Global Markets Weekly Kickstart

All Eyes Were on International Stock

6 May 2025

01 Chart of the Week

Trump's 100-Day Scorecard: Divergence Between Hard and Soft Data, U.S. Economic Outlook Under Pressure

02 Market Recap

Strong Tech Earnings Lift U.S. Stocks; Recession Risks Persist, Supporting Bonds

03 What's Trending

Tesla's Earnings Disappointment Fully Priced In; Musk Refocuses on Tesla Strategy

04 In Focus

Non-U.S. Equities Show Lower Correlation with U.S. Markets; Weaker Dollar Provides Additional Tailwind

05 Product Spotlight

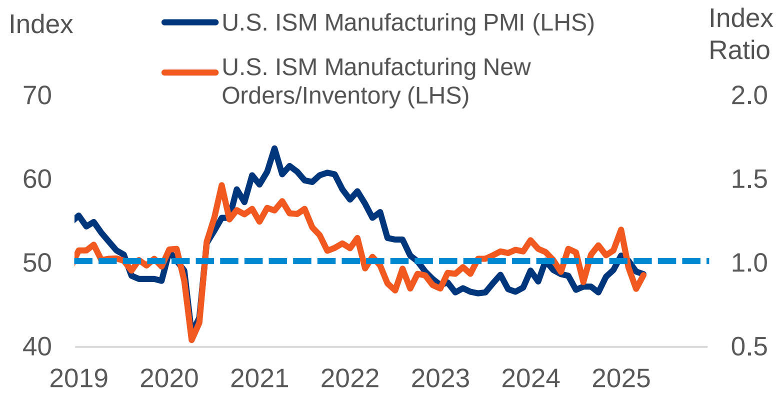
Selection of HK, U.S., Taiwan Equities, Bonds and Funds/ETFs

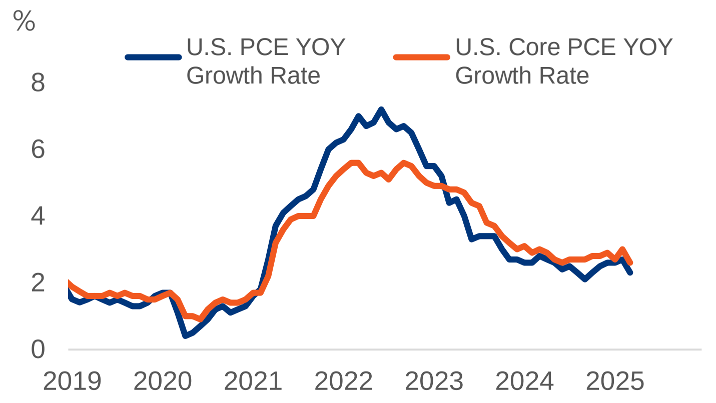
Chart of the Week

Trump's 100-Day Scorecard: Inflation Expectations Rise, Recession Risks Loom, Defensive Positioning Advised

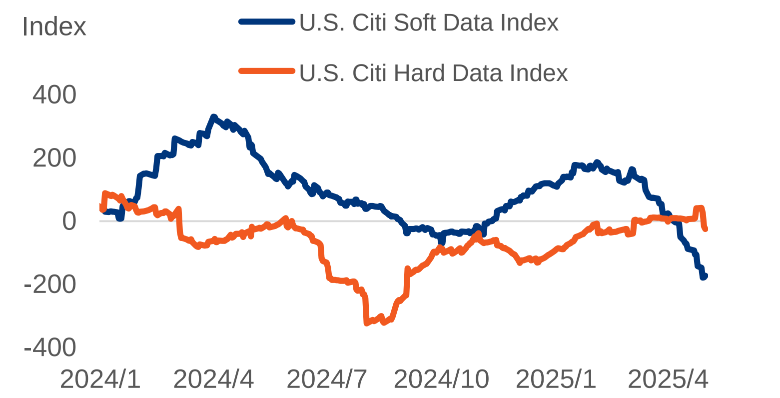
- Despite tariff policies have entered negotiation phases, U.S. consumer confidence in April fell to 86, below expectations and marking the lowest level since 2020. Meanwhile, the 12-month average inflation expectation rose to 7%, the highest since Nov. 2022. The April ISM Manufacturing PMI dropped further to 48.7, reflecting weaker activity, with tariffs prompting preemptive inventory stocking and driving up imports. With ongoing political and economic uncertainty, the risk of a U.S. recession is increasing. Additionally, the annual growth rate of personal consumption expenditures slowed from 2.7% to 2.3% in April. If inflation continues to decline and approaches the Fed's target, markets expect a potential Fed rate cut as early as June, which could provide liquidity support to financial markets.
- Trump's first 100 days in office show that soft data continues to be weak, while real economic data such as the labor market remain resilient. As the broader economic outlook continues to weaken, the possibility of a recession cannot be ruled out. Going forward, close attention should be paid to whether real economic indicators such as employment start to decline significantly and align more closely with survey-based data. There is room for downward revisions in U.S. economic growth and corporate earnings forecasts. In this environment, U.S. equities should favor defensive sectors such as consumer staples, utilities, and communications, while also considering diversification into Japanese domestic demand stocks and the UK equity market to reduce volatility.

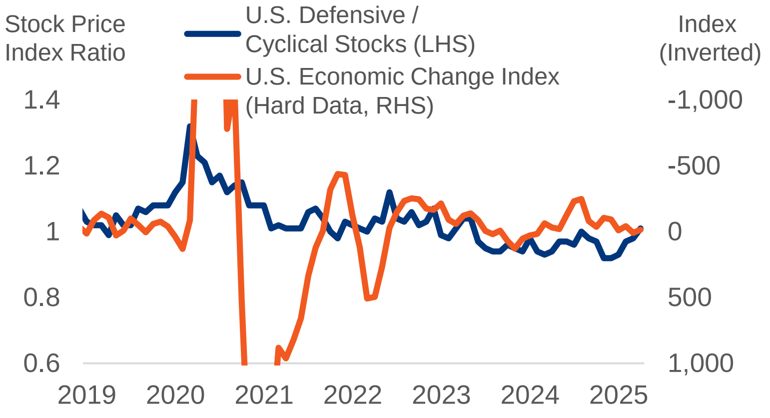
ISM Manufacturing Continues to Weaken; U.S. PCE Inflation Eases Gradually





Soft Economic Data Declines Sharply, While Hard Data Remains Resilient





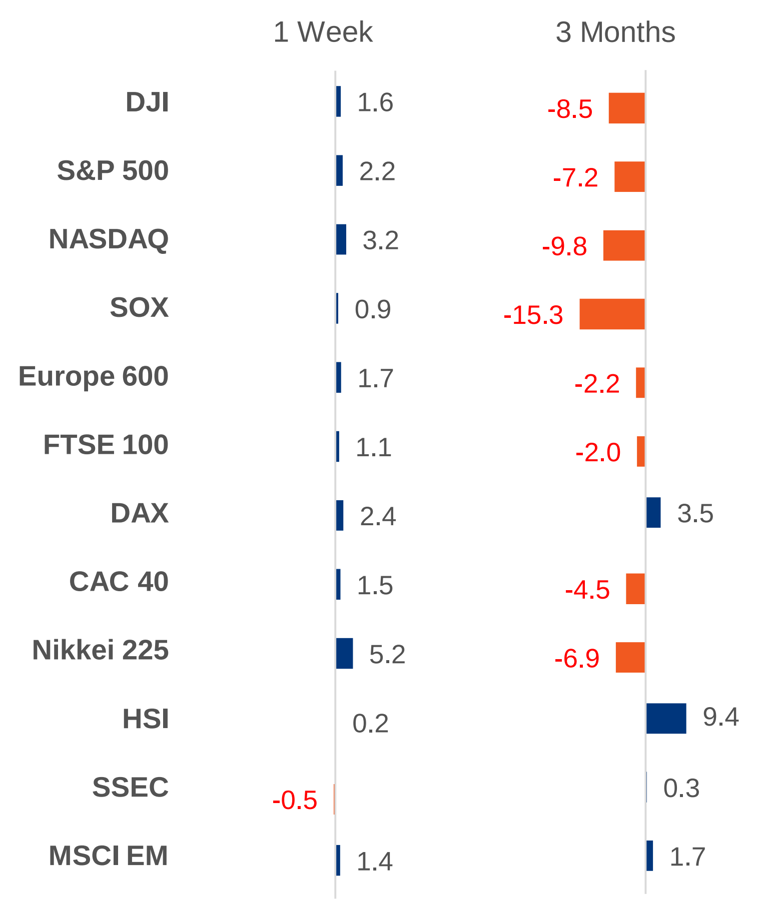
Sources: Bloomberg, Citi

Market Recap

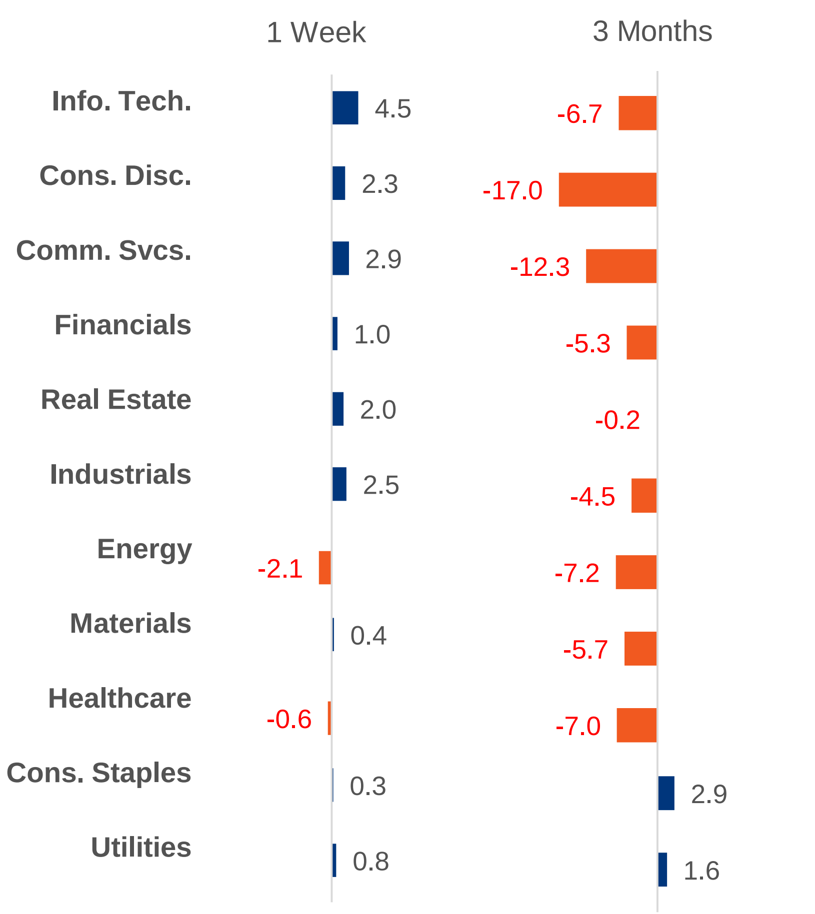
U.S. Tech Earnings Beat Expectations, Lifting Equities; BOJ's Delay on Inflation Target Supports Japanese Stocks

- Earnings reports from the U.S. "M7" tech giants are being released, with the three major cloud service providers: Microsoft, Google, and Amazon, posting results that exceeded expectations. While Amazon offered conservative forward guidance, all three cloud service providers (CSPs) signaled strong capital expenditure plans, reflecting sustained confidence in AI-related demand. The integration of AI into advertising services also showed tangible results, as ad revenues from Google and Meta surpassed market forecasts. These strong tech earnings drove gains across the three major U.S. stock indices, with Information Technology and Communication Services leading the way, rising 4.5% and 2.9%, respectively.
- In addition to benefiting from capital inflows, developed markets such as Europe and Japan are showing signs of recovery. The Eurozone's Q1 GDP growth came in at 0.4%, exceeding market expectations and indicating that interest rate cuts and ongoing government stimulus measures are beginning to take effect. All three major European stock indices closed higher. Meanwhile, the Bank of Japan (BOJ) announced no changes to its interest rate policy but downgraded its inflation outlook, pushing its 2% inflation target out to the second half of 2027. As a result, markets now expect a delayed rate hike path. The yen's rally paused, while Japanese equities surged 5.2%, making them the top performer.

Major Stock Indices Performance by Region (%)



US Stock Performance by Sector (%)

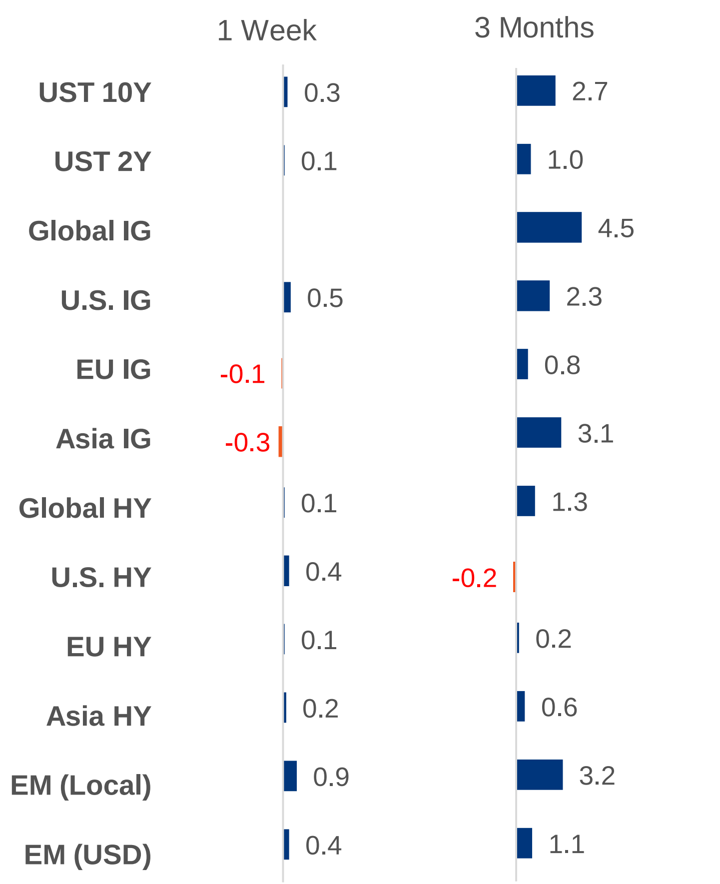


Source: Bloomberg, 2 May 2025

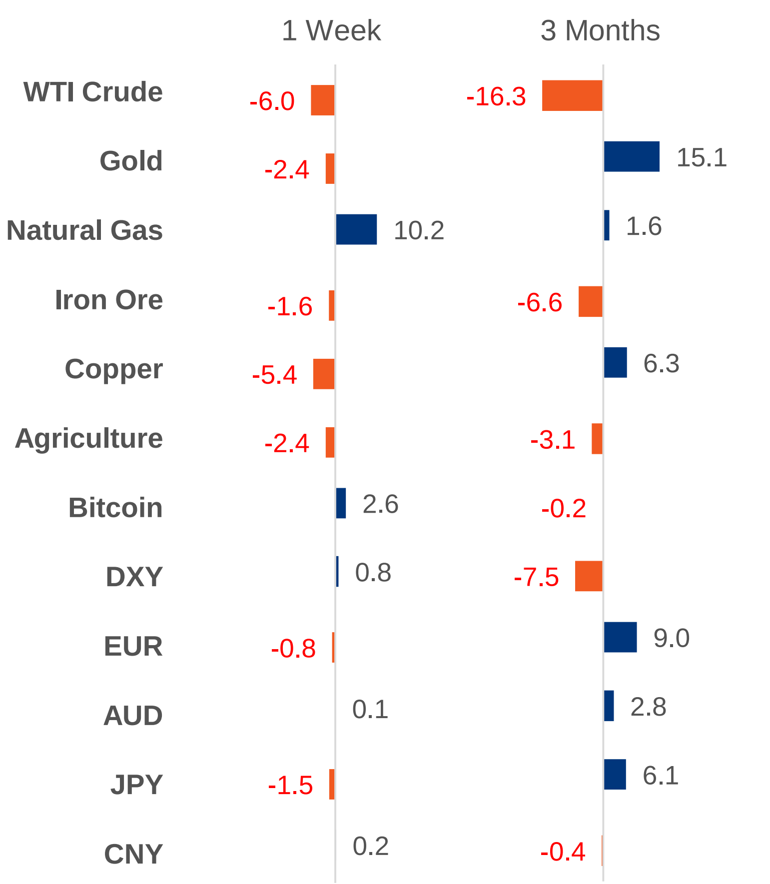
Rising U.S. Recession Risk Boosts Treasury Prices; Demand-Side Concerns Weigh on Oil and Industrial Metals

- U.S. GDP contracted by 0.3% in Q1 2025, marking the first negative growth since Q1 2022 and falling well short of both the previous quarter's 2.4% and market expectations of -0.2%. U.S. Treasury Secretary Yellen noted that the 2-Year Treasury yield has fallen below the federal funds rate, signaling a rate-cut-friendly environment. Recession risks have heightened market expectations for rate cuts, boosting U.S. Treasury performance. For non-investment-grade bonds, falling risk-free rates supported modest price gains, as credit spreads didn't widen significantly. In emerging market local-currency bonds, a weakening U.S. dollar and currency appreciation from capital outflows provided tailwinds, making them the best performers.
- On the commodities front, U.S.-China trade tensions showed slight signs of easing, with the U.S. Trade Representative indicating potential tariff agreements with several countries within weeks. As a result, gold's rally moderated. However, concerns over the economic drag from tariffs weighed on global demand expectations. Crude oil and industrial metals—both highly demand-sensitive—saw declines, with crude dropping 6% over the week, the steepest fall. Copper and iron ore prices also trended lower.

Performance of Bonds (%)



Performance of Commodities and Currencies (%)



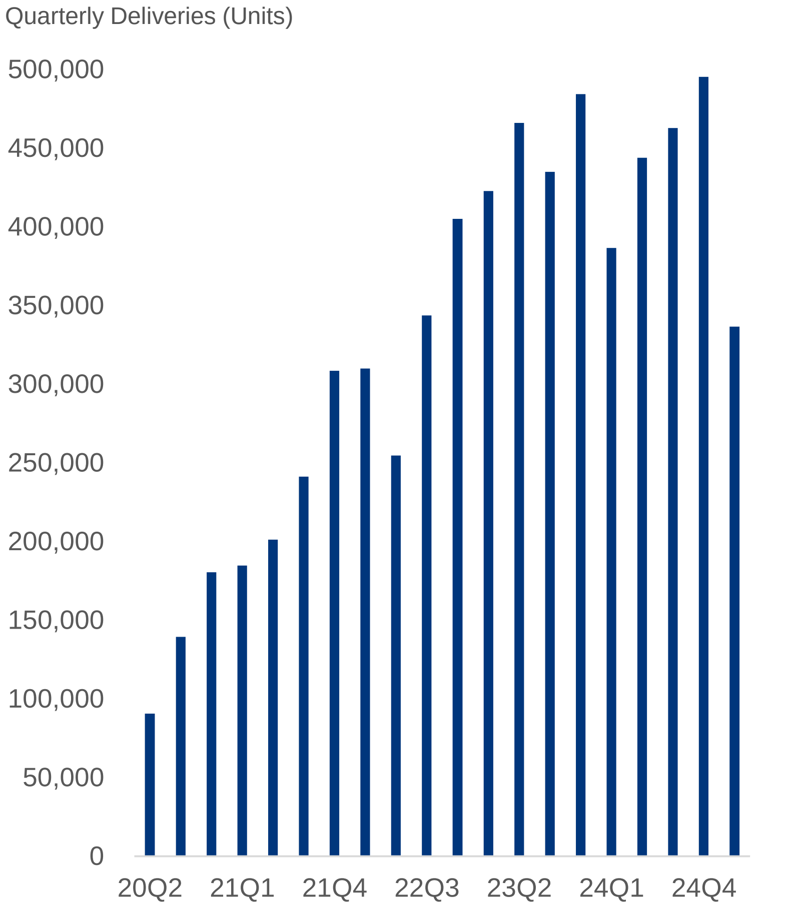
Source: Bloomberg, 2 May 2025

What's Trending

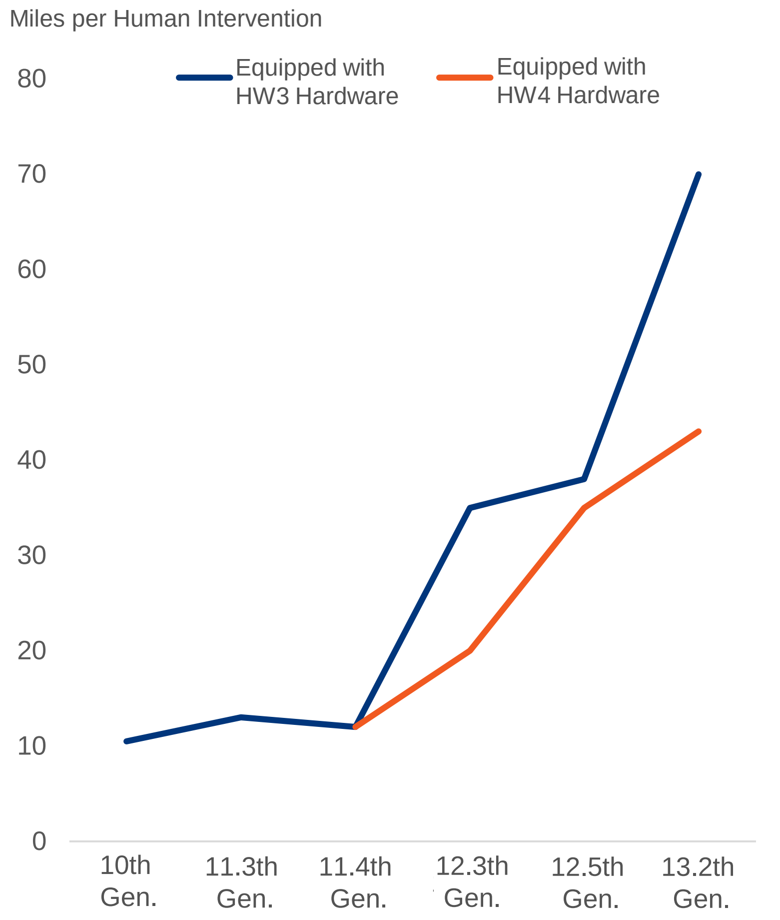
Tesla Vehicle Sales Disappoint, but Musk's Return and U.S. Autonomous Driving Policy Shift Seen as Potential Tailwinds

- Tesla reported Q1 2025 deliveries of 336,000 vehicles, the lowest since Q3 2022 and below market expectations of 350,000 to 370,000 units. The stock had already reflected concerns about weakening vehicle sales ahead of the earnings release. During the earnings call, Musk stated he would scale back his involvement with U.S. government efficiency projects after May and refocus on Tesla operations, which was viewed as a key positive takeaway from the call.
- Looking ahead, Tesla highlighted three major growth drivers: its affordable vehicle line, humanoid robot development, and Full Self-Driving (FSD) progress. The affordable model is slated for mid-year launch, while humanoid robot mass production could begin in the first half of 2026, implying potential revenue contribution may not be far off. The latest version of FSD, paired with the new HW4 hardware, has shown significant performance improvements in autonomous driving. Tesla's Robotaxi service is expected to officially launch in June in Austin, Texas, marking the first U.S. autonomous service operating across two states. Additionally, the U.S. Department of Transportation confirmed that the Trump administration plans to ease autonomous driving regulations, making road testing more accessible. Increased real-world testing and data collection are expected to directly benefit Tesla's FSD development.

Tesla Q1 2025 Vehicle Deliveries Miss Estimates at 336,000 Units



FSD Version 13 + Latest Hardware Shows Sharp Increase in Driver-Free Miles



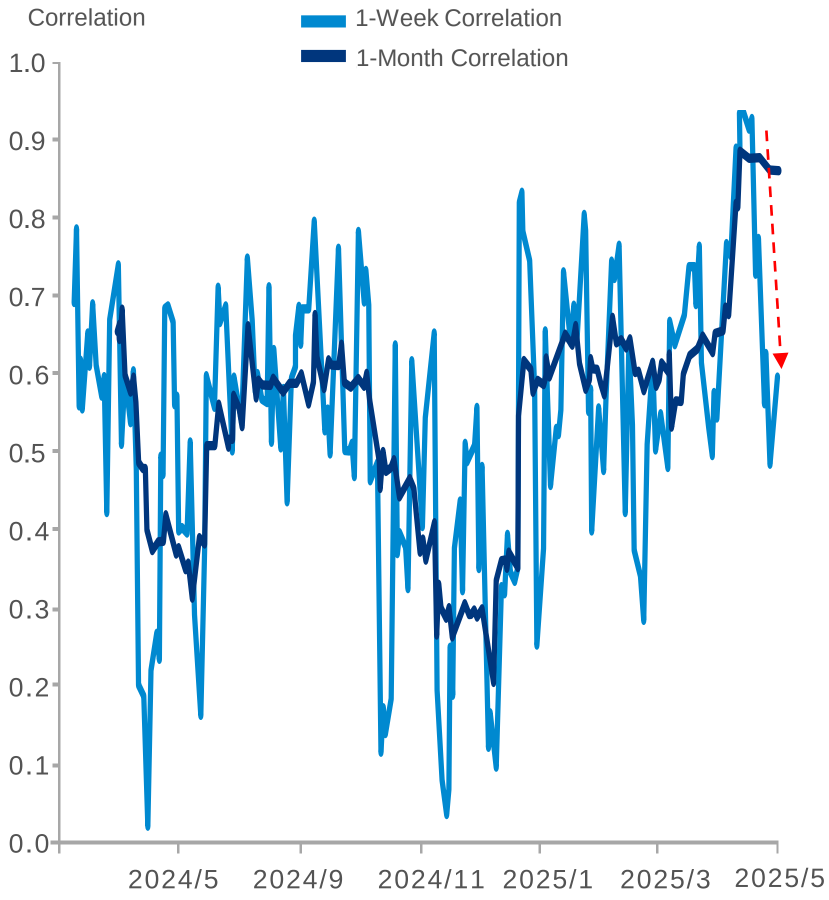
Source: Tesla, FSD Tracker

In Focus

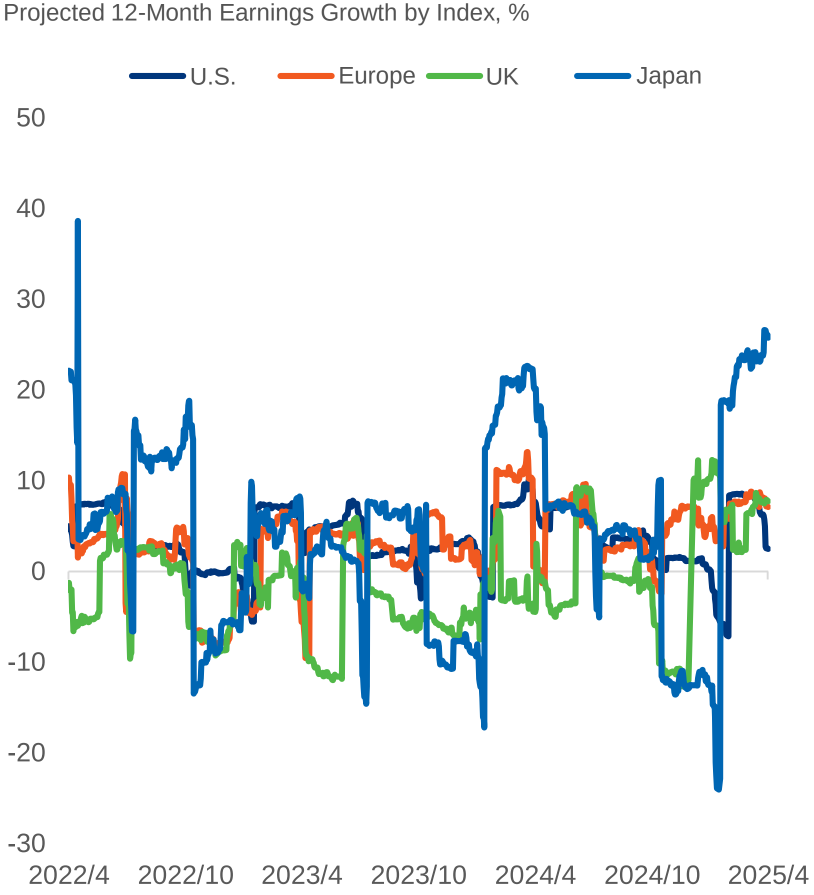
U.S. and Non-U.S. Market Correlation Weakens; Developed Markets Outside the U.S. Expected to Deliver Superior Earnings Growth Over Next Year

- Following President Trump's announcement of sweeping reciprocal tariffs on April 2, global markets plunged in unison, briefly pushing equity correlations worldwide to peak levels. However, with a 90-day negotiation window now in place, market risk sentiment has eased, and equities have partially recovered. Goldman Sachs observes that correlations between U.S. and non-U.S. equities are now declining, a shift largely driven by rising recession risks in the U.S. and growing doubts over the "U.S. exceptionalism" narrative.
- Tariffs have had a direct negative impact on U.S. corporate earnings. According to Bloomberg's forward-looking estimates, the S&P 500's projected earnings growth for the next 12 months has dropped sharply from a high of 9% earlier this year to just 2.5%. Compared to other developed markets, U.S. earnings growth now appears relatively weak. As of April 28, 2025, Japan's TOPIX Index continues to see upward earnings revisions, with a projected 12-month earnings growth rate of 25%. The UK's FTSE 100 is projected to grow earnings by 7.7%, while the Eurozone's STOXX 600 sits at 7.1%. The stronger earnings outlook outside the U.S. presents opportunities for equity revaluation in non-U.S. developed markets.

U.S. and non-U.S. equity correlations have weakened



U.S. Earnings Growth Lags; Non-U.S. Markets Outperform in Recent Quarter



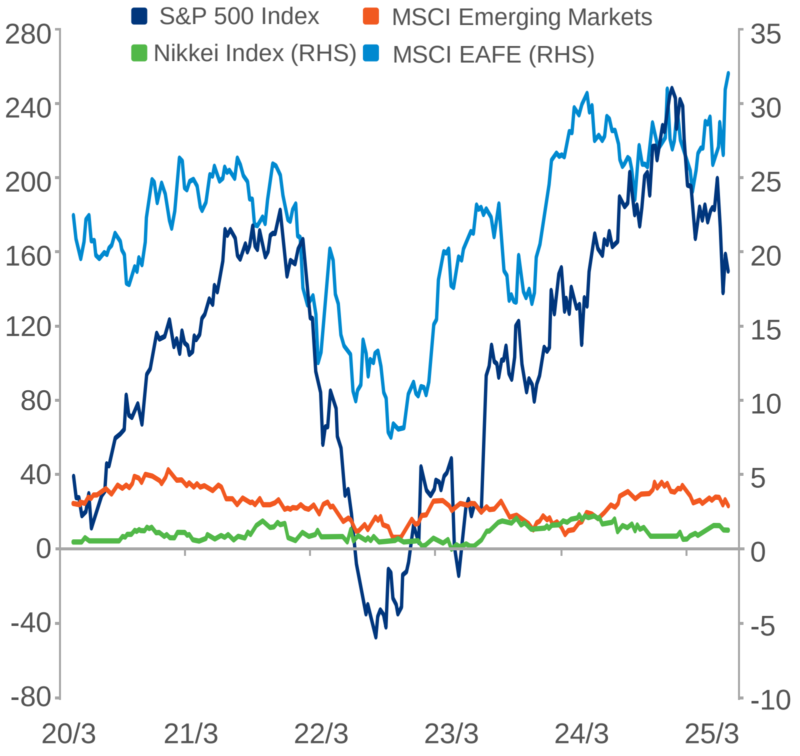
Sources: GS (right chart), Bloomberg (left chart)

Net Long Positions in Non-U.S. Developed Market Equities Rise Sharply; Currency Flows Also Signal Capital Rotation Away from U.S.

- Uncertainty surrounding Trump's tariff policy remains elevated, leading investors to adopt a more cautious stance toward U.S. assets. The next 90 days will be closely watched for developments in reciprocal tariff negotiations, high-level U.S.-China trade talks, and discussions over potential semiconductor-related tariffs, all of which continue to influence market sentiment. Since February, leveraged funds and asset managers have made significant adjustments to their futures positions. Net long positions in S&P 500 index futures have declined notably, while long positions in MSCI EAFE (Europe, Australasia, and Far East) futures have increased. Nikkei futures also saw a modest rise. Conversely, net longs in MSCI Emerging Markets futures decreased, possibly reflecting ongoing uncertainty in U.S.-China tariff tensions. Overall, the trend points to a clear rotation from U.S. equities into developed markets outside the U.S.
- Currency markets reinforce the same trend: speculative (non-commercial) positions in the Euro and Japanese Yen have been steadily rising. Market distrust toward the U.S. dollar, driven in part by Trump's tariff actions, and the possibility that such policies could prompt rate hikes in Japan have contributed to the relative strength of non-U.S. currencies. Benefiting from both capital inflows and currency appreciation, non-U.S. markets may be poised to enjoy simultaneous gains in equities and exchange rates.

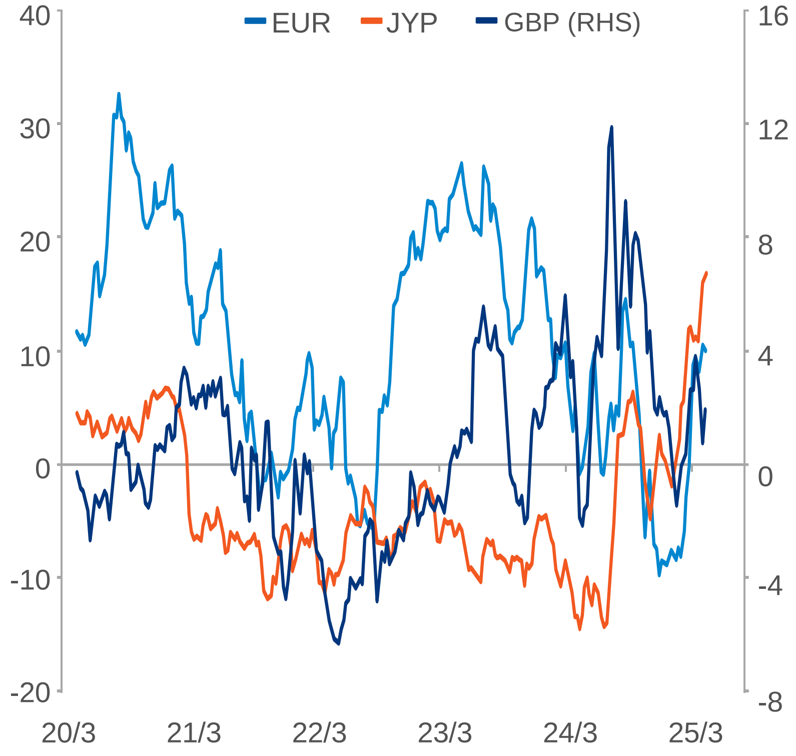
Trump's Tariff War Drives Capital Out of the S&P 500 and Into Non-U.S. Markets

Net Long Futures Positions by Asset Managers, USD Billions



Euro and Yen Continue to See Inflows Following Start of Trump's Tariff Actions

Net Speculative Positions, USD Billions



Source: GS

Asset Strategy

Asset Type	Market View	Preferred Assets
Equities	◆ As Trump's tariff policies enter the negotiation phase, there remains downside risk to U.S. economic growth and corporate earnings. A cautious stance is recommended for U.S. equities in Q2, with a preference for defensive positioning. Investors are advised to gradually accumulate defensive sectors such as consumer staples, utilities, and telecommunications, particularly those tied to domestic demand, which tend to offer greater stability. ◆ UK equities, which are relatively insulated from tariff-related impacts, have shown stronger relative performance. While European stocks may face short-term pressure due to tariff concerns, long-term prospects remain favorable, especially given potential peace developments in the Russia–Ukraine conflict and Germany's fiscal expansion. A buy-on-dip, staggered approach is suggested. In Japan, ongoing economic improvement supports selective buying, especially in domestic demand and banking sectors.	**Strategy**: Prefer large-cap stocks, defensive sectors including utilities, telecom, and consumer staples **Regions**: Japanese domestic demand and banking stocks; UK equities
Bonds	◆ Given rising recession risks, long-term interest rates may have room to decline. It is advisable to moderately increase exposure to long-duration U.S. Treasury bonds. While longer-duration bonds offer higher capital gain potential, they also carry greater volatility. Yields on medium- to short-term bonds remain attractive, presenting opportunities to lock in rates during periods of U.S. Treasury yield rebounds. In the credit market, preference should be given to investment-grade bonds with strong credit ratings, particularly in sectors with low exposure to overseas revenue, such as banking, utilities, and insurance. ◆ Credit allocation should favor investment-grade bonds with higher risk-adjusted spreads, including names in the financials, industrials, energy, utilities, and communications sectors.	**Duration**: Focus on long-duration U.S. Treasuries; lock in yields with quality mid- to short-term corporate bonds **Types**: Investment-grade bonds, prioritizing large-cap issuers; sector focus on financials with favorable tailwinds
Forex	◆ There is a high likelihood of substantial rate cuts in the U.S., as the Trump administration favors a weaker dollar to erode other countries' export competitiveness. Combined with the unpredictability of tariff policy, this has undermined market confidence in the U.S. economic outlook and dollar-denominated assets, leading to a depreciation bias for the dollar. ◆ Non-U.S. currencies such as the euro and yen have appreciated on the back of U.S. dollar weakness and are expected to remain relatively strong in the near term.	**USD**: Slightly Weaker **EUR & JPY**: Short-Term Appreciation Bias
Commodity	◆ Trump's unpredictable tariff policies have heightened risk-off sentiment, raising concerns over economic slowdown, inflation, and fiscal deficits. At the same time, continued gold purchases by central banks and market participants have provided strong support for the precious metal. These factors collectively form a bullish backdrop for gold.	**Gold**: Bullish Bias

Product Spotlight | HK Equities

Chinese Telecom Stocks: Cloud Growth Opportunities with Steady Momentum

Low Beta in Telecom Stocks Offers Stability

- Over the past decade, telecom stocks have exhibited relatively low beta coefficients. A low beta indicates lower price volatility compared to the broader market, making telecom stocks more stable in value. This characteristic helps reduce overall portfolio risk during unfavorable macroeconomic conditions. For investors aiming to maintain portfolio stability during uncertain periods, this becomes a key advantage.

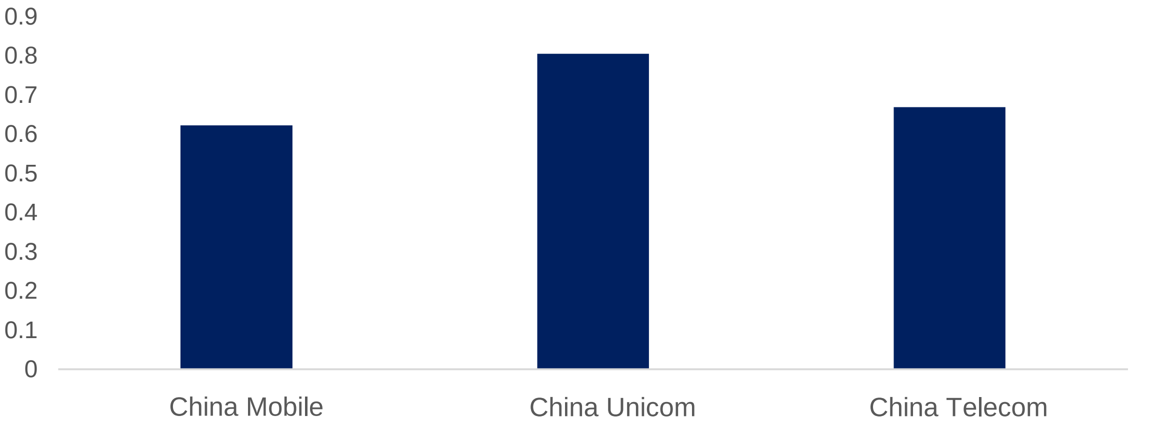
Maturity and Steady Dividend Capacity in China’s Telecom Sector

- China’s telecom industry has entered a mature phase, with revenue growth becoming more stable. The sector’s three major telecom providers all maintain net cash positions and exhibit strong balance sheets. This robust financial footing supports their ability to deliver consistent dividend payouts to shareholders. For investors seeking long-term, stable cash flows, this is a highly attractive feature. Furthermore, the industry’s maturity reduces intense competition, allowing for more predictable earnings and greater operational visibility.

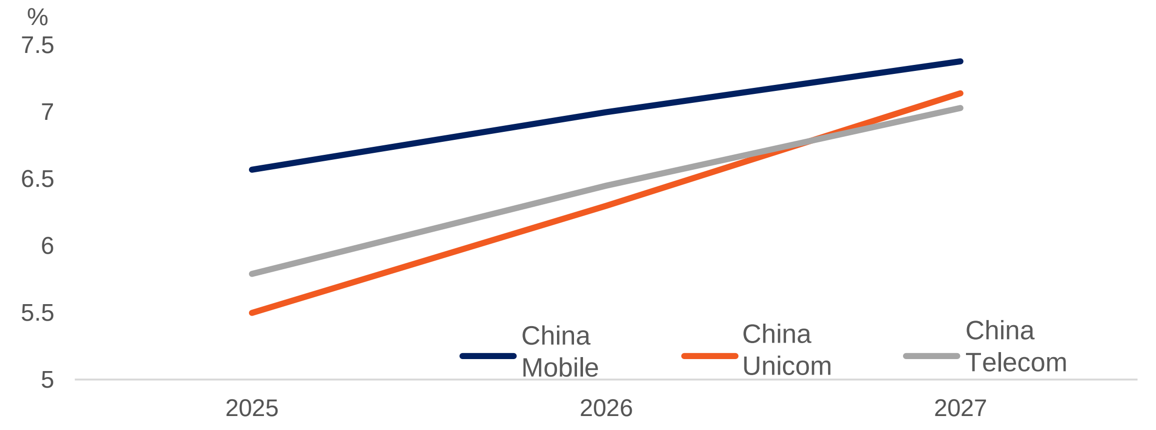
Rapid Growth Potential in the Cloud Computing Market

- Cloud computing is a key driver of future growth for the telecom industry. According to research firm IDC, AI is reviving demand in the public cloud market, China’s public cloud IaaS (Infrastructure as a Service) market reached RMB 94.82 billion in the second half of 2024, marking a YoY growth of 13.8%. Notably, state-backed cloud providers occupy the top five positions by market share. Among the three major telecom operators, cloud services currently contribute between 10% and 30% of total revenue. As cloud businesses expand rapidly, these companies are expected to see significant top-line growth, which not only enhances profitability but also opens the door for greater dividend distribution potential in the future.

10-Year Beta Coefficient of the Three Major Telecom Operators



Bloomberg Estimated Dividend Yields



Source: Bloomberg

KGI

China Mobile Ltd. (941)

Closing Price HK $81.1 **Target Price** HK $98

China Mobile Limited provides telecommunication services. The Company offers wireline voice, broadband, roaming, and other related services.

- **Still a Safe Haven for Capital**

  Historical share price volatility indicates that this company has remained notably more stable than the broader market. Over the past decade, its beta relative to the Hang Seng Index has been just 0.62, reinforcing its role as a defensive haven during market turbulence. Among China's three major telecom operators, it holds the lowest risk profile, making it a preferred choice for investors seeking downside protection.

- **Rising Revenue Contribution from AI + DICT Services**

  Market expectations point to a continued rise in China Mobile's DICT (Data, Information, Communication Technology) revenue contribution, which may reach 19% of total service revenue over the next three years, up roughly 5 percentage points from 2024 levels. This implies a 3-year CAGR of approximately 13%. Supported by a stable customer base and existing revenue streams, DICT provides an additional engine for growth. In Q1 2025, total telecom service revenue reached RMB 222.4 billion, marking a YoY increase of 1.4%.

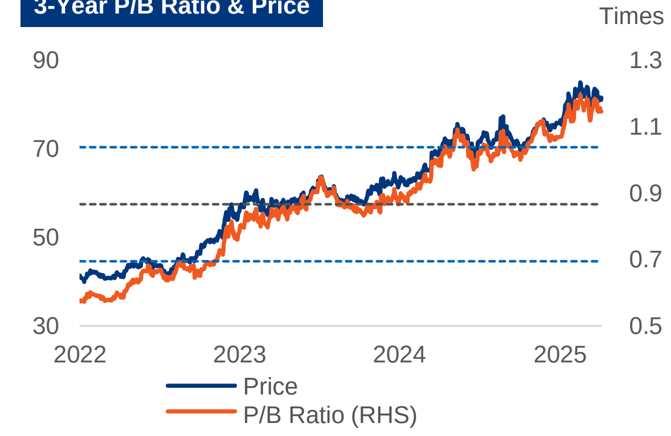
- **Stable Dividend Enhances Investment Value**

  Looking ahead, the continued expansion of big data services is expected to drive incremental growth atop the company's stable core telecom business. Based on a dividend discount model, China Mobile's target price is estimated at HK$98, implying a potential share price gain of 20.8%. Including a dividend yield of 6.5%, the total projected return stands at 27%.

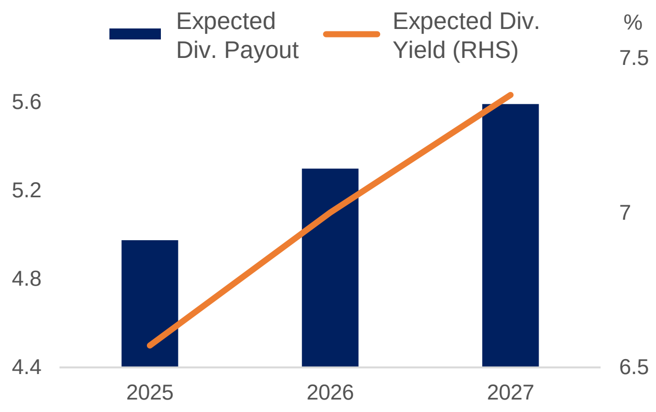
Financials

	2022	2023	2024	2025F	2026F
Net Income (1B CNY)	937	1,009	1,041	1,075	1,110
NI YoY(%)	10.5	7.7	3.1	3.3	3.3
EPS(CNY)	5.9	6.2	6.5	6.7	7.1
EPS YoY(%)	3.7	4.8	4.7	3.9	5.5
ROA(%)	10.0	10.0	10.1	10.2	10.5

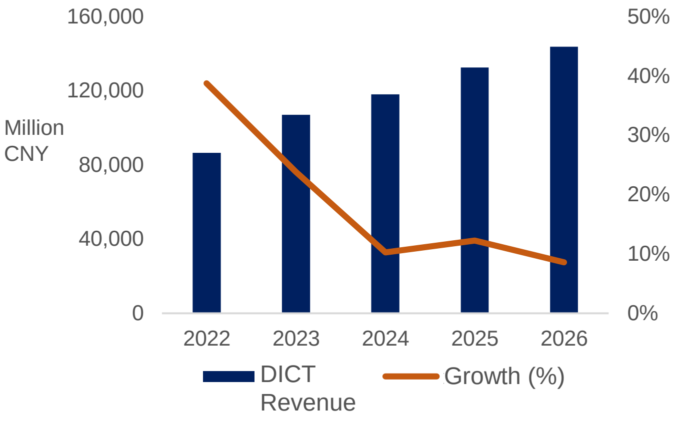
3-Year P/B Ratio & Price



Expected Div. Profile



New Business YoY



Source: Bloomberg

China Unicom Hong Kong Ltd. (762)

Closing Price HK $8.9	Target Price HK $10

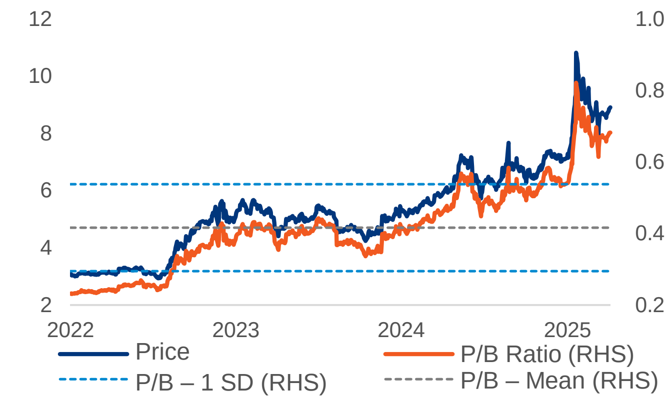
China Unicom (Hong Kong) Limited, through its subsidiaries, provides telecommunications services in the People's Republic of China. The Company offers services includes cellular, paging, long distance, data, and Internet.

- **Cloud Business as a Growth Driver, Revenue Expansion Outpaces Peers**
  Over the next three years, China Unicom is expected to deliver faster revenue growth than its two major telecom peers. The key factor lies in its cloud computing business, which currently accounts for the highest proportion of total revenue among the three. As cloud services emerge as a new engine of growth for the telecom sector, China Unicom's competitive edge in this area positions it for stronger overall revenue expansion.
- **Room for Upside in Dividend Policy**
  China Unicom's current dividend payout ratio stands at 60%, lower than China Mobile and China Telecom's approximately 70%. Historical data shows that the company has steadily increased its payout ratio in recent years. Further upside is expected, supported by factors such as a projected rise in return on capital, a net cash position, and stable capital expenditures. An increase in dividend payouts would help enhance the company's valuation.
- **Target Price of HK$10 Suggests Attractive Return**
  Based on a dividend discount model, China Unicom's target price is HK$10, representing a P/B ratio of 0.8x, still below the 1x threshold, indicating 11% potential upside in share price. When combined with a 6% dividend yield, the total expected investment return reaches 17%.

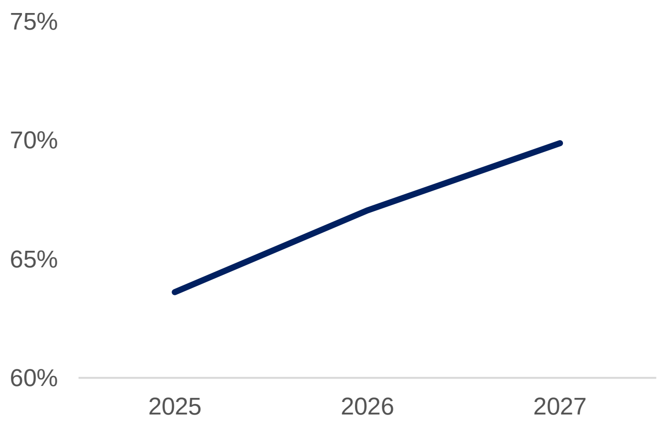
Financials

	2022	2023	2024	2025F	2026F
Net Income (1B CNY)	355	373	390	404	417
NI YoY(%)	8.3	5.0	4.6	3.6	3.4
EPS(CNY)	0.6	0.6	0.7	0.7	0.8
EPS YoY(%)	17.0	10.9	9.8	6.0	8.5
ROA(%)	5.0	5.4	5.8	6.0	6.4

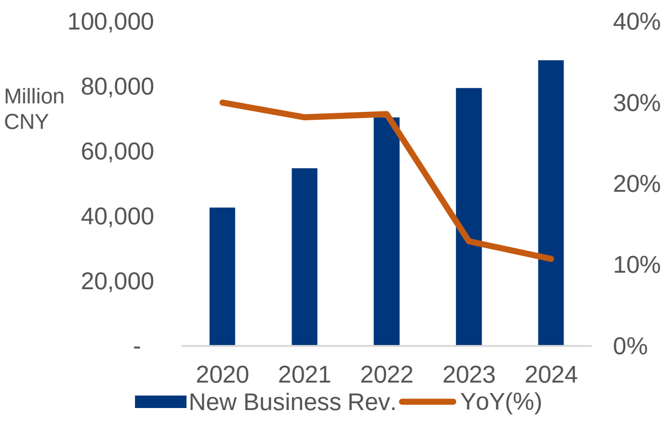
3-Year P/B Ratio & Price



Expected Div. Ratio



New Business YoY



Source: Bloomberg

US Equities

International Equities Favored by Investors

- In April, non-farm payrolls increased by 177,000, slowing from March’s downwardly revised 185,000 but exceeding the market forecast of 138,000. The unemployment rate held steady at 4.2%, in line with both the previous reading and market expectations. Average hourly earnings rose 0.2% MoM, slightly below the 0.3% expected and down from March’s 0.3% gain.
- In April, U.S. private sector payrolls increased by only 62,000, well below the revised 147,000 from the previous month and significantly under the market expectation of 115,000.
- Preliminary estimates show that the U.S. economy contracted at an annualized rate of 0.3% in Q1 2025, its first decline since Q1 2022. This marks a clear reversal from 2.4% growth in the previous quarter and exceeds the expected 0.2% contraction.
- The U.S. core PCE price index was flat MoM in March, missing the market forecast of a 0.1% increase. On a YoY basis, core PCE rose 2.6%, in line with expectations and down from 3.0% in February.
- In April, the U.S. manufacturing PMI fell to 48.7 from 49.0, slightly above market expectations of 47.9.
- Since Trump began announcing a series of tariffs in February, capital has noticeably flowed out of the U.S. and into Europe and Asia. The negative impact of elevated tariffs on the U.S. economy has started to materialize. While other major economies are also affected, their governments and central banks have responded more proactively, helping to restore investor confidence. Compared to the U.S., Europe and Asian markets trade at lower valuations, and in a climate of heightened macro uncertainty, they offer more favorable risk-adjusted returns.

Global Capital Flows by Country and Region

Series	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24	Jan-25	Feb-25	Mar-25	Apr-25
Funds Flow	129,281	199,032	129,286	148,095	189,384	207,815	205,135	147,728	158,925	147,473	148,250
North America	79,171	132,013	81,445	89,134	106,765	182,175	159,339	94,144	94,184	74,788	49,778
United States	72,746	132,443	81,398	86,521	103,659	179,107	155,203	91,948	90,617	68,755	47,800
Canada	5,950	99	97	2,768	3,078	2,999	3,604	1,525	2,590	5,421	1,643
Mexico	281	-490	-196	99	-288	33	-230	337	197	49	171
North American Region	195	-39	146	-253	316	36	761	333	780	563	163
Europe	3,204	5,623	4,930	6,844	4,124	-3,405	1,524	6,115	16,172	23,796	11,826
Asia	16,314	29,053	20,324	14,668	32,414	-3,239	1,774	9,182	-7,673	3,961	47,724
Australia & Oceania	792	894	896	591	926	567	1,157	1,654	801	1,554	697
Africa & Middle East	-468	453	32	102	290	373	373	314	355	-198	-37
South & Central America	-127	-387	-822	86	65	-105	-296	240	-293	36	-62
Not Classified	31,141	32,767	22,662	36,615	44,979	31,312	41,325	36,349	55,474	43,644	37,236

Source: Bloomberg

SAP SE (SAP)

Closing Price	US $301.72	Target Price	US $320

SAP SE is a multinational software company. It develops business software, including e-business and enterprise management software, consults on organizational usage of its applications software, and provides training services.

- **Capital Flows into European Markets**

  Germany's fiscal stimulus measures and increased defense spending have helped attract capital into European markets, prompting a shift in investor allocations from the U.S. to European equities. With 60% of investors expecting stronger economic growth in Europe, sectors such as financials, industrials, and small caps are gaining more attention, and Germany has emerged as a preferred market. As the European economy rebounds, businesses are accelerating their digital transformation efforts. SAP, the region's leading enterprise software provider, is well-positioned to benefit from rising investments in technology and cloud-based solutions.

- **Earnings Beat Expectations**

  SAP reported a strong 1Q performance, with operating profit rising 58% YoY to €2.5 billion, beating market expectations. Revenue grew 11% to €9 billion, while EPS surged 79% to €1.44. Backlog for cloud services rose 29%, and SAP reaffirmed its full-year cloud revenue guidance of €21.6 to €21.9 billion. Amid heightened global tariff uncertainty, SAP remains a key partner for enterprises navigating change. With 86% of its revenue recurring in nature, the company demonstrates strong predictability and resilience in a volatile environment.

- **Valuation Consensus**

  The 12-month average target price on Bloomberg is USD 322.93, with a high estimate of USD 343 and a low of USD 302.

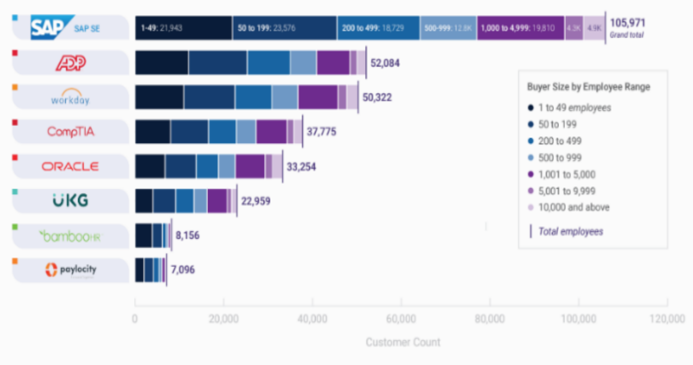
1-Year Price

Financials

	2022	2023	2024	2025F	2026F
Revenue Growth(%)	6.0	5.7	9.5	10.1	11.9
EBITDA (%)	27.5	25.3	27.6	30.9	32.2
EPS(USD)	3.07	3.62	4.72	6.19	7.31
Net Profit Margin(%)	13.5	13.7	16.3	19.2	20.2

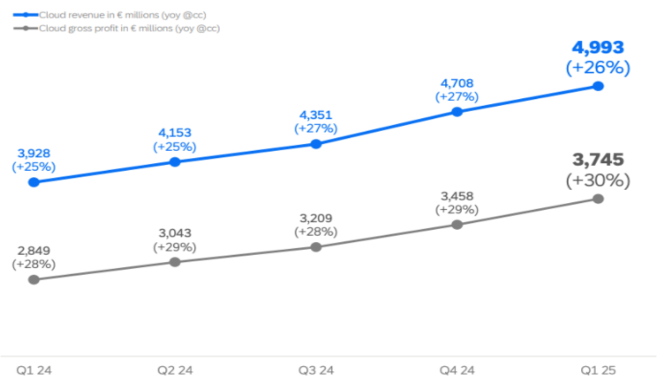
Source: Bloomberg; 2025/26F are market estimates

2025 ERP Market Share



Source: HG Insights data

Cloud Rev. & Gross Margin



Source: Bloomberg

Sea Ltd. (SE)

Closing Price	US $141.78	Target Price	US $155

Sea Limited offers information technology services. It provides online personal computer and mobile digital content, e-commerce, and payment platforms.

■ Capital Flowing into Emerging Markets

Recent weakness in U.S. equities and the U.S. dollar reflects fading confidence in the "U.S. exceptionalism" narrative, prompting a gradual rotation of capital into emerging markets, particularly Southeast Asia, which has emerged as a key beneficiary. As a leading force in Southeast Asia's digital economy, the company is well-positioned to capitalize on this capital shift. In a softening dollar environment, non-dollar assets become more attractive, and the company's deep regional presence provides it with a relative advantage. Structural tailwinds in Southeast Asia, such as a young population, rising digital penetration, and increased foreign investment, align the company closely with global capital reallocation trends, supporting a compelling growth narrative in the post-exceptionalism era.

■ Rising Tariff Pressures to Accelerate SEA E-Commerce Growth

As U.S.-China trade tensions escalate, global manufacturers, particularly Chinese exporters, are increasingly shifting their focus from the U.S. to Southeast Asian markets as alternative destinations. With the U.S. imposing tariffs as high as 145% on most Chinese imports, Chinese producers are redirecting surplus goods to regional markets, boosting both the supply and variety of products in Southeast Asia. This has led consumers to increasingly turn to platforms like Shopee. As the company's core business, Shopee contributed over two-thirds of total group revenue in 2024, with gross merchandise volume (GMV) rising 28% YoY to $100.5 billion, and total orders increasing by 33%. As global trade realigns away from the U.S., Shopee is well-positioned to benefit from this reconfiguration of supply and demand. Management expects GMV to grow another 20% in 2025, driven by improving profitability and continued tailwinds in regional trade dynamics.

■ Valuation Consensus

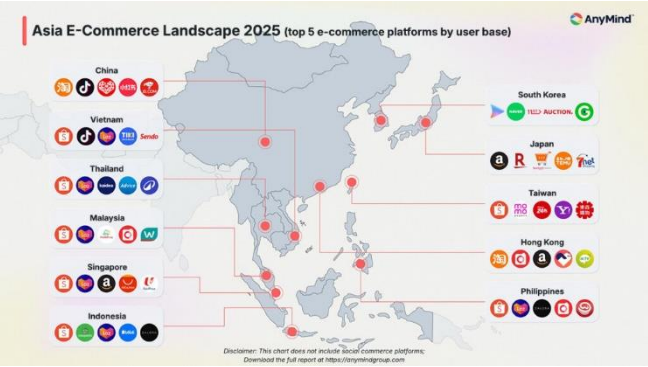
The 12-month average target price on Bloomberg is USD 154.63, with a high estimate of USD 182 and a low of USD 120.

1-Year Price

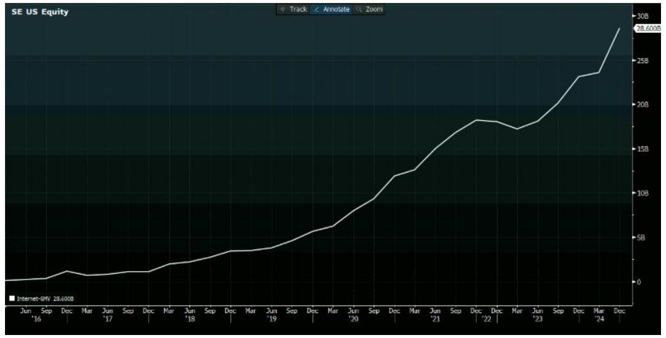
Financials

	2022	2023	2024	2025F	2026F
Revenue Growth(%)	25.1	4.9	28.8	25.2	19.3
EBITDA (%)	-3.6	7.7	8.1	14.4	16.9
EPS (USD)	-2.31	0.44	1.02	3.45	5.03
Net Profit Margin(%)	-10.4	2.0	3.7	10.1	11.9

2025 E-Commerce Rankings in Asia



Gross Merchandise Volume (GMV)



Source: Bloomberg

TW Equities

Broad Market Rally on Rising Price and Volume; Taiwan Stocks Poised to Challenge Tariff Gap After Breaking Neckline

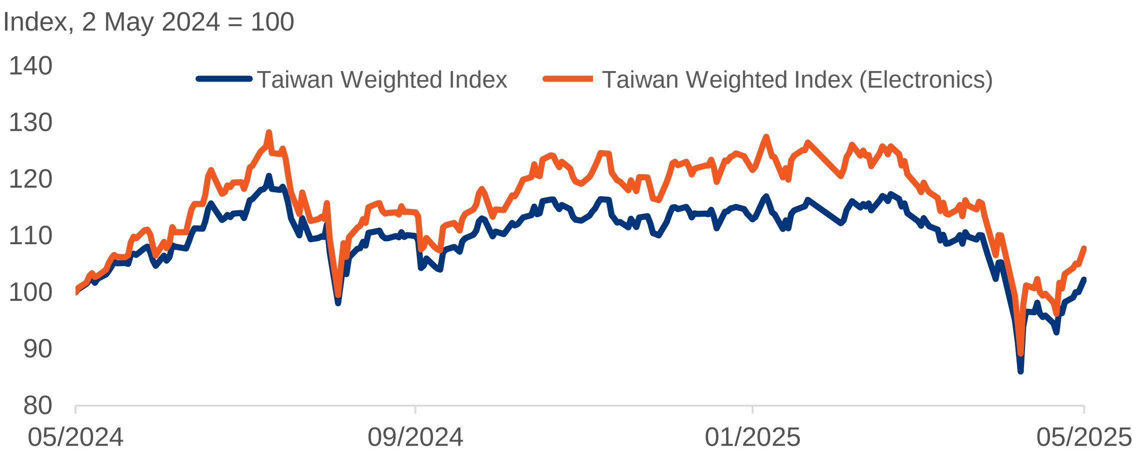
► Short-Term Uptrend Intact with Price-Volume Strength; Upper Gap Awaits Volume Breakout

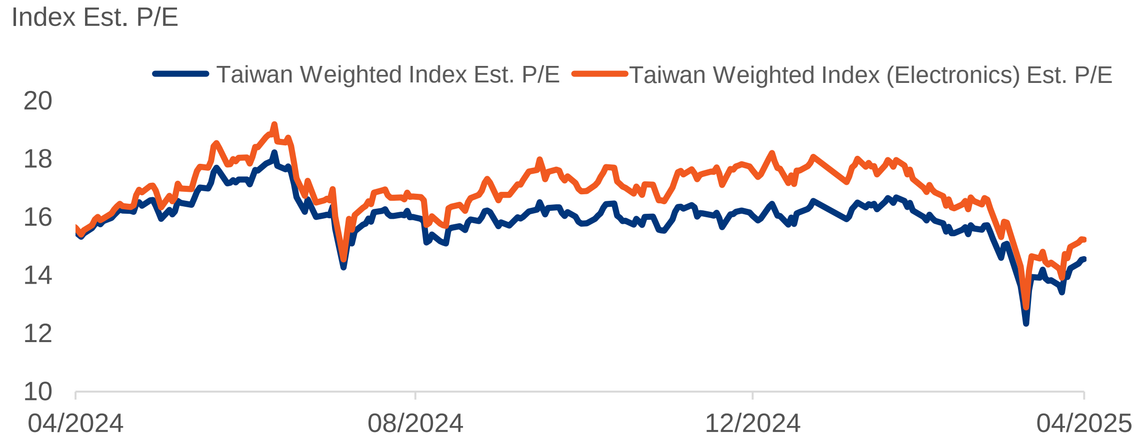
Taiwan stocks rallied last week with gains in both price and volume. On Tuesday, the index broke above the neckline at 20,153 and held above the monthly moving average for three consecutive sessions, rising along short-term moving averages, a clear sign that the rebound remains intact. From a technical perspective, the index reclaimed the 20,000 level and began filling the bearish gap left on April 7 (from 20,153 to 21,235). Encouragingly, Wednesday's intraday high reached 20,331, setting a new post-rebound high. As long as the index holds above 20,023, the April 14 high, the current rebound has room to continue.

► Taiwan Dollar Rebounds; Focus Shifts to Leading Tech Stocks

The Taiwan dollar has recently stabilized and begun to recover. As long as the tariff conflict does not further escalate, this trend may support renewed foreign inflows into large-cap stocks. Last week's market structure indicates that short-term bullish momentum in heavyweight tech names remains intact. Within electronics, the security surveillance segment entered a consolidation phase at higher levels, while software and IT services maintained strength. From a tactical perspective, investors may consider sectors showing signs of a bottoming reversal, such as optical communications, gallium arsenide (GaAs), industrial PCs, and IC design. Auto parts and aerospace defense could also be worth monitoring on pullbacks. During this rebound from oversold levels, leadership may rotate between large caps and smaller stocks. Investors should prioritize names with strong revenue or earnings catalysts that are trending upward along short-term moving averages.

Taiwan Weighted Index and Taiwan Electronics Sector Trends & Est. P/E





Source: Bloomberg

MediaTek Inc. (2454 TT)

MediaTek Inc. operates as a fabless semiconductor company for wireless communications and digital multimedia solutions. The company provides (systems-on-chip) system solutions for wireless communications, high-definition TV, optical storage, digital video disc (DVD), and Blu-ray products.

- **1Q25 Revenue Significantly Exceeds Expectations**

  MediaTek reported 1Q25 revenue of NT$153.3 billion, up 11.1% QoQ and 14.9% YoY. Despite the seasonal slowdown, revenue exceeded the upper end of the company's optimistic guidance range of 2–10% quarterly growth. The upside was largely driven by pull-in demand ahead of tariff uncertainties and China's stimulus measures, as well as continued market share gains in flagship smartphone SoCs.

- **More ASIC Projects Expected in 2027**

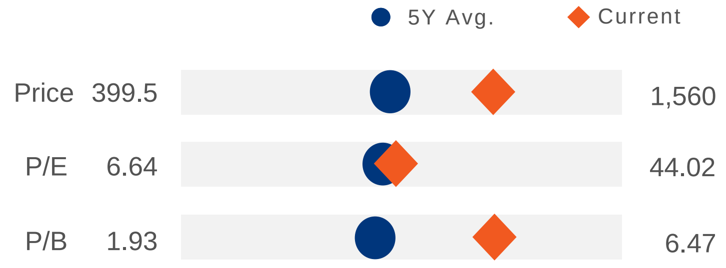
  We believe MediaTek is likely to secure the next-generation Google TPU v8e SerDes project. In addition, our research indicates that 2 to 3 cloud service providers (CSPs) are currently in discussions with MediaTek regarding SerDes I/O and AI ASIC collaborations. As a result, we anticipate a broader rollout of AI ASIC projects in the second half of 2027.

Financials

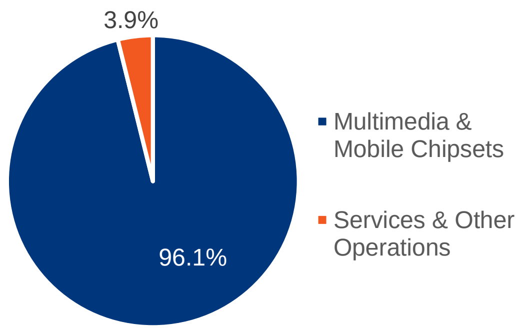
	2022	2023	2024	2025F	2026F
EPS (NTD)	74.59	48.51	66.92	72.35	84.81
EPS Growth (%)	5.7	-35.0	38.0	8.1	17.2
P/E Ratio	18.5	28.4	20.6	19.1	16.3
ROE (%)	27.1	19.0	27.8	28.1	30.7

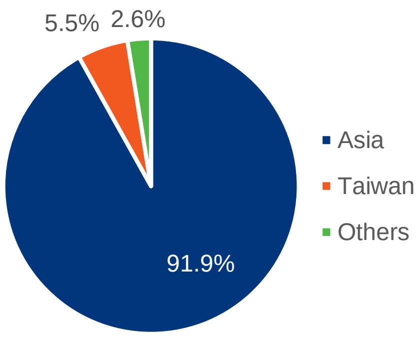
Source: Company data, estimates of KGI analyst

Valuations



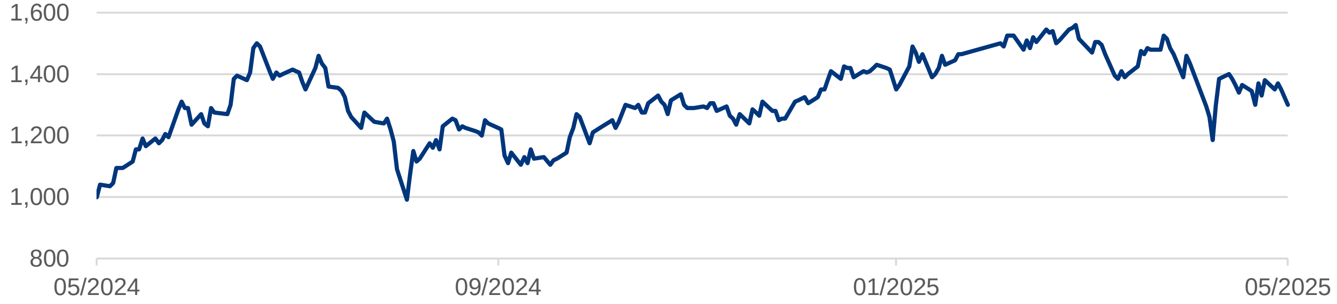
Revenue Sources and Regions





Source: Bloomberg

1-Year Price



As of 1 May 2025	1Wk	1M	3M	6M	YTD	1Y
Return (%)	-2.26	-9.41	-11.26	0.78	-8.13	30.00

KGI

Wistron Corp. (3231 TT)

Wistron Corporation manufactures and markets notebook computers, personal computers, and other related information products.

- ### Strong Server Revenue Performance in Q1 2025

  1Q25 revenue rose 17% QoQ and 45% YoY, beating both market expectations and company guidance. Server-related revenue accounted for 62% of total sales, with overall server revenue growing 136% YoY and 42% QoQ. Subsidiary Wiwynn posted even stronger results, with server revenue up 145% YoY and 48% QoQ, driven by robust demand for general-purpose servers and AWS (U.S.) ASIC AI server shipments.

- ### Server Demand Continues to Grow in Q2 2025

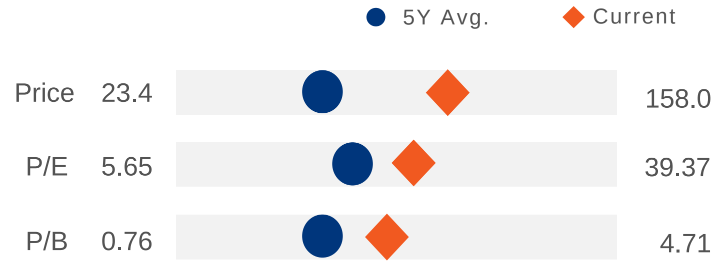
  Driven by the ramp-up of GB200 AI servers, revenue from Dell's NVL72 systems is expected to surge in Q2 2025 compared to Q1. Management anticipates its own server revenue growth in Q2 will outpace that of Wiwynn, supported by sequential increases in GB200 compute tray shipments and robust AI server demand from Dell, fueled by customers such as xAI and CoreWeave.

Financials

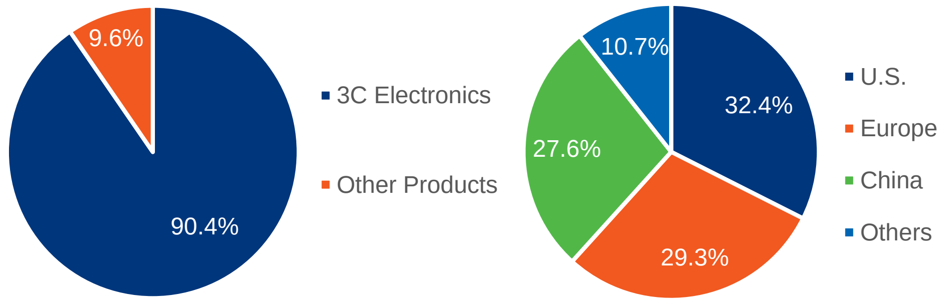
	2021	2022	2023	2024F	2025F
EPS (NTD)	3.76	4.01	4.08	6.11	8.47
EPS Growth (%)	21.3	6.6	1.7	49.8	38.5
P/E Ratio	27.7	25.9	25.5	17.0	12.3
ROE (%)	14.0	12.8	11.4	14.7	17.1

Source: Company data, estimates of KGI analyst

Valuations

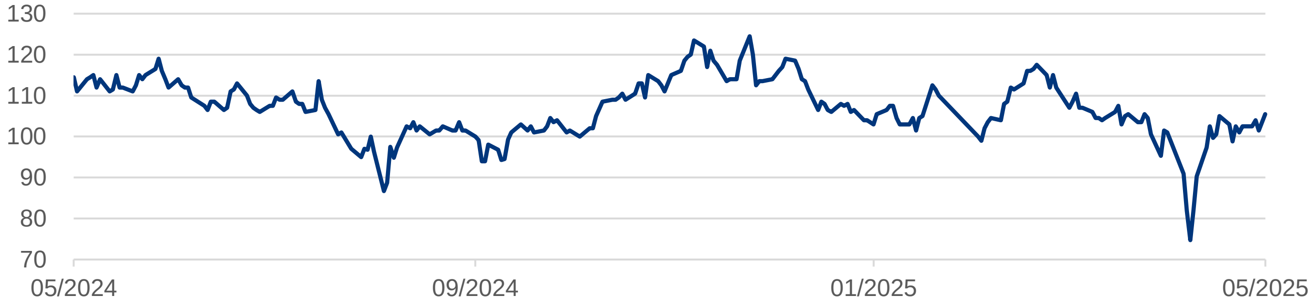


Revenue Sources and Regions



Source: Bloomberg

1-Year Price



As of 2 May 2025	1Wk	1M	3M	6M	YTD	1Y
Return (%)	4.46	4.46	-4.09	-8.26	1.44	-7.86

Mutual Funds/ ETFs

Weaker U.S. Dollar Expected to Benefit Markets Outside the U.S.

► Vanguard FTSE Developed Markets ETF (VEA)

- It seeks to track the performance of the FTSE Developed All Cap ex US Index, which comprises approximately 3,900 large-, mid-, and small-cap companies, primarily across non-U.S. regions, including major markets in Canada, Europe, and the Pacific.
- It has a relative bias toward large-cap stocks and offers broad diversification. Its top 10 holdings account for less than 10% of total assets, with the single largest holding representing only around 1.25%, indicating limited exposure to any one stock.
- The top 3 country allocations are Japan, the UK, and Canada. The top 3 sector exposures are banking, pharmaceuticals, and insurance.
- It maintains a relatively low cost structure, with a current expense ratio of just 0.03%.

► iShares MSCI Core EAFE ETF (IEFA)

- It seeks to track the investment performance of the MSCI EAFE IMI Index, which includes large-, mid-, and small-cap equities across developed markets outside the U.S., covering Europe, Australia, and the Far East.
- It leans toward large-cap names and offers broad diversification. The top 10 holdings make up approximately 11% of total assets, with the largest single holding accounting for only about 1.5%, resulting in limited concentration risk.
- The top 3 country allocations are Japan, the UK, and France. The top 3 sector exposures are banking, pharmaceuticals, and insurance.

► Fidelity Funds – Global Dividend Advantage Fund

- It focuses on investing in high-quality dividend-paying stocks and employs an actively managed covered call strategy to enhance income generation.
- It features globally diversified exposure, with a heavier allocation to Europe and the UK, reducing reliance on any single region's economic conditions.
- The sector allocation is defensively positioned, emphasizing industries with low correlation to economic growth, such as diversified financials, insurance, pharmaceuticals, and consumer staples.
- A monthly distribution share class is available, with the latest annualized distribution yield at 8.5% (A-MCDIST (G) USD Hedged Class) / 8.5% (A-MCDIST(G)-USD).

Product	Vanguard FTSE Developed Markets ETF (VEA)		iShares MSCI Core EAFE ETF (IEFA)		Fidelity Funds – Global Dividend Advantage Fund	
Features	■ Focus on Developed Markets Outside the U.S. ■ Expense ratio of 0.03%, among the lowest in its ETF category		■ Exposure includes developed markets in Europe, Australia, and the Far East ■ Over $130 billion in assets under management, offering high liquidity		■ Invests in High-Quality Dividend Stocks with an Actively Managed Covered Call Strategy to Enhance Income ■ U.S. Allocation Below 10%	
AUM	USD 150.41 billion		USD 132.73 billion		USD 659 million	
Tracking Index	FTSE Developed All Cap ex US Index		MSCI EAFE IMI Index		-	
Holdings	3,873		2,609		55	
3M/YTD Returns	5.51% / 11.24%		6.08% / 12.15%		6.48% / 8.37%	
Top-5 Regions (%)	Japan UK Canada France Germany	21.30 12.90 10.10 8.60 7.90	Japan UK France Germany Switzerland	23.81 14.62 10.25 9.40 9.09	UK Spain France U.S. Finland	19.3 8.2 8.2 7.6 5.9
Top-5 Holdings (%)	SAP Nestlé ASML Holding Roche Holding Shell	1.25 1.10 1.09 0.96 0.94	SAP Nestlé ASML Holding Roche Holding Novartis	1.46 1.35 1.30 1.11 1.08	Faroe Petroleum Unilever 3i Group Inditex Reckitt	3.0 2.8 3.2 3.1 2.5

Source: Bloomberg, 29 Apr. 2025

Vanguard FTSE Developed Markets ETF (VEA)

Profile

This ETF tracks the FTSE Developed All Cap ex US Index, aiming to replicate the performance of the index constituents and deliver investment returns that correspond closely to that of the benchmark.

Focused Exposure to Developed Markets Outside the U.S.

The tracked index includes large-, mid-, and small-cap stocks across developed markets, ex. the U.S. This ETF is well-suited for investors seeking to broaden their regional exposure beyond the U.S. and into other developed economies.

Diversified Holdings

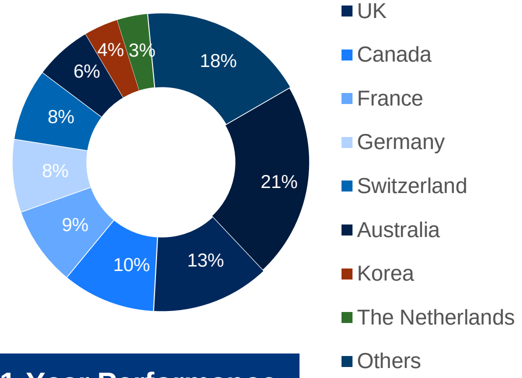
This ETF holds nearly 3,900 stocks, with its largest position, SAP, accounting for approximately 1.25% of the portfolio. The top 10 holdings collectively make up less than 10% of total assets, offering broad diversification and reducing single-stock concentration risk, which helps lower overall portfolio volatility.

Low Expense Ratio

The ETF carries an expense ratio of 0.03%, placing it among the most cost-effective options in its category. This low fee structure helps investors reduce overall investment costs and improve long-term net returns.

Inception Date	20 July 2007	**AUM**	USD 150.41 billion
ETF Category	Equities	**Holdings**	3,873
Expense Ratio	0.03%	**3Y Stand. Dev. (Ann.)**	17.78%

Regions

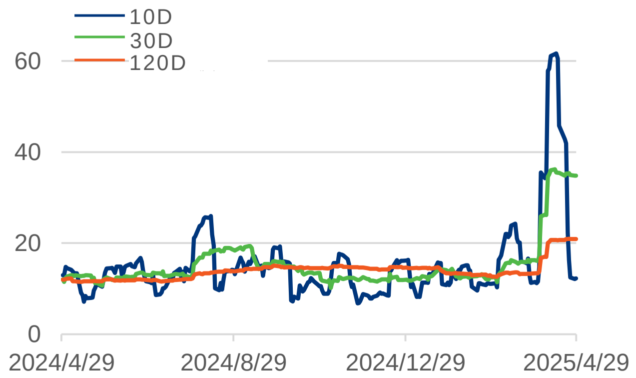


Top-5 Holdings (%)

SAP	1.25
Nestlé	1.10
ASML Holding	1.09
Roche Holding	0.96
Shell	0.94

1-Year Performance

1-Year Volatility



As of 29 Apr. 2025	1M	3M	YTD	1Y	3Y	5Y
Return (%)	3.34	5.51	11.24	12.78	30.42	72.56

Source: Bloomberg, 29 Apr. 2025

iShares MSCI Core EAFE ETF (IEFA)

Profile

This ETF tracks the MSCI EAFE IMI Index, aiming to replicate the performance of the index constituents and achieve returns that closely align with the benchmark.

■ Global Diversification Strategy

The underlying index follows a globally diversified allocation in accordance with MSCI standards, covering developed markets in Europe, Australia, and the Far East, ex. the U.S. and Canada, with South Korea classified as an emerging market. This ETF is suitable for long-term investors seeking exposure to developed markets outside of North America.

■ Diversified Investment

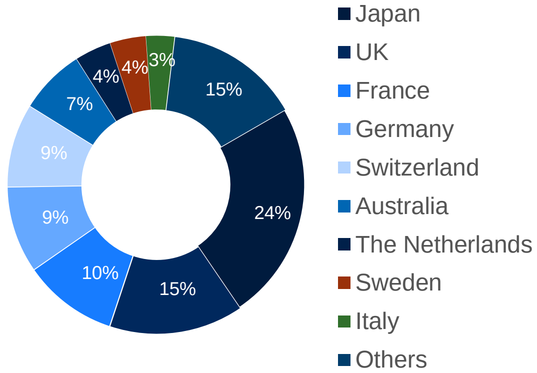
It holds approximately 2,600 stocks, spanning large-, mid-, and small-cap companies. The top 10 holdings account for about 11.09% of total assets, with the largest position, SAP, representing roughly 1.46% of the portfolio, indicating low exposure to any single stock.

■ High Liquidity

This ETF has over $130 billion in assets under management, offering high liquidity and tight index tracking. It is well-suited for long-term investors.

Inception Date	18 Oct. 2012	**AUM**	USD 132.73 billion
ETF Category	Equities	**Holdings**	2,609
Expense Ratio	0.07%	**3Y Stand. Dev. (Ann.)**	17.7%

Regions

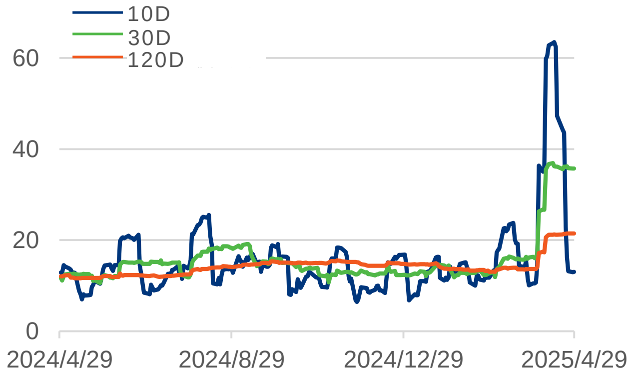


Top-5 Holdings (%)

SAP	1.46
Nestlé	1.35
ASML Holding	1.30
Roche Holding	1.11
Novartis	1.08

1-Year Performance

1-Year Volatility



As of 29 Apr. 2025	**1M**	**3M**	**YTD**	**1Y**	**3Y**	**5Y**
Return (%)	3.17	6.08	12.15	13.50	33.46	72.19

Source: Bloomberg, 29 Apr. 2025

Fidelity Funds – Global Dividend Advantage Fund

Profile

This fund aims to deliver returns in excess of its benchmark by investing at least 70% of its assets in equities of companies around the world. It may also invest up to a combined total of 30% in China A-shares and B-shares.

■ Global Diversification Strategy

The fund's sector allocation is defensively positioned, with a focus on industries that have lower correlation to economic growth, such as diversified financials, insurance, pharmaceuticals, and consumer staples. It adopts a globally diversified strategy, making it suitable for investors seeking regional diversification across global markets.

■ Focused on Dividend and Strategic Income Advantage

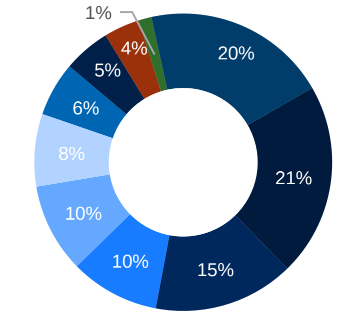
The portfolio emphasizes high-quality dividend-paying stocks and employs an actively managed covered call strategy to enhance income generation.

■ Monthly Distribution and Multiple Currency Options

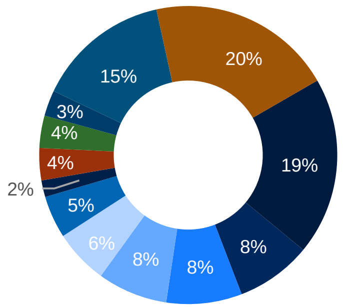
The fund provides monthly income distributions and is available in multiple currency share classes. The A-MCDIST(G) USD Hedged class currently offers an annualized distribution yield of 8.5%.

Inception Date	9 June 2021	**AUM**	USD 659 million
Morningstar Category	Global Large-Cap Equities	**Fund Category**	Equities
Morningstar Rating	★★★★	**3Y Stand. Dev. (Ann.)**	15.82%

Sectors



Regions



Top-5 Holdings (%)

Faroe Petroleum	3.00
Unilever	2.80
3i Group	3.20
Inditex	3.10
Reckitt	2.50

3Y NAV

As of 24 April 2025	3M	YTD	1Y	3Y	5Y	3M
USD Cumulative Return	2.97	6.48	8.37	17.72	29.30	34.66
Quartile Ranking Within Category	1	1	1	1	1	1

Source: Fidelity Asset Management Monthly Report, Morningstar. Performance data as of April 29, 2025; monthly report as of March 31, 2025. Share class referenced: A USD Accumulation

Bonds

Japan's Resilient Economic Fundamentals Support Japanese Financial Corporate Bonds

- **NIPLIF 6.5 04/30/55 (Nippon Life Insurance Co.) – USD Denominated**
- **NIPLIF 4.114 01/23/55 (Nippon Life Insurance Co.) – EUR Denominated**
  - Nippon Life Insurance Company is Japan's largest life insurer, with total assets of approximately ¥98.8 trillion (about USD 692 billion) as of the end of 2024. Its market share is roughly four times that of an average Japanese life insurance company, accounting for about 16.8% of total annualized net premiums in fiscal year 2023. Nippon Life benefits from a strong market position, high brand recognition, and a long-standing operational history.
  - The company maintains a strong capital position. As of fiscal year 2023, its Solvency Margin Ratio stood at 1,026% (well above the minimum regulatory requirement of 200%), and its Economic Solvency Ratio was 224% (compared to the minimum requirement of 100%), placing it among the top-tier insurers in Japan. Over recent years, Nippon Life has also reduced its interest rate risk by narrowing the asset-liability duration gap through the purchase of ultra-long-term government bonds.
  - Nippon Life exercises strong control over its captive sales network. The company has three primary distribution channels: retail captive sales, corporate sales, and bancassurance via agency networks. These channels play a key role in maintaining Nippon Life's low policy lapse rates. In addition, it offers a diversified product mix. As of the end of September 2024, life insurance accounted for 51% of annualized net premiums (ANPs), third-sector insurance for 18%, and annuities for 31%.

Products	NIPLIF 6.5 04/30/55 (Nippon Life Insurance Co.)	NIPLIF 4.114 01/23/55 (Nippon Life Insurance Co.)
ISIN	US654579AP63	XS2979680332
Highlight	Nippon Life Insurance Company is Japan's largest life insurer, backed by strong capital adequacy and a highly controlled captive distribution network.	
Maturity Date	2055/4/30	2055/1/23
Next Redemption Day	2035/4/30	2035/1/23
Coupon (%)	Float/6.5/Semi-annual	Float/4.114/Annual
Currency	USD	EUR
Years to Maturity	30.19	29.75
Rating (Moody's/ Fitch/S&P)	A3/-/A-	A3/-/A-
Seniority	Subordinated	Subordinated
YTM/YTC (%)	7.13/6.26	4.40/4.40

Source: Bloomberg

NIPLIF 6.5 04/30/55 (Nippon Life Insurance Co.)

Profile

Nippon Life Insurance Company is the largest life insurer in Japan, with total assets of approximately ¥98.8 trillion (around USD 692 billion) as of the end of 2024. Its market share is roughly four times that of a typical Japanese life insurer. As of fiscal year 2023, it held a 16.8% share of the market based on annualized net premium income.

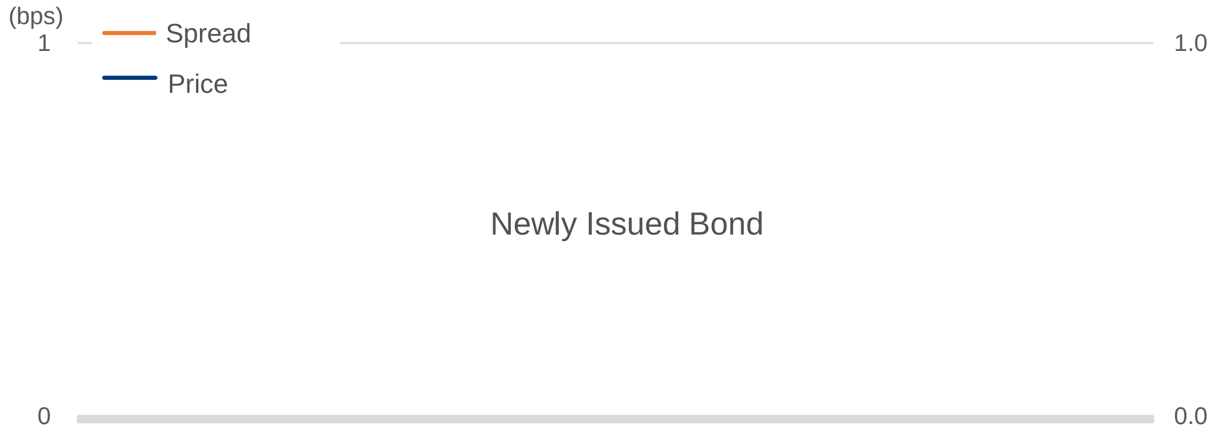
- The company maintains robust capital adequacy. As of fiscal year 2023 (ending March 2024), its Solvency Margin Ratio stood at 1,026%, well above the minimum regulatory threshold of 200%, and its Economic Solvency Ratio reached 224%, surpassing the 100% minimum requirement. These figures place the company in the top tier among Japanese insurers. Additionally, over recent years, Nippon Life has narrowed its asset-liability duration gap by purchasing ultra-long-term government bonds, thereby mitigating its interest rate risk.
- The company exercises strong distribution control through its captive sales channels. Nippon Life operates three primary sales networks: retail captive sales, corporate sales, and bancassurance via agency partnerships.
- These sales forces play a critical role in maintaining Nippon Life’s low policy lapse rates. At the same time, the company offers a diversified product portfolio. As of the end of September 2024, life insurance accounted for 51% of annualized net premiums (ANPs), third-sector insurance for 18%, and annuities for 31%.

Financials	2022	2023	2024
Solvency Ratio	1,120	1,072	1,025
Adjusted Net Premium Income ($USD 100M)	479.65	471.44	595.49
Return on Asset (ROA)	0.40	0.13	0.45

Overview

Name	NIPLIF 6.5 04/30/55	ISIN	US654579AP63
Maturity Date	30 Apr. 2055	Remaining Maturity	30.19
Coupon(%)	Float/6.5/Semi-annual	YTM/YTC(%)	7.13/6.26
Currency	USD	Min. Subscription/ Increment	200,000/1,000
Ratings (Moody's/Fitch/S&P)	A3/-/A-	Seniority	Subordinated

Price Since Issuance



Source: Bloomberg, as of April 30, 2025. Note: The coupon reset date is April 30, 2035, with semiannual distributions. Interest rate will be the U.S. 5-year Treasury yield on the reset date plus a spread of 3.189%

NIPLIF 4.114 01/23/55 (Nippon Life Insurance Co.)

Profile

Nippon Life Insurance Company is the largest life insurer in Japan, with total assets of approximately ¥98.8 trillion (around USD 692 billion) as of the end of 2024. Its market share is roughly four times that of a typical Japanese life insurer. As of fiscal year 2023, it held a 16.8% share of the market based on annualized net premium income.

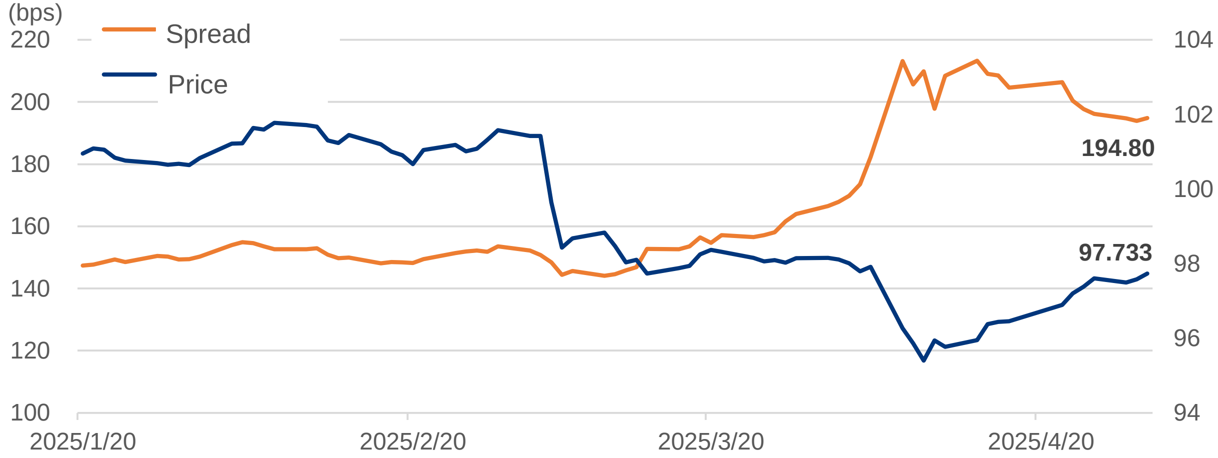
- The company maintains robust capital adequacy. As of fiscal year 2023 (ending March 2024), its Solvency Margin Ratio stood at 1,026%, well above the minimum regulatory threshold of 200%, and its Economic Solvency Ratio reached 224%, surpassing the 100% minimum requirement. These figures place the company in the top tier among Japanese insurers. Additionally, over recent years, Nippon Life has narrowed its asset-liability duration gap by purchasing ultra-long-term government bonds, thereby mitigating its interest rate risk.
- The company exercises strong distribution control through its captive sales channels. Nippon Life operates three primary sales networks: retail captive sales, corporate sales, and bancassurance via agency partnerships.
- These sales forces play a critical role in maintaining Nippon Life's low policy lapse rates. At the same time, the company offers a diversified product portfolio. As of the end of September 2024, life insurance accounted for 51% of annualized net premiums (ANPs), third-sector insurance for 18%, and annuities for 31%.

Financials	2022	2023	2024
Solvency Ratio	1,120	1,072	1,025
Adjusted Net Premium Income ($USD 100M)	479.65	471.44	595.49
Return on Asset (ROA)	0.40	0.13	0.45

Overview

Name	NIPLIF 4.114 01/23/55	ISIN	XS2979680332
Maturity Date	23 Jan. 2055	Remaining Maturity	29.75
Coupon(%)	Float/4.114/Annual	YTM/YTC(%)	4.40/4.40
Currency	EUR	Min. Subscription/ Increment	100,000/1,000
Ratings (Moody's/Fitch/S&P)	A3/-/A-	Seniority	Subordinated

Price Since Issuance



Source: Bloomberg, as of April 30, 2025. Note: Coupon reset date is Jan 23, 2035, with annual interest payments. Interest rate will be based on the 5-year EURIBOR ICE swap rate on the reset date plus a spread of 2.60%

Appendix Key Economic Data / Events

APR 2025

MAY 2025

28 Monday
- Hong Kong Exports YoY (Actual:18.5% Est:12.4% Prev:15.4%)

29 Tuesday
- U.S. Mar. JOLTS Job Openings (Actual:7,192k Est:7,500k Prev:7,480k)
- U.S. Apr. Conf. Board Consumer Confidence (Actual:86.0 Est:88.0 Prev:93.9)
- Eurozone Apr. Consumer Confidence (Actual:-16.7 Prev:-14.5)

30 Wednesday
- U.S. Apr. ADP Employment (Actual:62k Est:115k Prev:147k)
- U.S. Q1 GDP Annualized QoQ Initial Value (Actual:-0.3% Est:-0.2% Prev:2.4%)
- U.S. Mar. PCE YoY (Actual:2.3% Est:2.2% Prev:2.7%)
- U.S. Mar. Core PCE YoY (Actual:2.6% Est:2.6% Prev:3.0%)

1 Thursday
- U.S. Last Week's Initial Jobless Claims (Actual:241k Est:223k Prev:223k)
- U.S. Apr. S&P Global US Manufacturing PMI Final Value (Actual:50.2 Est:50.5 Prev:50.2)
- U.S Apr. ISM Manufacturing PMI (Actual:48.7 Est:47.9 Prev:49.0)
- Japan Apr. Jibun Bank PMI Mfg Final Value (Actual:48.7 Prev:48.4)
- Japan May BOJ Target Rate (Actual:0.50% Est:0.50% Prev:0.50%)

2 Friday
- U.S. Apr. Nonfarm Payrolls (Est:138k Prev:228k)
- U.S. Apr. Unemployment Rate (Est:4.2% Prev:4.2%)
- U.S. Mar. Durable Goods Orders MoM Final Value (Est:9.2% Prev:0.9%)
- Eurozone Apr. Manufacturing PMI Final Value (Est:48.7 Prev:48.6)

5 Monday
- U.S Apr. ISM Services Index (Est:50.2 Prev:50.8)
- Eurozone May. Sentix Investor Confidence (Est:-15.0 Prev:-19.5)

6 Tuesday
- Eurozone Apr. HCOB Services PMI Final Value (Est:49.7 Prev:51.0)
- Eurozone Mar. PPI YoY (Est:2.6% Prev:3.0%)
- China Apr. Caixin PMI Service (Est:51.8 Prev:51.9)
- VRTX, PLTR Earnings

7 Wednesday
- Eurozone Mar. Retail Sales MoM (Est:-0.1% Prev:0.3%)
- U.S. May. FOMC Rate Decision (Est:4.50% Prev:4.50%)
- ANET, AMD, DIS, UBER Earnings

8 Thursday
- U.S. Last Week's Initial Jobless Claims (Prev:241k)
- Taiwan Apr. Export YoY (Prev:18.6%)
- U.K. May. Bank of England Interest Rate Decision (Est:4.25% Prev:4.50%)
- COP Earnings

9 Friday
- China Apr. Export YoY (Prev:12.4%)

Source: Bloomberg.com

Key Earnings Releases

Date	Name	Revenue (F) (USD)	Actual Revenue (USD)	EPS (F) (USD)	Actual EPS (USD)	Exceed Expectation Revenue	Exceed Expectation EPS
29 Apr 2025	WELLTOWER INC (WELL)	2.34B	2.42B	0.4	0.4	V	
29 Apr 2025	HONEYWELL INTERNATIONAL INC (HON)	9.6B	9.82M	2.21	2.51	V	V
29 Apr 2025	PFIZER INC (PFE)	14.09B	13.72B	0.68	0.92		V
29 Apr 2025	COCA-COLA CO/THE (KO)	11.2B	11.1B	0.72	0.73		V
29 Apr 2025	ALTRIA GROUP INC (MO)	4.62B	5.26B	1.19	1.23	V	V
29 Apr 2025	AMERICAN TOWER CORP (AMT)	2.54B	2.56B	1.6	1.04	V	
29 Apr 2025	S&P GLOBAL INC (SPGI)	3.72B	3.78B	4.23	4.37	V	V
30 Apr 2025	BOOKING HOLDINGS INC (BKNG)	4.59B	4.76B	17.45	24.81	V	V
30 Apr 2025	VISA INC-CLASS A SHARES (V)	9.55B	9.6B	2.68	2.76	V	V
30 Apr 2025	CATERPILLAR INC (CAT)	14.58B	14.25B	4.35	4.25		
30 Apr 2025	AUTOMATIC DATA PROCESSING (ADP)	5.49B	5.55B	2.97	3.06	V	V
1 May 2025	META PLATFORMS INC-CLASS A (META)	41.48B	42.31B	5.24	6.43	V	V
1 May 2025	MICROSOFT CORP (MSFT)	68.53B	70.1B	3.23	3.46	V	V
1 May 2025	QUALCOMM INC (QCOM)	10.55B	10.84B	2.8	2.85	V	V
1 May 2025	LINDE PLC (LIN)	8.23B	8.11B	3.92	3.95		V

Source: Investing.com

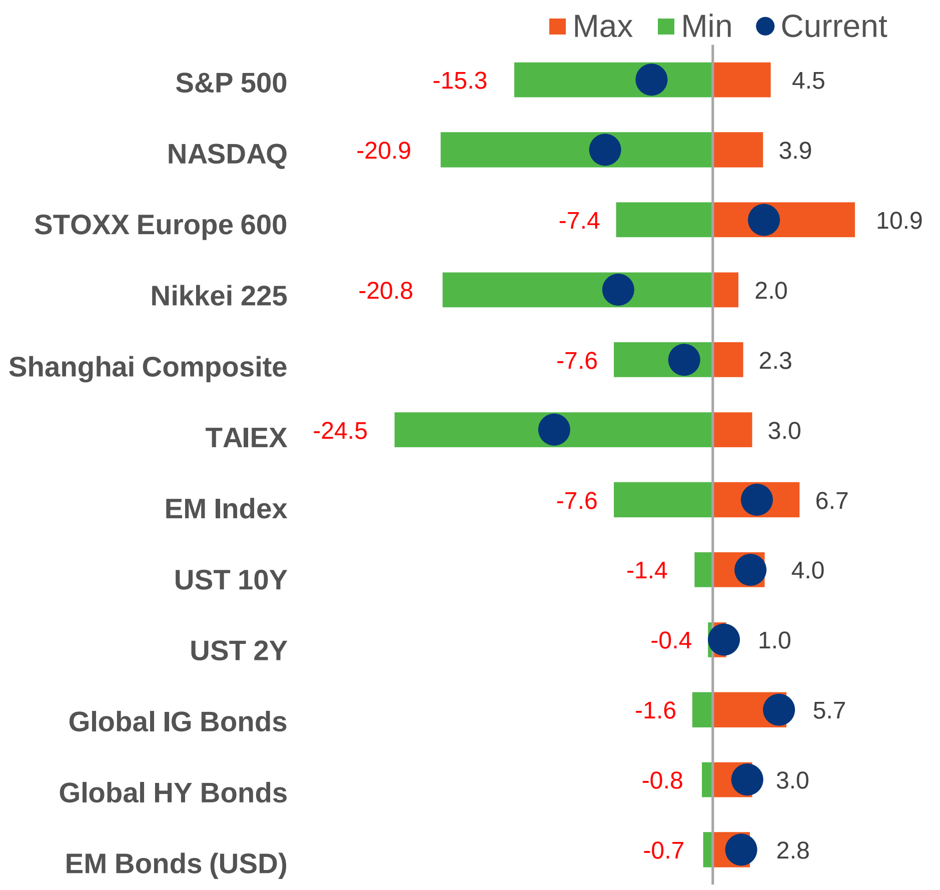
Key Earnings Releases

Date	Name	Revenue (F) (USD)	Actual Revenue (USD)	EPS (F) (USD)	Actual EPS (USD)	Exceed Expectation Revenue	Exceed Expectation EPS
1 May 2025	KKR & CO INC (KKR)	1.71B	3.11B	1.13	1.15	V	V
1 May 2025	MASTERCARD INC - A (MA)	7.13B	7.3B	3.57	3.73	V	V
1 May 2025	ELI LILLY & CO (LLY)	12.72B	12.73B	3.46	3.34	V	
1 May 2025	MCDONALD'S CORP (MCD)	6.15B	5.96B	2.69	2.6		
1 May 2025	SOUTHERN CO/THE (SO)	7.31B	7.78B	1.19	1.23	V	V
2 May 2025	STRYKER CORP (SYK)	5.68B	5.9B	2.71	2.84	V	V
2 May 2025	APPLE INC (AAPL)	94.22B	95.36B	1.61	1.65	V	V
2 May 2025	AMGEN INC (AMGN)	8.09B	8.15B	4.29	4.9	V	V
2 May 2025	AMAZON.COM INC (AMZN)	155.29B	155.7B	1.37	1.59	V	V

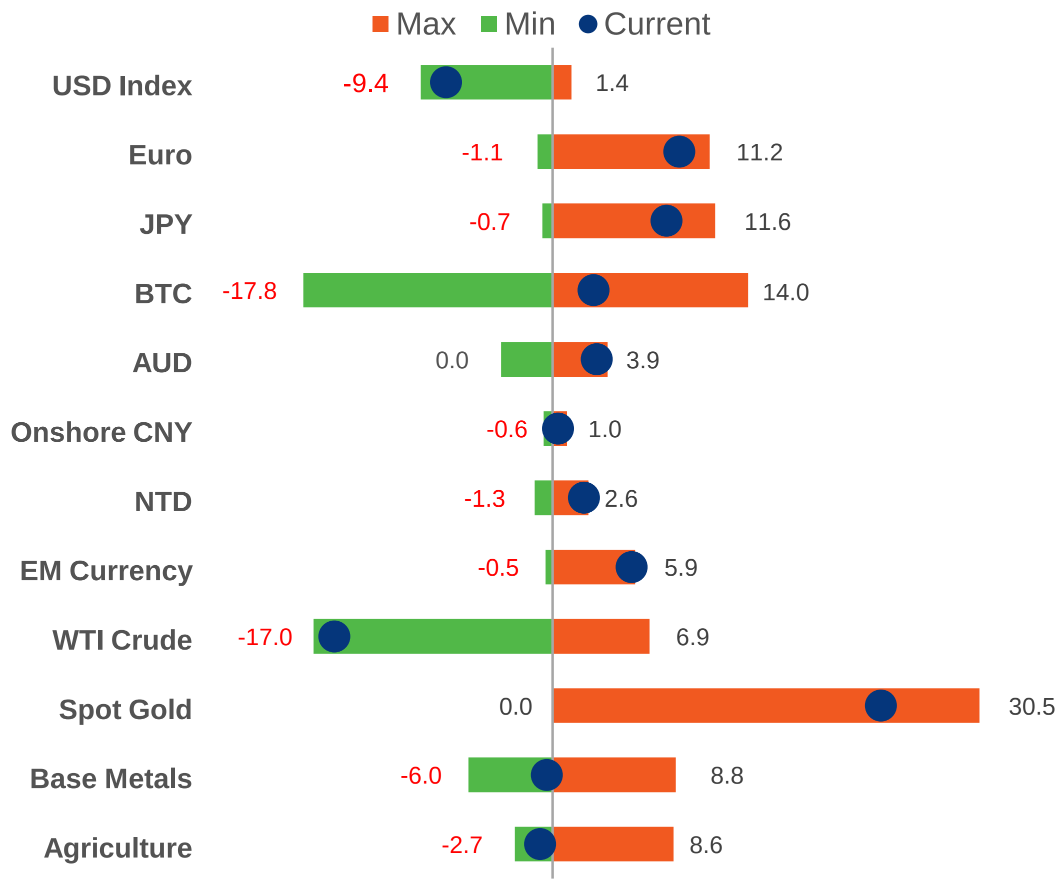
Source: Investing.com

YTD Major Market / Asset Performance

Stock and Bond Market YTD Performance (%)



Currencies and Futures Market YTD Performance (%)



Source: Bloomberg, 2 May. 2025

Technical Analysis

60D MA

S&P 500 Index

- Current: 5,604
- 60D MA: 5,673

NASDAQ Index

- Current: 17,710
- 60D MA: 17,911

STOXX Europe 600 Index

- Current:527
- 60D MA:535

Nikkei 225 Index

- Current: 36,680
- 60D MA: 36,654

Shanghai Composite Index

- Current: 3,279
- 60D MA: 3,325

MSCI Emerging Markets Index

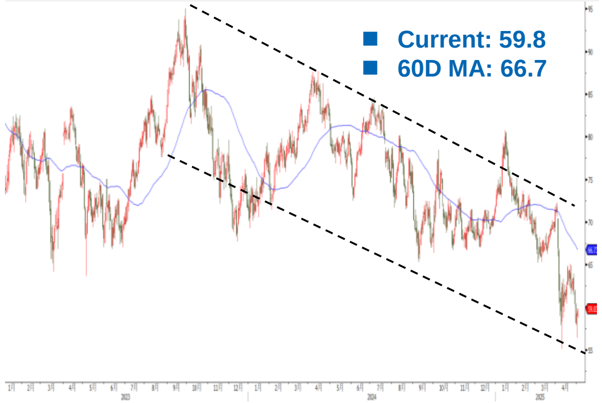
- Current: 1,111
- 60D MA: 1,103

Gold

- Current: 3,244
- 60D MA: 3,057

WTI Crude

- Current: 59.8
- 60D MA: 66.7



Source: Bloomberg, 2 May. 2025

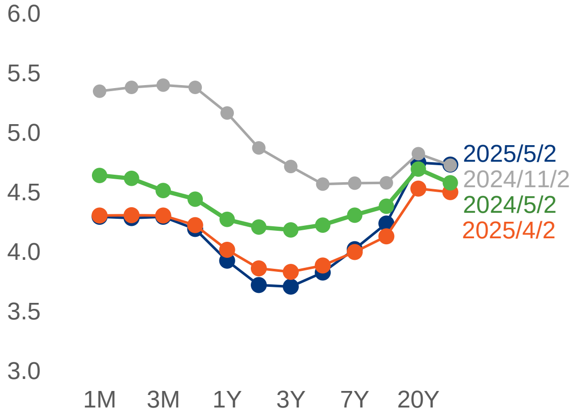
Market Monitor

U.S. CPI YoY (%)

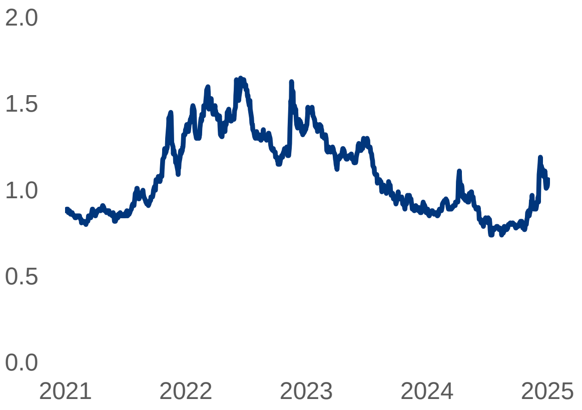
U.S. 10-Year Treasury Yield (%)

U.S. Treasury Yield Spread (bps)

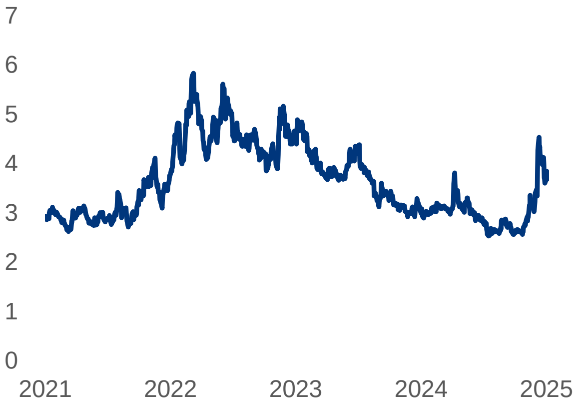
U.S. Treasury Yield Curve (%)



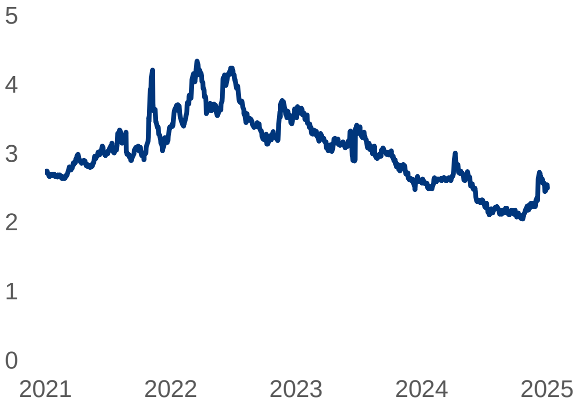
USD IG Credit Spread (%)



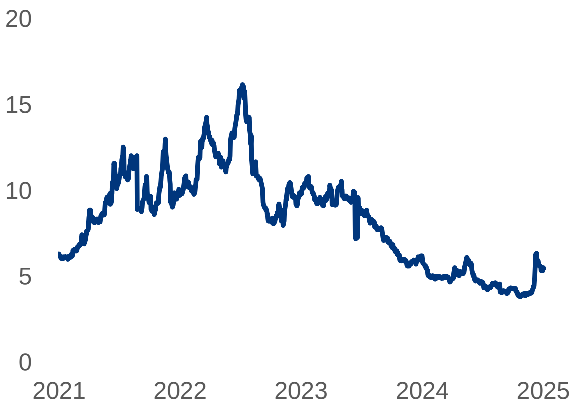
USD HY Credit Spread (%)



USD EM Credit Spread (%)



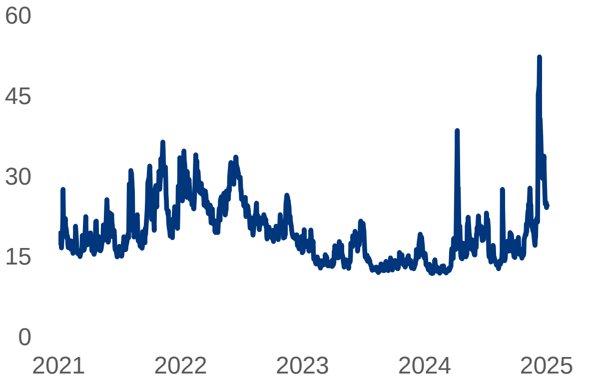
USD Asia Credit Spread (%)



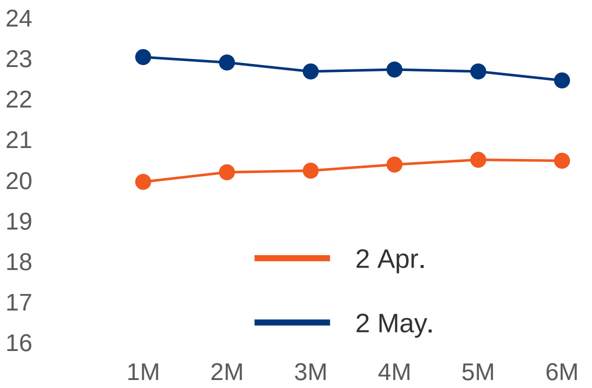
Source: Bloomberg, 2 May. 2025

Market Monitor

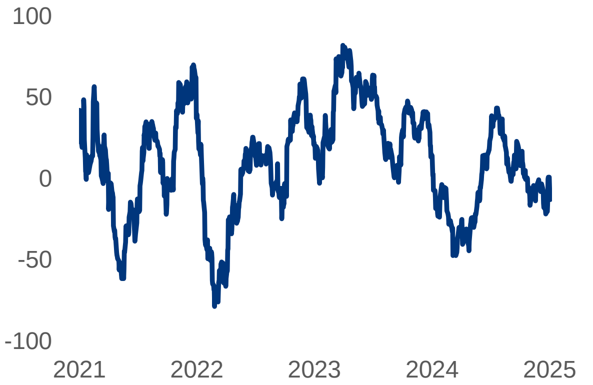
VIX Index



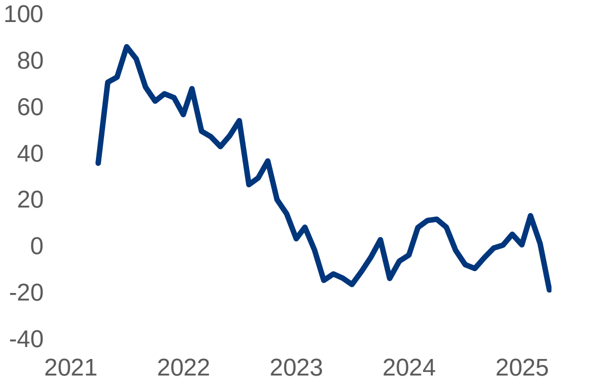
VIX Term Structure



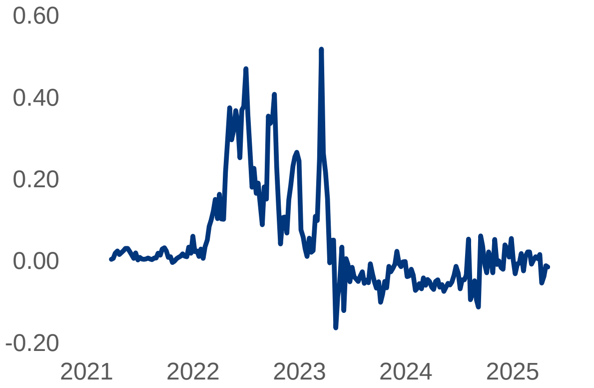
U.S. Citi Economic Surprise Index*



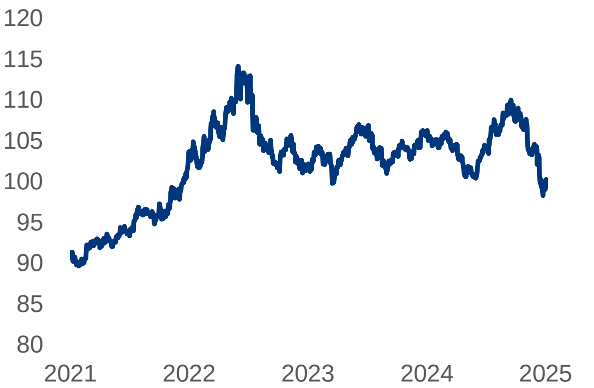
U.S. Citi Inflation Surprise Index*



TED Spread (bps)

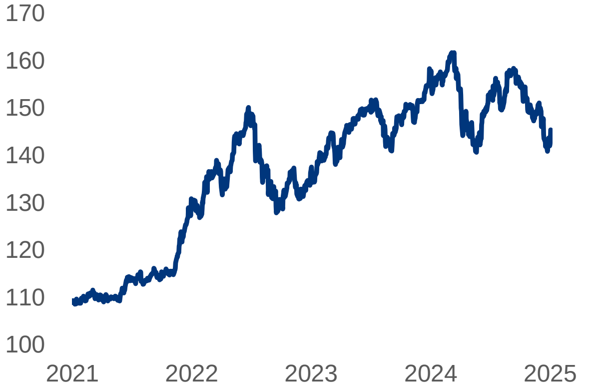


U.S. Dollar Index



USD to TWD

USD to JPY



Source: Bloomberg,2 May. 2025; *The Citi Economic/Inflation Surprise Index measures the deviation between economic data/actual inflation and market expectations. A rising index indicates economic improvement/inflation exceeding market expectations.

Disclaimer and Important Notice

The information contained in the document herein is confidential and is not intended for general public distribution or for use by any person or entity located or residing in any jurisdiction which restricts the distribution of such information by KGI Asia Limited ("KGI") or any affiliate of KGI. Re-distribution of the document herein and any part thereof by any means is strictly prohibited. Such information shall not be regarded as an offer, invitation, solicitation or recommendation to invest in or sell any securities or investment products to any person or entity in any jurisdiction. The above information (including but not limited to general financial and market information, news services, market analysis and product information) is for general information and reference purpose only and may not be reproduced or published (in whole or in part) for any purpose without the prior written consent of KGI Asia Ltd. Such information is not intended to provide investment advice and should not be relied upon in that regard. You are advised to exercise caution, and if you are in any doubt about such information, you should seek independent professional advice.

You are advised to exercise caution and undertake your own independent review, and you should seek independent professional advice before making any investment decision. You should carefully consider whether investment is suitable in light of your own risk tolerance, financial situation, investment experience, investment objectives, investment horizon and investment knowledge.

No representation or warranty is given, whether express or implied, on the accuracy, adequacy or completeness of information provided herein. In all cases, anyone proposing to rely on or use the information contained herein should independently verify and check the accuracy, completeness, reliability and suitability of the information. Simulations, past and projected performance may not necessarily be indicative of future results. Information including the figures stated herein may not necessarily have been independently verified, and such information should not be relied upon in making investment decisions. None of KGI, its affiliates or their respective directors, officers, employees and representatives will be liable for any loss or damage of any kind (whether direct, indirect or consequential losses or other economic loss of any kind) suffered or incurred by any person or entity due to any omission, error, inaccuracy, incompleteness or otherwise, or any reliance on such information. Furthermore, none of KGI, its affiliates or their respective directors, officers, employees and representatives shall be liable for the content of information provided by or quoted from third parties.

Complex Products refers to an investment product whose terms, features and risks are not reasonably likely to be understood by a retail investor because of its complex structure. Investors should exercise caution in relation to complex products. Investors may lose the entire amount or more than the invested amount. For complex products with offering documents or information not reviewed by the Hong Kong Securities and Futures Commission (SFC), investors should exercise caution regarding the offer. For complex products described as SFC-approved, such approval does not imply official endorsement, and SFC recognition does not equate to a recommendation or assurance of the product’s commercial viability or performance. Past performance data, if provided, is not indicative of future performance. Some complex products are only available to professional investors. Before making any investment decisions, investors should review the offering documents and other relevant information to understand the key nature, features, and risks of the complex products. Independent professional advice should be sought, and investors should have sufficient net assets to bear the potential risks and losses associated with the product. Members of the KGI group and their affiliates may provide services to any companies and affiliates of such companies mentioned herein. Members of the KGI group, their affiliates and their directors, officers, employees and representatives may from time to time have a position in any securities mentioned herein.

Bond investment is NOT equivalent to a time deposit. It is NOT protected under the Hong Kong Deposit Protection Scheme. Bondholders are exposed to a variety of risks, including but not limited to: (i) Credit risk - The issuer is responsible for payment of interest and repayment of principal of bonds. If the issuer defaults, the holder of bonds may not be able to receive interest and get back the principal. It should also be noted that credit ratings assigned by credit rating agencies do not guarantee the creditworthiness of the issuer; (ii) Liquidity risk - some bonds may not have active secondary markets and it would be difficult or impossible for investors to sell the bond before its maturity; (iii) Interest rate risk – When the interest rate rises, the price of a fixed rate bond will normally drop, and vice versa. If you want to sell your bond before it matures, you may get less than your purchase price. Do not invest in bond unless you fully understand and are willing to assume the risks associated with it. Please seek independent advice if you are unsure.

All investments involve risks. The prices of securities fluctuate, sometimes dramatically. The price of a security may move up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying and selling securities. Prices of securities and fund units may go up as well as down and past performance information presented is not indicative of future performance. Investors should read the relevant fund's offering documents (including the full text of the risk factors stated therein (in particular those associated with investments in emerging markets for funds investing in emerging markets)) in detail before making any investment decision. You are advised to exercise caution and undertake your own independent review, and you should seek independent professional advice before making any investment decision. You should carefully consider whether investment is suitable in light of your own risk tolerance, financial situation, investment experience, investment objectives, investment horizon and investment knowledge.