

WEEKLY BULLETIN

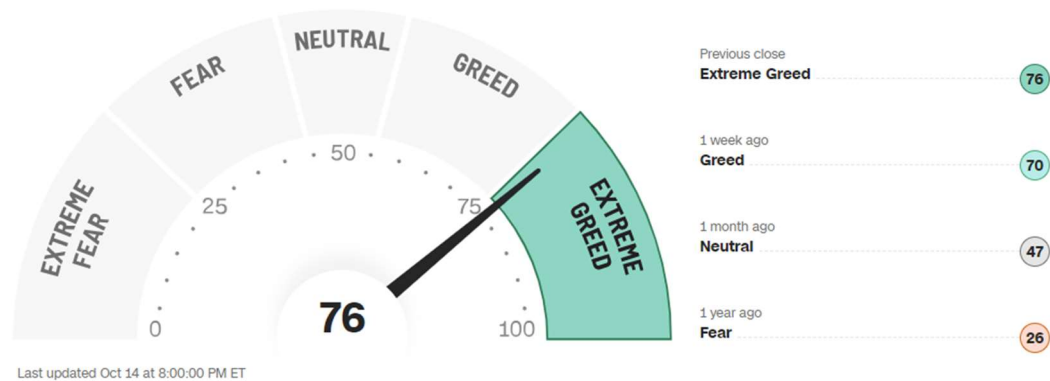
Oct 2024: Issue #2

Quote of the Week.

If I have seen further than others, it is by standing upon the shoulders of giants – Sir Isaac Newton

The S&P 500 and Dow are on an upward trajectory, fueled by high expectations for strong earnings reports from major tech firms and big banks, starting October 11. With the U.S. economy buoyed by hopes of a "soft landing," we're witnessing record levels in the three key stock indexes week after week. Unless we encounter concerning economic signals, the bullish momentum seems to persist, potentially extending from the "Magnificent Seven" to broader sectors.

However, amid this excitement, it's important to exercise caution: the CNN Fear & Greed Index has moved into "Extreme Greed" territory. As the saying goes, "Be greedy when others are fearful," and conversely, we should be "fearful when others are greedy." The current "fear of missing out" (FOMO) is driving a surge in short-term buyers, making strategic portfolio management essential. My advice is to seek out investments of true value or consider waiting for more favorable opportunities.



Looking ahead, European earnings growth appears modest for 2024 and 2025, prompting us to avoid European allocations unless attractive bargains in quality companies arise.

Our primary focus remains on the Asia-Pacific region. Japan, Taiwan, and Korea are currently at elevated levels following the U.S. rally. Caution is warranted here, especially with high-quality stocks reaching record highs; we need to ensure their earnings can support these valuations. Conversely, opportunities are emerging in markets that haven't yet experienced significant price rallies. Countries like Thailand, Australia, and Singapore could be promising investment targets, particularly if potential Fed cuts stimulate capital inflows back into these regions.

Let's stay vigilant and strategic in this dynamic landscape!

Last Week 's Notable Events.

US Economy/Politics

- Hurricane Milton nears landfall on Florida's west coast, disrupts energy infrastructure – 9th Oct
- JPMorgan calls it: The US economy has made a soft landing – 11th Oct
- From G2 to Cold War 2.0: The changing US Attitude toward China – 12th Oct
- Current US national debt is -\$35.68 Trillion. The debt ceiling suspension will end on Jan 1, 2025 – 13th Oct

Europe Economy/Politics

- Ericsson ties with Softbank on AI-RAN – 11th Oct
- For Europe's economy, US election risks outweigh upside – 12th Oct

Asia Pacific Economy/Equity

- China explores cross-border uses for digital Yuan in new trial -9th Oct
- Malaysia tax perks draw family offices to Forest City's special financial zone – 11th Oct
- China ready to partner with Singapore on modernization: Premier Li – 11th Oct
- Japan PM Ishiba says he won't intervene in BOJ's rate policy – 12th Oct
- TikTok lays off hundreds in Malaysia in move toward AI moderation – 12th Oct

Weekly Data Monitor

Weekly chart:

- S&P500 continues to rally higher
- MSCI Asia Pacific drag down by the fall in Hong Kong index
- Oil surge higher on potential disruption in Middle East and demand increase ahead of Hurricane Milton

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	0.64	0.66	19.45	32.23	23.00	77.25
S&P500	1.10	1.69	22.85	35.40	31.05	95.61
MSCI Asia Pacific	-1.14	-1.39	13.54	22.42	-3.08	21.17
Global Real Estate	-0.52	-2.53	10.26	29.95	-0.31	15.52
US Real Estate	-0.26	-2.15	11.27	31.27	2.39	24.08
APAC Real Estate	-3.88	-3.43	6.43	16.53	-15.88	-17.84
Investment Grade	-0.31	-0.48	7.49	15.98	9.30	25.53
High Yield Bonds	-0.61	-2.30	1.21	9.78	-10.88	-6.19
Global HY ETF	-0.83	3.65	9.35	18.38	22.59	28.41
ASIA Real Estate ETF	-2.54	-3.05	-4.51	5.76	-14.90	-16.96
USD Index	0.36	2.48	1.92	-3.16	9.94	5.07
Gold	0.11	0.54	28.39	37.94	49.85	78.85
WTI Oil	1.56	4.33	-0.74	-18.90	-13.56	34.67

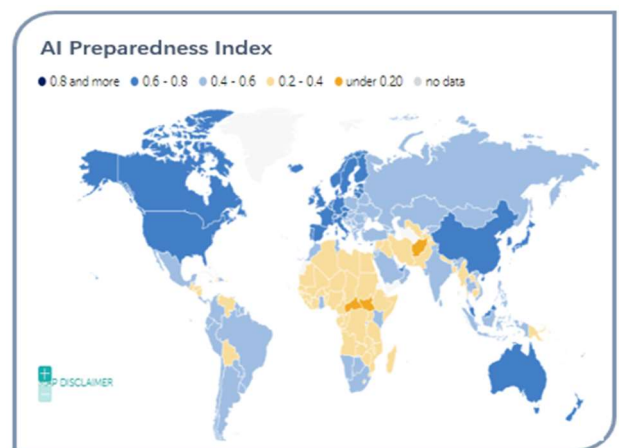
Chart of the Week.

The latest AI Preparedness Index reveals that while the Americas lead in AI readiness, along with China, Singapore and Australia are emerging as strong contenders for investment.

Why Focus on Singapore and Australia?

Robust Investments: Both nations are significantly enhancing their AI infrastructure and workforce capabilities.

- Supportive Government Initiatives: Favourable policies are in place to stimulate innovation and support AI startups.
- Rising Demand: The increasing integration of AI across various sectors offers promising growth prospects.
- Dynamic Ecosystems: Singapore's technological advancements and Australia's entrepreneurial spirit



create an environment ripe for innovation.

As US AI stocks reach record highs, investing in Singapore and Australia presents a valuable opportunity to engage with the future of AI technology and capitalize on their growth potential.

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