Patience Rewards.

To:	Our Valued Investors
From:	CIO
Letter:	Managed Account, M02/2024/04
Date:	5 April 2024
Re:	To watch USD. MOVE as low as 2022. Malaysia +17%. AOM reverses YTD loss. Copper, early CALMer. Fixed income UT does 7+. Japan influences Korea.

Forex may turn out to be an important consideration for risk assets in April. Versus the USD, losses were seen between 8th and 29th March in: SGD (-1.3%), JPY (-2.8%), CHY (-0.5%), INR (-0.7%), EUR (-1.3%), and GBP (-1.8%), and MYR (-0.8%). Notably, the one-day 0.4% down move in CNY on 22 March was allowed. This was after the one-day down move in JPY of 1.2% a day earlier.

MOVE moved down from 110 to below 90, a level last seen in early 2022.

Since April is the tax month for US, a lot of liquidity is drained from the system. Hence, we are watching the forex market carefully.

In a world awash with liquidity, and momentum investing benefitting growth, value investing remains a game of patience. In March, we are reaping these patient rewards.

Our Malaysia portfolio gained 11.7% (in SGD) in March, and 17.0% YTD. VSTECS and ADB contributed substantially to the outperformance. **VSTECS is our first double this year.**

In our March letter, we said that "we eagerly await the full March monthly result", which turned out to be most pleasant. Our Asia Opportunities portfolio gained 7.3% in March, as our **PM Quan Chengji believed the first step is to erase**

the YTD February loss of -4.4%. Indeed. YTD now stands at +2.6%.

Gold miners finally went to work, after lagging behind the price of gold for a very long time. Our Gold & Resources portfolio gained 9.4% in March. Copper miners averaged about +20%. We took profit in uranium CGN.

Another positive outcome can be seen in our Fixed Income UT portfolio. March was its seventh consecutive positive month. In Asia, high-yield and short-duration contributed. Over 12 months, we gained 4.8%. This is the best 12-month return since 2012, which benefitted from a rebound from the European debt crisis of 2011.

As Japan's corporate reforms appear to have benefitted its equity market, there is now talk that Korea might follow.

Times are getting exciting for risk assets, as we are not yet half way to the global liquidity cycle top. However, things never go up in a straight line. So, we shall take the knocks if they come.

Portfolio management

We still see positive liquidity outcomes that may feed into the risk markets. We remain value-conscious in stocks. Our bond exposure will be minimal, and will be for capital gain instead of income.

Portfolios' Performance

Our reference country/sector performances (in SGD terms):

S-Reits	+ 0.5% (1M)	- 9.2% (YTD)	-10.7% (12M)
Singapore	+ 2.6% (1M)	- 0.5% (YTD)	- 1.1% (12M)
US Big	+ 3.4% (1M)	+12.4% (YTD)	+29.2% (12M)
US Tech	+ 1.4% (1M)	+10.7% (YTD)	+39.9% (12M)
Hong Kong	+ 0.5% (1M)	- 0.9% (YTD)	-17.3% (12M)
Shanghai	+ 0.6% (1M)	+ 2.7% (YTD)	-10.7% (12M)
Japan	+ 2.4% (1M)	+15.6% (YTD)	+31.5% (12M)
Australia	+ 3.1% (1M)	+ 1.8% (YTD)	+ 8.8% (12M)
India	+ 1.5% (1M)	+ 4.7% (YTD)	+28.7% (12M)
Malaysia	- 0.2% (1M)	+ 4.9% (YTD)	+ 2.5% (12M)
Thailand	- 0.5% (1M)	- 7.2% (YTD)	-19.4% (12M)
Global Stock	+ 3.1% (1M)	+ 9.6% (YTD)	+21.4% (12M)
Global Bond	+ 1.0% (1M)	+ 1.3% (YTD)	+ 0.8% (12M)
Gold Miners	+20.2% (1M)	+ 4.2% (YTD)	- 0.9% (12M)
Materials	+ 6.4% (1M)	+10.8% (YTD)	+16.5% (12M)
Energy	+10.0% (1M)	+14.5% (YTD)	+16.7% (12M)

(1) Phillip Singapore Equity Yield (in SGD)

Portfolio	+ 0.5% (1M)	- 2.5% (YTD)	- 3.8% (12M)

S-Reits	+ 0.5% (1M)	- 9.2% (YTD)	-10.7% (12M)
Singapore	+ 2.6% (1M)	- 0.5% (YTD)	- 1.1% (12M)

We sold YZJ Financial as the company continues to "convert from CNH/RMB to USD before a potential further depreciation of the RMB." We see buying opportunities vs continuing to hold First Resources. We bought HRnet, Hock Lian Seng and KORE as valuation is appealing, and supply is available.

(2) Phillip Asian Opportunities Equity (in SGD)

Portfolio	+ 7.3% (1M)	+ 2.6% (YTD)	- 3.8% (12M)

Singapore	+ 2.6% (1M)	- 0.5% (YTD)	- 1.1% (12M)
Hong Kong	+ 0.5% (1M)	- 0.9% (YTD)	-17.3% (12M)
Japan	+ 2.4% (1M)	+15.6% (YTD)	+31.5% (12M)
Australia	+ 3.1% (1M)	+ 1.8% (YTD)	+ 8.8% (12M)

We continue to increase our holdings in Japan, adding Tokyo Electron, Screen Holdings, Sumitomo and Mitsui. We sold MacQuarie Group. We have already achieved the initial target of reversing the YTD loss of -4.4% into a gain of +2.6%. We remain confident in Japan on its corporate action initiative, and Korea (going to copy Japan) – increasing our holdings to 81.4% Japan, and 6.6% Korea.

(3) Phillip Managed Singapore Equity (in SGD)

Portfolio	+ 1.7% (1M)	+ 1.4% (YTD)	- 1.5% (12M)

Singapore	+ 2.6% (1M)	- 0.5% (YTD)	- 1.1% (12M)

With the STI still below its 1 August 2023, we have looked outside of index components. The path to gains may take longer but we are confident our picks in the following stocks will be recognized by the market. These are Mewah, Banyan, and Thakral. We sold YZJ Financial for the reason given above (Singapore Equity Yield), and Seatrium fearing negative public sentiments.

(4) Phillip Blue Chip Equity Yield (in SGD)

Portfolio	+ 1.2% (1M)	+ 3.6% (YTD)	+ 3.8% (12M)

Singapore	+ 2.6% (1M)	- 0.5% (YTD)	- 1.1% (12M)
Hong Kong	+ 0.5% (1M)	- 0.9% (YTD)	-17.3% (12M)
Australia	+ 3.1% (1M)	+ 1.8% (YTD)	+ 8.8% (12M)

We sold YZJ Financial for the reason given above (Singapore Equity Yield), and we see buying opportunities vs continuing to hold First Resources.

(5) Phillip Managed Gold & Resources Equity (in SGD)

Portfolio	+ 9.4% (1M)	+ 5.8% (YTD)	- 3.1% (12M)

Gold Miners	+20.2% (1M)	+ 4.2% (YTD)	- 0.9% (12M)
Materials	+ 6.4% (1M)	+10.8% (YTD)	+16.5% (12M)
Energy	+10.0% (1M)	+14.5% (YTD)	+16.7% (12M)

We took a 138% profit on CGN Mining. Copper is helping with the gins. Gold miners seem to be catching up with Gold. Finally!

(6) Phillip Global Funds (in SGD)

Portfolio	+ 2.6% (1M)	+ 4.8% (YTD)	+ 6.6% (12M)

Global 70/30	+ 2.5% (1M)	+ 7.1% (YTD)	+15.2%(12M)

We sold some United Japan, and East Spring Japan to make way for Nikko-AM Japan, as it is an efficient way to collect dividends without paying dividend processing fees. We bought GLD ETF, as we see gold as a way to play the rising global liquidity situation (i.e. increasing money supply). We also re-started our position in Gold Miners (sold in February), as the underperformance of Gold Miners vs Gold appears to be ending now. We sold Energy, and took a little profit in Malaysia, to make way for Korea (same strategy as Japan). We also re-sized US back to the 15%-limit holding.

(7) Phillip Returns Enhancer - Bond UTs (in SGD)

Portfolio	+ 0.9% (1M)	+ 1.7% (YTD)	+ 4.8% (12M)

Global Bond	+ 1.0% (1M)	+ 1.3% (YTD)	+ 0.8% (12M)

We exceeded the 4.7% 12-month return target that we set out to achieve during inception of this portfolio. We last achieved a big number back in 2012, which benefitted then from a rebound from the 2011 European debt crisis. Today, this is achieved by focusing on Asia, High yield and short duration. We also achieved a winning streak of 7 consecutive months.

(8) **Phillip SMART 1 Portfolio – Income (in SGD)**

Portfolio	+ 1.7% (1M)	+ 2.1% (YTD)	+ 4.7% (12M)
Global 40/60	+ 1.8% (1M)	+ 4.6% (YTD)	+ 9.1% (12M)

(9) Phillip SMART2 Portfolio – Income & Growth (in S$)

Portfolio	+ 1.5% (1M)	+ 2.6% (YTD)	+ 4.2% (12M)
Global 60/40	+ 2.2% (1M)	+ 6.3% (YTD)	+13.2% (12M)

(10) Phillip SMART3 Portfolio – Growth (in SGD)

Portfolio	+ 1.7% (1M)	+ 2.8% (YTD)	+ 3.2% (12M)
Global 70/30	+ 2.5% (1M)	+ 7.1% (YTD)	+15.2%(12M)

SMART123 lagged reference indexes due to few signals for the performing US markets. March is the second month of the 2-month rebalancing schedule, which we believe should contribute a better performance than earlier 6-day schedule. Let's give this "new" robo a chance to perform.

(11) Phillip SMART US Equities Portfolio (in SGD)

Portfolio	+ 3.4% (1M)	+11.6% (YTD)	+23.4% (12M)
US Big	+ 3.4% (1M)	+12.4% (YTD)	+29.2% (12M)

Gap contributed most to the portfolio gain, adding 45%, more than offsetting losses in SentinelOne and US Steel.

(12) Phillip Hong Kong Focused Equity (in SGD)

Portfolio	- 0.4% (1M)	+ 2.6% (YTD)	+ 7.7% (12M)
Hong Kong	+ 0.5% (1M)	- 0.9% (YTD)	-17.3% (12M)

We continue to outdo the referenced by 25%.

(13) Phillip Malaysia Focused Equity (in SGD)

Portfolio	+11.7% (1M)	+17.0% (YTD)	+ 6.7% (12M)
Malaysia	- 0.2% (1M)	+ 4.9% (YTD)	+ 2.5% (12M)

The performance is mainly due to VSTECS and ADB. **VSTECS is our first double this year**, as it is an important supplier to the data-centre market. ADB is one of a few companies which near-term earnings would be boosted by e-invoicing (1st round implementation is August).

(14) Phillip Thailand Focused Equity (in SGD)

Portfolio	- 1.2% (1M)	- 6.3% (YTD)	-18.7% (12M)
Thailand	- 0.5% (1M)	- 7.2% (YTD)	-19.4% (12M)

Nothing seems to be performing: our portfolio or the benchmark. Positives to tourism and the economy remain hopes, for now

(15) Phillip Global Growth Leaders (in SGD)

Portfolio	+ 1.5% (1M)	+10.8% (YTD)	+25.6% (12M)
Global Stock	+ 3.1% (1M)	+ 9.6% (YTD)	+21.4% (12M)

The portfolio lost to referenced index 1M, but beat it YTD and 12M. The "newcomers" after rebalancing did reasonably well: Charles Schwab, Nextera Energy, and Pfizer; Lululemon hit a high when we bought, and is off 16%. Of those not rebalanced, Tesla is 12% worse in a month; whereas JPM is better by 11%, and Nvidia very much better.

Customised Portfolios

Please contact your rep or portfolio managers if you need a review. If you don't, our BDs may contact you to ask if you will need a quarterly review.

Some clients want some percentage allocated to mirror our outperforming Global Growth Leaders. Because most clients want yield, our exposure tend to be in Singapore, Hong Kong, and Japan.

Thank you

We are grateful for your trust, and continuing support.