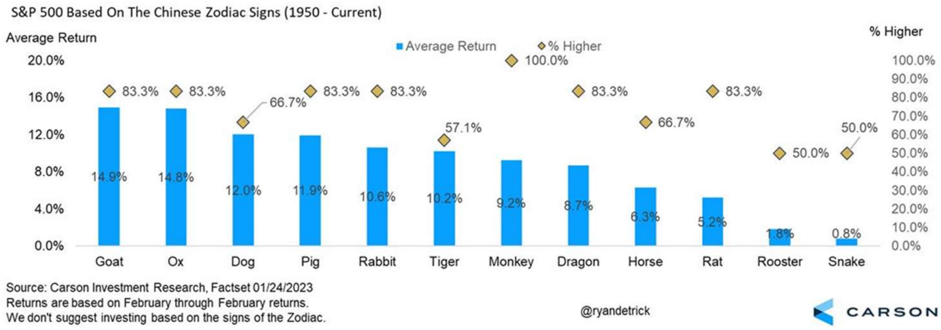
WEEKLY BULLETIN

Week of 30th January,

Thought of the Week.

Here comes the Year of the Rabbit!



It may be a happier one, indeed - previous years of the rabbit ended higher 83.3% of the time, and this contrasts with last year's Tiger, which was only 57.1%. This may prove a baseless headline as S&P 500 ended almost 20% in negative territory, in 2022.

According to Chinese Astrology, the rabbit symbolizes patience and luck. While 2022 was a yang year (meaning it was more about action), 2023 will be a yin year and much more passive. There will be moments for reflection, rest and renewal.

Well, if we translate all these in financial markets lingo and market expectations, I may say that we are in for another bumpy ride. If we need luck, reflection and renewal we have definitely not done enough good in the Year of Tiger and this year we need to augment our work to get closer to expected values and investment goals.

The International Monetary Fund's warned in early January that the global economy is in for "a tough year, tougher than the year we leave behind." The consensus seems to be that US and EU will enter a recession by the first half of 2023, while global inflation should continue to moderate and peak in the second half of 2023.

On the brighter side, we see good opportunities out of APAC, especially ASEAN, with thriving economies benefiting from the shift in the supply chain out of China amid the escalating political tension between China and US. Many multinational companies are relocating their manufacturing hubs to Vietnam, Thailand, Malaysia, and Indonesia, not only bringing in strong foreign direct investment but positioning the region as a self-contained supply chain hub.

Events Summary for Previous Week.

US Economy/Politics

- Tesla reports record revenue and beats on earnings – 25th Jan CNBC
- Biden administration issues 20-year mining ban, turns to foreign supply chain amid green energy push – 27th Jan
- Trump opens 2024 run, says he's 'more committed' than ever – 28th Jan

Europe and UK Economy/Equity

- Striking French workers lead 1 million people in protest over plans to raise retirement age – 19 Jan CNN
- EU lines up 70 projects to rival China's Belt and Road infrastructure spending – 23 Jan Politico
- US and Germany to send tanks to Ukraine – 25 Jan CNBC.

Asia Pacific Economy/Equity

- Xi puts top brain in charge of Taiwan unification strategy.
- Brighter outlook for Hong Leong Asia as China reopens, building material segment to report double profits 27 Jan
- Japan PM says can't rule out return o deflation despite price spike – 27 Jan.

The Week Ahead.

- ECB, Fed Meetings
- Earnings announcements: Amazon, Apple, Alphabet, Meta.

Weekly Data Monitor.

Performance

- Equities keep strong performance
- Real Estate markets hold strong
- Dollar Index still on a backfoot

INDEX	Weekly %	MTD %	YTD %	1YR %	3Y %	5Y %
Global Equity	3.22	7.15	7.15	-5.00	20.74	28.82
Global Real Estate	2.86	8.23	8.23	-9.03	0.75	25.52
US Real Estate	2.85	8.09	8.09	-7.81	3.85	35.34
APAC Real Estate	2.55	7.55	7.55	-7.23	-21.41	-23.03
Investment Grade	0.26	3.93	3.93	-5.37	4.32	15.49
High Yield Bonds	-0.32	3.41	3.41	-11.58	-10.57	-6.16
Global HF Real Estate	0.16	1.54	1.54	-0.77	6.42	5.95
Global HY ETF	2.03	7.96	8.43	-4.78	31.43	-3.64
ASIA Real Estate ETF	2.30	5.79	5.79	-7.28	-23.66	-14.66
USD Index	-0.14	-1.59	-1.59	4.75	4.00	14.38

Weekly chart:

- European Bonds under pressure
- Crude rebounded from last week
- Gold slightly weaker

Note: The chart shows normalised weekly highs and lows for the Indicator, emphasizing (BLUE) the LATEST

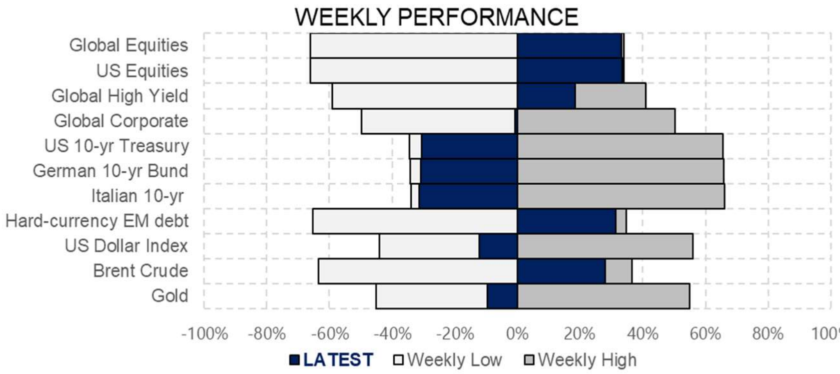
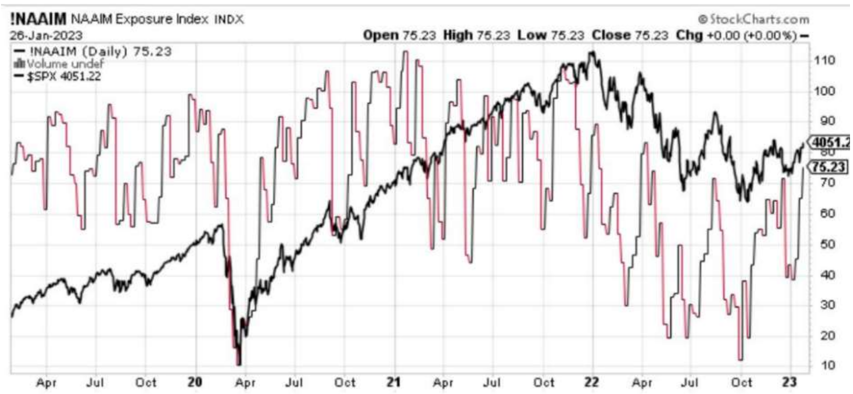


Chart of the Week.

The NAAIM Exposure Index represents the average exposure to US Equity markets reported by the members of National Associations of the Active Investment Managers.

The NAAIM Exposure Index is not predictive in nature and its primary goal is to account for active managers evaluating the risk/reward relationship of the stock market and to stay in tune with what the market is doing at any given time.



In the same Chart of the Week, we recognize the bullish S&P 500 Index breaking out from its 200-day moving average and the respective descending trend line. The two indices are somehow signalling different strategical features, since the NAAIM Index may point to active managers reducing shorts ahead of the earlier described bullish evidence.

Active managers may outperform their respective indices this year, since we are moving into a more rational environment following the selloff in 2022 (see our Thought of the Week, too). This expectation gains weight once we consider recent years, when active managers did not have a lot of success – in 2022 only 27% of active funds have beaten a passive alternative, slightly better than 2021 when their representation was down to 21%.

The active and risk-on regime that seems to be the guidance given by several thinktanks, should entice end investors target private investments, real assets, hedge funds in their strive to enhance performance.

At New Dimensions Capital, our work is concentrating around actively 'refreshing' our portfolios and rebalance portfolios contingent to new markets' signals and our clients' investment goals. We are still cautious and selective in our stock evaluation, but we construct our hedges actively at a lower portfolio exposure, or delta.