



**CIO Office**

**Global Markets Weekly Kickstart**

# Is Software's Spring Here?

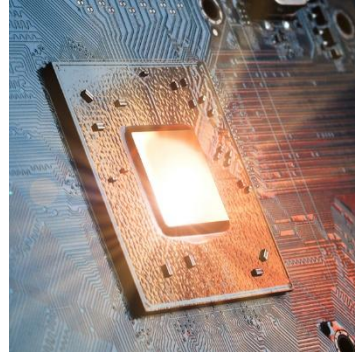
26 May 2026

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## What-if Probabilities Become Reality

### ► The Supply Shock Catalyst

A prolonged, 70+ day closure of the Strait of Hormuz is draining OECD commercial oil stocks at a rate of 1.5–2 million barrels per day above normal seasonal drawdowns. This sustained supply shock has pushed Brent crude to \$108.01, shattering the market's initial assumption that inflation was merely "transitory" and cementing a structural reset in global supply chains.

### ► Macroeconomic Outlook

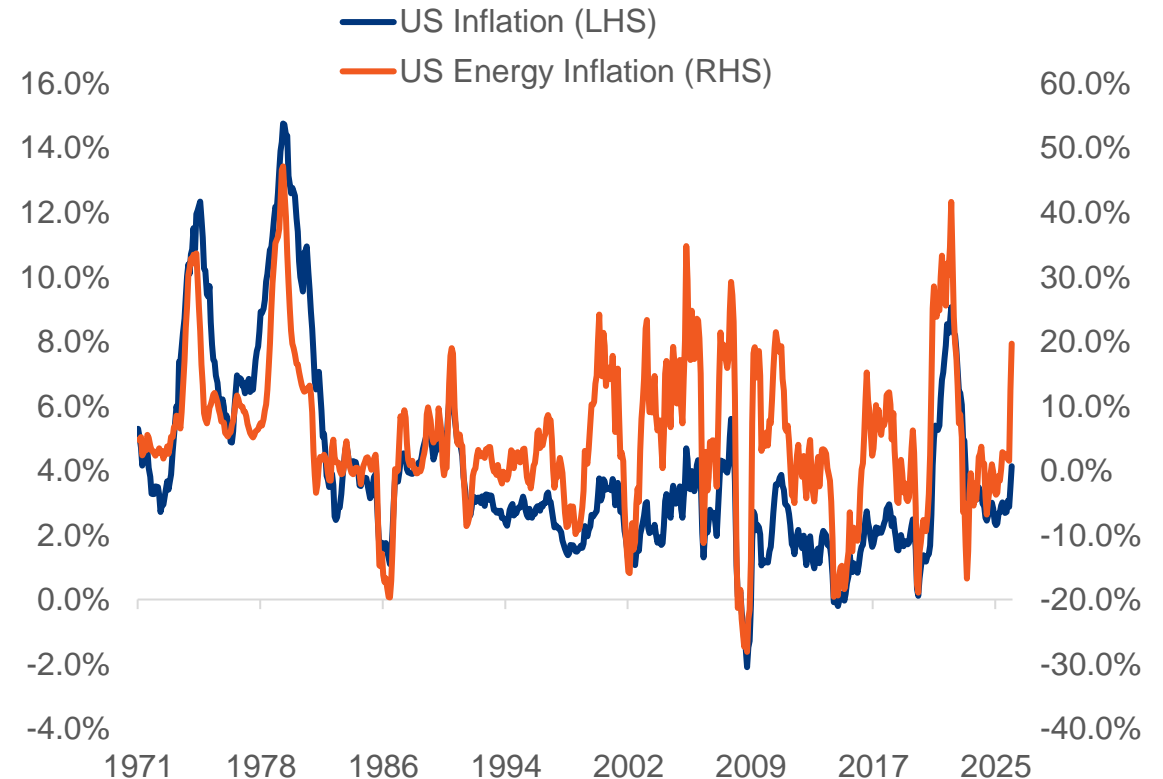
Cost-push stagflation leaves the Federal Reserve facing a severe policy dilemma, as aggressive rate hikes to anchor inflation expectations risk plunging the economy into a deep recession. US CPI is projected to breach 5–7% on a sustained basis, while 2026 GDP growth forecasts have collapsed toward 0–1% as negative real wages trigger widespread demand destruction.

### ► Investment Strategy Adjustments

To safeguard assets, we recommend tilting portfolios toward energy, defensive commodities, and enterprise-driven AI infrastructure. Conversely, investors should avoid highly leveraged, rate-sensitive sectors like consumer discretionary and commercial REITs. On fixed income, short-duration bonds and floating-rate notes are preferred to minimize duration risk.

### US CPI and Energy Cost Inflation

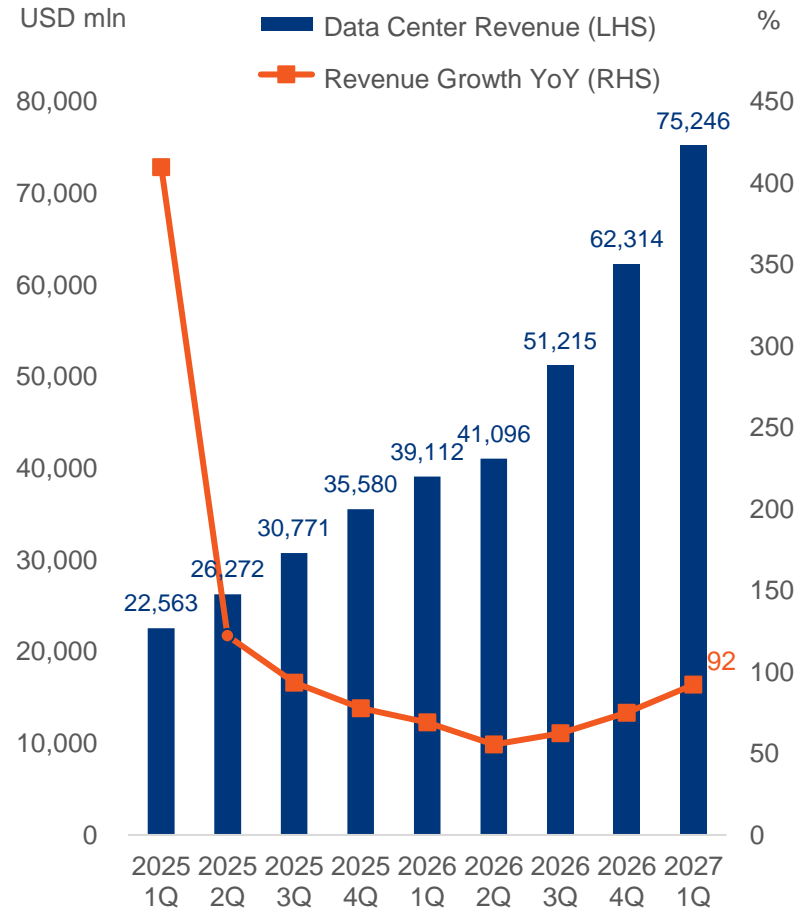
The aim for Fed tightening is not to bring down oil price but contracting demand from other parts of the economy



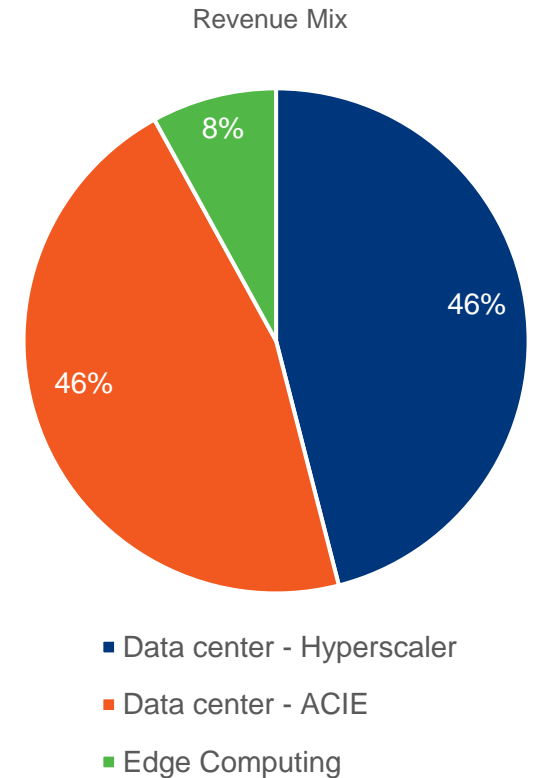
# Nvidia Beats on Earnings and Guidance as Surging GPU Demand Drives Growth

- ▶ Nvidia reported stronger-than-expected results for 1QFY27 (Feb–Apr), with revenue, earnings and guidance all beating estimates. Jensen Huang said hyperscaler capex currently stands near \$1tn and could eventually reach \$3–4tn. Revenue rose 85% YoY and 20% QoQ to \$81.6bn, above expectations. Data center revenue surged 92% YoY to a record \$75.2bn, accounting for 92.1% of total sales and topping consensus. Within this, hyperscale revenue reached \$37.9bn, while AI cloud, industrial and enterprise (ACIE) revenue grew 74% YoY. Nvidia also introduced a new edge computing segment covering processors for agentic AI and physical AI, with revenue of \$6.4bn, up 85% YoY and 20% QoQ. For 2Q (May–Jul), Nvidia guided revenue to \$91bn, excluding China data center sales, lifting semiconductor stocks broadly.
- ▶ However, concerns over customers developing in-house ASICs and ongoing HBM4 supply constraints weighed on sentiment, sending Nvidia shares lower.

**Nvidia Data Center Revenue Sees Strong Growth**



**Data Center Now Largest Revenue Contributor for Nvidia**



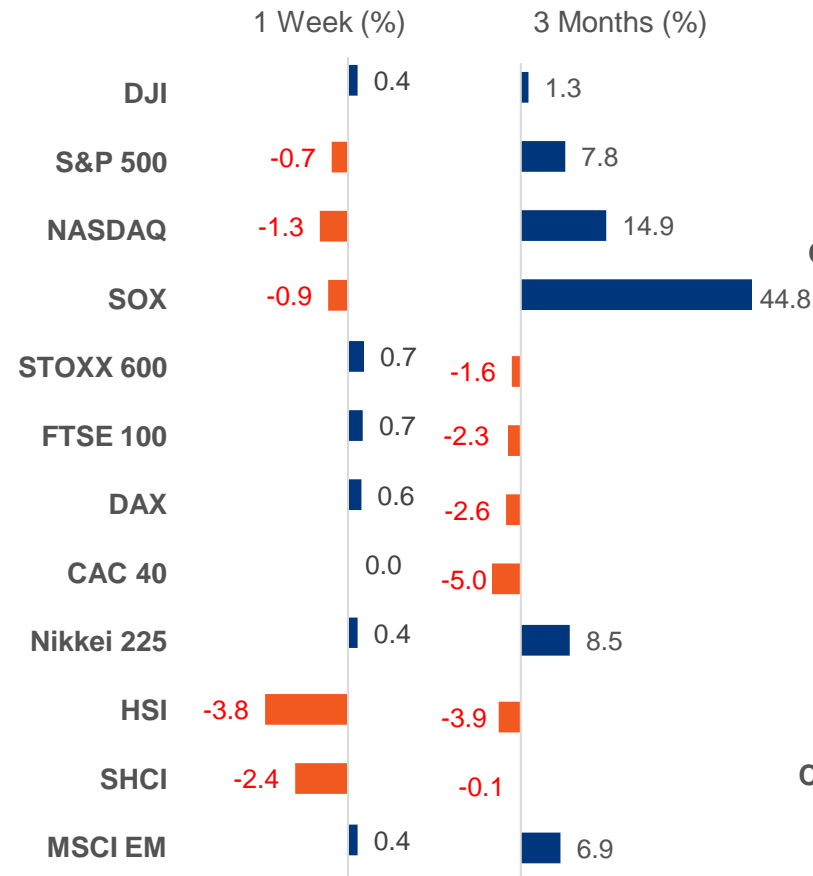
Source: Bloomberg, KGI

## Market Recap

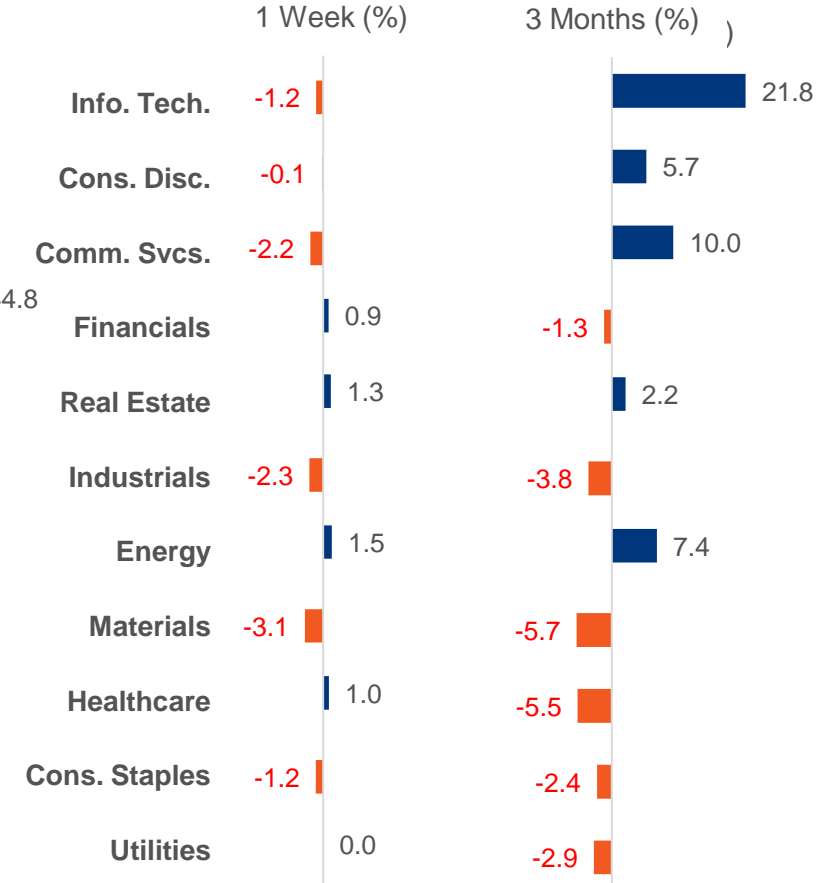
## Inflation Fears Lift Yields as Tech Stocks Pull Back

- ▶ Signs of progress in U.S.-Iran talks supported a rebound in global equities, though differences over Iran's uranium stockpile and control of the Hormuz Strait remain unresolved. Trump said negotiations had entered the final stage. Still, elevated oil prices kept inflation concerns alive, while profit-taking in tech weighed on markets. Among major U.S. indices, only the Dow ended higher, while the S&P 500, Nasdaq and SOX declined for the week.
- ▶ At Google I/O, Google unveiled Gemini 3.5 models focused on coding and AI agents, reportedly four times faster than peers, though shares pulled back on profit-taking. Samsung's labor union postponed planned strikes after reaching a preliminary wage agreement, easing concerns over operational disruptions and supporting Korean equities and MSCI EM. Micron gained on supply uncertainty in the memory market. SpaceX filed for a Nasdaq IPO, with listing expected in June, lifting selected space-related stocks.

## Regional Index Performance (%)



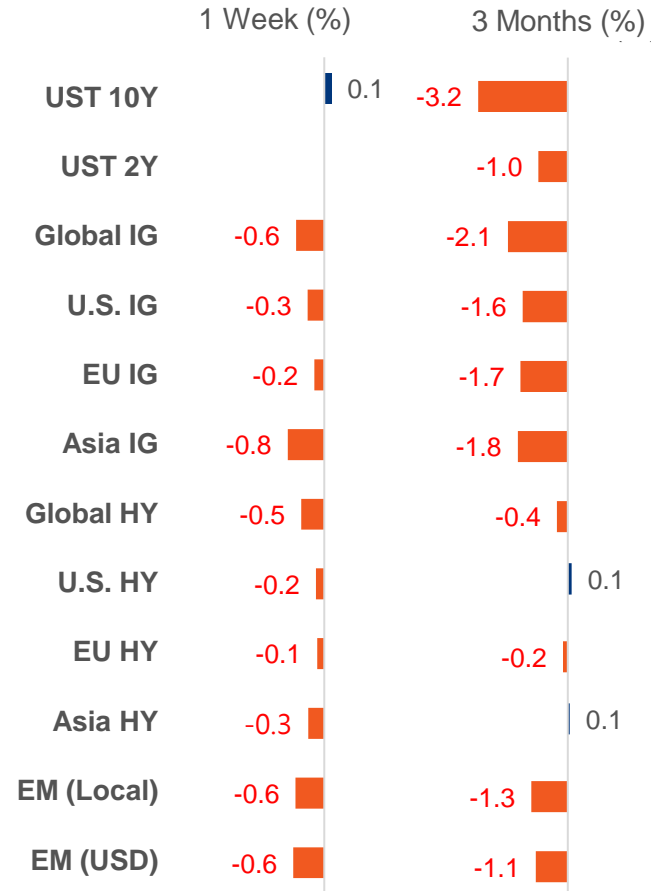
## U.S. Sector Index Performance (%)



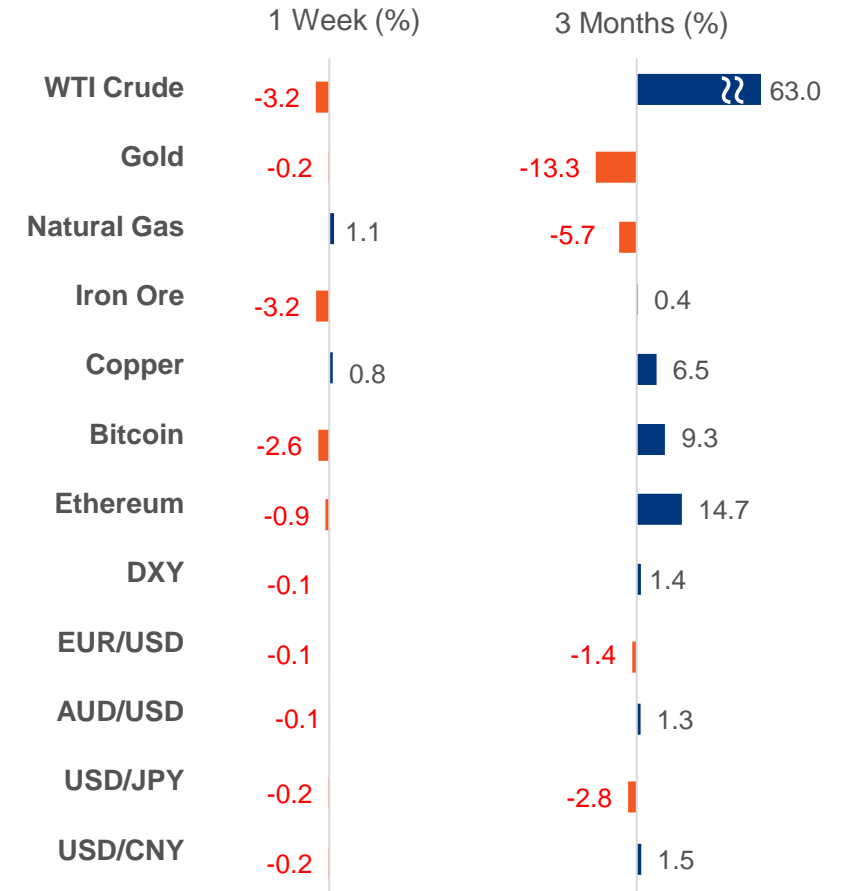
## High Oil Prices Push Markets Toward Tightening, Pressuring Bonds

- ▶ Extended Iran-related tensions and rising oil prices lifted global inflation expectations, prompting tighter policy expectations. Indonesia unexpectedly raised rates by 50 bps to 5.25% to support the rupiah, reviving concerns over capital outflows across EM markets. U.S. Treasury yields remained elevated, with the 10Y at 4.56% and the 30Y at 5.02%, keeping pressure on global bonds.
- ▶ WTI turned volatile on shifting U.S.-Iran headlines. Elevated inflation expectations, higher global yields and a firm USD weighed on precious metals. India raised gold and silver import tariffs from 6% to 15%, pressuring silver prices, though strong electronics and solar demand may support a rebound. The USD held near 99, while non-USD currencies and digital assets weakened.

### Performance of Bonds (%)



### Performance of Commodities and Currencies (%)

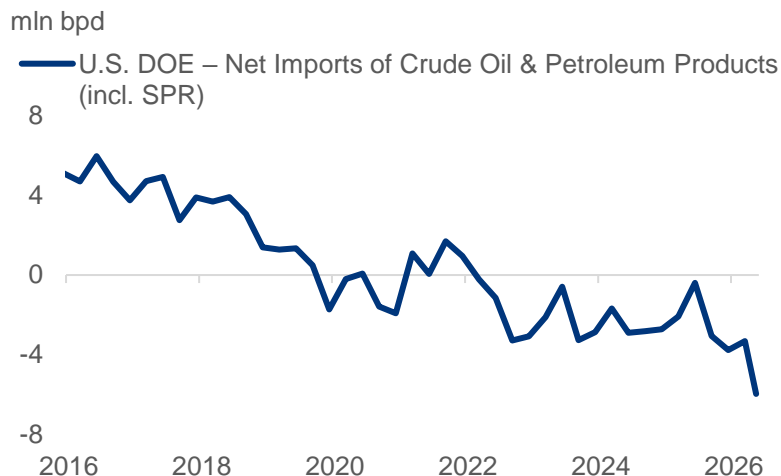


Source: Bloomberg

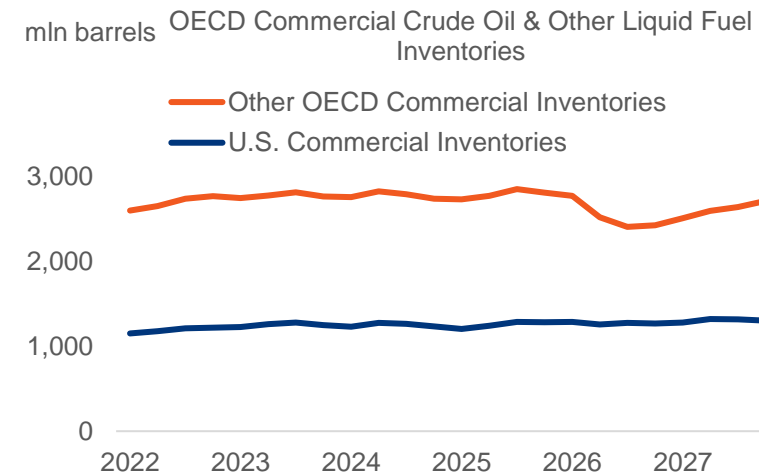
# Global Energy Reserves Deplete Rapidly, U.S. Remains More Resilient

- ▶ With the Hormuz Strait still unresolved, supply disruptions are rapidly draining global oil inventories, which are expected to approach 10-year lows by month-end. While inventories were ample before Middle East tensions escalated, more accessible supplies have been depleted first.
- ▶ The U.S. is also drawing down reserves, though as the world's largest oil producer and a net exporter, it remains relatively insulated from supply risks. Despite higher oil prices increasing inflation and recession concerns, the U.S. remains better positioned and recently lifted crude exports to multi-year highs.
- ▶ Asia remains more exposed to Hormuz-related risks, with EM Asia facing wider current account pressures, while China and Japan maintain stronger inventories. Europe has lower inventory coverage, while higher oil prices also increase uncertainty around Russia and the Ukraine conflict. Higher energy costs may also weigh on discretionary spending and corporate earnings.

## U.S. Crude Exports Recently Hit Record Highs



## U.S. Crude Inventories Expected to Remain Stable



## China and Japan Currently Hold Relatively Ample Inventories

mIn barrels	EIA Estimated Strategic Crude Oil Reserves	Daily Consumption
China	1,541	17
US	413	21
Japan	263	3
Europe OECD	177	13

Source: Bloomberg, EIA, KGI

# Agentic AI Disrupts Software as High-Valuation Models Face Pressure

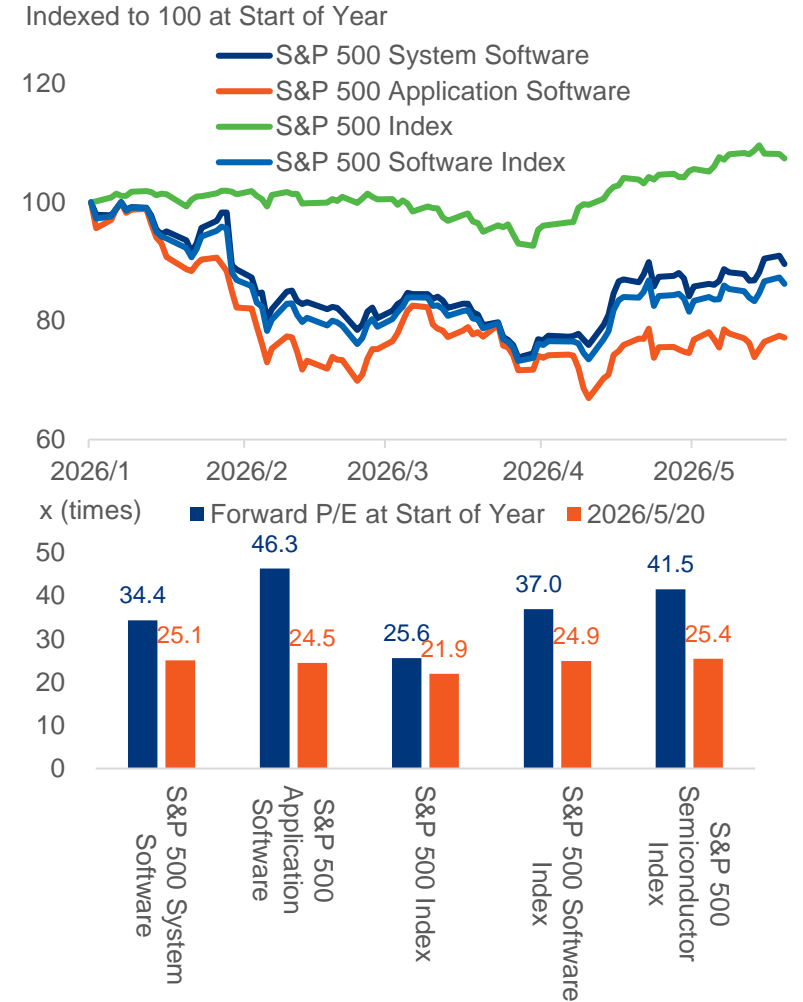
- ▶ Software stocks sold off from late last year into early this year due to concerns over AI monetization and the rise of agentic AI. Heavy AI spending by major cloud providers raised questions over returns, while advances from Anthropic and AI agents such as Claude Code disrupted traditional software models.
- ▶ Software broadly includes cloud platforms, SaaS, data integration and cybersecurity. SaaS companies such as Salesforce and Adobe, with asset-light and high-margin subscription models, face greater AI disruption risks. In contrast, large cloud infrastructure providers benefit from higher barriers to entry, resulting in more limited valuation resets and signs of share price stabilization.

## Software Industry Diverges, with Large Players Expected to Extend Leadership

Company	CSP Platform	Business Focus
Microsoft	Azure	Cloud, AI & Software
Amazon	AWS	Cloud Infrastructure
Alphabet	Google Cloud	AI Applications & Cloud
Meta		Consumer Social Platforms
Oracle	OCI	Database & Cloud

Major SaaS Companies	Core Business	YTD Change
Microsoft	Office 365 (Productivity)	-13.3%
Salesforce	CRM Software	-33.4%
Adobe	Creative Cloud	-30.3%
Intuit	QuickBooks (Financial Management)	-53.6%
ServiceNow	Workflow Automation & Digitalization	-34.9%

## System Software Stabilizes as Valuations Reset Sharply Since Early Year

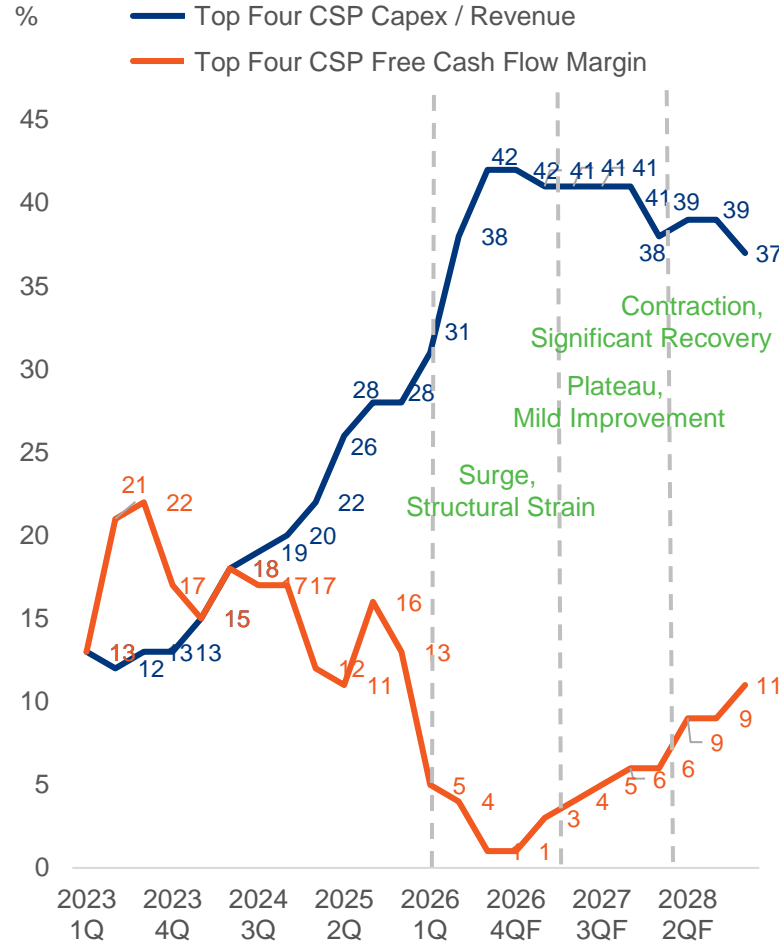


Source: Bloomberg, KGI

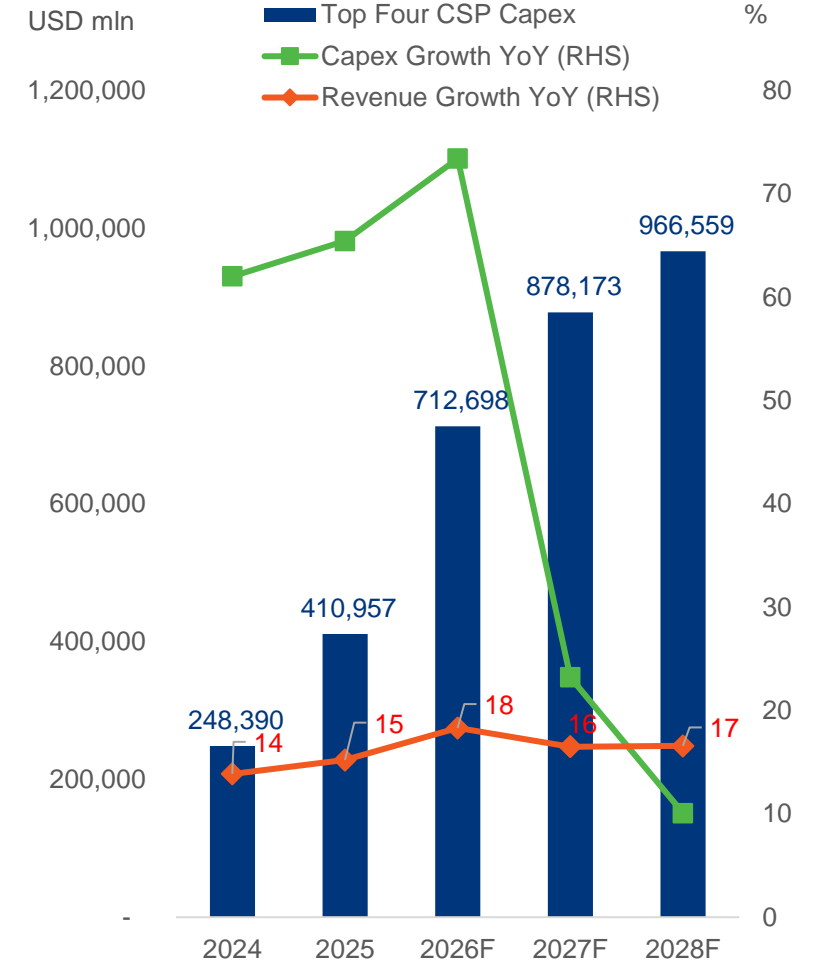
# Smaller SaaS Firms Face Pressure, While Platform and Cloud Infrastructure Players Stand Out

- ▶ Despite entering its fourth year, AI demand remains strong, with AI chips and computing capacity still supply constrained. Across the AI value chain, semiconductors have been the biggest beneficiaries, while software has faced the greatest disruption. Rapid AI feature launches and expanding agent capabilities are prompting companies to reassess software spending, keeping pressure on smaller pure-play SaaS firms. In contrast, integrated platforms and large cloud infrastructure providers such as Microsoft are better positioned.
- ▶ We favor integrated software players such as PLTR, DDOG, SNOW/MDB and NET. Heavy capex by major CSPs should begin translating into profits over the next one to two years. Microsoft and Meta remain the most aggressive investors, with Microsoft leading in cash flow margins, while Google Cloud's strong growth and TPU gains have driven outperformance. CSP capex growth may peak this year, but large AI investment should sustain double-digit revenue growth. The era of premium software valuations may fade, but system software platforms with broader ecosystems should remain more resilient than single-function applications and offer buy-the-dip opportunities.

**Heavy CSP Capex Could Drive Profit Growth in Coming Years**



**CSP Capex Growth Likely Peaks This Year, While Revenue Growth Stays Solid**



Source: Bloomberg, KGI

# Asset Strategy

Asset Type	Market View	Preferred Assets
<b>Equities</b>	<ul style="list-style-type: none"> <li>◆ Renewed progress in U.S.-Iran peace talks and easing oil prices supported a rebound in equities, while strong U.S. corporate earnings and Nvidia's upbeat outlook for the next few years lifted sentiment. Equity gains are expected to be increasingly driven by earnings growth, with a positive long-term view on technology and AI semiconductors. Investors can use pullbacks to build positions while maintaining diversification across regions and sectors.</li> <li>◆ Europe and Japan remain attractive diversification markets. Japan offers greater upside through technology exposure, while rising JGB yields support bank stocks. In Europe, defense remains a key theme, with preference for defensive UK equities.</li> </ul>	<p><b>Strategy:</b> AI themes including technology and semiconductors; outside AI, favor aerospace and defense.</p> <p><b>Regions:</b> Japanese Equities (Banking, Semiconductor and Defense), UK Equities, European Defense</p>
<b>Bonds</b>	<ul style="list-style-type: none"> <li>◆ Oil prices remain elevated and volatile, while the U.S. 30Y Treasury yield has moved above 5%, keeping rates high. Investors should avoid excessive duration risk and focus on intermediate-duration bonds for income. High-quality corporate bonds offer better defensiveness, with attractive risk-adjusted spreads in financials, communications, utilities and energy.</li> <li>◆ A stronger USD also supports diversification into non-USD investment-grade bonds, including EUR- and AUD-denominated debt.</li> </ul>	<p><b>Types:</b> Intermediate-duration, high-quality bonds; favor financials, communications, utilities and energy.</p> <p><b>Satellite :</b> Non-USD bonds for diversification.</p>
<b>Forex</b>	<ul style="list-style-type: none"> <li>◆ With Waller expected to lead the Fed and inflation pressures limiting rate-cut room, the USD should remain supported near term.</li> <li>◆ Most non-USD currencies remain weak against the dollar, while the RMB has shown relative strength due to PBOC support.</li> </ul>	<p><b>USD:</b> Near-term strength remains supported.</p> <p><b>Others:</b> Broad weakness; RMB relatively firm.</p>
<b>Commodity</b>	<ul style="list-style-type: none"> <li>◆ Energy prices may remain elevated and volatile near term.</li> <li>◆ Higher Treasury yields and a stronger USD may pressure gold in the short run. However, expanding global debt and continued central bank demand should support long-term upside, making pullbacks buying opportunities.</li> </ul>	<p><b>Gold:</b> Positive long-term outlook; accumulate on dips.</p>

## AI Themes Shift Toward Real Revenue Growth

### ► AI Core Growth Engine Fully Activated

Over the past two weeks, several leading Chinese tech firms reported strong quarterly results, boosting market confidence. The results reinforce that AI is no longer just a future concept, but a core growth driver. From smarter cloud services to large-model deployment across advertising, gaming and business applications, AI adoption is accelerating. Beyond improving efficiency, AI is creating new high-margin revenue streams and helping major platforms transition toward higher-quality, AI-driven growth.

### ► From Concept to Revenue Reality

AI monetization paths are becoming increasingly clear. Recent data show explosive growth in AI-related cloud revenue, with some companies expecting annual recurring revenue (ARR) from AI models and applications to exceed tens of billions of RMB this year. AI is driving cloud re-rating while also improving performance in advertising, search and content recommendations, lifting conversion rates and monetization. The “AI + Cloud” model is moving the sector from an investment phase into an earnings realization phase. As the industry remains in transition, our stock preference ranking is Tencent > Alibaba > Baidu.

### Key AI Updates

Tencent	<ul style="list-style-type: none"> <li>■ Hunyuan models are now integrated across 100+ internal products. AI-enhanced advertising drove ad revenue growth to 20%, while AI-driven game content production and monetization improved operating efficiency.</li> </ul>
Alibaba	<ul style="list-style-type: none"> <li>■ External cloud revenue rose 40% YoY, while AI-related revenue delivered triple-digit growth for an 11th straight quarter.</li> <li>■ Qwen ARR surpassed RMB8bn and targets RMB30bn by year-end.</li> </ul>
Baidu	<ul style="list-style-type: none"> <li>■ AI-powered revenue reached RMB13.6bn (+49% YoY), accounting for 52% of Baidu Core revenue and exceeding half for the first time.</li> </ul>

# Tencent (700)

**Closing Price** HK \$439

**Target Price** HK \$700

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

## Financial Transparency Eases Market Concerns

1Q26 results introduced a clearer quarterly disclosure framework. Excluding new AI products, core non-IFRS operating profit rose 17% YoY to RMB84.4bn, well above the reported 9% growth, highlighting healthy underlying fundamentals. AI investments implied an RMB8.8bn profit drag in the quarter, in line with management's annual RMB36bn commitment. Tencent also generated strong free cash flow of RMB57bn, supporting capex and buybacks while demonstrating solid self-funding capacity.

## Core Businesses Remain Resilient

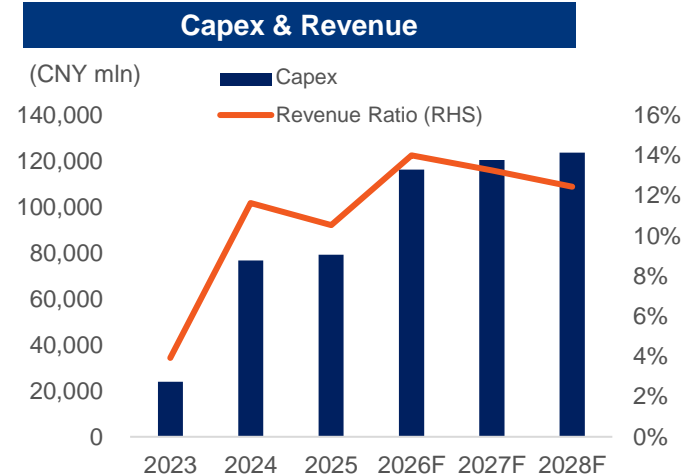
Core operations remain solid, with domestic game bookings delivering healthy low-teens growth in 1Q. Advertising revenue also grew 20% YoY, driven by stronger WeChat Channels engagement, higher ad load and improved monetization from upgraded AI ad models. The strength of these dual engines continues to generate robust cash flow and reinforces Tencent's competitive moat.

## Valuation Near Five-Year Lows

Tencent now trades at 13x forward P/E, near a five-year low, offering downside support and defensive appeal. Its WeChat mini-program ecosystem, connecting millions of third-party merchants, provides a unique advantage in AI monetization. Maintain target price at HKD700.

Source: Bloomberg

Financials					
	2024	2025	2026F	2027F	2028F
Revenue (CNY b)	660	751	830	909	994
Revenue YoY	8.4	13.8	10.4	9.5	9.4
Adj. EBITDA (CNY b)	23.5	27.9	30.2	33.5	37.4
EBITDA YoY	44.0	18.6	8.2	10.9	11.6
Asset Depre (CNY b)	21.8	21.1	19.7	18.9	18.3



# Alibaba (9988)

**Closing Price** HK \$126

**Target Price** HK \$165

Provides technology infrastructure and marketing platforms that help merchants, brands and businesses engage users and operate more efficiently.

### Cloud and AI Growth Reinforce China AI + Cloud Leadership

Alibaba's external cloud revenue surged 40% YoY, while AI-related revenue delivered triple-digit growth for an 11th straight quarter. Qwen MaaS annual recurring revenue (ARR) exceeded RMB8bn, expanding 10x within six months and targeting RMB30bn by year-end. Near-term growth remains constrained by tight AI chip supply and capex deployment speed. As higher-margin MaaS contribution rises and in-house chips scale up, cloud EBITA margins are expected to return to double digits over the next 1–2 quarters, strengthening Alibaba's core growth engine.

### Core E-Commerce Fundamentals Stabilize

Taobao and Tmall Group revenue rose 6% YoY. While reported CMR grew only 1%, excluding merchant subsidy impacts, underlying growth reached 8%. E-commerce EBITA remained soft due to continued investment in user experience and market share, though profitability is improving. As competition becomes more rational, both fundamentals and profitability should improve further over coming quarters, supporting strong group cash flow.

### Quick Commerce Losses Narrow with Clear Path to Profitability

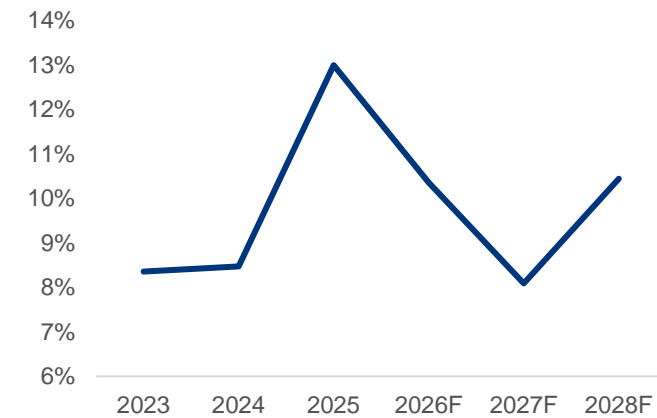
Alibaba's quick commerce business benefited from easing competition and seasonal factors, accelerating loss reduction. Management guided that unit economics could turn positive during FY27, with losses expected to halve annually in FY27 and FY28 before reaching profitability in FY29. This business could become a meaningful source of earnings upside. Maintain target price at HKD165.

Source: Bloomberg

### Financials

	2025	2026	2027F	2028F	2029F
<b>Revenue (CNY b)</b>	996	1023	1130	1265	1432
<b>Revenue YoY</b>	5.8	2.7	10.4	11.9	13.2
<b>Adj. EBITDA (CNY b)</b>	65.4	26.8	47.0	65.8	87.5
<b>EBITDA YoY</b>	5.1	-59.0	75.4	40.1	32.9
<b>Asset Depre (CNY b)</b>	12.9	10.2	9.2	11.3	14.8

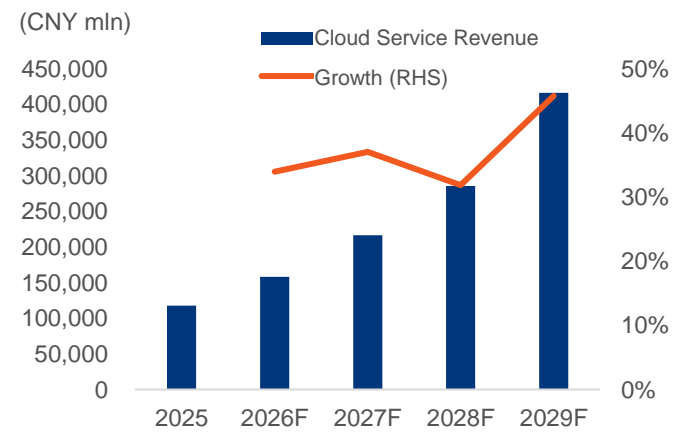
### Gross Margin



### Estimate P/E



### Capex & Revenue



# Baidu(9888)

**Closing Price** HK \$126.5

**Target Price** HK \$150

Core business provides online marketing services and other offerings, including cloud services, Apollo intelligent driving, and Xiaodu smart devices, along with other growth initiatives.

### AI Core Surpasses 50% Revenue Threshold

In Q1 2026, Baidu's core AI-enabled business revenue grew 49% year-on-year to RMB 13.6 billion, accounting for 52% of core revenue and crossing the halfway mark for the first time. This structural shift alters the market's prior logic of valuing AI alongside traditional search advertising. As AI's share naturally rises, the drag from declining ad revenue narrows, reducing its impact on overall performance. This financial feature signals a business model transformation, providing long-term investors with an objective basis for reassessing Baidu's investment value.

### Intelligent Cloud Compute Growth

Baidu's intelligent cloud infrastructure revenue rose 79% year-on-year to RMB 8.8 billion in Q1, with GPU cloud services—primarily compute leasing—surging 184%. To meet rising demand-side compute needs, Baidu expanded capital expenditure to RMB 5.9 billion, roughly triple last year's level. While large-scale reinvestment in infrastructure pressures quarterly margins in the short term, it validates Baidu's positioning as an AI infrastructure play supported by chips and cloud, gradually forming a compute-demand-driven growth foundation.

### Valuation Model Recast

Although AI-enabled revenue now exceeds half of core business and serves as the main growth driver, current valuation also embeds optionality from Kunlun Chip's potential listing. Investors should note that once Kunlun Chip goes public, some may opt to invest directly, reducing Baidu's appeal. Target price is maintained at HKD 150.

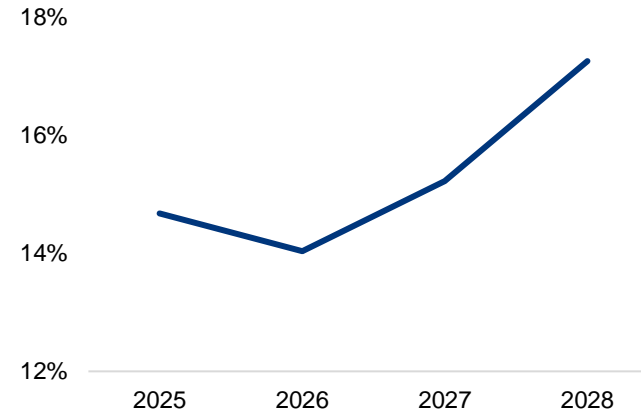
### Financials

	2024	2025	2026F	2027F	2028F
<b>Revenue (CNY b)</b>	133	129	132	141	154
<b>Revenue YoY</b>	-1.1	-3.0	2.5	6.9	9.5
<b>Adj. EBITDA (CNY b)</b>	76.8	53.4	54.4	78.0	99.6
<b>EBITDA YoY</b>	-4.9	-30.5	1.9	43.4	27.6
<b>Asset Depre (CNY b)</b>	9.1	1.7	5.2	5.8	7.0

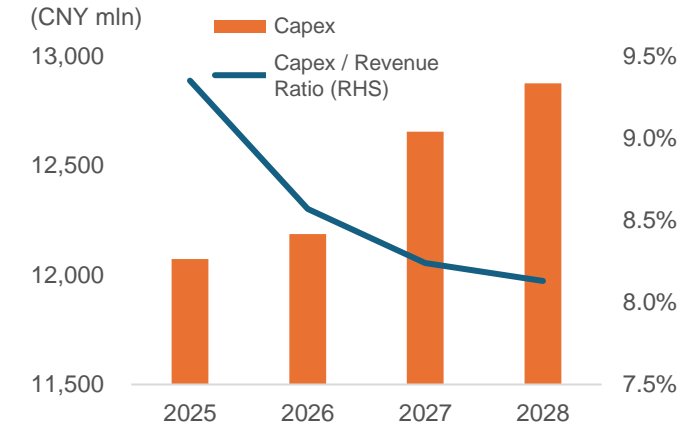
### Estimate P/E



### Gross Margin



### Capex & Revenue



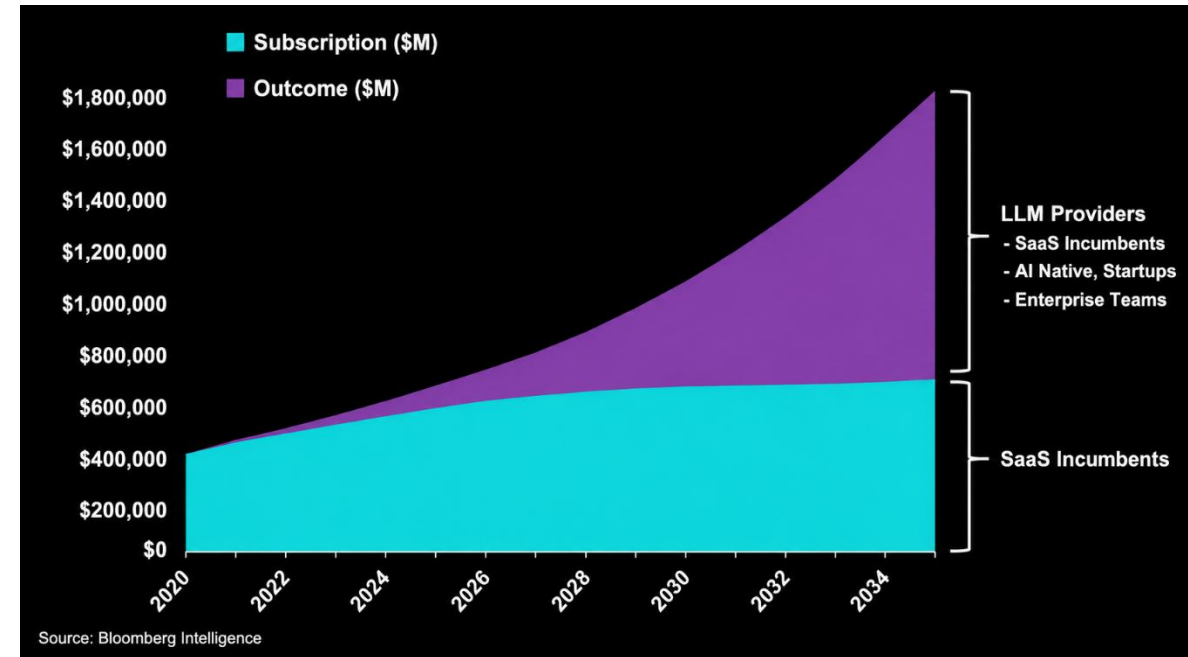
Source: Bloomberg



## Application Software Valuations Remain Low, Awaiting Market Re-rating

- ▶ The Federal Reserve's May 21, 2026 meeting minutes show the FOMC leaning toward caution with a slightly hawkish bias. Most officials favored holding rates steady, citing inflation still above the 2% target and risks from energy prices, tariffs, and transport costs delaying disinflation. The U.S. economy and consumption remain resilient, supported by AI-related capital spending, though slowing job growth and uncertainty pose downside risks. Policymakers prefer to await further inflation and labor data before acting. If inflation clearly eases or labor weakens, rate cuts remain possible this year; if inflation stays high, further tightening is not ruled out. Markets interpret this as rate cuts likely delayed, with near-term support for the dollar and Treasury yields, while high-valuation growth stocks face rate-expectation volatility.
- ▶ The University of Michigan's May consumer sentiment final reading came in at 44.8, below expectations of 48.2 and the prior 49.8.
- ▶ SaaS valuations have retreated, reflecting concerns that AI could erode traditional software moats by lowering development barriers, intensifying competition, and replacing seat-based pricing in some applications. Investors have revised down long-term growth rates and multiples. However, this pessimism may be excessive: AI is more likely to drive a new wave of SaaS product upgrades and monetization. Vendors with critical workflows, deep customer data, large user bases, and integration capabilities can embed AI into existing processes, extending subscription models toward usage-based, modular, and outcome-driven pricing. As AI features translate into measurable productivity and ROI, near-term valuation pressure may reflect transition uncertainty rather than structural deterioration. The SaaS sector could see valuation recovery.

### Application Software Market Size



# ServiceNow (NOW)

**Closing Price** US \$102.13

**Target Price** US \$140

ServiceNow provides enterprise IT management software and cloud platforms that help organizations digitize and automate workflows globally.

## Benefiting from Software Re-Rating

As U.S. software stocks rebound and investors reassess AI disruption risks, ServiceNow has emerged as a key beneficiary of renewed market interest. As enterprises move AI from pilot programs into production, ServiceNow's role across IT, HR, customer service and operational workflows positions it well to monetize agentic AI through automation, governance and reduced manual workloads.

## Strong Subscription Growth and AI Execution

1QFY26 subscription revenue reached US\$3.67bn, up 22% YoY, prompting management to raise full-year guidance. The company further strengthened its AI workflow leadership through new agentic AI offerings. Its partnership with Accenture enables access to over 300 pre-built AI agent skills and workflows, while transactions through AWS Marketplace surpassed US\$1bn, highlighting strong enterprise adoption of its AI platform and governance framework.

## 1QFY26 Results Beat and Guidance Raised

1QFY26 revenue reached US\$3.77bn, up 22.1% YoY and ahead of estimates by US\$24mn, while EPS came in at US\$0.97. For 2QFY26, ServiceNow expects subscription revenue of US\$3.82bn, while full-year FY26 subscription revenue is projected at US\$15.74–15.78bn.

## Valuation Consensus

Bloomberg's average 12-month target price stands at US\$141.49, with a high estimate of US\$236 and a low estimate of US\$85.

Source: Bloomberg, Company

## 1-Year Price



## Financials

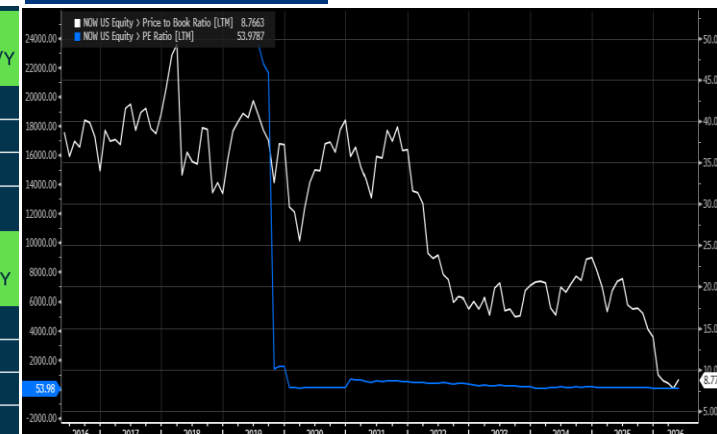
	2023	2024	2025	2026F	2027F
<b>Revenue Growth(%)</b>	23.8	22.4	20.9	22.0	18.5
<b>EBITDA (%)</b>	16.6	19.2	22.3	36.9	37.7
<b>EPS(USD)</b>	1.71	1.41	1.87	4.15	5.04
<b>Net Profit Margin(%)</b>	19.6	13.3	14.7	26.3	27.1

Source: Bloomberg; 2026/27F are market estimates

## FY2026 Forecast

Q2 2026 Guidance	Quarterly Guidance	Increase (Decrease) Y/Y
Subscription Revenues	\$3,815M - \$3,820M	22.5%
Non-GAAP Operating Margin <sup>(3)</sup>	26.5%	~(300bps)
Current RPO (cRPO) Growth	19%	NA
FY 2026 Guidance	Full-Year Guidance	Increase (Decrease) Y/Y
Subscription Revenues	\$15,735M - \$15,775M	22% - 22.5%
Non-GAAP Subscription Gross Margin <sup>(3)</sup>	81.5%	~(200bps)
Non-GAAP Operating Margin <sup>(3)</sup>	31.5%	~50bps
Non-GAAP Free Cash Flow Margin <sup>(3)</sup>	35%	~Flat

## P/E & P/B



# CrowdStrike (CRWD)

**Closing Price** US \$663.46

**Target Price** US \$700

CrowdStrike provides cloud-based cybersecurity solutions spanning endpoint, cloud workload, identity and data protection, along with threat intelligence, managed security services, threat hunting and zero-trust security.

## AI Raises Cyber Risks, Supporting Security Spending

CrowdStrike continues to benefit from evolving cybersecurity trends, as AI increases the scale and speed of attacks, making security one of the more defensive software segments. Recent reports suggest AI-driven cyber threats are accelerating, with vulnerabilities exploited faster than before. CrowdStrike research shows global financial sector intrusions rose 43% over two years, while 423 financial firms are expected to appear on ransomware leak sites by 2025. This supports sustained cybersecurity spending as enterprises require stronger identity, detection and security tools to protect both human and AI agent activity.

## Falcon Platform Integration Drives ARR Growth

CrowdStrike's core strength lies in its Falcon platform, which integrates endpoint, cloud, identity and security operations into a unified AI-native platform. Platform adoption remains strong, with FY26 ARR rising 24% YoY to US\$5.25bn, while 4QFY26 revenue grew 23% YoY to US\$1.31bn. The company also plans to acquire SGNL for US\$740mn and Seraphic Security for roughly US\$420mn, expanding into adjacent security segments and strengthening its position in identity and browser security as AI agents create new attack surfaces.

## 4QFY26 Results Beat Expectations, FY27 Outlook Remains Positive

4QFY26 (January year-end) revenue reached US\$1.31bn, up 23.6% YoY and beating estimates by US\$10mn, while EPS came in at US\$1.12, exceeding expectations by US\$0.02. For FY27, CrowdStrike expects revenue of US\$5.87–5.93bn, above prior expectations of US\$5.86bn, while adjusted EPS is projected at US\$4.78–4.90.

## Valuation Consensus

Bloomberg's average 12-month target price is US\$534.92, with a high estimate of US\$706 and a low estimate of US\$368.

Source: Bloomberg, Company

## 1-Year Price



## FY2026 Forecast

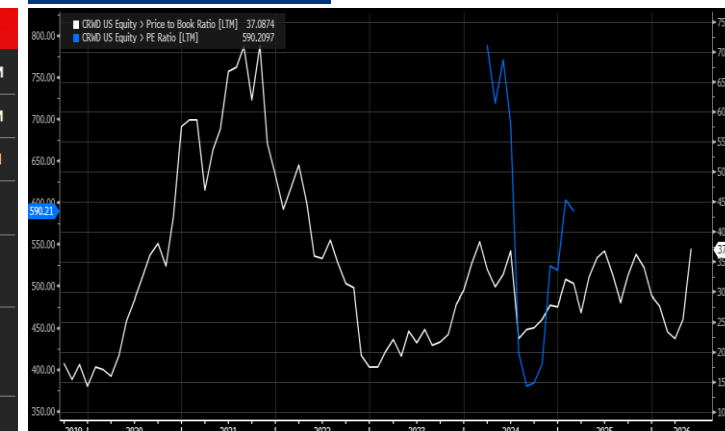
	1Q FY2027	Full Year FY2027
Annual recurring revenue	\$5,501.8 - \$5,503.8M	\$6,465.8 - \$6,516.4M
Total revenue	\$1,360.0 - \$1,364.0M	\$5,867.6 - \$5,927.6M
Non-GAAP income from operations	\$308.0 - \$310.4M	\$1,422.2 - \$1,462.2M
Non-GAAP net income attributable to CrowdStrike	\$275.2 - \$277.1M	\$1,241.0 - \$1,271.1M
Non-GAAP net income per share attributable to CrowdStrike common stockholders, diluted	\$1.06 - \$1.07	\$4.78 - \$4.90
Weighted average shares used in computing non-GAAP net income per share attributable to common stockholders, diluted	259M	260M
Non-GAAP tax rate	21.0%	21.0%

## Financials

	2024	2025	2026	2027F	2028F
Revenue	36.3	29.4	21.7	22.7	21.7
Growth(%)					
EBITDA (%)	5.5	4.4	3.8	29.1	30.2
EPS(USD)	0.41	-0.06	-0.07	4.86	6.21
Net Profit Margin(%)	-	-	-20.10	-	27.64

Source: Bloomberg; 2027/28F are market estimates

## P/E & P/B





# Taiwan Equities Stay Strong as AI and Restocking Demand Sustain Export Orders

## Heavyweight Tech Stocks Lead; Volume Key for Further Upside

Taiwan equities remained firm last week, with heavyweight tech names driving gains. The market now needs stronger trading volume to break above the May 15 record high of 42,408. Daily turnover likely needs to stay above the monthly average (currently TWD1.19tn) for 2–3 sessions. Otherwise, weak follow-through could trigger short-term volatility or a pullback. With sector rotation accelerating, focus on stocks backed by strong earnings and revenue momentum.

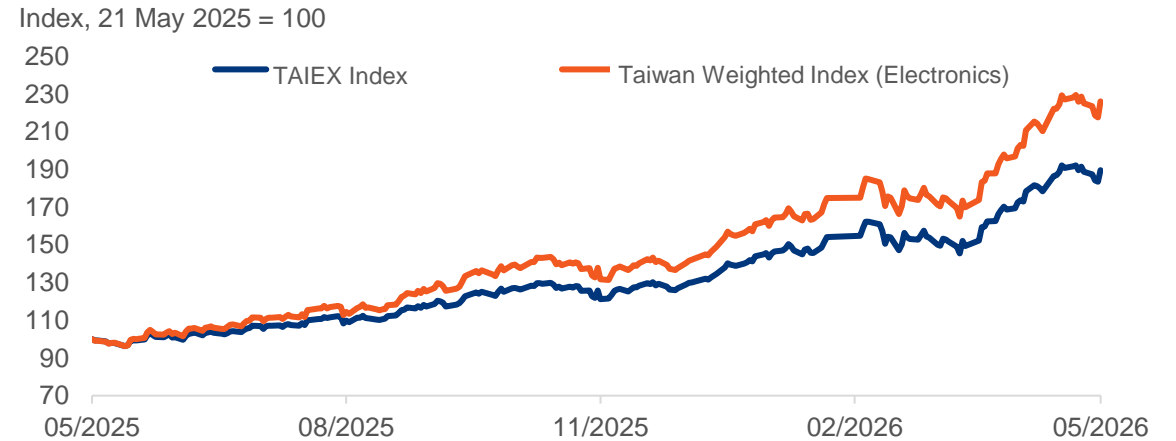
## AI and Restocking Demand Support 2Q Export Orders

Taiwan April export orders reached US\$87.5bn, up 48.1% YoY, easing from March’s 65.9% but remaining strong. AI demand continues to support growth. Information and communication products rose 89.7% YoY, driven by AI and cloud data center demand, while electronics orders increased 45.9%, supported by AI and HPC demand across ICs, chips and memory.

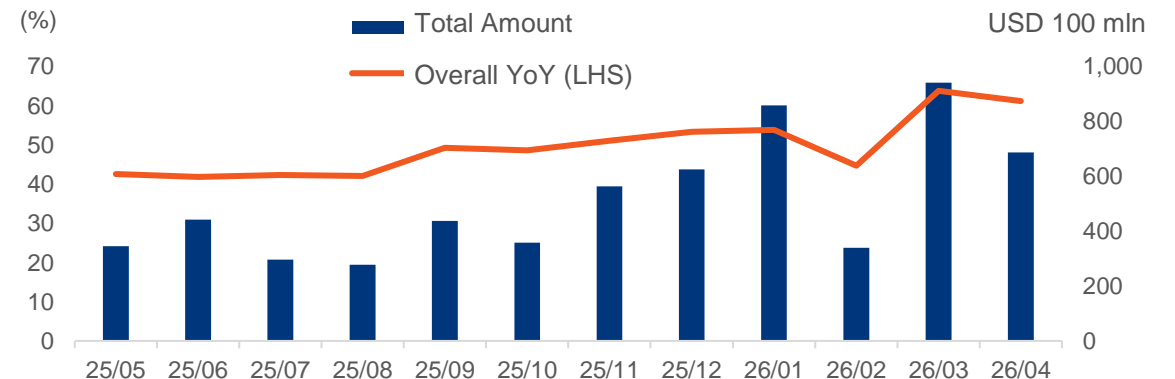
Beyond AI and advanced semiconductors, seasonal restocking demand should support orders through 2Q. Rising geopolitical risks and trade barriers may also sustain front-loading demand. Despite a higher base, we estimate May export orders to rise 40.1% YoY.

Source: Bloomberg

## TAIEX Index and Taiwan Electronics Sector Trends



## Taiwan Export Orders and YoY Growth Rate



# Gigabyte (2376 TT)

Gigabyte is a Taiwan-based motherboard maker that also provides graphics cards and server products for global data center operators.

## Key Features

### 1Q26 Earnings Far Exceeded Expectations

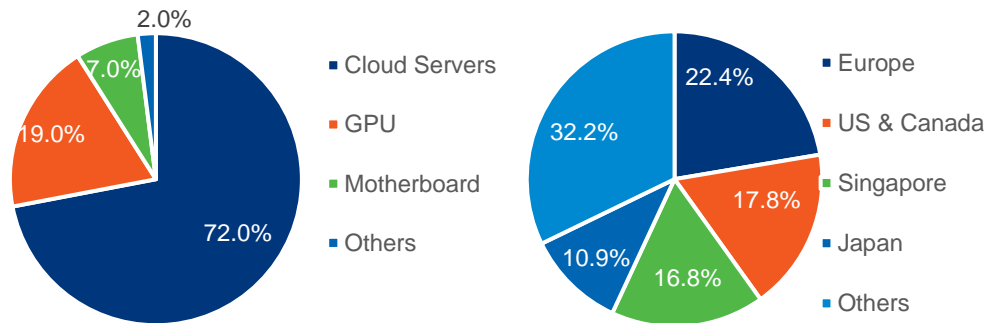
1Q26 EPS reached TWD7.86, up 69% YoY and above our estimate. Revenue rose 18% QoQ to TWD105bn, driven by strong AI server demand. Server revenue contribution increased to 72% from 63% in 4Q25. Gross margin improved to 12%, supported by a richer mix of high-end GPUs and motherboards, along with product price increases.

### Strong AI Server Demand Supports 2026–27 Growth

Nebius recently raised its 2026 capex guidance by 25% to US\$20–25bn and increased its contracted power target to at least 4GW by end-2026 amid stronger demand. CoreWeave also lifted 2026 capex guidance to US\$31–35bn. These developments should support Gigabyte’s AI server growth through 2026–27.

Meanwhile, Gigabyte’s U.S. facility is expected to begin AI server shipments by late 2Q26, while expansion of its Taiwan plant is set for completion in 3Q26. Management expects AI server capacity to double in 2026 and raised capex guidance to TWD2.5–2.7bn from TWD2.0–2.5bn, reflecting accelerating customer demand.

## Revenue Sources and Regions



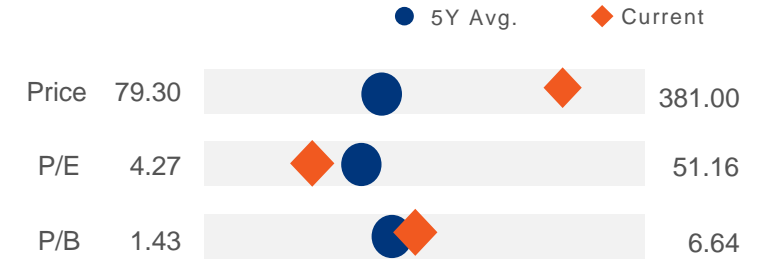
Source: Bloomberg

## Financials

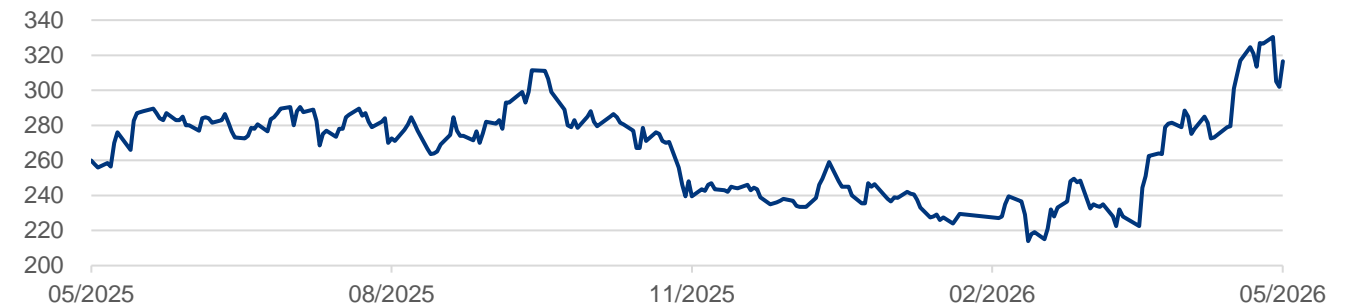
	2023	2024	2025F	2026F	2027F
EPS (NTD)	7.46	15.03	18.20	32.00	34.00
EPS Growth (%)	-27.5	101.4	21.1	75.9	6.3
P/E Ratio	43.8	21.7	17.9	10.2	9.6
ROE (%)	12.9	21.5	21.6	34.2	32.4

Source: Company data, estimates of KGI analyst

## Valuations



## 1-Year Price



As of 21 May 2026	1Wk	1M	3M	6M	YTD	1Y
Return (%)	-2.76	11.40	38.34	32.57	27.25	23.06

# Gold Circuit Electronics (2368 TT)

Gold Circuit is Taiwan's largest networking PCB maker. In recent years, the company has strategically shifted toward higher-margin server and networking boards as core products.

## Key Features

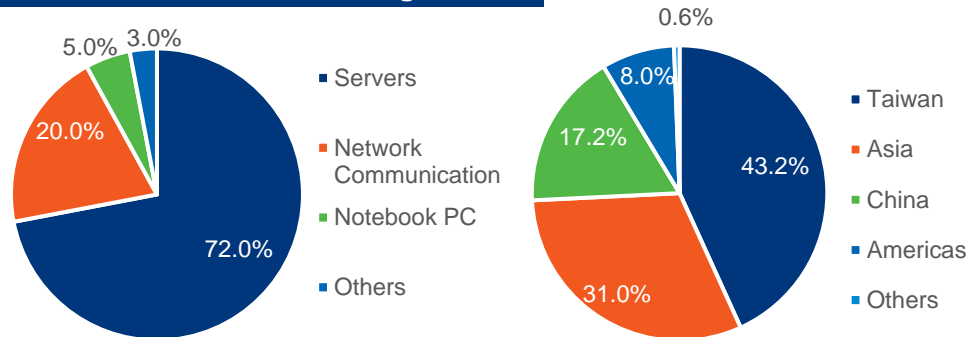
### 1Q26 Net Profit Beat Consensus

1Q26 revenue rose 17.7% QoQ and 60% YoY to TWD19.3bn, driven by strong general server demand. AI server contribution edged up to 35–40%, supporting slightly better-than-expected margins, while a low expense ratio of 7.9% lifted operating margin 1.4ppts above expectations. Server and networking revenue both grew 11% QoQ, while notebook revenue fell 4% and accounted for 5% of sales. Within networking, 800GbE products now contribute over half of segment revenue.

### AWS Trainium 3 Ramp Supports Strong 2Q26 Growth

With continued strength in general server shipments and AWS Trainium 3 entering volume production, April revenue reached TWD7.29bn, up 58.4% YoY. May revenue is expected to return to sequential growth. We raised our 2Q26 revenue estimate by 8.0% to TWD22.1bn, implying 14.5% QoQ growth. Following stronger-than-expected 1Q26 results and 2Q26 guidance, we raised our 2026–27 earnings estimates by 10% and 23%, respectively.

## Revenue Sources and Regions



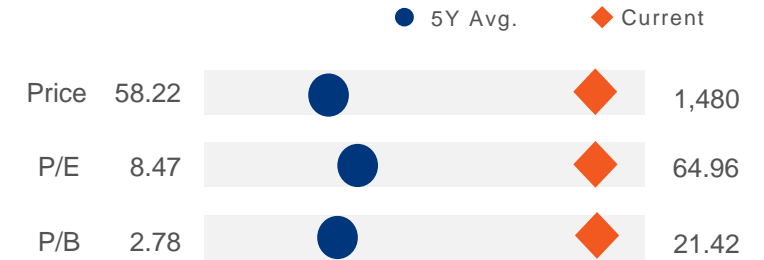
Source: Bloomberg

## Financials

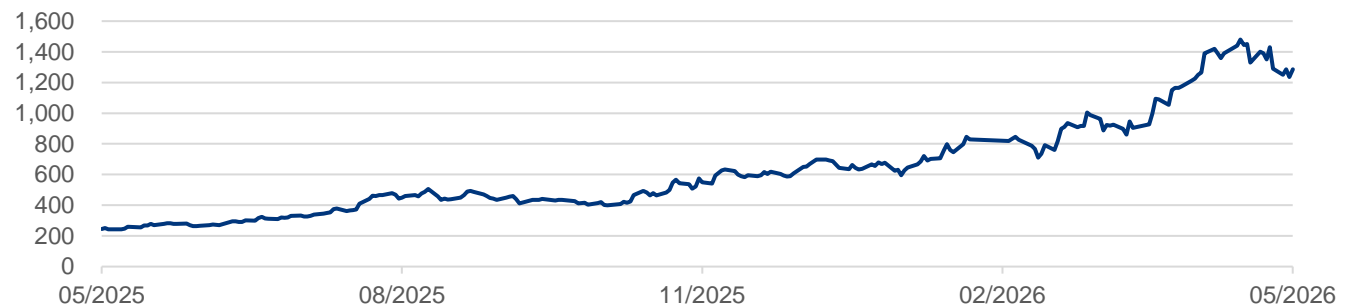
	2023	2024	2025F	2026F	2027F
EPS (NTD)	28.38	64.59	103.23	182.79	240.55
EPS Growth (%)	-33.3	127.6	59.8	77.1	31.6
P/E Ratio	170.6	74.9	46.9	26.5	20.1
ROE (%)	16.9	32.6	39.9	53.4	53.1

Source: Company data, estimates of KGI analyst

## Valuations



## 1-Year Price



As of 21 May 2026	1Wk	1M	3M	6M	YTD	1Y
Return (%)	2.71	6.00	59.83	140.91	92.87	430.00

## Floating-Rate Bonds Offer Protection Against Duration Risk

### ► HSBC GIF Global Investment Grade Securitised Credit Bond

- Invests in securitized credit and bonds backed by pools of underlying collateral, focusing on high-quality AAA, AA and A-rated securities.
- Floating-rate allocation: 82% | Duration: 0.52 years | Avg. credit rating: AA | Holdings: 489
- Managed by a dedicated team of 11 securitized credit specialists, one of the industry's largest and most experienced teams. The two lead portfolio managers average 34 years of securitized credit investment experience.
- Offers a monthly dividend share class, with the latest annualized yield at 5.47%.

### ► HSBC Global Investment Funds – Ultra Short Duration Bond

- A diversified, high-quality portfolio with over 99% invested in investment-grade short-duration bonds.
- Targets effective duration below 0.5 years to reduce volatility, limit sensitivity to rate moves and mitigate drawdown risk.
- Floating-rate allocation: 67% | Duration: 0.44 years | Avg. credit rating: A | Holdings: 384.

Product	HSBC GIF Global Investment Grade Securitised Credit Bond	HSBC Global Investment Funds – Ultra Short Duration Bond																				
Features	<ul style="list-style-type: none"> <li>■ The fund adopts an active management strategy, with primary investments including asset-backed securities, commercial mortgage-backed securities, collateralized loan obligations, and residential mortgage-backed securities.</li> <li>■ The fund's investment targets are securitized bonds rated at least BBB- by one credit rating agency, with the current average rating at AA.</li> </ul>	<ul style="list-style-type: none"> <li>■ The fund adopts an active management strategy, with an average maturity of 1.58 years. Short-duration bonds help reduce the impact of interest rate volatility on asset prices.</li> <li>■ In terms of credit rating distribution, the portfolio is primarily composed of investment-grade bonds, with A-rated securities accounting for 49.9% of the total.</li> </ul>																				
AUM	USD 4.592 billion	USD 7.704 billion																				
Currency	USD	USD																				
3M/YTD Return	-0.19% / 1.41%	0.64 / 1.23%																				
Asset Allocation(%)	<table border="1"> <tr><td>CLO</td><td>44.17</td></tr> <tr><td>CMBS</td><td>19.83</td></tr> <tr><td>RMBS – Prime</td><td>17.43</td></tr> <tr><td>RMBS – Rental</td><td>4.97</td></tr> <tr><td>RMBS Non-conforming</td><td>4.86</td></tr> </table>	CLO	44.17	CMBS	19.83	RMBS – Prime	17.43	RMBS – Rental	4.97	RMBS Non-conforming	4.86	<table border="1"> <tr><td>Banking</td><td>40.30</td></tr> <tr><td>Consumer Cyclical</td><td>11.00</td></tr> <tr><td>Insurance</td><td>7.70</td></tr> <tr><td>Consumer Non-Cyclical</td><td>7.00</td></tr> <tr><td>Technology</td><td>6.10</td></tr> </table>	Banking	40.30	Consumer Cyclical	11.00	Insurance	7.70	Consumer Non-Cyclical	7.00	Technology	6.10
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Top Holdings (%)	<table border="1"> <tr><td>Gbp Fwd Fx Contract 31 Mar 2026</td><td>40.01</td></tr> <tr><td>Eur Fwd Fx Contract 31 Mar 2026</td><td>27.47</td></tr> <tr><td>Gbp Fwd Fx Contract 31 Mar 2026</td><td>12.78</td></tr> <tr><td>Capital Cash Ctrl</td><td>10.35</td></tr> <tr><td>Aud Fwd Fx Contract 31 Mar 2026</td><td>7.72</td></tr> </table>	Gbp Fwd Fx Contract 31 Mar 2026	40.01	Eur Fwd Fx Contract 31 Mar 2026	27.47	Gbp Fwd Fx Contract 31 Mar 2026	12.78	Capital Cash Ctrl	10.35	Aud Fwd Fx Contract 31 Mar 2026	7.72	<table border="1"> <tr><td>Aud Fwd Fx Contract 05 May 2026</td><td>3.63</td></tr> <tr><td>Aud Fwd Fx Contract 05 May 2026</td><td>3.56</td></tr> <tr><td>Aud Fwd Fx Contract 02 Jun 2026</td><td>2.91</td></tr> <tr><td>Eur Spot Fx Purchases Settlement</td><td>2.35</td></tr> <tr><td>Eur Fwd Fx Contract 02 Jun 2026</td><td>2.34</td></tr> </table>	Aud Fwd Fx Contract 05 May 2026	3.63	Aud Fwd Fx Contract 05 May 2026	3.56	Aud Fwd Fx Contract 02 Jun 2026	2.91	Eur Spot Fx Purchases Settlement	2.35	Eur Fwd Fx Contract 02 Jun 2026	2.34
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Source: Bloomberg

# HSBC GIF Global Investment Grade Securitised Credit Bond

## Profile

The fund aims to deliver long-term capital appreciation and income through investment in a portfolio of investment-grade securitized credit.

### Primarily Invests in Global Asset-Backed and Mortgage Securities

Actively managed across asset-backed securities (ABS), commercial mortgage-backed securities (CMBS), collateralized loan obligations (CLOs) and residential mortgage-backed securities (RMBS). The fund may also invest in bonds issued or guaranteed by global corporates, governments, government-related entities and supranational organizations.

### Invests in BBB- Rated Securitized Bonds

The fund invests in securitized bonds rated at least BBB- by one major rating agency. The current average credit rating is AA.

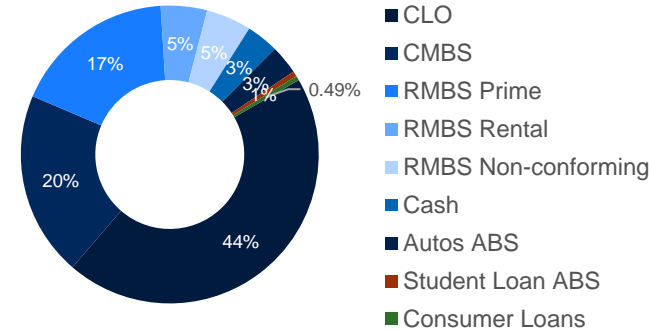
### Regional Exposure Focused on U.S. and Europe

The portfolio is primarily allocated to the U.S. (51.74%), followed by Pan-Europe (20.04%) and the UK (12.87%).

<b>Inception</b>	2018/5/29	<b>AUM</b>	USD 4.592 bln
<b>Morningstar Category</b>	EAA Fund Other Bond	<b>Fund Type</b>	Bond Fund
<b>Morningstar Rating</b>	-	<b>3Y SD (Ann.)</b>	0.81%

Source: Morningstar

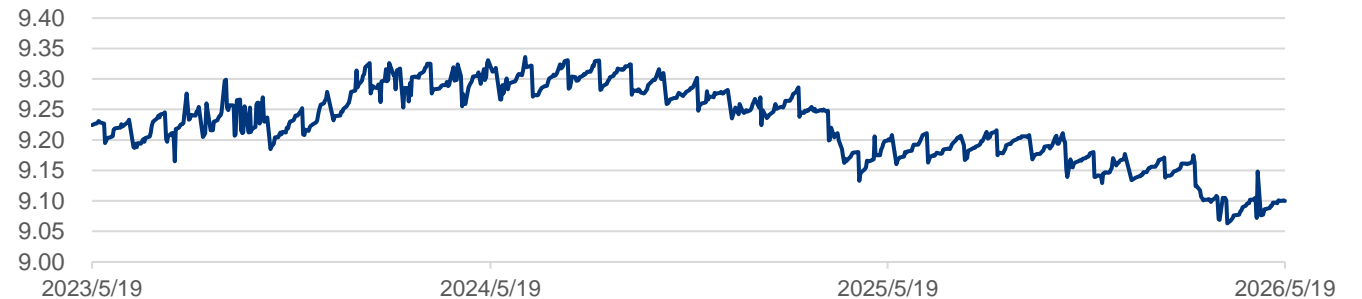
## Assets



## Top-5 Holdings (%)

<b>Gbp Fwd Fx Contract 31 Mar 2026</b>	40.01
<b>Eur Fwd Fx Contract 31 Mar 2026</b>	27.47
<b>Gbp Fwd Fx Contract 31 Mar 2026</b>	12.78
<b>Capital Cash Ctrl</b>	10.35
<b>Aud Fwd Fx Contract 31 Mar 2026</b>	7.72

## NAV



As of 19 May 2026	1M	3M	YTD	1Y	2Y	3Y
<b>Cumulative Return(%)</b>	1.37	-0.19	1.41	-3.11	-1.25	-7.48
<b>Ranking</b>	1	1	4	4	4	4

# HSBC Global Investment Funds – Ultra Short Duration Bond

## Profile

The fund aims to deliver short-term capital growth and income through investment in a portfolio of bonds and money market instruments. The portfolio’s average duration is expected to remain below one year, qualifying as ultra-short duration.

### Primarily Invests in Bonds and Money Market Instruments

Actively managed with an average maturity of 1.58 years. Short-duration bonds help reduce asset price sensitivity to interest rate volatility.

### Focused on Investment-Grade Bonds

The portfolio is mainly allocated to A-rated bonds (49.9%), followed by BBB-rated (24.9%) and AA-rated bonds (15.3%).

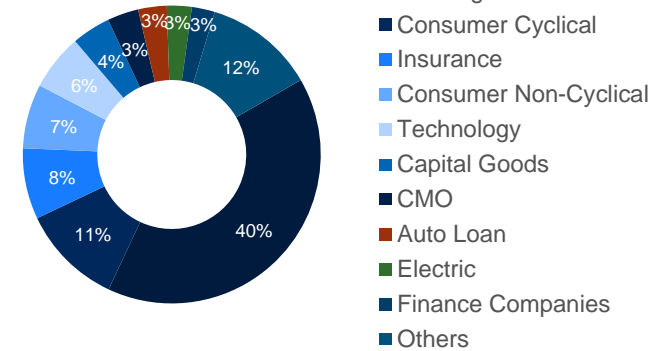
### U.S.-Focused Regional Allocation

The fund is primarily allocated to the U.S. (60.1%), followed by the UK (8.4%) and Australia (7.2%).

<b>Inception</b>	2021/6/7	<b>AUM</b>	USD 7.704 bln
<b>Morningstar Category</b>	EAA Fund USD Ultra Short-Term Bond	<b>Fund Type</b>	Bond Fund
<b>Morningstar Rating</b>	★★★★★	<b>3Y SD (Ann.)</b>	0.46%

Source: Morningstar

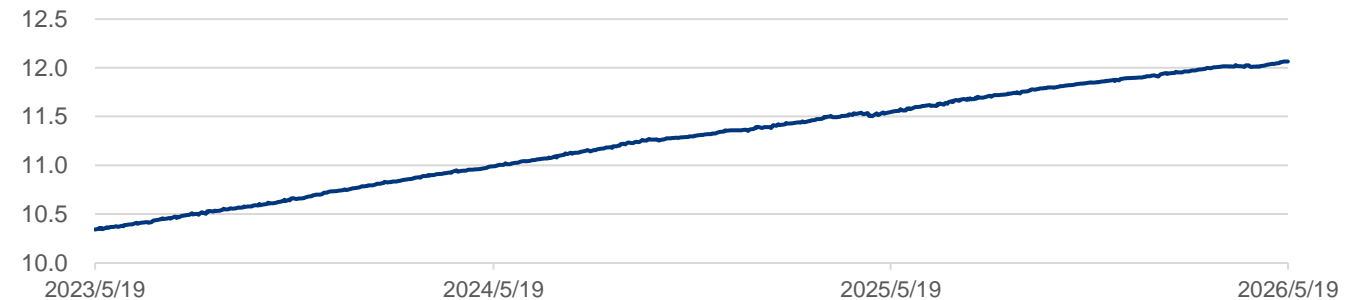
## Assets



## Top-5 Holdings (%)

<b>Aud Fwd Fx Contract 05 May 2026</b>	3.63
<b>Aud Fwd Fx Contract 05 May 2026</b>	3.56
<b>Aud Fwd Fx Contract 02 Jun 2026</b>	2.91
<b>Eur Spot Fx Purchases Settlement</b>	2.35
<b>Eur Fwd Fx Contract 02 Jun 2026</b>	2.34

## NAV



As of 19 May 2026	1M	3M	YTD	1Y	2Y	3Y
<b>Cumulative Return(%)</b>	0.17	0.64	1.23	4.23	9.79	16.84
<b>Ranking</b>	4	3	3	3	2	2

## Software Stocks Rebound After Deep Pullback; Best Used as Satellite Exposure

### ► iShares Expanded Tech-Software Sector ETF (IGV US)

- Seeks to track the performance of the S&P North American Expanded Technology Software Index.
- The index consists of North American software companies and selected names from interactive media and entertainment sectors.
- Top holdings typically include leading global software names such as Palantir, Microsoft, Oracle, Salesforce and Palo Alto Networks.

### ► First Trust Cloud Computing ETF (SKYY US)

- Seeks to track the ISE CTA Cloud Computing Index.
- Invests in U.S.-listed companies tied to cloud computing.
- One of the largest cloud computing ETFs, covering SaaS, PaaS and IaaS segments.
- Portfolio holdings are relatively diversified, with the top 10 positions accounting for around 39% of assets.

Product	iShares Expanded Tech-Software Sector ETF (IGV US)		First Trust Cloud Computing ETF (SKYY US)	
Features	<ul style="list-style-type: none"> <li>■ The index tracks North American software-related equities under GICS, with weight caps on large-cap stocks to avoid concentration.</li> </ul>		<ul style="list-style-type: none"> <li>■ Constituents must be CTA-recognized cloud firms; index uses score weighting with a 4.5% cap.</li> </ul>	
AUM	USD 14.366 billion		USD 2.685 billion	
Tracking Index	S&P North American Expanded Technology Software Index		ISE CTA Cloud Computing Index	
Exchange	NYSE		NYSE	
Currency	USD		USD	
Holdings	111		62	
Expense Ratio	0.39%		0.60%	
3M/YTD Reutrnr	15.52 / -11.70%		16.03% / -0.61%	
Top Sector Allocations (%)	Application Software	56.54	Software	42.30
	System Software	39.97	IT Services	26.86
	Interactive Home	3.24	Technology Hardware, Storage & Peripherals	10.61
	Interactive Media & Services	0.23	Communications Equipment	6.43
			Interactive Media & Services	3.94
Holdings (%)	Oracle	8.86	DigitalOcean	5.75
	Microsoft	8.21	Nutanix	4.00
	Palo Alto Networks	7.15	Oracle	3.96
	Palantir	7.10	Alphabet	3.94
	Salesforce	6.19	Amazon	3.91

Source: Bloomberg

# iShares Expanded Tech-Software Sector ETF (IGV US)

## Profile

This ETF tracks the S&P North American Expanded Technology Software Index and seeks investment results that closely correspond to the index.

### Broad Exposure to U.S. Software Stocks

The index measures U.S. companies and U.S.-listed Canadian firms across GICS software sub-industries, including application software, system software and home entertainment software.

### Weight Caps Reduce Concentration Risk

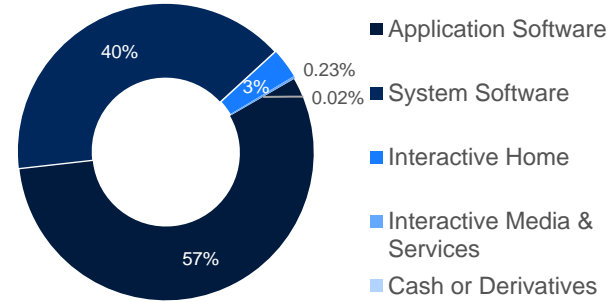
The index uses market-cap weighting but caps larger holdings at 8.5%. Companies with weights above 4.5% cannot exceed a combined 45%, with weights rebalanced quarterly.

### Tilted Toward Mid- and Large-Caps

According to Morningstar classifications, the ETF allocates 66% to large-cap stocks, 21% to mid-caps and 13% to small-caps.

<b>Inception</b>	2001/7/10	<b>AUM</b>	USD 14.366 bln
<b>ETF Category</b>	Equities	<b>Holdings</b>	111
<b>Expense Ratio</b>	0.39%	<b>3Y SD (Ann.)</b>	24.99%

## Sectors



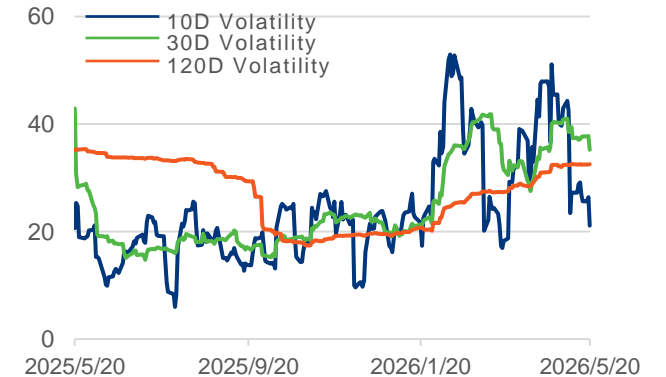
## Top-5 Holdings (%)

<b>Oracle</b>	8.86
<b>Microsoft</b>	8.21
<b>Palo Alto Networks</b>	7.15
<b>Palantir</b>	7.10
<b>Salesforce</b>	6.19

## Price Trend (Past 1 Year)



## Volatility (Past 1 Year)



As of 20 May 2026	1M	3M	YTD	1Y	3Y	5Y
<b>Cumulative Return(%)</b>	8.13	15.52	-11.70	-10.86	49.15	33.31

Source: Bloomberg

# First Trust Cloud Computing ETF (SKYY US)

## Profile

This ETF tracks the ISE CTA Cloud Computing Index and seeks investment results that closely correspond to the index.

### Focused on the Cloud Computing Theme

Index constituents must qualify as cloud computing companies under Consumer Technology Association (CTA) criteria and meet screening requirements for market cap, free float and liquidity.

### Cloud Exposure Score-Based Weighting

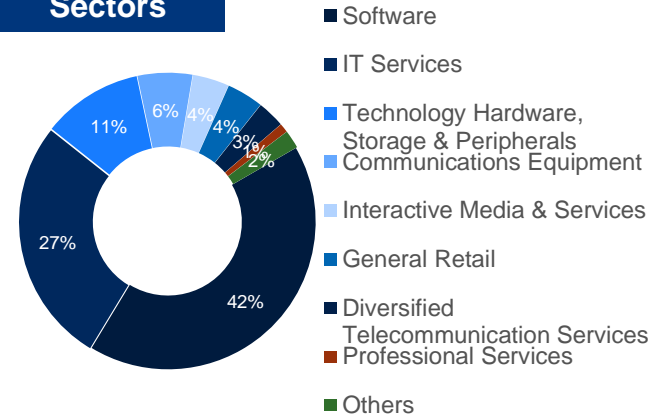
The index uses a cloud exposure scoring model. Companies receive scores based on involvement in IaaS, PaaS and SaaS, with scores of 3, 2 and 1, respectively. A company can receive a maximum score of 6, with portfolio weights determined by each company's score relative to the total.

### Single-Stock Weight Caps Applied

Individual holdings are capped at 4.5%, while the index holds up to 80 constituents.

<b>Inception</b>	2011/7/5	<b>AUM</b>	USD 2.685 bln
<b>ETF Category</b>	Equities	<b>Holdings</b>	62
<b>Expense Ratio</b>	0.60%	<b>3Y SD (Ann.)</b>	23.38%

## Sectors



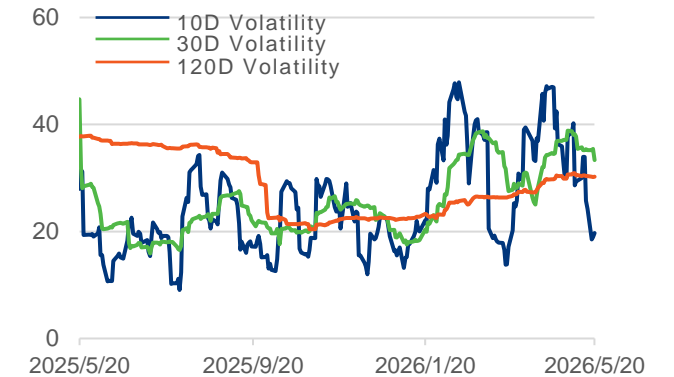
## Top-5 Holdings (%)

<b>DigitalOcean</b>	5.75
<b>Nutanix</b>	4.00
<b>Oracle</b>	3.96
<b>Alphabet</b>	3.94
<b>Amazon</b>	3.91

## Price Trend (Past 1 Year)



## Volatility (Past 1 Year)



As of 20 May 2026	1M	3M	YTD	1Y	3Y	5Y
<b>Cumulative Return(%)</b>	8.43	16.03	-0.61	11.34	89.99	35.39

Source: Bloomberg

## Rate Uncertainty Favors Floating-Rate Protection

- Markets have increasingly priced in the risk of renewed Fed rate hikes, driven by concerns that inflation could reaccelerate. Rising energy prices and sticky core inflation have led investors to sharply scale back earlier rate-cut expectations.
- Latest data show inflation rebounding, with U.S. April CPI rising to 3.8% YoY from 3.3%, the highest since May 2023. The increase was largely driven by geopolitical tensions in the Middle East that pushed energy inflation to 17.9%. Core CPI also edged up to 2.8%, slightly above expectations. Meanwhile, unemployment held at 4.3%, highlighting continued labor market resilience.
- While markets still broadly expect a soft-landing scenario, the surge in energy prices has revived concerns over upside inflation risks and renewed discussion of stagflation.
- Fed funds and SOFR futures now imply a rising probability that rates remain elevated through 2026, with markets increasingly pricing in a 25 bps hike by late 2026 or early 2027. Expectations have shifted toward a “higher for longer” environment, with further hikes possible if inflation remains uncontrolled.
- Against a backdrop of elevated funding costs and greater volatility, investors are increasingly turning to floating-rate notes (FRNs). Coupon payments reset periodically, typically based on 90-day SOFR plus a fixed spread. As benchmark rates rise, yields adjust higher, allowing investors to benefit from elevated income. Their lower duration also reduces price sensitivity versus fixed-rate bonds, making FRNs an effective hedge against persistent inflation and renewed rate-hike risks.

Product	MQGAU F 03/29/29	SOCGEN F 05/22/29
Issuer	Macquarie Bank	Société Générale
Region	Australia	France
Currency	USD	USD
Rating Moody's/Fitch/S&P	Aa2/A+/A+	Baa2/BBB/A-
YTM	3.97	4.31

Product	SUMITR F 03/05/29	WFC F 05/20/29
Issuer	Sumitomo Mitsui Trust Bank	Wells Fargo
Region	Japan	US
Currency	USD	USD
Rating Moody's/Fitch/S&P	A1/A/-	A1/BBB+/A+
YTM	4.00	4.05

\*The aforementioned investment-grade bonds are floating-rate instruments with maturities not exceeding three years, provided strictly for reference purposes.

## Appendix

## Key Economic Data / Events

## ► MAY 2026

18

Monday

- China Apr Retail Sales YoY  
(Act:0.2% Est:2.0% Prev:1.7%)
- China Apr Industrial Production YoY  
(Act:4.1% Est:6.0% Prev:5.7%)

19

Tuesday

- Japan 1Q GDP QoQ Annualized  
(Act:2.1% Est:1.7% Prev:0.8%)
- Japan Mar Industrial Production MoM Final  
(Act:-0.4% Prev:-2.0%)

20

Wednesday

- Eurozone Apr CPI YoY Final  
(Act:3.0% Est:3.0% Prev:2.6%)
- Taiwan Apr Export Orders YoY  
(Act:48.1% Est:45.0% Prev:65.9%)

21

Thursday

- U.S. Initial Jobless Claims  
(Act:209k Est:210k Prev:212k)
- U.S. Apr Existing Home Sales
- U.S. May S&P Global Manufacturing PMI Prelim  
(Act:55.3 Est:53.8 Prev:54.5)
- Japan May S&P Global Manufacturing PMI Prelim  
(Act:54.5 Prev:55.1)
- Eurozone May S&P Global Manufacturing PMI Prelim  
(Act:51.4 Est:51.8 Prev:52.2)

22

Friday

- U.S. May Univ. of Michigan Consumer Sentiment Final  
(Est:48.2 Prev:49.8)
- Japan Apr National CPI YoY  
(Act:1.4% Est:1.6% Prev:1.5%)

25

Monday

26

Tuesday

- U.S. May Conference Board Consumer Confidence  
(Est:91.5 Prev:92.8)

27

Wednesday

28

Thursday

- U.S. Initial Jobless Claims  
(Prev:209k)
- U.S. Apr PCE YoY  
(Est:3.9% Prev:3.5%)
- U.S. Apr Core PCE YoY  
(Est:3.3% Prev:3.2%)
- U.S. 1Q GDP QoQ Annualized Revision  
(Est:2.1% Prev:0.5%)
- Earnings: COST, CRM

29

Friday

- Japan Apr Unemployment Rate  
(Est:2.7% Prev:2.7%)
- Japan Apr Retail Sales MoM  
(Est:0.4% Prev:1.0%)
- Earnings: DELL

Source: Bloomberg

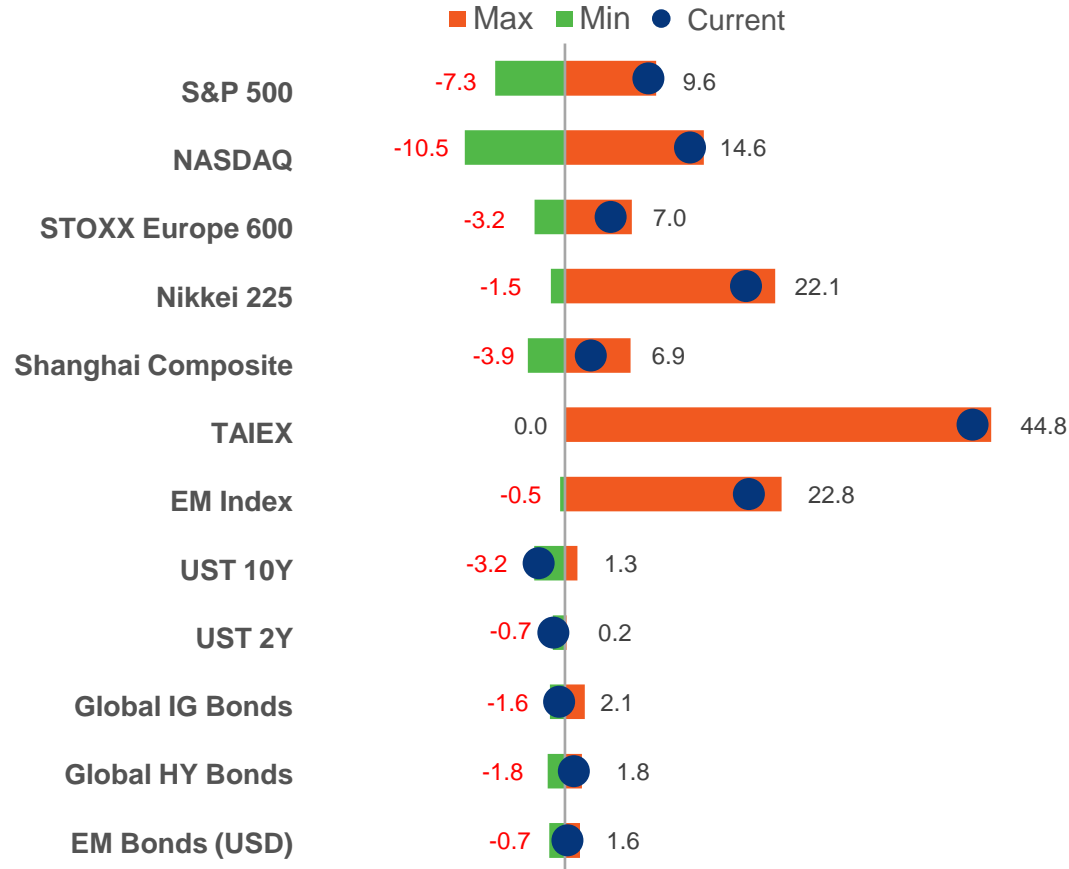
# Key Earnings Releases

Date	Name	Revenue (F) (USD)	Actual Revenue (USD)	EPS (F) (USD)	Actual EPS (USD)	Exceed Expectation Revenue	Exceed Expectation EPS
2026/5/19	Home Depot (HD)	41.58B	41.77B	3.41	3.43	V	V
2026/5/20	TJX (TJX)	14.01B	14.32B	1.01	1.19	V	V
2026/5/21	NVIDIA (NVDA)	79.19B	81.62B	1.77	1.87	V	V
2026/5/21	Walmart (WMT)	175.06B	177.75B	0.66	0.66	V	
2026/5/21	Deere (DE)	11.48B	11.78B	5.7	6.55	V	V
2026/5/21	Lowe's (LOW)	22.98B	23.08B	2.97	3.03	V	V
2026/5/22	Analog Devices (ADI)	3.51B	3.62B	2.92	3.09	V	V

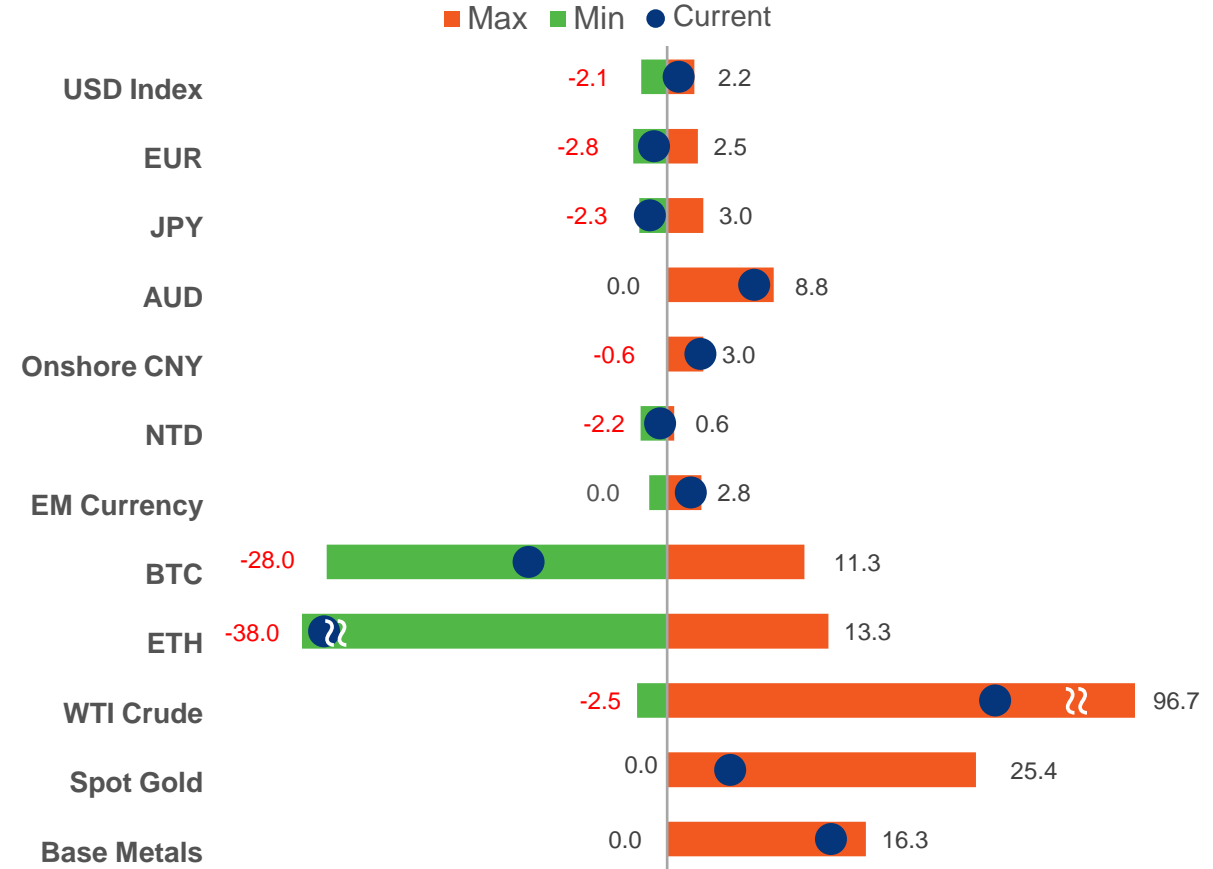
Source: Investing.com

# Major Market / Asset YTD Performance

## Equities & Bond Markets YTD Performance (%)

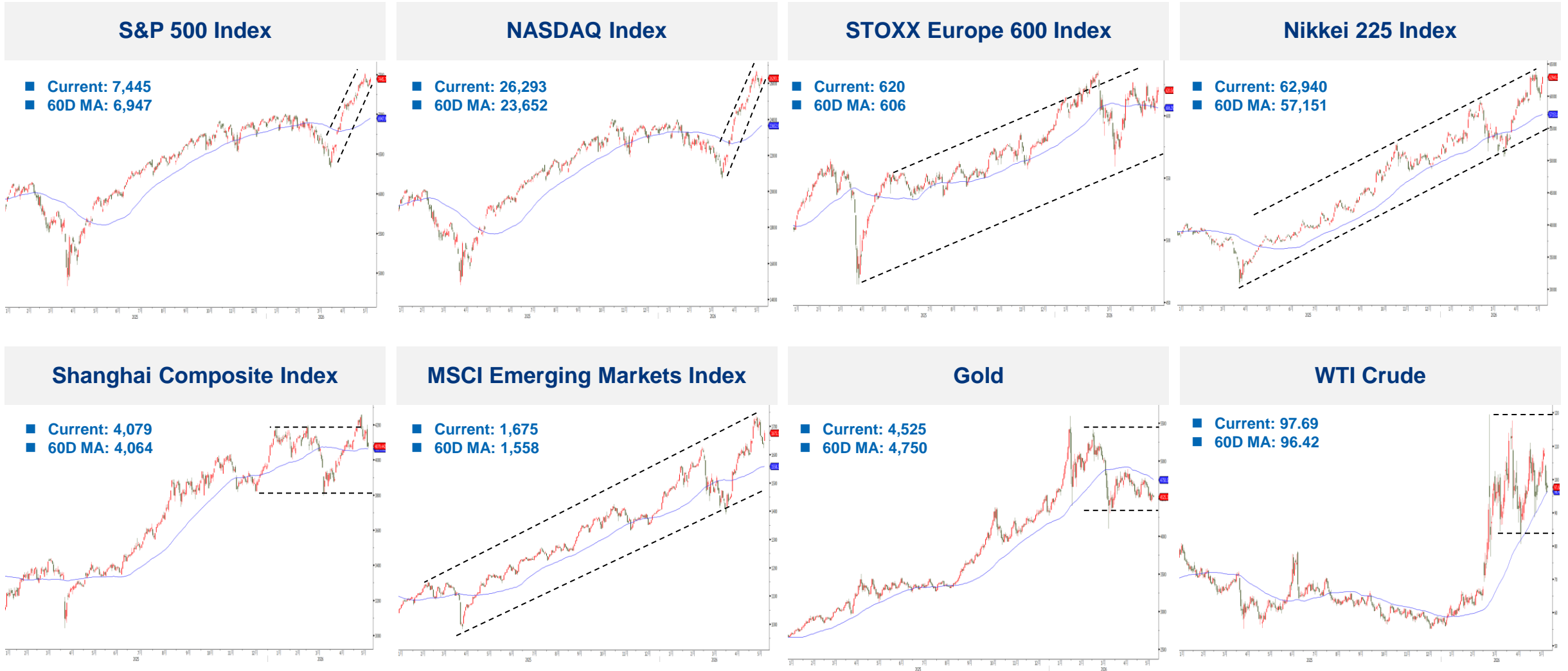


## Currencies and Commodities Market YTD Performance (%)



Source: Bloomberg

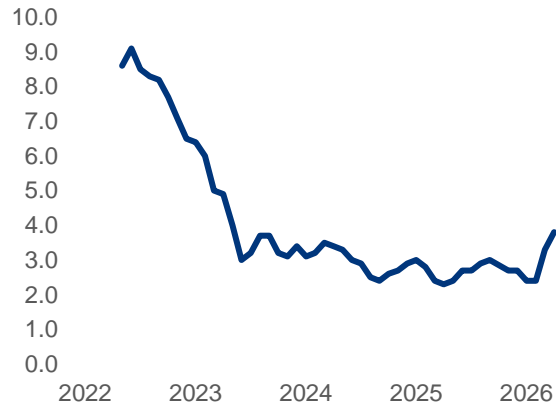
# Technical Analysis



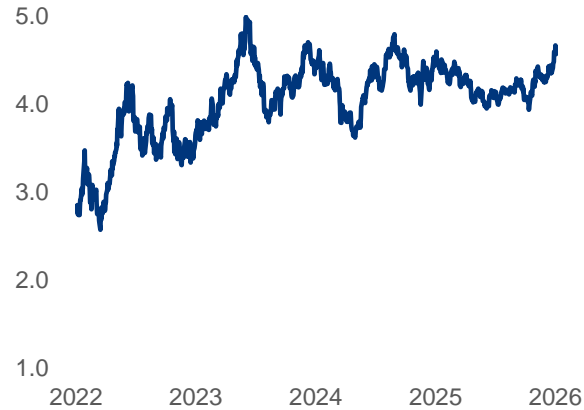
Source: Bloomberg

# Market Monitor

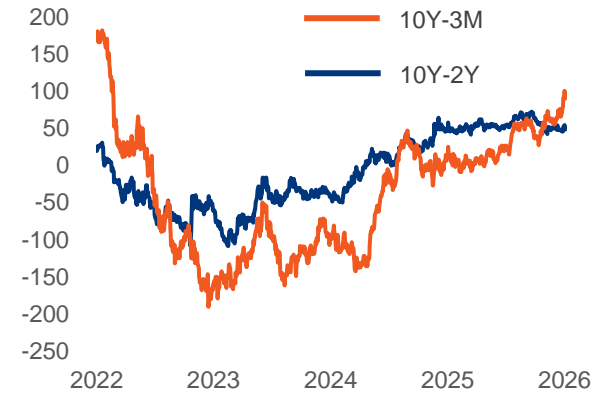
U.S. CPI YoY (%)



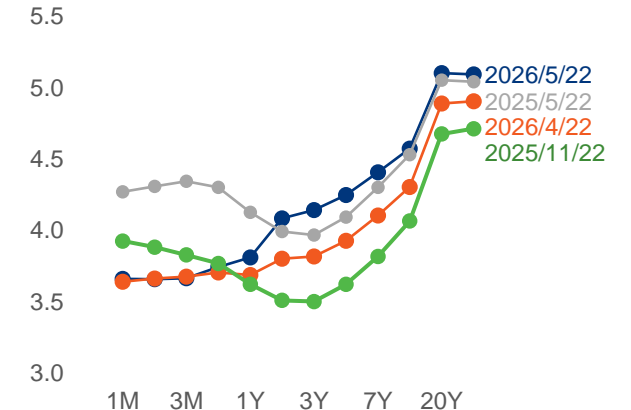
U.S. 10-Year Treasury Yield (%)



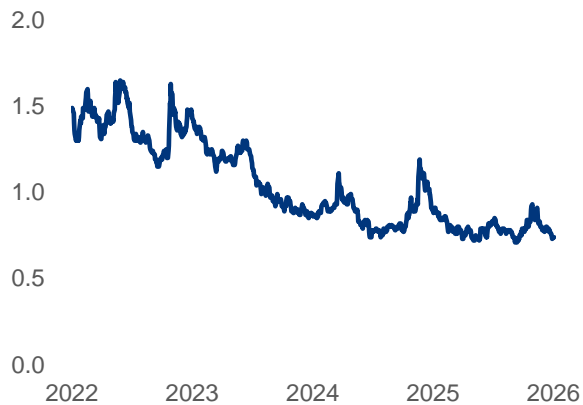
U.S. Treasury Yield Spread (bps)



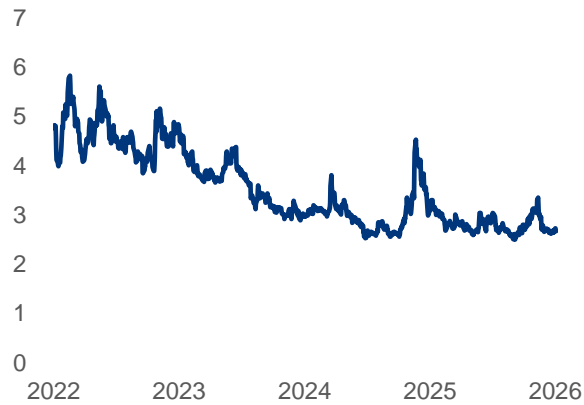
U.S. Treasury Yield Curve (%)



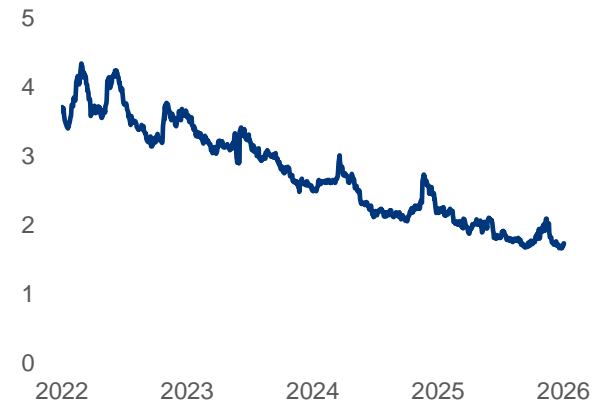
USD IG Credit Spread (%)



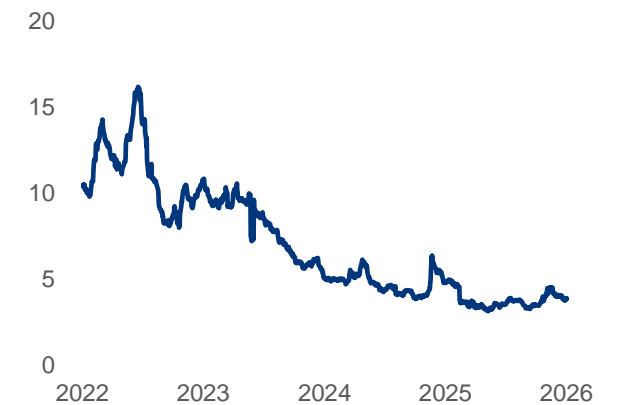
USD HY Credit Spread (%)



USD EM Credit Spread (%)



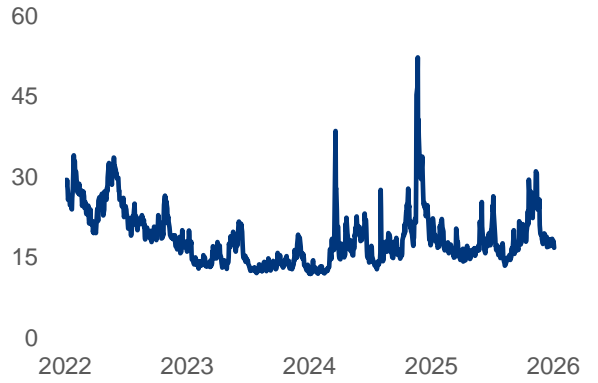
USD Asia Credit Spread (%)



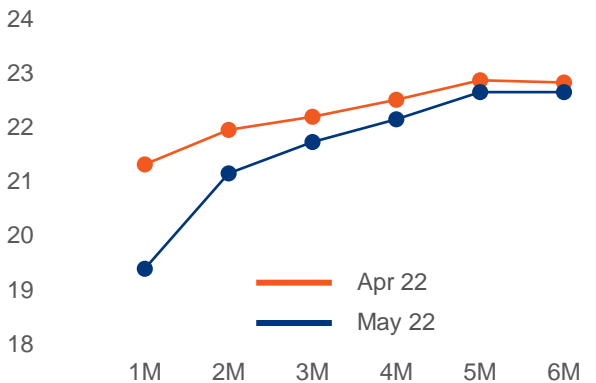
Source: Bloomberg

# Market Monitor

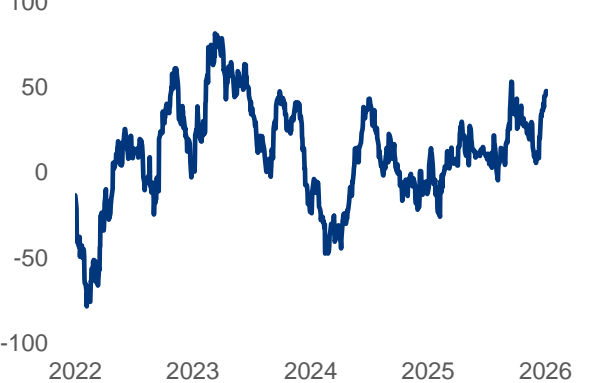
**VIX Index**



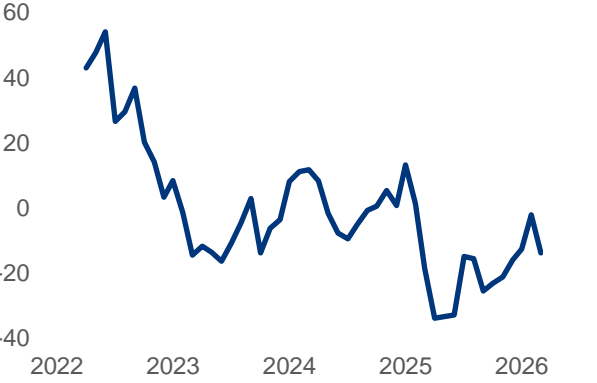
**VIX Term Structure**



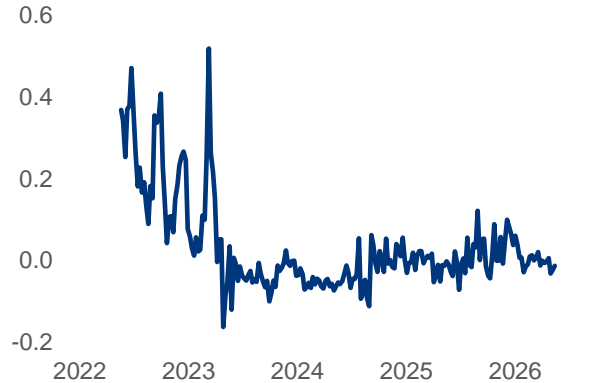
**U.S. Citi Economic Surprise Index\***



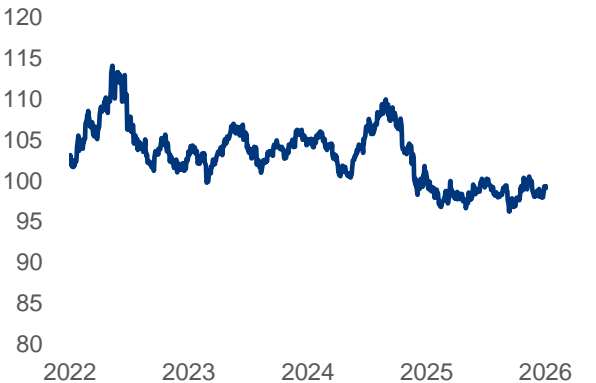
**U.S. Citi Inflation Surprise Index\***



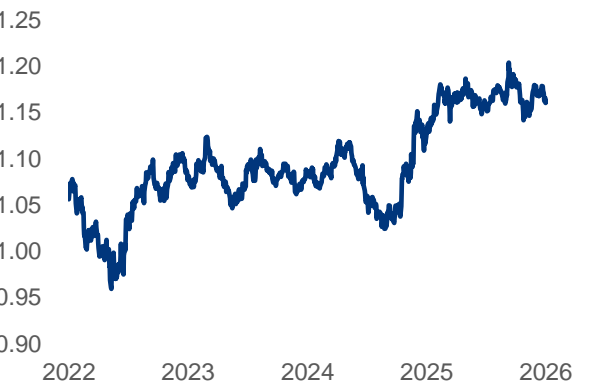
**TED Spread (bps)**



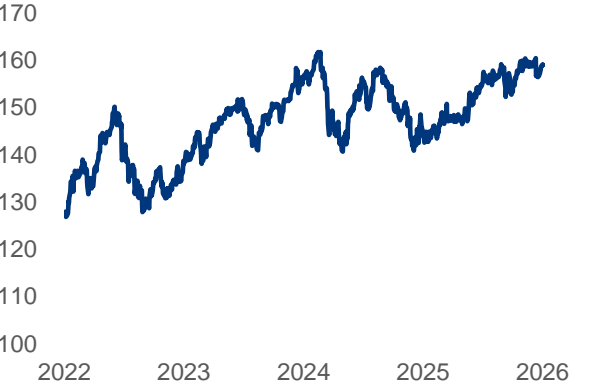
**U.S. Dollar Index**



**EUR to USD**



**USD to JPY**



Source: Bloomberg

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