TRADEVIEW CAPITAL
Building Wealth, Preserving Legacy

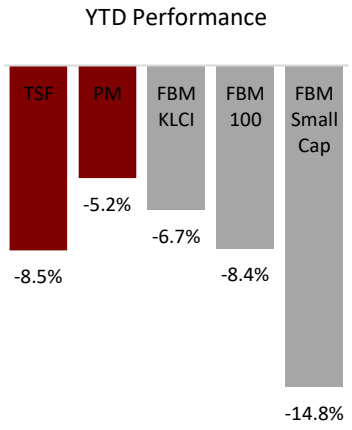
Calm Before the Storm

Commentaries: June 2025

Return (%)	Jun-25	Year-To-Date	Since Inception (TSF: Dec 22)	Since Inception (PM: Apr 22)
Tradeview Sustainability Fund (TSF)	-0.4%	-8.5%	17.5%	N/A
Discretionary Private Mandate (PM)	-2.5%	-5.2%	N/A	24.5%
FBM KLCI Index	1.6%	-6.7%	3.8%	-3.6%
FBM 100 Index	1.5%	-8.4%	8.9%	1.9%
FBM Small Cap Index	-0.9%	-14.8%	0.5%	-8.1%

Performance vs Benchmark

Malaysian equity market rebounded in June in tandem with the global recovery, though gains remained concentrated in large-cap stocks. The FBMKLCI and FBM100 rose by 1.6% and 1.5% respectively, while the FBMSC declined by 0.9%, highlighting continued weakness in small caps. Market support was driven almost exclusively by local institutional flows, which we believe were primarily from government-linked funds. Meanwhile, both local retail and foreign investors were net sellers. Notably, foreign shareholding in the Malaysian market fell to a record low of just 19.0%.

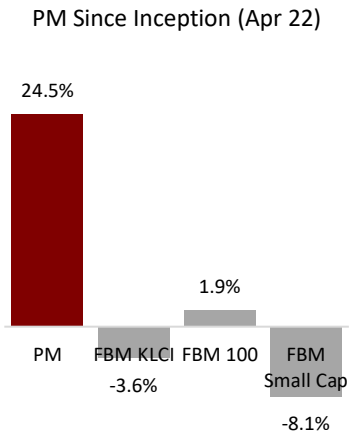


On a sectoral basis, Utilities (+4.3%), Energy (+3.9%), and Technology (+3.4%) led the local performance. The revival of optimism surrounding data center investments, coupled with no significant escalation in U.S. trade measures, boosted sentiment in Utilities and Tech. Energy counters gained from a temporary spike in oil prices amid renewed tensions in the Middle East. In contrast, Healthcare (-5.4%), Financials (-1.1%), and Property (-0.3%) underperformed, driven by lackluster guidance from glove makers and profit-taking in the banking sector.

Our portfolios underperformed this month due to its weightage towards small-cap names and intentional underweight exposure in the cyclical Energy and Technology space consistent with our outlook on market volatility driven by trade-related risks. This has proven so far to be the more prudent measure approaching the tariff deadline of 9th July 2025 and the rumoured new draft US regulation potentially banning export of AI chips to Malaysia and Thailand. The Tradeview Sustainability Fund fell 0.4%, while Discretionary Private Mandates declined 2.5%, bringing 1H25 returns to -8.5% and -5.2% respectively. While performance was in line with the broader small-cap space, our portfolios remained more resilient than the FBMSC.

Portfolio Deep Dive

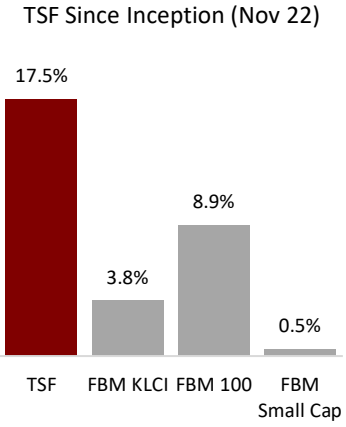
During the month, we selectively increased exposure to domestic banking names such as CIMB and RHB following their pullbacks. We also initiated new positions in PWRWELL and two Hong Kong-listed names, CHEERWIN and SMIC, based on our bottom-up conviction. In light of the ongoing decline in domestic bond yields, we subscribed to PAVREIT's private placement at a discount to market. Concurrently, we took profit or exited positions in DPHARMA, and KOPI amid strength.



Our portfolio positioning while still heavy on domestic-oriented and dividend-yielding names, which we view as better insulated from the external trade-related volatility we have continued our strategy from the start of the year to increase position in China / HK stocks. Despite improved market sentiment, we believe the optimism around tariff resolution may prove premature. As such, we maintain a defensive stance and will continue to explore select opportunities abroad for diversification and risk mitigation.

Global Markets Commentary

Global equities delivered solid gains in June. Although geopolitical tensions briefly flared following a U.S. strike on Iranian nuclear facilities, risk premiums quickly normalized. In the U.S., economic indicators such as rising jobless claims and softer consumer spending suggest moderating growth, while inflation remained below expectations. This combination strengthened market expectations for rate cuts, pushing the S&P 500 (+5.0%) and NASDAQ (+6.6%) to fresh highs.



Across Asia, tech-heavy markets saw outsized returns, with Korea (+13.9%), Japan (+6.6%), and Taiwan (+4.3%) benefiting from renewed optimism over U.S.-China trade relations. Although China's domestic economy continued to face deflationary pressure and persistent property market weakness, its equity markets—represented by the Hang Seng and Shanghai Composite, both up 2.9%—were lifted by improving trade sentiment.

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Closing Remarks

While overall market sentiment has improved, we remain cautious as we enter the second half of the year. With trade-related risks still unresolved, we believe more attractive entry opportunities may emerge in the near term.

In the blink of an eye, we are now at the half year mark. Our fund is facing the most challenging year in terms of market volatility since the inception of the firm 3 years ago. This made us realise the importance of expediting our strategy to build Tradeview Capital into a multi strategy firm where we cannot rely entirely on public markets to deliver consistent returns for clients. It is imperative that the private markets investment portfolio is built up to provide stability and market insulation for our clients over a long investment horizon. On a positive note, we have a healthy pipeline of private markets investments which we will gradually announce and share in the coming months.

Sincerely,

Neoh Jia Man,
Portfolio Manager of Tradeview Capital