

CIO Office

Global Markets Weekly Kickstart

Powering the AI Revolution

4 May 2026

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Selection of Equities, Bonds, Funds/ETFs

► Macro-Economic Shift

Moving away from its "value trap" past, Japan has adopted a "US Formula" of fiscal expansion. Aggressive stimulus and tax cuts under the Takaichi administration have boosted consumer confidence to its highest level since 2019 and tightened the labor market, with unemployment falling to 2.6%.

► Corporate Revolution

The Tokyo Stock Exchange is mandating capital efficiency, forcing companies to focus on Return on Equity (ROE) and dismantle inefficient "parent-child" listing structures. This has resulted in record share buybacks of ¥17.8 trillion and a surge in M&A deal value reaching \$180 billion.

► Strategic Investment Themes

Despite "cost-push" inflation from energy imports, growth is sustained by three key sectors: industrial automation (robotics) to combat a shrinking workforce, a defense surge fueled by a 2% GDP spending commitment, and an energy pivot toward nuclear and offshore wind.

The Nikkei 225 was up 20% YTD

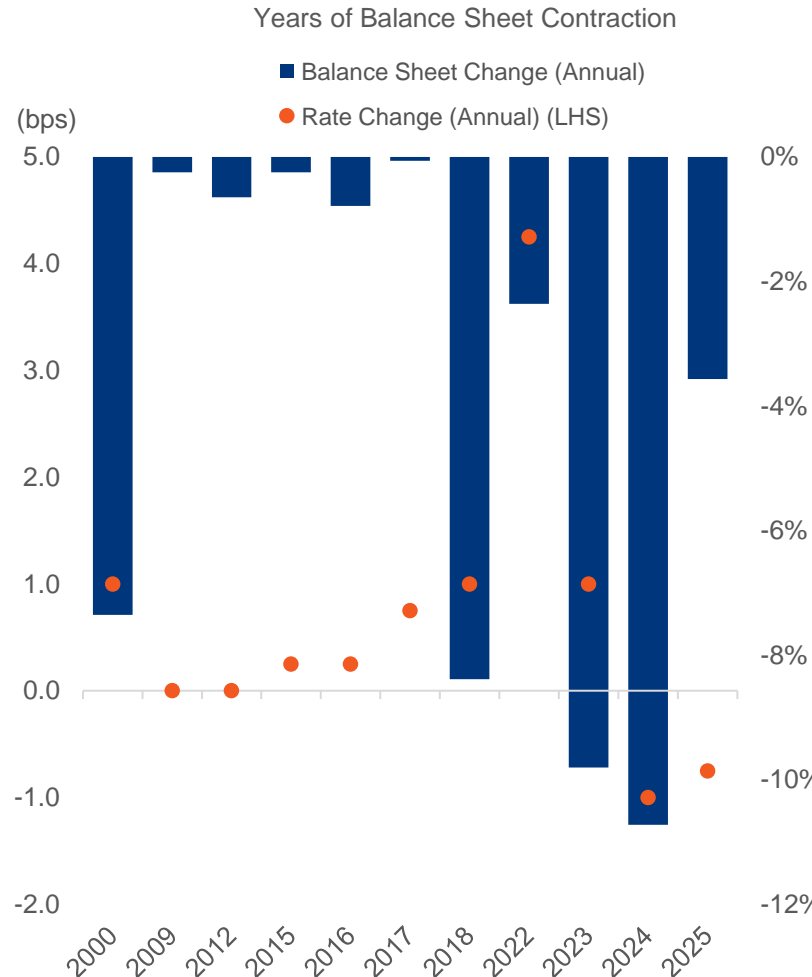
This Was Significant as Compared to the Single-Digit Performance of the US Stock Market



Fed Meeting: A Dilemma for Any Future Chair

- ▶ The Fed kept rates unchanged at 3.5–3.75%, in line with expectations. At his Senate hearing, chair nominee Kevin Warsh reiterated that interest rates should remain the primary policy tool and expressed concerns over the size of the balance sheet.
- ▶ While rate policy is more effective, inflation pressures driven by higher oil prices and the absence of major economic risks make rate cuts difficult to justify. Easing could also weigh on the USD and reduce the relative appeal of US Treasury yields.
- ▶ As for balance sheet reduction, the Fed has been implementing QT over the past two years. Historically, QT has more often coincided with rate hikes; simultaneous QT and rate cuts were only seen in 2024–2025 over the past three decades.
- ▶ Given the more direct impact of rates, easing is less likely amid rising inflation, making QT the more probable policy priority. As noted previously, if QT resembles the 2018 approach—i.e., no incremental purchases of ultra-long Treasuries—long-end yields could face greater upward pressure, leading to a steeper yield curve.

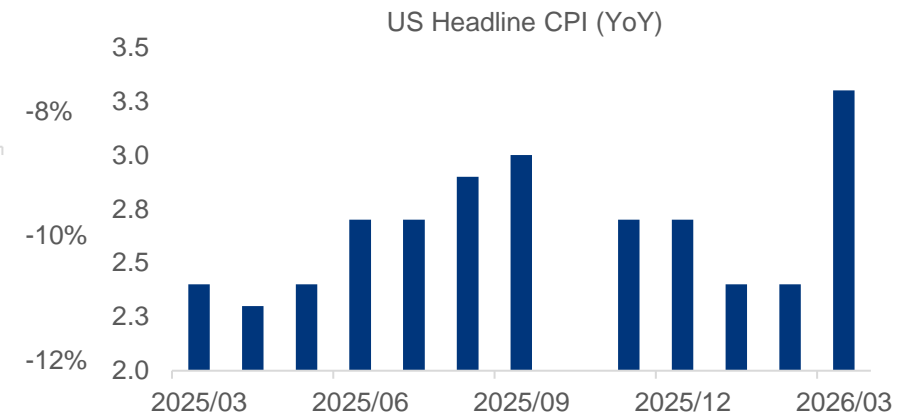
QT Often Accompanied by Rate Hikes



During QT, Long-End Holdings Rise

	<15D	16D - 90D	91D - 1Y	>1Y - 5Y	>5Y - 10Y	>10Y	Overall
2025	102.8	-19.3	1.7	-5.8	-8.8	3.9	-1.9
2024	-46.9	7.9	-22.7	-8.6	-29.6	2.0	-10.1
2023	-29.0	-26.4	-21.9	-15.9	-17.9	2.8	-12.9
2022	3.2	2.0	2.6	-10.2	-7.2	8.4	-2.7
2021	-5.2	8.3	10.0	21.9	23.6	28.1	20.5
2020	411.3	158.6	88.3	98.9	157.0	64.6	101.3
2019	0.9	58.1	14.2	-7.9	21.8	3.5	3.9
2018	4.0	-9.1	-8.0	-11.9	-14.8	-0.7	-8.7
2017	49.6	158.3	123.7	-11.8	-22.3	-1.6	-0.4

US Inflation Re-Accelerates on Middle East Tensions



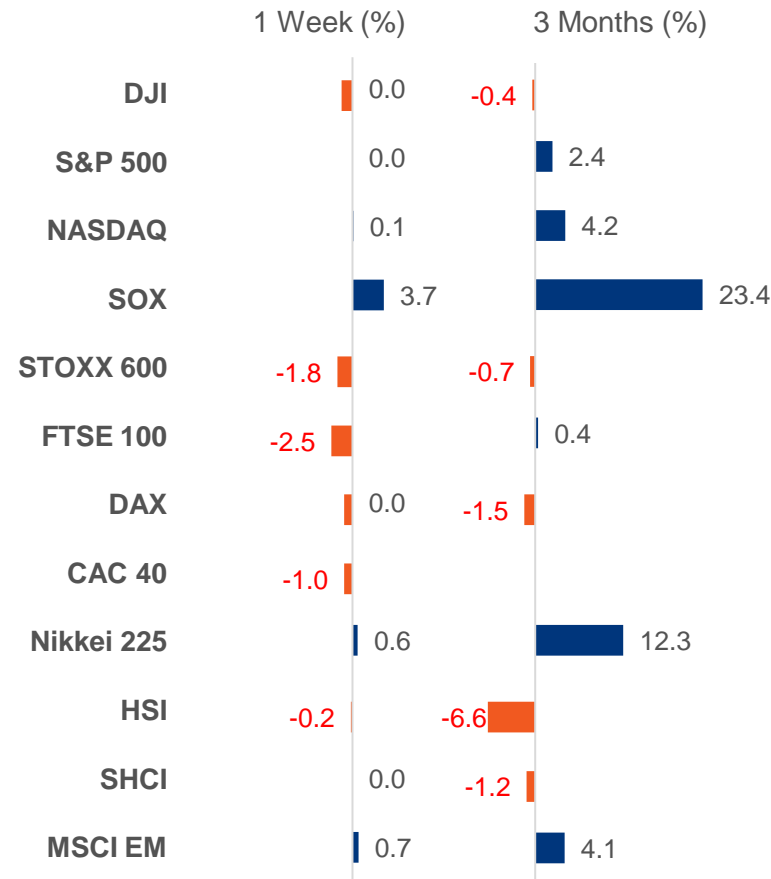
Source: Bloomberg, CEIC

Market Recap

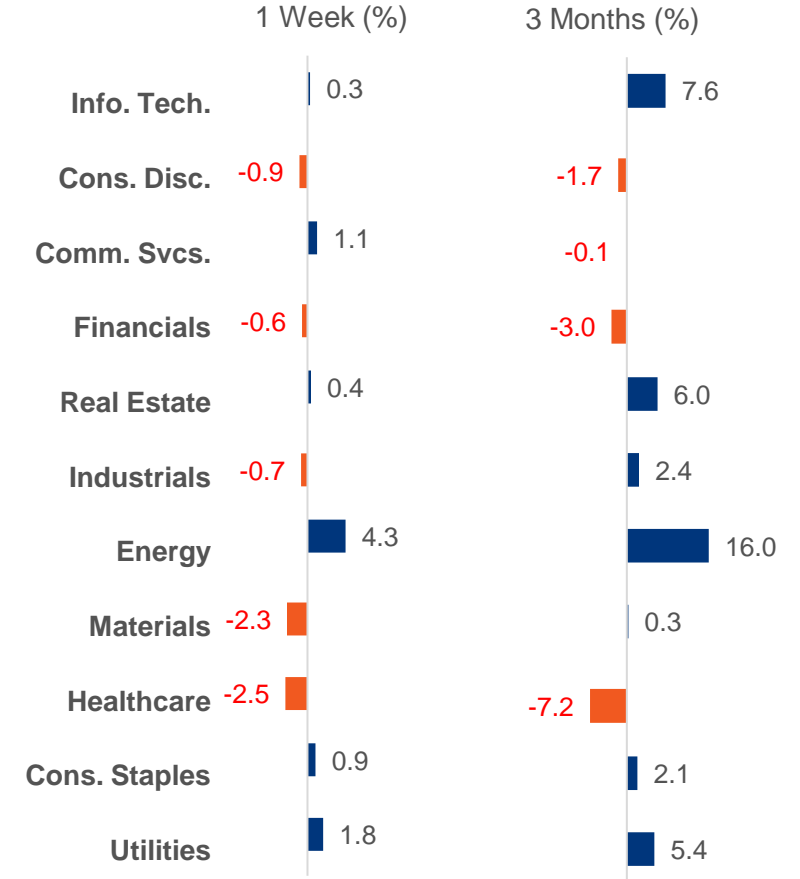
Rising Oil Weighs on Markets; Intel Lifts Semiconductor Stocks

- ▶ Earlier this week, the S&P 500 and Nasdaq edged higher to record highs, driven by gains in mega-cap and tech stocks. However, sentiment weakened after Trump instructed aides to prepare for an extended maritime blockade on Iran and demanded a halt to its nuclear program, raising concerns of prolonged conflict. Rising oil prices subsequently weighed on markets.
- ▶ Stronger-than-expected results and guidance from Intel boosted semiconductor stocks, with the SOX index rallying sharply and supporting broader IT sector strength.
- ▶ Media reports that ChatGPT's developer missed its revenue and user targets renewed investor concerns. However, tech performance remained mixed - companies with less direct exposure to OpenAI held up better, with Microsoft and Apple posting modest gains, while software names such as Adobe and Salesforce also advanced, indicating limited spillover.

Regional Index Performance (%)



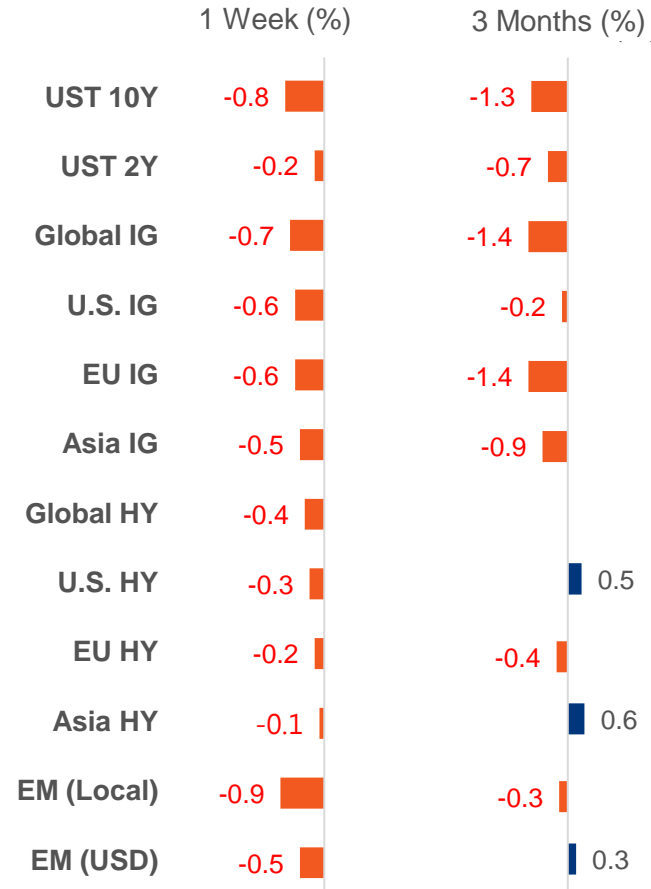
U.S. Sector Index Performance (%)



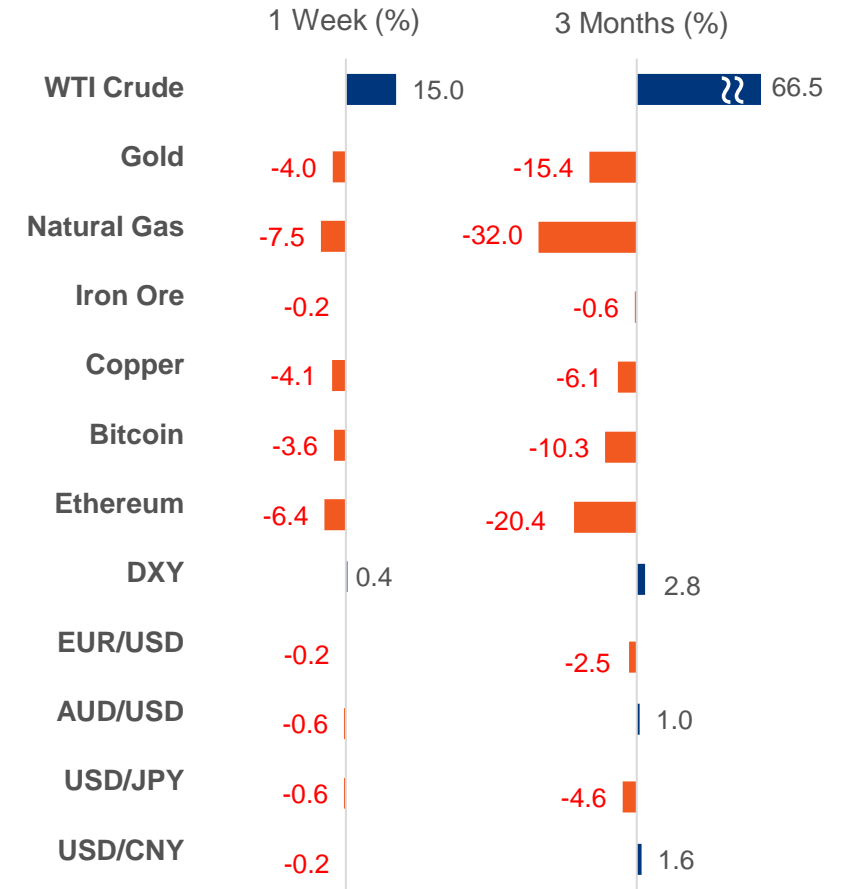
FOMC Holds Rates; No Clear Dovish Shift

- ▶ The FOMC kept rates unchanged at 3.50–3.75%, in line with expectations. However, three regional Fed presidents opposed including a dovish bias in the statement. Uncertainty remains over the scope and duration of oil-driven economic impacts, keeping the Fed aligned with a relatively hawkish stance.
- ▶ Following the meeting, risk assets and precious metals came under pressure, US Treasury yields rose, and the USD strengthened. The Fed is unlikely to hike in the near term, with rates more likely to remain on hold.
- ▶ The UAE announced it will exit OPEC/OPEC+ from May 1 to pursue an independent energy strategy aimed at maximizing output, adding supply-side uncertainty. However, unresolved geopolitical tensions and the reopening timeline of the Strait of Hormuz remain key near-term drivers, keeping oil prices supported. Longer term, increased independent supply could weigh on prices.

Performance of Bonds (%)



Performance of Commodities and Currencies (%)

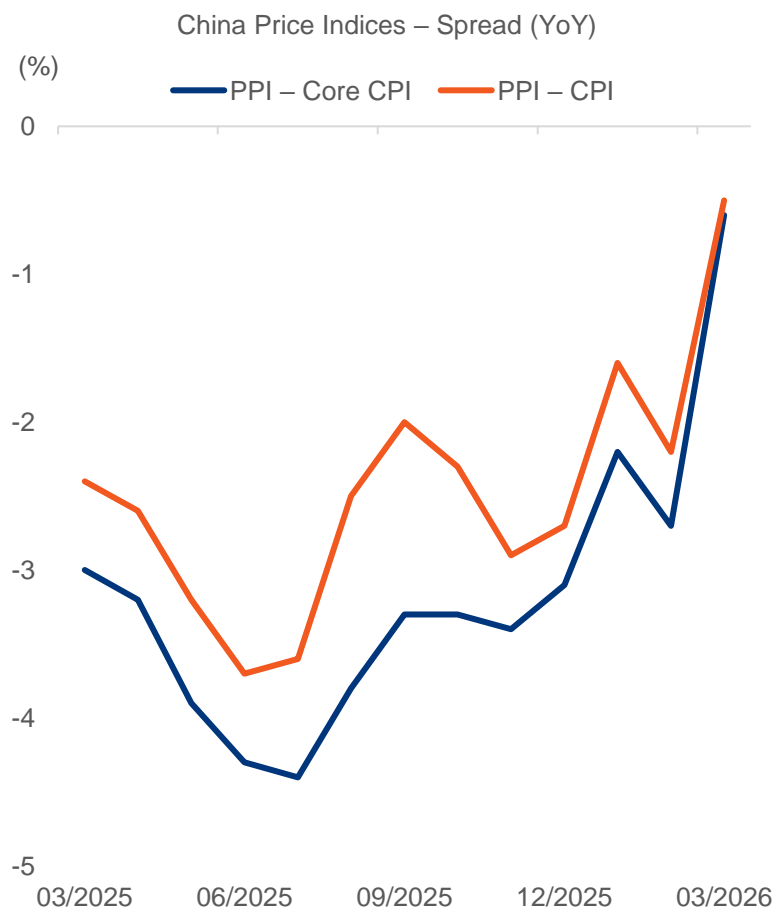


Source: Bloomberg

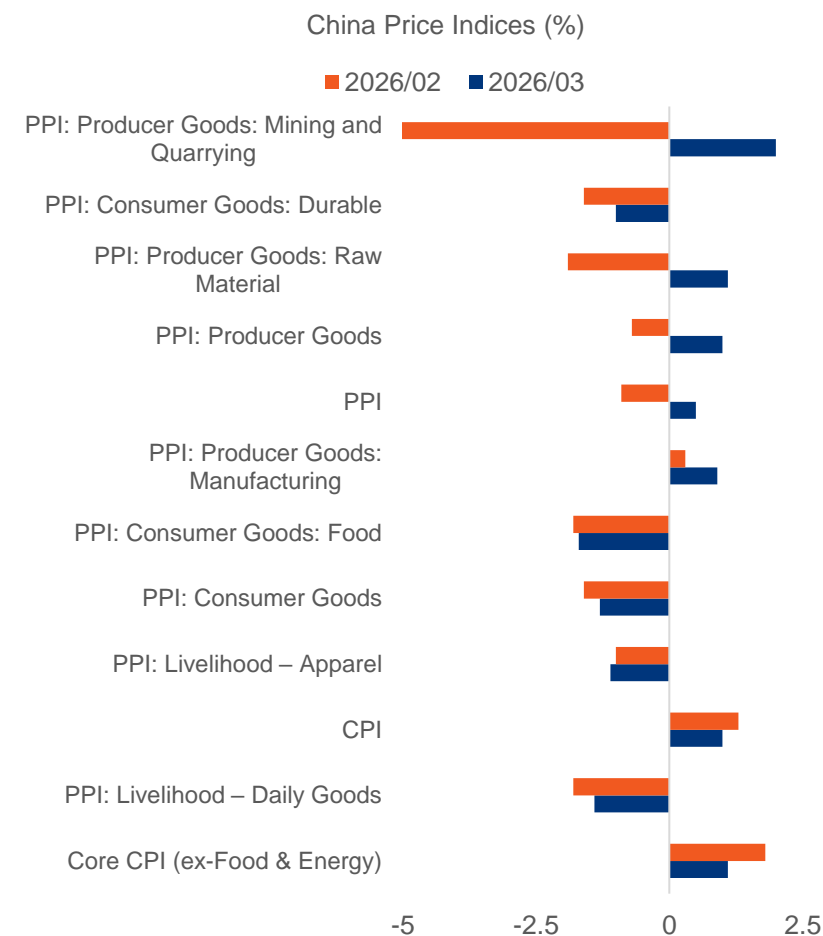
Rising Commodity Prices Signal China Emerging from Deflation

- ▶ China's PPI has remained negative over the past two years but turned positive in March, rising 0.4% YoY. The gap between PPI and core CPI has narrowed from a peak of 4.4 ppts in mid-2025 to 0.6 ppts, tightening over the past nine months.
- ▶ Upstream sectors—particularly mining and raw materials—were the key contributors to the PPI rebound, driven by rising global commodity prices. However, consumer-related categories such as food and apparel remain in deflation. Additional drivers include: (1) price recovery in sectors undergoing anti-overcapacity adjustments (e.g., solar equipment, lithium-ion batteries); and (2) demand growth in AI and advanced manufacturing (e.g., optical fiber, storage, specialty electronic materials).
- ▶ The narrowing gap between CPI and PPI has implications for industrial margins. When consumer prices outpace producer prices, downstream firms have greater ability to pass on costs. As this spread compresses, pricing power and cost pass-through will become key differentiators across sectors and companies.

Rising Commodity Prices Narrow PPI–CPI Gap



Mining and Raw Materials Drive PPI Rebound

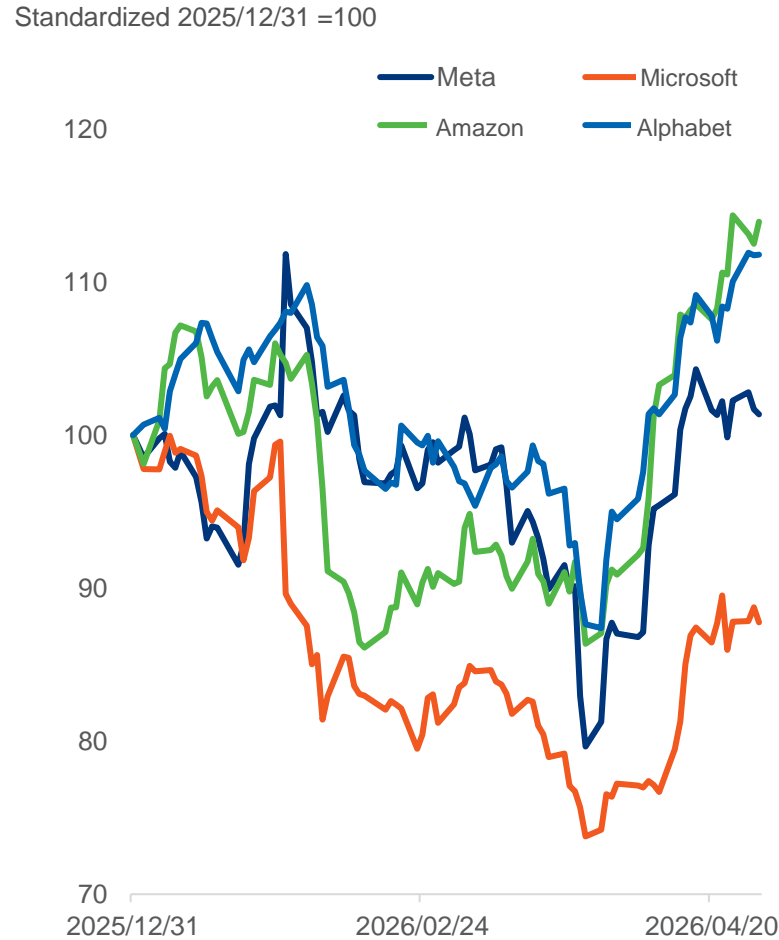


Source: CEIC

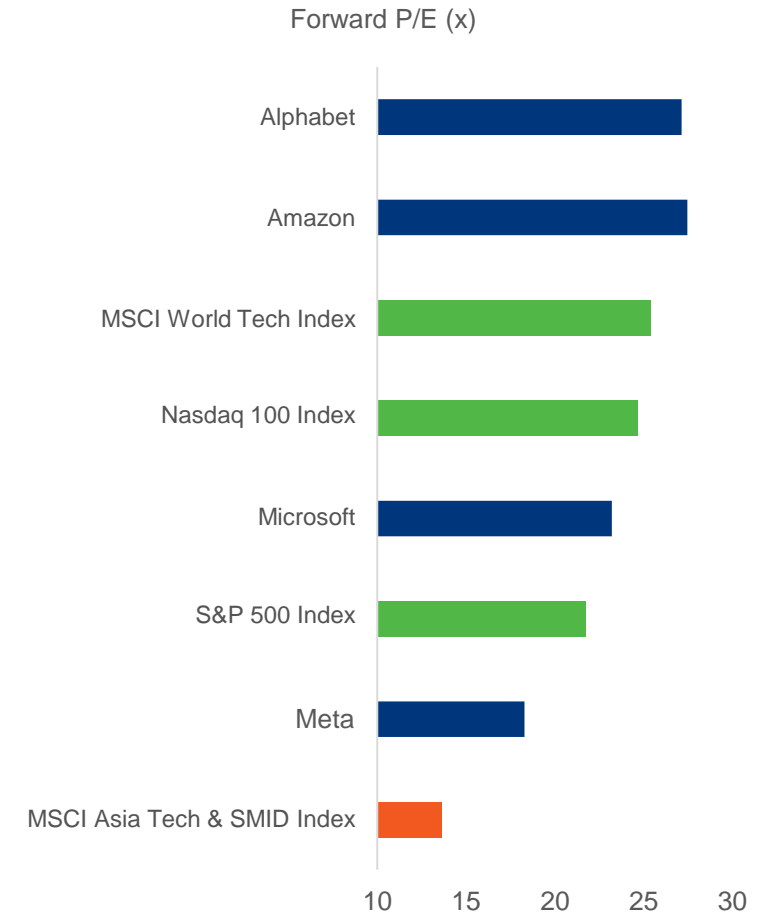
Big Four CSP Earnings in Focus; Markets Watch AI Execution

- ▶ The four AI hyperscalers—Meta, Google, Amazon, and Microsoft—reported earnings this week, with markets focused on AI investment execution.
- ▶ Microsoft: Revenue and earnings beat expectations. Azure and other cloud services grew 39% YoY, slightly above the 38.2% consensus. Capex came in slightly below expectations. Shares rose 0.36% after hours.
- ▶ Meta: Revenue beat, with EPS at USD10.44 vs. USD6.65 consensus, driven by a tax benefit recognized in 1Q. The company also raised capex above expectations, triggering concerns and sending shares down 6.4% after hours.
- ▶ Google: Google Cloud revenue surged 63% YoY. Capex is guided at USD180–190bn for 2026, broadly in line, with 2027 expected to be significantly higher. AI momentum is gaining traction, lifting shares 6.4% after hours.
- ▶ Amazon: AWS net revenue reached USD37.59bn, beating expectations, with 28% growth ex-FX (vs. 25.7% consensus). E-commerce also showed renewed momentum. Shares rose 5.0% after hours.

Diverging Performance Among Big Four CSPs



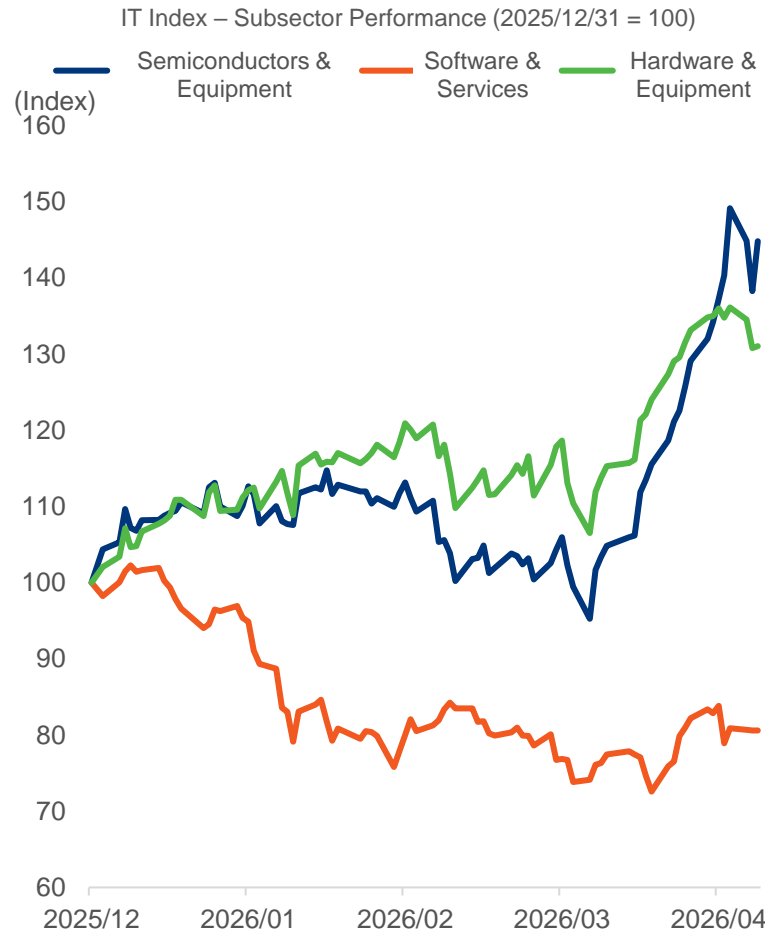
CSP Valuations vs. Broader Indices



Software Landscape Shifts Rapidly; Asian Tech Anchors the AI Revolution

- ▶ AI's impact extends beyond hyperscalers (CSPs) into the private AI market, where sentiment has turned more cautious. The loosening of OpenAI's exclusive partnership with Microsoft, alongside reports of missed internal growth and revenue targets, has shifted market sentiment from momentum chasing to closer scrutiny. The software landscape remains highly dynamic.
- ▶ Within tech, physical assets and hardware are outperforming, while software lags, weighed down by weaker performance. Disappointing results from ServiceNow and IBM have deepened divergence within the software sector. In contrast, Intel delivered strong earnings and guidance, with shares surging up to 20% after hours, lifting broader hardware names.
- ▶ In positioning across the AI value chain, Asian tech companies help fill gaps in US exposure, with leading players in semiconductors, robotics, and AI supply chains. The region's large population and deep pool of computer science talent support scalable digital platforms and application development, while stable and diversified power supply provides a solid foundation for long-term growth.

Software Landscape Shifts Rapidly; Hardware Outperforms



More Hardware Companies Based in Asia Emerging Markets

Category	Emerging Markets	Developed Markets
Design & Manufacturing		
Fabless	Alchip Technologies Aspeed Technology	Nvidia, AMD, Broadcom
Foundry	TSMC	-
Semi Equipment	All Ring Tech GPTC	ASML, AMAT, Tokyo Electron
Memory	SK Hynix Samsung	Micron
Other Components	Gold Circuit, Unimicron, Delta Electronics, Zhongji Innolight, Chengdu Eoptolink, Victory Giant	Credo Technology Coherent
Back-End & Assembly		
Testing	King Yuan Electronics, ASE Technology	Amkor
Assembly	Hon Hai Precision, Quanta Computer ASRock	-
Hardware (Brand)	Gigabyte	Supermicro, Dell
Cloud Leaders		
Cloud Leaders	Baidu, Alibaba, Kingsoft, Tencent	Google, Microsoft Amazon, Meta

Source: Bloomberg, KGI

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 continue to support markets. Under midterm election pressure, Trump has incentives to push oil prices lower, suggesting inflation pass-through should be temporary and unlikely to exert further pressure on rates or equity valuations. ◆ Investment strategy should shift from defensive sectors toward AI-driven growth, while maintaining diversification across regions and industries. Europe and Japan serve as key diversification plays, with Japan offering stronger upside potential; rising JGB yields support bank stocks. In the eurozone, defense remains a key pillar, with a preference for the UK. 	<p>Strategy: AI themes (technology, semiconductors, machinery); non-AI sectors include aerospace and defense</p> <p>Regions: Japan banks, Japan semiconductor stocks, Japan industrials, UK equities</p>
Bonds	<ul style="list-style-type: none"> ◆ Elevated oil prices may drive US Treasury yields higher. Investors can add intermediate-duration bonds on yield spikes, focusing on high-quality corporates with strong credit fundamentals and defensive characteristics. Attractive risk-adjusted spreads are found in financials, communications, utilities, and energy. Warsh has expressed concerns over elevated uncertainty in long-end rates, implying higher risk. ◆ The USD is firm in the short term but faces long-term depreciation risks, supporting diversification into non-USD bonds such as EUR- and AUD-denominated investment-grade credit. 	<p>Types: Intermediate-duration, high-quality credit to lock in yields; sectors include financials, communications, utilities, and energy</p> <p>Satellite : Non-USD bonds for diversification</p>
Forex	<ul style="list-style-type: none"> ◆ Major central banks remain in a wait-and-see mode. The USD is range-bound in the near term but expected to weaken over the medium to long term. ◆ The ECB may tighten sooner than the BoJ, supporting EUR strength relative to JPY, while CNY is biased to appreciate. 	<p>USD: Range-bound short term; weaker bias medium to long term</p> <p>Others: EUR vs. JPY – EUR strength over JPYCNY – Appreciation bias</p>
Commodity	<ul style="list-style-type: none"> ◆ Energy prices are expected to remain elevated and volatile in the near term. A stronger USD and higher US yields are weighing on gold in the short term. However, rising global debt and a structurally weaker USD support gold's long-term allocation value, with upside potential. 	<p>Gold: Positive medium- to long-term outlook; accumulate on dips</p>

Compute Boom Drives Data Center Demand

► Policy Tailwind: Government Procurement Expands to AI Agents and LLMs

China's State Council, in policies such as the "Guidelines on Expanding and Upgrading the Services Sector," has formally launched the "AI+" initiative, incorporating LLMs and AI agents into official procurement lists for government entities. This marks a shift from pilot projects to standardized adoption across digital government and SOEs. As public services and administration become increasingly intelligent, stable government demand provides high visibility for downstream IDC operators, directly driving investment in high-performance AI data centers.

► Explosive Token Growth: Inference Demand Drives Compute Infrastructure Expansion

As domestic LLMs mature, competition is shifting from parameter scale to real-world adoption. Data shows China's daily token usage has surged 1,400x over two years. As a key unit of AI consumption, this exponential growth significantly increases inference workloads, shifting data center demand from cyclical builds to continuous expansion. To handle surging requests, infrastructure providers must accelerate deployment of high-bandwidth, low-latency networks, supporting sustained long-term growth for IDC operators and equipment vendors.

► Infrastructure Scaling: Compute Boom Fuels Data Center Expansion

With widespread adoption of AI agents and LLMs, raw demand for compute is growing exponentially. Leading infrastructure players are rapidly expanding data center capacity, shifting from single-site builds to large-scale clustered AI data center deployments. This scale-driven investment cycle is driving higher capex and faster delivery timelines to capture market share. Market leaders with strong execution and scalability are leveraging economies of scale to strengthen competitive positioning and secure durable growth throughout this long-term expansion cycle.

China Daily Token Usage

Time	Daily Token Usage	Compared to Early 2024
Early 2024	100 Billion	-
June 2025	30 Trillion	300 Times
December 2025	100 Trillion	1,000 Times
March 2026	140 Trillion	1,400 Times

GDS Holdings (9698)

Closing Price HK \$41.48

Target Price HK \$50

A leading high-performance data center operator, providing carrier-neutral colocation services to support cloud computing and AI infrastructure.

Modular Delivery Drives Efficiency

GDS’s core competitive edge lies in its “industrialized delivery” capabilities, a key moat amid urgent AI-driven demand. Leveraging strong domestic supply chain integration and advanced modular prefabrication, the company has shortened data center construction cycles from the industry’s 18–24 months to 9–12 months. Time-to-power has also been reduced from 12–24 months to ~6 months. This step-change in delivery efficiency enhances client experience and accelerates capex conversion into EBITDA.

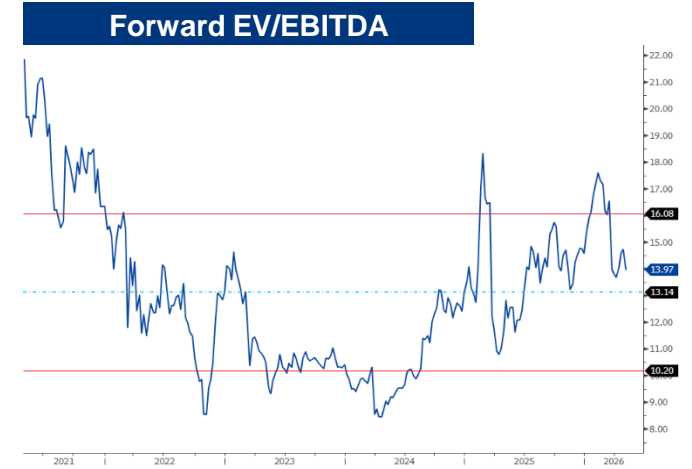
“AI Expansion” Strategy

Looking ahead to 2026, management indicated a full transition to an “AI expansion” mode, with 60–70% of new orders driven by AI demand—signaling China’s AI infrastructure has moved from pilot phase to large-scale deployment. With sustained compute demand, powered capacity in 2027 is expected to double vs. 2026. Importantly, China’s AI usage remains at an early but rapidly scaling stage, supporting continued data center buildout. Management’s recognition of “domestic AI chip supply certainty” also indicates deep integration with the local compute ecosystem, reducing external supply chain risks.

Dual Drivers Underpin Resilient Growth

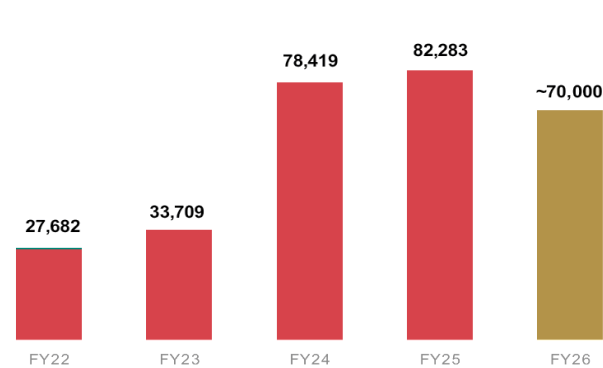
Supported by the government’s “AI+” initiative and explosive token demand, GDS is evolving from a digital infrastructure operator into a core sovereign AI compute backbone, reinforcing long-term growth visibility. Target price: HKD50.

Financials					
	2024	2025	2026F	2027F	2028F
Revenue (CNY b)	10.3	11.4	12.6	14.5	17.2
Revenue YoY	3.7	10.7	10.9	14.4	18.4
Adj. EBITDA (CNY b)	4.8	5.4	5.7	6.6	7.8
EBITDA YoY	5.5	10.8	7.1	14.5	18.4
Asset Depre (CNY b)	3.2	3.4	3.7	4.2	4.8

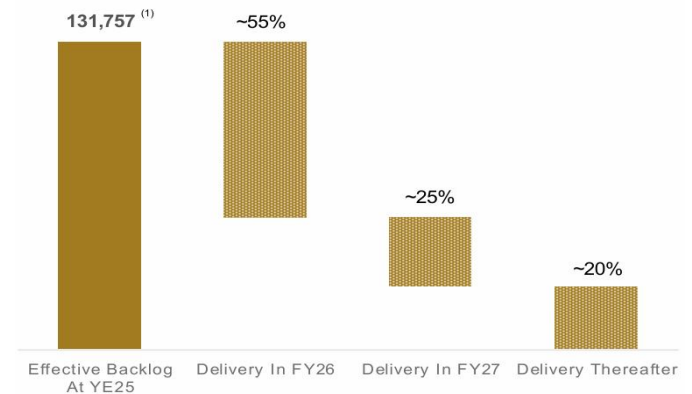


Capacity Delivery Plan

■ Additional Capacity In Service ■ Additional Capacity To Deliver ⁽¹⁾



Current Order Fulfillment Rate



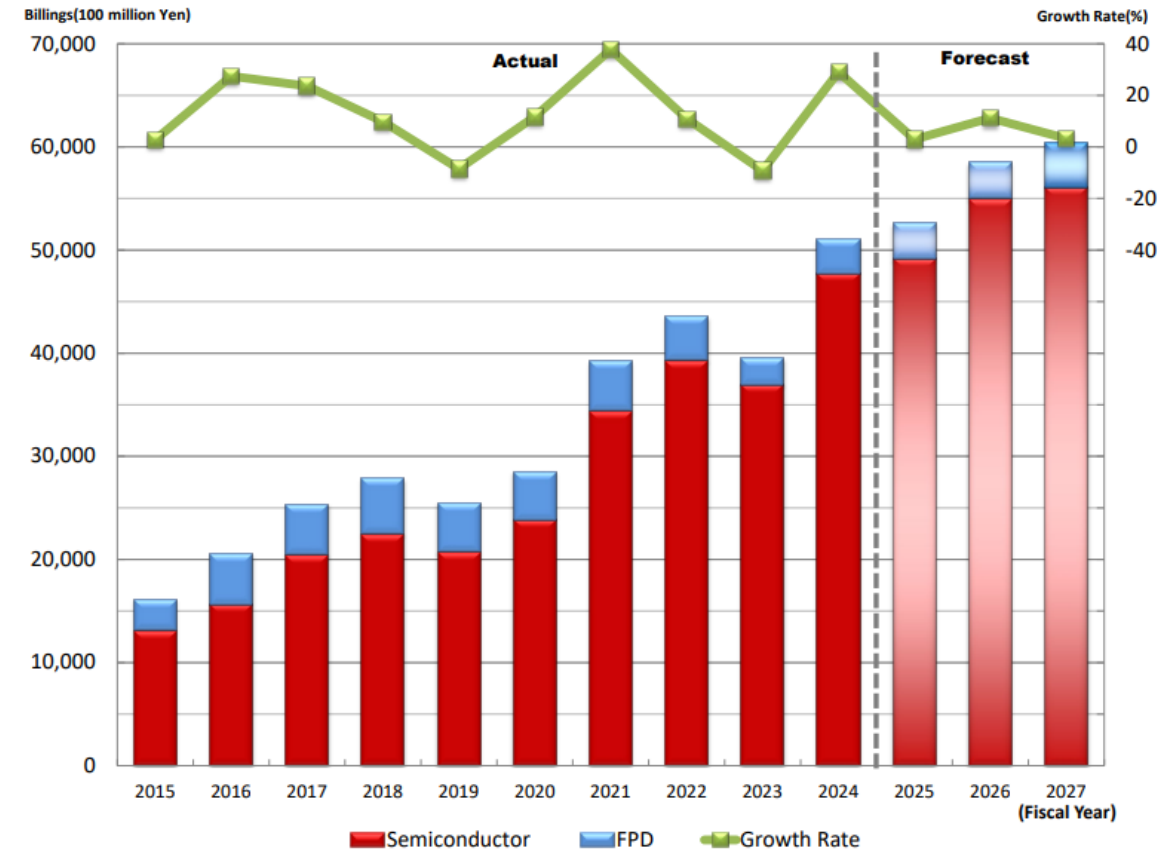
Source: Bloomberg



AI Momentum Sustained; Japan Semiconductor Sector Poised for Growth

- ▶ The Fed held rates at 3.50%–3.75% in its April meeting by an 8–4 vote, in line with expectations. However, four dissents marked the highest in 34 years, highlighting sharp internal divisions over signaling potential rate cuts and inflation risks tied to Middle East tensions. With Powell’s term nearing its end, his commitment to remain on the Board to safeguard Fed independence underscores rising policy uncertainty and potential shifts in leadership and policy direction.
- ▶ US core PCE rose 0.3% MoM in March, in line with expectations and below the prior 0.4%; YoY growth was 3.2%, matching expectations and up from 3.0%.
- ▶ 1Q26 US GDP (advance) grew 2.0% QoQ annualized, below the 2.3% consensus but above the prior 0.5%.
- ▶ April ISM manufacturing PMI came in at 52.7, slightly below the 53.2 consensus and unchanged from the prior reading.
- ▶ Japan’s semiconductor sector is in an AI-driven recovery phase, albeit with macro and cyclical volatility. Equipment and testing segments are leading, supported by strong demand from AI servers, advanced nodes, and HPC, driving visible improvements in orders and earnings—signaling a rebound in global semiconductor capex.
- ▶ Japan remains a critical supplier in materials (e.g., silicon wafers, photoresists) and equipment, making it indispensable to AI infrastructure. The sector is transitioning from a cyclical trough to structural growth, with drivers shifting from traditional consumer electronics to AI and advanced manufacturing. However, the recovery remains uneven, with strength concentrated in high-end segments while the broader sector sees more moderate improvement.

Japan Semiconductor & FPD Equipment Sales Forecast



Source: Bloomberg, Semiconductor Equipment Association of Japan (SEAJ)

TOTO (5332 JP)

Closing Price ¥6,425

Target Price ¥7,200

Manufactures and sells ceramic products, sanitary ware, and bathroom fixtures, including toilets, basins, bathtubs, vanities, and solar water heaters.

AI Chip Complexity Drives Structural Demand for Ceramic Consumables

As AI data centers scale globally and 3D NAND stacking increases, semiconductor manufacturing faces stricter technical requirements. Etching and deposition processes increasingly require components that maintain precise temperature uniformity under sub-ambient conditions with ultra-low particle contamination—areas where TOTO's proprietary high-purity ceramics have a clear edge. This is a broad semiconductor capex cycle rather than a single-customer story. Positioned in the consumables layer, TOTO benefits from wafer processing demand regardless of which chipmakers lead.

AI-Driven Process Upgrades Fuel High-Growth Ceramics Business

In 9M FY25, the advanced ceramics segment delivered revenue of JPY47bn (+37% YoY) and operating profit of JPY20.2bn, with a margin of ~43%, far exceeding the single-digit margins of the core sanitary business. Demand for electrostatic chucks and AD components is driven by ongoing data center expansion and high fab utilization, sustaining strong replacement demand. TOTO's differentiated materials, capable of stable performance in ultra-low-temperature environments, form a strong competitive moat.

Bathroom Order Suspension a Temporary Disruption

Due to Middle East-related supply constraints in naphtha-derived solvents, TOTO temporarily suspended new bathroom orders on Apr 13, with shares falling over 8.8% that day. The company confirmed a phased resumption. The impact is limited to the integrated bathroom segment in Japan and does not affect the ceramics business.

Steady Revenue Growth in FY25

In 4QFY25 (fiscal year ending March), quarterly net sales reached JPY190.3bn, representing a slight year-on-year (YoY) decrease of 1.17%, while diluted EPS surged 203.7% YoY to JPY71.16. For the full fiscal year 2025, net sales totaled JPY737.4bn (+1.78% YoY), and operating income reached a record high of JPY538.0bn. Bloomberg 12-month average target price is JPY6,152.22, with a high of JPY7,900 and a low of JPY4,570.

Source: Bloomberg, Company

1-Year Price

(JPY)



Advanced Ceramic Business

New Business Domains: Advanced Ceramic Business

Growth segment

Sales (YoY)

47.0 billion yen
(137%)

Operating Profit (YoY)

20.2 billion yen
(+6.0 billion yen)

■ Status of major products and applications

| Electrostatic chucks

Demand for both new and replacement purpose increased due to favorable conditions in the semiconductor market accompanying the increased demand from data centers.
New demand: Sales slowdown due to increased DRAM investment among memory manufacturers.
Replacement demand: Increased as device manufacturers maintained high operating levels.

| AD Components

Sales increased due to robust AI-related demand, the impact of timing differences in the 1H and higher unit prices.

■ TOTO's strengths in the long-term outlook: Gaining overwhelming customer trust

For 3D NAND memory

Fundamental technological innovation in semiconductor multi-layering.
(High power and ultra-low temperature environments)

Characteristics of TOTO
 • Overwhelmingly high material purity
 → High durability and long service life
 • Ultra-high-precision surface processing
 → Precise wafer temperature control
 • Unique bonding & insulation technology
 → Maintain performance at ultra-low temperatures

For logic semiconductors

• Few-nanometer node miniaturization
 (Precise wafer temperature control)
 • Thorough low-particle control

[AD Components]
 Proprietary dense film formation
 → Industry-leading low-particle performance
 • [Electrostatic chucks]
 → High-precision heater control
 → Consistent temperature control
 • Exceptionally high purity
 → High durability and long life

Production system: Achieving high-yield, highly profitable systems through full-scale transformation to a smart factory
 We aim for long-term growth by supporting technological innovation in advanced manufacturing equipment through our proprietary technology and production system.

Financials

	2023	2024	2025	2026F	2027F
Revenue Growth(%)	8.7	0.2	3.2	1.9	4.2
EBITDA (%)	11.5	11.0	11.5	11.8	13.3
EPS(JPY)	237.73	212.16	181.78	197.92	281.30
Net Profit Margin(%)	5.8	5.1	4.3	4.5	6.0

Source: Bloomberg; 2027/28F are market estimates

P/E & P/B



Advantest (6857 JP)

Closing Price ¥27,815

Target Price ¥32,350

Manufactures semiconductor test equipment and electronic measurement instruments, including LSI test systems, memory testers, handlers, network analyzers, electronic meters, optical test equipment, and signal sources.

AI Infrastructure Expansion Reshapes Demand Cycle

Every AI accelerator—GPU, custom ASIC, or NPU—must undergo testing before deployment. As chip size and packaging complexity increase, testing time per chip is structurally rising. This is not a restocking cycle but is driven by sustained AI capex from hyperscalers through at least 2027. Semiconductor testing demand is therefore structural rather than cyclical. Advantest's multiple upward revisions to FY25 earnings guidance underscore this trend.

AI Server Demand Drives Tester Growth

FY25 revenue reached JPY1,128.6bn (+44.7% YoY), with operating profit of JPY499.1bn (+118.8% YoY), margin at 44.2%, and net profit of JPY375.4bn (+132.9% YoY)—all record highs. The company holds a leading share in AI accelerator testing, with SoC tester market share rising ~10 ppts YoY in FY25. It has secured its first high-volume silicon photonics (SiPh) ATE order, expanded SoC tester capacity to 10,000 units annually, and increased R&D spending to JPY100bn.

Strong 4QFY25; Positive FY26 Outlook

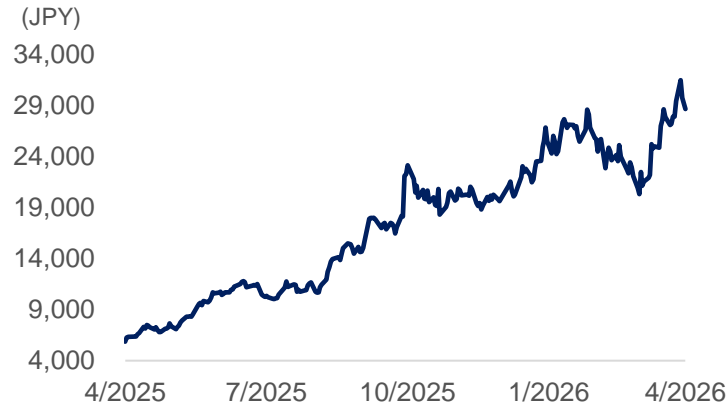
4QFY25 revenue was JPY328.1bn (+41.2% YoY), with test systems and services contributing JPY296.3bn and JPY31.7bn, respectively. FY25 EPS was JPY515.15. For FY26, the company guides revenue to JPY1,420bn and EPS to JPY641.61.

Valuation Consensus

Bloomberg 12-month average target price is JPY32,350, with a high of JPY39,200 and a low of JPY23,000.

Source: Bloomberg, Company

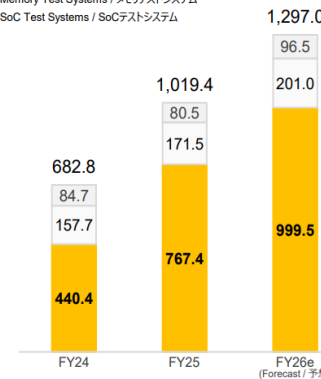
1-Year Price



2026 Sales Outlook

Sales Trends / 売上推移
(JPY B / 10億円)

■ Other Systems / その他システム
■ Memory Test Systems / メモリテストシステム
■ SoC Test Systems / SoCテストシステム



Test Systems / テストシステム事業
＜ SoC Test Systems / SoCテストシステム ＞

- Sales growth is expected primarily in AI-related applications. Demand for automotive/industrial/consumer/DDIC is expected to show improvements year-over-year

AI関連向けを主軸に売上の伸長を予想。車載・産業機器・民生・DDIC領域も前年度比での需要の改善を見込む

Applications / アプリケーション	FY24	FY25	FY26e
Computing / Communications コンピューティング・通信	90%	95%	95%
Automotive / Industrial / Consumer / DDIC* 車載・産業機器・民生・DDIC*	10%	5%	5%

Numbers are rounded to the nearest 5% / 内訳比率は実数ではなく、5%近似値で丸め表示しています

* DDIC: Display Driver IC / ディスプレイドライバIC

Financials

	2023	2024	2025	2026F	2027F
Revenue Growth(%)	-13.2	60.3	44.7	27.4	21.5
EBITDA (%)	23.5	35.6	46.5	48.4	49.6
EPS(JPY)	93.89	241.29	513.30	682.98	866.19
Net Profit Margin(%)	14.3	22.9	33.3	33.9	35.4

Source: Bloomberg; 2027/28F are market estimates

P/E & P/B





Taiwan Equities Consolidate at Highs; AI Servers Remain Key Driver

Range-Bound at Elevated Levels; Bull Trend Intact

Taiwan equities extended their rally, briefly surpassing 40,000 last week. However, near-term overbought conditions triggered consolidation. Encouragingly, turnover normalized as the index pulled back toward flat levels. As long as the gap at 38,989 holds, the broader uptrend remains intact.

From a market structure perspective, strength in large-cap tech continues to support further upside. Among sectors, GaAs remains the strongest, while memory shows signs of bottoming and potential recovery. Early laggards such as fiberglass cloth, test interfaces, and semiconductor equipment have rebounded after stabilizing. Bullish sentiment across tech sectors persists, with attention on high-level consolidation in substrates, IP design, high-end PCBs, connectors, and thermal solutions. Non-tech focus remains on financials and the Formosa Plastics Group.

ASIC Momentum to Build in 2H26; AI Servers in Focus

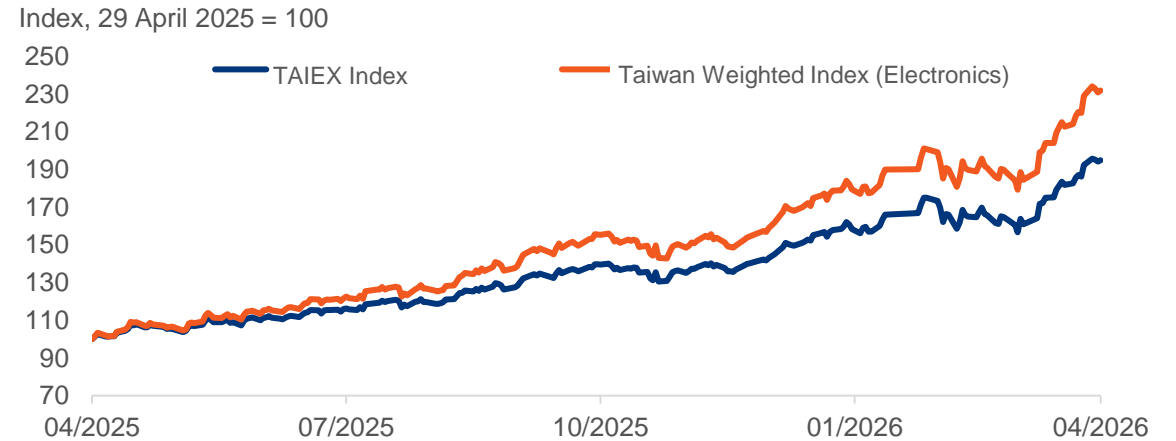
AI servers remain the key theme in 2026, particularly the ramp-up of ASIC chips. Due to product transitions for AWS Trainium and Google TPU in 1H26, full-year shipments are estimated at ~4.3mn and ~2.4mn units, respectively, with most supply chain momentum shifting to 2H26. We expect networking (switches), AEC, CCL/PCB, liquid cooling, and assembly vendors to see meaningful revenue acceleration from 3Q26.

Rubin to Drive Supply Chain Growth in 2027

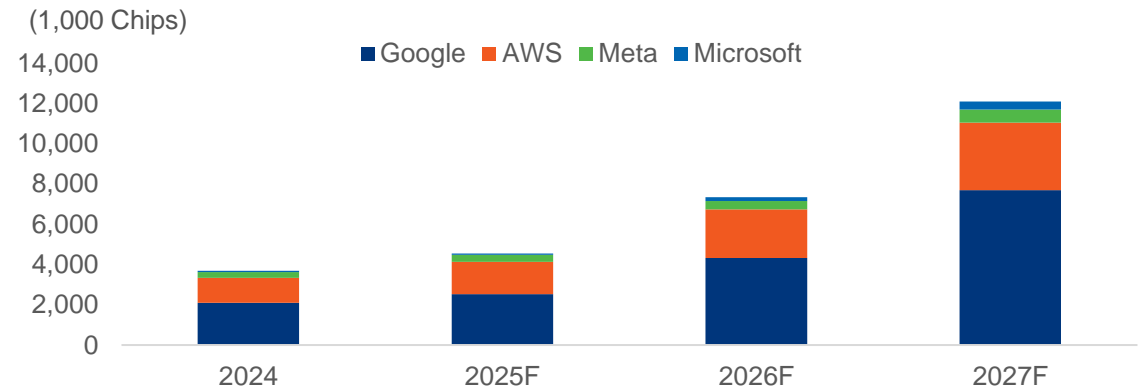
Delays in SK Hynix’s HBM4—due to base die redesigns not meeting Nvidia’s requirements—have pushed Rubin GPU shipments back by ~3 months, with 2026 output now estimated at ~1.0–1.5mn units (vs. ~2.0mn prior). Blackwell remains the dominant AI chip and server platform this year. Looking ahead to 2027, shipments of B300 and R200 are projected at ~2.0–3.0mn and ~5.0–6.0mn units, respectively, with R200 becoming mainstream. Next-gen (VR-era) upgrades—such as higher TDP—will drive growth across liquid cooling, vapor chambers, power supply, CCL/PCB, and CPO silicon photonics switching solutions.

Source: Bloomberg

TAIEX Index and Taiwan Electronics Sector Trends



ASIC Chip Exports



Accton (2345 TT)

Accton Technology develops, manufactures, and sells computer networking products, including adapters, hubs, switches, routers, and bridges.

Key Features

AI Accelerator Cards to Drive 2026 Growth

Accton's AI accelerator card business will enter a transition phase in 1Q26, with shipments of Trainium 3-based products expected to ramp from 2Q26. High-end switch momentum remains strong, with steady demand for 400GbE and continued upside in 800GbE orders from two major CSP clients. We raise our 1Q26 revenue estimate to TWD67.6bn, with EPS at TWD12.77.

Strong CSP Demand Supports 2026 Outlook

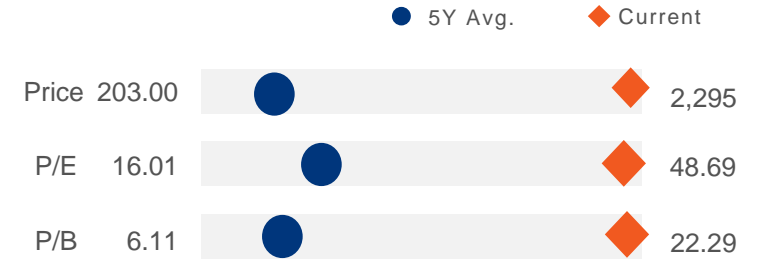
We expect sustained demand from hyperscaler clients for high-end switches in 2026, while 1.6TbE switches gradually mature, supporting continued growth in the switching segment. AI accelerator cards should gain traction after the 2Q26 transition period. Rack-level solutions remain at an early stage but could provide additional upside if deployment accelerates. We revise FY26 revenue to TWD311.6bn (+25.5% YoY) and EPS to TWD61.7..

Financials

	2023	2024	2025F	2026F	2027F
EPS (NTD)	14.64	15.99	21.49	47.13	61.74
EPS Growth (%)	73.4	9.2	34.4	119.3	31.0
P/E Ratio	102.8	94.1	70.0	31.9	24.4
ROE (%)	45.4	39.1	39.0	58.1	55.6

Source: Company data, estimates of KGI analyst

Valuations

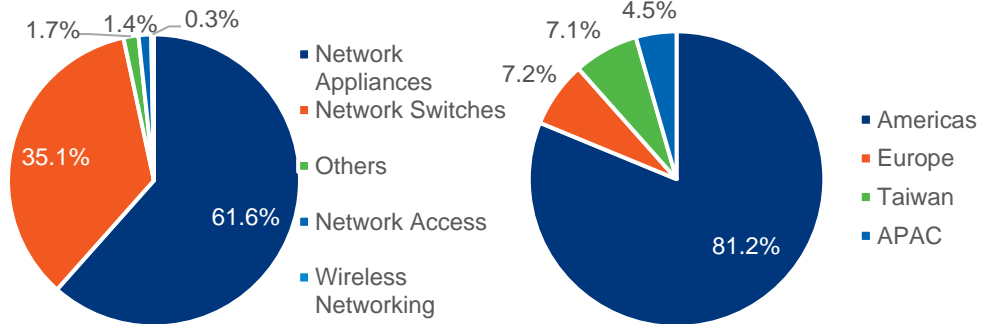


1-Year Price



As of 29 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

BizLink (3665 TT)

BizLink manufactures wire harnesses, fiber optics, connectors, and cables, serving global markets including automotive, appliances, medical equipment, industrial, and optical communications.

Key Features

1Q26 Revenue In Line

BizLink reported March revenue of TWD7.01bn (+9% MoM, +22% YoY). 1Q26 revenue reached TWD20.9bn (+5% QoQ), reflecting strong HPC-related demand, in line with market expectations.

HVDC Adoption to Accelerate from 2H26

Major power suppliers showcased HVDC power rack designs at GTC, targeting 800V DC deployments starting in 2H26 to support Nvidia VR200 demand—earlier than prior market expectations.

CPO Revenue to Emerge

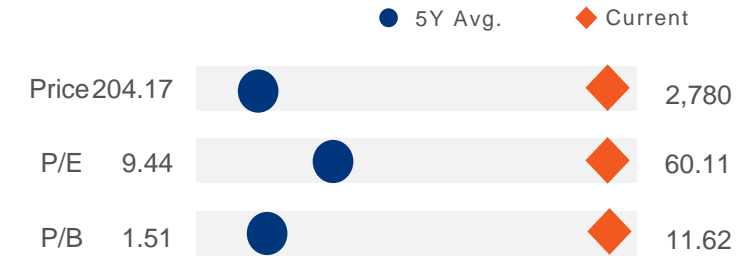
Nvidia expects copper and optical interconnects to coexist in the coming years. AEC demand, driven by major US CSP adoption, is likely to remain strong through 2027. Meanwhile, BizLink continues to expand its CPO portfolio, supported by its recent acquisition of Xin Fu Sheng, with contributions expected to materialize from end-2026. Key products include shuffle boxes and FAUs.

Financials

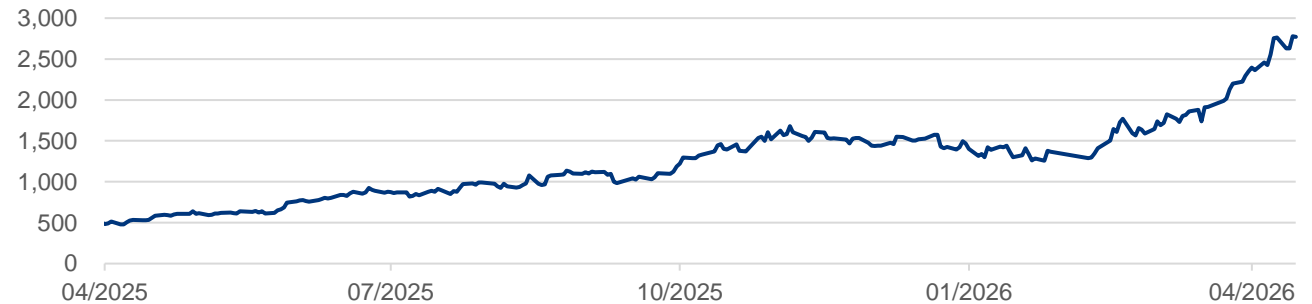
	2023	2024	2025	2026F	2027F
EPS (NTD)	14.37	25.41	46.57	73.68	106.93
EPS Growth (%)	-42.6	76.9	83.3	58.2	45.1
P/E Ratio	138.5	78.3	42.7	27.0	18.6
ROE (%)	9.8	14.5	21.7	27.5	31.6

Source: Company data, estimates of KGI analyst

Valuations

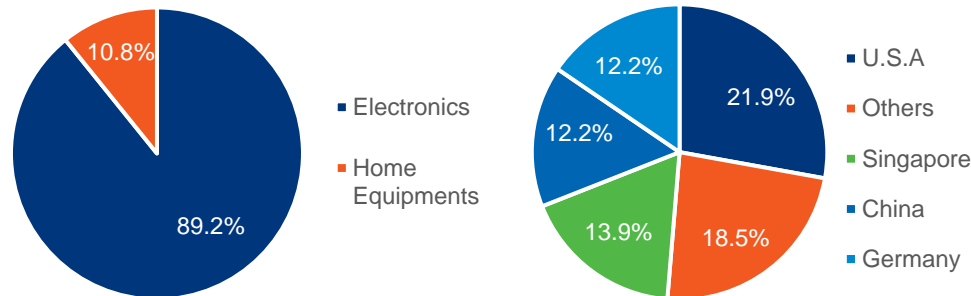


1-Year Price



As of 29 Apr 2026	1Wk	1M	3M	6M	YTD	1Y
Return (%)	0.73	59.48	113.46	98.92	82.57	421.87

Revenue Sources and Regions



Source: Bloomberg

Asian Tech as the Backbone of the AI Revolution

► Wellington Asia Technology Fund

- A differentiated offering, one of the few funds focused on Asian technology—including Japan—with strong medium- and long-term outperformance versus peers.
- The fund invests across large, mid, and small caps, targeting opportunities beyond global mega-cap tech. Mid- and small-cap names currently account for ~50% of the portfolio.
- Positioning is dynamically adjusted with market conditions. As Asia's role in technology rises, the fund maintains balanced exposure to software and hardware (each ~50%), covering the full AI ecosystem. It also actively manages country weights to capture opportunities while mitigating downside risk.
- Focuses on early-stage, high-innovation companies with long-term growth potential, aiming to capture outsized gains from structural expansion.
- Led by Yash Patodia, a former Microsoft software engineer with 10+ years of tech experience, supported by regional and global tech research teams and the firm's extensive resources.

Product	Wellington Asia Technology Fund	
Features	<ul style="list-style-type: none"> ■ Broad Opportunity Set Across Market Caps ■ Flexible Allocation Across AI Value Chain ■ Conviction-Driven, Long-Term Approach 	
Currency	USD	
Fund Type	Asset Allocation	
Top 5 Sector Allocation (%)	Semiconductors & Semiconductor Equipment	38.7
	Technology Hardware & Equipment	19.3
	Media & Entertainment	14.5
	Consumer Discretionary Distribution & Retail	9.1
	Capital Goods	4.5
Top 5 Regions (%)	Japan	33.0
	Taiwan	24.1
	China	20.1
	South Korea	15.0
	Holland	3.2
Top 5 Holdings (%)	TSMC	9.8
	Tencent Holdings	7.7
	Samsung Electronics	6.8
	SK Hynix	6.7
	Alibaba	5.9

Source: Bloomberg

Wellington Asia Technology Fund

Profile

The fund aims to outperform the MSCI AC Asia Pacific Information Technology Custom Index over the long term, primarily investing in equities of technology and tech-related companies listed or operating in Asia.

Focus on Asia's Core Tech Supply Chain

One of the few funds dedicated to Asian technology, including Japan, with exposure to semiconductors, semiconductor equipment, electronics, software, and tech services—emphasizing Asia's critical role in the global supply chain.

Professional Management Team

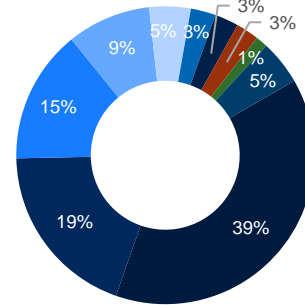
Managed by Yash Patodia, a former Microsoft software engineer with 10+ years of experience in the tech sector, supported by regional and global tech research teams and the firm's extensive resources.

Differentiated Tech Exposure

Distinct from global mega-cap tech exposure, the fund targets high-growth, innovative, and emerging tech companies, adopting a long-term investment approach to capture upside from technology cycles.

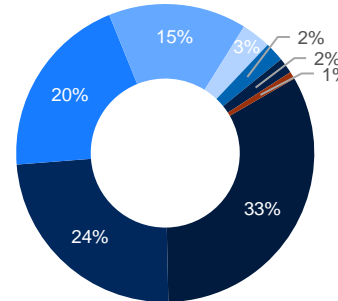
Inception	2025/2/20	AUM	USD 682mn
Morningstar Category	Sector-Tech	Fund Type	Equities
Morningstar Rating	-	3Y SD (Ann.)	-

Sectors



- Semiconductor & Equipment
- Technology Hardware & Equipment
- Media & Entertainment
- Consumer Discretionary Distribution & Retail
- Capital Goods
- Transportation
- Healthcare Equipment
- Software Services

Asset



- Japan
- Taiwan
- China
- South Korea
- Holland
- Singapore
- U.S.A
- India

Top-5 Holdings (%)

TSMC	9.8
Tencent Holdings	7.7
Samsung Electronics	6.8
SK Hynix	6.7
Alibaba Group	5.9

3Y NAV



As of 28 Apr 2026	1M	3M	YTD	1Y	2Y	3Y
Cumulative Return(%)	22.77	9.05	22.58	76.61	-	-
Ranking	2	2	1	1	-	-

Source: Bloomberg

Japan Benefits from Ongoing Corporate Reforms and Ample Liquidity

► JPMorgan Funds – Japan (JPY) Fund

- Focuses on high-quality Japanese growth companies, using a bottom-up approach to identify strong, long-term growth potential.
- Primarily invests across six leading Japanese sectors, including consumer, technology, automation, and renewable energy.
- The investment team has over 50 years of presence in Japan, making it one of the most experienced foreign asset managers in the market, with an average of 18 years of industry experience. Despite relatively low analyst coverage in Japan, the team provides broad sector coverage, enhancing its ability to capture opportunities.
- Established in 1969, it is the longest-running fund in the Morningstar Japan large-cap equity category.

Products	JPMorgan Funds – Japan (JPY) Fund	
Features	<ul style="list-style-type: none"> ■ With over 50 years of local presence in Japan, the investment team is the most experienced foreign asset manager in the market, with members averaging 18 years of industry experience. 	
AUM	USD 465mn	
3M/YTD Return	5.10% / 10.58%	
Top 5 Sectors (%)	Electrical Appliances	14.5
	Banks	11.1
	Machinery	9.2
	Retail Trade	6.0
	Wholesale Trade	5.5
Top 5 Holdings (%)	MUFG	8.5
	Mitsubishi Electric	5.7
	Advantest	4.9
	IHI Corp.	4.7
	ASICS	4.5

Source: Bloomberg

JPMorgan Funds – Japan (JPY) Fund

Profile

The fund invests at least 70% of its NAV in Japanese equities and related securities tied to Japan's economy, aiming for long-term capital appreciation.

Longest Track Record

Established in 1969, it is the longest-running fund in the Morningstar Japan large-cap equity category.

Flexible Approach

With over 50 years of on-the-ground presence, the team is one of the most experienced foreign asset managers in Japan, with an average of 18 years of industry experience. It provides broad sector coverage, maintains flexible allocation, and utilizes financing strategies to capture market opportunities.

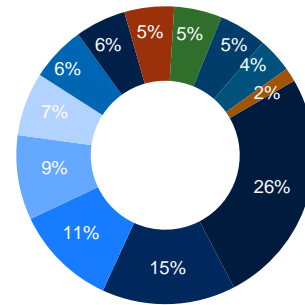
Comprehensive Exposure

Focuses on high-quality Japanese growth companies using a bottom-up approach, investing across key sectors including consumer, technology, automation, and renewable energy.

Inception	1969/8/6	AUM	USD 465mn
Morningstar Category	Japan Equities	Fund Type	Equities
Morningstar Rating	★★★★	3Y SD (Ann.)	20.15%

Source: Bloomberg

Sectors



- Others
- Electronics
- Banks
- Machinery
- Other Products
- Retail Trade
- Wholesale Trade
- Construction
- Precision Instruments

3Y NAV



As of 28 Apr 2026	1M	3M	YTD	1Y	2Y	3Y
Cumulative Return(%)	4.87	5.10	10.58	76.61	56.91	93.46
Ranking	4	2	1	1	1	1

Top-5 Holdings (%)

Mitsubishi UFJ Financial Group	8.5
Mitsubishi Electric	5.7
Advantest	4.9
IHI Corporation	4.7
ASICS	4.5

QT Priority May Push Ultra-Long Yields Higher

► Amundi US Curve Steepening 2-10 UCITS ETF (STPU.LN)

- Tracks the Solactive USD Daily (x7) Steeper 2–10 Index.
- The index applies 7x leverage, going long 2-year US Treasury futures and short 10-year futures to capture widening yield spreads.
- If investors expect short-end rates to rise less than long-end rates (or decline while long-end rises), steepening the yield curve, this ETF can benefit.
- Uses synthetic replication, avoiding the need to hold underlying bonds, reducing rollover, liquidity, and rebalancing costs, while improving tracking efficiency for spread movements.

Products	Amundi US Curve Steepening 2-10 UCITS ETF (STPU.LN)	
Features	<ul style="list-style-type: none"> ■ The underlying index employs 7x leverage by taking a long position in 2-year U.S. Treasury Note futures and a short position in 10-year U.S. Treasury Note futures, aiming to capture returns from yield curve steepening (spread widening). 	
AUM	GBP 56.99mn	
Tracking Index	Solactive USD Daily (x7) Steeper 2-10 Index	
Exchange	LSE	
Currency	GBP	
Expense Ratio	0.30%	
3M/YTD Return	-1.08% / -0.77%	
Underlying (%)	TRS Solactive USD Dly x7 Stpnr 2-10 NR USD	100

Amundi US Curve Steepening 2-10 UCITS ETF (STPU.LN)

Profile

Tracks the Solactive USD Daily (x7) Steeper 2–10 Index, aiming to replicate its performance.

■ Focused on Yield Spread

Targets the US Treasury 2Y–10Y spread rather than outright rate direction, offering more direct and linear exposure to curve steepening versus traditional rate products.

■ 7x Steepening Sensitivity

Designed with clear 7x leverage to curve steepening—each 1 bp steepening theoretically delivers ~7 bps return. Strategy goes long 2Y Treasury futures and short 10Y futures to capture widening spreads.

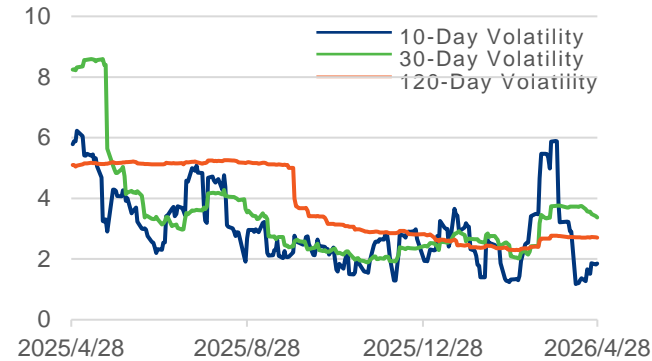
■ Efficient Tracking

Uses synthetic replication, avoiding physical bond holdings and reducing roll, liquidity, and rebalancing costs, resulting in lower tracking error and higher execution efficiency.

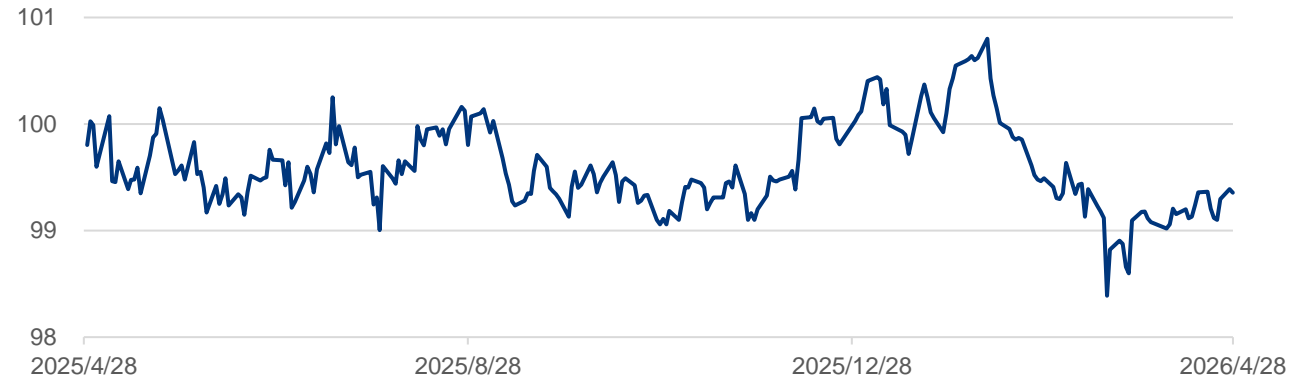
Inception	2019/7/18	AUM	GBP 56.99mn
ETF Type	Alternatives	Exchange	LSE
Exp. Ratio	0.30%	3Y SD (p.a.)	3.54%

Source: Bloomberg

Last 1-Year Volatility



1-Year Price



As of 28 Apr 2026	1M	3M	YTD	1Y	3Y	5Y
Cumulative Return(%)	0.26	-1.08	-0.77	-0.45	6.28	-4.09

Top-5 Holdings (%)

TRS Solactive USD Dly x7 Stpr 2-10 NR USD	100
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Xiaomi 2025 Highlights: Record Revenue and Profit

► XIAOMI 3.375 04/29/30 (Xiaomi) (USD)

- Xiaomi has evolved into a leading global consumer electronics and smart manufacturing company, anchored by two core pillars: “Smartphone × AIoT” and “Smart EV × AI.” The company is accelerating its transition beyond traditional hardware into smart driving, AI applications, and global expansion.
- In 2025, total revenue reached RMB457.3bn (+25.0% YoY), while adjusted net profit surged 43.8% to RMB39.2bn—both record highs. Overall gross margin improved to 22.3%.
- 2025 marked a breakout year for Xiaomi’s EV business. Smart EV and AI-related revenue surged 223.8% YoY to RMB106.1bn, raising its share of total revenue from ~9% to 23.2%. Smart EV revenue alone reached ~RMB103.3bn.
- Annual vehicle deliveries exceeded 411k units (+200.4% YoY), well above the 350k target. Segment gross margin reached 24.3% (+5.8 ppts YoY), generating operating profit of RMB0.9bn. Xiaomi’s EV business ranked among the global top 10 BEV brands in 2025.
- The smartphone segment remained resilient, with global shipments of 165.2mn units, maintaining a top-three global ranking for the fifth consecutive year and ~13.3% market share.
- AIoT ecosystem scale effects strengthened further. As of end-2025, connected devices (ex-smartphones, tablets, laptops) reached 1.079bn (+19.3% YoY). Users with 5+ connected devices continued to grow, with global MAU reaching 754.1mn. Internet services revenue also hit a record high, providing stable cash flow.
- Cash reserves rose to RMB232.6bn by end-2025 (+32.8% vs. end-2024), providing strong support for R&D. Credit ratings reflect solid fundamentals: Fitch BBB+ (Stable, upgraded Dec 2025), Moody’s Baa1 (Stable), S&P BBB (Positive), underscoring confidence in Xiaomi’s diversified growth and balance sheet strength.

Products	XIAOMI 3.375 04/29/30 (Xiaomi) (USD)
ISIN	USY77108AA93
Features	Ratings from international credit agencies reflect market recognition of Xiaomi's diversified business structure, robust growth momentum, and healthy balance sheet
Maturity Date	2030/4/29
Next Call Date	2030/1/29
Coupon (%)	Fixed/3.375/Semi-annual
Currency	USD
Years to Maturity	4.00
Credit Rating (Moody's/Fitch/S&P)	Baa1/BBB+/BBB
Seniority	Senior Unsecured
YTM/YTC (%)	4.40/4.34

Source: Bloomberg

XIAOMI 3.375 04/29/30 (Xiaomi) (USD)

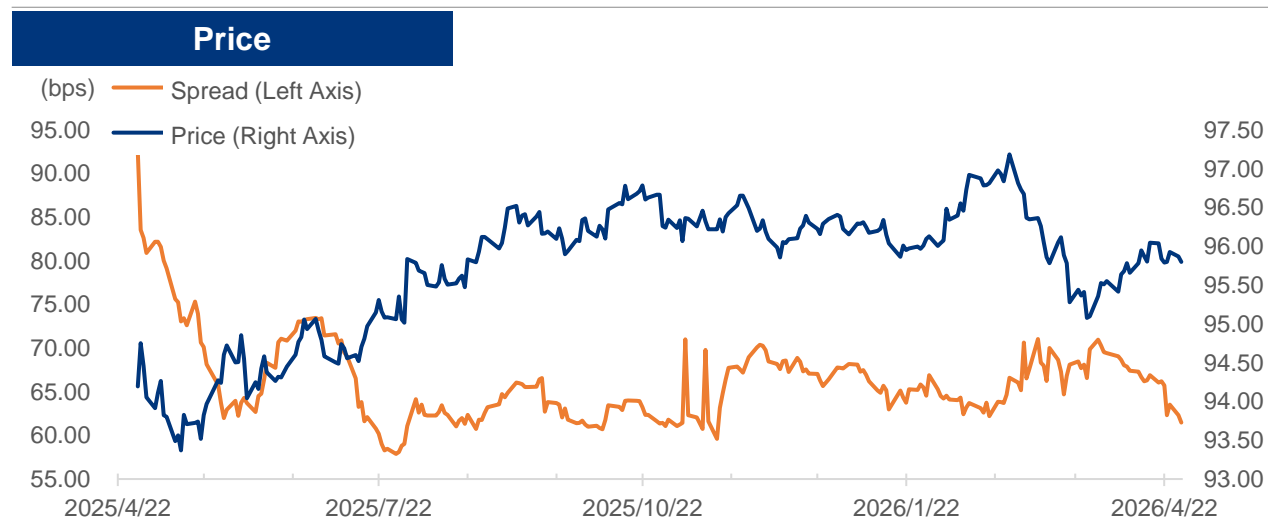
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- The smartphone segment remained resilient, with global shipments of 165.2mn units, maintaining a top-three global ranking for the fifth consecutive year and ~13.3% market share.

Financials	2023	2024	2025
Free Cash Flow (CNY 100M)	380.01	357.25	245.46
Gross Profit Margin (%)	21.21	20.92	22.26
Interest Coverage Ratio (x)	15.76	145.28	15.47

Source: Bloomberg

Overview			
Name	XIAOMI 3.375 04/29/30	ISIN	USY77108AA93
Maturity Date	2030/4/29	Remaining Maturity	4.00
Coupon(%)	Fixed/3.375/Semi-annual	YTM/YTC(%)	4.40/4.34
Currency	USD	Min. Subscription/ Increment	200,000/1,000
Ratings (Moody's/Fitch/S&P)	Baa1/BBB+/BBB	Seniority	Senior Unsecured



Appendix

Key Economic Data / Events

► APR 2026

► MAY 2026

27

Monday

28

Tuesday

- US Conf. Broad Consumer Confidence (Act:92.8 Est:89.0 Prev:92.2)
- Japan Unemployment Rate (Act:2.7% Est:2.6% Prev:2.6%)
- Japan BoJ Overnight Rate (Act:0.75% Est:0.75% Prev:0.75%)

29

Wednesday

- US Durable Goods Orders (Prelim) (Act:0.8% Est:0.5% Prev:-1.2%)
- US Pending Home Sales (Act:1,502k Est:1,380k Prev:1,356k)
- Eurozone Consumer Confidence (Final) (Act:-20.6 Prev:-16.4)

30

Thursday

- US Initial Jobless Claims (Act:189k Est:212k Prev:215k)
- US PCE YoY (Act:3.5% Est:3.5% Prev:2.8%)
- US Fed Funds Rate (Act:3.75% Est:3.75% Prev:3.75%)
- Eurozone ECB Refi Rate (Act:2.15% Est:2.15% Prev:2.15%)
- UK BoE Bank Rate (Act:3.75% Est:3.75%Prev:3.75%)

1

Friday

- US ISM Manufacturing (Act:52.7 Est:53.2 Prev:52.7)
- US S&P Global Mfg PMI (Final)(Act:54.5 Est:54.0 Prev:52.3)
- Japan S&P Global Mfg PMI (Final) (Act:55.1 Prev:51.6)

4

Monday

5

Tuesday

- US Durable Goods Orders (Final) (Est:0.8% Prev:-1.2%)
- Eurozone S&P Global Services PMI (Final) (Est:52.2 Prev:51.6)
- Eurozone Sentix Investor Confidence (Est:-22.0 Prev:-19.2)
- BRK.A Earnings

- US S&P Global Services PMI (Final) (Est:51.4 Prev:49.8)
- US ISM Services PMI (Est:53.7 Prev:54.0)
- US JOLTS Job Openings (Est:6,850k Prev:6,882k)
- PFE / PLTR Earnings

6

Wednesday

- US ADP Employment Change (Est:120k Prev:62k)
- Eurozone PPI YoY (Est:1.7% Prev:-3.0%)
- AMD/ ANET Earnings

7

Thursday

- US Initial Jobless Claims (Est:205k Prev:189k)
- Eurozone Retail Sales MoM (Est:-0.3% Prev:-0.2%)
- AAP/ MCD/ DIS/ UBER Earnings

8

Friday

- US Nonfarm Payrolls (Est:62k Prev:178k)
- US Unemployment Rate (Est:4.3% Prev:4.3%)
- US Michigan Sentiment (Prelim) (Est:49.4 Prev:49.8)

Source: Bloomberg

Key Earnings Releases

Date	Name	Revenue (F) (USD)	Actual Revenue (USD)	EPS (F) (USD)	Actual EPS (USD)	Exceed Expectation Revenue	Exceed Expectation EPS
2026/4/27	Verizon Communications Inc. (VZ)	34.80B	34.44B	1.21	1.28		V
2026/4/28	The Coca-Cola Company (KO)	12.14B	12.47B	0.81	0.86	V	V
2026/4/28	Corning Incorporated (GLW)	4.30B	4.35B	0.69	0.70	V	V
2026/4/28	S&P Global Inc. (SPGI)	4.07B	4.17B	4.82	4.97	V	V
2026/4/29	Booking Holdings Inc. (BKNG)	5.51B	5.53B	1.07	1.14	V	V
2026/4/29	T-Mobile US, Inc. (TMUS)	22.98B	23.11B	2.06	2.27	V	V
2026/4/29	Welltower Inc. (WELL)	3.25B	3.35B	1.44	1.47	V	V
2026/4/29	AbbVie Inc. (ABBV)	14.73B	15.00B	2.60	2.65	V	V
2026/4/29	Amphenol Corporation (APH)	7.12B	7.62B	0.95	1.06	V	V
2026/4/29	Visa Inc. (V)	10.74B	11.23B	3.10	3.31	V	V
2026/4/30	Alphabet Inc. (GOOGL)	91.57B	94.67B	2.62	5.11	V	V
2026/4/30	Microsoft Corporation (MSFT)	81.46B	82.89B	4.03	4.27	V	V
2026/4/30	KLA Corporation (KLAC)	3.37B	3.42B	9.18	9.40	V	V
2026/4/30	Eli Lilly and Company (LLY)	17.77B	19.80B	6.84	8.55	V	V
2026/4/30	Caterpillar Inc. (CAT)	15.41B	16.47B	4.63	5.54	V	V

Source: Investing.com

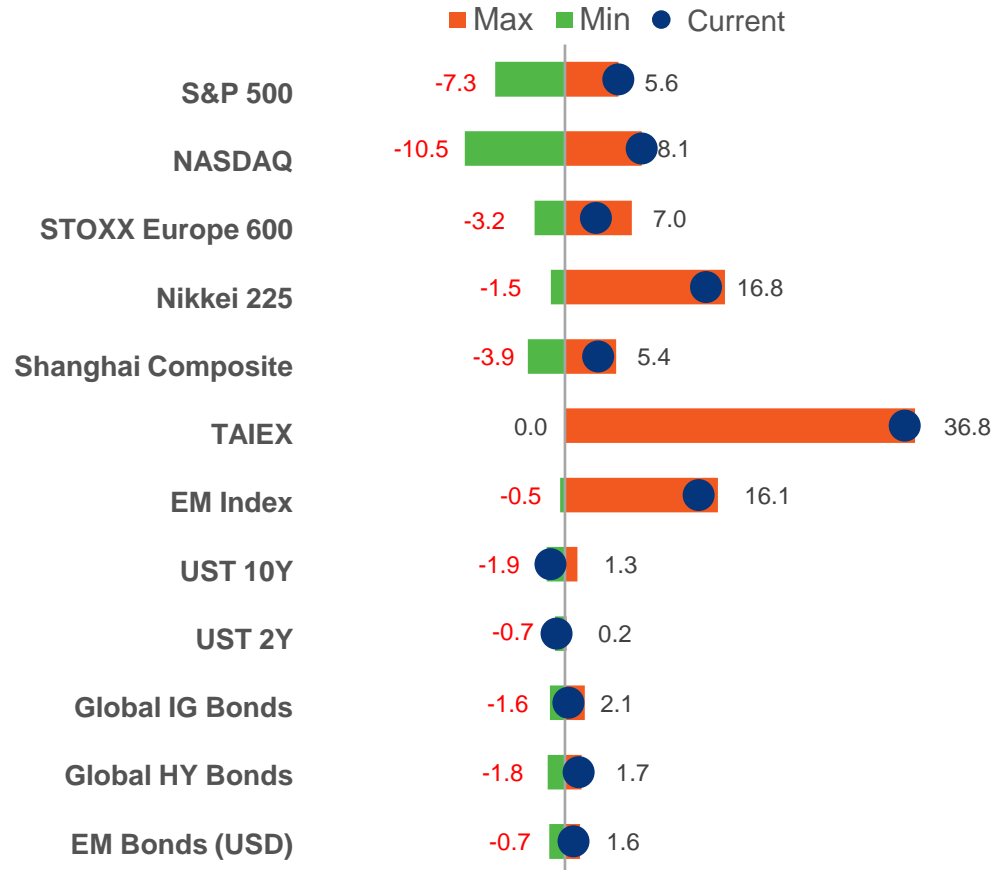
Key Earnings Releases

Date	Name	Revenue (F) (USD)	Actual Revenue (USD)	EPS (F) (USD)	Actual EPS (USD)	Exceed Expectation Revenue	Exceed Expectation EPS
2026/4/30	Merck & Co., Inc. (MRK)	15.83B	16.29B	-1.47	-1.28	V	V
2026/4/30	ConocoPhillips (COP)	15.38B	16.05B	1.72	1.89	V	V
2026/4/30	Parker-Hannifin Corporation (PH)	5.40B	5.49B	7.85	8.17	V	V
2026/4/30	Meta Platforms, Inc. (META)	55.51B	56.31B	6.65	10.44	V	V
2026/4/30	QUALCOMM Incorporated (QCOM)	10.56B	10.60B	2.55	2.65	V	V
2026/4/30	Bristol-Myers Squibb Company (BMY)	10.86B	11.49B	1.40	1.58	V	V
2026/4/30	Western Digital Corporation (WDC)	3.23B	3.34B	2.37	2.72	V	V
2026/5/1	Apple Inc. (AAPL)	109.66B	111.18B	1.96	2.01	V	V
2026/5/1	Amgen Inc. (AMGN)	8.57B	8.62B	4.75	5.15	V	V
2026/5/1	SanDisk LLC (SNDK)	4.72B	5.95B	14.51	23.41	V	V
2026/5/1	Exxon Mobil Corporation (XOM)	80.74B	85.14B	0.96	1.16	V	V
2026/5/1	Chevron Corporation (CVX)	50.61B	48.61B	0.90	1.41		V
2026/5/1	Linde plc (LIN)	8.60B	8.78B	4.27	4.33	V	V
2026/5/1	Amazon.com, Inc. (AMZN)	177.23B	181.50B	1.62	2.78	V	V
2026/5/1	Mastercard Incorporated (MA)	8.25B	8.40B	4.39	4.60	V	V

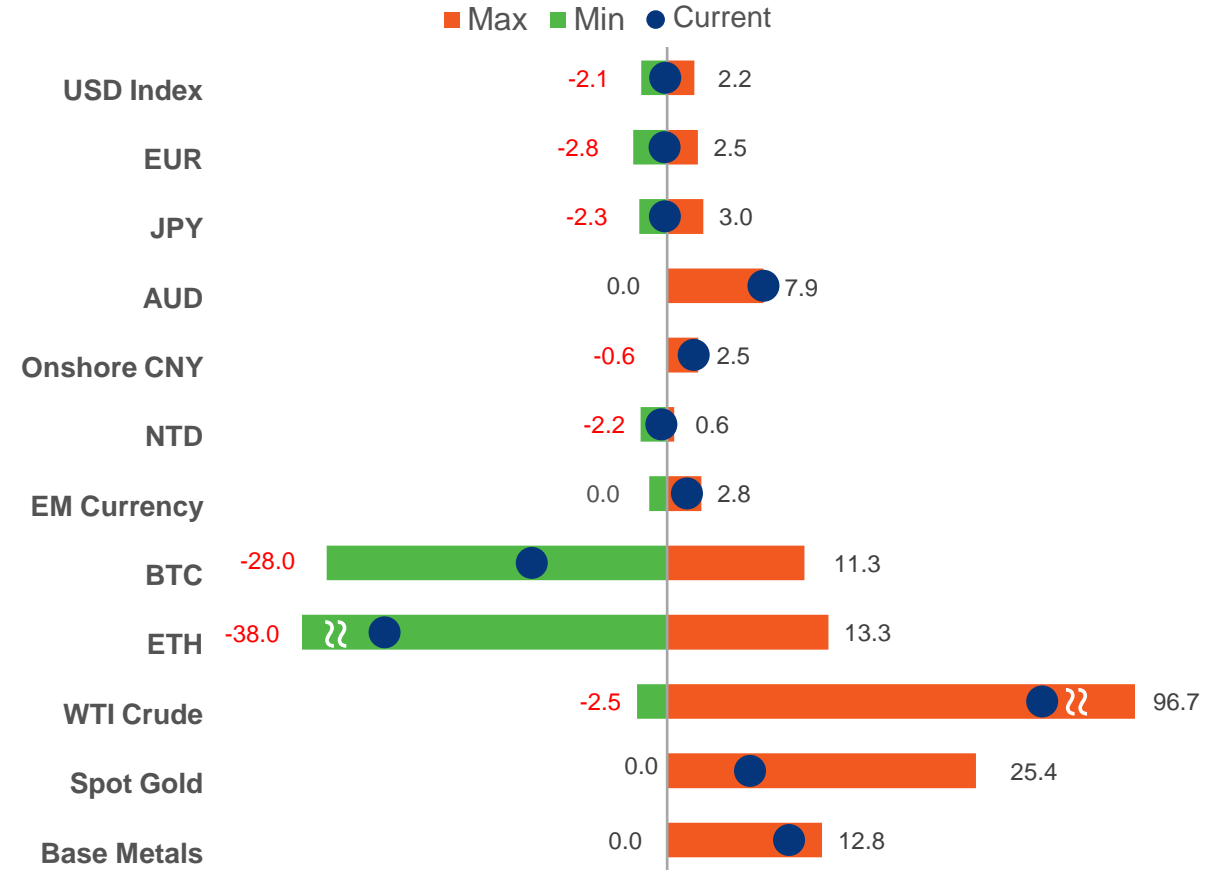
Source: Investing.com

Major Market / Asset YTD Performance

Equities & Bond Markets YTD Performance (%)

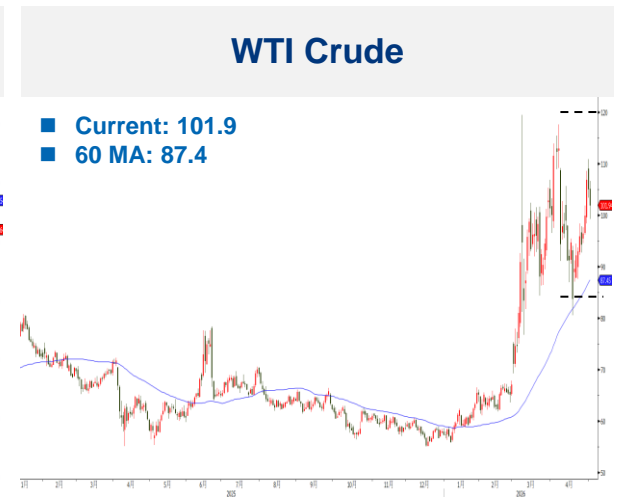
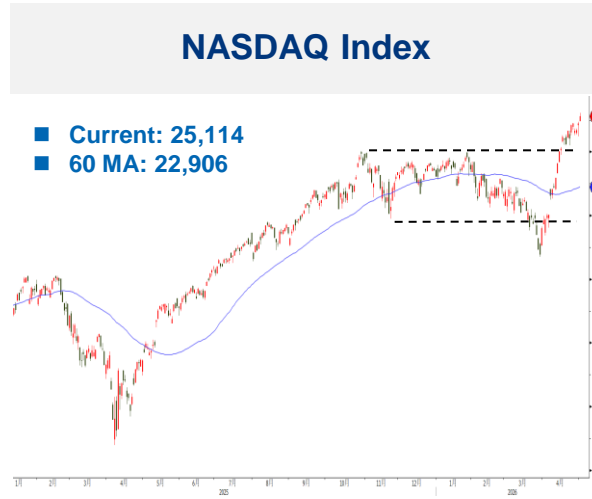


Currencies and Commodities Market YTD Performance (%)



Source: Bloomberg

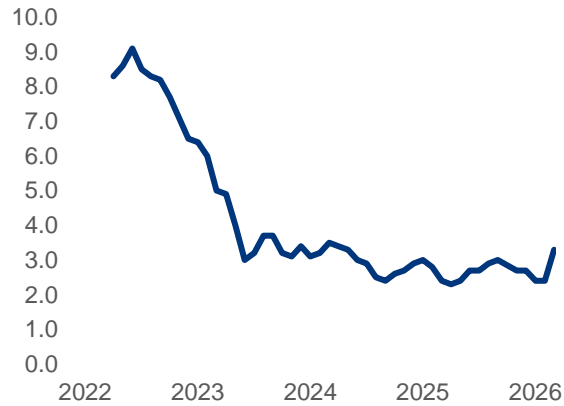
Technical Analysis



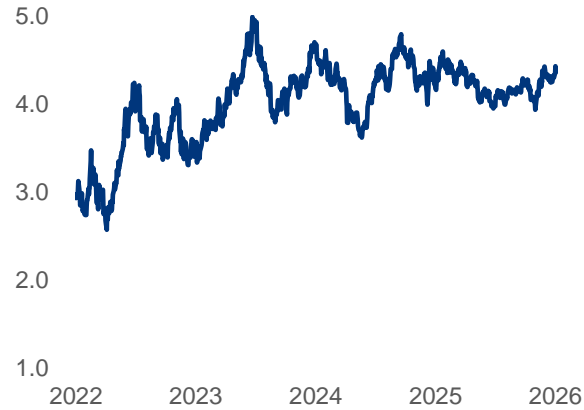
Source: Bloomberg

Market Monitor

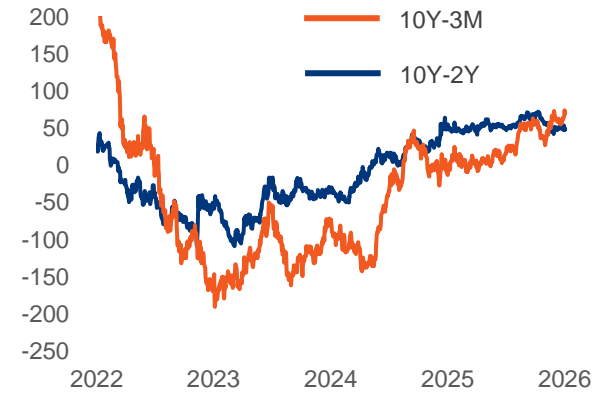
U.S. CPI YoY (%)



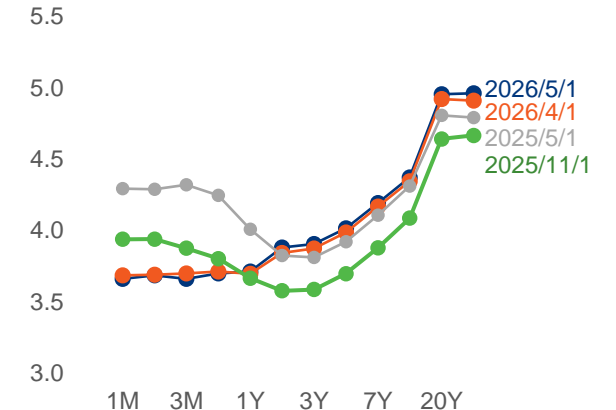
U.S. 10-Year Treasury Yield (%)



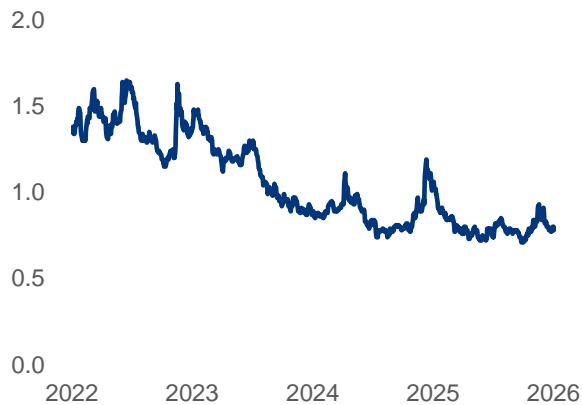
U.S. Treasury Yield Spread (bps)



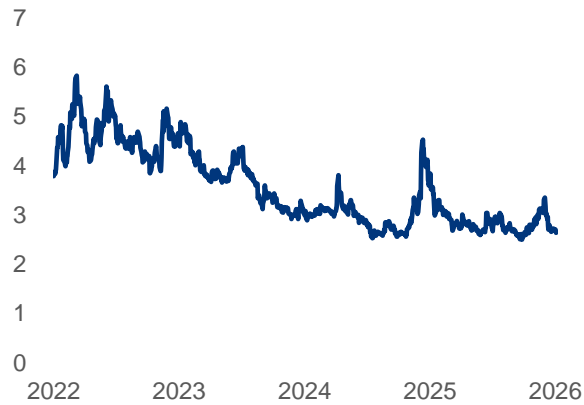
U.S. Treasury Yield Curve (%)



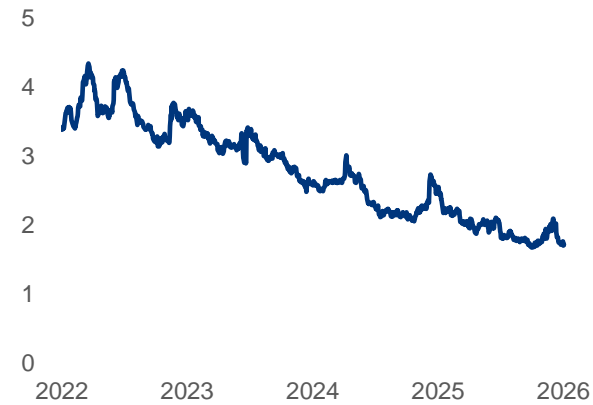
USD IG Credit Spread (%)



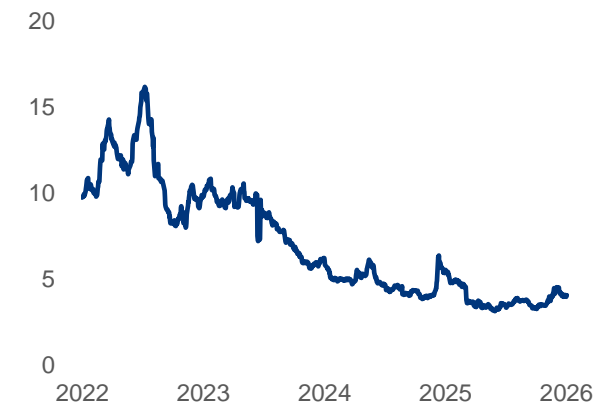
USD HY Credit Spread (%)



USD EM Credit Spread (%)



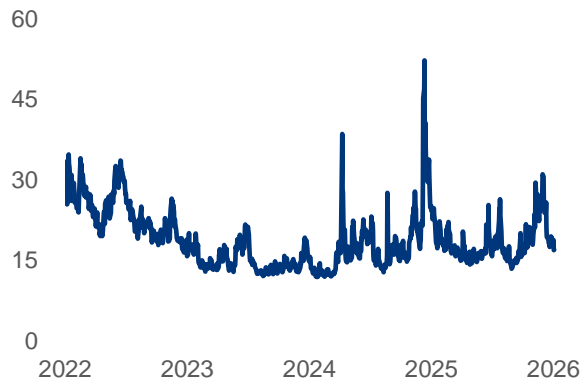
USD Asia Credit Spread (%)



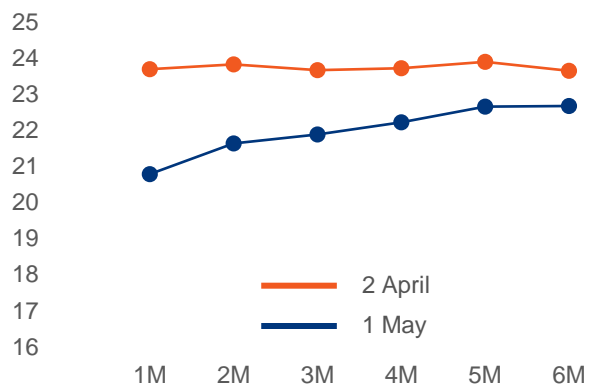
Source: Bloomberg

Market Monitor

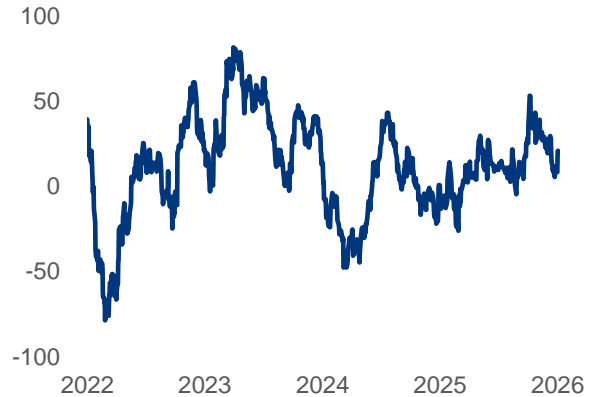
VIX Index



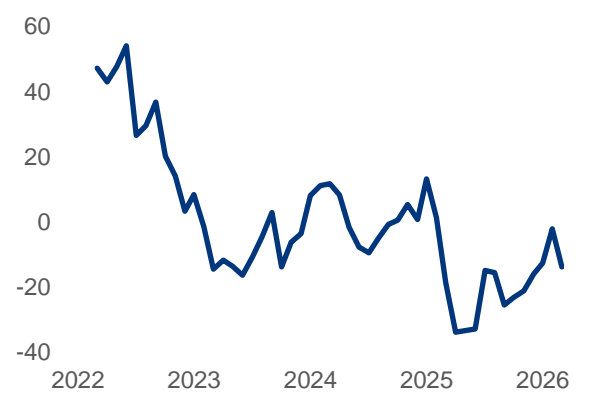
VIX Term Structure



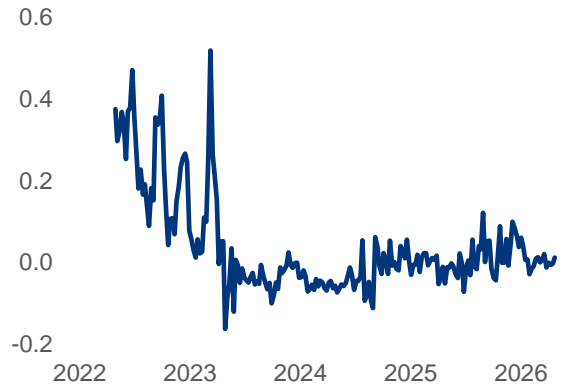
U.S. Citi Economic Surprise Index*



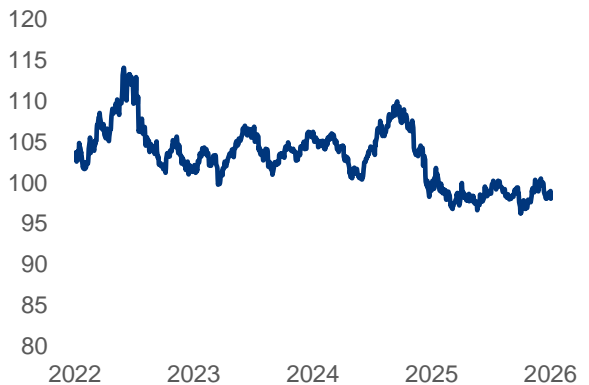
U.S. Citi Inflation Surprise Index*



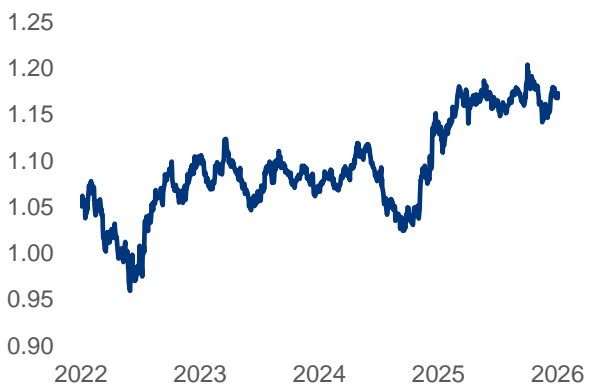
TED Spread (bps)



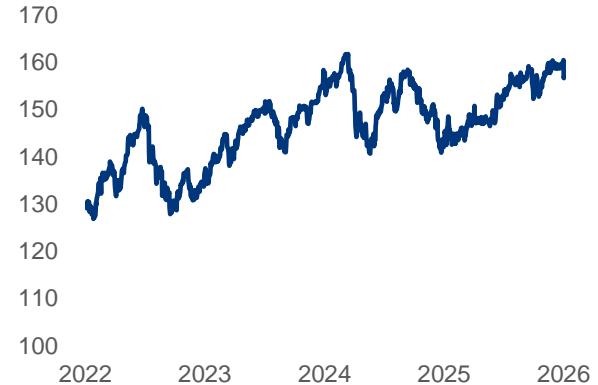
U.S. Dollar Index



EUR to USD



USD to JPY



Source: Bloomberg

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