Highlight

U.S. Stocks heat up

In July, the S&P 500 Index rose about 14% year-to-date. Investors expected that the U.S. Federal Reserve Bank will cut interest rates around September because economic growth and inflation have slowed including the labor market.

We are more positive on U.S. stock because inflation is moderating. In addition to a gradual cooling in U.S. growth, this should prompt the Federal Reserve to cut interest rates soon.

Bitcoin

Bitcoin may surge due to strong U.S. stock markets that was driven by the possibility of a interest rate cut in September. Including easier access for investors to Bitcoin ETFs, which are key factors driving the price higher.

China

The Chinese stock market continues to struggle as economic data from China in July showed a contraction in manufacturing, and was also hit by European tariffs on Chinese goods.

Energy Prices

Energy prices may decrease due to global economy still slowing down.

Market Update

Index	Last Price	2022	2023	YTD%	PE_Ratio
Nasdaq	17,194.14	-33%	43%	15%	38.89
S&P500	5,446.68	-19%	24%	14%	25.48
STOXX Europe 600 Price Price Index EUR	504.29	-13%	13%	5%	15.33
China	2,905.34	-15%	-4%	-2%	13.84
Hong kong	16,945.51	-15%	-14%	-1%	9.67
India	81,138.24	4%	19%	12%	25.11
Singapore	3,380.86	4%	0%	4%	12.49
Thai	1,312.87	1%	-15%	-7%	16.05
Vietnam	1,236.60	-33%	12%	9%	14.45
Malaysia	1,610.36	-5%	-3%	11%	15.38
Indonesia	3,553.42	11%	3%	-3%	14.42

Source : Bloomberg as of August 2024

- # Investment Thesis

We still like U.S. equities due to their global and international business presence. Some U.S. equities are currently trading at compelling valuation. In addition to U.S. equities, we like technology and life science sectors due to their future potential growth and more importantly they are trading at very compelling price.

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Fund Outlook

▲ Positive ▼ Negative

Fund	Previous As of July 2024	New As of August 2024
SCB US EQUITY FUND (SCBS&P500)	▲	▲
Eastspring Asia Active Equity Fund (ES-ASIA)	Neutral	Neutral
Eastspring Global Energy Fund (ES-GLOBALENERGY)	▲	▲
SCB Innovation (SCBINNO)	▲	▲
Eastspring Genomic Revolution Fund (ES-GENOME)	▲	▲

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Investment Theme

Long Term

USA

- **SCB US EQUITY FUND (SCBS&P500)** Morningstar Rating 4 star As of 30 June 2024
- SCBS&P500 has an investment policy focus on investing in one foreign mutual fund (Feeder Fund), namely: IShares Core S&P 500 ETF. (Master Fund)
- The fund has been downgraded from a 5-star to 4-star by MorningStar.
- The fund mainly invests in companies operating around the world and not only the United States. In addition, the fund invests in a large company and a strong international brandname such as Apple, Mcdonald's, Google and Microsoft, etc. If the United States is an economic recession, the fund is less affected.
- For the past month, the IShares Core S&P 500 ETF performed sideway because U.S. economic data is not good.
- Risk Level : 6 (High Risk)

Low	1	2	3	4	5	**6**	7	8	High

ASIA EX JAPAN

- **Eastspring Asia Active Equity Fund (ES-ASIA)** Morningstar Rating 3 star As of 28 June 2024
- ES-ASIA has an investment policy focus on investing in one foreign mutual fund (Feeder Fund), namely: Schroder International Selection Fund - Emerging Asia. (Master Fund)
- The fund has been downgraded from 4-star to 3-star by MorningStar.
- For the past month, the fund performed sideway because of a contraction in manufacturing in China.
- Risk Level : 6 (High Risk)

Low	1	2	3	4	5	**6**	7	8	High

Short Term

Energy

- **Eastspring Global Energy Fund (ES-GLOBALENERGY)** Morningstar Rating no star As of 28 June 2024
- ES-GLOBALENERGY has a policy to diversify investment in foreign mutual funds and/or foreign ETFs in the energy-related technology sector both in the upstream and downstream industries, exploration, development and distribution of energy.
- Although ES-GLOBALENERGY is not rated by Morningstar, however, the fund is still the AIAM's top pick.
- We still maintain a positive view on energy stocks although the global economy is slowing down However, oil prices have been boosted by the Russian-Ukrainian conflict.
- Risk Level : 7 (High Risk)

Low	1	2	3	4	5	6	**7**	8	High

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Investment Theme

Turnaround

ARKK

- **SCB Innovation (SCBINNO)** Morningstar Rating no star As of 30 June 2024
- SCBINNO has an investment policy focus on investing in one foreign mutual fund (Feeder Fund), namely: ARK INNOVATION ETF (ARKK) (Master Fund) and ETF has Active Management.
- Although SCBINNO is not rated by Morningstar, however, the fund is still the AIAM's top pick.
- ARKK is a popular fund with Cathie Wood as the fund manager who has been able to multiply investors' profits over the past year. Although the fund has decreased by about 70%, however, the fund still has good fundamental because of investing in new technology and innovation stocks. AIAM seen as an opportunity to invest because AIAM believed that this fund will be able to recover.
- For the past month, the ARK INNOVATION ETF (ARKK) performed sideway because of poor earning guidance. However, the fund has huge upside potential.
- The SCBINNO fund has been around for more than 1 year, however, the ARK INNOVATION ETF (ARKK) has been in operation for more than 5 years.
- Risk Level : 6 (High Risk)

Low	1	2	3	4	5	**6**	7	8	High

ARKG

- **Eastspring Genomic Revolution Fund (ES-GENOME)** Morningstar Rating 1 star As of 28 June 2024
- ES-GENOME has an investment policy focus on investing in one foreign mutual fund (Feeder Fund), namely: ARK Genomic Revolution ETF (ARKG)(Master Fund) and ETF has Active Management.
- The fund has been upgraded from no star to 1-star by MorningStar.
- ARKG is a very popular fund that has multiple yielded over the past year because technology stocks have grown exponentially. Although the fund is currently decrease about 60% from the previous year, the company has confidence in Cathie Wood, a fund manager who has the ability to manage the fund and pick stocks that are expected to grow in the future. Including climate change leading to the emergence of new diseases. It is a positive factor to invest in the medical innovation sector in the future.
- For the past month, the ARK Genomic Revolution ETF (ARKG) performed well because ETF holds a diversified portfolio of innovative companies. The fund has huge upside potential.
- The ES-GENOME fund has been around for more than 1 year, however, the ARK Genomic Revolution ETF (ARKG) has been in operation for more than 5 years.
- Risk Level : 7 (High Risk)

Low	1	2	3	4	5	6	**7**	8	High

Source : Bloomberg, SCBAM, Eastspring Investments, Abrdn, One Asset Management

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