TRADEVIEW CAPITAL
Building Wealth, Preserving Legacy

A Steady Hand On The Tiller

Commentaries: October 2025

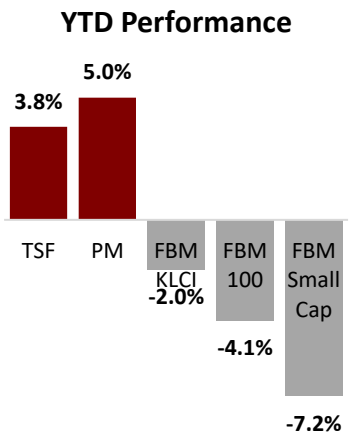
Return (%)	Oct-25	Year-To-Date	Since Inception (TSF: Dec 22)	Since Inception (PM: Apr 22)
Tradeview Sustainability Fund (TSF)	1.1%	3.8%	33.3%	N/A
Discretionary Private Mandate (PM)	-0.1%	5.0%	N/A	37.9%
FBM KLCI Index	-0.2%	-2.0%	8.9%	1.2%
FBM 100 Index	0.3%	-4.1%	14.1%	6.7%
FBM Small Cap Index	0.1%	-7.2%	9.5%	0.1%

Performance vs Benchmark

Global markets continued their upward momentum in November, buoyed by investor optimism following a 25bps rate cuts led by the US Federal Reserve (Fed) in October while Bank Negara Malaysia (BNM) maintaining OPR (after cutting OPR by 25 bps in July'25). With inflation easing and borrowing costs coming down, sentiment improved on expectations that the global economy could achieve a "soft landing" rather than slip into a deeper slowdown.

In Malaysia, market performance was modest, with the FBM100 and FBMSC inching up only a meagre 0.33% and 0.11%, respectively. This trailed other ASEAN markets, most of which advanced more than 1% (excluding the Philippines). The FBMKLCI eased 0.2% MoM to close at 1,609 points, weighed down by foreign fund outflows of RM2.7 billion despite several positive catalysts such as Budget 2026, the US-Malaysia trade pact, and the Fed's rate cut. As a result, the index's YTD loss widened to 2%, making it the weakest performer among MIST (Malaysia, Indonesia, Singapore, Thailand) markets for the month of October 2025.

Sector wise, technology (+9.8%), consumer (+3.6%), and healthcare (+2.9%) stocks led gains, while construction (-6.0%), property (-2.7%), and utilities (-1.7%) underperformed. Foreign investors turned net sellers in October with outflows of RM2.7 billion (vs +RM76 million in September), bringing total foreign outflows for the first ten months of 2025 to RM19.1 billion. This was more than four times the RM4.2 billion recorded in 2024. Local institutions remained the largest net buyers, with inflows of RM3.6 billion in October, lifting their YTD total to RM17.2 billion (+48% YoY).



Amid market volatility, the Tradeview Sustainability Fund (TSF) outperformed local indices with a 1.1% gain in October, while the discretionary Private Mandates (PM) were largely flat. The strong showing was supported by higher exposure to foreign markets, careful participation in selected local IPOs, and disciplined profit taking in fairly valued positions. Year-to-date, TSF and PM have delivered returns of 3.8% and 5.0%, respectively, outperforming major local benchmarks.

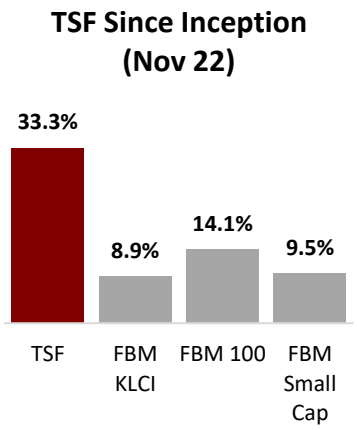
Portfolio Deep Dive

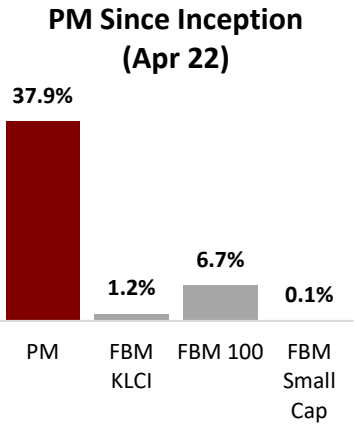
In October, we increased our exposure to selected China banks and semiconductor companies, maintaining our conviction that China's economy is gradually stabilizing. Valuations in these stocks remain attractive, and we see room for earnings recovery as policy support continues to take hold.

We also added more to our Singapore positions, emphasizing high dividend yielding stocks to enhance portfolio income stability. On the domestic front, we maintained exposure to data centre and water infrastructure themes through holdings such as Icents and Ranhill, reflecting our confidence in their long-term structural growth potential.

During the month, we also traded gold via ETFs, taking advantage of short-term price movements amid easing global bond yields. We took profit on IPO holdings like Insight Analytics following strong post listing performance, while remaining patient for better re-entry levels. Similarly, we exited Inta Bina and Aeon Credit Service as part of our ongoing rotation strategy and to raise cash for future opportunities.

Key focus moving forward include consumption growth, a tourism uplift from Visit Malaysia 2026, infrastructure spending, attractive dividend yields, and value opportunities across regional markets.





Global Markets Commentary

Markets in Korea, Japan, and Taiwan were standout performers in October, delivering strong monthly gains of 9% to 20%. The rally was driven by robust performances in the technology and semiconductor sectors, supported by optimism surrounding artificial intelligence and cloud infrastructure spending, as well as the tailwind from weaker local currencies. Investor sentiment was also lifted by the Fed's signal of potential rate cuts in 2026, which provided further momentum for equities globally.

In China, markets showed tentative signs of stabilization as recent policy easing measures and targeted fiscal support began to restore investor confidence. Sectors such as banking and semiconductors saw renewed interest, underpinned by attractive valuations and expectations of gradual recovery in corporate earnings. However, overall sentiment remained cautious as investors awaited clearer signs of sustained economic momentum and improvement in the property sector.

Overall, Asia's performance reflected growing confidence that accommodative monetary conditions, combined with steady policy support in China, could underpin a gradual recovery in trade and corporate earnings heading into 2026.

Domestically, Malaysia's economy remained resilient following the July rate cut of 25bps to 2.75%. Lower borrowing costs supported stronger consumer spending and investment activity, particularly in the construction and consumer sectors. The ringgit strengthened to around RM4.19 per USD, aided by improved risk sentiment and a softer USD. Implementation of Budget 2025 initiatives, with strong focus on green energy, digital innovation, and infrastructure, is gradually supporting economic momentum. Inflation remains well contained, allowing BNM to maintain an accommodative policy stance in the near term.

Closing Remarks

Heading into the final 2 months of the year, we remain selective in our market outlook. The ongoing global shift toward monetary easing continues to create a supportive environment for risk assets, though near-term volatility may persist as investors reassess global growth and corporate earnings trends. There is a growing concern on a potential AI bubble in the US due to exorbitant valuation on any technology companies related to AI. We are monitoring this concern closely and remain a key consideration during our decision-making process.

In Asia and specifically Malaysia, improving liquidity, fiscal discipline, and targeted growth initiatives are encouraging signs. We continue to focus on quality companies with sustainable earnings and strong balance sheets, while balancing growth opportunities with prudent risk management. Domestically, the combination of fiscal stability, targeted stimulus, and lower borrowing costs should help sustain momentum into 2026.

While recent rate cuts have lifted global sentiment, we maintain a cautious stance as long-term market performance must ultimately align with underlying fundamentals. To manage risks effectively, we are maintaining a healthy cash buffer of over 20% across most portfolios and emphasizing high quality dividend paying stocks alongside selective foreign exposure to cushion against domestic volatility.

In addition, we are broadening our diversification into alternative assets such as private equity or private credit to enhance resilience and income consistency. We are particularly excited about the launch of the **Tradeview Funding Societies Income Fund (TFSIF)**, a wholesale fund designed to deliver consistent and predictable income, **targeting an annual return of around 6% (net of fees) with monthly income distributions.** The fund invests in private credit instruments through peer-to-peer investment notes, providing investors access to a growing private credit market while simultaneously supporting our local SMEs, a key market segment of Malaysia's economy that continues to receive strong government support. TFSIF marks a strategic collaboration between **Tradeview & Funding Societies**, bringing together Tradeview Capital's prudent portfolio management experience and Funding Societies' strong track record in empowering local SMEs through digital financing. This offers an appealing alternative for investors seeking steady returns with low market correlation, aligning with our commitment to deliver consistent performance, income stability, and capital preservation across market cycles. Feel free to reach out to our team for more information.

Sincerely,

Nixon Wong,
Chief Investment Officer of Tradeview Capital