

Highlight

Market outlook

In the past year, the U.S. stock market increased following the Federal Reserve's interest rate cuts, which were implemented as inflation began to slow. This supported a strong U.S. economy, driven by positive employment data.

In 2026, the U.S. stock market may increase if the United States successfully takes control of oil drilling in Venezuela, which would directly reduce production costs in the U.S. industrial sector. However, the current Shiller PE Ratio is at a very high level of 40 times, close to the level seen during the 1999–2000 dot-com crisis, when the ratio stood at 44 times.

In addition, price signals from commodity markets, such as silver reaching an all-time high and rising by as much as six times in 2025, may make the market sensitive to negative news and could lead to a sharp market decline.



Bitcoin

Although there are many positive factors, such as the establishment of a national reserve fund by the President of the United States, the price of Bitcoin has remained at the same level. Therefore, we believe that it is unlikely for Bitcoin to break above the USD 100,000 level.



China

In the past month, the Chinese stock market increased in line with the U.S. stock market, as the Chinese market is a laggard. Despite the latest PMI report showing improvement, conditions in the real estate sector remain concerning. As a result, the Chinese stock market has continued to move in tandem with the U.S. market.



Energy Price

We expect oil prices to decline following the U.S. attack on Venezuela and its attempt to gain control over the country's oil resources. Lower oil prices would help stimulate an increase in oil demand.

Market Update

Index	Last Price	2023	2024	YTD%	PE_Ratio
Nasdaq	23,474.35	43%	33%	18%	44.14
S&P500	6,905.74	24%	28%	13%	27.59
STOXX Europe 600 Price Index EUR	589.25	13%	11%	11%	16.83
China	3,961.21	-4%	10%	21%	18.85
Hong kong	25,751.64	-14%	19%	27%	12.84
India	84,562.11	19%	5%	11%	24.26
Singapore	4,661.67	0%	17%	23%	13.97
Thai	1,256.81	-15%	-5%	-7%	13.40
Vietnam	1,749.50	12%	12%	38%	17.04
Malaysia	1,675.96	-3%	8%	7%	15.88
Indonesia	3,138.13	3%	-12%	-3%	15.46

Source : Bloomberg as of 30 December 2025

• Investment Thesis

We continue to recommend U.S. equities due to their exposure to global and international businesses. Some U.S. stocks are trading at attractive valuations. In addition to U.S. equities, we also recommend technology stocks and innovative healthcare stocks, as they have strong growth potential in the future and more importantly, these stocks are currently trading at very attractive prices.

Disclaimer

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Fund Outlook



Positive



Negative

Fund	Previous	New
	As of December 2025	As of January 2026
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 November 2025
- 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 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 brand name such as Apple, McDonald's, Google and Microsoft, etc. If the United States is an economic recession, the fund is less affected.
- Over the past month, the iShares Core S&P 500 ETF has delivered strong performance, driven by the Federal Reserve's interest rate cuts and positive employment data.

- Risk Level : 6 (High Risk)

Low

1	2	3	4	5	6	7	8
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 High

ASIA EX JAPAN

- **Eastspring Asia Active Equity Fund (ES-ASIA)** ★★★★★ Morningstar Rating 3 star
As of 28 November 2025
- 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 3-star by MorningStar.
- Over the past month, this fund has delivered strong performance, as Asian stock markets have risen in line with the U.S. stock market.

- Risk Level : 6 (High Risk)

Low

1	2	3	4	5	6	7	8
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 High



Short Term

Energy

- **Eastspring Global Energy Fund (ES-GLOBALENERGY)** ★★★★★ No Morningstar Rating
As of 30 November 2025
- 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.
- The company maintains a positive outlook on energy stocks, as oil prices may decline after the United States gains control over Venezuela's oil resources. Lower oil prices would help increase oil demand.

- Risk Level : 7 (High Risk)

Low

1	2	3	4	5	6	7	8
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 High

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Investment Theme



Turnaround

ARKK

- **SCB Innovation (SCBINNO)** ★★★★★ No Morningstar Rating As of 30 November 2025
- 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.
- The SCBINNO fund has been launched for more than one year; however, the ARK Innovation ETF (ARKK) has been in operation for over five years.
- Over the past month, the ARK Innovation ETF (ARKK) has delivered weak performance, due to the relatively poor performance of Tesla shares.
- Risk Level : 6 (High Risk)

Low

1	2	3	4	5	6	7	8
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 High

ARKG

- **Eastspring Genomic Revolution Fund (ES-GENOME)** ★★★★★ Morningstar Rating 1 star As of 28 November 2025
- 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.
- Although SCBINNO is not rated by Morningstar, however, the fund is still the AIAM's top pick.
- 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.
- Over the past month, the ARK Genomic Revolution ETF (ARKG) has delivered weak performance, due to a decline in healthcare stocks.
- The ES-GENOME fund has been in operation for more than one year; however, the ARK Genomic Revolution ETF (ARKG) has been in operation for more than five years.
- Risk Level : 7 (High Risk)

Low

1	2	3	4	5	6	7	8
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 High

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

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