



CIO Office Global Markets Weekly Kickstart

Semis: Leaders Pull Further Ahead

27 April 2026

01 CIO Insights

Bullish on Gold When It Becomes “Boring”

02 Chart of the Week

Middle East Risks Fade; Focus Shifts to Tech Earnings



03 Market Recap

US-Iran Deal Volatility Fails to Derail Tech Rally to New Highs



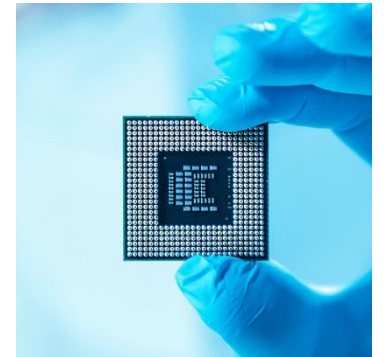
04 What's Trending

Short-Term US Inflation Expectations Rise, but Wealth Effect Supports Consumption



05 In Focus

Cloud Server Makers Accelerate Capex on Compute, Supporting Semiconductor Growth



06 Product Spotlight

Selection of Equities, Funds/ETFs and Bonds

Bullish on Gold When It Becomes “Boring”

► Gold Is No Longer a Safe-Haven Asset

Volatility has risen above equities, correlation with stocks has increased, and speculative participation has changed its character. Investors should therefore stop treating gold as automatic protection during market stress. In this cycle, it can trade more like a risk asset than a dependable defensive hedge.

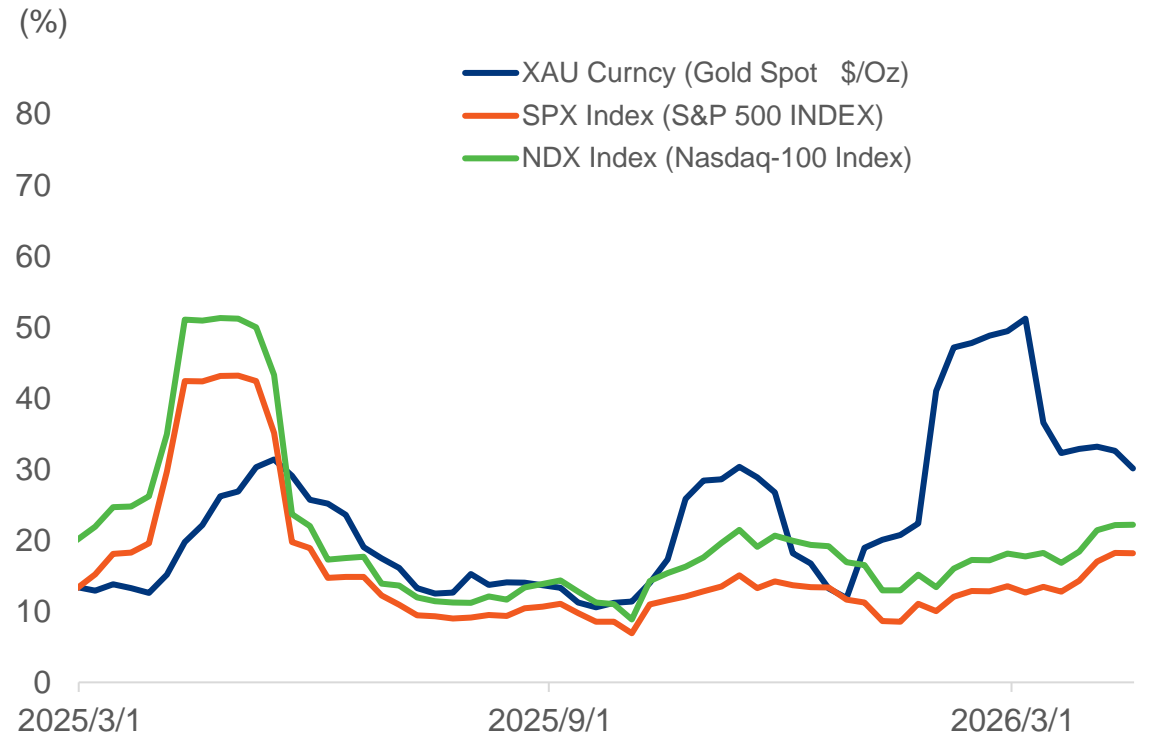
► The Long-Term Investment Case for Gold Remains Credible

The near-term trigger is different from what many expect. Central banks still need diversification away from the U.S. dollar, yet they care more about price stability than excitement. The most constructive signal is not a dramatic rally, but a quieter period of consolidation, lower volatility, and fading market attention.

► From Excitement to Indifference

That is why “boring” may become bullish. When enthusiasm cools and gold becomes less speculative, it can transition back toward its safe-haven role. That shift could open a more attractive entry point for selective exposure, especially for investors seeking diversification, resilience against dollar debasement, and eventual upside as volatility compresses over time. Patience may define the next profitable phase for gold.

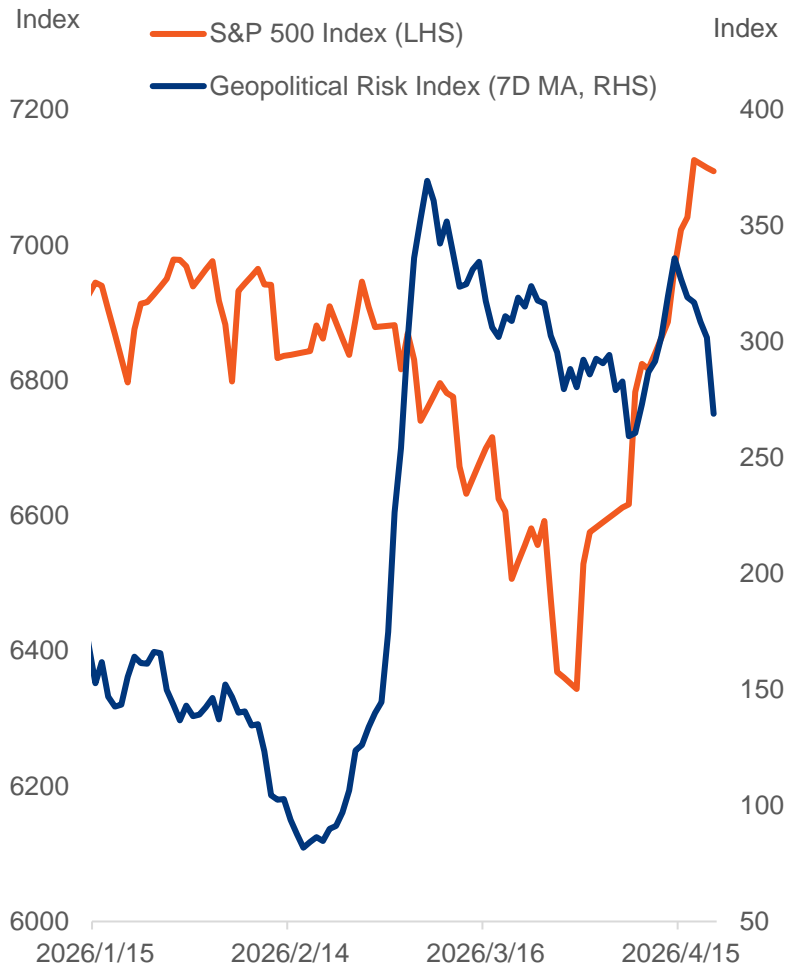
30 Days Volatility of Gold Prices The Illusion of Safety is Deadlier Than Outright Risky



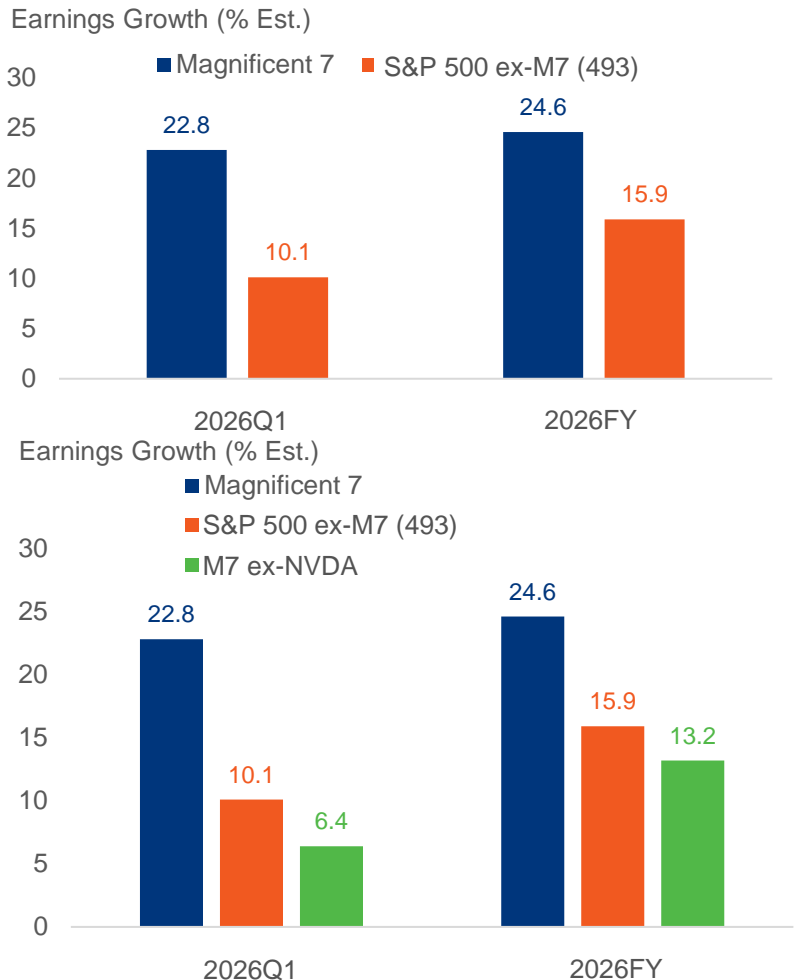
Middle East Risks Fade; Focus Shifts to Tech Earnings

- ▶ Despite ongoing Middle East volatility, market sensitivity to US-Iran negotiations and geopolitical risks has diminished. After equities declined from March, markets rebounded in April, with focus shifting back to corporate earnings and fundamentals. Even as the geopolitical risk index picked up again in mid-April, US equities continued to reach new highs.
- ▶ FactSet estimates 1Q earnings growth for the S&P 500 at ~13.2% YoY. The Magnificent 7 are expected to deliver 22.8% YoY growth, outpacing the remaining 493 companies at 10.1%. Nvidia leads profit growth not only within the M7 but across the entire index. Excluding Nvidia, the other six M7 firms' earnings growth drops from 22.8% to 6.4%, even below the broader 493 companies.
- ▶ After Nvidia, Micron, Eli Lilly, Broadcom, and SanDisk are expected to be the next largest contributors to earnings growth—three of which are semiconductor-related. For FY, M7 earnings are projected to grow 24.6%; excluding Nvidia, growth falls to 13.2%, below the 15.9% expected for the other 493 companies. This suggests a continued “winner-takes-most” dynamic, with AI and semiconductors remaining the key market drivers.

Equities Show Muted Response to Middle East Risk Index



Magnificent 7 Earnings Outpace; Ex-Nvidia Lags S&P 493



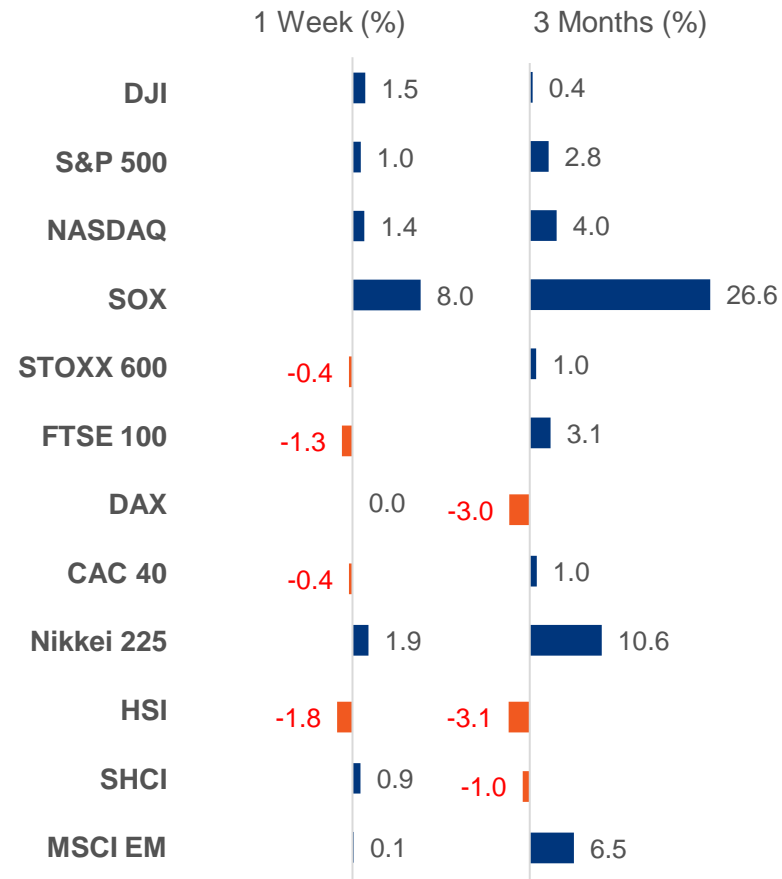
Source: Factset, Bloomberg, KGI

Market Recap

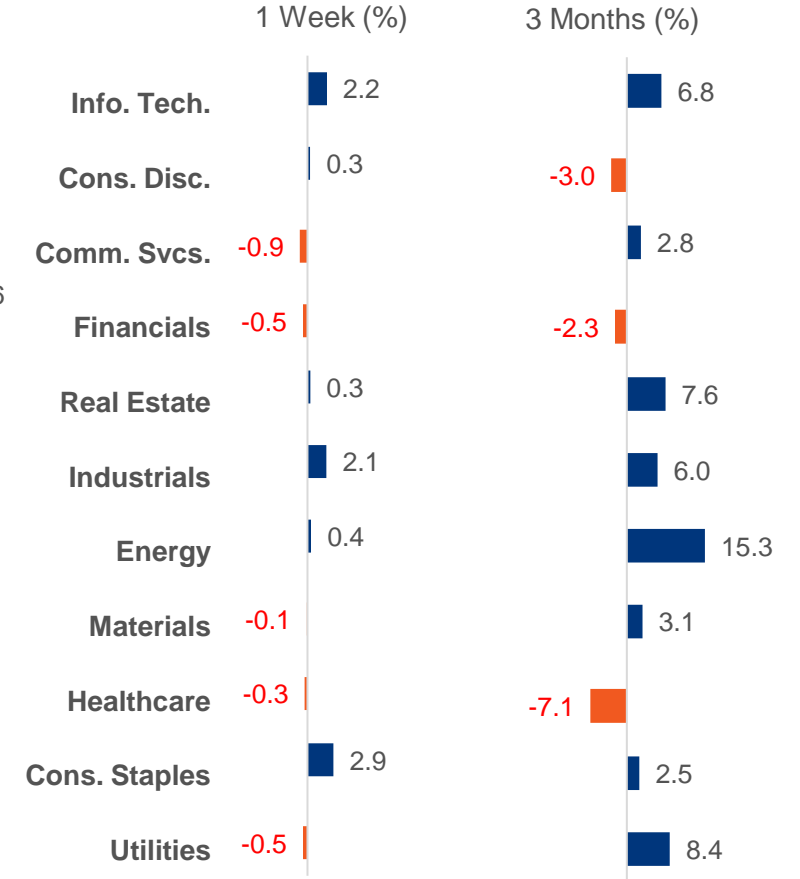
US-Iran Deal Uncertainty Fails to Derail Tech Rally to New Highs

- ▶ President Trump announced an “indefinite extension” of the ceasefire with Iran until Tehran presents a unified proposal and reaches a final agreement. The US military continues its blockade of the Strait of Hormuz, while Iran demands a full lift of the blockade as a condition for a meaningful ceasefire. Negotiations have neither progressed nor deteriorated, with oil prices holding near USD100/bbl. Geopolitical risks have eased in the near term, lifting risk appetite and shifting focus back to corporate earnings. US and Japanese equities advanced.
- ▶ Semiconductors led the rally, with the SOX index hitting new highs. Texas Instruments beat expectations on strong industrial and data center demand. Lam Research posted record quarterly revenue and earnings. Intel reported revenue growth of 7.2% YoY, with data center and AI revenue up 22% YoY and foundry revenue rising 16%, both exceeding expectations, supporting broader IT sector gains. Tesla delivered better-than-expected earnings, driven by EV revenue, but capex surged 67% YoY to USD25bn, weighing on sentiment. Apple CEO Tim Cook will step down, with Ternus set to take over in September.

Regional Index Performance (%)

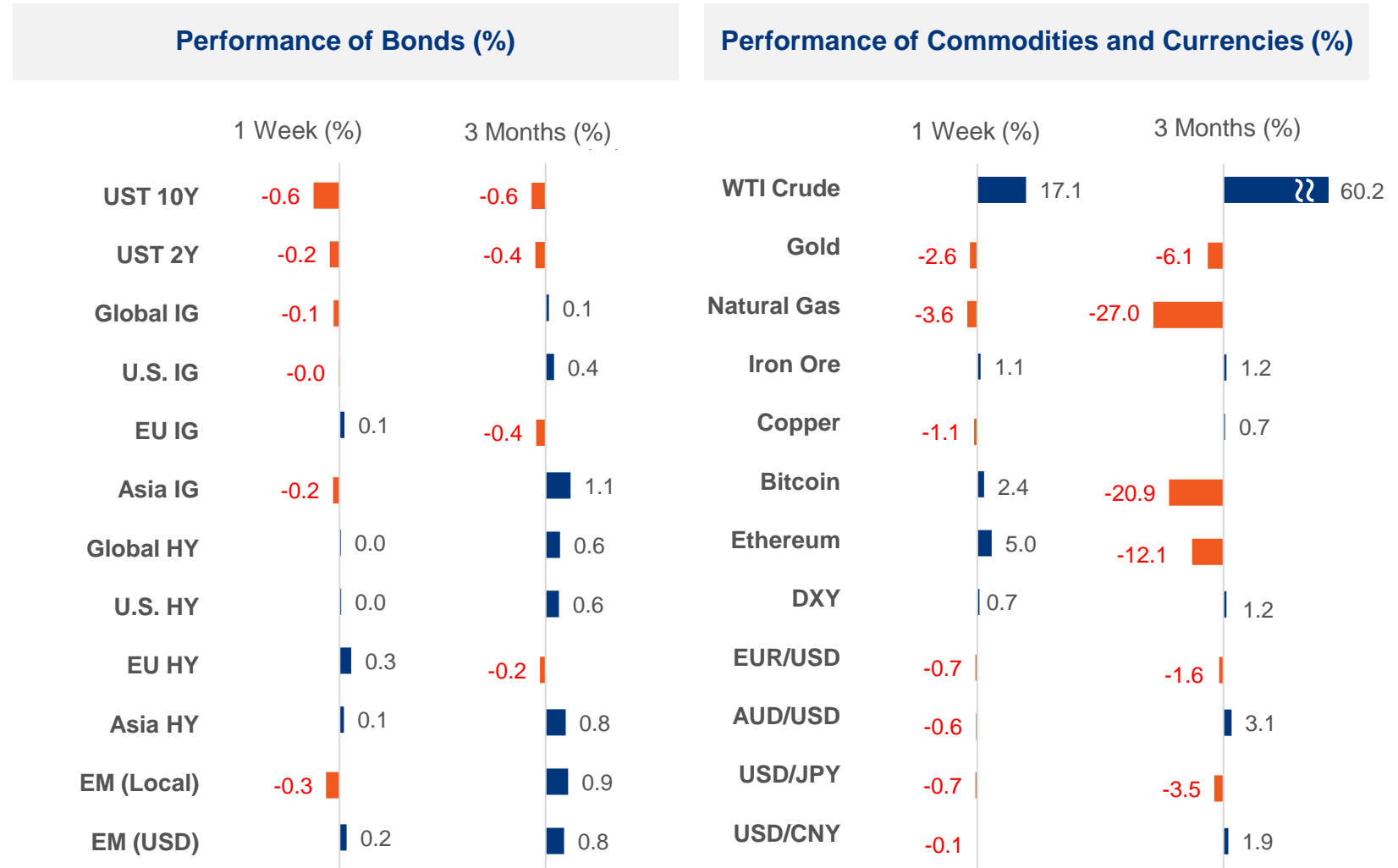


U.S. Sector Index Performance (%)



Warsh Stresses Policy Independence; Major Central Banks Likely to Stay on Hold

- ▶ Fed chair nominee Kevin Warsh emphasized maintaining monetary policy independence during his confirmation hearing and signaled a preference for a new framework to assess and respond to inflation. He reiterated support for balance sheet reduction while cautioning against excessive market volatility. His nomination has yet to be scheduled by Congress, raising the possibility he may not take office before May 15 and leaving lingering concerns over central bank independence. US Treasury yields rose amid elevated oil prices and inflation concerns, pressuring bond markets.
- ▶ April S&P Global manufacturing PMI rose to 54.0 from 52.3 (vs. 52.5 consensus), while services PMI increased to 51.3 from 49.8 (vs. 50.6), signaling economic resilience. The USD index remained elevated at 98.6. A stronger dollar and higher yields weighed on gold prices in the near term. With a swift end to the US-Iran conflict unlikely and oil prices surging, WTI crude is holding near USD96/bbl. Elevated oil prices pose a dilemma for central banks between tightening to curb inflation and supporting growth. The Fed, ECB, and BoJ are all expected to keep rates unchanged next week, awaiting developments in geopolitics and inflation, with potential adjustments in June.



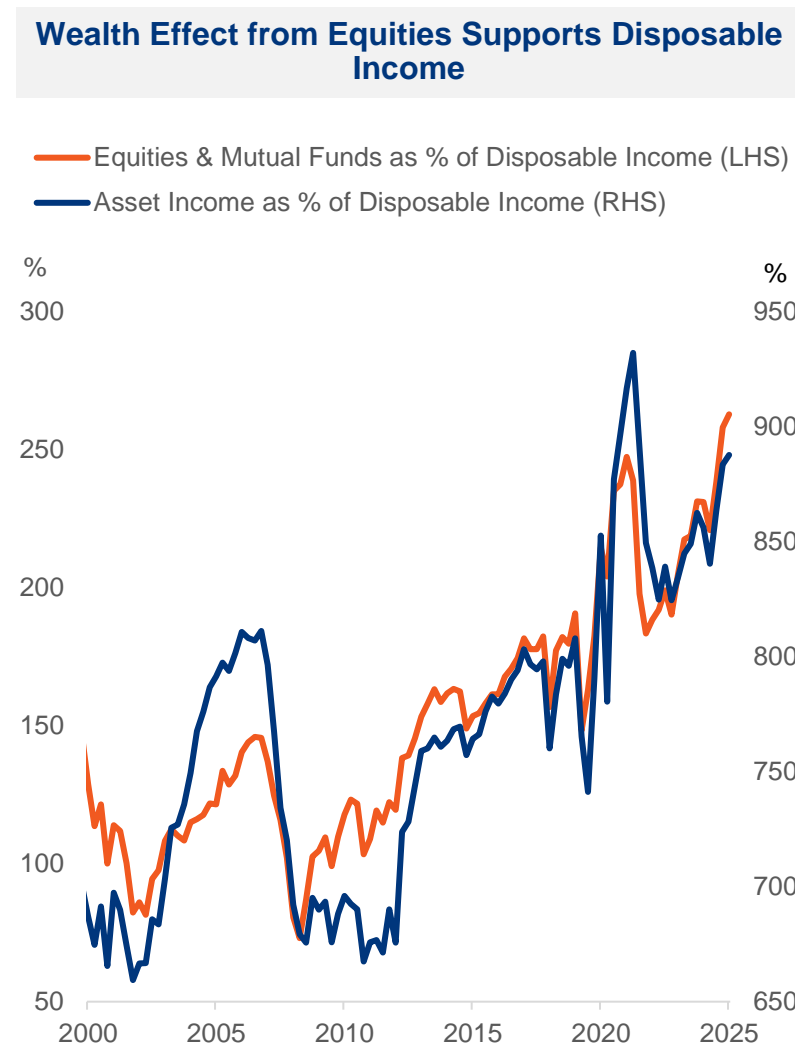
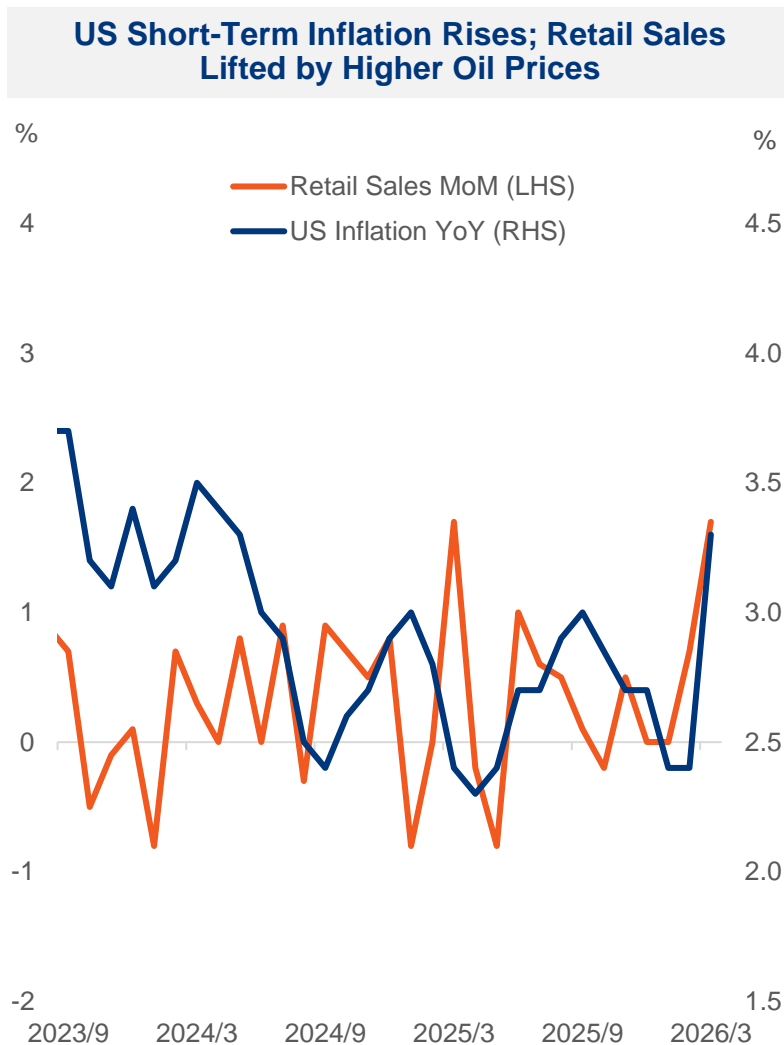
Source: Bloomberg

For Internal Use Only

6

Short-Term US Inflation Rises, but Equity Wealth Effect Supports Consumption

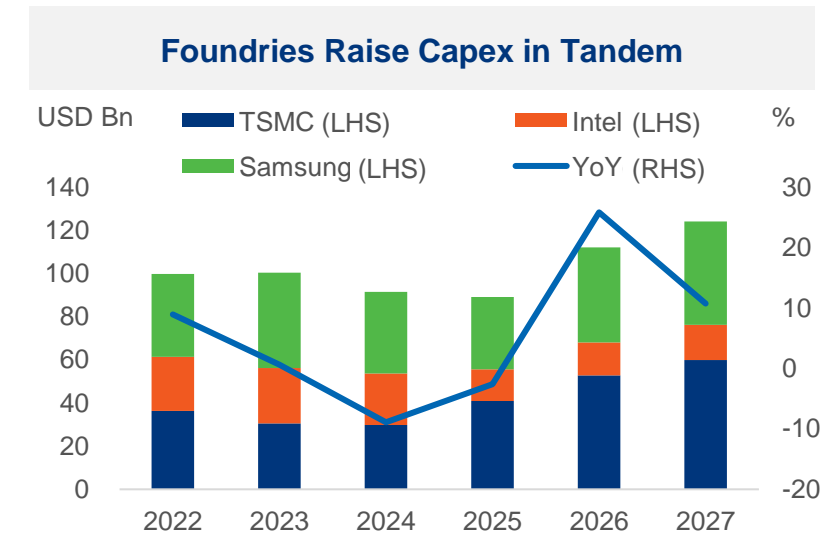
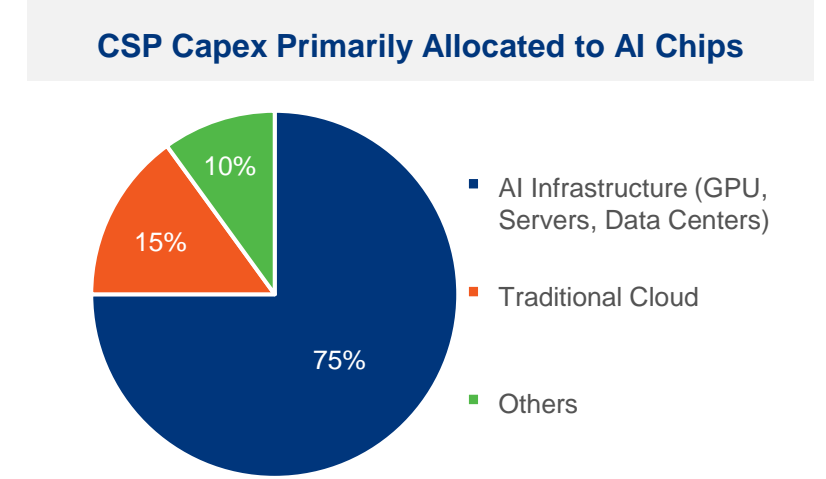
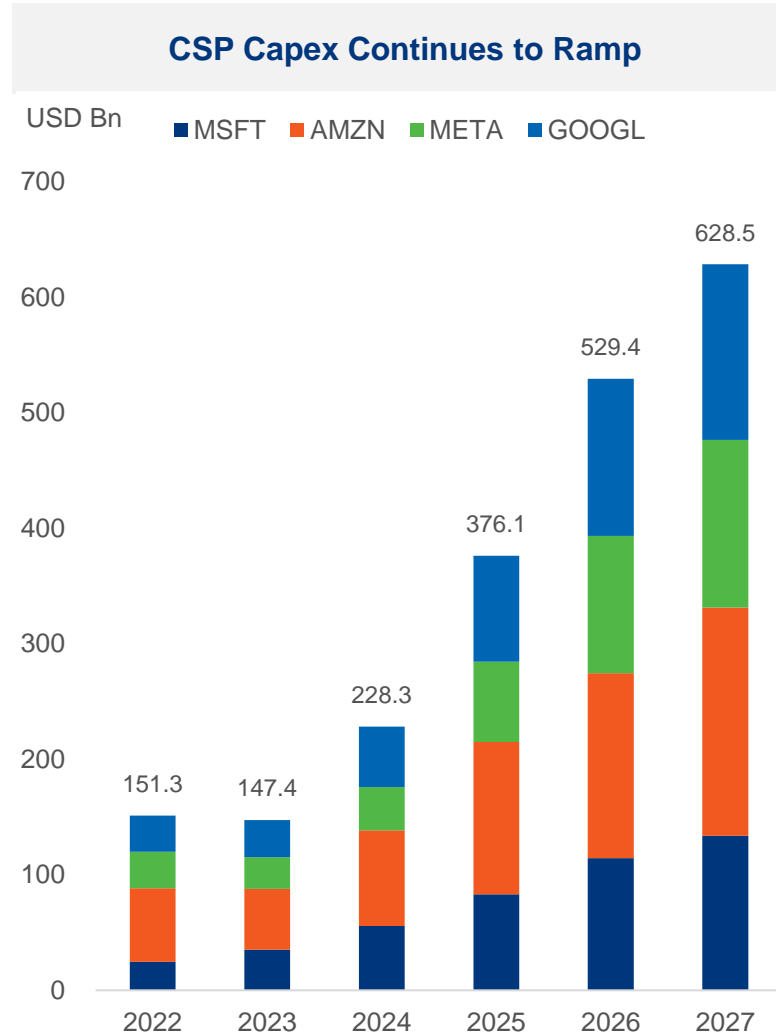
- ▶ March retail sales rose 1.7% MoM, the strongest since Mar 2025 and above the 1.4% consensus, driven by a 15.5% surge in gasoline station sales amid soaring fuel prices following the US-Iran conflict. Excluding gasoline, retail sales grew 0.6% MoM, indicating steady consumption. The pass-through from higher oil prices to goods is expected to emerge gradually in 2Q. However, amid Middle East tensions and oil price uncertainty, most firms are adopting a cautious stance—freezing hiring and relying on temporary labor—limiting upside in housing- and wage-driven core services inflation. As a result, major central banks across the US, Europe, and Japan are maintaining a wait-and-see policy stance.
- ▶ Since the US equity bull market began in 2016, household reliance on credit has declined, while the wealth effect from equities has strengthened, reducing the sensitivity of consumption to broader economic conditions. With equities continuing to hit new highs and AI driving corporate earnings, market concentration has increased. By end-2025, US household income from equities and mutual funds rose 278% vs. 2015, with total assets as a share of disposable income also expanding. As long as equity markets remain elevated, the wealth effect should continue to support US consumption.



Source: Bloomberg, KGI

Cloud Capex Surge in Compute Demand Supports Long-Term Semiconductor Growth

- ▶ Major cloud service providers (CSPs) are ramping up capex to support AI data center buildouts. Amazon, Meta, Google, and Microsoft are expected to spend a combined USD630bn next year. The increased investment will primarily go toward AI servers, high-performance chips, and advanced semiconductor manufacturing demand. TSMC has also raised capex guidance (from USD52–56bn in January to the high end of the range near USD56bn in April), signaling additional advanced capacity coming online and supporting sustained long-term growth in AI chips.
- ▶ On industry developments, Google in Apr 2026 announced expanded partnerships with Broadcom and Marvell. With Broadcom, it will co-develop next-generation TPUs and AI data center networking components, with Broadcom serving as a core supplier through 2031. With Marvell, Google is designing two custom chips similar to Nvidia’s new LPU architecture to improve TPU inference efficiency and address existing bottlenecks. Google’s aggressive chip development underscores CSP efforts to enhance in-house compute capabilities and reduce reliance on Nvidia GPUs. This trend is set to expand the overall semiconductor market and benefit foundries, chip designers, and equipment suppliers.



Source: Bloomberg, KGI

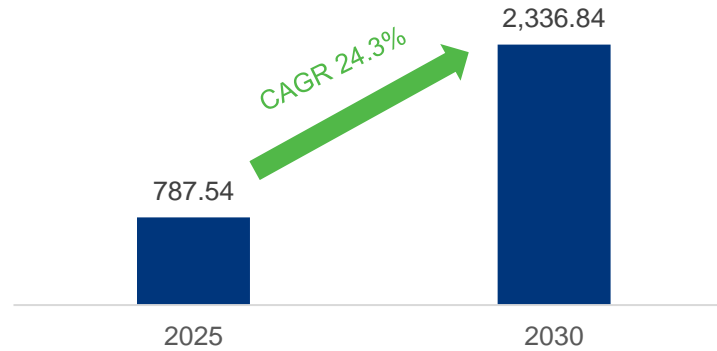
AI Chip Market Set for Sustained High Growth; Valuations Elevated but Supported

- ▶ According to UK research firm Technavio, the global AI chip market is projected to grow from USD78.75bn in 2025 to USD233.68bn by 2030, an increase of USD154.93bn, implying a CAGR of 24.3%. North America is expected to remain the dominant market, with growth of 41.7% over 2025–2030. The proliferation of big data and demand for advanced data processing are key drivers. By end-user, media and advertising accounted for the largest revenue share in 2024.
- ▶ Strong AI demand and memory price increases—driving front-loaded orders—continue to support semiconductor equities. Demand is spilling over into broader ecosystem upgrades, while agentic AI is triggering unprecedented demand for general-purpose servers. This underscores a robust outlook for semiconductor demand, with “chip inflation” extending across industries and significantly boosting sector earnings, as reflected in the sharp upward revisions to April earnings forecasts for the SOX index. Despite the SOX repeatedly hitting new highs, valuations remain close to the three-year average, supported by earnings growth. However, margin pressure on downstream customers and OEMs could lead to greater sector divergence.

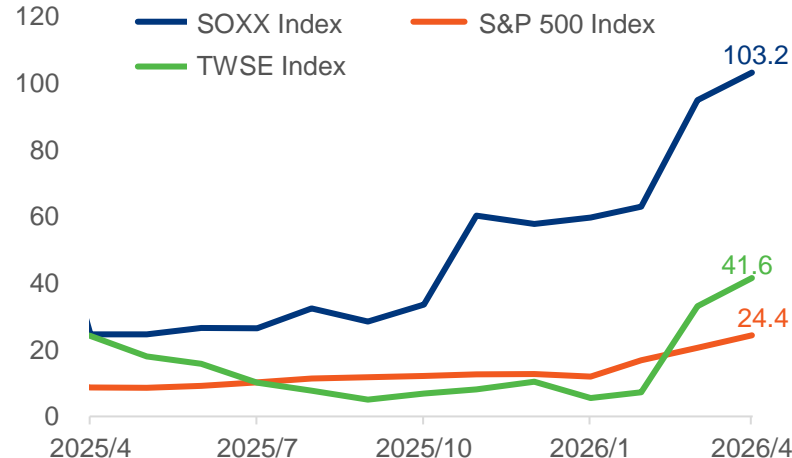
Source: Technavio (left axis), Bloomberg (right axis), KGI

AI Chip Market to Sustain High Growth; Earnings Set to Surge

Estimated AI Chip Market Size (USD bn)

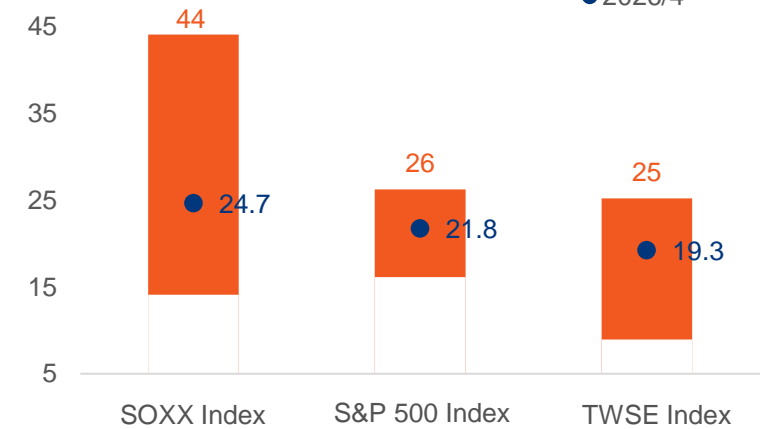


Earnings Growth (% Est.)

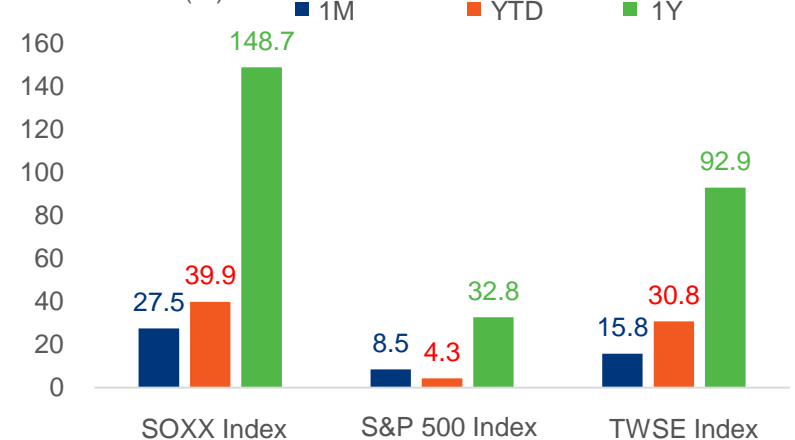


Semis Valuation Near 3Y Average

P/E Range (Jan 2022–Apr 2026)



Performance (%)



Asset Strategy

Asset Type	Market View	Preferred Assets
Equities	<ul style="list-style-type: none"> ◆ Delays in the US-Iran ceasefire have kept oil prices elevated and inflation expectations firm. However, US economic resilience and solid corporate earnings should limit further pressure on rates and equity valuations. With midterm election pressure, Trump has incentives to curb oil prices, suggesting inflation pass-through may be temporary. Investment strategy can shift from defensive positioning toward AI-driven growth, while maintaining diversification across regions and sectors. ◆ Europe and Japan equities offer diversification, with Japan showing stronger upside potential than Europe. Rising JGB yields are supportive of bank stocks. In the eurozone, defense remains a key pillar, with Germany and the UK preferred. 	<p>Strategy: AI themes (technology, semiconductors, machinery); non-AI plays include aerospace, defense, and value stocks.</p> <p>Regions: Japan banks, Japan semis, Germany, UK</p>
Bonds	<ul style="list-style-type: none"> ◆ Elevated oil prices may push US Treasury yields higher. Investors can add exposure to intermediate-duration bonds on yield spikes, focusing on high-quality corporates with strong credit profiles and defensive characteristics. Attractive risk-adjusted spreads are found in financials, communications, utilities, and energy. ◆ The USD is firm in the near term but faces depreciation risks longer term. Diversifying into non-USD bonds—such as EUR- and AUD-denominated investment-grade debt—can help mitigate risk. 	<p>Types: Lock in yields with intermediate-duration, high-quality bonds; favor financials, communications, utilities, and energy.</p> <p>Satellite Allocation: Non-USD bonds for diversification.</p>
Forex	<ul style="list-style-type: none"> ◆ Major central banks remain in a wait-and-see mode, keeping the USD range-bound in the near term, with a weaker bias over the medium to long term. ◆ The ECB may tighten sooner than the BoJ, supporting EUR over JPY, while CNY is biased to appreciate. 	<p>USD: Trading sideways within a range; expected to weaken in the medium to long term</p> <p>Others: Euro relatively stronger than yen, CNY biased toward appreciation.</p>
Commodity	<ul style="list-style-type: none"> ◆ Energy prices are likely to remain elevated and volatile in the near term. ◆ A stronger USD and higher US yields are weighing on gold short term. However, expanding sovereign debt and a weaker USD over the medium to long term support gold's strategic allocation value, with upside potential. Accumulate on dips. 	<p>Gold: Bullish mid-to-long term; accumulate on significant pullbacks.</p>

Policy Backing Boosts Domestic LLM Adoption

► “AI + Government” Transformation

With the State Council backing procurement of large models and AI agent services, government purchasing is shifting from “infrastructure” to “enablement services.” The core lies in using AI agents to reshape administrative workflows, turning fragmented data into executable intelligence. This transition is moving governments from technology buyers to operators of intelligent service scenarios, accelerating the development of a “service-oriented government.” For investors, this implies sustained government order flow for gov-cloud providers and companies with vertical model capabilities, forming a new subscription-based revenue model.

► Domestic LLM Opportunity: Security Moat in In-House Development and Private Deployment

The AI agent procurement policy creates a key battleground centered on “self-reliance” for domestic LLM vendors. Given the sensitivity of government data, approved or state-backed domestic models hold a structural advantage. The market is likely to see a surge in domain-specific models fine-tuned for administrative regulations and government knowledge bases. Meanwhile, private deployment will be a core requirement, testing vendors’ on-premise delivery capabilities. Companies that can convert LLM technology into efficient, compliant government tools are well-positioned to capture share and scale rapidly in this procurement cycle.

Domestic Cloud Vendors: LLM Project Tender Rankings

Vendor Name	2026 Q1 Bids	2026 Q1 Disclosed Amount (10k CNY)	2025 Full-Year Bids	2025 Full-Year Disclosed Amount (10k CNY)
Baidu AI Cloud	25	124,826	109	88,330
Alibaba Cloud	24	26,811	69	39,414
Volcengine	20	8,210	82	50,712
Tencent Cloud	9	1,138	44	12,337
Huawei Cloud	7	1,408	40	77,769

Baidu (9888)

Closing Price HK \$120.5

Target Price HK \$150

Provides value-added services, online advertising, as well as fintech and enterprise services.

Leading LLM Competitiveness and Monetization

Baidu demonstrates strong commercialization of its LLMs. Since 2025, it has consistently ranked No.1 among domestic cloud vendors in project wins. In 1Q26 alone, contract value exceeded the full-year total of last year, highlighting explosive growth. As government AI adoption accelerates, Baidu is well-positioned to benefit as an industry leader. Current market expectations for its cloud growth remain conservative, leaving room for upward revisions.

Business Model Transformation; AI Revenue as Key Driver

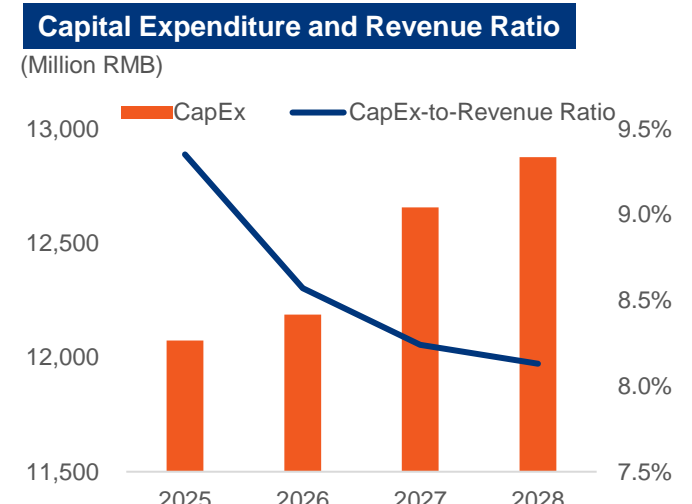
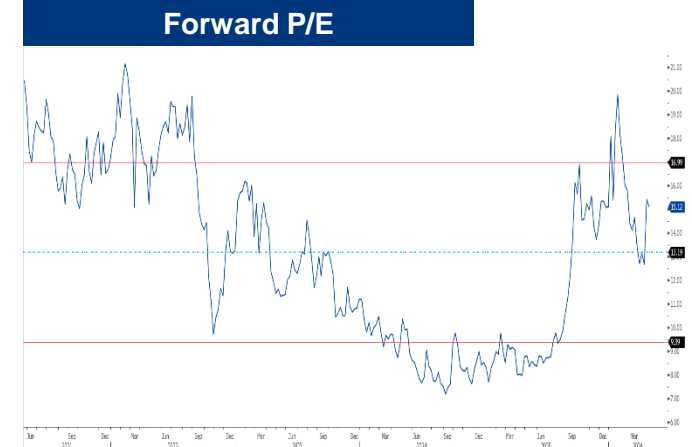
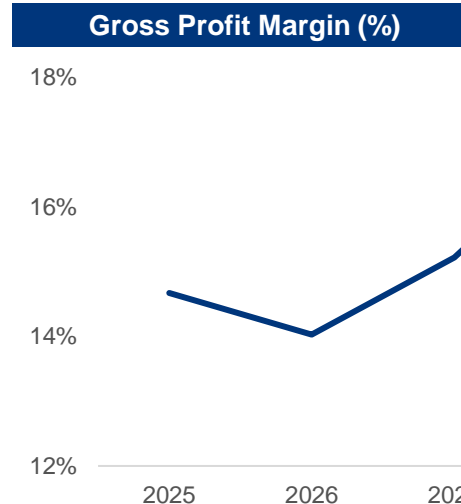
Baidu is undergoing a structural shift toward an AI-driven model. Its advertising business has evolved from pure traffic distribution to AI-powered services (e.g., AI digital human sales). AI-related revenue (including AI cloud, applications, and native marketing) is expected to exceed 50% of total revenue this year, marking its transition into a fully AI-native company.

“Full-Stack AI” Advantage

Baidu’s full-stack AI capabilities span chips, frameworks, models, and applications. Its valuation is based on a sum-of-the-parts (SOTP) approach, with ongoing business spin-offs enhancing segment transparency and valuation efficiency. As earnings drivers shift, operating efficiency is expected to improve. The current valuation effectively offers investors optionality on Kunlunxin’s potential listing. Target price: HKD150.

Source: Bloomberg

Financials					
	2023	2024	2025	2026F	2027F
Revenue (CNY b)	133	129	132	137	152
Revenue YoY	-1.1	-3.0	2.3	4.2	11
EPS (CNY)	9.6	6.8	6.6	7.8	9.6
EPS YoY	-4.9	-30.5	-1.4	19.3	22.6
ROE(%)	9.1	1.8	5.2	5.8	7



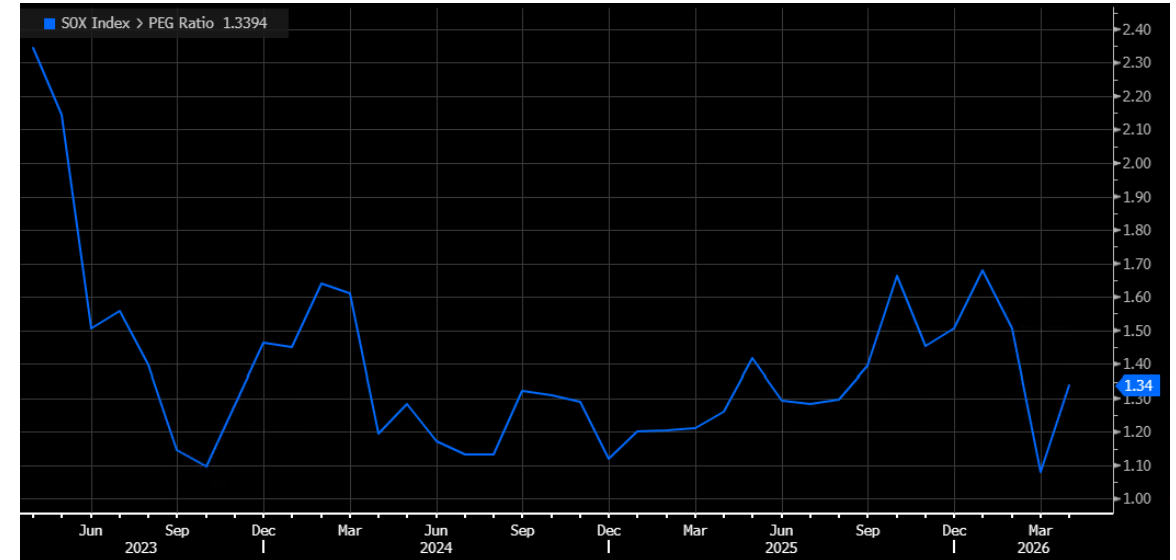
For Internal Use Only



Inflows Accelerate; Semis Lead US Equities Higher

- ▶ US March retail sales rose 1.7% MoM, above the 1.4% consensus and the upwardly revised 0.7% prior reading.
- ▶ April final University of Michigan consumer sentiment came in at 49.8, beating the 48.5 consensus but below the prior 53.3.
- ▶ April S&P Global US manufacturing PMI rose to 54.0, above the 52.5 consensus and 52.3 prior.
- ▶ April S&P Global US services PMI increased to 51.3, exceeding the 50.6 consensus and 49.8 prior.
- ▶ As the Nasdaq hits record highs, tech sector performance has diverged. Software remains weak, while semiconductors have rallied for 17 consecutive sessions, reaching new highs. The rally is driven by the AI Supercycle, supporting continuous earnings upgrades, and broadening beyond AI leaders to memory and analog chips—signaling a sector-wide recovery.
- ▶ Stronger-than-expected results and upward guidance revisions from companies such as TSMC reinforce fundamentals, while strong inflows and FOMO sentiment add momentum. Against an improving macro backdrop, semiconductors are increasingly viewed as the best proxy for structural AI growth and cyclical recovery, driving the index higher.

Philadelphia Semiconductor Index PEG ratio



Advanced Micro Devices (AMD)

Closing Price US \$347.81

Target Price US \$375

AMD develops semiconductor products, including microprocessors, embedded processors, chipsets, graphics, video, and multimedia solutions, serving a global customer base with third-party foundry manufacturing alongside assembly, testing, and packaging services.

AI Server Demand Driving CPU Growth

Rising AI data center demand is boosting CPU requirements for host, orchestration, and inference workloads alongside GPUs. This is reflected in AMD's 4Q25 data center revenue of USD5.4bn, up 39% YoY. Management highlighted strong server CPU demand as hyperscalers continue expanding AI infrastructure.

Pricing Power and Product Strength Support Upside

Beyond demand growth, AMD benefits from tight CPU supply and expected price increases in server CPUs. AI-driven capacity constraints are likely to persist into 2026, supporting margins. Continued adoption of EPYC CPUs and next-generation AI platforms should further drive share gains in high-performance server processors.

4Q25 Earnings Beat

4Q25 revenue reached USD10.3bn, up 33.8% YoY, exceeding expectations by USD630mn. Non-GAAP EPS was USD1.53, beating by USD0.21. For 1Q26, AMD guides revenue to ~USD9.8bn (±USD300mn), above the USD9.37bn consensus, including USD100mn from Instinct MI308 sales to China.

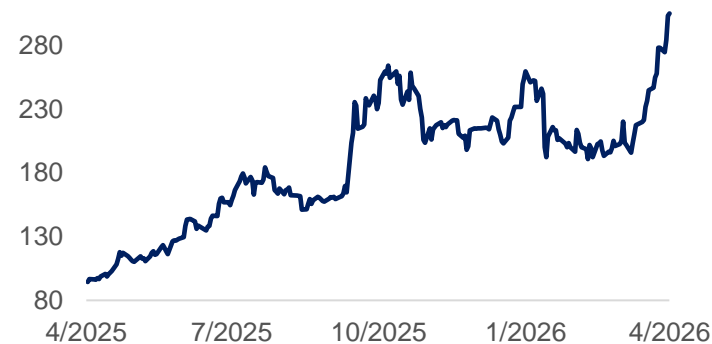
Valuation Consensus

Bloomberg 12-month average target price is USD300.1, with a high of USD375 and a low of USD125.1.

Source: Bloomberg, Company

1-Year Price

(USD)



2026 Q1 Earnings Forecast

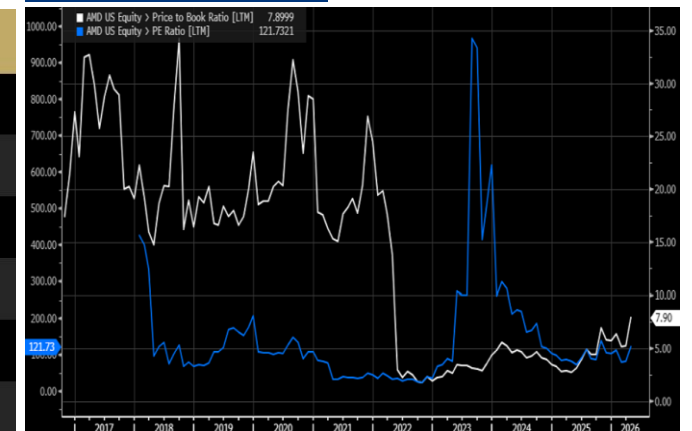
	Q1'26
Revenue	~\$9.8 Billion, +/- \$300 Million Including ~\$100 Million of AMD Instinct MI308 sales to China
Gross Margin	~55%
Operating Expenses	~\$3.05 Billion
Interest Expense/Other Income (Expense), net	~\$35 Million
Effective Tax Rate	~13% of pre-tax income
Diluted Share Count ²	~1.65 Billion shares

Financials

	2023	2024	2025	2026F	2027F
Revenue Growth(%)	-3.9	13.7	34.3	36.0	45.3
EBITDA (%)	18.6	21.1	20.4	27.9	31.4
EPS(USD)	0.64	1.18	2.51	6.76	11.21
Net Profit Margin(%)	4.6	7.5	11.8	23.8	27.5

Source: Bloomberg; 2027/28F are market estimates

P/E & P/B



For Internal Use Only

Arm Holdings (ARM)

Closing Price US \$234.81

Target Price US \$255

Arm is a holding company that, through its subsidiaries, designs semiconductor technologies and related products, including CPUs, memory controllers, IP systems, GPUs, security, and storage solutions, serving global automotive, infrastructure, and consumer technology markets.

AI Elevates CPU Importance; Arm Well Positioned

As AI workloads become more agent-based and distributed, CPUs play an increasingly critical role in orchestration, memory management, and system control—aligning with Arm’s core strength in power-efficient architectures.

Hyperscaler Custom Chips Drive Structural Share Gains

Arm’s long-term opportunity lies in hyperscalers increasingly designing custom CPUs for AI infrastructure. Arm’s architecture, with superior energy efficiency and design flexibility, is often the preferred foundation. This trend is validated by deployments such as Nvidia Grace, Google Axion, and Arm’s newly launched AGI CPU. Management expects the latter to generate ~USD15bn in annual revenue within five years.

3QFY26 Beat; Strong 4Q Outlook

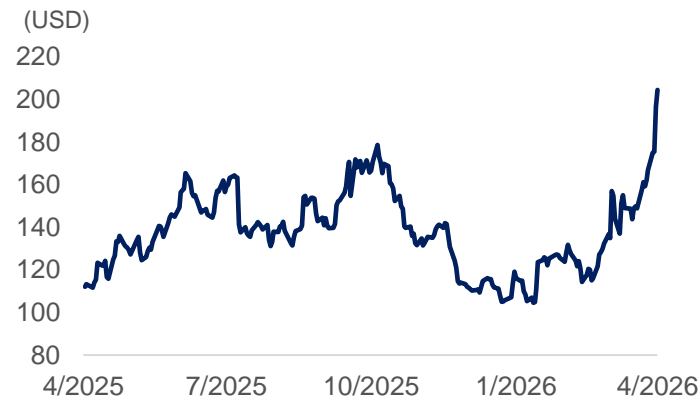
In 3QFY26 (fiscal year ending March), revenue rose 26.1% YoY to USD1.24bn, beating estimates by USD10mn. Non-GAAP EPS was USD0.43, exceeding expectations by USD0.02. For 4Q, revenue is guided to ~USD1.47bn (±USD50mn), above the USD1.44bn consensus, with adjusted EPS at ~USD0.58 (±USD0.04).

Valuation Consensus

Bloomberg 12-month average target price is USD169.78, with a high of USD240 and a low of USD83.6.

Source: Bloomberg, Company

1-Year Price



2026 Q4 Earnings Forecast

	Q4 FYE26
Revenue (\$m)	\$1.470bn +/- \$50m
Non-GAAP Operating Expense (\$m) ¹	~\$745m
Non-GAAP fully diluted earnings per share (\$) ¹	\$0.58 +/- \$0.04

Financials

	2023	2024	2025	2026F	2027F
Revenue Growth(%)	-0.9	20.7	23.9	22.3	21.7
EBITDA (%)	31.4	9.0	26.5	47.0	45.2
EPS(USD)	0.54	0.32	0.92	1.76	2.15
Net Profit Margin(%)	20.8	10.4	24.3	38.4	38.4

Source: Bloomberg; 2027/28F are market estimates

P/E & P/B



For Internal Use Only



Tech Heavyweights Lead; AI Demand and Front-Loading Drive Strong Export Orders

Tech Heavyweights Rebound; Taiwan Equities Resume Record Rally

Market focus has returned to AI themes, with Taiwan equities extending gains to new highs last week. Turnover rebounded above the 5-day average, and rising price-volume momentum supports continued upside along the 5-day moving average. Tech heavyweights led the rally, driving the index higher.

Sector-wise, UV-curable materials, IT distributors, silicon wafers, and IP design saw multiple limit-up moves. MCU, IC substrates, and PC components hit new cyclical highs, while memory stocks rebounded from oversold levels.

March Export Orders Surge on Front-Loading

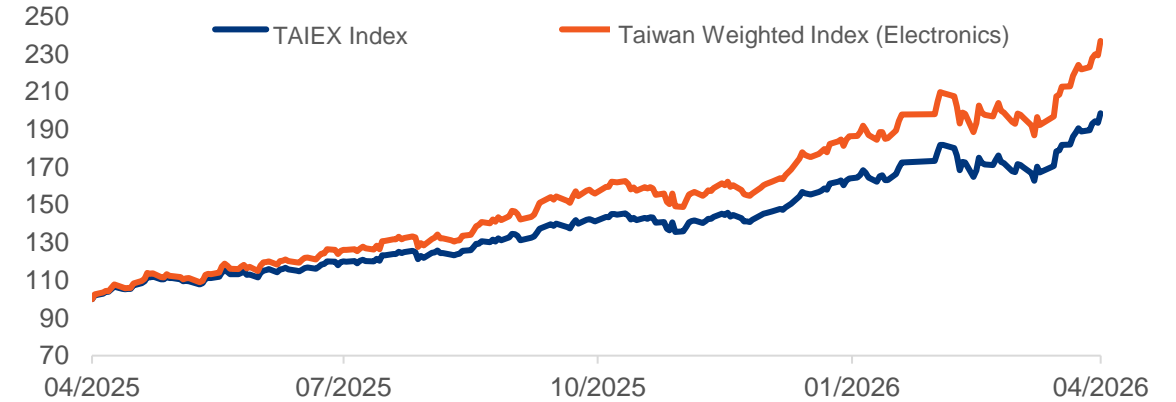
March export orders reached USD91.12bn, up 42.7% MoM and 65.9% YoY, well above our estimate of 18.6% and the Bloomberg consensus of 44.1%. Electronics led, with ICT strongest, followed by electronics and opticals. In traditional sectors, machinery benefited from AI demand, while commodities broadly improved. ICT products grew over 120% YoY, driven by AI and cloud demand, supported by new server, networking, and notebook launches. Electronics rose over 70% YoY, backed by IC manufacturing, chip distribution, and memory demand. Optical products saw mixed performance, with testing demand partly offset by weak panels. Commodities—including base metals, plastics, rubber, and chemicals—improved on AI supply chain demand, higher oil prices, and rising quotes. Machinery growth was driven by semiconductor capacity expansion and strong automation demand.

Overall, the sharp increase in March orders reflects robust AI demand and front-loading amid geopolitical risks, similar to prior trade conflict periods. With supply chains largely unaffected, demand pull-forward and smooth supply amplified monthly growth. However, as front-loading fades and oil cost pressures emerge, order growth is expected to moderate, with April YoY growth estimated at ~35.4%.

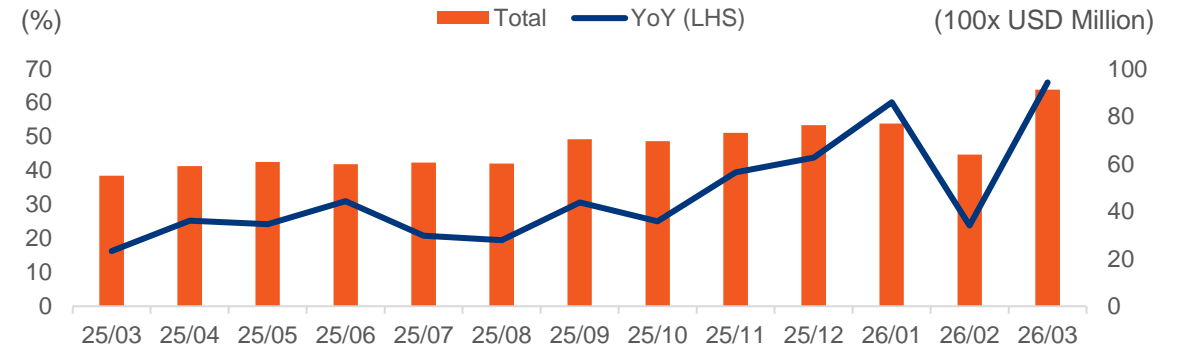
Source: Bloomberg

TAIEX Index and Taiwan Electronics Sector Trends

Index, 23 April 2025 = 100



Export Orders Value and YoY Growth Rate



TSMC (2330 TT)

TSMC is primarily engaged in the manufacturing and sale of integrated circuits, and provides wafer and mask production and design services, along with IC testing and packaging.

Key Features

TSMC Raises 2026 Revenue Outlook

TSMC guides 2Q26 revenue to USD39.0–40.2bn, implying ~10% QoQ growth at the midpoint, above market expectations of 6–7%. Supported by ongoing cost improvements and higher capacity utilization, 2Q26 gross margin and operating margin are expected at 65.5–67.5% and 56.5–58.5%, respectively. For FY26, it raised its revenue growth outlook to above 30% YoY (vs. ~30% previously), while capex is trending toward the high end of the USD52–56bn range, driven by strong AI demand.

N3 Capacity Expansion Accelerates

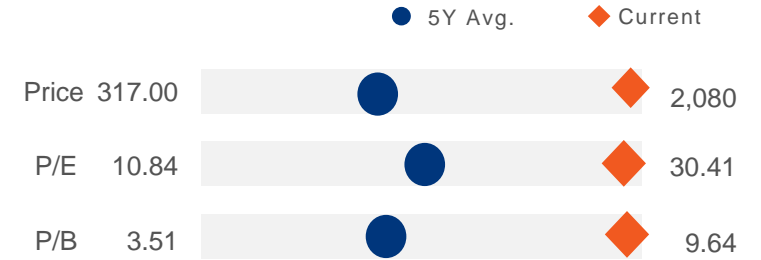
N3 is currently TSMC’s most capacity-constrained node. The company plans to add three new fabs to meet robust demand, mainly from HPC, smartphones, and HBM base die. We estimate the expansion could lift N3 capacity by 40–45% by end-2028, with N3 gross margin expected to exceed the corporate average starting 2H26.

Financials

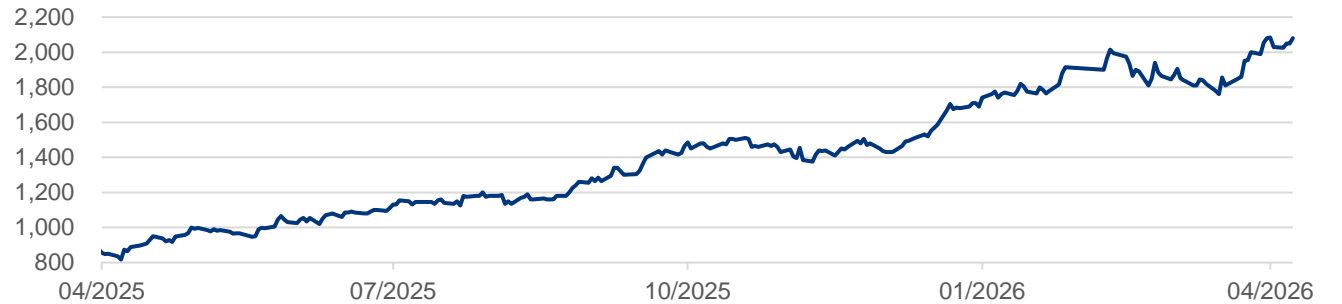
	2023	2024	2025F	2026F	2027F
EPS (NTD)	32.24	45.25	66.26	102.74	131.02
EPS Growth (%)	-17.5	39.9	46.4	55.1	27.5
P/E Ratio	64.5	46.1	31.5	20.3	15.9
ROE (%)	26.2	30.3	35.4	41.4	38.8

Source: Company data, estimates of KGI analyst

Valuations

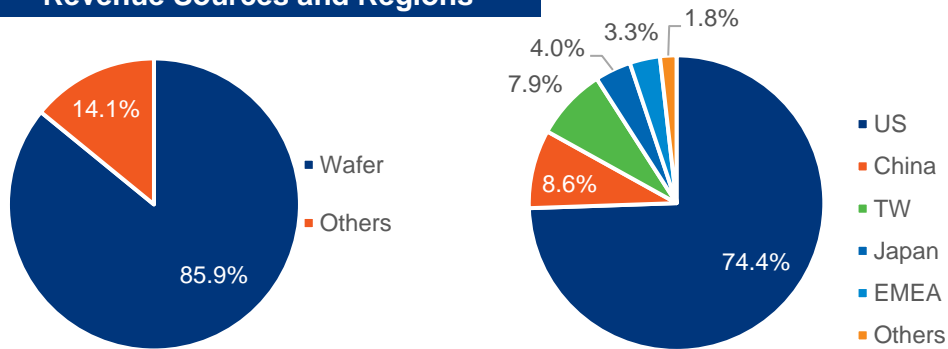


1-Year Price



As of 23 Apr 2026	1Wk	1M	3M	6M	YTD	1Y
Return (%)	7.88	20.99	23.73	51.03	41.29	153.47

Revenue Sources and Regions



Source: Bloomberg

MediaTek (2454 TT)

MediaTek is a fabless semiconductor company providing system-on-chip (SoC) solutions for wireless communications and digital multimedia, including mobile, optical storage, and related applications.

Key Features

Strong Google TPU Demand Momentum

We expect TPUv8x to enter mass production on schedule in Jul–Aug, with shipments projected at 0.4mn units in 2026 and 1.5–2.0mn units in 2027. We also see upside to MediaTek’s N3 wafer starts at TSMC, reflecting robust TPU demand. Given CoWoS capacity constraints and larger reticle size requirements, the next-generation Humufish (TPUv9) is likely to adopt Intel’s EMIB packaging. With TSMC supply constrained, this shift could further support shipment growth.

AI ASIC Revenue to Surpass Smartphone Segment

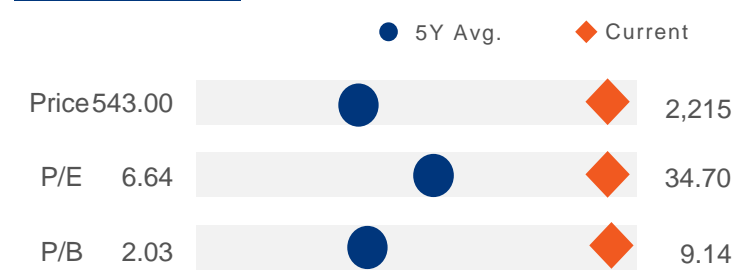
Near-term smartphone headwinds may weigh on the stock, but strong TPU demand is expected to drive AI ASIC revenue contribution from 8% in 2026 to 27% in 2027. By 2H28, AI ASIC revenue could exceed smartphone SoC revenue, prompting a market re-rating from a traditional handset chipmaker to an AI semiconductor company.

Financials

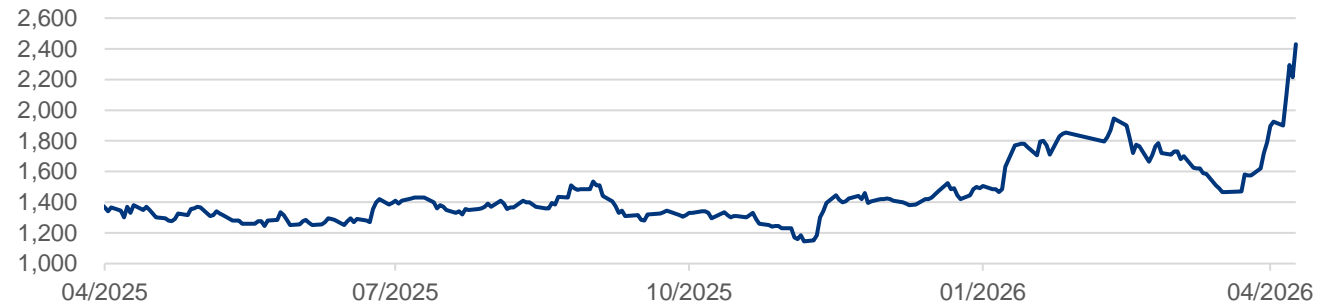
	2023	2024	2025	2026F	2027F
EPS (NTD)	48.51	66.92	66.16	63.96	99.30
EPS Growth (%)	-35.0	38.0	-1.1	-3.3	55.3
P/E Ratio	43.1	31.2	31.6	32.7	21.0
ROE (%)	19.0	27.8	26.4	25.2	36.6

Source: Company data, estimates of KGI analyst

Valuations

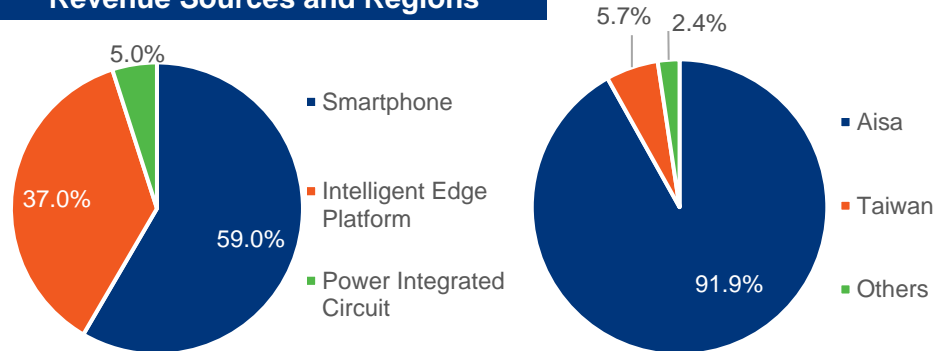


1-Year Price



As of 23 Apr 2026	1Wk	1M	3M	6M	YTD	1Y
Return (%)	25.71	49.38	48.47	86.87	69.23	81.95

Revenue Sources and Regions



Source: Bloomberg

Multi-Asset Portfolio Reduces High-Valuation Equity Exposure While Holding High-Quality Credit Bonds

► KGI Diversified Growth & Income Fund

- **Strategic Collaboration:** Combines the strengths of KGI Group and renowned asset manager Loomis Sayles to enhance asset allocation precision and strengthen short-term volatility management. Established in 1926, Loomis Sayles identifies long-term value opportunities through deep research and risk control, managing US\$425.5B in assets.
- **Balanced Strategy:** Pursues returns through growth stocks and high-yield bonds while mitigating downside risk with investment-grade bonds and equity options.
- **Dynamic Adjustments:** Captures opportunities while reducing risk via active rebalancing. For instance, in early 2025, the fund proactively reduced equity exposure and increased cash to avoid U.S. market downturns, subsequently adding to Tech, non-U.S. markets, and Gold ETFs to capture rallies.
- **Strong Performance:** Since its inception in late Nov 2019, this multi-asset strategy has outperformed peers through various market cycles.
- **Structure:** Public fund under the Hong Kong OFC framework; CIES (Capital Investment Entrant Scheme) eligible.
- **Distribution:** Monthly dividend payout with a target annualized yield of 8%.

Product	KGI Diversified Growth & Income Fund	
Features	<ul style="list-style-type: none"> ■ Adopts a global multi-asset allocation to balance growth and defense, seeking returns via large-cap growth stocks and high-yield bonds while enhancing protection with investment-grade bonds and options. ■ Leverages the combined expertise of KGI Group and renowned asset manager Loomis Sayles to improve asset allocation precision and strengthen short-term volatility management. 	
Currency	USD	
Fund Type	Asset Allocation	
Top 5 Sector Allocation (%)	Information Technology	22.3
	Communication Services	16.1
	Consumer Discretionary	8.9
	Energy	6.9
	Industrials	6.8
Top 5 Asset Allocation (%)	Equities	55.5
	Non-IG Bonds	17.9
	IG Bonds	20.0
	Derivatives & Others	6.6
Top 5 Holdings (%)	Apple Inc.	3.3
	NVIDIA Corp.	3.1
	iShares 0-5 Year Investment Grade Corporate Bond ETF	3.0
	Microsoft Corp.	3.0
	Amazon.com, Inc.	2.9

Source: Bloomberg

KGI Diversified Growth & Income Fund

Profile

The fund invests at least 70% of its net asset value (NAV) directly or indirectly in global assets, including equity and equity-related securities (such as stocks, preferred stocks, and depository receipts) and debt securities.

Global Diversified Allocation

Adopting a globally diversified approach to balance growth and defense, the fund pursues returns through large-cap growth stocks and high-yield bonds while enhancing defensive capabilities via investment-grade bonds and options. Credit quality is primarily concentrated in the BBB+ to BB range, with a duration of under 2 years to provide moderate interest rate and credit risk management.

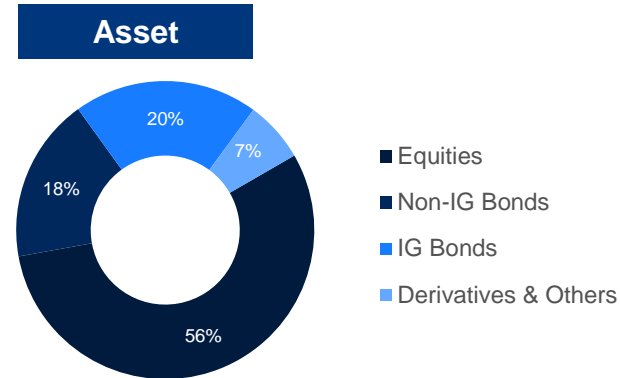
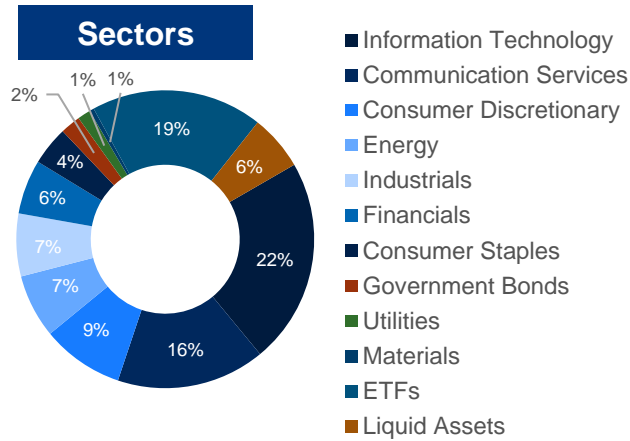
Professional Management Team

The fund leverages the combined expertise of KGI Group and renowned asset manager Loomis Sayles to improve asset allocation precision and manage short-term volatility. Founded in 1926 and managing US\$425.5B in assets, Loomis Sayles identifies long-term value through rigorous research, risk control, and team collaboration.

Monthly Dividend Payout

The fund offers a monthly distribution share class with a target annualized payout rate of 8%.

Inception	2026/3/9	Currency	USD
Morningstar Category	Asset Allocation	Fund Type	Balanced
Morningstar Rating	-	3Y SD (Ann.)	-



Top-5 Holdings (%)

Apple Inc.	3.3
NVIDIA Corp.	3.1
iShares 0-5 Year Investment Grade Corporate Bond ETF	3.0
Microsoft Corp.	3.0
Amazon.com, Inc.	2.9

NAV (Since Inception)



As of 21 Apr 2026	1M	3M	YTD	1Y	3Y	5Y
Cumulative Return(%)	6.43	-	3.31	-	-	-

Source: Bloomberg



Cloud Capex Boosts Compute Demand, Supporting Semiconductor Growth

► Invesco Semiconductors ETF (PSI)

- Tracks the Dynamic Semiconductor Intellidex Index.
- Uses a dynamic, factor-based approach evaluating price momentum, earnings momentum, management actions, quality, and valuation to select ~30 semiconductor companies.

► State Street SPDR S&P Semiconductor ETF (XSD)

- Tracks the S&P Semiconductor Select Industry Index.
- Employs an equal-weight strategy, covering both large-cap leaders and SMIDs, offering exposure to stability and high-growth potential.

Products	Invesco Semiconductors ETF (PSI)	State Street SPDR S&P Semiconductor ETF (XSD)
Features	<ul style="list-style-type: none"> ■ Multi-factor stock selection: price & earnings momentum, quality, management, valuation ■ Quarterly rebalancing: flexible for fast-cycle industries like semiconductors 	<ul style="list-style-type: none"> ■ High weighting in small/mid-caps: provides industry growth exposure and diversification ■ Competitive expense ratio: helps investors save costs in long-term holdings
AUM	US\$1.76B	US\$2.19B
Tracking Index	Dynamic Semiconductor Intellidex Index	S&P Semiconductor Select Industry Index
Exchange	NYSE	NYSE
Currency	USD	USD
Holdings	31	43
Expense Ratio	0.56%	0.35%
3M/YTD Return	34.50% / 57.37%	24.83% / 37.15%
Sectors (%)	Semiconductors 100	Semiconductors 100
Holdings (%)	Advanced Micro Devices 5.78 Broadcom 5.29 KLA Corporation 4.91 Micron Technology 4.75 Texas Instruments 4.51	Marvell Technology Inc 3.60 Navitas Semiconductor Corp 3.49 Credo Technology Group Holding 3.38 Astera Labs Inc 3.22 Power Integrations Inc 3.17

Source: Bloomberg

Invesco Semiconductors ETF (PSI.US)

Profile

Tracks the Dynamic Semiconductor Intellidex Index, aiming to replicate its performance.

Multi-Factor Stock Selection

The index applies a quantitative, multi-factor approach, evaluating price momentum, earnings momentum, quality, management actions, and valuation. This helps tilt toward fundamentally stronger companies across cycles, supporting capital appreciation.

Capturing Industry Trends

The ETF rebalances quarterly, removing names with weakening fundamentals or momentum while adding emerging high-growth semiconductor segments—well-suited to the sector’s cyclical and fast-evolving nature.

Pure-Play Semiconductor Exposure

Holdings span the full semiconductor value chain, including design, manufacturing, equipment, materials, and testing, positioning the ETF to benefit from AI chip demand, node migration, and capex cycles.

Inception	2005/6/123	AUM	US\$1.76B
ETF Type	Equities	Holdings	31
Exp. Ratio	0.56%	3Y SD (p.a.)	29.32%

Source: Bloomberg

Sectors



1-Year Price

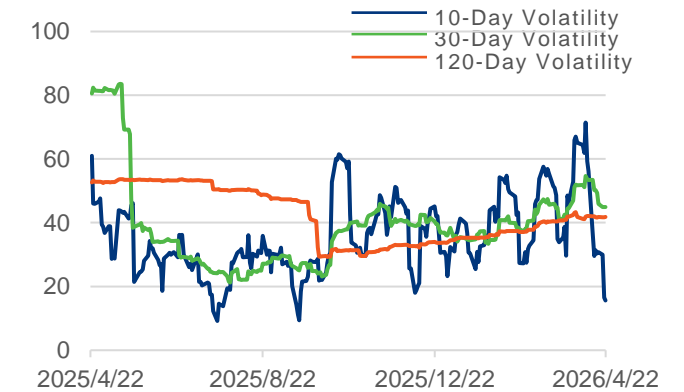


As of 22 Apr 2026	1M	3M	YTD	1Y	3Y	5Y
Cumulative Return(%)	28.18	34.50	57.37	184.25	224.57	201.42

Top-5 Holdings (%)

Advanced Micro Devices	5.78
Broadcom	5.29
KLA Corporation	4.91
Micron Technology	4.75
Texas Instruments	4.51

Last 1-Year Volatility



State Street SPDR Semiconductor ETF (XSD.US)

Profile

Tracks the S&P Semiconductor Select Industry Index, aiming to replicate its performance.

Equal-Weight Structure

The index adopts an equal-weight approach, covering US semiconductor leaders and SMIDs, offering exposure to both large-cap stability and small/mid-cap growth. This provides a structural advantage during broad-based rallies beyond mega caps.

Diversified Holdings

Holds ~40–46 stocks, with the top 10 accounting for only ~30–35%, reducing single-stock concentration risk.

Competitive Fees

Expense ratio of ~0.35%, slightly below most semiconductor-themed ETFs, supporting cost efficiency for long-term investors.

Inception	2006/1/31	AUM	US\$2.19B
ETF Type	Equities	Holdings	43
Exp. Ratio	0.35%	3Y SD (p.a.)	30.14%

Source: Bloomberg

Sectors



1-Year Price

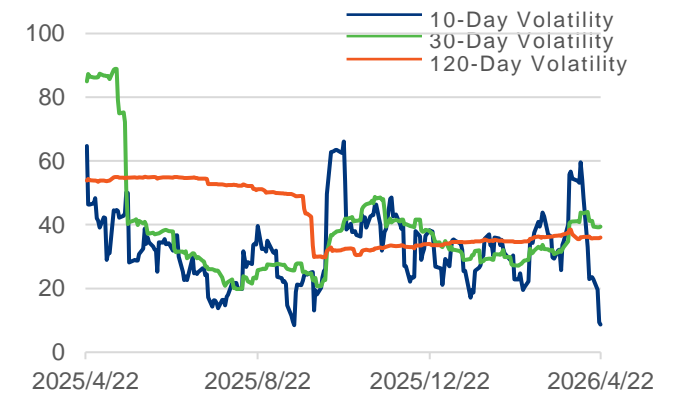


As of 22 Apr 2026	1M	3M	YTD	1Y	3Y	5Y
Cumulative Return(%)	33.85	24.83	37.15	144.57	132.27	138.96

Top-5 Holdings (%)

Marvell Technology Inc	3.60
Navitas Semiconductor Corp	3.49
Credo Technology Group Holding	3.38
Astera Labs Inc	3.22
Power Integrations Inc	3.17

Last 1-Year Volatility



From Industrial Conglomerate to AI Materials Engine: 3M's Transformation

► MMM 4.8 03/15/30 (3M) (USD)

- 3M is a global leader in materials science. Following the 2024 healthcare spin-off, the company has streamlined operations, focusing on Safety & Industrial, Transportation & Electronics, and Consumer segments.
- Post-restructuring, organizational simplification, tighter cost control, and a higher-margin product mix lifted adjusted operating margin to 23.4% in 2025 (+200 bps YoY).
- The Safety & Industrial segment delivered ~3.2% organic sales growth in 2025, turning positive from contraction at end-2024, reinforcing competitive positioning.
- 3M is expanding into the AI hardware supply chain. Its Expanded Beam Optical (EBO) technology addresses high-speed transmission, deployment efficiency, and energy management challenges in AI data centers. In Mar 2026, the company announced plans to more than double EBO capacity to meet strong HPC demand.
- Fire & Safety strategic upgrade: In Mar 2026, 3M and Bain Capital formed a JV to acquire Madison Fire & Rescue. 3M contributes its high-value Scott Safety business, with the deal expected to close in 2H26. Bain will pay a USD700mn balancing consideration, resulting in a 50.1% (3M) / 49.9% (Bain) ownership split.
- In Mar 2026, Fitch affirmed 3M's rating at A- with a stable outlook, reflecting disciplined financial management and a solid balance sheet supporting future growth.

Products	MMM 4.8 03/15/30 (3M) (USD)
ISIN	US88579YBQ35
Features	In Mar 2026, Fitch affirmed 3M's rating at A- with a stable outlook, reflecting disciplined financial management and a solid balance sheet supporting future growth.
Maturity Date	2030/3/15
Next Call Date	2030/2/15
Coupon (%)	Fixed/4.8/Semi-annual
Currency	USD
Years to Maturity	3.89
Credit Rating (Moody's/Fitch/S&P)	A3/A-/BBB+
Seniority	Senior Unsecured
YTM/YTC (%)	4.2093/4.2199

MMM 4.8 03/15/30 (3M) (USD)

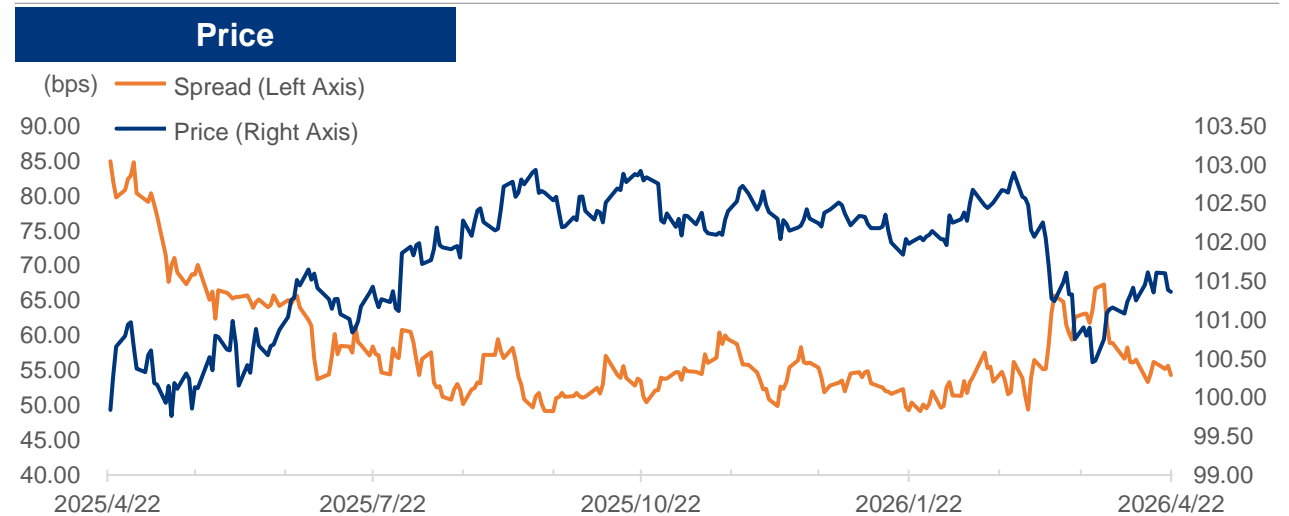
3M is a global leader in materials science. Following the 2024 healthcare spin-off, the company has streamlined operations, focusing on Safety & Industrial, Transportation & Electronics, and Consumer segments.

- Post-restructuring, organizational simplification, tighter cost control, and a higher-margin product mix lifted adjusted operating margin to 23.4% in 2025 (+200 bps YoY).
- 3M is expanding into the AI hardware supply chain. Its Expanded Beam Optical (EBO) technology addresses high-speed transmission, deployment efficiency, and energy management challenges in AI data centers. In Mar 2026, the company announced plans to more than double EBO capacity to meet strong HPC demand.
- Fire & Safety strategic upgrade: In Mar 2026, 3M and Bain Capital formed a JV to acquire Madison Fire & Rescue. 3M contributes its high-value Scott Safety business, with the deal expected to close in 2H26. Bain will pay a USD700mn balancing consideration, resulting in a 50.1% (3M) / 49.9% (Bain) ownership split.

Financials	2023	2024	2025
Free Cash Flow (USD 100M)	50.65	6.38	13.96
EBITDA Margin (%)	-20.98	26.02	24.61
Interest Coverage Ratio (x)	-7.28	5.37	6.49

Source: Bloomberg

Overview			
Name	MMM 4.8 03/15/30	ISIN	US88579YBQ35
Maturity Date	2030/3/15	Remaining Maturity	3.89
Coupon(%)	Fixed/4.8/Semi-annual	YTM/YTC(%)	4.2093/4.2199
Currency	USD	Min. Subscription/ Increment	2,000/1,000
Ratings (Moody's/Fitch/S&P)	A3/A-/BBB+	Seniority	Senior Unsecured



Appendix

Key Economic Data / Events

► APR 2026

20

Monday

21

Tuesday

- US Mar Retail Sales MoM (Act:1.7% Est:1.4% Prev:0.7%)
- Taiwan Mar Export Orders YoY (Act:65.9 Est:44.1% Prev:23.8%)

22

Wednesday

- Eurozone Apr Consumer Confidence (Prelim) (Act:-20.6 Est:-17.2 Prev:-16.4)

23

Thursday

- US Initial Jobless Claims (Act:214k Est:210k Prev:208k)
- US Apr S&P Global Mfg PMI (Prelim) (Act:54.0 Est:52.5 Prev:52.3)
- Japan Apr S&P Global Mfg PMI (Prelim) (Act:54.9 Prev:51.6)
- Eurozone Apr S&P Global Mfg PMI (Prelim) (Act:52.2 Est:50.9 Prev:51.6)

24

Friday

- US Apr U. Michigan Sentiment (Final) (Est:48.5 Prev:53.3)
- Japan Mar CPI YoY (Act:1.5% Est:1.4% Prev:1.3%)

► MAY 2026

27

Monday

- Earnings: Verizon (VZ)

28

Tuesday

- US Apr Conf. Board Consumer Confidence (Est:89.3 Prev:91.8)
- Japan Mar Unemployment Rate (Est:2.6% Prev:2.6%)
- Japan Apr BoJ Overnight Rate (Est:0.75% Prev:0.75%)
- Earnings: Coca-Cola (KO), Corning (GLW), S&P Global (SPGI)

29

Wednesday

- US Mar Durable Goods Orders MoM (Prelim) (Est:0.5% Prev:-1.3%)
- US Mar Housing Starts (Est:1,400k Prev:1,487k)
- Eurozone Apr Consumer Confidence (Final) (Prev:-16.4)
- Earnings: Booking (BKNG), T-Mobile (TMUS), Welltower (WELL), AbbVie (ABBV), Amphenol (APH), Visa (V)

30

Thursday

- US Initial Jobless Claims (Prev:214k)
- US Mar PCE YoY (Est:3.5% Prev:2.8%)
- US Apr Fed Funds Rate (Est:3.75% Prev:3.75%)
- Eurozone Apr ECB Refi Rate (Est:2.15% Prev:2.15%)
- UK Apr BoE Bank Rate (Prev:3.75%)
- Earnings: Alphabet (GOOGL), Microsoft (MSFT), Eli Lilly (LLY), Merck (MRK), Meta (META)

1

Friday

- US Apr ISM Mfg Index (Est:53.3 Prev:52.7)
- US Apr S&P Global Mfg PMI (Final) (Prev:52.3)
- Japan Apr S&P Global Mfg PMI (Final) (Prev:51.6)
- Earnings: Apple (AAPL), Amgen (AMGN), SanDisk (SNDK), Exxon Mobil (XOM), Chevron (CVX), Amazon (AMZN), Mastercard (MA)

Source: Bloomberg

For Internal Use Only

26

Key Earnings Releases

Date	Name	Revenue (F) (USD)	Actual Revenue (USD)	EPS (F) (USD)	Actual EPS (USD)	Exceed Expectation Revenue	Exceed Expectation EPS
2026/4/21	General Electric (GE)	10.69B	11.61B	1.60	1.86	V	V
2026/4/21	UnitedHealth Group (UNH)	109.24B	111.72B	6.57	7.23	V	V
2026/4/21	Raytheon Technologies (RTX)	21.47B	22.08B	1.53	1.78	V	V
2026/4/21	Danaher Corporation (DHR)	5.99B	5.95B	1.94	2.06		V
2026/4/22	Interactive Brokers Group (IBKR)	1.67B	1.68B	0.60	0.60	V	
2026/4/22	Capital One Financial (COF)	15.37B	15.23B	4.56	4.42		
2026/4/22	Intuitive Surgical (ISRG)	2.62B	2.77B	2.10	2.50	V	V
2026/4/22	Chubb Limited (CB)	15.20B	15.17B	6.60	6.82		V
2026/4/22	GE Vernova (GEV)	9.11B	9.34B	1.81	0.78	V	
2026/4/22	Philip Morris International (PM)	9.97B	10.15B	1.85	1.96	V	V
2026/4/22	AT&T (T)	31.25B	31.51B	0.55	0.57	V	V
2026/4/22	Boeing (BA)	21.79B	22.22B	-0.76	-0.20	V	V
2026/4/22	Texas Instruments (TXN)	4.52B	4.83B	1.38	1.68	V	V
2026/4/23	Tesla (TSLA)	22.25B	22.39B	0.35	0.41	V	V

Source: Investing.com

For Internal Use Only

27

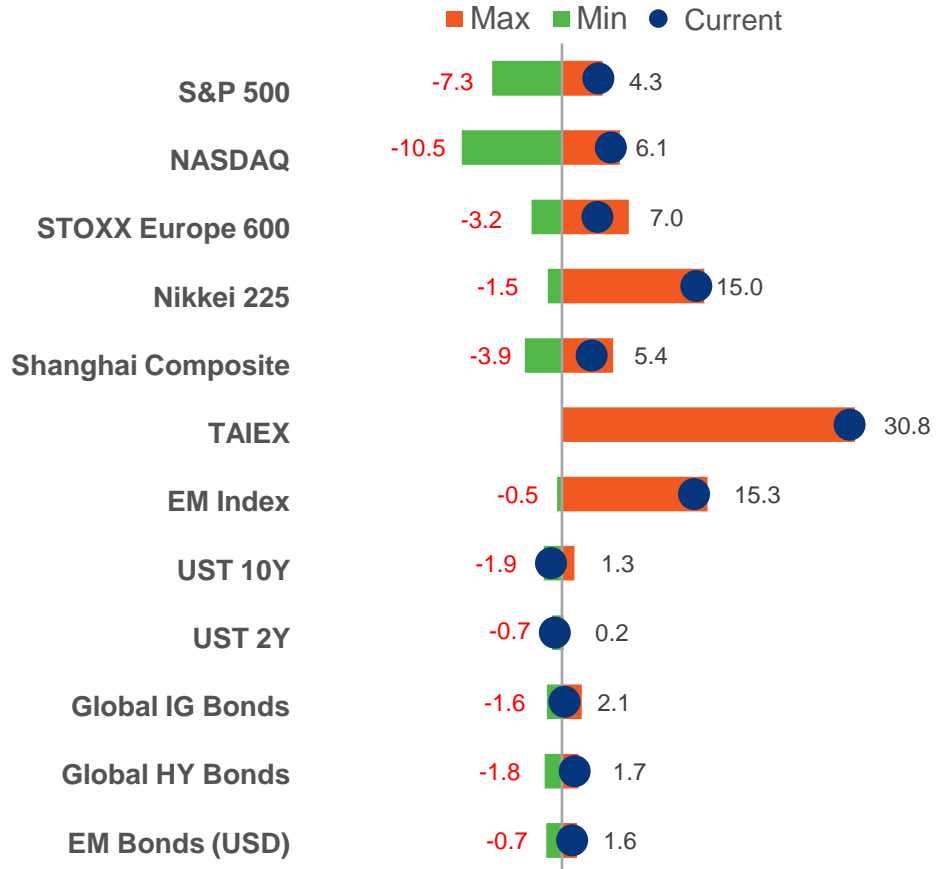
Key Earnings Releases

Date	Name	Revenue (F) (USD)	Actual Revenue (USD)	EPS (F) (USD)	Actual EPS (USD)	Exceed Expectation Revenue	Exceed Expectation EPS
2026/4/23	Lam Research Corp (LRCX)	5.75B	5.84B	1.37	1.47	V	V
2026/4/23	International Business Machines (IBM)	15.67B	15.92B	1.81	1.91	V	V
2026/4/23	Thermo Fisher Scientific (TMO)	10.85B	11.01B	5.24	5.44	V	V
2026/4/23	Honeywell International (HON)	9.30B	9.14B	2.34	2.45		V
2026/4/23	Blackstone (BX)	3.37B	3.43B	1.34	1.36	V	V
2026/4/23	Lockheed Martin (LMT)	18.24B	18.02B	6.88	6.44		
2026/4/23	American Express (AXP)	18.62B	18.91B	4.03	4.28	V	V
2026/4/23	NextEra Energy (NEE)	7.39B	6.7B	1.03	1.09		V
2026/4/23	Union Pacific (UNP)	6.23B	6.2B	2.86	2.93		V
2026/4/24	Intel (INTC)	12.36B	13.58B	0.01	0.29	V	V
2026/4/24	Newmont Corporation (NEM)	6.72B	7.31B	2.25	2.9	V	V

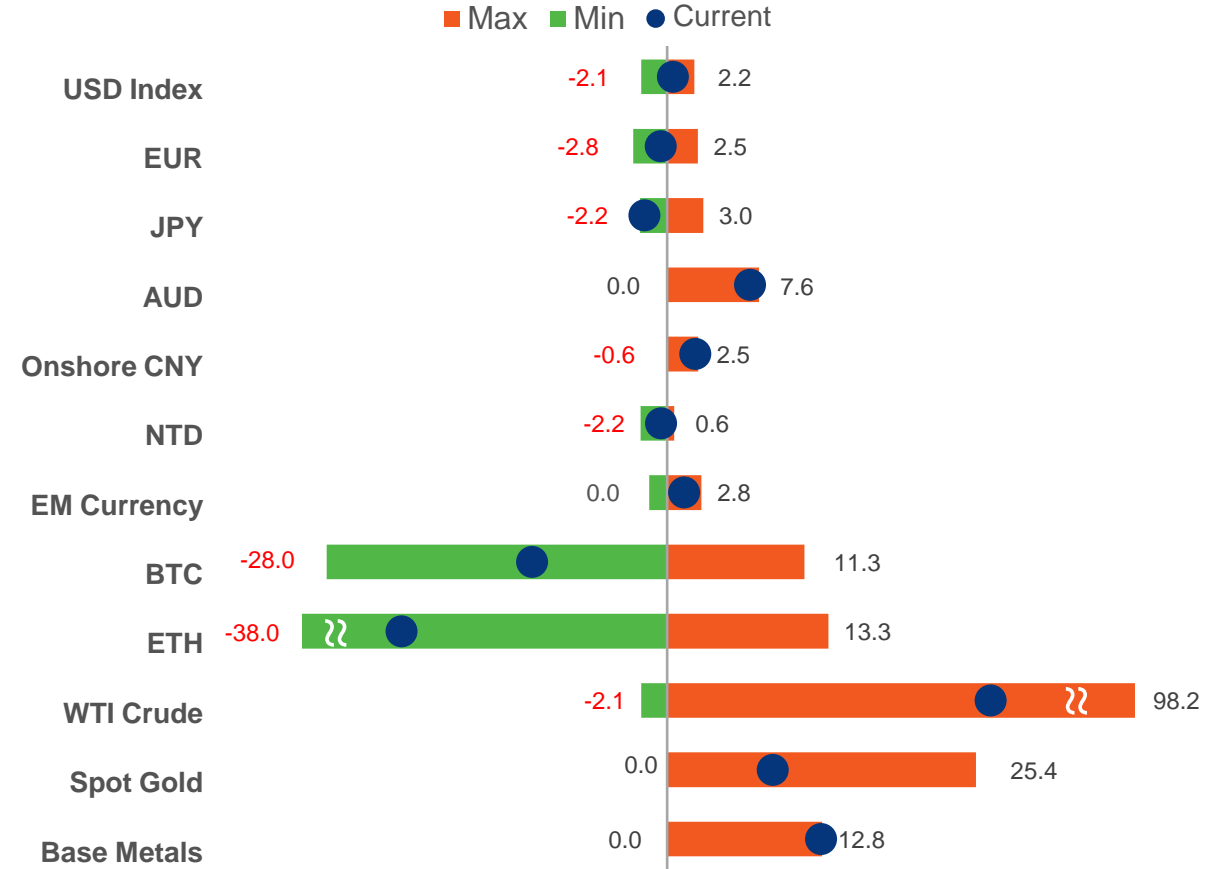
Source: Investing.com

Major Market / Asset YTD Performance

Equities & Bond Markets YTD Performance (%)

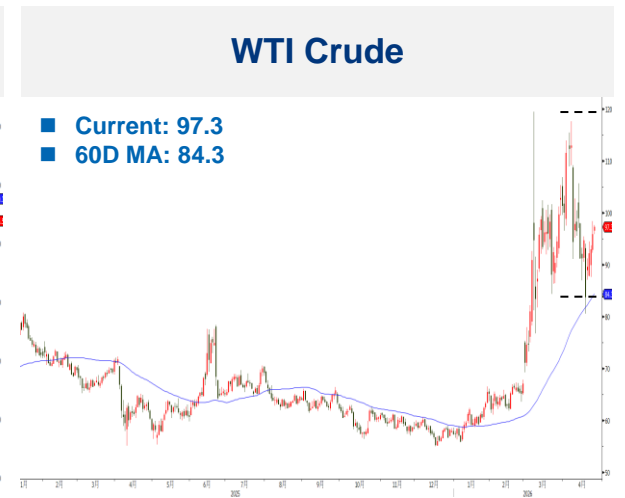
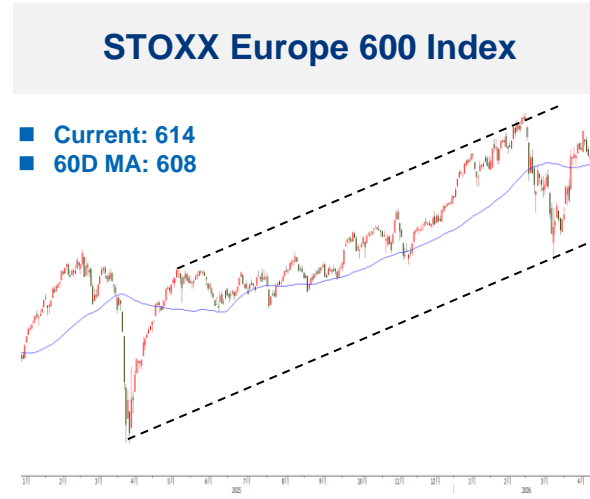
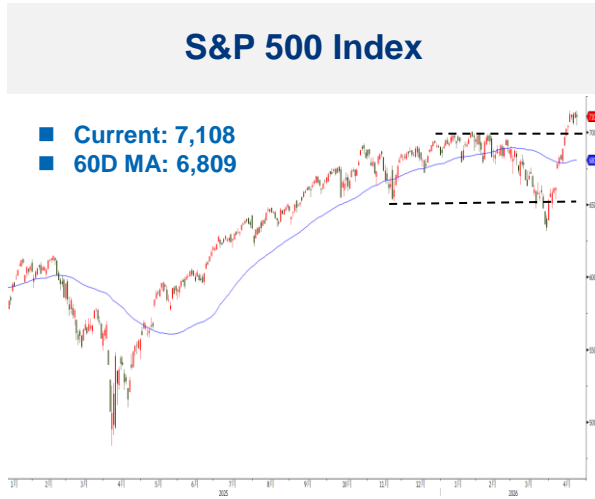


Currencies and Commodities Market YTD Performance (%)



Source: Bloomberg

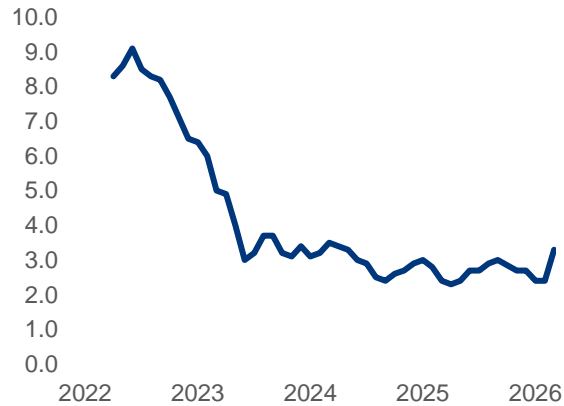
Technical Analysis



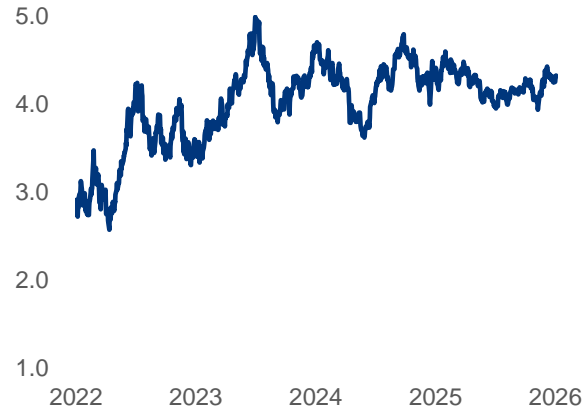
Source: Bloomberg

Market Monitor

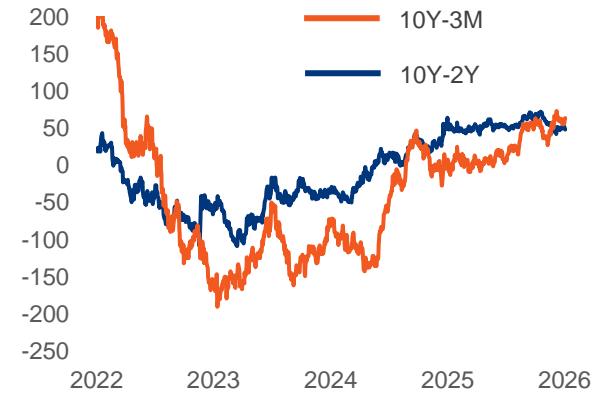
U.S. CPI YoY (%)



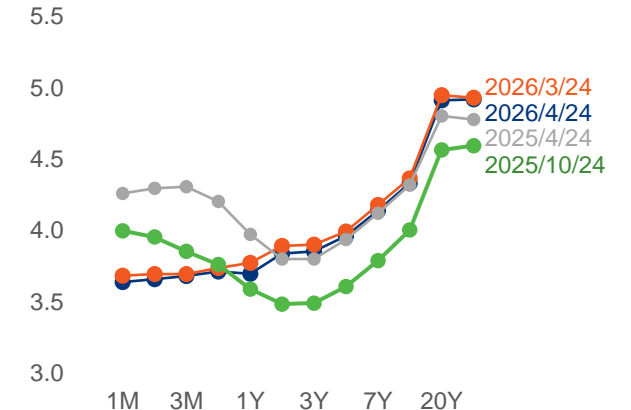
U.S. 10-Year Treasury Yield (%)



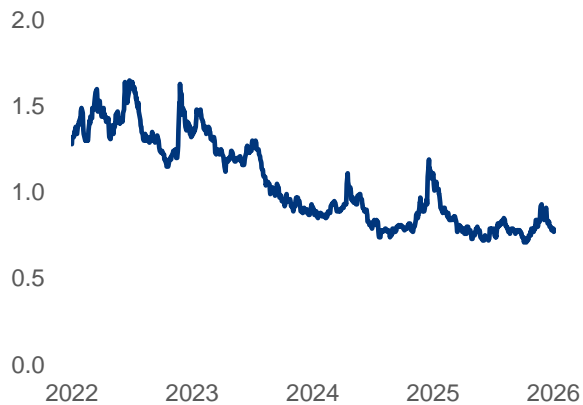
U.S. Treasury Yield Spread (bps)



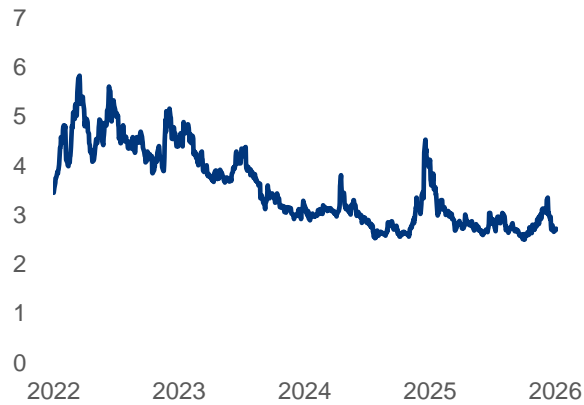
U.S. Treasury Yield Curve (%)



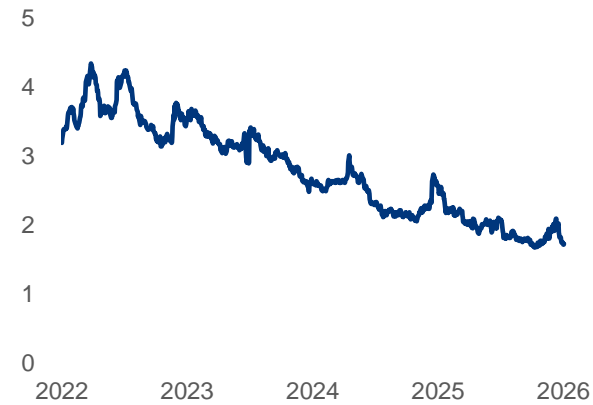
USD IG Credit Spread (%)



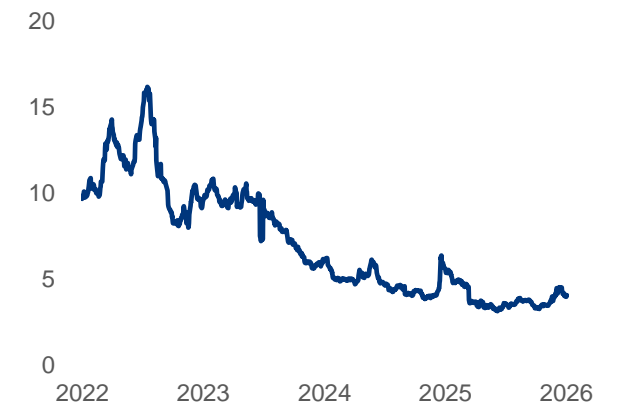
USD HY Credit Spread (%)



USD EM Credit Spread (%)



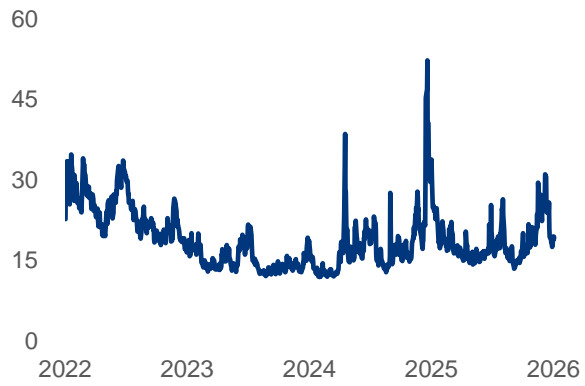
USD Asia Credit Spread (%)



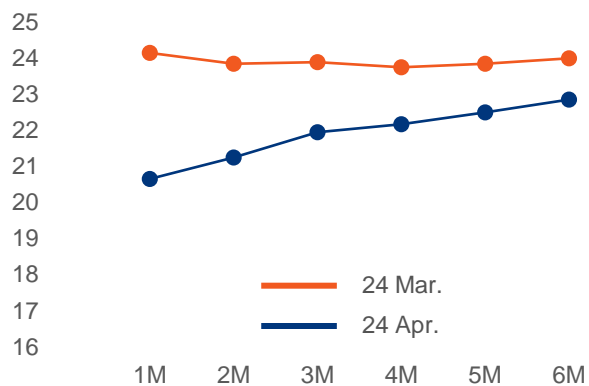
Source: Bloomberg

Market Monitor

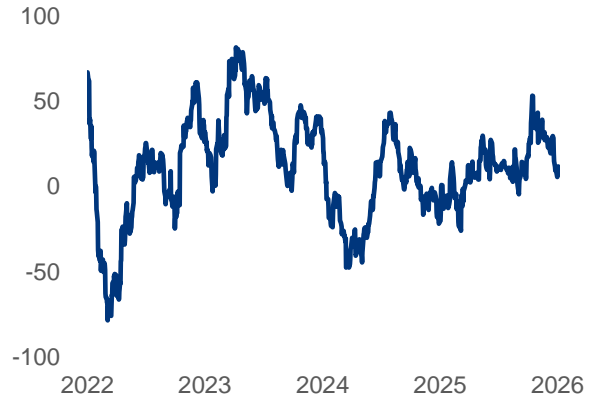
VIX Index



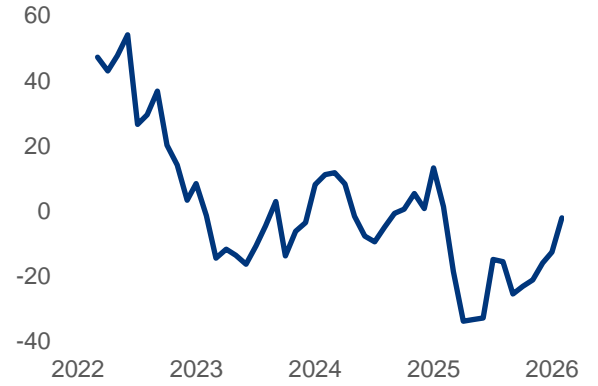
VIX Term Structure



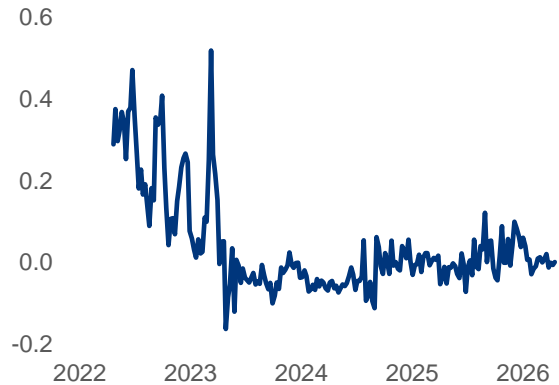
U.S. Citi Economic Surprise Index*



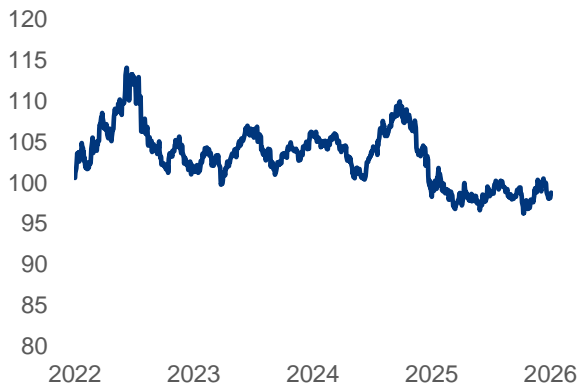
U.S. Citi Inflation Surprise Index*



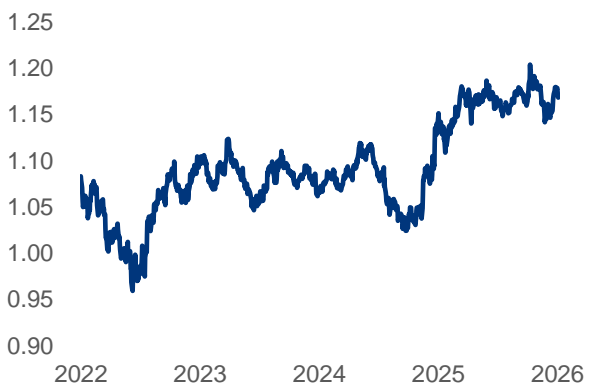
TED Spread (bps)



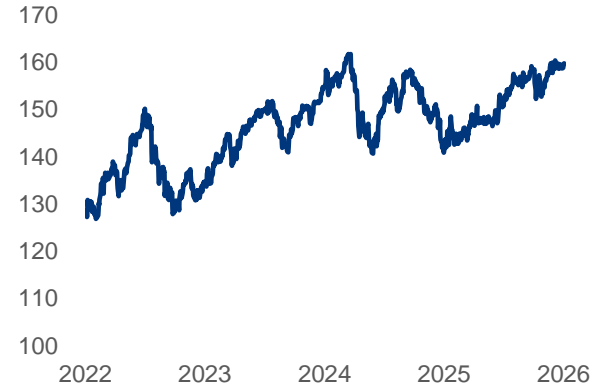
U.S. Dollar Index



EUR to USD



USD to JPY



Source: Bloomberg

Disclaimer and Important Notice

Hong Kong: 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.

Singapore: This document is provided for general information and circulation only, and is not an offer or a solicitation to deal in any securities or to enter into any legal relations, nor an advice or a recommendation with respect to any financial products mentioned herein. It does not have regard to the specific investment objectives, financial situation and the particular needs of any recipient hereof. You should ensure that you understand the risk(s) involved and should independently evaluate particular investments and consult an independent financial adviser before making any investment decisions. All information and opinions contained herein is based on certain assumptions, information and conditions available as at the date of this document and may be subject to change at any time without notice.