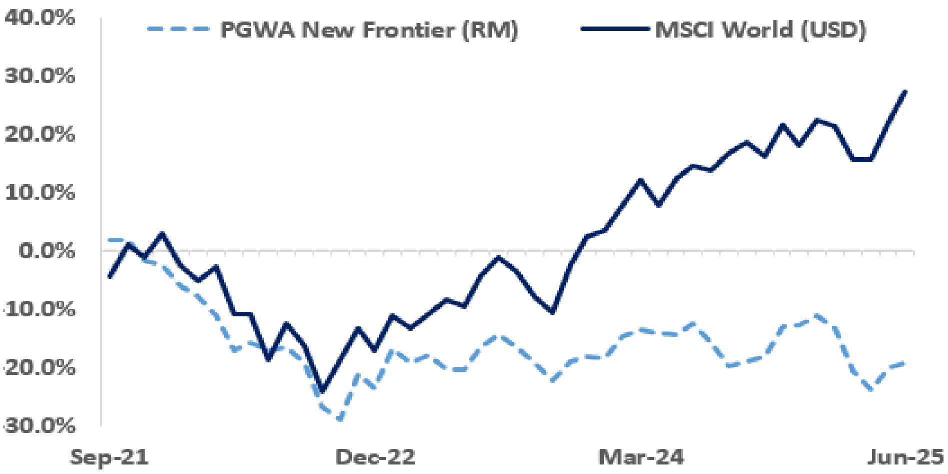
Quarterly Fact Sheet

30 Jun 2025

New Frontiers

Cumulative Return



Market Overview

In the 2nd quarter of 2025, US equities staged a sharp rebound following President Trump's decision to defer the proposed reciprocal tariffs. The S&P 500 reached a new all-time high, with several medium cap stocks hitting record levels. While the Federal Reserve kept the federal funds rate unchanged, inflation remained above the 2% target, causing policymakers to delay rate cuts despite easing price pressures. Meanwhile, the USD Index weakened by 7.1%, driven by growing concerns over fiscal deterioration after a newly proposed bill by the Trump administration was projected to add over US$3 trillion to the national deficit over the next decade.

In line with the stronger US markets, Chinese equities also rebounded, rising 4.1% in Q2 2025, supported by strong inflows from mainland institutional investors into dividend-yielding stocks. The rerating of banking stocks provided a significant uplift to the market, although the overall earnings outlook remained clouded by ongoing property sector weakness and deflationary pressure.

Portfolio Review

The US and Asia Tech market positive performance led to a 10.1% rebound in the MSCI World Index for Q2 2025. Our portfolio underperformed, registering an 1.6% return, primarily due to weaker USD (-5.1%) against RM.

During the quarter, we initiated positions in 3 stocks: Link REIT, Berkshire Hathaway (BRK) and United Healthcare (UNH). Link REIT, Asia largest REIT is likely to benefit from HK southbound inclusion with estimated HK$5b of inflows. Meanwhile, BRK, a conglomerate which likely to benefit from market uncertainty with its massive cash piles. Lastly, UNH is the largest health insurer in the US, serving over 50 million individuals through its UnitedHealthcare segment. Its scale gives it significant pricing power, broad provider networks, and operational efficiency, allowing it to outperform smaller peers in a highly regulated industry.

Looking ahead, we remain optimistic about the US market, supported by strong investments in AI and semiconductors. We believe capital markets may enter a new paradigm over the next 12–18 months, driven by the emergence of a new generation of AI-powered leaders. In Asia, investor behaviour in China is undergoing a structural shift—moving away from macro-driven narratives to a more bottom-up approach focused on company fundamentals and capital flows, which could unlock new opportunities for stock selection.

This quarter gainers are mainly from US such as Netflix (+43.6%), AMD (+38.1%), Microsoft (+32.5%), Meta (+28.1%), Disney (+25.6%), and JYP (+25.5%). Losers are Synergy House (-46.2%) and LVMH (-22.2%).

Basic Information

To achieve long-term capital growth from a portfolio primarily made up of a basket of foreign shares. The portfolio shall be focusing in the following markets: China, HK, and US.

Initial Investment

Min RM200k

Performance

Year	NF	MSCI W.
2021 (Oct – Dec)	-4.6%	7.5%
2022	-21.6%	-19.3%
2023	7.3%	23.2%
2024	6.4%	15.6%
2025 (YTD)	-7.5%	7.8%
Cumulative return	-19.4%	27.4%
2Q 2025	1.6%	10.1%

Top 10 holdings (%)

Microsoft	7.4
Meta Platforms	6.7
Alphabet	6.1
MasterCard	5.7
Intuitive Surgical	4.4
Amazon.com	4.3
Meituan	4.0
Walt Disney	3.7
Apple	3.6
Samsung Electronics	3.3

Countries Exposure