NEW DIMENSIONS CAPITAL

WEEKLY BULLETIN

June 2024: Issue #2

Quote of the Week.

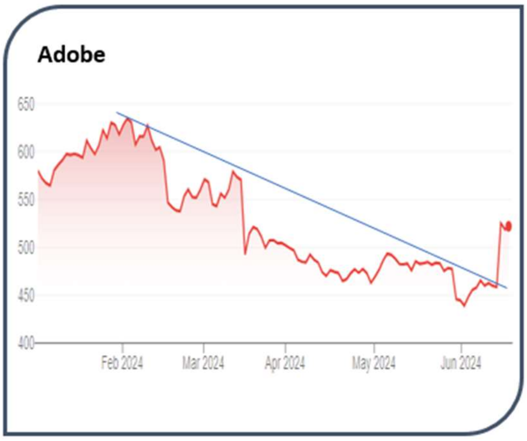
Opportunities come infrequently. When it rains gold, put out the bucket, not the thimble – Warren Buffett

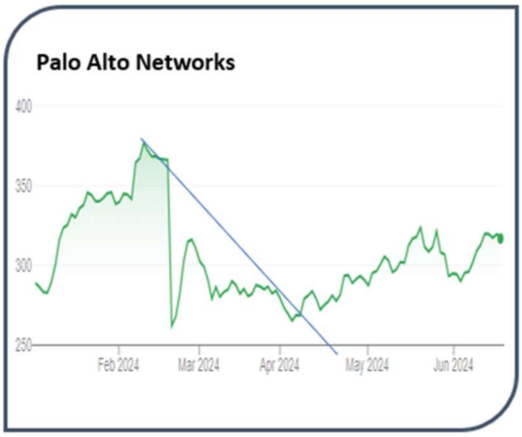
Another week, another set of records shattered. The S&P 500 and Nasdaq are continuing their awe-inspiring upward trajectory, with heavyweights like Nvidia, Apple, and Microsoft leading the charge last week. The market remains captivated by the potential of artificial intelligence, betting big on its promise to deliver staggering profits that justify today's sky-high valuations. This brings us to the crucial question of the week: should we still be investing in this market?

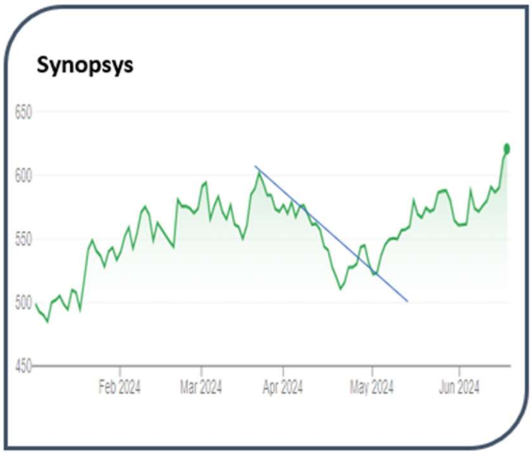
Since then, the stock market has kept climbing, with indices now hovering near their all-time highs. This situation leaves many investors wondering if they should wait for a pullback before committing more funds. It's completely natural to seek a better price on investments. Few things that feel worse than investing only to see your holdings drop in value soon after buying. Given that every bear market begins at an all-time high, it's easy to worry that a downturn could happen if you invest now.

However, before the market reaches its peak, there are usually signs of exhaustion or unsustainability or bad economic news—none of which we are seeing at the moment. Typically, hitting record highs often leads to more records as the market rotates through sectors, finding new winners and correcting overextended stocks. Within this rotation, some stocks are already showing signs of recovery, with recent earnings reports turning positive and supporting a rebound.

In particular, I've noticed a few stocks that stumbled in April and May but are now being lifted by the bullish momentum driven by the 'Magnificent Five' tech stocks. This rotation and recovery among individual stocks suggest that opportunities still exist, even in a market near its peak.







Last Week 's Notable Events.

US Economy/Politics

- Moody's sees US financial system shaking as economic data get weird – 11th Jun
- US May CPI y/y 3.3% vs exp 3.4% – 13th Jun
- Fed maintains current policy rate and sees only one rate cut in 2024, – 13th Jun
- Exports between US and China could see sharp declines from AI-powered cyberattacks – 14th Jun

Europe Economy/Politics

- EU tariffs on China EVs to reach as high as 48% with new levies – 13th Jun
- UK GDP arrives at 0% month on month in April as expected – 13th Jun

Asia Pacific Economy/Equity

- Japan Q1 GDP revised up marginally to annualised 1.8% contraction – 10th Jun
- Foreign investors flee Thai stocks, fuelling world biggest drop – 12th Jun
- Malaysia economy to grow 4-5% in 2024 – 13th Jun
- Thailand willing to join BRICS as soon as possible, says top diplomat – 13th Jun

Weekly Data Monitor.

Performance

- Global equity in positive, supported by strong US equity performance,
- US real estate recovers while APAC real estate hurt by Fed longer rate hold.

Weekly chart:

- Oil spiked higher on geopolitical worries and supply constraints.

Note: The chart shows normalised weekly highs and lows for the Indicator, BLUE being the LATEST.

INDEX	Weekly %	MTD %	YTD %	1YR %	3Y %	5Y %
Global Equity	**0.42**	2.42	11.51	19.67	19.82	68.56
Global Real Estate	**0.85**	0.77	-3.61	4.30	-9.45	5.04
US Real Estate	**1.35**	1.14	-3.72	4.77	-6.08	11.86
APAC Real Estate	**-1.33**	-1.30	-4.39	-3.69	-27.82	-27.05
Investment Grade	**0.26**	0.86	2.50	10.42	5.59	21.75
High Yield Bonds	**0.54**	0.94	-2.39	1.41	-14.96	-8.12
Global HY ETF	**-2.11**	-2.81	4.23	6.55	13.48	31.43
ASIA Real Estate ETF	**-1.72**	-0.92	-12.72	-14.88	-30.77	-32.72
USD Index	**0.63**	0.59	3.90	2.98	14.17	8.42
Gold	**1.68**	0.18	12.91	19.54	32.16	71.39
WTI Oil	**3.72**	5.44	13.40	13.10	13.32	51.00

Chart of the Week.

The chart on the right displays Q1 gold demand tracked by the World Gold Council. Interestingly, the recent data reveals that ETFs are increasingly shorting the gold market, a move that contradicts the recent price action. On June 13, gold prices faced pressure after the Fed projected just one rate cut in 2024. The $2,350 mark may present a significant short-term barrier for gold as long as the Fed shows no inclination to cut rates. I anticipate stronger buying interest around $2,285 in the near term due to geopolitical uncertainties.