TRADEVIEW CAPITAL
Building Wealth, Preserving Legacy

In the Shadow of the AI Bubble

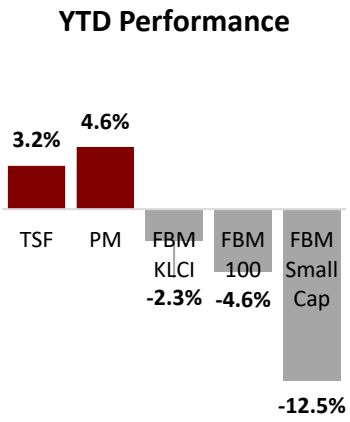
Commentaries: November 2025

Return (%)	Nov-25	Year-To-Date	Since Inception (TSF: Dec 22)	Since Inception (PM: Apr 22)
Tradeview Sustainability Fund (TSF)	-0.6%	3.2%	32.5%	N/A
Discretionary Private Mandate (PM)	-0.4%	4.6%	N/A	37.3%
FBM KLCI Index	-0.3%	-2.3%	8.6%	0.9%
FBM 100 Index	-0.5%	-4.6%	13.5%	6.2%
FBM Small Cap Index	-5.7%	-12.5%	3.2%	-5.6%

Performance vs Benchmark

The domestic equity market retreated in November, with the FBMKLCI slipping -0.3%. Weakness was more pronounced in the small-cap segment, as reflected by the FBMSC's sharp -5.7% decline. Although the recently concluded 3Q25 earnings season came in broadly in line with expectations, small-cap counters were weighed down by sizeable corrections in technology and healthcare names amid rising concerns of an emerging AI bubble and a more downbeat outlook from glove manufacturers.

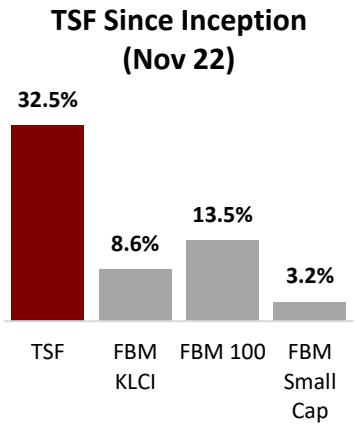
At the sector level, Finance (+2.5%), Property (+2.4%), and Construction (+1.1%) outperformed, while Technology (-8.9%), Utilities (-8.3%), and Healthcare (-6.8%) registered the steepest losses. Foreign investors remained persistent net sellers, recording outflows of RM1.1 billion for the month. This brings cumulative foreign net outflows to RM18.3 billion for the first eleven months of 2025, versus RM4.2 billion for the whole of 2024. Local institutional buying, however, helped cushion some of the downward pressure.



Our flagship fund — Tradeview Sustainability Fund (TSF) — declined 0.6% in November, underperforming the FBMKLCI, while discretionary Private Mandates (PM) posted a similar return of -0.4%. The underperformance was primarily driven by weakness in technology-related holdings. Despite this, both TSF and PM continue to outperform all major domestic benchmarks on a year-to-date basis, with gains of 3.2% and 4.6% respectively.

Portfolio Deep Dive

In November, we made several tactical adjustments, exiting positions in Cheerwin Group, Alpha IVF, and Hume Industries, while adding to Hong Leong Financial Group, Ranhill Utilities, and Sunsuria. These decisions were grounded in our bottom-up investment approach, prioritising intrinsic value and long-term fundamentals.

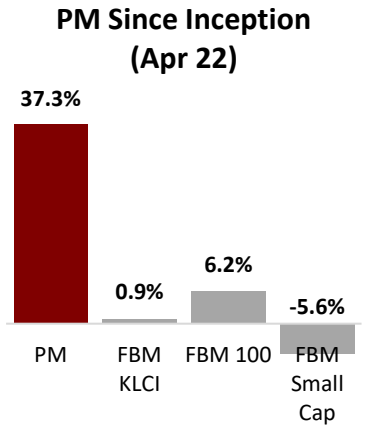


On a position level, Yangzijiang Financial Holdings, Radiant Globaltech, and Farm Fresh emerged as top contributors for the month, helping offset weaknesses from Infoline Tec, Inari Amertron, and Malaysia Steel Works.

While foreign-market activity remained limited during the month, we still plan to gradually increase exposure to overseas equities in the next few months, given the lack of meaningful near-term catalysts for the domestic market.

Global Markets Commentary

Heading into the final month of 2025, global markets continue to grapple with three overarching themes: tentative easing in U.S.–China trade tensions, heightening scepticism around the sustainability of the AI-driven rally, and signs of cooling economic momentum in both the U.S. and China.



In the U.S., major indices diverged. The Dow Jones eked out modest gains as investors priced in a higher likelihood of another Fed rate cut in December, supported by softer-than-expected inflation prints and a sharp deterioration in consumer confidence. Conversely, the tech-heavy Nasdaq saw a notable retreat in mega-cap AI names. Despite strong earnings delivery, investors are increasingly wary of bubble-like characteristics and are drawing parallels with the late-1990s tech cycle.

China was not spared from November's sell-off. Although eased trade tensions with the U.S. lend marginal support to exports, China's 4Q25 trajectory remains subdued, with weakening investment and corporate profits pointing to a fragile domestic environment. In the absence of a significant fiscal or property-sector rescue package, investors continue to adopt a highly selective stance, favouring areas aligned with government policy priorities.

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Closing Remarks

As 2025 draws to a close, our long-held FBMKLCI year-end target of 1,650 points appears increasingly attainable. While we remain cautious on the global market outlook, we believe Bursa Malaysia is well-positioned to deliver a more resilient performance in 2026. Domestically, economic momentum remains intact — unlike the two major economies — with 3Q25 GDP growth reaccelerating to 5.2%. Inflation continues to ease, unemployment stands at a decade low, and the Ringgit is on track to remain one of Asia's best-performing currencies for a second consecutive year.

Having crossed the mid-point of the current administration's term, coupled with the recent setback in the Sabah state election, we also see a likelihood of the Federal Government may adopt more business-friendly policies in 2026. Measures such as increased infrastructure spending and targeted handouts could provide additional support to economic growth and strengthen the local market outlook moving into next year.

That said, we remain mindful of key risks that could challenge our constructive view, including bursting of the A.I. bubble. This remains our major concern moving forward. As such, we will always maintain a health cash level for our portfolios, with the primary focus remains on preserving capital while seeking sustainable long-term returns for our investors.

Lastly, our latest wholesale fund Tradeview Funding Societies Income Fund (TFSIF) which was launched in November has got off to an encouraging start as it clearly shows that investors are also wary of the market volatility. This means that to avoid fluctuations, an alternative fixed income strategy like the TFSIF is an interesting proposition. Deployment to MSMEs onboarded on the Funding Societies platform has also begun. We are looking forward to TFSIF delivering the fixed returns for our clients in this challenging times ahead.

Sincerely,

Neoh Jia Man,
Portfolio Manager of Tradeview Capital