KGI

CIO Office | Global Markets Weekly Kickstart

Investing Strategies within Volatile Markets

9 November 2026

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CIO Insights

Deriving Insights From The Market

- **The AI Skepticism & Monetization Reality**

  The market is increasingly impatient with heavy artificial intelligence capital expenditures, heavily punishing hyperscalers and platforms (such as Meta, Google, and Intel) for cash burn and soft outlooks. Conversely, cash-generating hardware suppliers (like AMD and SK Hynix) and application-focused giants with vast user bases (like Apple) are being rewarded for immediate cashflow and proven monetization pathways. The market is impatient to wait for the long-term promised return of AI as the cost of money has risen.

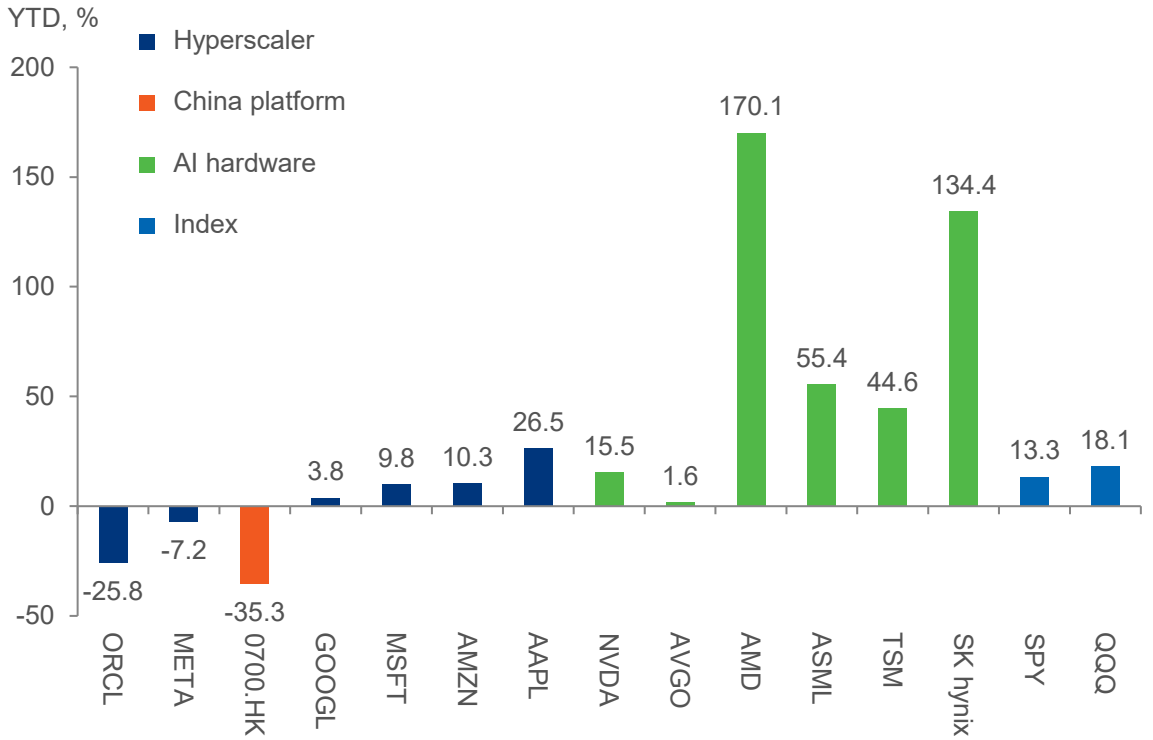
- **Macro Dynamics & Yield Curve Flattening**

  Front-end Treasury yields have risen faster than long-term yields, driven by high short-term refinancing needs and elevated oil prices. While economic indicators remain mixed—with soft labor metrics contrasting against weakening retail sales and consumer sentiment—the market is actively pricing in a slowing-growth scenario which cannot possibly sustain a high level of long-term interest rate.

- **Actionable Investment Strategies**

  In response to tight funding costs and limits on near-term AI returns, investors should use any potential market rebounds to consolidate their AI holdings and rotate into quality defensive sectors (such as healthcare, renewable energy, and defense). Additionally, fixed-income investors should capitalize on current market dislocations by lengthening portfolio duration and incorporating longer-term Treasuries and investment-grade corporates.

The Market Does Not Believe The Long-term AI Promise; Cash Is King



Source: Bloomberg, KGI

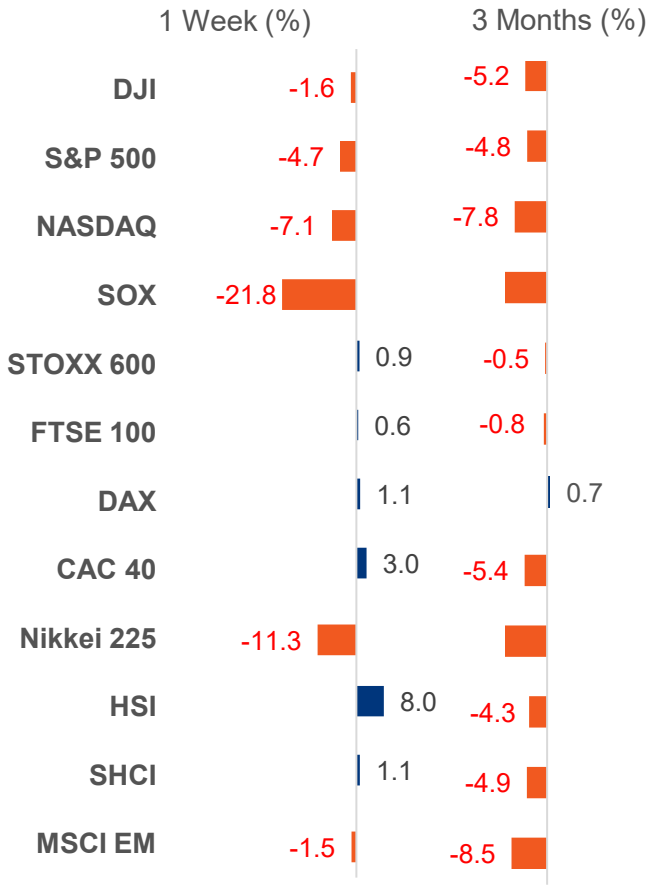
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Market Recap

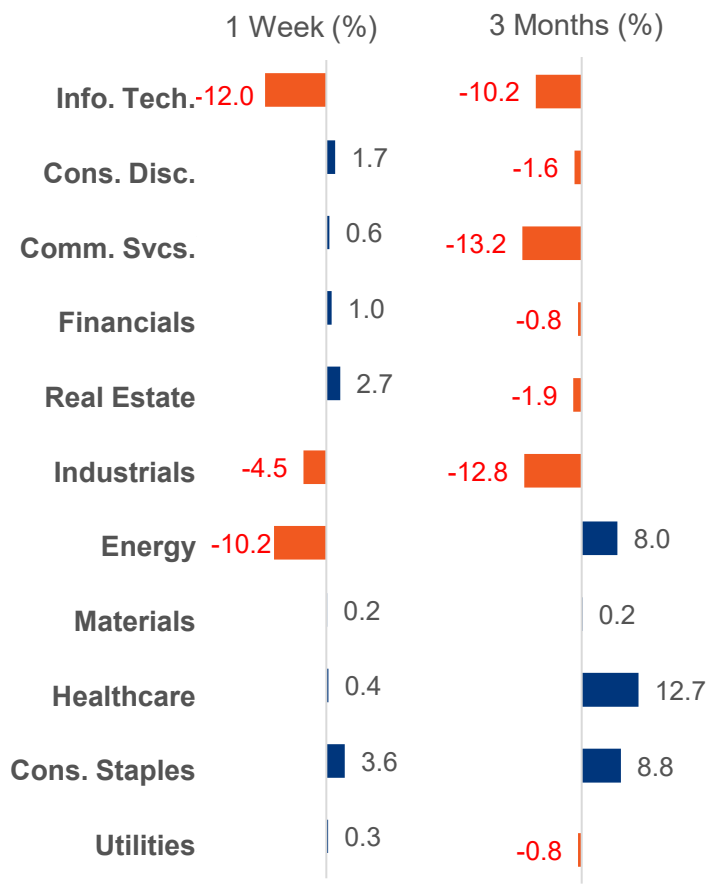
Midterm AI Policy Turmoil Drags U.S. Tech to Lead Global Declines

- Over the past week, U.S., Japanese, and emerging market equities underperformed Hong Kong and European stocks. Markets worried that Democratic control of both chambers of Congress could slow the expansion of AI infrastructure. President Trump said he accepted the Republican defeat and was willing to seek bipartisan cooperation with Democrats, but this did not ease concerns, and major U.S. indices broadly closed lower. In Europe, some investors moved money into European markets as a safe haven amid the global tech valuation correction, helping European stocks rebound after steep losses. In Asia, Japanese equities fell in line with the U.S. because of their close ties to the AI supply chain, while Hong Kong stocks were lifted by Tencent's launch of a new AI model, which sent related sectors sharply higher.
- Concerns about disappointing earnings from U.S. tech giants, constraints on AI infrastructure, peaking capex, and negative free cash flow triggered large outflows from Semiconductors, Information Technology, and Communication Services. The money rotated into defensive sectors such as Consumer Staples, Health Care, and Utilities.

Regional Index Performance (%)



U.S. Sector Index Performance (%)



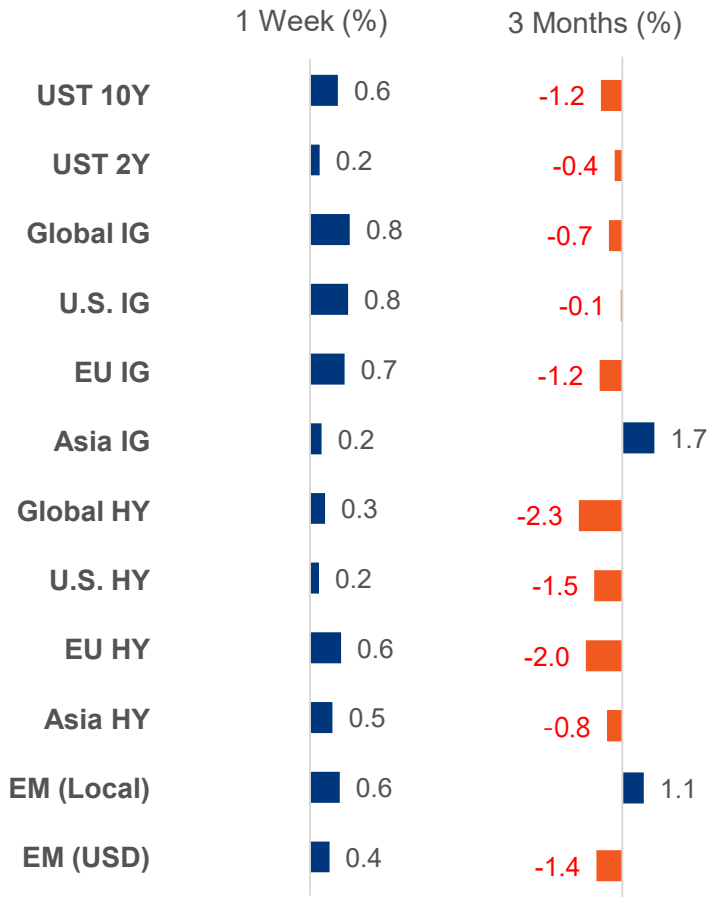
Source: Bloomberg

Market Recap

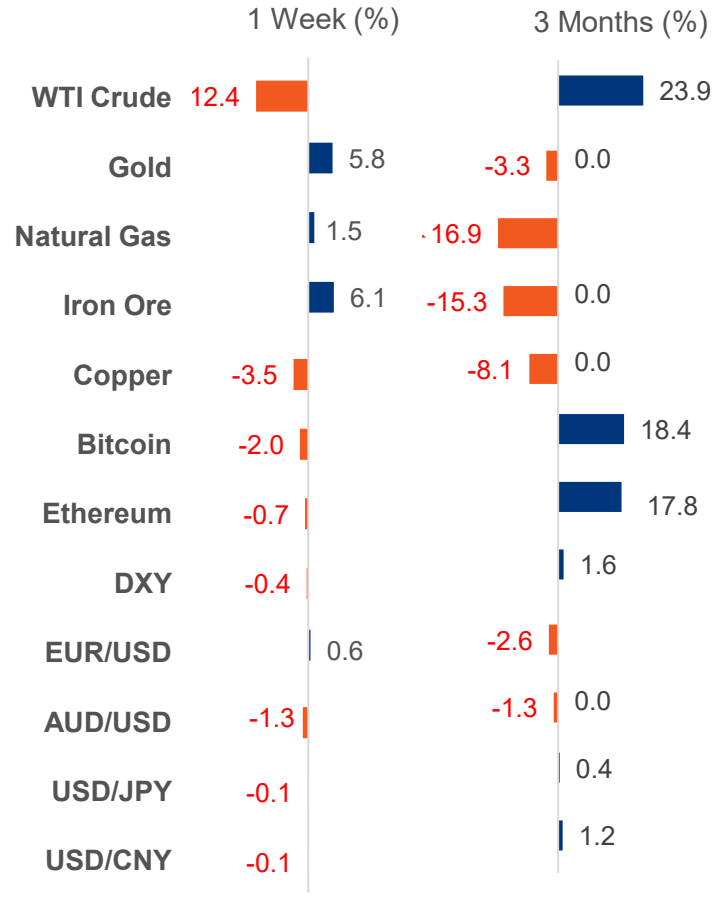
Expected Easing of U.S.-Iran Tensions Lifts Bonds and Pulls Oil Prices Lower

- The U.S. midterm results gave Democrats majorities in both the Senate and the House, which is expected to limit fiscal expansion. Policy is likely to focus on easing rising living costs for households and resolving the U.S.-Iran war more quickly, which pulled energy prices down from their highs. Expectations of cooling inflation, lower interest rates, and rising risk aversion drove money into bonds and lifted global bond prices. U.S. 2- and 10-year Treasuries, global investment-grade bonds, high-yield bonds, and emerging market bonds all rallied. Gold also rebounded sharply from its lows as safe-haven buyers stepped in.
- The EUR held up relatively well. Eurozone October CPI rose to 4.0% YoY, its highest level in three years, driven mainly by energy costs. Markets expect the ECB may hike again in December, which would support the EUR. In Japan, the BOJ raised rates in September, but its forward guidance was more neutral and less hawkish than markets had expected, so the JPY remained weak and range-bound.

Performance of Bonds (%)



Performance of Commodities and Currencies (%)



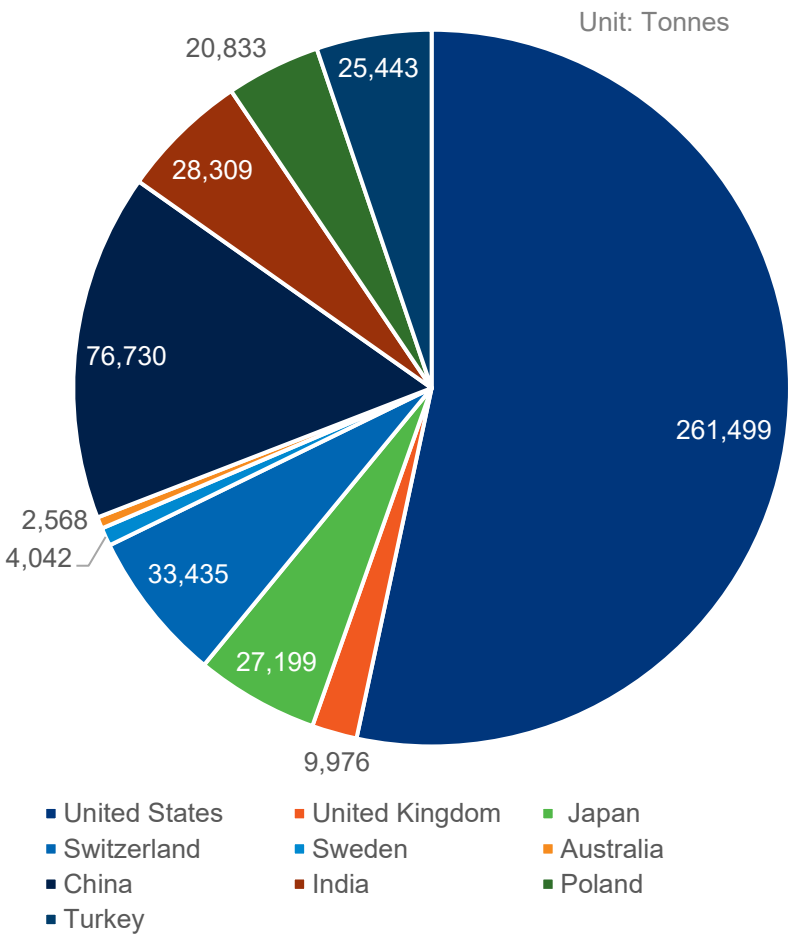
Source: Bloomberg

What's Trending

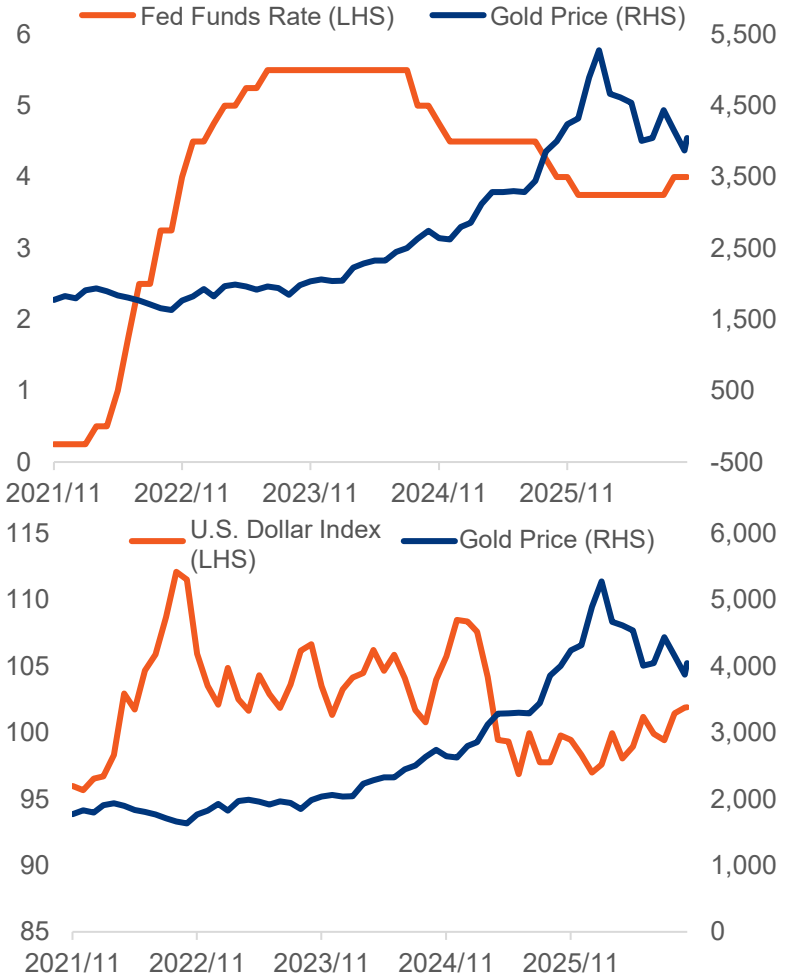
Divided Government and Middle East Stalemate Drive Rotation into Gold as a Safe Haven

- Gold prices have rebounded sharply after a consolidation in the second quarter. After the U.S. midterm elections, markets grew worried that AI regulation would tighten. Together with a sharp correction in chips and tech stocks, this pushed some investors into defensive assets such as gold.
- According to the latest World Gold Council report, global central banks bought a net 321 tonnes of gold in 3Q, up clearly from 2Q. The total rose 42% YoY and was the highest quarterly purchase since 4Q24. Central banks bought 675 tonnes in total over the first three quarters. This shows that gold has become an essential part of central bank reserves, and its share keeps growing steadily.
- Gold has long served as a hedge against inflation. Since 2020, gold prices have kept rising steadily through two global rate-hike cycles, as the chart of gold against the federal funds rate shows. This reflects its role as a store of value. U.S. fiscal deficit pressures are also unlikely to ease, which could erode the USD's long-term purchasing power and speed up de-dollarization by central banks. We therefore recommend including gold in asset allocations.

Latest Central Bank Gold Reserves



Gold vs. U.S. Dollar Index vs. Fed Funds Rate



Source: Bloomberg

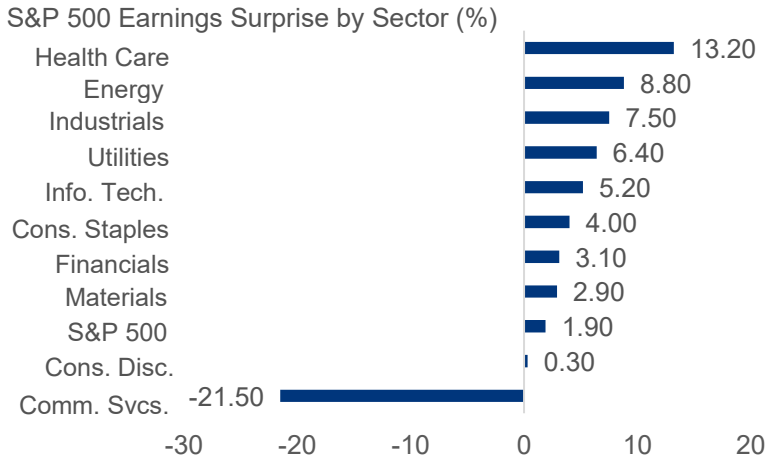
What's Trending

Earnings and Policy Tailwinds Make Health Care a Market Favorite

- Health Care showed strong earnings resilience in the U.S. third-quarter reporting season. Among major sectors, it posted the largest margin of earnings beats versus expectations. Results were driven mainly by large drugmakers such as Eli Lilly, Regeneron Pharmaceuticals, and Gilead Sciences, where demand continues to grow for obesity drugs, cancer treatments, and innovative therapies. This helped the sector beat market expectations overall.
- The outlook for healthcare policy has become clearer since the midterm elections. Democrats support expanding health insurance coverage, extending Affordable Care Act (ACA) subsidies, and softening Medicaid cuts. These measures should increase the use of healthcare services. Drug price negotiation policies may put some pressure on pricing. Overall, however, the policy agenda could support innovative drugs, biotech R&D, and the health insurance industry.
- With AI investment returns now under scrutiny, investors continue to look for defensive positioning. Health Care has a low correlation with Information Technology, which helps reduce a portfolio's reliance on a single AI theme. Stronger 3Q earnings momentum, steady demand for innovative drugs, and better industry visibility should help the sector keep benefiting from sector rotation.

Source: Bloomberg, Factset

Health Care's 3Q Earnings Beat Expectations by a Wide Margin



Low Correlation with Tech Makes Health Care an Effective Diversifier

Sector	Health Care	S&P 500	Info. Tech.	3M Return (%)
Health Care	1.00	0.33	0.07	14.22%
S&P 500	0.33	1.00	0.91	-0.90%
Info. Tech.	0.07	0.91	1.00	-0.90%
Financials	0.40	0.74	0.48	0.66%
Cons. Disc.	0.19	0.82	0.69	-2.56%
Comm. Svcs.	0.11	0.75	0.67	-16.30%
Industrials	0.40	0.80	0.62	-7.03%
Cons. Staples	0.42	0.22	-0.04	9.45%
Energy	0.17	0.07	-0.08	15.39%
Utilities	0.27	0.20	0.06	-0.83%
Materials	0.57	0.59	0.35	5.91%

Policy Issue	Democratic Position	Republican Position	Bipartisan Consensus: Potential Impact on Pharma
Lowering Drug Prices	Expand the scope of Medicare drug price negotiation under the IRA	Lower drug prices through a MFN pricing mechanism	Both parties support lowering drug prices Pricing pressure on drugmakers
U.S. Domestic Manufacturing	Reshore production via R&D subsidies, tax incentives, and industrial policy	Drive reshoring of pharmaceutical capacity through tariffs, supply-chain restructuring, and corporate commitments	Both parties support a self-reliant pharmaceutical supply chain Positive for domestic drugmakers and API supply-chain investment
Health Insurance Coverage	Extend ACA subsidies, expand Medicaid coverage, and soften Medicaid cuts	Favor a state- and market-led healthcare system with limited federal spending	A shared focus on affordability should boost patient visits and prescriptions, supporting long-term demand for pharma, healthcare services, and insurers
FDA Review Resources	Increase FDA review budgets and staffing	Focus on improving regulatory efficiency, with limited additional resources	Both parties support faster new drug reviews Positive for innovative drug and biotech companies

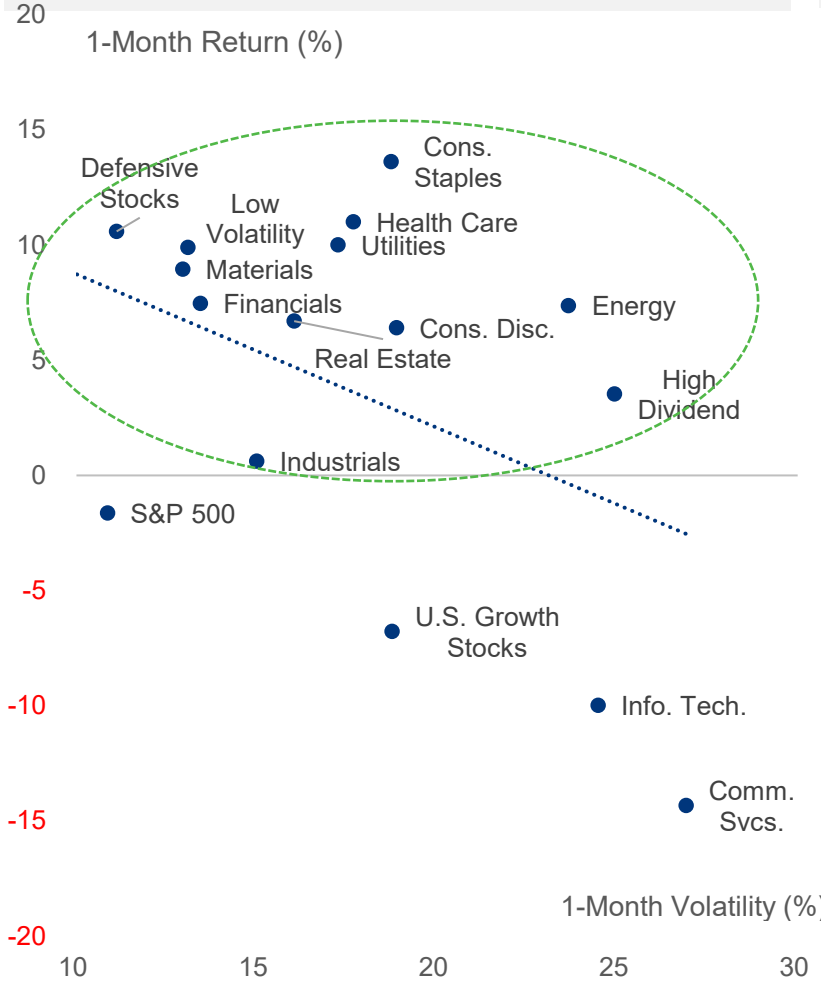
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In Focus

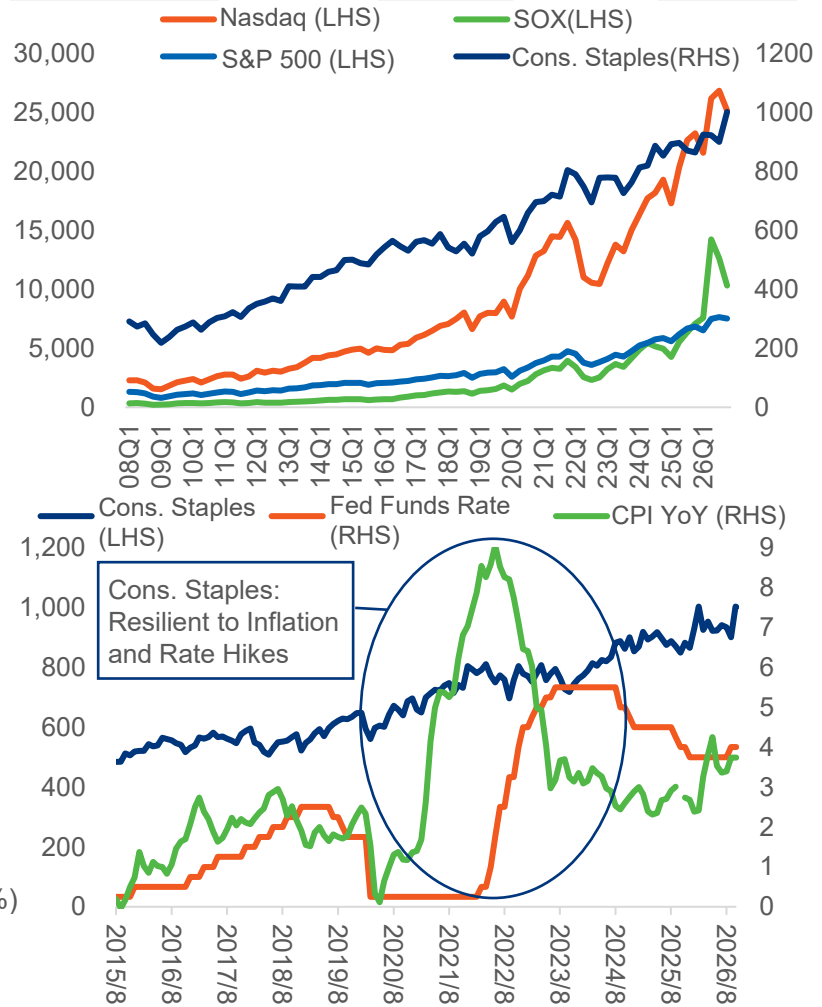
Add Consumer Staples to Strengthen Portfolio Resilience

- In the near term, high-volatility segments such as U.S. growth stocks, Information Technology, and Communication Services clearly underperformed the broader market during the recent sell-off. IT and Communication Services were the most volatile and fell the most. Several concerns drove money out of these sectors: disappointing earnings from U.S. tech giants, negative free cash flow, the risk that Democrats could slow AI infrastructure build-out after the midterms, and signs that capex may be peaking. The money moved into defensive sectors such as Consumer Staples, Health Care, and Utilities, which delivered steadier returns and attracted investor interest.
- Over the long term, Consumer Staples have risen steadily since 2008. During the recent AI tech correction, the SOX fell 18%, the Nasdaq fell 6%, and the S&P 500 fell 1% over the same period, while Consumer Staples rose 13%. This highlights the sector's low volatility and resilience.
- Since 2015, Consumer Staples have been relatively unaffected by two inflation and rate-hike cycles. From an asset allocation perspective, we recommend following near-term fund flows into Consumer Staples to strengthen portfolio resilience.

Consumer Staples Lead Monthly Gains as Safe-Haven Flows Pour In



Consumer Staples Deliver Steady Long-Term Returns, Inflation Resilience, and Low Volatility



Source: Bloomberg

Strategic Viewpoint

Follow Safe-Haven Flows Near Term; Embrace AI Political Dividends Medium Term

Asset Type	Market View	Preferred Assets
Equities	◆ With the U.S. midterm elections over and U.S.-Iran tensions expected to ease, market focus should return to fundamentals. However, tighter state government policies could slow AI data center build-out, adding valuation pressure and stock price volatility. In the near term, investors can build positions in defensive stocks and diversify across regions and sectors to strengthen resilience and reduce the impact of market swings. Over the long term, the AI approach is shifting from broad optimism to a focus on quality stocks with stronger financial health, with large caps preferred over small caps. The positive long-term trend remains intact after the current volatility. ◆ European and Japanese equities offer diversification, and rising interest rates support bank stocks. Backed by fiscal policy support, European defense also remains an attractive investment theme.	**Strategy:** Defensive near term; favor financially strong, large-cap AI quality names; Consumer Staples and Health Care for non-AI exposure **Regions**: Japan Banks, European Defense
Bonds	◆ Treasury yields have eased as money flows into bonds. However, the Fed's latest dot plot shows officials still expect room for one more 25bp hike before year-end, and the Fed is leaning toward keeping rates higher to curb inflation. We recommend focusing on short- and intermediate-duration bonds and using rate spikes to lock in yields and income. High-quality issuers have stronger fundamentals, stable cash flows, and solid repayment capacity. The focus should be on those offering attractive risk-adjusted spreads, including the Financials, Communications, and Utilities sectors.	**Bond Types:** Short- to intermediate-term investment-grade bonds to lock in yields, with a focus on Financials, Communications, and Utilities
Forex	◆ The Fed's hawkish stance ahead of its December meeting keeps the USD consolidating at elevated levels. ◆ The BOJ raised rates in September, but its forward guidance was more neutral and less hawkish than markets had expected, so the JPY remains weak and range-bound.	USD Consolidates at High Levels; JPY Weak and Range-Bound
Commodity	◆ With the U.S. midterm elections over and Middle East tensions expected to ease, oil prices have pulled back from recent highs but are likely to stay volatile in the near term. ◆ De-dollarization continues to drive central bank buying worldwide, giving gold stable support over the medium to long term.	Gold Rebounds from Lows on Bargain Hunting; Bullish Medium to Long Term

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HK Equities

Finding Certainty in Uncertain Markets: A Balance of Defense and Growth

► Certainty of Returns Provides a Defensive Foundation

As the appliance industry recovery slows and end-market demand weakens, channel inventory pressure is gradually increasing. The market's focus has shifted from pure expansion toward cash returns and earnings visibility. Industry leaders with healthy balance sheets and strong net cash positions continue to support shareholder returns through stable dividend policies and large-scale share buybacks, helping strengthen total shareholder returns and providing a solid valuation buffer amid earnings downgrades across the sector.

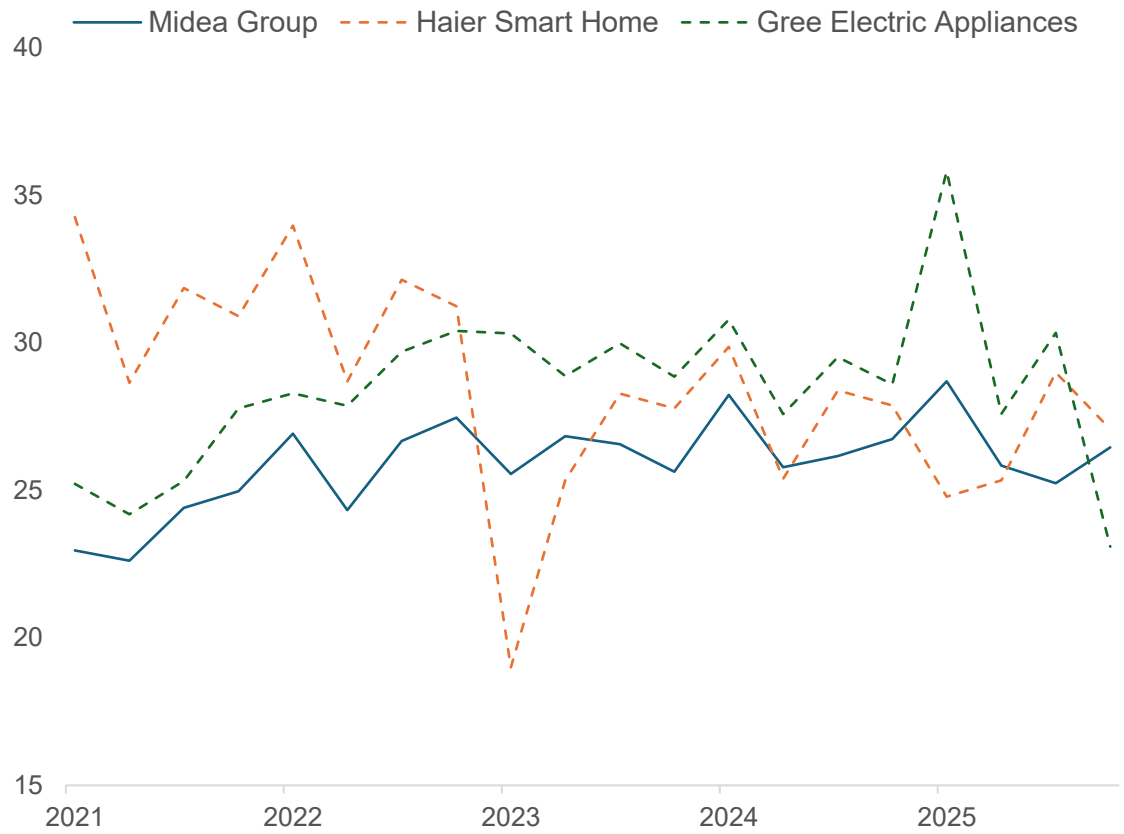
► Diversified B2B Businesses and Global Expansion Enhance Resilience

As growth in domestic consumer appliance markets moderates, leading companies are diversifying beyond traditional consumer-facing businesses. On one hand, they continue expanding overseas through proprietary brands and broader geographic exposure; on the other, they are increasing their presence in higher-value B2B segments such as commercial HVAC, robotics, and industrial automation. These multiple growth engines help stabilize earnings through economic cycles and reduce reliance on any single market.

► DTC Transformation Improves Long-Term Efficiency

Traditional appliance manufacturers have historically relied on large-scale inventory loading through distribution channels, creating inventory risks during periods of weaker demand. Industry leaders are accelerating their transition toward direct-to-consumer (DTC) operating models through shared inventory systems, digital management tools, and demand-driven production planning. While the transition may temporarily affect shipment timing and operating cash flow, it is expected to improve inventory turnover, store productivity, and margin resilience over the long term, supported by ongoing cost discipline.

Gross Margin Changes



Gross Margin Comparison	Midea Group	Haier Smart Home	Gree Electric Appliances
Latest vs. End-2021	3.5	-7.2	-2.1

Source: Bloomberg

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Midea Group Co., Ltd. (300 HK)

Closing Price	HK $98.7	Target Price	HK $115

Midea Group Co., Ltd. (0300 HK) is a global leader in home appliances and technology, with businesses spanning smart home solutions, HVAC systems, industrial robotics, and automation technologies. The company continues to expand its global footprint while advancing its technology-driven growth strategy.

Diversified Business Mix and ToB Expansion Enhance Earnings Resilience

Midea has evolved into a diversified technology group spanning both consumer appliances and industrial technologies. Smart Home products are expected to account for slightly over 60% of FY2026 revenue, while ToB businesses, including Building Technologies, Industrial Technologies, and Robotics & Automation, contribute around 28%. These segments are expected to deliver a 13% CAGR between 2025 and 2030, increasing their revenue contribution to 33% by 2030. Compared with peers that remain heavily exposed to the appliance market, Midea's diversified business mix provides stronger earnings resilience and better risk diversification.

DTC Transformation Improves Efficiency and Cash Flow Generation

Midea has expanded its direct-to-consumer (DTC) model to its core air-conditioning business, which accounts for more than 40% of revenue, achieving full-category implementation. The shift from the traditional distributor pre-stocking model to an "AI cloud warehouse + direct-to-consumer" system helps address channel inventory issues. Earlier DTC initiatives have already reduced average inventory levels and selling expenses while improving operating cash flow. As operations become increasingly driven by end-user demand, cash flow volatility has narrowed, providing structural support for margins.

Global OBM Expansion Enhances Earnings Visibility

Midea's overseas business and own-brand manufacturing (OBM) strategy continue to strengthen its defensive profile. Amid softer domestic demand, overseas operations have become an important growth stabilizer. OBM revenue grew more than 20% in 3Q, with own-brand products accounting for over 50% of overseas consumer appliance revenue. This geographically diversified growth profile supports stronger earnings visibility and resilience than many peers.

Net Cash Position Supports Shareholder Returns

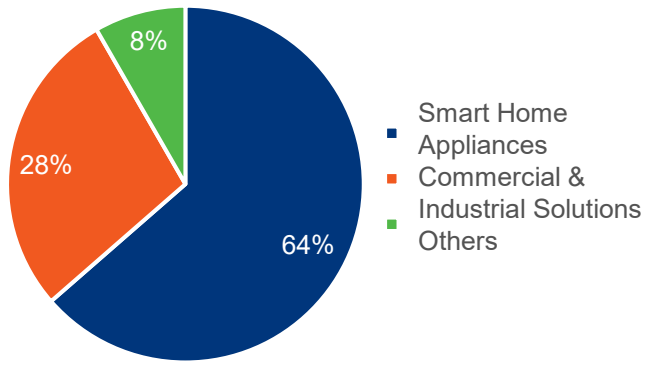
Midea maintains a solid net cash balance sheet and remains committed to shareholder returns. The company targets a payout ratio above 70% while maintaining stable dividends. In addition, ongoing A-share share repurchases and share cancellations support EPS growth and provide investors with an attractive margin of safety.

Source: Bloomberg

Financials

	2024	2025	2026F	2027F	2028F
Revenue (CNY bn)	409.1	458.5	478.1	506.3	540.4
YoY Growth (%)	9.5	12.1	4.3	5.9	6.7
EPS (CNY)	5.4	5.8	6.2	6.6	7.1
YoY Growth (%)	10.3	6.6	6.7	7.2	7.5
RoE (%)	20	20	19.7	20	20.3

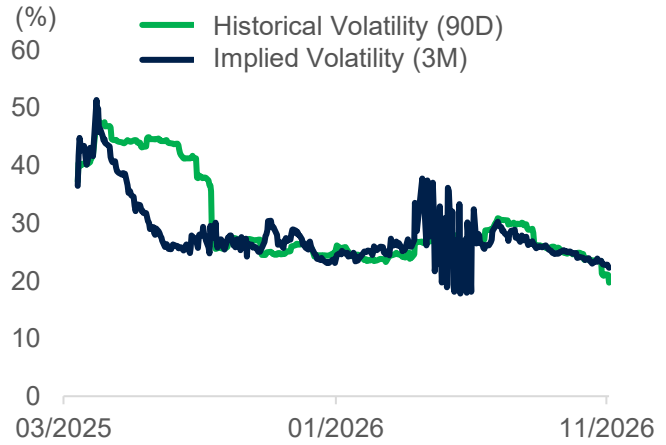
2027 Product Revenue Breakdown



Forward P/E



Historical Volatility

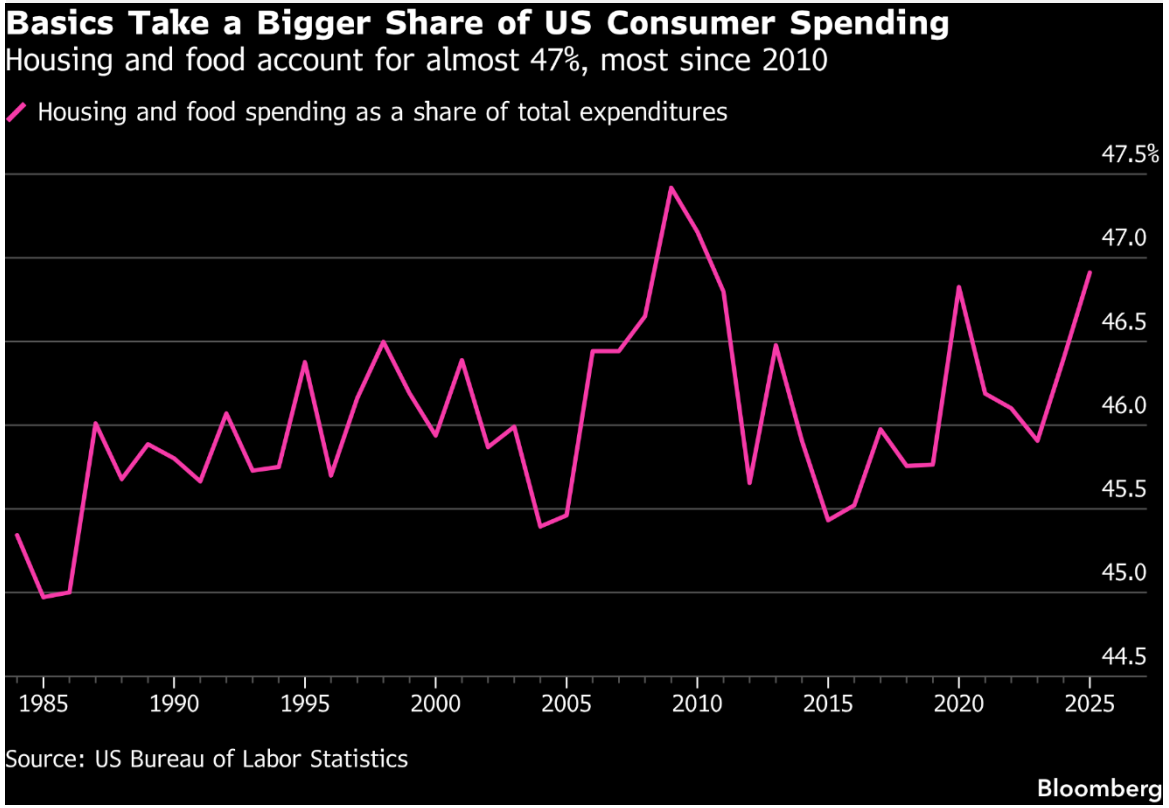


US Equities

Consumer Staples: Defensive Strength and Earnings Resilience Enhance Investment Appeal

- U.S. nonfarm payrolls increased by 165,000 in October, exceeding market expectations of 70,000 and the prior reading of 60,000. The unemployment rate came in at 4.1%, below the expected 4.2% and unchanged from the previous month. Average hourly earnings rose 0.4% MoM, above both market expectations and the prior reading of 0.3%.
- The U.S. ISM Manufacturing PMI rose to 55.5 in October, above market expectations of 54.5 and the previous reading of 54.5.
- The U.S. ISM Services PMI came in at 54.5 in October, below market expectations of 54.8 and the prior reading of 54.9.
- The University of Michigan Consumer Sentiment Index increased to 51.0 in November, exceeding both market expectations and the previous reading of 48.0.
- The U.S. consumer staples sector offers a compelling combination of defensive characteristics and stable growth potential in the current macro environment. Although consumer confidence remains subdued at 48.0 and one-year inflation expectations have risen to 4.7%, persistent pressure on purchasing power highlights the resilience of demand for everyday necessities. Fund flows also point to a shift toward defensive positioning, with assets in U.S. government money market funds increasing by US$117.8 billion in the week ended November 4, indicating continued demand for lower-risk assets. Consumer staples stocks gained 11.6% in October, significantly outperforming the broader market and reflecting renewed investor preference for defensive sectors. Against this backdrop, companies with strong brands, extensive distribution networks, and stable end-market demand are well positioned to attract investors seeking resilient earnings, robust cash flow generation, and more predictable returns.

Consumer Staples Share of U.S. Consumer Spending



Source: Bloomberg

The Coca-Cola Company (KO US)

Closing Price	US$95.67	Target Price	US$104

The Coca-Cola Company manufactures, markets, and distributes soft drink concentrates and syrups. The company also markets and distributes juice and juice-based beverage products. Coca-Cola distributes its products to retailers and wholesalers worldwide.

Resilient Daily Demand Supports Defensive Growth

Despite consumer confidence remaining near historical lows and inflation continuing to pressure household budgets, demand for everyday beverages has remained resilient. As an affordable consumer staple with a diversified global footprint and broad product portfolio, Coca-Cola is well positioned to sustain growth even as consumers become more selective in discretionary spending.

Volume Growth and Market Share Gains Strengthen Earnings Resilience

Coca-Cola's 3Q26 results demonstrate that growth is being driven not only by pricing but also by higher volumes and strong execution. Global unit case volume increased 5% YoY, while organic revenue grew 7%. The company also gained value share in the global non-alcoholic ready-to-drink beverage market. Comparable operating margin improved from 31.9% to 32.9%, highlighting stronger profitability. Coca-Cola's 64 consecutive years of dividend increases further underscore its brand strength and commitment to shareholder returns.

3Q26 Results Beat Expectations and Full-Year Guidance Raised

In 3Q26, Non-GAAP EPS increased 11% YoY to US$0.91, exceeding expectations by US$0.03, while revenue rose 7.2% YoY to US$13.4 billion, surpassing consensus by US$470 million. Management raised its FY2026 comparable EPS growth outlook from 9%-10% to at least 11% and continues to expect organic revenue growth of at least 5%.

Valuation Consensus

Bloomberg consensus estimates imply an average 12-month target price of US$99.24, with a high target price of US$106 and a low target price of US$81.

Source: Bloomberg, Company

1-Year Price



Financials

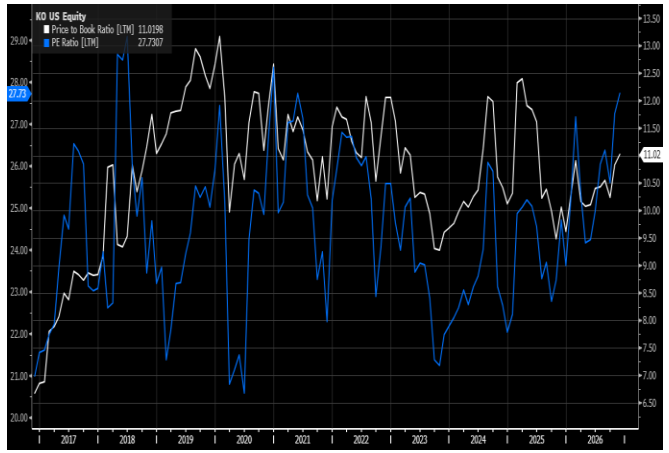
	2023	2024	2025	2026F	2027F
Revenue Growth(%)	6.4	2.4	2.5	4.9	-2.6
EBITDA ratio (%)	32.5	25.8	32.8	34.8	37.2
EPS (USD)	2.65	2.86	3.00	3.34	3.53
Net Profit Margin(%)	25.2	26.4	26.9	28.5	30.9

Source: Bloomberg

Raised FY2026 Guidance

	Current	Prior
Organic revenues (non-GAAP)	At least 5% growth	Approx. 5% growth
Comparable net revenues (non-GAAP)	• Approx. 1% currency tailwind[1] • Approx. 2% headwind from acquisitions and divestitures[2]	• Approx. 1% currency tailwind[1] • 2% to 3% headwind from acquisitions and divestitures[2]
Underlying effective tax rate (non-GAAP)[3]	19.7%	19.9%
Comparable currency neutral EPS excluding acquisitions and divestitures (non-GAAP)	At least 9% growth	7% to 8% growth
Comparable EPS (non-GAAP)	At least 11% growth, which includes: • Approx. 3% currency tailwind[1] • Approx. 1% headwind from acquisitions and divestitures[2]	9% to 10% growth, which includes: • Approx. 3% currency tailwind[1] • Approx. 1% headwind from acquisitions and divestitures[2]
Free cash flow (non-GAAP)	At least $13.0 billion, consisting of: • At least $15.2 billion of cash from operations • Approx. $2.2 billion of capital expenditures	Approx. $12.4 billion, consisting of: • Approx. $14.6 billion of cash from operations • Approx. $2.2 billion of capital expenditures

PE & PB



Colgate-Palmolive Company (CL US)

Closing Price	US$95.56	Target Price	US$108

Colgate-Palmolive Company is a consumer products company that markets its products worldwide. The company's products include toothpaste, toothbrushes, shampoos, deodorants, bar and liquid soaps, dishwashing and laundry products, as well as nutrition products for dogs and cats.

Resilient Demand for Everyday Essentials Supports Earnings Stability

U.S. consumers continue to face inflationary pressures, with the University of Michigan Consumer Sentiment Index at 48.0 in October, down about 10% YoY, while one-year inflation expectations rose to 4.7%. Against this backdrop, demand for everyday essentials such as oral care, personal care, and pet nutrition remains relatively stable, helping support Colgate-Palmolive's revenue and earnings resilience even as households become more cautious with discretionary spending.

Category Leadership and Margin Expansion Support Defensive Returns

Colgate-Palmolive continues to strengthen its operating performance through its leadership in oral care. In 3Q26, net sales increased 4.6% YoY, organic sales grew 3.6%, underlying EPS rose 7%, and underlying gross margin expanded 90bps to 60.3%. Year-to-date global market shares in toothpaste and manual toothbrushes reached 41.4% and 33.1%, respectively. Continued investment in premium products, R&D, and advertising, together with 63 consecutive years of dividend increases, reinforces its competitive position and commitment to shareholder returns.

3Q26 Results Beat Expectations and Full-Year Outlook Raised

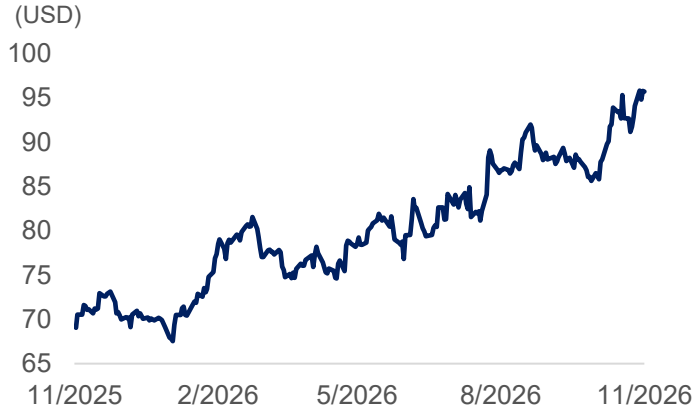
In 3Q26, underlying Non-GAAP EPS increased 7% YoY to US$0.97, exceeding consensus by US$0.04, while revenue grew 4.6% YoY to US$5.37 billion, surpassing expectations by US$34.8 million. Management raised FY2026 underlying EPS growth guidance from mid-single digits to 5%-7%, narrowed net sales growth guidance to 4%-5% from the previous 2%-6%, and upgraded its full-year gross margin outlook from broadly flat to expansion.

Valuation Consensus

Bloomberg consensus estimates imply an average 12-month target price of US$101.26, with a high target price of US$112 and a low target price of US$74.

Source: Bloomberg, Company

1-Year Price

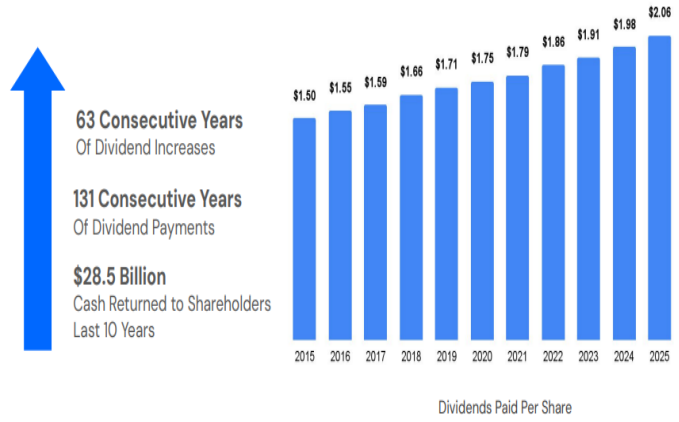


Financials

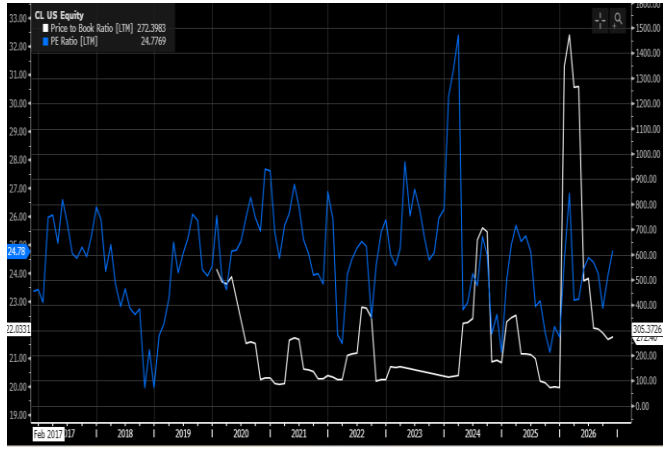
	2023	2024	2025	2026F	2027F
Revenue Growth(%)	8.3	3.3	1.4	5.0	2.4
EBITDA ratio (%)	24.1	25.6	25.0	24.0	24.3
EPS (USD)	2.78	3.65	3.70	3.92	4.10
Net Profit Margin(%)	11.9	14.9	14.7	14.6	14.8

Source: Bloomberg; 2026/27F are market estimates

Sustained Dividend Growth



PE & PB



TW Equities

AI Supply Chain Selling Pressure Persists; Defensive Consumer Staples Offer Portfolio Diversification Beyond AI

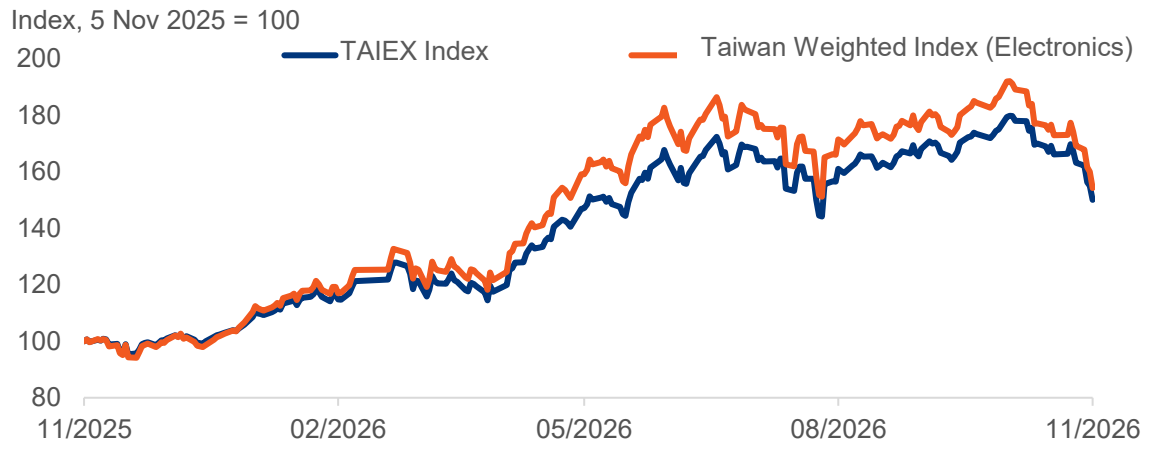
AI Supply Chain Selling Pressure Persists as Taiwan Equities Hit Current New Lows

Taiwan equities remained under pressure last week, falling below the 40,000 level and extending their decline. Although markets were initially supported by easing post-election uncertainty after the Democratic Party secured control of both chambers of Congress and former President Trump signaled willingness to cooperate, concerns that policy shifts could slow data center investments renewed pressure on semiconductor stocks. The Philadelphia Semiconductor Index declined again, dragging Taiwan equities lower. Until clearer signs of stabilization emerge, investors may favor lower-volatility, fundamentally supported sectors while monitoring whether AI-related and large-cap technology stocks can regain technical support. A more constructive stance may be warranted once the index stops making new lows and market leaders such as TSMC begin to stabilize.

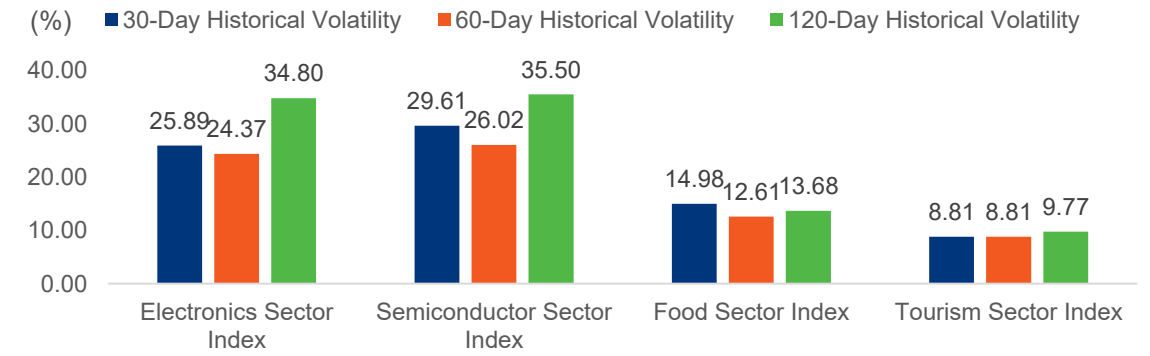
Rising Market Volatility Highlights the Defensive Appeal of Consumer Sectors

Selling pressure in technology heavyweights and weakening risk appetite have led to higher market volatility, increasing the correction risk for growth and high-valuation stocks. In contrast, domestic consumption-oriented businesses tend to be less sensitive to economic cycles and geopolitical developments, benefiting from more stable revenue streams, cash flow generation, and lower share price volatility. Against a backdrop of elevated uncertainty, restaurant and tourism-related companies with strong brands, disciplined store expansion strategies, and solid earnings visibility may offer attractive defensive positioning while helping investors diversify AI-related exposure.

TAIEX Index and Taiwan Electronics Sector Trends



Historical Volatility of Taiwan Sector Indices



Source: Bloomberg

KGI

Bafang Yunji International Co., Ltd. (2753 TT)

Bafang Yunji International Co., Ltd. operates Chinese restaurant chain brands and generates revenue primarily from food and beverage product sales.

Steady Store Expansion in Taiwan Supports Domestic Growth

Bafang Yunji continues to expand its footprint in Taiwan, with its Bafang Dumpling and Liang Sheh Han Bento brands adding a net 25 and 12 stores, respectively, this year. The company is also rolling out its new TOGO takeaway store format, which requires lower capital expenditure than traditional dine-in stores and is better suited for high-traffic locations. The format is expected to enhance franchisee profitability, expand market coverage, and support long-term growth.

U.S. Expansion Remains on Track, with Breakeven Expected in 2027

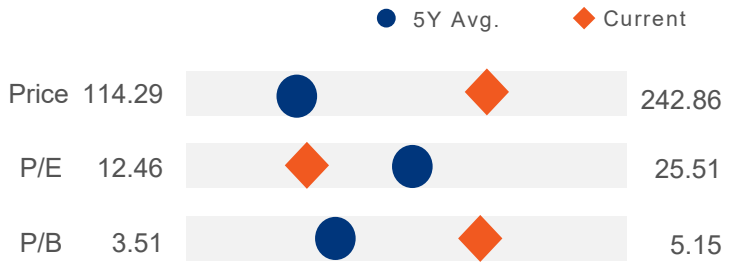
Bafang Yunji recently opened its first quick-service-format store in Texas, using a streamlined menu to improve operating efficiency. The company plans to open two additional stores in Texas before year-end and expand into Arizona next year, targeting the addition of 6-8 stores in 2027. U.S. revenue contribution is expected to increase from around 10% this year to 14% in 2027 and 18% in 2028. As store scale expands and operating efficiency improves, the U.S. business is expected to reach breakeven in 2027.

Financials

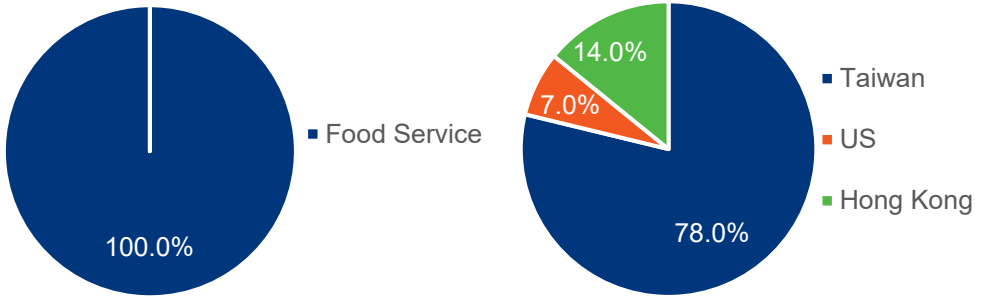
	2024	2025	2026F	2027F	2028F
EPS (NTD)	9.05	12.84	14.03	15.22	17.14
EPS Growth (%)	8.4	42.0	9.3	8.5	12.6
P/E Ratio	19.9	14.0	12.8	11.8	10.5
ROE (%)	17.3	23.2	24.1	25.0	26.9

Source: Company data, estimates of KGI analyst

Valuations

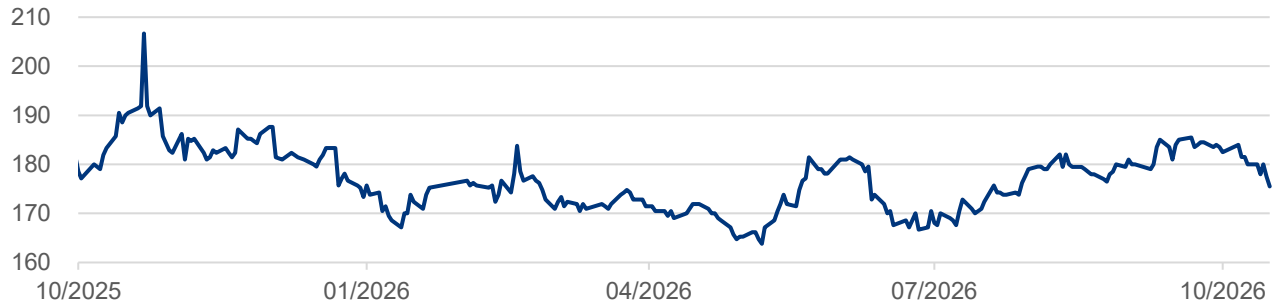


Revenue Sources and Regions



Source: Bloomberg

1-Year Price



As of 6 November 2026	1Wk	1M	3M	6M	YTD	1Y
Return (%)	-2.50	-3.04	2.66	2.09	-3.27	-7.63

Wowprime Corp. (2727 TT)

Wowprime Corp. engages in the restaurant services business, providing dining services that include Western-style steak and Japanese fusion cuisine.

Steady Demand in Taiwan Supports Store Expansion Growth

Wowprime expects Taiwan's dining market to maintain a healthy growth trajectory, supported by strong demand for family gatherings and dining out. Taiwan revenue surpassed NT$2 billion for the first time in August, reaching a record high. According to KGI Securities, the company currently has 10 new stores under preparation and plans to accelerate store openings through year-end and ahead of the Lunar New Year. In addition, eight of its brands have already exceeded NT$1 billion in annual revenue. The group's multi-brand strategy helps diversify business risk and supports stable revenue and earnings growth.

China Recovery Supports Long-Term Profitability

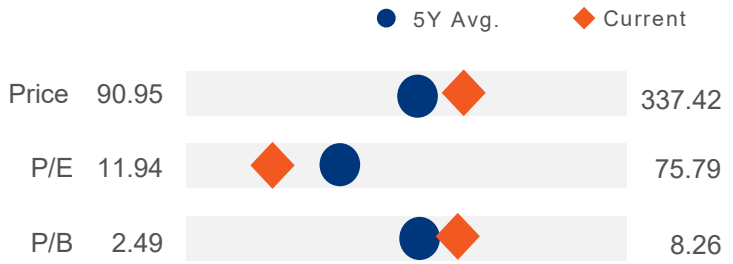
The number of stores in China has recovered from a low of 88 to 104 locations. Brand repositioning and store upgrades at Wang Steak and TASTy have helped improve customer traffic and revenue. Management noted that growth in China is increasingly driven by operational improvements and brand optimization rather than new store openings alone. We believe the gradual recovery in China, combined with continued expansion in Taiwan, should provide additional support for the company's medium- to long-term earnings growth.

Financials

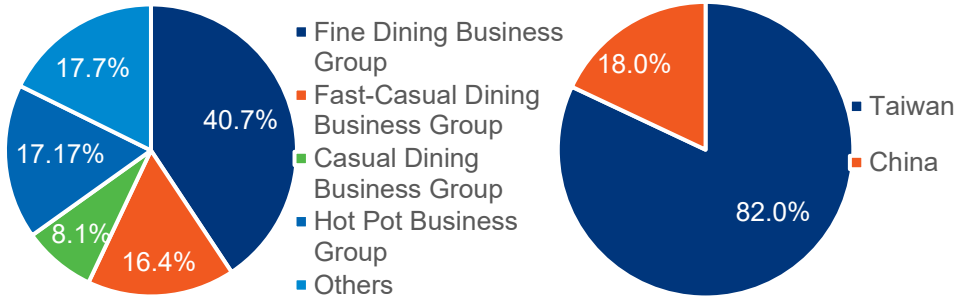
	2023	2024	2025	2026F	2027F
EPS (NTD)	16.79	15.66	16.02	17.32	19.35
EPS Growth (%)	225.8	-6.7	2.3	8.1	11.7
P/E Ratio	13.3	14.2	13.9	12.9	11.5
ROE (%)	36.4	28.8	28.6	30.5	32.4

Source: Company data, estimates of KGI analyst

Valuations

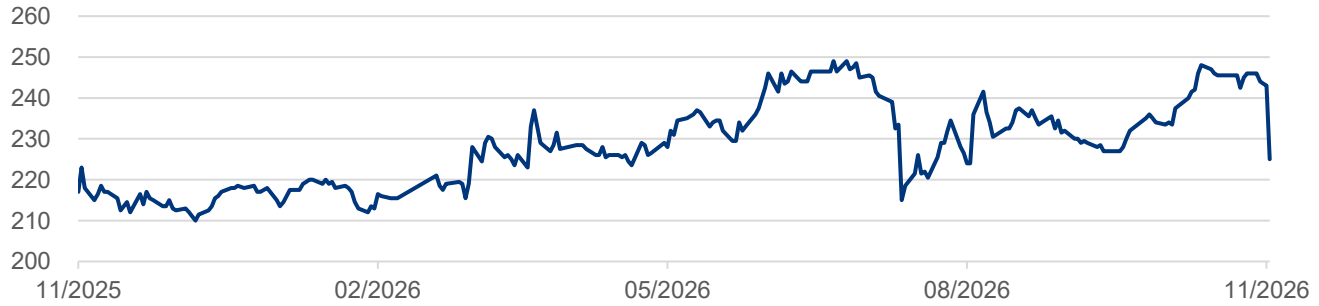


Revenue Sources and Regions



Source: Bloomberg

1-Year Price



As of 6 November 2026	1Wk	1M	3M	6M	YTD	1Y
Return (%)	-8.54	-3.85	0.45	-3.02	3.69	0.9

Mutual Funds/ ETFs

Geopolitical Risks and Mixed Earnings Pressure AI Stocks, Driving Sector Rotation

► Fidelity Funds – Global Dividend Fund

- Focuses on companies with strong brand franchises, supporting earnings resilience and sustainable dividend growth.
- Globally diversified portfolio with overweight positions in Europe and the UK, and an underweight allocation to the U.S., helping reduce portfolio concentration risk.
- Defensive sector positioning, with key exposure to non-life insurance, financial exchanges, consumer staples, pharmaceuticals, and utilities, sectors that tend to be less sensitive to economic fluctuations.

Product	Fidelity Funds – Global Dividend Fund	
Features	■ Invest in Quality Companies to Withstand Market Cycles ■ Invest in Dividend-Paying Quality Firms to Capture Ongoing Income and Growth Opportunities	
AUM	USD 21.359 billion	
3M/YTD Return	4.18% / 15.44%	
Top 5 Regions Allocation(%)	Industrials Financials Health Care Information Technology Consumer Staples	21.30 15.20 12.50 11.50 10.50
Top 5 Sector Allocation(%)	U.S. U.K. Germany France Switzerland	21.90 14.50 11.40 9.90 9.30
Top 5 Holdings (%)	Taiwan Semiconductor Mfg Co Ltd Deutsche Boerse AG Unilever PLC Roche Holding AG Vinci SA	4.00 3.40 3.40 3.40 3.10

Source: Bloomberg, KGI

Fidelity Funds – Global Dividend Fund

Profile

The Fund seeks to achieve long-term capital growth and income by investing at least 70% of its total assets in income-producing equities of companies globally, including those in emerging markets.

Focusing on Companies with Compelling Relative Valuations

The Fund focuses on high-quality companies trading at reasonable valuations or at a discount to peers. This strategy helps mitigate downside risk during valuation multiple contractions while offering investors more attractive total return opportunities.

Investing in High-Quality Companies to Weather Market Cycles

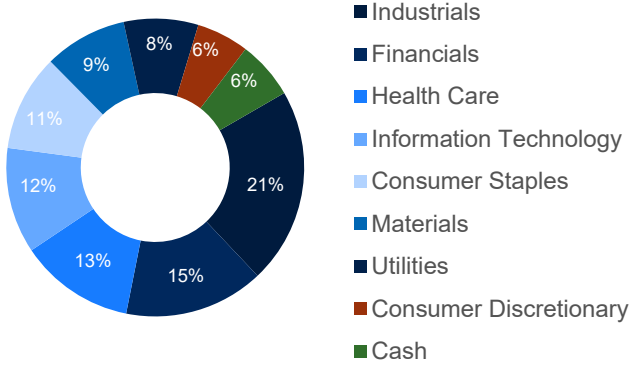
Rather than merely focusing on low-valuation stocks, the Fund targets defensive companies equipped with strong balance sheets and robust cash flows that can weather different market cycles and deliver consistent returns in volatile environments. These companies typically possess globally diversified revenue streams, enhancing portfolio resilience.

Robust Dividend Potential

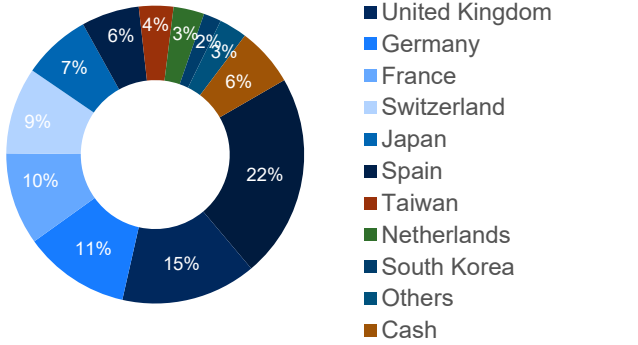
In an environment of elevated valuations and narrow market breadth, the Fund captures sustained dividend and growth opportunities through companies with proven payout track records. This strategy not only provides stable cash flow but also supports long-term capital appreciation.

Inception	2012/1/30	**AUM**	USD 21.359 bn
Morningstar Category	Global Equity Income	**Fund Type**	Equities
Morningstar Rating	★★★	**3Y SD (Ann.)**	11.70%

Sectors



Regional



Top-5 Holdings (%)

Taiwan Semiconductor Mfg Co Ltd	4.00
Deutsche Boerse AG	3.40
Unilever PLC	3.40
Roche Holding AG	3.40
Vinci SA	3.10

3Y NAV



As of 3 November 2026	1M	3M	YTD	1Y	2Y	3Y
Cumulative Return(%)	7.01	4.18	15.44	19.53	32.14	66.84
Ranking	1	1	1	1	2	1

Sources: Fund Monthly Report, Morningstar. Monthly report as of September 30, 2026. Data share class: H USD.

Mutual Funds/ ETFs

Geopolitical Risks and Mixed Earnings Pressure AI Stocks, Driving Sector Rotation

► PIMCO GIS Income Fund

- One of the world's largest actively managed funds.
- Despite multiple market swings, it has consistently captured opportunities after shocks—for instance, a decline of 8.79% in 2020 was followed by a rebound of 10.63% within six months.
- Attractive Yield Advantage Estimated yield-to-maturity of 7% offers a competitive edge.
- The fund flexibly manages duration (generally 0–8 years) to navigate economic uncertainty. Recent tactical positioning favors U.S. rates, focusing on short- and medium-term bonds with compelling opportunities.
- Proven Long-Term Performance – Winner of the Lipper Fund Awards Hong Kong 2023 – Best Global Bond USD Fund (10 Years).
- Experienced Management Team – Led by Group CIO Dan Ivascyn, alongside Alfred Murata and Josh Anderson, with nearly 30 years of average investment experience. Supported by a global credit research team of 80+ analysts.
- Duration: 7.36 years; Estimated Yield to Maturity: 8.37%; Average credit rating: AA-
- Latest annualized distribution yield: 6.67% (Class E-USD)

Product	PIMCO GIS Income Fund	
Features	■ Global Diversified Allocation Helps Mitigate Risk and Capture Income Opportunities ■ Fund size is substantial, with an average credit rating of AA- and a Morningstar 4-Star rating.	
AUM	USD 114.2 billion	
3M/YTD Return	-1.52% / -1.46%	
Allocation(%)	Mortgage-Backed Securities (MBS) Corporate Bonds Government Treasuries Cash and Others	52.46 21.31 21.13 5.10
Maturity(%)	Under 3 years 3–5 years 5–10 years 10–20 years Over 20 years	0.10 9.40 73.30 11.90 5.30
Holdings (%)	FNMA TBA 6.0% SEP 30YR FNMA TBA 6.5% AUG 30YR FNMA TBA 5.0% AUG 30YR FNMA TBA 5.5% SEP 30YR FNMA TBA 5.5% AUG 30YR	6.10 4.50 2.90 1.70 1.60

Source: Bloomberg, KGI

PIMCO GIS Income Fund

Profile

Primarily invests in fixed income instruments across varying maturities, aiming to deliver high and stable income without compromising long-term capital appreciation.

■ Global Diversification

Invests across IG, HY, EM debt, and MBS, enabling diversification and capturing income opportunities across markets, providing stable and diversified return sources.

■ Professional Management

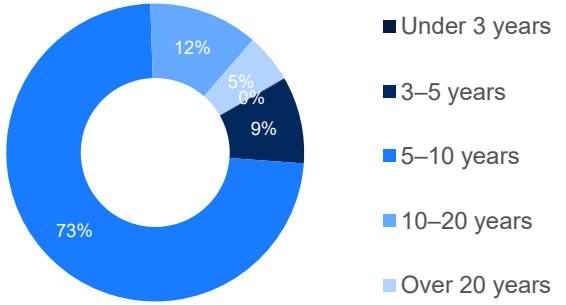
Actively managed by PIMCO, with flexible asset allocation to adapt to market conditions, delivering relatively stable long-term performance.

■ Morningstar Rating

Large fund size, average credit rating AA-, rated 4 stars by Morningstar.

Inception	2012/11/30	**AUM**	USD 114.2 bn
Morningstar Category	Global Bonds	**Fund Type**	Fixed Income
Morningstar Rating	★★★★	**3Y SD (Ann.)**	4.61%

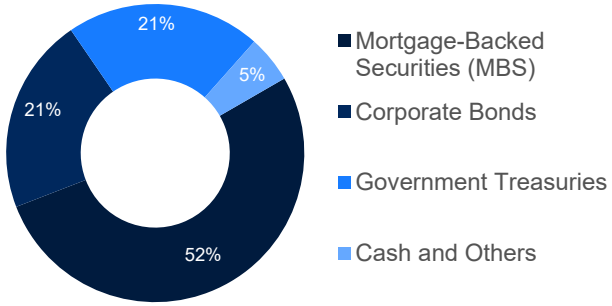
Maturity



Top-5 Holdings (%)

FNMA TBA 6.0% SEP 30YR	6.1
FNMA TBA 6.5% AUG 30YR	4.5
FNMA TBA 5.0% AUG 30YR	2.9
FNMA TBA 5.5% SEP 30YR	1.7
FNMA TBA 5.5% AUG 30YR	1.6

Asset



3Y NAV



As of 11 November 2026	1M	3M	YTD	1Y	2Y	3Y
Cumulative Return(%)	2.21	-1.52	-1.46	-0.51	8.88	17.96
Ranking	1	3	4	4	2	3

Sources: PIMCO Asset Management Fund Monthly Report, Morningstar, Bloomberg; monthly report as of September 30, 2026; data class used: Class E USD Accumulation

Mutual Funds/ ETFs

Geopolitical Risks and Mixed Earnings Pressure AI Stocks, Driving Sector Rotation

► Fidelity Funds – US Dollar Bond Fund

- The fund adopts an active, flexible, and contrarian investment approach, seeking to identify opportunities and economic turning points ahead of the market while delivering high-quality and attractive income.
- The portfolio primarily invests in developed-market credit and government bonds, with government bonds accounting for approximately 60% of assets. The fund maintains a preference for high-quality securities, with more than 95% invested in investment-grade bonds and an average credit rating of AA-.
- Positioned as a long-duration strategy, the fund is designed to benefit from potential capital appreciation when interest rates decline. The portfolio currently has a duration of 6.40 years and a yield to maturity of 5.45%.
- The latest annualized distribution yield is 6.20% for the A Shares-C Monthly Distribution (G) USD share class.

Product	Fidelity Funds – US Dollar Bond Fund	
Features	■ Long-Duration Positioning Enhances Income Potential ■ Active Portfolio Management in a Higher-for-Longer Rate Environment	
AUM	USD 3,092 mn	
3M/YTD Return	-0.48% / -1.98%	
Top 5 Credit Rating Distribution (%)	AAA / Aaa AA / Aa A BBB / Baa BB / Ba	2.70 66.43 13.20 13.95 2.47
Top 5 Regions (%)	United States United Kingdom Ireland Netherlands Norway	83.33 2.49 2.42 1.73 1.04
Top 5 Holdings (%)	USTN 4.375% 01/31/32 USTB 4.5% 11/15/54 USTN 4.375% 05/15/36 USTN 4% 07/31/29 USTN 4.875% 10/31/28	9.66 9.08 8.57 7.91 7.87

Source: Bloomberg, KGI

Fidelity Funds – US Dollar Bond Fund

Profile

The fund invests at least 70% (and normally 75%) of its assets, in US dollar denominated debt securities. The fund may also invest in money market instruments on an ancillary basis

■ Focus on High-Quality U.S. Dollar Bonds

The fund primarily invests in developed-market credit and government bonds, with a preference for high-quality securities. Approximately 96.28% of the portfolio is allocated to investment-grade bonds, with an average credit rating of AA-, balancing income opportunities with credit quality.

■ Long-Duration Strategy Enhances Income Potential

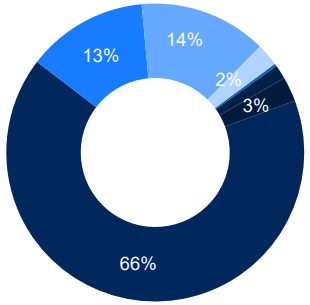
The fund adopts a long-duration strategy, with an effective duration of approximately 6.4 years and a yield to maturity of around 5.45%. In the current environment of attractive yields, longer-duration positioning helps enhance income generation potential.

■ Active Multi-Strategy Approach Captures Fixed Income Opportunities

In a higher-for-longer rate environment, Fidelity's global research team seeks to generate returns through yield curve positioning, sector allocation, security selection, and asset allocation, while incorporating credit analysis and market insights to actively manage portfolio positioning.

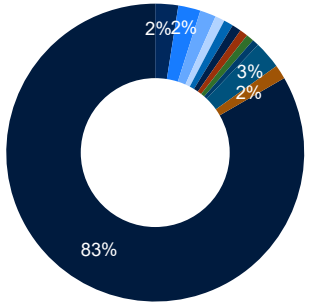
Inception	1990/12/11	**AUM**	USD 3,092 mn
Morningstar Category	USD Diversified Bond	**Fund Type**	Bonds
Morningstar Rating	★★★	**3Y SD (Ann.)**	5.83%

Credits



- AAA / Aaa
- AA / Aa
- A
- BBB / Baa
- BB / Ba
- Others
- Cash

Regions



- United States
- United Kingdom
- Ireland
- Netherlands
- Norway
- Switzerland
- Germany
- France
- Brazil
- Sweden
- Others
- Cash

Top-5 Holdings (%)

USTN 4.375% 01/31/32	9.66
USTB 4.5% 11/15/54	9.08
USTN 4.375% 05/15/36	8.57
USTN 4% 07/31/29	7.91
USTN 4.875% 10/31/28	7.87

3Y NAV



As of 3 November 2026	1M	3M	YTD	1Y	2Y	3Y
Cumulative Return(%)	2.10	-0.48	-1.98	-1.56	3.71	10.80
Ranking	1	2	4	4	4	3

Sources: Fund Monthly Report, Morningstar. Performance data as of October 20, 2026; monthly report as of September 30, 2026. Data share class: A USD.

Bonds

Cloud Growth Remains Robust, While AI Spending Stays Disciplined

► MSFT 5.55 11/03/36 (Microsoft) (USD)

- Microsoft Corporation develops, licenses, and supports software products, cloud services, and hardware devices. Its software portfolio includes operating systems, productivity software, business applications, cloud platforms, developer tools, gaming, and online advertising, while its hardware products include PCs, tablets, and gaming consoles. The company operates through three business segments: Productivity and Business Processes (PBP), including Office, Dynamics 365, and LinkedIn, which accounts for 42% of revenue; Intelligent Cloud (IC), including Azure, server products, and enterprise services, which accounts for 41% of revenue; and More Personal Computing (MPC), including Windows, Xbox, and search advertising, which accounts for 17% of revenue.
- As of September 30, 2026, Microsoft delivered strong operating performance, with revenue increasing 19% YoY to US$92.3 billion. Azure revenue grew 48% in constant currency, exceeding market expectations of 45%, driven by higher GPU utilization, improved CPU monetization, and rapid growth in Foundry-related services. Microsoft Cloud revenue increased 30% YoY to US$63.9 billion, while operating margin expanded to 49.8%, approximately 150bps above expectations. Capital expenditure also came in below expectations, reinforcing confidence in the company's disciplined approach to AI investment.
- Microsoft holds AAA and Aaa credit ratings from S&P and Moody's, respectively. In August 2026, Moody's affirmed its Aaa rating with a stable outlook, citing Microsoft's scale advantages, strong profitability, and diversified business model. In October 2026, Microsoft issued US$25 billion of senior unsecured notes and received approximately US$115 billion of orders, representing 4.6x oversubscription and highlighting strong investor demand for high-quality issuers.
- Credit metrics remain exceptionally strong. As of September 30, 2026, EBITDA interest coverage stood at 68x, while total debt-to-EBITDA improved from 0.75x in 2023 to 0.64x in 2026, reflecting earnings growth outpacing debt growth and continued improvement in leverage.

Bond	MSFT 5.55 11/03/36 (Microsoft) (USD)
ISIN	US594918DD39
Features	Microsoft holds AAA and Aaa credit ratings from S&P and Moody's, respectively. In August 2026, Moody's affirmed its Aaa rating with a stable outlook, reflecting the company's scale advantages, strong profitability, and diversified business model.
Maturity	2036/11/3
Next Call Date	2036/8/3
Coupon(%)	Fixed/5.55/Semi-annual
Currency	USD
Years to Maturity	10.0
Credit Rating (Moody's/Fitch/S&P)	Aaa/-/AAA
Seniority	Senior Unsecured
YTM/YTC (%)	5.38/5.38

Source: Bloomberg

MSFT 5.55 11/03/36 (Microsoft) (USD)

Microsoft Corporation develops, licenses, and supports software, cloud services, and hardware devices. Its software portfolio includes operating systems, productivity software, business applications, cloud platforms, developer tools, gaming, and online advertising, while its hardware products include PCs, tablets, and gaming consoles.

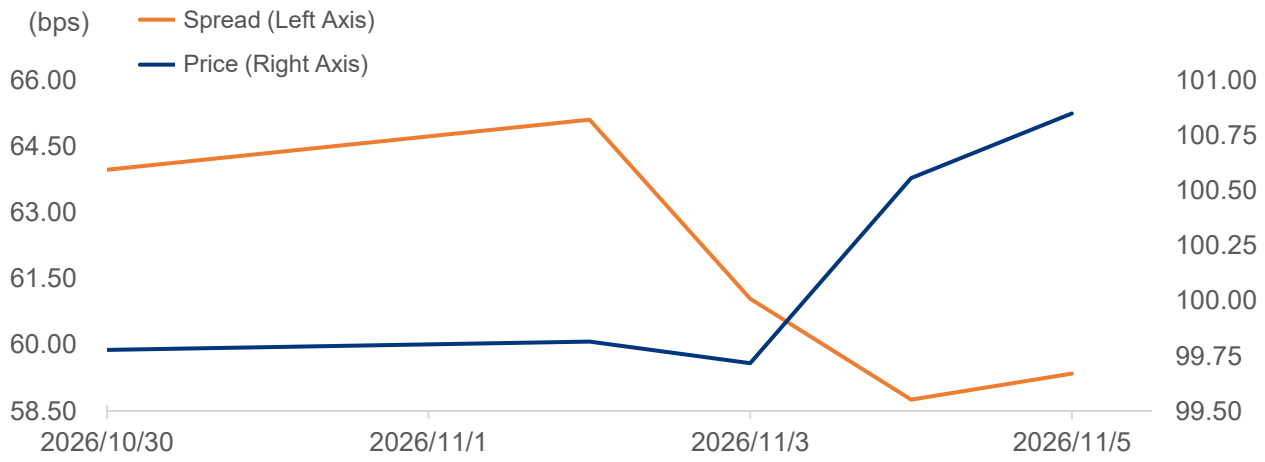
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Financials	2026Q1	2026Q2	2026Q3
Free Cash Flow (US$ 100mn)	158.03	196.39	186.33
EBITDA Margin (%)	60.73	59.35	64.16
Interest Coverage Ratio	64.7	63.7	68.0

Overview

Name	MSFT 5.55 11/03/36	**ISIN**	US594918DD39
Maturity Date	2036/11/3	**Remaining Maturity**	10.0
Coupon(%)	Fixed/5.55/Semi-annual	**YTM/YTC(%)**	5.38/5.38
Currency	USD	**Min. Subscription/Increment**	2,000/1,000
Ratings (Moody's/Fitch/S&P)	Aaa/-/AAA	**Seniority**	Senior Unsecured

Price



Source: Bloomberg, October 29, 2026.

Appendix Key Economic Data / Events

► Nov 2026

2 Monday
- U.S. Oct S&P Global Manufacturing PMI (Final) (Act:54.9 Est:56.0 Prev:55.9)
- U.S. Oct ISM Manufacturing PMI (Act:55.5 Est:54.5 Prev:54.5)
- Japan Oct S&P Global Manufacturing PMI (Final) (Act:53.3 Prev:54.1)
- Eurozone Oct S&P Global Manufacturing PMI (Final) (Act:52.7 Est:52.4 Prev:52.9)

3 Tuesday
- U.S. Sep JOLTS Job Openings (Act:7,523k Est:7,164k Prev:7,190k)
- U.S. Sep Durable Goods Orders MoM (Final) (Act:1.9% Est:1.8% Prev:0.1%)
- U.S. Midterm Elections

4 Wednesday
- U.S. Oct ADP Employment Change (Act:86k Est:67k Prev:86k)
- U.S. Oct S&P Global Services PMI (Final) (Act:56.1 Est:57.9 Prev:58.8)
- U.S. Oct ISM Services PMI (Act:54.5 Est:54.8 Prev:54.9)
- Eurozone Oct CPI YoY (Prelim) (Act:4.0 Est:4.0% Prev:3.8%)

5 Thursday
- U.S. Weekly Initial Jobless Claims (Act:189k Est:196k Prev:195k)
- Japan Oct S&P Global Services PMI (Final) (Act:51.7 Prev:52.0)
- Eurozone Sep PPI YoY (Act:10.6% Est:11.1% Prev:8.3%)

6 Friday
- U.S. Oct Change in Nonfarm Payrolls (Est:70k Prev:29k)
- U.S. Oct Unemployment Rate (Est:4.2% Prev:4.2%)
- U.S. Nov U. of Mich. Sentiment (Prelim) (Est:48.0 Prev:48.0)
- Eurozone Sep Retail Sales Advance MoM (Est:-0.1% Prev:0.1%)

9 Monday
- China Oct CPI YoY (Est:0.8% Prev:0.9%)
- China Oct PPI YoY (Est:5.4% Prev:5.0%)
- Earnings: CEG, NRG

10 Tuesday
- U.S. Oct CPI MoM (Est:0.3% Prev:0.6%)
- China Oct Exports YoY (Est:38.0% Prev:36.3%)
- Earnings: OXY

11 Wednesday
- Japan Oct Machine Tool Orders YoY (Prelim) (Prev:60.4%)

12 Thursday
- U.S. Weekly Initial Jobless Claims (Est:195k Prev:189k)
- U.S. Oct Existing Home Sales (Est:3.85m Prev:3.99m)
- Japan Oct PPI YoY (Est:6.5% Prev:6.8%)
- Earnings: AMAT

13 Friday
- U.S. Oct PPI YoY (Est: 6.6% Prev:6.3%)
- Eurozone Q3 GDP YoY (Revised) (Est:1.3% Prev:1.3%)
- Earnings: CSCO

資料來源：Bloomberg

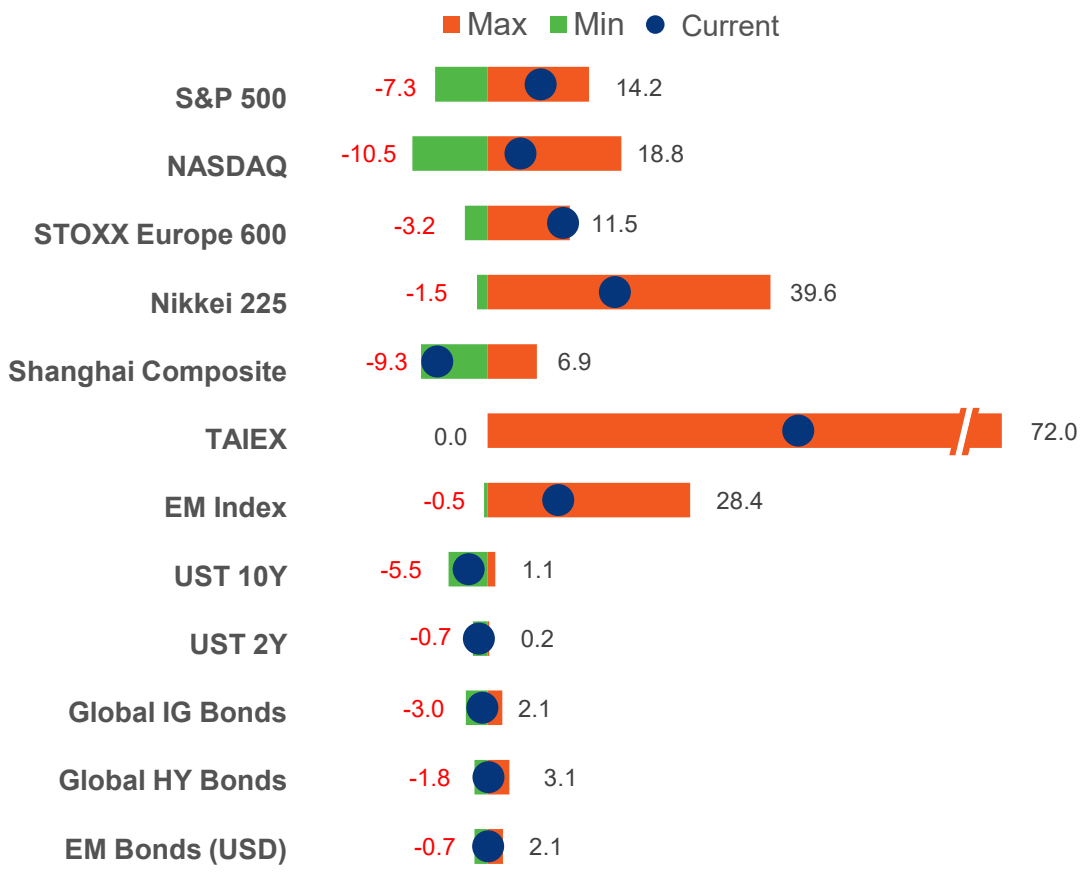
Key Earnings Releases

Date	Name	Revenue (F) (USD)	Actual Revenue (USD)	EPS (F) (USD)	Actual EPS (USD)	Exceed Expectation	
						Revenue	EPS
2026/11/3	Vertex Pharmaceuticals Incorporated (VRTX US)	3.41B	3.44B	4.81	4.76	V	
2026/11/3	Palantir Technologies Inc. (PLTR US)	2.17B	2.31B	0.41	0.44	V	V
2026/11/3	Apple Inc. (AAPL US)	113.47B	114.48B	2.00	2.10	V	V
2026/11/3	Eaton Corporation plc (ETN US)	8.52B	8.95B	3.55	3.68	V	V
2026/11/3	Marathon Petroleum Corporation (MPC US)	43.95B	56.49B	26.01	26.93	V	V
2026/11/3	Pfizer Inc. (PFE US)	15.87B	16.58B	0.73	0.87	V	V
2026/11/4	Amgen Inc. (AMGN US)	10.05B	10.37B	5.77	6.45	V	V
2026/11/4	Arista Networks, Inc. (ANET US)	3.33B	3.66B	1.08	1.20	V	V
2026/11/4	Advanced Micro Devices, Inc. (AMD US)	13.08B	13.38B	1.97	2.09	V	V
2026/11/4	CVS Health Corporation (CVS US)	104.62B	108.4B	1.66	2.09	V	V
2026/11/4	Uber Technologies, Inc. (UBER US)	14.65B	14.77B	0.87	0.88	V	V
2026/11/4	McDonald's Corporation (MCD US)	7.29B	7.16B	3.40	3.57		V
2026/11/5	QUALCOMM Incorporated (QCOM US)	10.12B	10.44B	2.16	2.17	V	V
2026/11/5	ConocoPhillips (COP US)	18.49B	20.06B	3.04	3.27	V	V
2026/11/5	Parker-Hannifin Corporation (PH US)	5.73B	5.99B	8.15	8.90	V	V

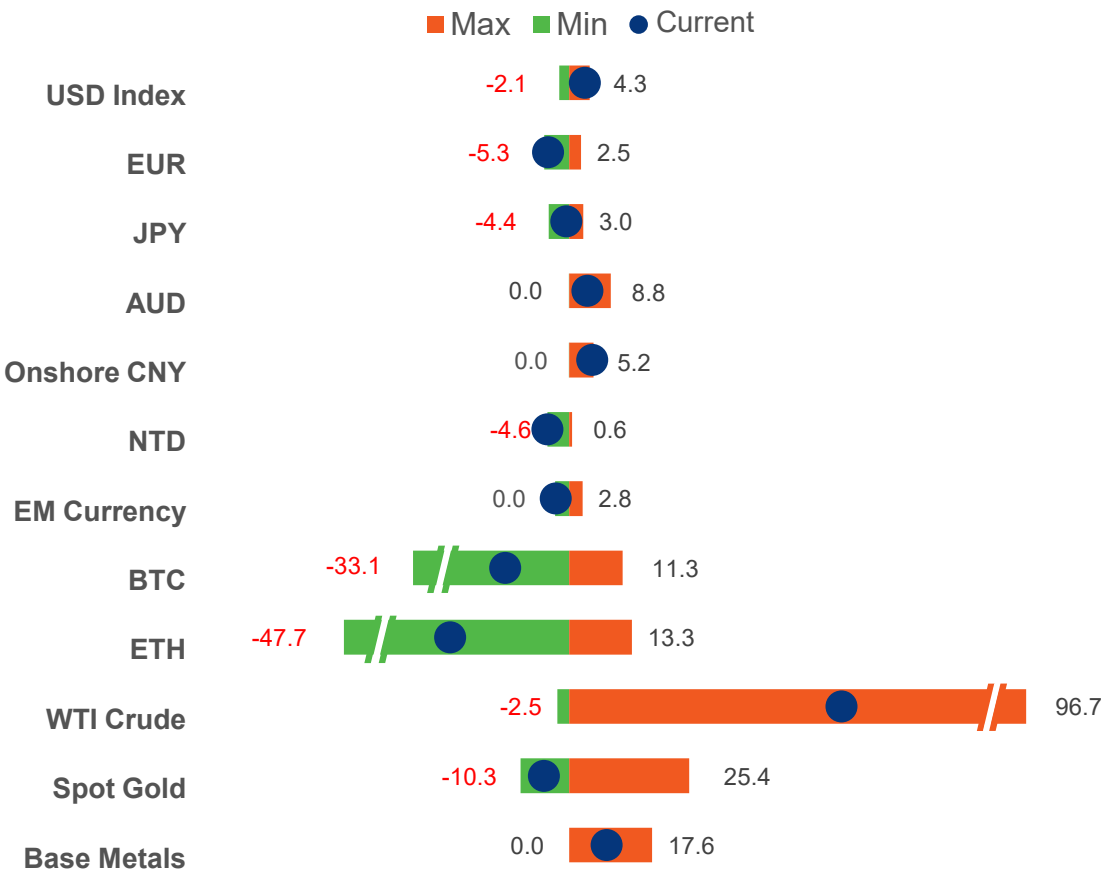
Source: Investing.com

Major Market / Asset YTD Performance

Equities & Bond Markets YTD Performance (%)



Currencies and Commodities Market YTD Performance (%)



Source: Bloomberg, 6 Nov 2026

Technical Analysis

60D MA

S&P 500 Index

- Current: 7,353
- 60D MA: 7,689



NASDAQ Index

- Current: 24,315
- 60D MA: 26,469



STOXX Europe 600 Index

- Current: 654
- 60D MA: 643



Nikkei 225 Index

- Current: 57,359
- 60D MA: 65,589



Shanghai Composite Index

- Current: 3,640
- 60D MA: 3,841



MSCI Emerging Markets Index

- Current: 1,543
- 60D MA: 1,678



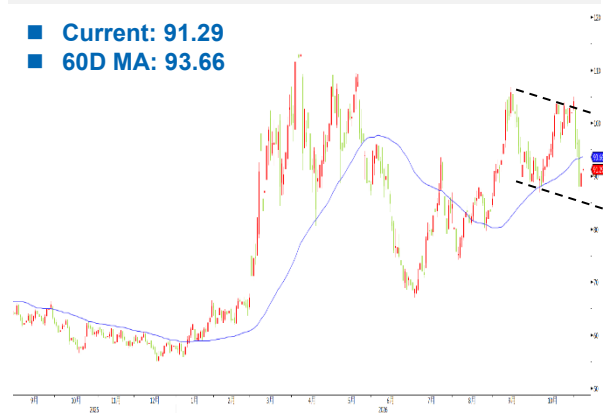
Gold

- Current: 4,066
- 60D MA: 4,253



WTI Crude

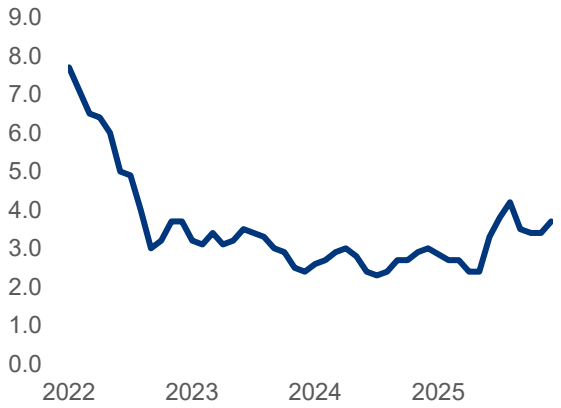
- Current: 91.29
- 60D MA: 93.66



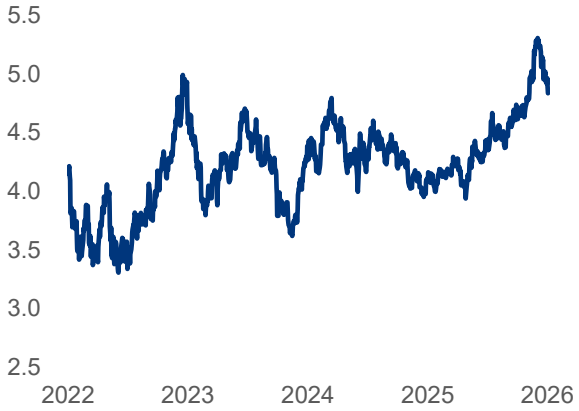
Source: Bloomberg, 6 Nov 2026

Market Monitor

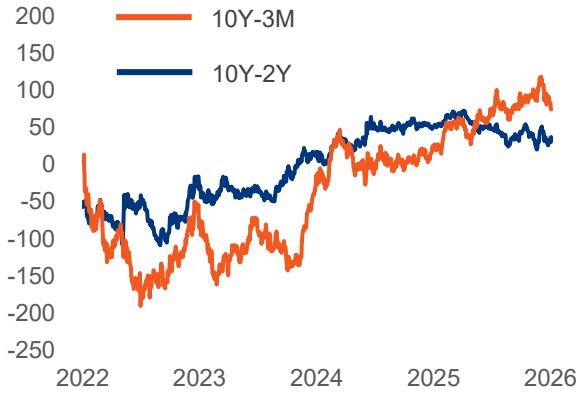
U.S. CPI YoY (%)



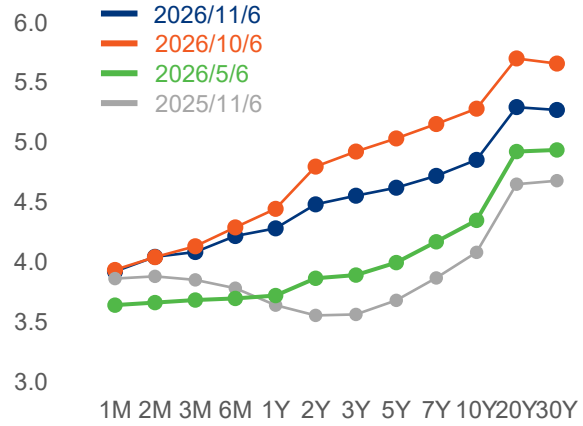
U.S. 10-Year Treasury Yield (%)



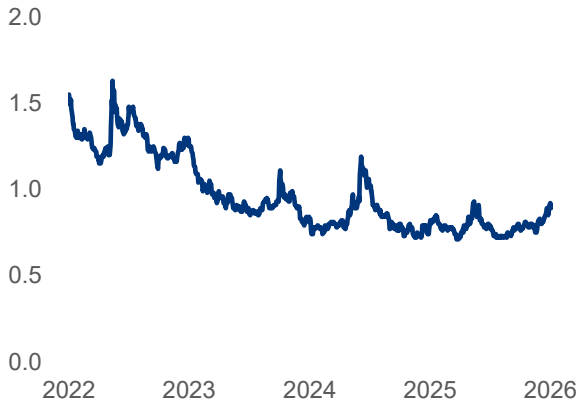
U.S. Treasury Yield Spread (bps)



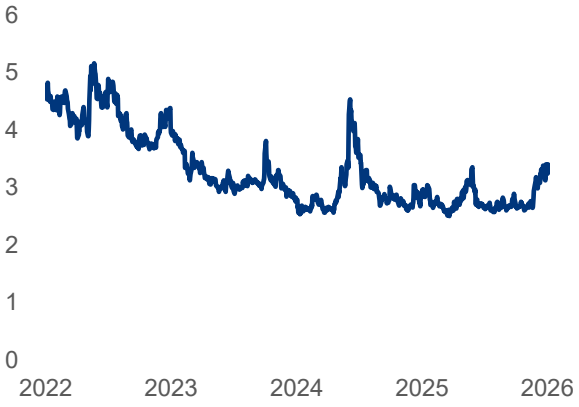
U.S. Treasury Yield Curve (%)



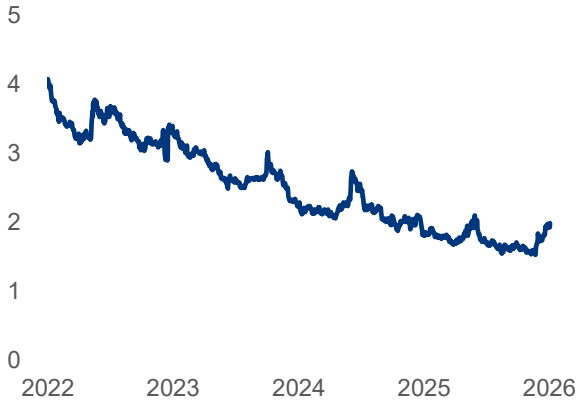
USD IG Credit Spread (%)



USD HY Credit Spread (%)



USD EM Credit Spread (%)



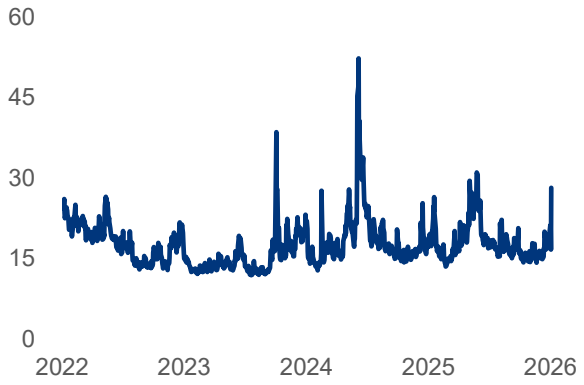
USD Asia Credit Spread (%)



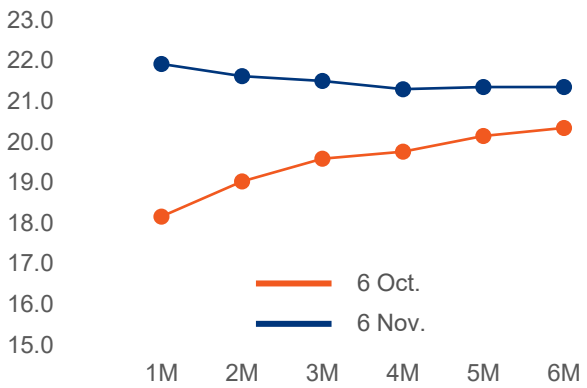
Source: Bloomberg, 6 Nov 2026

Market Monitor

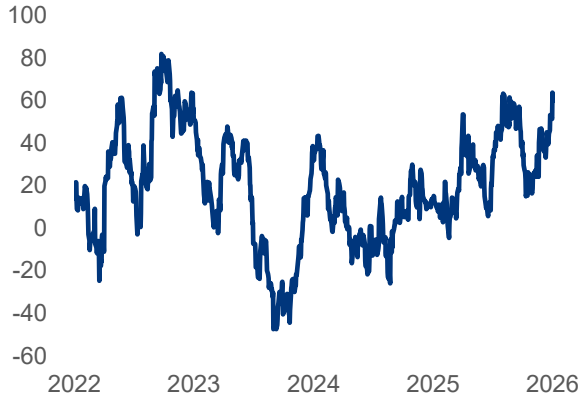
VIX Index



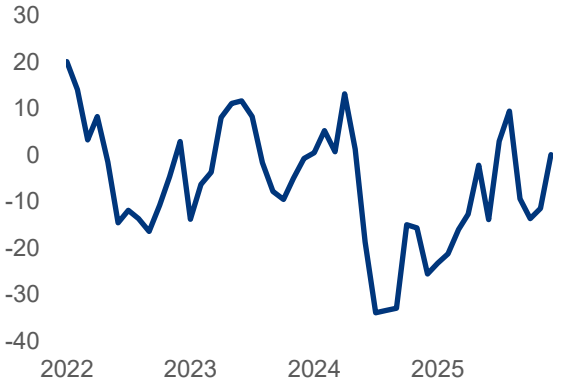
VIX Term Structure



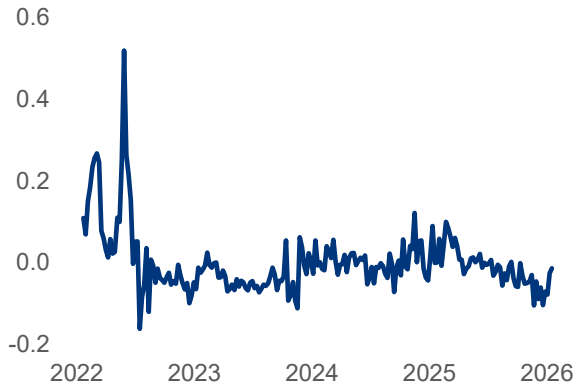
U.S. Citi Economic Surprise Index*



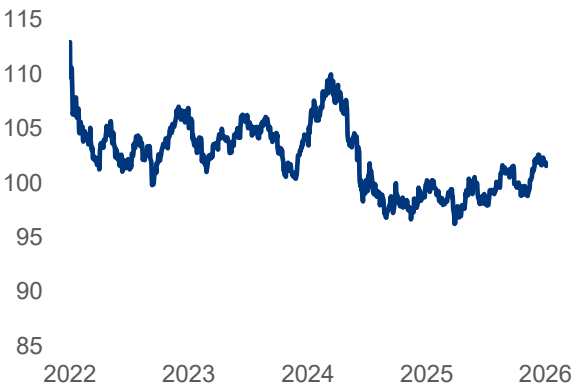
U.S. Citi Inflation Surprise Index*



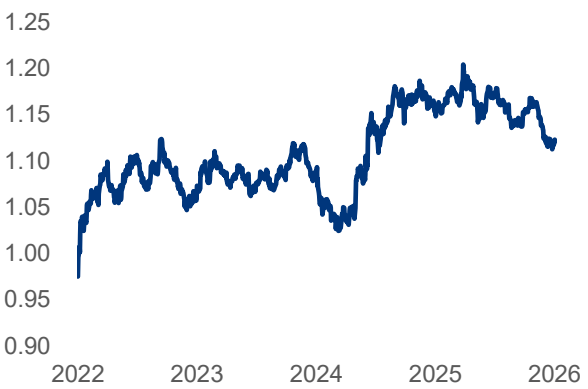
TED Spread (bps)



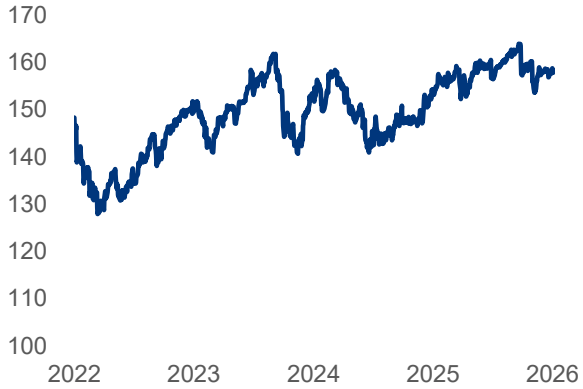
U.S. Dollar Index



EUR to USD



USD to JPY



Source: Bloomberg, 6 Nov 2026

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