



Monthly Perspective

“To be an enemy of America can be dangerous, but to be a friend is fatal.” – Henry Kissinger

Market Recap

April witnessed significant market turbulence triggered by renewed U.S. tariff actions. On April 2—now dubbed “Liberation Day”—President Trump announced sweeping tariffs across multiple sectors, prompting a sharp global sell-off. The S&P 500 suffered its steepest monthly decline since 2020, while bond markets saw heightened volatility with yields spiking on diminished investor confidence.

However, Trump’s sudden reversal on some tariff measures revealed sensitivity to market reactions—particularly the sharp U.S. equity decline. This led to a powerful rebound in the final week of April, with the S&P 500 recovering much of its earlier losses in a classic whiplash move.

Key Activities in April

1. Trade Policy and Market Volatility

The abrupt imposition—and partial retraction—of new tariffs has amplified global market uncertainty. With implementation timelines shifting and retaliatory risks emerging, investors must remain vigilant. Trade policy unpredictability remains a key driver of short-term market swings.

2. Recessions Concerns

The U.S. economy contracted by 0.3% in Q1 2025, raising fears of a self-inflicted downturn. Key contributors include declining federal expenditure and pre-emptive inventory build-ups ahead of tariffs. In such a climate, building liquidity buffers, rebalancing portfolios, and exploring yield-generating assets are prudent responses.

3. Trump rolling back on its tariff threat

Despite headline risks, Trump’s frequent postponements suggest a lack of a coherent strategy. His ability to abruptly reverse course reflects a centralized, tactical approach rather than a structured plan. It’s increasingly clear that the U.S. cannot fully decouple from China, particularly for essential consumer goods. If tariffs stabilize at 10–15%, supply chains are likely to adjust. Notably, China’s defiance of Trump’s proposed 245% levies signals that U.S. dominance in global trade may no longer go unchallenged, thus providing many negotiation space for Canada, Mexico and Europe.

Global Economic Outlook

Emerging markets are displaying greater resilience than developed economies. India is poised to surpass Japan in GDP growth this year, reflecting strong momentum across South and Southeast Asia. In contrast, developed markets face persistent challenges, including sluggish demand, policy

fatigue, and monetary tightening overhang.

Sector Highlights

- Technology & AI: Rapid adoption of generative AI and automation tools continues to fuel productivity gains and corporate investment..
- Healthcare: Aging demographics and innovation in biotech and diagnostics are reinforcing long-term tailwinds for the sector.
- Energy: Crude oil prices have fallen to four-year lows due to weak U.S. economic signals and supply-side adjustments by major producers.

Investor Insights

- Diversification: In light of market volatility, diversifying across asset classes and geographies can help mitigate risks.
- Fixed Income: Elevated yields offer attractive opportunities in high-grade bonds amid slowing growth expectations.
- Alternative Investments: Exploring assets like real estate or private credit could provide additional income streams.

Closing Thoughts

April was a powerful reminder of the market impact of political and policy volatility. Yet, opportunities remain for those who stay nimble and anchored in long-term quality. With Trump's tariff pause creating breathing room, early May could see continued strength. However, be mindful of late-month profit-taking as the familiar "Sell in May and go away" sentiment may resurface.



From the News Desk to the Investment Team

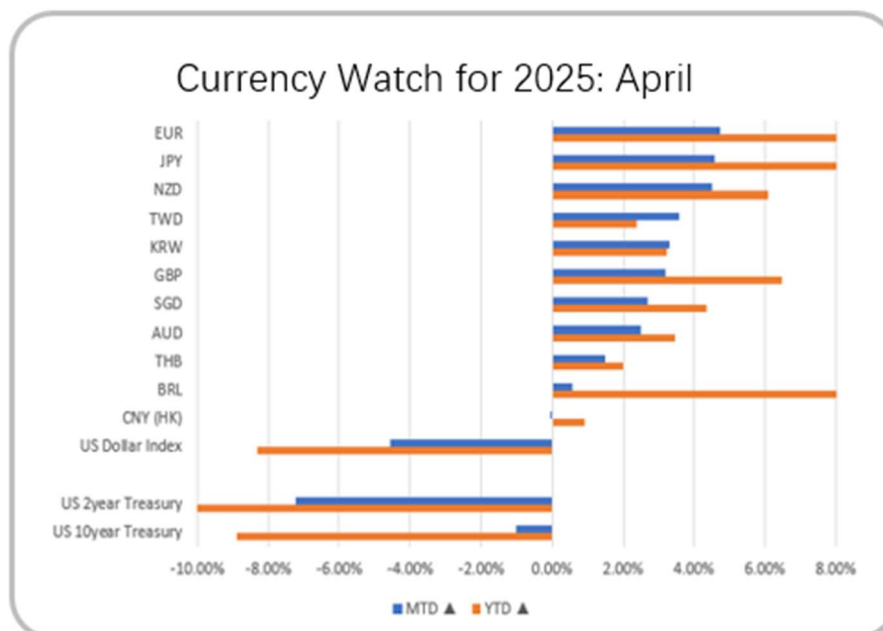
- Trump announces sweeping tariffs, leading to a significant market downturns – 2nd April
- Trump declares a 90-day pause on most tariffs (excluding those on China), prompting a market rebound – 9th April
- Trump raises tariffs on China products to 145% - 11th Apr
- China raises duties on US goods to 125%, calls Trump tariff hikes a joke – 11th Apr
- Trump says China faces up to 245% tariff due to retaliatory actions – 16th Apr
- China puts four conditions before US to restart trade talks, warns Donald Trump not to threaten Beijing – 17th April
- US wants to charge Chinese ships to dock at American ports – 18th Apr
- “Trump tariff theory a mess, don’t give in to US extortionists, Japan Leader’s roaring speech – 19th Apr
- EU proposes regulation to incentivize defense-related investments in the EU budget – 22nd Apr
- Trump says trade talk with China underway – 24th Apr
- Greenland PM visit Denmark amid Trump annexation threats – 27th Apr
- US agriculture isn’t nearing a trade war tariff crisis, it’s in a full-blown crisis already, US farmers say – 28th Apr
- Even on Canada’s Election Day, Trump again insist country should join US as its 51st state – 28th Apr
- Drop in Chinese goods at US ports as importers respond to Trump’s tariffs – 28th Apr
- Goldman Sachs CEO David Solomon warns that Trump’s tariffs are causing CEO to reduce investments – 29th April
- China’s PMI drops to 16-month low at 49.0 in April as trade tariffs bite – 29th Apr
- China eases tariffs on select US goods as Trump says Beijing will ‘eat’ the costs – 30th Apr



Market Overview



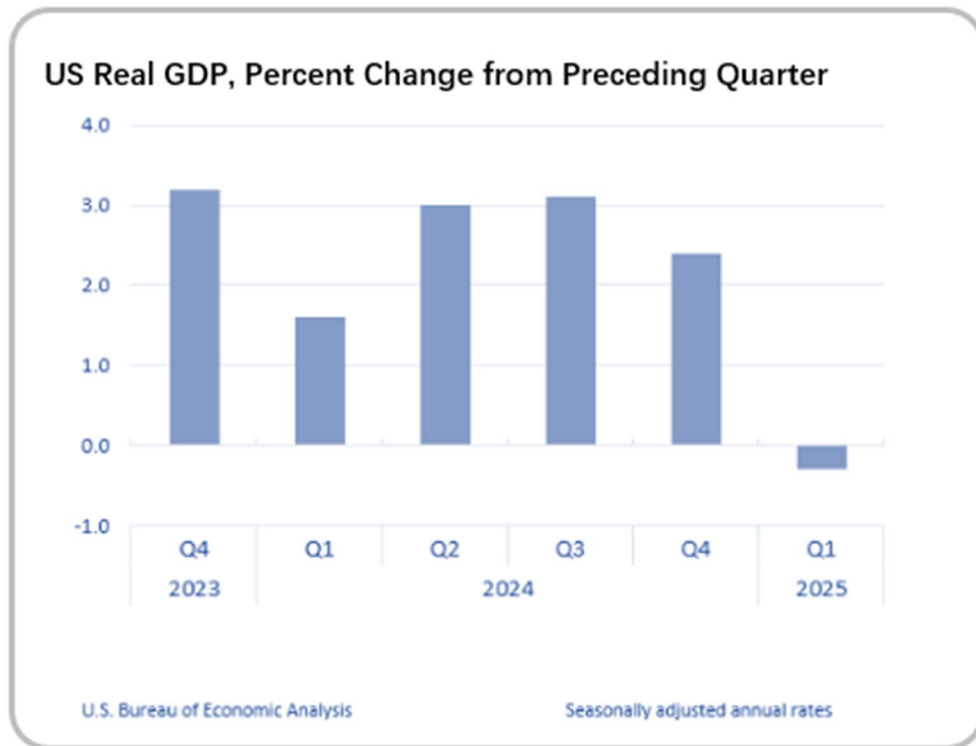
U.S. tech stocks rebounded late April as Trump signaled potential trade talks with China, offering relief after earlier tariff-driven selloffs. While Thailand, Australia, and India saw strong recoveries, markets like Hong Kong, Dow Jones, and Singapore continued to struggle.



US dollar weakened in most part of April and saw some pullback after Trump signals trade talk with China. EUR, JPY and NZD are the top gainers in April. Market expects USD to weaken further if Trump's massive tariffs continue after the 90-day pause unless Trump roll-back on the percentage, especially with China.



Chart of the Month



The sharp slowdown in U.S. GDP growth, turning negative in Q1 2025, underscores rising economic vulnerability under Trump's aggressive tariff stance. While Trump appears committed to his trade war strategy, a sustained economic contraction could force a strategic compromise—particularly if recession risks threaten consumer confidence and job markets. Wall Street still expects only a mild recession, with corporate earnings holding up and the Fed prepared to cut rates if needed—not to support tariffs, but to prevent long-term structural damage to the U.S. economy.



New Dimensions Capital

100 days of Shockwaves: Leadership or Disruption?

As we mark the first 100 days of Trump's return to power, the global landscape has been shaken by an aggressive wave of U.S. assertiveness—from sweeping tariffs and threats toward Canada, Greenland, and Panama, to geopolitical posturing over Gaza. What once symbolized presidential leadership now feels more like Pirates of the Caribbean than Captain America.

Uncertainty is no longer a risk scenario—it is the reality, underscored by open signs of insider dealing and abrupt policy shocks emanating from the highest levels.



In such an environment, the boundaries between portfolio management, business strategy, and capital preservation collapse into one urgent challenge:

How do we seek clarity and position for stability in a world driven by disruption?

At New Dimensions Capital, we are responding with a refreshed investment approach designed for today's volatility. We remain anchored in disciplined investment principles, informed policy interpretation, and proactive tactical adjustments to help safeguard and grow client wealth. Every investor has unique goals—but in these times, our updated strategies offer relevant, adaptable solutions.

Our doors remain open to discuss how this approach can work for you. Until the next session, we stay hopeful for clarity and recovery during this 90-day tariff pause—and beyond.

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