TRADEVIEW CAPITAL
Building Wealth, Preserving Legacy

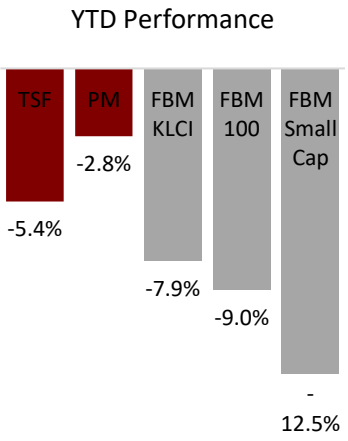
Has the Storm Passed?

Commentaries: July 2025

Return (%)	Jul-25	Year-To-Date	Since Inception (TSF: Dec 22)	Since Inception (PM: Apr 22)
Tradeview Sustainability Fund (TSF)	3.4%	-5.4%	21.5%	N/A
Discretionary Private Mandate (PM)	2.6%	-2.8%	N/A	27.7%
FBM KLCI Index	-1.3%	-7.9%	2.4%	-4.8%
FBM 100 Index	-0.7%	-9.0%	8.2%	1.2%
FBM Small Cap Index	2.8%	-12.5%	3.3%	-5.6%

Performance vs Benchmark

The Malaysian equity market was disappointing in July after rebounding in the previous month, while global equity markets were mostly positive. The FBMKLCI and FBM100 declined by 1.3% and 0.7%, respectively, while FBMSC advanced 2.8% higher.



Foreign investors' net-selling activities in July 25 brought the total net outflow to RM13.1 billion year-to-date. Their shareholding in the Malaysian equity market remains unchanged at 19% (down from 19.5% in Jun'24). While the local institutions remained the largest net-buyers, where the activity was largely concentrated in the telco and healthcare sectors (mainly in TM and KPJ).

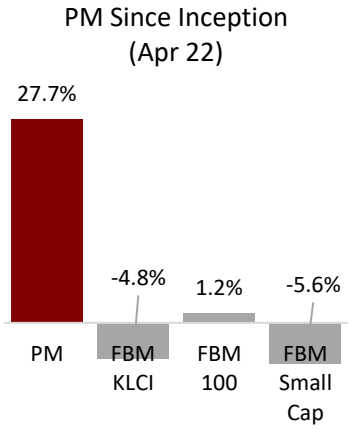
In terms of sectors, construction, REITs, and industrial products are the top three performers by gaining 4.2%, 4.2%, and 3.5%, respectively, likely driven by recovery sentiment around data center investment theme and their defensive nature. Underperforming sectors included healthcare (-3.3%, mostly due to speculative trading amid expectations that glove makers would receive preferential tariff treatment), financial (-2.8%, as this sector has the highest foreign ownership), and transportation (-0.4%, impacted by tariff concerns).

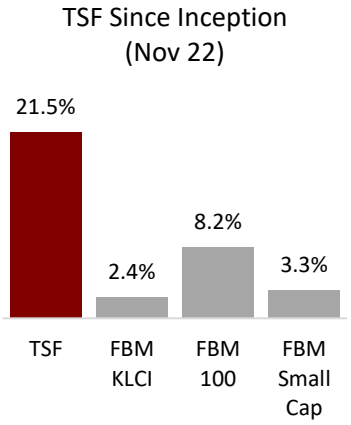
Despite volatile market conditions, our portfolio - Tradeview Sustainability Fund (TSF) and the discretionary private mandate (PM) – have outperformed significantly, gaining 3.4% and 2.6%, respectively. This outperformance is largely attributed to some recovery in industrial products and our strategy to increase exposure to foreign markets. These factors contributed to our YTD performance for TSF and PM of -5.4% and -2.8%, respectively.

Portfolio Deep Dive

In July 25, we reduced or closed our positions in GDEX, UMC, and ICTZONE, to avoid further disappointments and mitigate liquidity risk. We continued profit-taking on KOPI, DPHARMA, and MAYBANK amid their strength. Conversely, we initiated positions in RANHILL and PBA (both benefitting from water tariff revision), ICENTS (a niche player with strong demand for its cleanroom services), and NETLINK (a stable-yielding Singaporean stock). Additionally, we increased our position in POWERWELL and WENTEL to gain greater exposure to benefit from the potential recovery of selected names within the technology sector.

Our overall portfolio strategy remains unchanged, focusing on companies that are domestic-oriented and dividend-paying. Furthermore, we are working to increase our foreign market exposure to achieve a better risk-reward balance (see further explanation below).





Global Markets Commentary

As mentioned in our April 25 newsletter, we expected the global equity market to be more volatile when nearing 9-Jul-2025, the initial deadline to strike a trade deal with the Trump administration (subsequently extended to 1-Aug-2025, not unexpectedly). While the prolonged negotiation period was expected to cause pain to the market, investors have developed immunity against Trump's inconsistent approach, preventing kneejerk reactions.

As more of America's trading partners (Indonesia on 15-Jul, Japan on 22-Jul, the EU on 27-Jul, and South Korea on 27-Jul) managed to strike deals before 1-Aug, global stock market sentiment improved significantly. This, combined with decent economic data from US corporates, propelled the S&P500 (+2.2%) and NASDAQ (+3.7%) to another historic highs.

Across Asia, we observed significant re-rating in markets outside Malaysia, including Thailand (+14.0%), Indonesia (+8.0%), Hang Seng (+2.9%), and Singapore's market (+5.3%) despite its index being heavily weighted towards the financial sector like our KLCI. We believe that while improved market sentiment is important, valuation attractiveness is equally crucial. Meanwhile, we face risks from upcoming earnings result this month (potentially more earnings being frontloaded by exporters or higher incentives to kitchen-sink for underperforming industries) and speculation surrounding Malaysia's 2026 budget (not putting any high expectation given the government's fiscal constraints).

Closing Remarks

We have been talking a lot about being cautious since the beginning of this year and this is likely to continue as we think that most of the trade deals secured by the Trump administration either lack sufficient detail or remains unrealistic (for example, the U.S. and Japanese administrations have different interpretations regarding the nature of promised investment amounts). Thus, these factors may create near-term market weaknesses, and we will do our best to seize the opportunities.

Stock market volatility makes it hard to navigate. We have witnessed this in the past 7 months of 2025. To mitigate the risk, we must be nimble with our portfolios to achieve a more optimal outcomes, be it through capital allocation, asset class selection (for private markets or private credit) or market diversification. We will continue to enhance our investment strategies to deliver consistent returns for our clients.

Sincerely,

Ng Tzyy Loon,
Portfolio Manager of Tradeview Capital