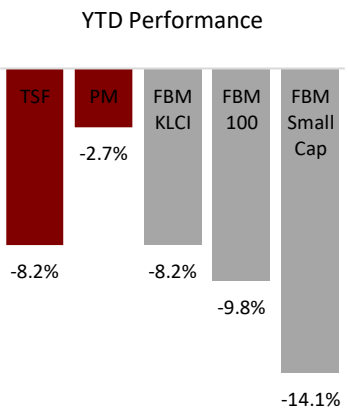
TRADEVIEW CAPITAL
Building Wealth, Preserving Legacy

The Pretend Peace

Commentaries: May 2025

Return (%)	May-25	Year-To-Date	Since Inception (TSF: Dec 22)	Since Inception (PM: Apr 22)
Tradeview Sustainability Fund (TSF)	1.4%	-8.2%	18.0%	N/A
Discretionary Private Mandate (PM)	2.6%	-2.7%	N/A	27.7%
FBM KLCI Index	-2.1%	-8.2%	2.1%	-5.1%
FBM 100 Index	-1.1%	-9.8%	7.3%	0.4%
FBM Small Cap Index	0.7%	-14.1%	1.4%	-7.3%

Performance vs Benchmark



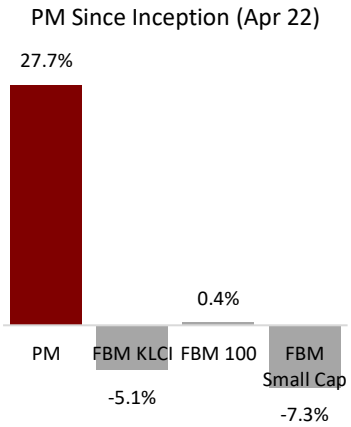
Global equity markets rebounded sharply in May, recovering from the steep losses in April that were triggered by aggressive US tariff announcements. The recovery was supported by easing trade tensions, stronger economic data, and robust performances from major technology companies. US equity indices posted solid gains: the S&P 500 rose 6.15%, the Dow Jones Industrial Average gained 3.94%, and the Nasdaq Composite surged 9.56%, effectively reversing most of the year-to-date losses. A key catalyst was President Trump's decision to delay the planned 50% tariff on European Union imports until July 9, which helped ease immediate trade concerns. Investor sentiment was further buoyed by a rebound in U.S. consumer confidence. The technology sector led the rally, with the "Magnificent Seven"—Nvidia, Amazon, Microsoft, Alphabet, Meta, Tesla, and Apple—playing a central role in driving the market's recovery.

Market performance across the Asia-Pacific region was broadly positive in May, with the MSCI Asia ex-Japan and MSCI ASEAN indices recording gains of 5.0% and 3.5%, respectively. Renewed investor confidence and market stabilization were driven by easing trade tensions, strong performance in the technology sector, and encouraging economic data. Local equity market performance remained lacklustre in May. The FBMKLCI and FBM100 declined by 2.1% and 1.1%, respectively, while the FBM Small Cap Index (FBMSC) gained 0.7%, supported by a rebound in the technology and industrial sectors, particularly those linked to AI and data centre themes.

Foreign investors turned net buyers during May, recording a net inflow of RM1.0 billion. However, net outflows totalling approximately RM1.4 billion were recorded in the final two weeks of the month, bringing the year-to-date net foreign outflow to around RM10.8 billion. The selling pressure in the latter part of the month was likely driven by profit-taking activities amid persistent tariff uncertainties and a

disappointing 1Q earnings season, which weighed on investor sentiment and contributed to the shift in foreign fund flows.

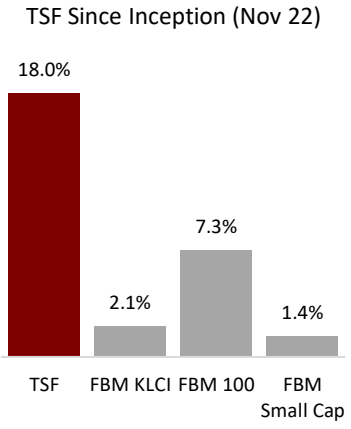
Sector performance was mixed in May, with several segments outperforming in line with the global recovery in growth sectors. Notably, Construction led the gains with a 9% rise, followed by Property (+4%), Technology (+3%), and Energy (+3%). On the other hand, key underperformers included Healthcare (-5%), as easing trade tensions between the US and China may have eroded Malaysia's earlier glove price advantage. The Consumer sector fell 4% on the back of weaker-than-expected earnings, while Telcos declined 2%, largely due to broad-based profit-taking.



Despite the weakness in local markets, our proactive portfolio rebalancing—focusing on larger-cap and foreign exposures—positioned us well to navigate the heightened volatility. As a result, our portfolio delivered positive returns during this turbulent period, with PM and TSF posting gains of 2.6% and 1.4%, respectively.

Portfolio Deep Dive

During this volatile month, we continued to add exposure to domestic names on weakness such as CIMB, Public Bank and Duopharma. We also increased weighting in a gold proxy via a Gold ETF as a hedge against potential USD weakness. Meanwhile, we trimmed our holdings in INTA, CCK, AEMULUS and Bukit Sembawang (SG) on strength to lock in profits. Additionally, we deployed some cash to participate in two local IPOs—Oasis Home and ICT Zone—as we believe both stand to benefit from resilient domestic consumption and the ongoing digitalisation of the economy.



Overall, we still favor domestic-focused or dividend-yielding stocks to mitigate risks from weakening global trade and economic conditions. In addition, we are increasing our foreign exposure to better capture fund inflows not only into Malaysia but also into other regional markets such as Hong Kong, China, and Singapore. In short, we continue to adopt a defensive approach while maintaining healthy cash level around 15%.

Global Markets Commentary

Global markets in May 2025 swung between relief and caution. Moody's stripped the United States of its last triple-A sovereign rating, warning that the country's ballooning USD36 trillion debt could complicate

President Trump's plans for fresh tax cuts and send ripples through funding markets. At the same time, the US and China agreed in Geneva to a 90-day tariff truce that will slash US levies on Chinese imports to 30% from 145% and cut China's tariffs on US goods to 10% from 125%, with Beijing also suspending several non-tariff barriers—an unexpectedly deep concession that helped soothe trade-war fatigue. Beijing reinforced that détente with monetary stimulus: the People's Bank of China trimmed its one- and five-year loan-prime rates by 10 basis points to 3.0 % and 3.5 %, cut its seven-day repo rate, and lowered banks' reserve-requirement ratios to keep credit flowing as growth slows. The combination of softer trade rhetoric and easier Chinese policy lifted risk appetite and prompted investors to scale back expectations for further global rate cuts, even though equity volatility remained elevated while markets digested shifting tariff headlines and sluggish inflation prints. Adding another twist, the Trump administration signalled it will rescind and rewrite Biden-era export curbs on advanced AI chips—an about-face welcomed by industry leaders but one that injects fresh uncertainty into the semiconductor supply chain and broader tech rivalry. Together, these cross-currents left investors navigating a landscape where policy swings, rather than fundamentals alone, set the tone for asset-price moves heading into the second half of the year.

Closing Remarks

The recent market recovery has been encouraging, and we are pleased to have delivered positive returns to our clients who continue to place their trust in us through additional fund injections. Looking ahead, we remain optimistic about a more stable trade environment and the continued rollout of domestic policies in the second half of the year, with a close watch on the upcoming budget. We also see potential for a re-rating in valuations and an earnings recovery among local companies, underpinned by resilient domestic consumption, improving business sentiment, and the return of foreign tourists and capital inflows.

Sincerely,

Nixon Wong,
CIO of Tradeview Capital