NEW DIMENSIONS CAPITAL

Monthly Perspective

"Don't bother investing in companies solving the hard problems, what we have learned is to avoid them. – Warren Buffett"

September: Another monthly gains in one of the most unexpected month

We view September's market action as another chapter in the tug-of-war between short-term sentiment and underlying fundamentals. Let's walk through the regional picture, key drivers, and what we're watching heading into Q4.

Regional Market Snapshot

Region	Approx.Performamce / Key Movers	Highlights & Risks
US Equity Markets	Strong month: S&P500 +3.5%, Nasdaq +5.6% Dow +1.9%, Gains concentrated in big tech such as Apple, Nvidia; Microsoft; Consumer Staple lags	▪ Fed cut 25bps but Powell stressed valuations are 'fairly high' ▪ Long yields stayed elevated, muting bond rally
Europe	Mixed; STOXX 600 +1.2% Banks like Deutsche Bank outperformed; French names weighted by politics	▪ French political risk dented sentiment ▪ Energy names supported by higher oil and gas,
Asia Pacific	MSCI Asia Pacific +0.9% Taiwan +1.4% (TSMC strength) Australia +1.2% (miners, banks up) Singapore +1.1%	▪ Gains supported by semiconductor demand & corporate AI spending ▪ China/HK stabilized after Beijing small policy easing, but property sector still weak.
FX & Rates	DXY +0.8%, USD strengthen against JPY, KRW, INR UST 2Y yields dropped on Fed cut but 30Y remains sticky	▪ Strong USD on Fed caution and strong US equity inflows ▪ EM FX remained pressured under higher long yields.

Macro Risk Watch

- US Government Shutdown: A potential shutdown in October is a key risk. Wall Street expects a stop-gap deal within two weeks, but if it drags beyond that, market concerns could escalate significantly.
- US–China Trade Tensions: The risk of a renewed trade war is resurfacing. Washington has tightened export controls and expanded blacklists, while Beijing has scaled back US soybean purchases. These moves suggest trade relations could again become a market-moving flashpoint, with implications for tech, semiconductors, and Asia-linked supply chains.

Portfolio Positioning Themes:

Allocation View	Rationale
Overweight	Financials, Industrials, Infrastructure-linked stocks, with durable cash flows pricing power
Underweight	Real Estate, Speculative Tech with negative earnings, are likely to be vulnerable to rate and valuation pressure.
Tactical Opportunities	Gradually add to long-duration bonds on dips ahead of potential Q4 rate cuts.
Quality Pullback Buy	Dividend-paying equities with strong balance sheets and healthy cashflows — use dips to accumulate.

Noteworthy Market Dates

- Oct 1st — ADP Employment
- Oct 3rd — US Nonfarm Payrolls
- Oct 8th — FOMC Meeting Minutes
- Oct 15th — US CPI, Fed Beige Book
- Oct 29th — FOMC Meeting
- Oct 30th — US Q3 GDP; Eurozone Q3 GDP; ECB Meeting, BOJ Meeting

October Outlook

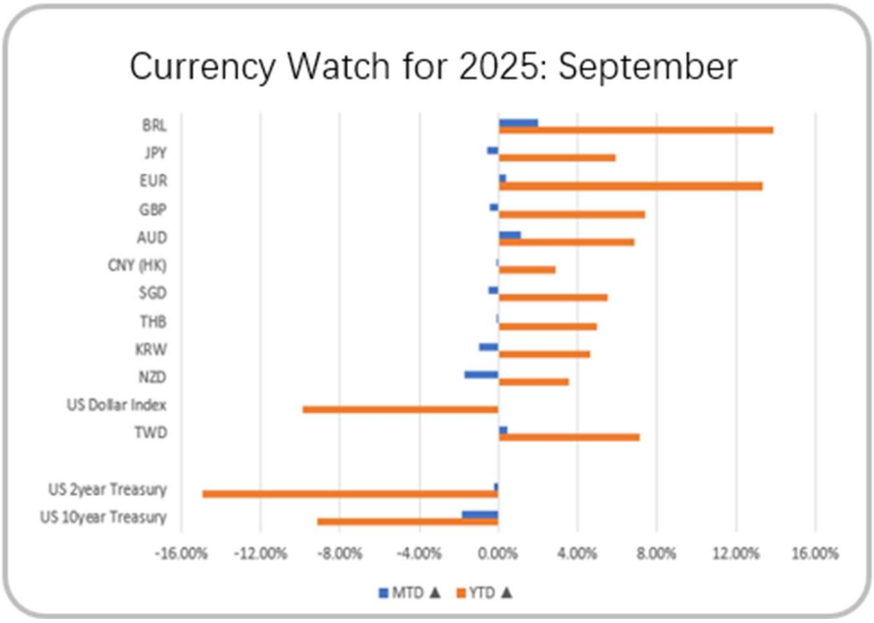
- What to watch (FOMC, government shutdown, earnings season)
- Risks (valuation stretch, USD strength, sticky yields)
- Opportunities (Pullbacks in quality dividend names, Asia ex-China strength, selective EM FX)

NEWS From the News Desk to the Investment Team

- Sep 3rd : Australia Q2 GDP +0.6% vs exp +0.5%
- Sep 3rd : Trump alleges China, Russia and North Korea are conspiring against the US.
- Sep 4th : US ADP Employment +54k vs exp +65k
- Sep 5th : Eurozone Q2 GDP +1.5% y/y vs exp +1.4%
- Sep 5th : US August Nonfarm Payroll 22k vs exp 75k
- Sep 8th : Japan Q2 GDP +0.5% vs exp +0.3%
- Sep 10th : US August PPI +2.8% vs exp +3.5%
- Sep 11th : ECB kept rates unchanged at 2.15%
- Sep 11th : US August CPI 2.9% vs exp +2.9%; core CPI is 3.1% as expected.
- Sep 15th : China August Industrial Production 5.2% vs exp 5.8%
- Sep 16th: UK ILO July Unemployment rate (3M) 4.7% vs exp 4.7%
- Sep 18th : Fed cut 25bps to 4.25%
- Sep 18th : Bank of England kept rates unchanged at 4%.
- Sep 19th : BOJ kept rates unchanged at 0.5%
- Sep 25th : SNB keep interest rate unchanged at 0.00%.
- Sep 26th : US Core PCE 2.9% y/y vs exp 2.9%
- Sep 26th : Trump declares 100% tariff on pharma imports from Oct 1st.
- Sep 26th : Trump signs executive order to transfer TikTok to US owners.
- Sep 29th : US government runs out of money at the end 30th Sep, and the two parties remain far from an agreement to avert a shutdown
- Sep 30th : China Manufacturing PMI 49.8 vs exp 49.6; Non-Manufacturing 50.0 vs exp 50.3
- Sep 30th : Trump visa curbs push US firms to consider shifting more work to India.
- Sep 30th : Trump places 10% tariff on lumber, 25% tariff on furniture and cabinets

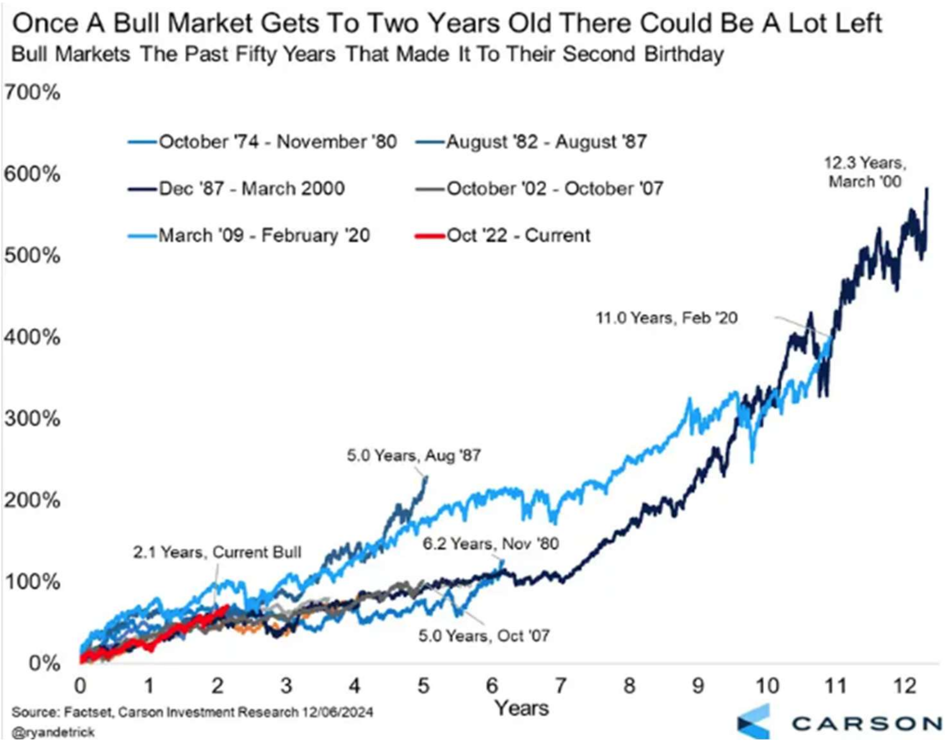
Market Overview

Korea and Hong Kong markets standout with big YTD gains, with Korea posting strongest performance of +45%. On the YTD basis, REITs and Thailand are still lagging behind.



Brazilian Real and Euro recorded doble digit YTD appreciation, standing out among global currencies. I believe it reflects resilient European growth momentum and continued carry-trade appeal in Brazil.

Chart of the Month



As US markets keep entering into cycles of record highs and valuation looks grossly stretched and buying stocks at near all-time highs getting more challenging. One thing that come across during this period is the chart above that keep buyers going. This chart highlights how past bull markets that reached their second anniversary often extended for many more years. Wall Street leans on such historical narrative to support the current rally, particularly in US equities. Combined with headlines of big tech companies investing in each other, it adds further fuel to sector optimism.

However, we need to stay disciplined. Extreme valuations remain a concern — especially when capital flows within big tech may boost sentiment but not necessarily generate incremental earnings growth. The true test will be whether these investments translate into sustainable revenue expansion.

For now, our preference is to remain selective:

- Avoid chasing stretched valuations
- Wait for a healthy pullback
- Re-enter when clearer evidence of stronger sales and earnings emerges

New Dimensions Capital

Besides the all-important FOMC meeting in October, Singapore also takes the global spotlight with the Formula 1 Grand Prix — the world's first to night race. For foreign investors, it's not only a sporting spectacle but also a reminder of Singapore's role as a world-class hub for both finance and innovation.

Just as F1 demands balance, precision, and endurance, our philosophy at NDC emphasizes performance with prudence:.

- Exclusivity: Like Singapore's unique night race, we differentiate by offering investors a distinct approach — stable income with disciplined risk management.
- Precision: Every move on the circuit is calculated, as are our portfolio allocations.
- Endurance: Success comes not from one lap, but from navigating the entire race — we focus on sustainable dividends and long-term wealth preservation.

In a market often distracted by noise, our role is to stay on track, seize opportunities when the timing is right, and ensure investors reach the finish line with consistent returns.

Singapore isn't just the home of the world's only F1 night race — it's also where we drive disciplined, long-term investment performance.