UOBKayHian | Private wealth management

Wealth Monthly

Tuesday 11 August 2026

Macro Headwinds versus AI Tailwinds

Table of Contents

CIO Summary

- **AI fundamentals remain strong**, as evidenced by both hard industry data and the latest company earnings. July's violent rotation out of semiconductors and other AI-related stocks was mainly driven by deleveraging, high market expectations and negative investor narratives.
- **Macro headwinds vs. AI tailwinds.** Persistent macro uncertainties, including geopolitical risks, elevated oil prices, higher bond yields and the Fed wildcard have amplified AI sector volatility and contributed to the rotation. Macro risks could gradually gain the upper hand, leading to a potential market awakening likely around September-October.
- **Join our CIO Series events in August** to navigate this complex and challenging environment, with curated insights and expert opinions. Details inside.
- **Our All ETF Model Portfolio** for global asset allocation was down 0.4% in July but still up 4.6% YTD. The Hang Seng Index ETF (2800.HK) and the Energy Sector ETF (XLE) were the largest contributors, while the Semiconductor ETF (SOXX) and Emerging Markets ex. China (IEMX) were the biggest detractors.
- **Our US Stock Model Portfolio** lost 0.6% in July but still gained 6.8% YTD. Top 3 performers: MSFT +24.6%, OXY +17.5% and SNOW +15.2%.
- **Our China Stock Model Portfolio** gained 2.8% in July yet remained down 3.5% YTD. Top 3 performers: 9988.HK +26.0%, 2899.HK +23.1% and 0300.HK +20.3%.
- **Fixed income strategy:** maintain our Core Recommendation on high-quality, investment-grade bonds with short durations (< 3 years).
- **Commodities:** Continued central bank buying provides long-term support, reinforcing gold (2840.HK or GLD) as a top beneficiary of de-dollarisation.

.

Core Views and Recommendations

Asset Class	Core Views	Core Recommendations
Equities	We remain cautious on global equities given the confluence of tariffs, geopolitical risk and extreme market concentration (related to AI). The Iran oil shock adds another layer of macro uncertainty by further lifting inflation, dampening growth and raising policy challenges.	Underweight equities in global asset allocation. See our All ETF Model Portfolio below.
US Equities	We are cautious on US equities for the same reasons above (including the "Fed Wildcard"), compounded by valuation concerns. Within US equities, we maintain high conviction in AI's long-term growth potential, despite concerns over macro uncertainty and concentration risk. We also favour well-managed, "true defensive" companies, which continue to demonstrate stability and resilience in an uncertain macro environment. We continue to like energy – both as a hedge against geopolitical risks and a key beneficiary of surging AI electricity demand.	Underweight US equities in global asset allocation (All ETF Model Portfolio) AI: AMZN, AVGO, META, MSFT, NVDA Defensives: BRK/B, JNJ, PG, WMT, XLP Energy: OXY, XLE, GEV Others: LLY See our US Stock Model Portfolio below.
China Equities	We are cautious on China due to continuing macro weakness ("China's Growing Pains"), characterized by a subdued real estate market and sluggish domestic demand, coupled with external shocks and a lack of stimulus. Having said that, the Iran oil crisis may be a blessing in disguise for China, as it could amplify Beijing's manufacturing edge and supply chain dominance, thus benefiting industrial production and exports. Within China equities, we also favour AI, defensives and energy.	Overweight China equities in global asset allocation (All ETF Model Portfolio) AI: 0700.HK, 9988.HK, TSM Defensives: 0941.HK, 0005.HK, 0300.HK Energy: 0857.HK, 300750.SZ / 3750.HK Others: 0027.HK, 0175.HK, 9961.HK See our China Stock Model Portfolio below.
Fixed Income	Bonds remain an essential asset class in a multi-asset portfolio, offering stable income, capital preservation, and diversification. Current bond yields also remain attractive relative to long-term inflation expectations. However, the US fiscal imbalance and the related de-dollarisation trend could be potential game changers for fixed-income investing. In addition, both the Fed policy and the new Fed chair are wildcards, adding to market uncertainty in 2026.	Overweight bonds in global asset allocation (All ETF Model Portfolio). We have changed our Core Recommendation from intermediate-term (5-7 years) IG bonds to short-duration (<3 years) bonds. Build a currency-diversified fixed income portfolio, incorporating local currency and FX hedged bonds or bond funds. See Appendix E for UOB's currency views.
Commodities	We expect de-dollarisation to continue in 2026 and beyond with gold as a top beneficiary of this long-term trend.	Overweight gold in global asset allocation (All ETF Model Portfolio). Gold ETFs: 2840.HK or GLD

CIO Commentary

Rotation defined global markets more than just volatility in July. This was evident across asset classes, regions, equities, and even within the AI sector. Such dynamics suggest that:

- **Risk appetite for equities remains intact,** despite ongoing geopolitical uncertainty, macro headwinds, the Fed Wildcard and AI concentration risk. However, we continue to believe investors may be too complacent about Fed rate hikes and global tightening risk. September-October remains a potential window for a major market awakening, where volatility could exceed prior levels.
- **Rotations suggest investors may be conflicted with recurring macro headwinds (top-down) and continuing strong AI fundamentals (bottom-up)**. You can hardly blame them for the frequent shifts in positioning. After all, the world is becoming increasingly difficult to decipher. For one thing, AI is no longer just a Silicon Valley innovation, but a disruptive force that could fundamentally change geopolitics, economic structure, fixed income, equities and even Fed policies.

As a firm that is "Serious about investing", UOB Kay Hian is dedicated to helping you navigate this complex and challenging environment, so that you can act with clarity and conviction. Please continue to follow our research and join our CIO-led events, where we bring together curated insights, actionable ideas and a trusted network of investment specialists.

Below are our CIO Series events this month, featuring leading third-party experts. We hope you can join us.

Date & Time	Event	Guest Speaker	Location	Language	Registration
7:30PM 13 Aug	对话 CIO 系列私享会 #11： 韩国豪赌欧亚算力，中美 AI 竞赛正酣	江经宇，对冲基金 Aqua Lake Capital 创始人兼 CIO	Online	Chinese	https://voovmeeting.com/dw/sRpVvYXw7IHv?ch=tteP51JLyE4B8 https://meeting.tencent.com/dw/sRpVvYXw7IHv?ch=tteP51JLyE4B8
6:30PM 18 Aug	CIO Series #38: Asia's AI Moment - What Investors Need to Know	Dan Kiang, Founder and CIO of Aqua Lake Capital	Online	English	https://events.teams.microsoft.com/event/f847c65f-82ed-4182-89c5-e7f74f5a96d6@7eadc1e1-1a4d-4f70-9305-931a048687ff
12:00PM 21 Aug	CIO Series Luncheon: US Market Outlook (in-person event)	Phil Mackintosh Chief Economist Nasdaq	Hong Kong	English	RSVP Iris Lee (iris.lee@uobkh.com) Nicole Li (nicole.li@uobkh.com) Cissy Yu (cissy.yu@uobkh.com)
5:30PM 25 Aug	CIO Series Forum: Macro Shocks vs AI Tailwinds (in-person event)	Phil Mackintosh Chief Economist Nasdaq	Singapore	English	https://events.teams.microsoft.com/event/80534eb2-bd78-49d3-bc86-586cf2c7b656@7eadc1e1-1a4d-4f70-9305-931a048687ff

Asset Allocation (All ETF Model Portfolio)

UOBKayHian | Private wealth management

All ETF Portfolio - Based on Our Global Asset Allocation Views **31 Jul 2026**

Exchange Traded Funds	Ticker	Our Weight %	Versus Benchmark %	1D (%)	1WK (%)	MTD (%)	QTD (%)	YTD (%)	1Y(%)	Inception (%)
SS SPDR S&P 500 ETF TRUST-US	SPY US	15.5	-20.6	0.7	1.1	0.0	0.0	10.1	19.5	-
INVESCO QQQ TRUST SERIES 1	QQQ US	4.5	4.5	0.6	0.5	-6.6	-6.6	12.3	22.3	
SS ENERGY SELECT SECTOR	XLE US	4.4	4.4	1.0	-0.1	12.1	12.1	35.0	40.8	-
SS INDUSTRIAL SELECT SECTOR	XLI US	1.9	1.9	0.8	-1.5	-2.9	-2.9	16.5	19.8	-
ISHARES SEMICONDUCTOR ETF	SOXX US	4.3	4.3	0.1	-4.2	-21.2	-21.2	67.8	111.3	-
ISHARES CORE MSCI DEV MKTS	IDEV US	10.2	-6.2	-0.7	1.7	1.7	1.7	11.4	25.0	-
ISHARES MSCI EMR MRK EX CHNA	EMXC US	4.1	-1.5	1.0	0.3	-10.0	-10.0	27.5	50.3	-
CHINAAMC ETF SERIES - CH-HKD	3188 HK	3.7	3.7	1.2	-0.3	-6.4	-6.4	4.3	21.9	-
TRACKER FUND OF HONG KONG-B	2800 HK	3.4	1.2	0.2	3.9	13.4	13.4	2.2	7.6	-
Equity Subtotal		**52.1**	**-8.1**	**0.4**	**0.5**	**-2.2**	**-2.2**	**10.3**	**28.4**	**54.5**
VANGUARD INT-TERM CORPORATE	VCIT US	12.8	12.8	-0.1	0.1	-1.3	-1.3	-0.6	3.1	-
VANGUARD S/T CORP BOND ETF	VCSH US	27.2	27.2	-0.1	0.2	-0.2	-0.2	0.8	3.6	-
Bond Subtotal		**40.0**	**+0.3**	**-0.1**	**0.2**	**-0.5**	**-0.5**	**0.6**	**3.5**	**7.8**
SPDR GOLD SHARES	2840 HK	5.4	+5.4	0.7	0.4	0.7	0.7	-6.6	22.6	18.2
Cash (USD Equivalent)		**2.5**	-	-	-	-	-	-	-	-
All ETF Portfolio		**100.0**		**0.2**	**0.6**	**-0.4**	**-0.4**	**4.6**	**11.9**	**27.3**

Note: The All ETF Portfolio is a model portfolio based on our global asset allocation views (inception: 29 December 2023). Past performance does not guarantee future results. Please note certain bond ETFs are subject to US withholding taxes. Please contact eugeneng@uobkh.com for more information.

Source: UOB Kay Hian and Bloomberg. As of July 31, 2026.

- **Our All ETF Portfolio for global asset allocation was down 0.4% in July** yet still up 4.6% YTD. The Hang Seng Index ETF (2800.HK) and Energy Sector ETF (XLE) were the largest contributors, up 13.4% and 12.1% respectively. Meanwhile, Semiconductor ETF (SOXX US) and Emerging Markets ex-China ETF (IEMX) were the biggest detractors, down 21.2% and 10.0% respectively.
- **US equity UNDERWEIGHT (30.6% vs. 36.1%).** We do not intend to increase US equity exposure until the Fed's first rate hike, which the market expects in September but we still anchor to December. In the meantime, there remain ample trading opportunities from sector rotation. In July, we took profits in the Energy Sector ETF (XLE) after a brief oil spike and also trimmed the Industrial Sector ETF (XLI). Proceeds were redeployed into Nasdaq-100 (QQQ) and the Semiconductor Sector ETF (SOXX) during the recent pullback, as we believe the sharp correction offers an attractive buying opportunity.
- **Developed Markets ex-US UNDERWEIGHT (10.2% vs. 16.4%).** DM ex-US (IDEV) gained 1.7% in July, driven by strength in European equities yet dragged by Japan amid the sell-off in AI and semiconductors. Despite the ups and downs, IDEV remained up 11.4% YTD.
- **Emerging Markets ex-China UNDERWEIGHT (4.1% vs. 5.6%).** EM ex-China (EMXC) declined 10% in July after a sharp sell-off in Korea (also AI-related) but remained up 27.5% YTD.
- **China equity OVERWEIGHT (7.1% vs. 2.2%).** We took profits in the Hang Seng Index ETF (2800.HK) after its strong rally and after the index hitting our preset target in July.
- **Fixed income EQUAL-WEIGHT (40.0% vs. 39.7%).** Fixed income held steady amid equity market volatility, down just 0.5% in July vs. a 2.2% decline in global equities. The intermediate term corporate bond ETF (VCIT) fell 1.3% in July and remained down 0.6% YTD, while the short-term

corporate bond ETF (VCSH) slipped only 0.2% in July and remained up 0.8% YTD. This has confirmed that our Core Recommendation to stay short-duration is working.

- **Gold OVERWEIGHT (5.4% vs. 0.0%).** The Gold ETF (2840 HK) gained 0.7% in July yet remained down 6.6% YTD. We continue to view gold as a portfolio diversifier and a long-term hedge against geopolitical risk, currency volatility and the de-dollarisation trend.

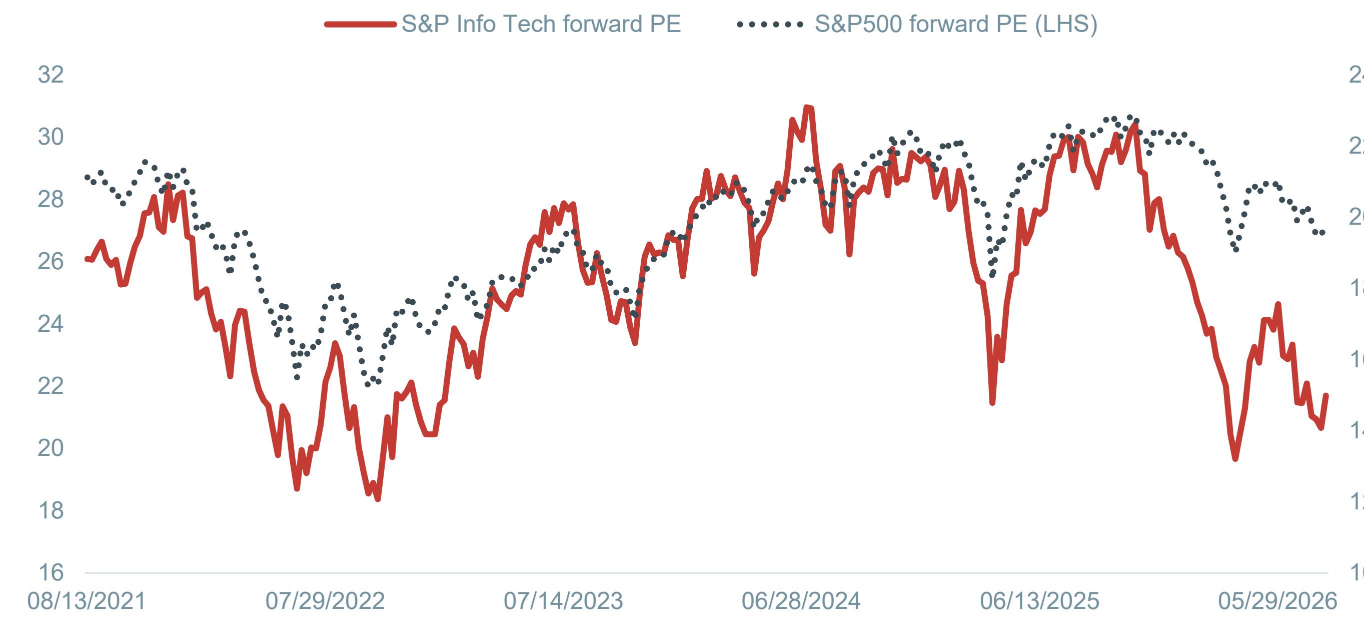
Equities

US Equities

July was a month of extreme volatility, which isn't obvious as the S&P 500 was down only 0.1% last month. Beneath the calm surface, the Nasdaq fell 3.2% while SOXX collapsed 21.2%, driven by a cascade of macro uncertainties, stretched expectations, bearish narratives, deleveraging squeezes and retail sentiment swings. Our US Strategist Wendy Chen was spot-on with her call on this rotation. Access the replay of our joint-CIO Series webinar if interested.

- **Narrative-driven panic over AI.** The market panic was triggered by a series of negative narratives on AI: (1) News of Meta's plan to lease out compute was misread as a signal of compute oversupply and impending capex cuts; (2) the release of Chinese open-source model Kimi K3 sparked fears of a price war with existing frontier models (Anthropic, OpenAI); (3) Chinese DUV lithography progress triggered a semiconductor equipment sell-off and concerns that US AI firms may be losing ground across the entire stack. Last but not least, macro events such as renewed Middle East tensions, a resurgence in oil prices, rising bond yields and the Fed Wildcard also amplified the sell-off.
- **AI fundamentals remain intact.** Despite a long list of worries, data points have yet to point to a meaningful deterioration in AI fundamentals. GPU rental prices continued to surge 50%-60% over the past seven months, while Meta, Google and Amazon all raised full-year capex guidance during 2Q results – among other supportive evidence.
- **Broad earnings fundamentals remain intact.** Beyond just AI, the broader earnings backdrop remains remarkably robust: 86% of S&P 500 companies that have reported 2Q earnings so far beat estimates, with a staggering 47% yoy increase in EPS – up from the 27% growth in 1Q. As a result, Wall Street has lifted full year earnings growth estimates for the S&P 500 and Nasdaq to 29.3% and 46.1%, respectively. For AI hardware stocks, higher earnings estimates but lower stock prices mean a significant PE compression, with the forward PE of S&P 500 Info Tech sector now down to a 4-year low (see chart below).
- **Potential credit market headwinds.** While AI and tech equity risks are mainly illusory, the credit market could face real AI-related headwinds, with hyperscaler CDS spreads skyrocketing and potential spillovers to other markets. Refer to our Fixed Income section below for more information.
- **Short-term outlook constructive.** The late-July collapse of a once-USD 45bn AI fund triggered the second-largest de-grossing of the past decade – which has now concluded. Aggressive deleveraging and systemic cleansing of levered positions appear to be ending. We foresee a cleaner technical tape ahead, allowing investors to refocus on AI fundamentals. S&P 500 has been following our playbook of "range-bound with an upward bias" in the short-term. Our view is unchanged.
- **Medium-term caution warranted.** Beyond September and into 4Q, however, we advise investors to be wary of a potential market awakening, as the rate hike risk and midterm election uncertainty may begin to price in more aggressively.

Valuation multiple of S&P 500 Information Tech sector is now down to a 4-year low



Source: Bloomberg

UOBKayHian | Private wealth management

US Stock Model Portfolio - Core Recommendations and Trading Buys — **31 Jul 2026**

Name	Ticker	Sector	Type of Recommendation	Current Price	Position Weight (%)	Forward PE	1D Return (%)	1W Return (%)	MTD Return (%)	QTD Return (%)	YTD Return (%)	1Y Return (%)	Inception Return (%)
Berkshire Hathaway Inc-Cl B	BRK/B US	Financials	Core Recomm	511.54	7.1	25.7	0.4	3.4	2.2	2.2	1.8	8.4	-
Ss Energy Select Sector	XLE US	Energy	Core Recomm	59.55	6.6	NA	1.0	-0.1	12.1	12.1	35.0	40.8	-
Nvidia Corp	NVDA US	Information Technology	Core Recomm	200.75	5.6	18.4	2.9	-2.9	0.3	0.3	7.8	13.0	-
Walmart Inc	WMT US	Consumer Staples	Core Recomm	111.20	5.3	36.0	0.1	1.6	-1.8	-1.8	0.2	14.4	-
Johnson & Johnson	JNJ US	Health Care	Core Recomm	256.35	5.1	20.9	0.2	-2.7	0.9	0.9	25.2	59.5	-
Ishares Semiconductor Etf	SOXX US	NA	Trading Buy	504.89	4.7	NA	0.1	-4.2	-21.2	-21.2	67.8	111.3	-
Meta Platforms Inc-Class A	META US	Communication Services	Core Recomm	556.71	4.7	14.7	3.3	-6.5	-1.2	-1.2	-15.5	-27.8	-
Occidental Petroleum Corp	OXY US	Energy	Core Recomm	57.07	4.6	12.5	2.0	-0.4	17.5	17.5	40.1	32.5	-
Procter & Gamble Co/The	PG US	Consumer Staples	Core Recomm	144.49	4.5	20.5	0.4	-2.0	-0.7	-0.7	3.0	-1.2	-
Ge Vernova Inc	GEV US	Industrials	Core Recomm	990.29	4.2	41.9	0.8	-2.4	-15.7	-15.7	51.8	50.3	-
Eli Lilly & Co	LLY US	Health Care	Core Recomm	1,148.84	4.1	28.6	-0.5	-3.9	-4.2	-4.2	7.3	56.3	-
Broadcom Inc	AVGO US	Information Technology	Core Recomm	389.28	4.1	22.4	0.4	1.9	3.1	3.1	12.9	33.5	-
Amazon.Com Inc	AMZN US	Consumer Discretionary	Core Recomm	271.58	3.6	23.9	15.3	17.0	13.9	13.9	17.7	16.0	-
Alphabet Inc-Cl A	GOOGL US	Communication Services	Trading Buy	356.13	2.9	20.1	6.7	11.4	-0.3	-0.3	13.9	86.1	-
Lumentum Holdings Inc	LITE US	Information Technology	Trading Buy	713.94	2.5	36.8	3.0	-6.4	-16.8	-16.8	93.7	548.6	-
Ss Consumer Staples Sel Sect	XLP US	Consumer Staples	Core Recomm	85.05	2.1	NA	-0.5	1.1	2.4	2.4	10.9	9.6	-
Applovin Corp-Class A	APP US	Communication Services	Trading Buy	395.90	2.0	20.6	-2.0	1.0	-23.2	-23.2	-41.2	1.3	-
Ss Industrial Select Sector	XLI US	NA	Trading Buy	179.84	2.0	NA	0.8	-1.5	-2.9	-2.9	16.5	19.8	-
Microsoft Corp	MSFT US	Information Technology	Core Recomm	464.72	2.0	23.2	3.0	21.8	24.6	24.6	-3.5	-12.2	-
Nokia Corp-Spon Adr	NOK US	Information Technology	Trading Buy	9.14	1.9	20.6	0.6	1.0	-30.8	-30.8	43.3	128.3	-
Ss Health Care Select Sector	XLV US	Healthcare	Trading Buy	162.55	1.9	NA	-0.6	0.0	2.5	2.5	5.9	26.8	-
Sk Hynix Inc-Adr	SKHY US	Information Technology	Trading Buy	143.73	1.6	NA	-3.5	-7.0	0.0	0.0	0.0	0.0	-
Snowflake Inc	SNOW US	Information Technology	Trading Buy	293.28	1.1	124.7	-1.6	9.4	15.2	15.2	33.7	31.2	-
Ss Spdr S&P 500 Etf Trust-Us	SPY US	NA	Trading Buy	747.03	0.6	NA	0.7	1.1	0.0	0.0	10.1	19.5	-
US DOLLAR	CASH				15.3								
TOTAL					100.0	30.1	1.3	0.7	-0.6	-0.6	6.8	11.8	59.5

Note: "Core Recommendations" refer to our high conviction, best-of-the-best stock picks, with a minimum one-year investment horizon. "Trading Buys" are medium-conviction, short-term trading ideas. "Return" refers to USD total return including dividends but excluding transaction costs. Inception date is 31 December 2023. For more information, please contact wendy.chen@uobkh.com

Source: UOB Kay Hian and Bloomberg. As of July 31, 2026.

- **Our US Stock Model Portfolio lost 0.6% in July yet remained up 6.8% YTD,** underperforming S&P 500 (SPY) – which was flat in July and up 10.1% YTD. The July lag was driven by Industrials

(GEV -15.7%), Technology (NOK -30.8%, LITE -16.8%, SOXX -21.2%) and Communication Services (APP -23.2%), partly offset by gains in Energy (OXY +17.5%, XLE +12.1%), Consumer Discretionary (AMZN +13.9%) and Software (MSFT +24.6%).

- **Cash remained largely unchanged at 15.3% at July-end,** reflecting our portfolio rotation strategy, with purchases funded by sales. We added to JNJ, PG, WMT, XLV, NVDA, META and SOXX, with money from exiting MU and QCOM, as well as trimming AVGO, LITE, MSFT, AMZN, SKHY, XLE and OXY.
- **Top 3 performers: MSFT +24.6%, OXY +17.5% and SNOW +15.2%.**
- **Bottom 3 performers: NOK -30.8%, APP -23.2% and SOXX -21.2%.**
- **Alphabet (GOOGL)** reported strong 2Q results. Revenue grew 24% yoy to USD 119.8bn, slightly ahead of expectations, while EPS of USD 2.85 came in slightly below consensus. Advertising revenue remained resilient, and Google cloud surged 82% to USD 24.8bn, exceeding elevated buyside expectations of 70%+ growth. The company's order backlog increased by 11.7% qoq to USD 514bn, highlighting sustained demand visibility. Bearish arguments focus on the company's first-ever negative free cash flow (FCF) and cloud margin possibly peaking. However, we remain constructive on GOOGL, as its robust backlog reaffirms continuing strong AI demand.
- **Amazon (AMZN)** reported a strong 2Q with revenue rising 20% yoy to USD 201bn, 2% ahead of consensus. EBIT reached USD 27.5bn, comfortably beating the USD 26bn consensus. AWS was the standout driver, with revenue surging 37% versus already elevated buy-side expectation of 35% growth. Backlog also increased 36% qoq to USD 496bn. Management raised FY2026 capex guidance to USD 220bn (from USD 200bn) primarily due to higher memory-related costs. Management also offered crucial insights into AI data center economics, stating that servers have a 5-to-6-year useful life, AI capacity is contracted for five years, and capital investments will reach breakeven under three years (implying a 30%+ IRR). This narrative immediately boosted investor sentiment on hyperscaler stocks, leading to a 15% surge in AMZN shares in a single day. We maintain our positive view on Amazon, supported by its leadership in cloud computing and now the compelling return on AI investments. The stock currently trades at 21x forward PE, with earnings expected to grow 14.8% in 2026E and 13.2% in 2027E.
- **Nokia (NOK)** reported a beat-and-raise for 2Q. Revenue grew 9% yoy to EUR 4.82bn, and comparable operating profit rose 18% to EUR 434mn (beating the EUR 382mn estimate). Net sales to AI and cloud clients more than doubled, while new order booking reached EUR 2.8bn – highlighting robust AI networking demand. The company said the backlog offers solid revenue visibility well into late 2027 and 2028 – a positive surprise. We believe Nokia will continue to capture massive AI infrastructure growth, by leveraging decades of carrier-grade IP and optical networking expertise.
- **Microsoft (MSFT)** reported a solid earnings beat. Azure grew 43%, exceeding the +40% expectation, with management guiding for further acceleration. Copilot was another bright spot, with users reaching 30m versus the 25m expectation, and penetration remaining low at 5%. The results offered further validation for Microsoft's AI-driven cloud business model, supporting the case for increasing its capex.
- **Meta (META)** reported largely in-line results. 2Q revenue grew 28% yoy to USD 60.8bn – slightly above the 60.2bn consensus. However, the midpoint of its 3Q revenue guidance came in below consensus. Despite strong advertising growth, investors are increasingly demanding clarity on how

Meta's AI capex will translate into tangible monetization beyond ads. We agree that Meta's AI endeavors lack further visibility in the near term, but its core advertising business continues to deliver impressive growth. AI monetization is still very early for Meta – patience is recommended.

- **SK Hynix (SKHY)** reported a 2Q earnings miss, with revenue of KRW 79.32tr (USD 56.4bn, +51% qoq), below the KRW 84tr expectation. Operating profit reached KRW 60.54tr (USD 43bn), also below the consensus of ~KRW 63tr. The miss was primarily attributable to a higher mix of HBMs with fixed prices under Long-Term Agreements (LTAs), which are below current market prices. It seems Hynix tries to prioritize revenue visibility over profit maximization – a prudent strategy given the volatile environment. During the call, management also confirmed that it's reviewing several options – including special dividends, dividend increases, and share buybacks and cancellations – to enhance shareholder returns. This represents another shareholder-friendly initiative that should support the stock's long-term performance, in our view.
- **AppLovin (APP)** reported a 2Q earnings miss, with revenue and earnings both up 53%+ yoy but still 5% below consensus. Management attributed the weakness to product timing, as the updated recommendation engine was only launched at quarter-end – a one-time issue. However, its advertisement targeting performance is also slowing down – which is worth noting. Without ad tech advancement and significantly wallet share gains, our APP investment thesis could be weakened. We are still evaluating whether such mis-executions are inherent to APP's cutting-edge technologies or indicative of deeper issues within the company. Our Trading Buy rating is currently under review.
- **Johnson & Johnson (JNJ)** reported a solid beat-and-raise, with organic sales growing 5.7% yoy while adjusted EPS rising 4.7% yoy – both beating estimates by 1%. Pharma was the standout driver, delivering 6.9% organic growth despite a 760-bps Stelara headwind, fueled by a 71% surge in *TREMFYA* and rapid ramp-ups of *INLEXZO* and *ICOTYDE*. MedTech sales grew 3.7% yoy, with Orthopedics, Surgery and Vision all posted earnings beats. Management remained highly confident in underlying MedTech procedure trends, seeing no slowdown on regulatory impact, while expecting acceleration across all four MedTech segments in 2H2026. Additional positive developments recently:
  - **Significant pipeline expansion through acquisition**. JNJ completed a USD 1bn acquisition of *Firefly Bio* to strengthen next-generation antibody engineering for tumors, and committed USD 785mn upfront for Sail Biomedicines to expand its autoimmune pipeline.
  - **Legal overhang reduction**. JNJ announced an estimated USD 5.5bn settlement covering ~76,000 ovarian cancer-related talc claims, which, subject to approval, would resolve most outstanding lawsuits and improve visibility over future liabilities.

  JNJ remains our Core Recommendation and one of our "True Defensive" holdings. The stock currently trades at 21x forward PE with revenue/earnings expected to grow 7%/10% in both FY2026 and FY2027.
- **Eli Lilly (LLY)** reported another beat-and-raise, with revenue of USD 23bn (+48% yoy, 12% ahead of consensus), and EPS of USD 8.40 (+33% yoy, well above consensus). Eli Lilly's flagship weight-loss and diabetes drugs (GLP-1 related), *Mounjaro* and *Zepbound*, generated a massive USD 15bn in combined sales, cementing the company's dominant global position. The newly launched oral weight-loss drug, *Foundayo*, is also capturing a meaningful portion of new prescriptions ahead of a broader global expansion. We reiterate our Core Recommendation on Eli Lilly on (1) its undisputed leadership in the GLP-1 market, (2) ongoing market share expansion outside US esp. China, Mexico,

and Europe, and (3) robust non-GLP pipeline to provide next leg of growth, all reinforced by its status as an "AI Pharma Powerhouse". Current valuation remains attractive, as the stock trades at 28x forward PE – the low end of its 28x-45x historic range, with stellar earnings growth of 49% in FY2026 and 28% in FY2027 (expected).

- **P&G (PG)** reported mixed 4QFY2026 results, with flat organic sales – 1% below consensus. Core EPS fell 3% yoy to USD 1.43 but still 1% above consensus. Full-year FY2026 net sales rose 3% to USD 87.0bn, while organic sales grew a modest 1%. In 4Q, Beauty was the only division to deliver organic sales growth (+4% yoy on volume gains), offsetting a 2% decline in Baby, Feminine & Family Care category. Upstream inflation since the Iran conflict still pressured its margin as 4Q core operating margin contracted 1.3 ppt to 19.5%. Looking ahead, FY2027 guidance points to subdued growth of +1-3% in organic sales and +0-3% for core EPS – weighed down by input costs, FX, and restructuring. On the bright side, management noted early signs of market share recovery in China (first share growth in 15 quarters). The stock currently trades at 21x forward PE with GAAP earnings expected to grow 5% in FY2027. We believe PG's relatively high valuation is fully justified by its "True Defensive" nature, stable earnings and a long track record of paying dividends consistently.
- **Occidental (OXY)** reported a strong 2Q2026 beat, with adjusted EPS of USD 2.40 versus USD 1.84 expected – its highest quarterly profit since 3Q2022. Realized oil prices rose more than 50% yoy to USD 96.78/bbl, while production increased 2.4% to 1.43mn boepd, partly offset by a 12% decline in international output amid Middle East disruptions. Management lowered FY2026 capex guidance to USD 5.5–5.9bn from USD 6.3–6.7bn and tightened production guidance to 1.42–1.45mn boepd. The midpoint of its 3Q guidance of 1.40–1.44mn boepd implies a modest sequential decline. OXY currently trades at 9.6x 2026E PE and 14.8x 2027E PE, with estimated FCF yields of 9.95% and 6.99%, respectively. While its 2027E cash flow is expected to normalize, the near-term FCF yield remains attractive and provides meaningful capacity for further deleveraging and enhancing shareholder returns – which is a core pillar of our investment thesis.
- **Must watch events in August:** US Jul Labor data (Aug 7), US Jul CPI (Aug 12), US Jul PPI (Aug 13), FOMC Minutes (Aug 20), US 2Q GDP 2nd estimate & Jul PCE (Aug 26), Jackson Hole Symposium (Aug 27-29). **Earnings:** LLY, APP & OXY (Aug 5), BRK/B (Aug 8), LITE (Aug 11), WMT (Aug 20), NVDA (Aug 26). For more information, please see Appendix B.

China Equities

The Hang Seng Index surged 13% and MSCI China gained 9% in July, as investor sentiment on China improved temporarily. Overall, this still seems a relief rally, given that macro fundamentals remain weak (China's Growing Pains) and new stimulus measures are still under discussion.

- **China's Growing Pains deepened in 2Q2026.** GDP growth slowed to +4.3% yoy in 2Q, missing the +4.5% consensus and below the 5% recorded in 1Q. This marked the lowest growth rate since covid (4Q2022). Retail sales rose just 0.2% in 2Q, also the slowest pace since covid. Investments weakened sharply, declining 11% in 2Q compared to a 5.7% drop in 1H. Exports remained the only bright spot, +20% in 2Q and contributing to around 20% of GDP growth.
- **"Stimulus" limited to capital markets and high-tech.** July's Politburo meeting did not deliver any new stimulus, and the market reaction was muted given low expectations. Worth noting, however, is the high-profile return of China's "National Team" (state-backed financial institutions) as a buyer of domestic equities (A-shares). These entities together bought RMB 60bn (~USD 8.9bn) of equities

in a single week in July, including RMB 50bn via China Reform and RMB 10bn via China Chengtong. Significance:

- o With a struggling real estate market and weakening domestic demand, one would expect China to prioritize support for the real economy (rather than capital markets). This is a bit surprising.
- o This is not a conventional stimulus, yet it shows the government’s focus may be shifting towards capital market intervention – which was rarely used as a stand-alone tool. It raises the intriguing possibility that China would adopt something similar to Japan's QE (as part of Abenomics). Note Japan's QE playbook has in part led to a decade-long bull market in Japanese equities.
- o The National Team normally buy SOEs and large cap stocks only. However, the latest round of buying has broadened to private, high-tech firms, i.e. the STAR 50 ETF (588000.SH). This reinforces China’s overwhelming focus on technological self-sufficiency and innovation-led growth. Tech is unlikely to rescue the Chinese economy in the near term, yet it carries significant strategic importance for China, especially under our theme of the US-China AI Race.

China Stock Model Portfolio - Core Recommendations and Trading Buys **31 Jul 2026**

Name	Ticker	Sector	Type of Recommendation	Current Price	Position Weight (%)	Forward PE	1D Return (%)	1W Return (%)	MTD Return (%)	QTD Return (%)	YTD Return (%)	1Y Return (%)	Inception Return (%)
China Mobile Ltd-H	941 HK	Communication Services	Core Recomm	83.65	7.6	11.4	-1.4	2.3	9.8	9.8	5.5	3.3	-
Trip.Com Group Ltd	9961 HK	Consumer Discretionary	Core Recomm	366.40	6.7	12.4	-0.2	6.9	17.6	17.6	-33.9	-25.5	-
Petrochina Co Ltd-H	857 HK	Energy	Core Recomm	9.94	5.5	8.7	-2.1	-2.6	17.2	17.2	22.4	38.0	-
Chinaamc Etf Series - Ch-Hkd	3188 HK	Financials	Trading Buy	55.38	5.5	NA	1.2	-0.3	-6.4	-6.4	5.0	21.8	-
Contemporary Amperex Techn-A	300750 C2	Industrials	Core Recomm	395.30	5.5	16.7	-1.6	3.5	1.1	1.1	14.0	62.2	-
Bosera Csoe Hidv Etf	3437 HK	NA	Trading Buy	9.94	5.3	NA	-1.2	0.7	9.1	9.1	3.6	6.2	-
Tencent Holdings Ltd	700 HK	Communication Services	Core Recomm	475.20	5.1	12.9	0.7	9.3	10.6	10.6	-19.7	-12.6	-
Alibaba Group Holding Ltd	9988 HK	Consumer Discretionary	Core Recomm	117.00	4.7	16.5	4.7	6.4	26.0	26.0	-17.3	2.0	-
Taiwan Semiconductor-Sp Adr	TSM US	Information Technology	Core Recomm	404.25	4.3	21.1	0.2	0.2	-15.4	-15.4	34.7	68.9	-
Geely Automobile Holdings Lt	175 HK	Consumer Discretionary	Core Recomm	19.80	4.1	7.6	-3.2	3.9	17.4	17.4	13.5	14.9	-
Galaxy Entertainment Group L	27 HK	Consumer Discretionary	Core Recomm	34.20	3.7	13.1	-0.5	8.2	16.2	16.2	-8.5	-7.2	-
Zijin Mining Group Co Ltd-H	2899 HK	Materials	Trading Buy	33.24	3.3	8.7	2.2	2.7	23.1	23.1	-4.1	64.6	-
Cnooc Ltd-H	883 HK	Energy	Trading Buy	23.82	2.6	6.1	-1.5	1.1	17.2	17.2	14.3	33.5	-
Gigadevice Semiconductor I-H	3986 HK	Information Technology	Trading Buy	459.00	2.6	NA	7.2	-19.2	-61.4	-61.4	0.0	0.0	-
Montage Technology Co Ltd-A	688008 C1	Information Technology	Trading Buy	204.90	2.4	52.7	4.1	-11.9	-33.4	-33.4	81.7	157.6	-
Midea Group Co Ltd-H	300 HK	Consumer Discretionary	Core Recomm	99.35	2.2	13.2	0.5	4.9	20.3	20.3	23.1	38.2	-
Agricultural Bank Of China-H	1288 HK	Financials	Trading Buy	6.31	2.2	6.4	-3.1	7.3	18.2	18.2	11.9	28.5	-
Weichai Power Co Ltd-A	000338 C2	Industrials	Trading Buy	27.95	2.1	14.9	7.7	1.5	3.1	3.1	69.5	101.7	-
Haier Smart Home Co Ltd-H	6690 HK	Consumer Discretionary	Trading Buy	22.60	1.9	8.6	-0.5	6.1	13.1	13.1	-6.9	-7.4	-
Hsbc Holdings Plc	5 HK	Financials	Core Recomm	168.20	1.1	12.1	2.2	4.2	13.7	13.7	42.0	83.4	-
ISHARES MSCI CHINA ETF	MCHI US	NA	Trading Buy	55.80	0.5	NA	0.5	4.6	9.3	9.3	-5.8	-1.1	44.8
Cash (USD equivalent)	CASH				21.1								
TOTAL					100.0	14.8	0.2	1.9	2.8	2.8	-3.5	0.2	28.9

Note: “Core Recommendations" refer to our high conviction, best-of-the-best stock picks, with a minimum one-year investment horizon. "Trading Buys" are medium-conviction, short-term trading ideas. "Return" refers to HKD total return including dividends but excluding transaction costs. Inception date is 31 December 2023. For more information, please contact garrick.li@uobkh.com

Source: UOB Kay Hian and Bloomberg. As of July 31, 2026.

- **Our China Stock Model Portfolio gained 2.8% in July,** underperforming the MSCI China ETF (MCHI). The portfolio was down 3.5% YTD, outperforming MCHI’s 5.8% decline.

- **Cash dropped to 21.1% at July-end from 23.0% in June,** reflecting net buying during the month. We fully exited Xiaomi (1810.HK), bought Midea (0300.HK) and ABC (1288.HK) as new positions, added to Trip.com (9961.HK) and GigaDevice (3986.HK), and trimmed Tencent (0700.HK).
- **Top 3 performers: 9988.HK +26.0%, 2899.HK +23.1% and 0300.HK +20.3%.**
- **Bottom 3 performers**: **3986.HK -61.4%, 688008.SH -33.4% and TSM -15.4%.**
- **HSBC (0005.HK)** delivered a modest operating beat in 2Q2026, with revenue excluding notable items of USD 19.1bn (+8% yoy), underlying PBT of USD 10.3bn (+13%) and Banking NII of USD 11.6bn (+9%), ahead of consensus by around 2%, 5% and 1%, respectively. The quality of the beat was supported by a 21% yoy increase in Wealth income and an improvement in CoR to 41 bps. However, the USD 1bn buyback was below its historical quarterly range of USD 2-3bn, despite CET1 of 14.1% (within the target range of 14-14.5%). Banking NII guidance was raised to "at least USD 46bn", while the medium-term RoTE target was unchanged. We retain HSBC as a Core Recommendation for its resilient Banking NII, strong Asian wealth momentum and sustainable RoTE of at least 17%. However, its current valuation (3.6% dividend yield) does not seem very attractive.
- **CATL (300750.SZ, 3750.HK)** reported strong yet in-line 1H2026 results, with revenue up 54.8% yoy to RMB 276.9bn and attributable net profit up 42.0% to RMB 43.3bn. Robust battery shipments, management's strong demand outlook for 2H2026 and 2027, and continued expansion in energy storage and overseas markets remain key growth engines. Raw-material inflation and product mix may pressure unit profitability, but scale and global expansion should support longer-term earnings resilience. We maintain CATL as a Core Recommendation for its technology leadership, dominant market position and diversified growth across power batteries, energy storage and overseas markets. Its proposed RMB 20-40bn A-share buyback should act as a stock catalyst.
- **Midea (000333.SZ, 0300.HK)** recently replaced Haier as our new Core Recommendation. Both companies pass our ROIC-based True Defensive Screen, but Midea offers faster revenue growth, structurally higher margins and steadier ROICs, supported by more diversified growth drivers beyond just home appliances. In 2025, Midea's overseas sales reached RMB 195.9bn, +15.9% yoy, while commercial and industrial solutions generated RMB 122.8bn, +17.5% yoy. Near-term domestic pressure should ease in 2H2026, while overseas orders have risen around 20% since April as PortaSplit gains strong traction in Europe. Midea's stronger net cash position, global OBM upgrade opportunity, and expanding KUKA (robotics), building-technology and new-energy businesses underpin a higher-quality and more resilient growth model than Haier.
- **Haier Smart Home (600690.SH / 6690.HK)** was downgraded from Core Recommendation to Trading Buy, not because of any negative change in fundamentals but reflecting our clear preference for Midea (see above). Haier remains a solid global appliance company, supported by strong brands, meaningful overseas scale, recent operating momentum, a lower valuation and a higher dividend yield (than Midea). However, its revenue growth is slower and margins remain structurally below Midea's, while the expected profit recovery depends on successful European restructuring, tighter domestic expense discipline and stronger North American operations.
- Both Midea and Haier fit squarely within our core China themes this year: **China Export Shock 2.0 and China Maxxing,** with a series of thought-leadership pieces already published. Please visit our research website or contact your UOB Kay Hian representative for more information.
- **Must watch events in August:** Geely Jul Monthly Sales (Aug 2), China Jul Exports (Aug 7), Montage IPO lockup expiry (Aug 8), China Jul CPI / PPI (Aug 9), TSMC Jul Monthly Sales (Aug 10),

China Jul M2 Money Supply, New Yuan Loans, Outstanding Loan Growth and Total Social Financing (Aug 13), China 2Q GDP, Jul House Price Index, Retail Sales, Industrial Production, Fixed Asset Investment (YTD), Unemployment Rate (Aug 17), China Jul Industrial Profits (Aug 27), China Jul NBS PMI & China's Top 100 Developer Real Estate Sales (Aug 31). **Earnings:** HSBC (Aug 4), Tencent & Galaxy (Aug 12), China Mobile (Aug 13), Weichai Power & PetroChina (Aug 14) est, Geely (Aug 17), GigaDevice (Aug 18), Zijin (Aug 21), CNOOC (Aug 27) est, Trip.com & Innovent (Aug 27) est, Alibaba & Haier (Aug 28) est, Montage (Aug 31) est. For more information, please see Appendix B.

Fixed Income

Below is the CIO Summary from our latest Fixed Income Monthly (Aug 6, 2026), for Professional / Accredited Investors only. Ping benjamintan@uobkh.com if you'd like to receive the full report.

- **Short-term: everyone has a view, no one knows for sure.** Fed Chair Kevin Warsh's intentional ambiguity in rate decisions will keep markets guessing - and swinging sharply between our "false hawkishness" and "false dovishness". Our own educated guess still points to a first rate hike in December, while acknowledging the extreme uncertainty ahead.
- **Longer-term: beyond just rates.** The real game-changer lies in Warsh's structural reform agenda, signified by his recent launch of five task forces to overhaul the Fed policy framework. This could deliver tangible results as early as the end of 2026.
- **AI's broadening market impact.** The narrative on AI's impact on fixed income is rapidly evolving from corporate credit into a paradigm shift at the macro level. The AI Credit Supercycle is now exerting upward pressure on the entire yield curve.
- **It may all work out in the end.** We see an emerging risk of a self-reinforcing vicious cycle, where heavy AI-related debt issuance widens spreads, raises borrowing costs, and forces even more debt issuance. However, this risk could be mitigated by Fed Chair Warsh's belief in AI's positive macro potential - provided that AI ultimately delivers the impact that he expects.
- **Core Recommendation:** remains on high-quality, investment-grade (IG) bonds with short durations (< 3 years).

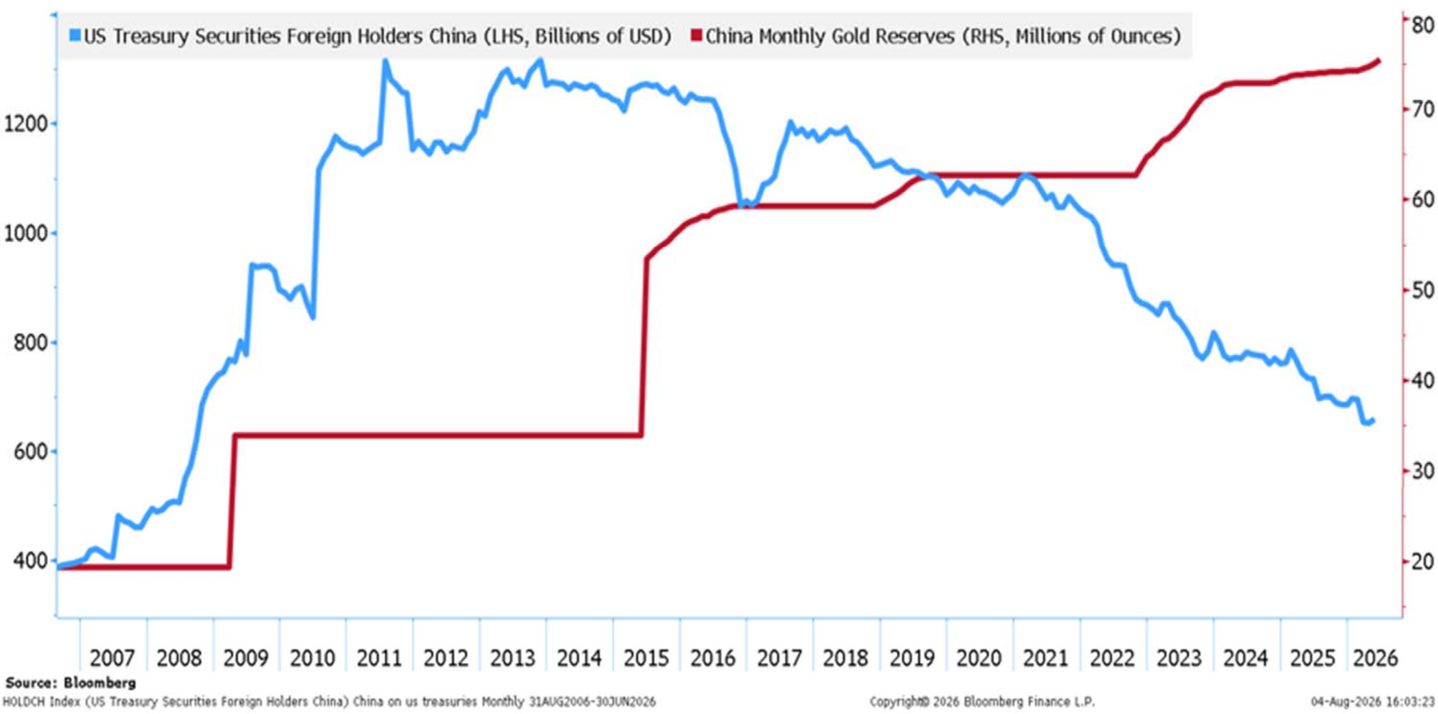
Commodities

- **Gold breaks higher despite elevated real yields.** Gold broke out of its one-month consolidation range on August 5, closing at USD 4,246.82/oz. The technical bias has turned positive, with potential near-term upside at USD 4,393/oz and USD 4,511/oz. On the downside, USD 4,200/oz is the first near-term support and USD 4,000/oz remains a crucial support level.
- **Central-bank demand provides fundamental, longer-term support for gold.** Purchases rebounded to 289 tonnes in 2Q2026 from a revised 57 tonnes in 1Q2026, taking 1H2026 buying to about 346 tonnes. The World Gold Council's June survey showed that 89% of central banks expect global gold reserves to increase over the next 12 months and a record 45% of them plan to raise holdings. China's steady accumulation of gold alongside a longer-term decline in its US Treasury holdings also reinforce gold as a top beneficiary of De-dollarising. (See chart below)

- Investors seeking exposure to gold can consider **Gold ETF (2840.HK)** or **SPDR Gold Shares (GLD)** for physical bullion exposure – both of which are our Core Recommendations.

Short-term Trading Range for Gold

Global Central Banks, especially China, continue to buy gold and sell Treasuries



Currencies

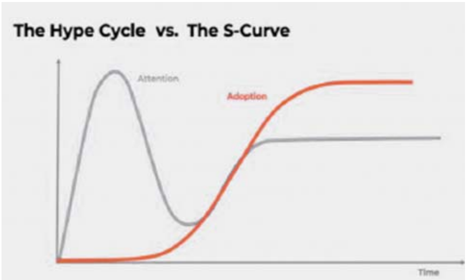
We rely on our associate UOB for currency views. Below are the latest insights from its Monthly FX Rates Strategy (August 4, 2026). Please refer to Appendix E for UOB's official forecasts on FX, interest rates and commodities. You can also access the full selection of UOB research on its research portal.

Major FX & Rates Strategy: Warsh uncertainty pushes US Treasuries Yields even higher

- **By now it has become abundantly clear that Fed Chairman Kevin Warsh is not a fan of forward guidance.** Will Warsh be able to convince investors to embrace his leaner style of communication and much reduced forward guidance?
- **However, the concurrent further rise in longer dated US Treasuries yield coupled with renewed USD weakness** is a classic sign of increasing investors distrust in the Fed's monetary policy. The recent inability of the USD to benefit from the higher US Treasuries yields is yet another sign of increasing worries about Fed credibility.
- **The disconnect between geopolitical escalation and FX market response over the past month is worth noting.** Despite the ceasefire collapse and a near-USD 30/bbl surge in Brent, the USD failed to attract meaningful safe-haven demand. This contrasts with the early stages of the US-Iran conflict in Mar, when geopolitical risk premia provided a clear and durable USD tailwind. In its place, monetary policy differentials have re-emerged as the primary driver of USD direction in 2H26 — consistent with our existing FX framework.
- **We keep to our medium-term bearish USD bias.** This is anchored on our expectation of an extended Fed rate pause through the remainder of 2026, with easing resuming across 2027 as the transitory component of inflation fades. The resulting compression in US rate differentials will be the dominant medium-term force against the USD. The DXY is expected to hold firm relative to G-10 peers through 3Q26 before resuming a gradual weakening trend thereafter to 96.9 in 2Q27.
- **A compression of the US rate advantage remains the primary catalyst for a resumption of regional portfolio inflows and Asia FX appreciation from 4Q26.** But ceasefire collapse, Brent's brief breach of USD 100/bbl, and the hawkish dissent at the Jul FOMC have collectively weakened, but not derailed, this base case. The primary upside risk to the USD — and downside risk to Asia FX — remains a scenario in which the Fed follows through on the hike path currently priced by swap markets.
- **SGD's resilience is now underpinned by both a more hawkish MAS and a stronger growth trajectory** — a combination that distinguishes it from most regional peers facing the dual headwind of oil-driven inflation and slowing activity. We therefore expect more SGD strength to 1.25 against the USD in 2Q27.
- **In line with our macroeconomics team view of Fed easing across 2027, we see 3M compounded-in-arrears SOFR easing further to 3.47% in 2Q27.** But in the back end, we see additional upside risks to UST yields, especially from increased fiscal supply and an unclear Fed commitment to bringing inflation down, as such 10Y UST yield may stay elevated at 4.8% in 2Q27.
- **We reiterate our view of a stable but gradually rising SORA and project 3M compounded-in-arrears SORA at 1.62% in 2Q27.** In fact, we have observed firmer loan growth, thereby increasing demand for funding and contributing to upside pressure on SORA. Similarly, 10Y SGS yield is expected to climb further to 2.75% in 2Q27.

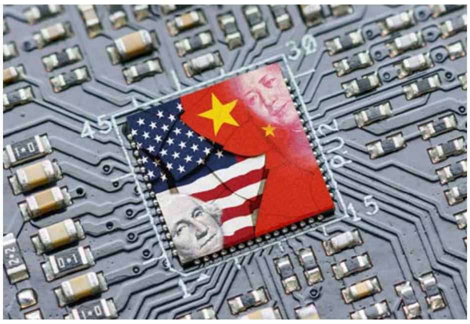
Appendix A: Our Top Five Predictions for 2026

The Great AI Cooldown



Breaking the Dollar's Grip

The US-China AI Arms Race



China's Growing Pains

The Fed Wildcard

Prediction	Corollary	Call to Action
AI capex growth will slow, impacting both the US economy and AI supply chain.	AI's long-term growth potential remains intact, but it faces some short-term headwinds	Stay invested in Big Tech, but control risk and add defensives.
Upside for Hong Kong/China markets will be capped by a sluggish Chinese economy.	We could turn from cautiously optimistic to cautious if the economy still fails to improve.	Focus on Big Tech and defensives. Avoid cyclicals.
US-China relations remain challenging. Expect conflict and competition to intensify.	The rivalry is increasingly focused on AI, where each side has its own unique advantages.	Investors need to be positioned in both US and Chinese AI plays.
De-Dollarisation will continue, though its pace may fluctuate in 2026.	SGD, RMB and gold are all long-term beneficiaries. Gold is still a better choice than Bitcoin.	Stay invested in gold, but prepare for increased volatility.
Both Fed policy and the new Fed Chair are wild cards, adding to market uncertainty.	A new, Trump-friendly Fed Chair is not necessarily good news for markets.	Stick to short- to medium-term, top-rated corporate bonds.

Appendix B: Must Watch Events for August 2026

Date	Macro Data	Sector / Company Events
Aug 1	Macau Jul Casino Revenue	
Aug 2		Geely, BYD Jul Sales
Aug 3	China Jun RatingDog PMI-Mfg, S&P Jul PMI-Mfg Final	Earnings: PLTR, WuXi AppTec (2359.HK)
Aug 4	US Jun Exports & Imports	Ai4 Conference Las Vegas (till Aug 6) Earnings: HSBC (0005.HK), SPCX, AMD, BKNG, CAT, MCD, MRK
Aug 5	China Jul RatingDog PMI-Svcs, S&P Jul PMI-Svcs Final	Earnings: LLY, APP, SNDK, OXY, DIS
Aug 6	US Initial Jobless Claims	Unitree IPO Pricing. Earnings: COP, DBS
Aug 7	China Jul Exports, FX Reserves, Taiwan Jul Exports, US Jul Labor Data (NFP)	Earnings: Cambricon (688256.SH), UOB, OCBC
Aug 8		Montage (6809.HK) IPO lockup expires. Earnings: BRK/B
Aug 9	China Jul CPI/PPI	
Aug 10		TSMC July Monthly Sales, Unitree IPO Subscription Date
Aug 11		Earnings: LITE
Aug 12	US Jul CPI	Earnings: Tencent (0700.HK), Galaxy (0027.HK), Unicom (0762.HK)
Aug 13	US Jul PPI, China Jul M2 Money Supply, New Yuan Loans, Outstanding Loan Growth, Total Social Financing, Initial Jobless Claims 对话 CIO 系列私享会 #11：韓國豪賭歐亞算力，中美 AI 競賽正酣 7:30-8:30PM https://voovmeeting.com/dw/sRpVvYXw7IHv?ch=tteP51JLyE4B8	Earnings: AMAT, China Mobile (0941.HK), SMIC (0981.HK), JD.com (9618.HK), Lenovo (0992.HK)
Aug 14	US Jul Retail Sales	Earnings: PetroChina (0857.HK) est, Weichai Power (000338.SZ) est, Agricultural Bank of China (1288.HK) est, Meituan (3690.HK) est, China Shenhua Energy (1088.HK) est, BYD (1211.HK) est, CGN Power (1816.HK) est, Sinopec (0386.HK) est, Kweichow Moutai (600519.SH), Great Wall Motor (601633.SH) est, MTR (0066.HK) est, China Telecom (0728.HK) est, CCB (0939.HK) est
Aug 17	China Jul Retail Sales, Industrial Production, Fixed Asset Investment (YTD), Unemployment rate, US May House Price Index	Unitree IPO Listing est (till Aug 19) Earnings: Geely (0175.HK)

Aug 18	English CIO Series #38: Asia's AI Moment - What Investors Need to Know 6:30-7:30PM https://events.teams.microsoft.com/event/f847c65f-82ed-4182-89c5-e7f74f5a96d6@7eadc1e1-1a4d-4f70-9305-931a048687ff	Earnings: HD, BHP
Aug 19		Earnings: TJX, CR Beer (0291.HK)
Aug 20	FOMC Jul Minutes, US Initial Jobless Claims	Gamescom 2026 (till Aug 24) Earnings: WMT, Ping An (2318.HK), Chongqing Machinery (2722.HK)
Aug 21	S&P Global PMI-Mfg & Svcs Flash. CIO Series Luncheon (Hong Kong): US Market Outlook with Nasdaq. 12:00-2:30PM (In-person event) RSVP cissy.yu@uobkh.com	Earnings: Zijin (2899.HK)
Aug 25	CIO Series Forum (Singapore): Macro Shocks vs. AI Tailwinds. 5:30-7:00PM (In-person event) RSVP yufengguo@uobkh.com	Earnings: Luxshare (002475.SZ)
Aug 26	US 2Q GDP, US Jul Personal Income/Spending, US Jul PCE	Earnings: NVDA, Gree Electric (000651.SZ), Anta (2020.HK)
Aug 27	US Jackson Hole Symposium (till Aug 29), US Initial Jobless Claims, China Jul Industrial Profits (YTD)	Earnings: MRVL est, CNOOC (0883.HK) est, Innovent (1801.HK) est, Trip.com (9961.HK) est, China Overseas Land (0688.HK) est,
Aug 28		Earnings: Haier (6690.HK) est, Alibaba (9988.HK) est, CR Land (1109.HK), Li Auto (2015.HK) est.
Aug 29		Earnings: ICBC (1398.HK) est
Aug 31	China Jul NBS PMI	China Jul NBS PMI & China's Top 100 Developer Real Estate Sales. Earnings: Montage (6809.HK/688008.SZ) est, Midea (0300.HK) est, Longfor (0960.HK) est

Appendix C: Global ETF Toolkit Highlights

Best Performing Equity ETFs (July 2026)

Investment Strategy	Ticker	Fund Name	AUM (USDm)	Jul 2026 Return (%)	QTD Return (%)	YTD Return (%)
China (ADR) Internet Services & Infrastructure	KWEB US	KRANESHARES CSI CHINA INTERN	5,688	16.4	16.4	-16.3
China Large Cap Stocks	FXI US	ISHARES CHINA LARGE-CAP ETF	4,344	15.5	15.5	-4.0
China (HK) Large Cap Stocks	2828 HK	HANGSENG CHINA ENT INDEX-HKD	3,262	14.5	14.5	-2.8
China (HK) Large Cap Stocks	2800 HK	TRACKER FUND OF HONG KON-HKD	18,382	13.4	13.4	2.2
US Energy	XLE US	ENERGY SELECT SECTOR SPDR	38,620	12.1	12.1	35.0

Worst Performing Equity ETFs (July 2026)

Investment Strategy	Ticker	Fund Name	AUM (USDm)	Jul 2026 Return (%)	QTD Return (%)	YTD Return (%)
South Korea Large-Mid Cap Stocks	EWY US	ISHARES MSCI SOUTH KOREA ETF	25,155	-22.2	-22.2	61.6
US Semiconductors & Semiconductor Equipment	SOXX US	ISHARES SEMICONDUCTOR ETF	44,460	-21.2	-21.2	67.8
US Information Technology	ARKK US	ARK INNOVATION ETF	5,745	-11.9	-11.9	-7.4
Taiwan Large-Mid Cap Stocks	EWT US	ISHARES MSCI TAIWAN ETF	10,371	-11.1	-11.1	52.0
Emerging Markets Large-Mid Cap Stocks	EMXC US	ISHARES MSCI EMR MRK EX CHNA	23,647	-10.0	-10.0	27.5

Best Performing Bond ETFs (July 2026)

Investment Strategy	Ticker	Fund Name	AUM (USDm)	Jul 2026 Return (%)	QTD Return (%)	YTD Return (%)
US HY Short Duration	BKLN US	INVESCO SENIOR LOAN ETF	6,733	0.6	0.6	0.7
US IG & HY Intermediate Duration	PFF US	ISHARES PREFERRED & INCOME S	13,149	0.4	0.4	0.9
US IG Floating	USFR US	WISDOMTREE FLOATING RATE TRE	18,967	0.4	0.4	2.3
US IG Short Duration	BIL US	SPDR BLOOMBERG 1-3 MONTH T-B	47,076	0.3	0.3	2.1
US HY Intermediate Duration	HYLB US	XTRACKERS USD HIGH YIELD COR	3,452	-0.1	-0.1	1.8

Worst Performing Bond ETFs (July 2026)

Investment Strategy	Ticker	Fund Name	AUM (USDm)	Jul 2026 Return (%)	QTD Return (%)	YTD Return (%)
US IG Long Duration	TLT US	ISHARES 20+ YEAR TREASURY BO	41,552	-4.5	-4.5	-3.5
US IG Long Duration	LQD US	ISHARES IBOXX INVESTMENT GRA	32,303	-2.2	-2.2	-1.4
Emerging Markets IG & HY Intermediate Duration	EMB US	ISHARES JP MORGAN USD EMERGI	14,607	-1.4	-1.4	0.9
US IG Intermediate Duration	MBB US	ISHARES MBS ETF	38,929	-1.3	-1.3	-0.3
US IG Intermediate Duration	AGG US	ISHARES CORE U.S. AGGREGATE	137,110	-1.3	-1.3	-0.6

Commodity ETF Performance (July 2026)

Investment Strategy	Ticker	Fund Name	AUM (USDm)	Jul 2026 Return (%)	QTD Return (%)	YTD Return (%)
Global Gold	GLD US	SPDR GOLD SHARES	130,221	0.9	0.9	-6.3
Global Gold (HKD)	2840 HK	SPDR GOLD SHARES	130,221	0.7	0.7	-6.6
Global Silver	SLV US	ISHARES SILVER TRUST	28,081	-2.1	-2.1	-18.7

Source: UOB Kay Hian and Bloomberg. As of Jul 31, 2026.

Appendix D: Roadmap to Private Wealth Management Research

Publications & Events

Report	Description	Report Date	Length
Wealth Daily	A must-read before the open for overnight news, data points and market movements.	Daily	5 pages
Wealth Monthly	Comprehensive research covering macro trends, asset allocation, equities, bonds, funds, etc.	2nd week of each month	15 pages
Fixed Income Monthly (Professional Investors Only)	Monthly review of interest rates, corporate credits and bond funds	1st week of each month	15 pages
CIO Quarterly Review	A review of our core views and recommendations, incorporating quantitative and qualitative analysis	Quarterly	5 pages
Wealth Flash	Thought-provoking piece for knowledge sharing, thematic investing and actionable ideas	Depends	5 pages
US Bi-Weekly Outlook China Bi-Weekly Outlook	Curated insights on the US, Hong Kong and China markets, including sector trends, potential stock movers and previews of upcoming events	Rotating every Monday	5-10 pages
CIO Series Webinar	A monthly webcast to share market outlook and investment insights, with occasional guest speakers	Monthly	1 hour

Calls to Action

Type of Calls	Description	Markets
Core Recommendation	High conviction stock picks with a minimum one-year horizon	US, China
Trading Buy	Medium conviction, short-term trading ideas	US, China
All ETF Model Portfolio	ETF-only model portfolio for global asset allocation	Global
US Stock Model Portfolio	Actively managed portfolio of stocks based on our US Core Recommendations and Trading Buys	US
China Stock Model Portfolio	Actively managed portfolio of stocks based on our Chinese Core Recommendations and Trading Buys	China

Note: Report lengths are approximate and may vary. Please contact research@uobkh.com if you'd like to subscribe to any research above.
Be sure to subscribe to our Wealth Vision YouTube channel, including replays of our CIO Series and much more.
https://www.youtube.com/@uobkh_wealthvision

Appendix E: UOB FX, Interest Rates & Commodities Forecasts

FX	04 Aug	3Q26F	4Q26F	1Q27F	2Q27F
USD/JPY*	158	160	157	155	152
EUR/USD*	1.15	1.14	1.16	1.18	1.19
GBP/USD*	1.34	1.32	1.35	1.36	1.37
AUD/USD*	0.70	0.69	0.70	0.71	0.72
NZD/USD*	0.59	0.57	0.58	0.59	0.60
DXY*	100.0	100.9	99.2	97.9	96.9
USD/CNY*	6.76	6.78	6.73	6.68	6.64
USD/HKD*	7.84	7.84	7.82	7.80	7.80
USD/TWD*	32.4	32.5	32.0	31.7	31.4
USD/KRW*	1,425	1,480	1,450	1,420	1,400
USD/PHP	60.9	62.0	61.6	61.3	61.0
USD/MYR	4.10	4.10	4.05	4.02	4.00
USD/IDR*	17,990	18,200	18,100	18,000	17,900
USD/THB*	33.4	33.8	33.6	33.3	33.1
USD/VND	26,283	26,500	26,400	26,300	26,100
USD/INR*	95.3	96.5	96.0	95.5	95.0
USD/SGD*	1.28	1.29	1.27	1.26	1.25
EUR/SGD*	1.48	1.47	1.47	1.49	1.49
GBP/SGD*	1.72	1.70	1.71	1.71	1.71
AUD/SGD*	0.90	0.89	0.89	0.89	0.90
SGD/MYR*	3.19	3.18	3.19	3.19	3.20
SGD/CNY*	5.27	5.26	5.30	5.30	5.31
JPY/SGDx100*	0.81	0.81	0.81	0.81	0.82

POLICY RATES	04 Aug	3Q26F	4Q26F	1Q27F	2Q27F
US Fed Funds Rate	3.75	3.75	3.75	3.75	3.50
JPY Policy Rate	1.00	1.00	1.25	1.25	1.50
EUR Refinancing Rate*	2.40	2.65	2.65	2.65	2.65
GBP Repo Rate	3.75	3.75	3.75	3.75	3.75
AUD Official Cash Rate	4.35	4.35	4.35	4.35	4.35
NZD Official Cash Rate	2.50	2.50	2.50	2.50	2.50
CNY 7D Reverse Repo	1.40	1.40	1.40	1.40	1.40
HKD Base Rate	4.00	4.00	4.00	4.00	3.75
TWD Official Discount Rate	2.00	2.00	2.00	2.00	2.00
KRW Base Rate*	2.75	3.00	3.25	3.25	3.25
PHP O/N Reverse Repo	4.75	5.00	5.00	5.00	5.00
MYR O/N Policy Rate	2.75	2.75	2.75	2.75	2.75
IDR 7D Reverse Repo	5.75	6.25	6.50	6.50	6.50
THB 1D Repo	1.00	1.00	1.00	1.00	1.00
VND Refinancing Rate	4.50	4.50	4.50	4.50	4.50
INR Repo Rate	5.25	5.25	5.25	5.25	5.25

INTEREST RATES	04 Aug	3Q26F	4Q26F	1Q27F	2Q27F
USD 3M SOFR (compounded)*	3.63	3.64	3.65	3.65	3.47
SGD 3M SORA (compounded)*	1.13	1.20	1.37	1.53	1.62
10Y US Treasuries Yield*	4.68	4.80	4.85	4.85	4.80
SGD 10Y SGS*	2.34	2.45	2.55	2.70	2.75

COMMODITIES	04 Aug	3Q26F	4Q26F	1Q27F	2Q27F
Gold (USD/oz)	4,049	3,900	4,300	4,600	4,900
Brent Crude Oil (USD/bbl)	84	85	80	70	70
Copper (USD/mt)	13,870	13,500	13,000	12,500	12,500

Source: UOB Research, Bloomberg (Updated as of 4 August 2026)
** Forecasts updated as compared to previous report dated 02 July 2026*