

Monthly Perspective

“The most foolish person is the one who thinks of getting rich alone, while making other suffers. – Rong Desheng(荣德生), prominent Chinese industrialist from Wuxi”

1. Macro Outlook

- The IMF in its October 2025 World Economic Outlook projects global growth at 3.2% in 2025, down from 3.3% in 2024 and easing further to 3.1% in 2026.
- The tone remains cautious – growth is “in flux” and risks remain tilted to the downside (trade protectionism, policy uncertainty, labour-supply constraints)
- For developed economies, growth is expected to be modest (1.5%), for emerging markets a little above 4%.

1.1 Regional Divergences & Key Themes

- Asia (especially export-heavy economies) is facing decelerating growth given weaker external demand and trade headwinds.
- Eurozone shows some signs of domestically driven growth (firming PMI readings) but remains constrained by structural headwinds.
- UK inflation remains stickly (3.8%) and central bank policy likely to hold rates steady ahead of any cuts.
- Trade policy remains a wildcard – recent moderation in tariff escalation in some jurisdictions has improved near-term outlook but latent risk persist.
- Fed’s hawkish cut in October, signalled a cautious pivot, supporting US dollar strength.

1.2 Implications for Investors

- With growth modest and inflation still above target, central banks are likely to proceed cautiously on rate cuts. This argues against a broad “risk-on” rally in equities or credit until greater clarity emerges.
- In this environment, income-oriented strategies remain well-positioned — emphasizing dividend-paying equities, selective financial and industrial exposure, while avoiding interest-rate sensitive sectors such as real estate and long-duration fixed income.

2. Market Backdrop & Sector Themes

- Equities
 - Quality dividend-paying stocks remain attractive in an environment where bond yields are elevated and growth is muted.
 - In terms of sector, financials and industrials are in focus (consistent with our current repositioning)
 - Financials benefit from higher for longer rates and improved yield curves.

- Industrials benefit from capex renewal, infrastructure spending and global supply-chain diversification.
 - Technology remains important as a long-term growth driver, but given your fund's mandate, allocations remain measured and disciplined.
 - Fixed Income & Credit
 - With the U.S. dollar's strength, allocations into non-USD assets — particularly in Asia — can enhance diversification.
 - Watch for central bank divergence, currency-hedged regional equity plays, and FX risk in emerging markets given the slower growth outlook.
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Portfolio Positioning Themes:

For November, the recommended posture is:

- Maintain overweight in high-quality dividend-paying financials (e.g., well-capitalized banks, insurers) and industrials (with global exposure).
- Keep a modest allocation to technology, focused on secular growth names rather than cyclical hype.
- Avoid or underweight REITs, large exposure to long-duration bonds, and highly leveraged credit in this macro regime.
- Maintain dry powder / cash buffer to take advantage of potential market dislocations (aligned with your long-short strategy).
- Continue monitoring FX exposures actively via SpotFXD, especially given diverging growth/inflation regimes in Asia vs U.S./Europe.

Noteworthy Market Dates

- Nov 4th RBA meeting
- Nov 5th ADP Employment
- Nov 6th BOE meeting
- Nov 7th Nonfarm Payroll
- Nov 13th US CPI, UK GDP
- Nov 20th FOMC Minutes
- Nov 26th Core PCE, RBNZ meeting

November Outlook

- Keep eyes on early-cycle signals: global PMIs, inflation surprises, wage growth, central bank forward guidance.
- Monitor trade/policy shocks: any resurgence of U.S.–China tariffs, or new supply-chain disruption events.
- Be mindful of valuation resets: should equities de-rate or bond yields rise further, income-based strategies (dividend equities + cash reserves) are expected to remain resilient.



From the News Desk to the Investment Team

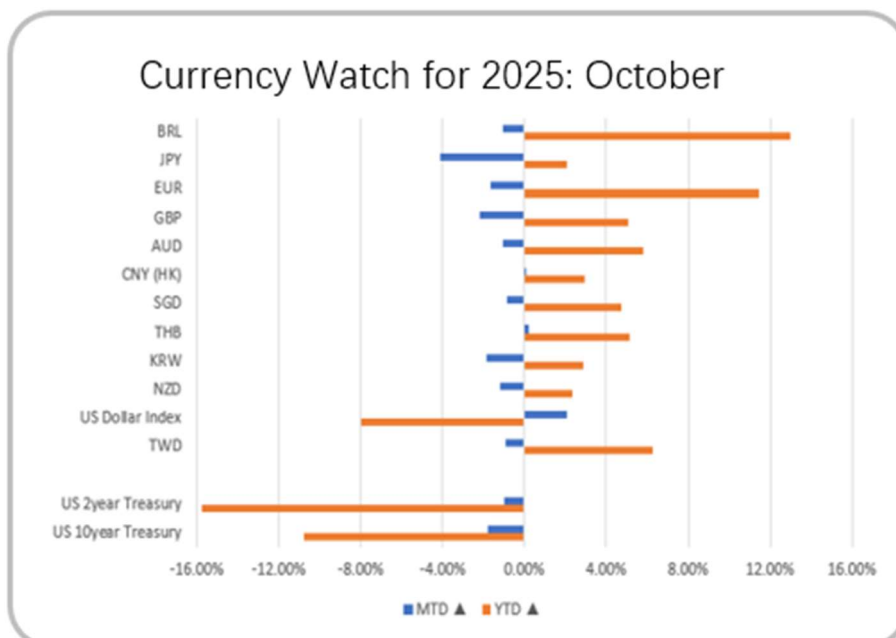
- Oct 1st : US ADP Employment Change -32k vs exp +50k
- Oct 8th : RBNZ cuts 25bps to 2.50%
- Oct 13th: Europe's biggest farm machinery firms halts US exports over 'hidden tariffs'.
- Oct 14th : UK ILO Unemployment Rate 4.8% vs exp 4.7%
- Oct 16th: Head of IMF says risks in private credit market keep her awake at night.
- Oct 20th : China Q3 GDP y/y 4.8% vs exp 4.8%, Industrial Production 6.5% vs exp
- Oct 22nd: US government shutdown becomes 2nd longest in US history as stopgap bill failed
- Oct 23rd: Trump's \$250 million White House ballroom reno sparks criticism amid shutdown
- Oct 24th : US CPI Sep y/y 3% vs exp 3.1%
- Oct 26th : Trump raises tariffs on Canadian goods over Reagan advert.
- Oct 26th: Trump signed trade deals with 4 ASEAN states, pledges 100% commitment to Southeast Asia.
- Oct 28th: Trump heaps praise on Japan first female leader, signs rare earths deal.
- Oct 29th : Australia CPI y/y 3.5% vs exp 3.1%
- Oct 29th : China and ASEAN sign upgraded free trade pact in Malaysia.
- Oct 30th : Fed cuts 25bps to 4.00%, but Powell raises doubts about easing at next meeting.
- Oct 30th : Eurozone GDP y/y 1.3% vs exp 1.2%
- Oct 30th : BOJ keeps policy rate at 0.5% as lack of US data makes forecasting difficult.
- Oct 30th : Trump lowers tariffs on China and announces end to rare earth roadblock.
- Oct 30th: China, Saudi Arabia pledge to deepen cooperation.
- Oct 31st: Trump, Xi agree on ceasefire on trade war, China eases curbs on rare earth exports.



Market Overview



US stocks continue to outperform on good earnings and US/China trade optimism, propelling Asia Pacific stocks higher as well.



EUR pulled back the most in October as Fed Chair Powell delivered a hawkish cut, emphasizing data dependency and caution against premature easing. The U.S. dollar strengthened across major peers as traders trimmed bets for a December rate cut — with odds dropping from over 70% earlier in the month to near 45% by end-October.



Chart of the Month

10-Year Gold Price in USD/oz (2015–2025)



Gold prices have surged over 260% in the past decade, closing at USD 4,002/oz after reaching a record high of USD 4,342/oz. The rally accelerated from late-2023 as investors priced in global monetary easing, fiscal expansion, and waning confidence in fiat currencies.

"The gold rally is not over. The 50% Fibonacci mark between the recent breakout zone (USD 3,500–4,300) suggests that any retracement below USD 3,900 could attract long-term accumulation. As the Fed balances rate cuts against U.S. economic resilience, gold remains a hedge against policy uncertainty and currency debasement."

Market Implication:

- **Diversification Edge:** Maintaining gold exposure enhances portfolio resilience amid elevated geopolitical risk and persistent U.S. fiscal slippage.
- **Stabilizing Role:** Gold's inverse correlation to real yields reinforces its status as a strategic stabilizer within balanced portfolios.
- **Structural Tailwinds:** Institutional allocations toward real assets are likely to continue, reflecting the erosion of trust in fiat systems and the long-term search for value stability.



New Dimensions Capital

In an era defined by geopolitical uncertainty, persistent inflation, and record government deficits, the rules of wealth management are being rewritten. Capital is no longer just about return — it is about resilience. For high-net-worth families and long-term investors, the ability to ring-fence wealth against policy risk and market volatility is no longer optional — **it's essential**.

At New Dimensions Capital, we help investors navigate this shifting landscape through an integrated framework that combines portfolio discipline, structural protection, and generational continuity:

- **Discretionary Portfolio Management** – delivering consistent income through disciplined asset allocation and risk control.
- **Variable Capital Company (VCC) Structuring** – building institutional-grade platforms for tax efficiency and wealth continuity under Singapore's 13O/13U frameworks.
- **Private Market & Real Asset Strategies** – identifying enduring value in gold, private credit, and infrastructure-linked assets.
- **Legacy & Succession Planning** – crafting structures that ensure smooth inter-generational wealth transfer and family governance.

“True wealth is not measured by what we earn, but by what we preserve through time.”

We invite readers, investors, and family offices to connect with us — to understand the shifting global environment and explore how New Dimensions Capital can help protect, grow, and sustain wealth across generations.

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