices. Key reasons include the Fed signaling a potential slowdown in its rate-cutting trajectory and the lack of global economic growth momentum, which continues to weaken oil demand. Additionally, with Trump resuming office as U.S. President, geopolitical tensions may ease, leading to a normalization of oil supply and reducing the likelihood of sharp oil price surges. However, recent developments such as OPEC+ extending its production cut agreement, European Union sanctions on Russia, and potential further restrictions from the U.S. provide some support for oil prices. In the short term, the market is likely to remain in a tug-of-war, influenced by supply risks, weak demand, and geopolitical factors. Considering these dynamics, we maintain a neutral rating on crude oil.

WTI Crude Oil Futures (US$/BBL)



Copper – Policy Easing Balances Weak Demand, Market Remains Cautions

★ Despite China being the world's largest consumer of copper and recently introducing several economic stimulus policies, the overall economic performance has yet to show significant improvement, leaving copper demand sluggish. Additionally, some downstream Chinese enterprises have adopted a more cautious approach to purchasing copper. For instance, in the new energy sector, the European Union officially imposed anti-subsidy tariffs of up to 35.3% on Chinese electric vehicles in October, which will remain in effect for at least five years. At the same time, rumors of potential additional tariff measures from the United States have further fueled concerns among Chinese companies, dampening market sentiment even more. However, China has indicated its intention to implement further monetary easing policies in the future, which provides the possibility of a low-level economic rebound and supports the gradual recovery of copper prices. Taking these factors into account, we maintain a cautiously optimistic outlook on copper prices and assign a neutral rating.

Copper Futures (US$/MT)

★ Data Source：Bloomberg, 2024/12/31

Iron Ore – Iron Ore Prices will be Driven by China's Policy Expectations

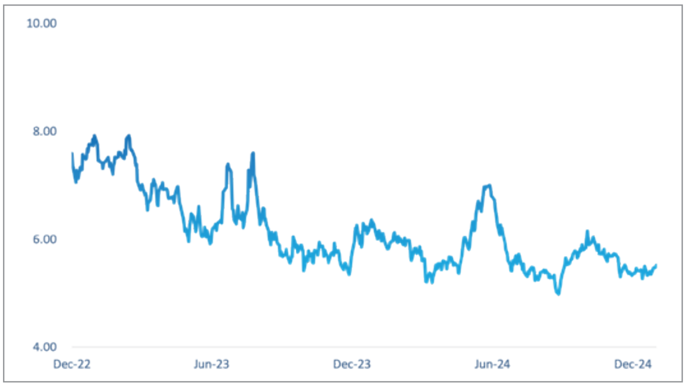
★ In 2024Q4, iron ore prices experienced a short-term downward adjustment. Although China has introduced a series of economic stimulus measures since late September, the real estate sector, which is the largest consumer of steel, has shown persistently weak performance with no significant improvement. Recent trends in iron ore prices suggest that market expectations for further stimulus measures from the Chinese government in the coming months have increased. Starting December 1, Chinese authorities announced a reduction in certain real estate transaction taxes to further support the real estate market. This policy has somewhat boosted market confidence in China as the world's largest consumer of iron ore, driving a rebound in prices by the end of December. Overall, while iron ore prices continue to be supported by Chinese policies, market sentiment remains cautiously optimistic. Therefore, we maintain a neutral rating on the outlook for iron ore prices.

Iron Ore Futures (CNY$/MT)

Wheat – Geopolitical tensions eased and wheat supply returned to normal

★ Wheat prices continued to decline in 2024Q4, primarily due to the appreciation of the US dollar, which weakened the competitiveness of US wheat exports and suppressed market demand. Additionally, the market widely expects an oversupply of wheat, with the USDA projecting global wheat production for the 2024-25 season to reach a record high. At the same time, production in Australia and Argentina exceeded expectations, further intensifying supply pressure. Moreover, with Trump resuming the presidency of the U.S., the Russia-Ukraine war may be nearing its end, potentially normalizing wheat supplies from Ukraine and Russia. This further reduces the likelihood of a significant increase in wheat prices. Although Russia recently announced restrictions on wheat exports, the global market's oversupply remains unchanged, diminishing the actual impact of this measure. As a result, we maintain a pessimistic outlook on wheat price trends and retain our negative rating.

Wheat Futures (US$/Bushel)



★ Data Source：Bloomberg, 2024/12/31

Dollar Index – Resistance：112.497 / Support：104.198

★ The Federal Reserve cut interest rates three times in the second half of 2024, totaling 100 basis points. However, during this period, the U.S. Dollar Index continued to strengthen. This was primarily due to strong U.S. economic performance, as reflected in the data, alongside the fact that other major global economies were also in rate-cutting cycles, with regions such as Europe and New Zealand reducing rates at a faster pace than the U.S. Additionally, the Federal Reserve stated in its press conferences that it plans to slow the pace of rate cuts in 2025. Coupled with the likelihood of new fiscal and monetary stimulus policies under the Trump administration, which could further strengthen the U.S. economy and increase inflation, the Fed may slow rate cuts even further. Bloomberg consensus forecasts indicate a probability of a 2.8 basis-point rate cut in January and a year-end 2025 target rate of 3.895% for the Federal Reserve. As a result, we expect the U.S. Dollar Index to continue rising in 2025Q1, with support at 104.198 (lower Bollinger Band) and resistance at 112.497 (upper Bollinger Band).

Dollar Index

EUR/USD – Resistance：1.0574 /Support：1.0268

★ The European Central Bank (ECB) cut interest rates four times in 2024, totaling 135 basis points—outpacing the Fed' s 100-basis-point cuts. ECB President Christine Lagarde stated that economic growth in the Eurozone has been slower than expected and that inflation (CPI year-on-year growth) has already fallen to around the 2% target range. Consequently, the pace of rate cuts in the Eurozone is likely to exceed that of the U.S. Furthermore, Trump has demanded that the EU purchase more oil and natural gas from the U.S. to reduce the U.S.-EU trade deficit, threatening additional tariffs on the EU if this demand is not met. This trade-related pressure could also weaken the euro relative to the dollar. Bloomberg consensus forecasts indicate a probability of a 27.6 basis-point rate cut by the ECB in January and a year-end 2025 target rate of 1.786%. Therefore, we anticipate that the euro will continue to decline in 2025Q1, with support at 1.0268 (lower Bollinger Band) and resistance at 1.0574 (upper Bollinger Band).

EUR/USD

★ Data Source：Bloomberg, 2024/12/31

Currency Trends and Outlook

USD/JPY – Resistance： 151.15 / Support：160.02

★ The Bank of Japan (BOJ) implemented its first rate hike of 20 basis points in March 2024, ending a 98-month period of negative interest rates that began in January 2016. This marked Japan's emergence from years of deflation and the normalization of its monetary policy. The Japanese labor market remains robust, with unemployment at historic lows, retail consumption showing a moderate recovery, and inflation slightly above the 2% target. The BOJ has signaled its intention to continue raising rates. Coupled with the Federal Reserve's rate-cutting trend, the yen is likely to strengthen in the near future. Bloomberg consensus forecasts indicate a 10.3-basis-point probability of a rate hike by the BOJ in January and a year-end 2025 target rate of 0.725%. As such, we anticipate the yen to trend higher with fluctuations in 2025Q1, with support at 160.02 (upper Bollinger Band) and resistance at 151.15 (lower Bollinger Band).

USD/JPY

XAU/USD – Resistance： 2703.75 / Support：2575.81

★ Since 2023, rising geopolitical conflicts and increased trade tensions among major global economies have heightened investor risk aversion. Gold, as a key safe-haven asset and inflation hedge, has seen strong demand, with central banks worldwide continuously increasing their gold reserves. In 2024, amid escalating geopolitical tensions and the Fed's rate cuts, gold prices experienced significant growth, rising approximately 27% for the year, making it one of the best-performing asset classes. Looking ahead, the new U.S. administration under Trump is likely to implement protectionist tariff policies targeting major trading partners, further intensifying trade conflicts. This is expected to elevate risk-averse sentiment among global central banks, leading to sustained increases in gold reserves. Additionally, the Federal Reserve's rate-cutting pace will continue to support gold prices. Therefore, we expect gold prices to rise further in 2025Q1, with support at 2575.81 (lower Bollinger Band) and resistance at 2703.75 (upper Bollinger Band).

XAU/USD

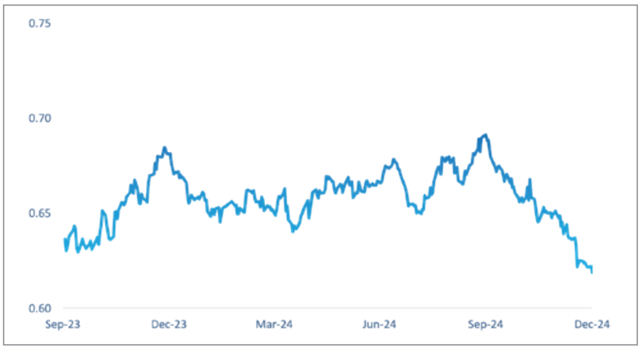
★ Data Source：Bloomberg, 2024/12/31

Currency Trends and Outlook

AUD/USD – Resistance： 0.6429 / Support：0.6122

★ Unlike other major global economies, the Reserve Bank of Australia (RBA) has yet to enter a rate-cutting cycle, primarily due to inflation not declining as expected. The market widely anticipates that the RBA's first rate cut will occur in April 2025. A decline in mineral resource prices, led by iron ore, and reduced export volumes have negatively impacted Australia's current account performance, resulting in net outflows for all three quarters of 2024. Australia's GDP growth for the first three quarters of 2024 fell short of expectations, while the inflation rate (CPI year-on-year growth) has eased to the 2% range, paving the way for future rate cuts. As a result, the Australian dollar is expected to weaken further against the U.S. dollar. Bloomberg consensus forecasts indicate a 17.8-basis-point probability of a rate cut by the RBA in February and a year-end 2025 target rate of 3.521%. Accordingly, we anticipate the Australian dollar to continue depreciating in 2025Q1, with support at 0.6122 (lower Bollinger Band) and resistance at 0.6429 (upper Bollinger Band).

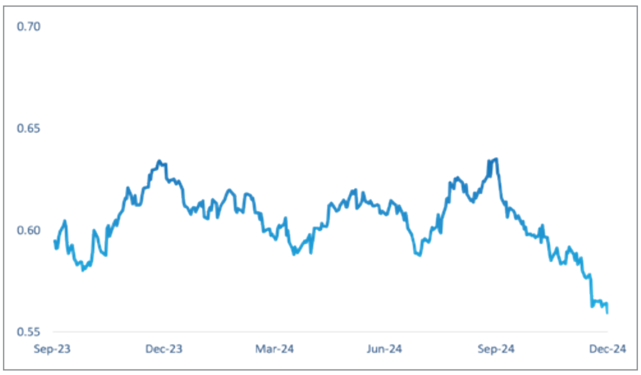
AUD/USD



NZD/USD – Resistance：0.5847 / Support：0.5519

★ The Reserve Bank of New Zealand (RBNZ) has cut rates three times in 2024, totaling 125 basis points. This aggressive pace of rate cuts is largely driven by weak economic data since the second half of 2024. New Zealand's GDP growth for Q3 2024 contracted by 1.5%, significantly missing expectations, and the inflation rate (CPI year-on-year growth) has rapidly declined to 2.2%. The market expects New Zealand to maintain a relatively fast pace of rate cuts in 2025 to stimulate its economy. The accommodative monetary policy is likely to weigh on the New Zealand dollar. Bloomberg consensus forecasts indicate a 56.1-basis-point probability of a rate cut by the RBNZ in February and a year-end 2025 target rate of 2.978%. Therefore, we expect the New Zealand dollar to continue weakening in 2025Q1, with support at 0.5519 (lower Bollinger Band) and resistance at 0.5847 (upper Bollinger Band).

NZD/USD



★ Data Source：Bloomberg, 2024/12/31

Currency Trends and Outlook

USD/CNY – Resistance： 7.2541 / Support：7.3177

★ Since 2024, the People's Bank of China (PBOC) has cut the 5-year Loan Prime Rate (LPR) three times, totaling a 60-basis-point reduction. At the Central Economic Work Conference held in December, it was stated that China will adopt a more proactive fiscal policy and moderately accommodative monetary policy in 2025. The Chinese yuan has been on a downward trend since September 2024, hitting a one-year low by the end of December. This is primarily due to market concerns over potential unfavorable tariff policies from the new U.S. administration and worries about China's slower-than-expected economic growth. China's inflation rate (CPI year-on-year growth) has remained below the 2% target for 21 consecutive months, while the PPI growth rate has been negative for 25 months. Given the likelihood of concentrated policy announcements from the new U.S. administration, the yuan faces significant uncertainty. Therefore, we maintain a cautious outlook on the RMB exchange rate in 2025Q1. We expect the yuan to continue fluctuating and weakening, with support at 7.3177 (upper Bollinger Band) and resistance at 7.2541 (lower Bollinger Band).

USD/CNY

GBP/USD – Resistance： 1.2799 / Support：1.2372

★ Since 2024, the Bank of England (BOE) has cut rates twice, totaling 50 basis points. Currently, the UK's economic activity mirrors that of the Eurozone, with GDP growth fluctuating between 0% and 1% and inflation (CPI year-on-year growth) hovering around the 2% target. Due to the BOE's relatively hawkish stance and better economic data compared to Germany, the British pound may serve as a safe-haven asset in the Eurozone, making it relatively stronger against the euro. However, against the U.S. dollar, the BOE's faster pace of rate cuts and weaker economic growth are expected to drive the pound lower. Bloomberg consensus forecasts a 17.9-basis-point probability of a rate cut by the BOE in February and a year-end 2025 target rate of 4.083%. Therefore, we expect the pound to weaken slightly in 2025Q1, with support at 1.2372 (lower Bollinger Band) and resistance at 1.2799 (upper Bollinger Band).

GBP/USD

★ Data Source：Bloomberg, 2024/12/31

PCSFG Diversified Investment Tools

Securities

Broad range of stocks from different markets
HK Stocks, China A-shares, US Stocks, Singapore stocks

Diversified stocks and ETFs investment recommendation
Professional team execute rigorous stocks and ETFs selection and offer recommendation according to updated market outlook

We help you track markets and gain insight to global markets
Daily focused stocks, daily market updates, global market focus and weekly market updates

Check your account status at any time
Monthly statement, customized investment solutions

Reasonable fees
Enjoy premium service at a reasonable price

Structured Products

Equity Linked Note (ELN)
Structured investment product linked to equity. Performance of the product depends on the stock price of the underlying equities

Structured Note (SN)
With a diverse range of underlying investment including equity, indexes, interest rates, commodities or a portfolio, an investor can receive agreed interest income or earn capital gain at agreed participation rate at maturity. The outperformance of the note at maturity depends on the performance of the underlying investment

Dual Currency Investment (DCI)
Also known as Premium Currency Investment (PCI), this is a structured investment that combines a foreign currency investment with a foreign exchange option

Bonds

Wide variety of bonds
Wide range of bonds issued by different countries, government, financial institutions and other large corporates

Various settlement methods to suit your needs
Various currencies, rates and maturities available

Bonds Portfolio Recommendation
Advise fixed income asset allocation and help clients to construct bond portfolio fitting in with their risk-reward profile

PC Series Fund

*For professional investor only

Funds with flexible features to help you achieve your investment goals

Available fund types:
- Equity Fund
- Hedge Fund
- Bond Fund
- Real Estate Fund
- Mortgage Fund
- Private Credit Fund

PCSFG Diversified Investment Tools

Mutual Funds

We provide access to more than 60 asset managers with more than 1,000 funds under management. Asset managers on our platforms are well known and focused in Asia, Europe, and the US and include such diverse areas as technology, fixed income, and alternative investments like hedge funds. We can tailor-make a suitable fund portfolio for you based on your investment objectives.

Reputable Fund Houses (Singapore Region)					
01	abrdn Asia Limited	22	First Sentier Investors (Ireland) Limited	43	Nikko Asset Management Asia Limited
02	Aggregate Asset Management Pte. Ltd.	23	Franklin Templeton International Services S.à r.l.	44	Ninety One Singapore Pte. Limited
03	AllianceBernstein (Singapore) Ltd.	24	Fullerton Fund Management Company Ltd	45	Nordea Investment Management AB
04	Allianz Global Investors GmbH	25	GAM Fund Management Limited	46	Pecora Capital LLC
05	Allspring Global Investments Luxembourg S.A.	26	Goldman Sachs Asset Management (Singapore) Pte. Ltd.	47	Phillip Capital Management (S) Ltd
06	Amundi Luxembourg S.A.	27	Guinness Asset Management Ltd	48	PIMCO Global Advisors (Ireland) Limited
07	Aviva Investors Luxembourg S.A.	28	HSBC Investment Funds (Luxembourg) S.A.	49	PineBridge Investments Ireland Limited
08	AXA Investment Managers Asia (Singapore) Ltd	29	iFAST Financial Pte. Ltd.	50	Pinnacle Capital Asia Private Limited
09	Baillie Gifford Investment Management (Europe) Limited	30	INVESCO Management SA	51	Prime Asia Asset Management Pte. Ltd.
10	Banjaran Asset Management Pte. Ltd.	31	Janus Henderson Investors Europe S.A.	52	RHB Asset Management Pte. Ltd.
11	BlackRock (Luxembourg) S.A.	32	JPMorgan Asset Management (Europe) S.à r.l.	53	Schroder Investment Management (Europe) S.A.
12	BNP Paribas Asset Management Luxembourg	33	Jupiter Asset Management Limited	54	Sundaram Asset Management Singapore Pte. Ltd.
13	BNY Mellon Investment Management Singapore Pte. Ltd.	34	Lion Global Investors Limited	55	T. Rowe Price (Luxembourg) Management S.à r.l.
14	Canaccord Genuity Wealth (International) Limited	35	M&G Investment Management Limited	56	Threadneedle Management Luxembourg S.A.
15	Capital International Management Company Sàrl	36	Man Investments Limited	57	UBS Fund Management (Luxembourg) S.A.
16	CSOP Asset Management Pte. Ltd.	37	Manulife Investment Management (Singapore) Pte. Ltd.	58	UOB Asset Management Ltd
17	DWS Investment GmbH	38	Maybank Asset Management Singapore Pte. Ltd.	59	Value Partners Limited
18	E Fund Management (Hong Kong) Co., Limited	39	Mirae Asset Global Investments (Hong Kong) Limited	60	Vanguard Group Ireland Ltd
19	Eastspring Investments (Luxembourg) S.A.	40	Momentum Global Investment Management Limited	61	Wellington Luxembourg S.à r.l.
20	Eurizon Capital S.A.	41	Natixis Investment Managers International	62	Zeal Asset Management Limited
21	FIL Investment Management (Luxembourg) S.A.	42	Neuberger Berman Asset Management Ireland Limited		

* Due to limited space, the fund house list is not exclusive.

For more information, please contact our Relationship Managers.

New Capital Investment Entrant Scheme

新资本投资者入境计划

Qualified investors who makes investment of not less than HK$30 million net in the permissible investment assets (or equivalent in foreign currencies) to which he/ she is entitled to the scheme.

在香港投资於获许投资资产达**3,000万港元或以上 (或等值外币)** 的合资格投资者 , 可透过计划申请来港。

Permissible Investment Assets
获许投资资产

Permissible Financial Assets
获许金融资产

- **Equities**
  股票
- **Debt Securities**
  债券
- **Subordinated Debt**
  后偿债项
- **有限合伙基金**
  (投资金额上限 1,000 万港元)
- **Eligible Collective Investment Schemes**
  合资格集体投资计划
- **Certificates of Deposits**
  (Maximum Investment Limit HK$3 million)
- **存款证**
  (投资金额上限 300 万港元)
- **Ownership Interest in Limited Partnership Funds**
  (Maximum Investment Limit HK$10 million)

Real Estate
(The total investment amount which is counted towards the fulfillment of minimum investment is subject to an aggregate cap of HK$10 million)

房地产
(获计入符合最低投资门槛的要求的总投资上限为1,000万港元)

- **Residential Real Estate**
  住宅房地产
- **Non-Residential Real Estate**
  非住宅房地产

CIES Investment Portfolio
(Maximum Investment Limit HK$3 million)

资本投资入境计划投资组合
(投资金额上限 300 万港元)

Additional Investment Holding Mechanism (Effective on 1 March)
Apart from the existing holding method, an Applicant can also hold his investment in a private company

新增持有投资方式 (3月1日起生效)
除现行持有方式外，申请人亦可透过全资拥有的私人公司持有投资

PC Immigration
寶鉅移民

Mainland (内地) : 86-15000225449
Hong Kong (香港) : 852-52232118

hkcies@pcsfg.com.hk

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Red Note 小红书
Website 官网

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www.pcsfg.com/heritage