

# WEEKLY BULLETIN

## November 2025: Issue #2

### Quote of the Week.

“Stay invested but don’t chase. Protect gains, diversify wisely, maintain liquidity for opportunities, and avoid leverage in extended markets.” – NDC

### Market Recap — Rotation Beneath a Bullish Surface

Bullish sentiment in U.S. equities remains intact, but the leadership of this rally is beginning to shift. Investors are gradually rotating out of crowded mega-cap Tech into high-quality value names within the Dow Jones. The heavy AI capex cycle, coupled with stretched valuations in major AI-linked stocks, has created a “ping-pong” market pattern — strong gains followed by sharp mean reversion. While analysts continue highlighting AI as the long-term growth engine, investor behaviour is turning more selective as China slows its purchases of U.S. high-tech products.

This is where caution is warranted. Nvidia’s CEO recently remarked that China will become the world’s largest AI market. If the world’s second-largest economy reduces its reliance on U.S. technology due to geopolitical tensions and accelerates its own AI ecosystem, earnings for certain U.S. tech giants could face unexpected headwinds. Current valuations assume global adoption and stable demand. But if global technology bifurcates into two spheres — U.S.-centric and China-centric — companies with substantial China exposure may see margin pressure. This helps explain the ongoing rotation into traditional value stocks as investors reduce near-term concentration risk in US high-growth tech.



Another area requiring close monitoring is real estate. The Fed’s delayed rate-cut timeline is prolonging the slowdown in property markets, keeping refinancing costs elevated and transaction activity subdued. Meanwhile, early signs of labour softening are emerging in the U.S. As companies adopt AI and automation, reductions in human capital costs may accelerate — a natural corporate response in a high-cost environment. Historically, employment weakness begins in the U.S. before spreading globally due to America’s faster adoption of new technologies.

The transition will be challenging. Worker displacement may rise before the benefits of productivity gains flow through the broader economy. Although the Fed will eventually cut rates to support growth, initial improvements are likely to benefit the top 5% of households rather than the wider population. Until that adjustment takes place, real estate is likely to remain in a difficult environment, and investors should stay selective when considering additional exposure.

### Last Week ‘s Notable Events.

#### US Economy/Politics

- 15<sup>th</sup> Nov – Trump rolls back tariffs on dozens of food products, including coffee, bananas and beef.
- 17<sup>th</sup> Nov – Trump hopes to confirm a deal to secure rare earth supplies from China by Thanksgiving.
- 18<sup>th</sup> Nov – US soy futures hit June 2024 high as China ramps up buying.

#### Europe Economy/Politics

- 16<sup>th</sup> Nov – Trump trade negotiator hits out at EU delays in cutting tariffs and rules.
- 17<sup>th</sup> Nov – Europe is breaking up with US Cloud
- 17<sup>th</sup> Nov – EU lowers growth outlook for 2026 on higher-than-forecast US tariffs.

### Asia Pacific Economy/Equity

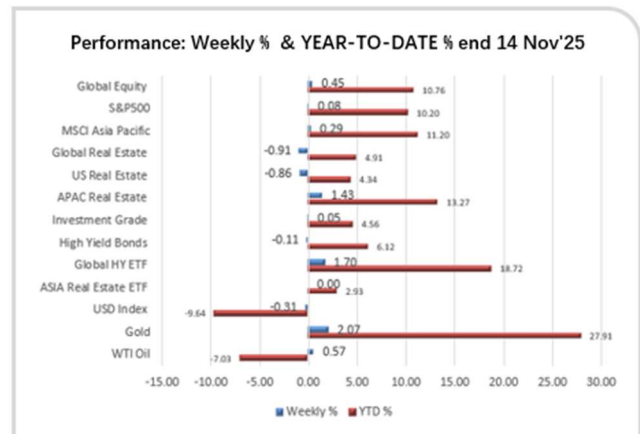
- 16<sup>th</sup> Nov – China warns citizens against Japan travel as Taiwan spat escalates.
- 17<sup>th</sup> Nov – Japan to dispatch senior envoy to China, as travel warnings drives tourism selloff in Tokyo
- 17<sup>th</sup> Nov – Singapore October Exports rise 22.2%, much stronger than expected
- 18<sup>th</sup> Nov – Southern Chinese metropolis fuels China-Thailand trade boom

### Weekly Data Monitor

#### Weekly chart:

- S&P500 closes positive despite a Friday sell-off.
- Real estate underperform as traders cut Dec Fed cut chances
- Talk of higher oil supply over demand resulted in a decline in oil prices.

**Note:** The chart shows normalised weekly highs and lows for the Indicator, BLUE being the LATEST.

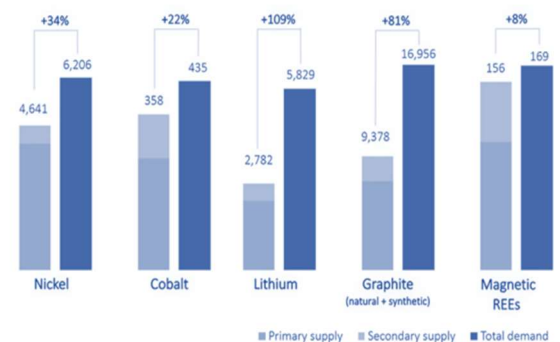


### Chart of the Week

The latest projections from the IEA and Ellen MacArthur Foundation show a powerful long-term trend: by 2035, demand for core minerals powering the AI, EV, and clean-energy revolution will far outstrip available supply. Lithium demand is expected to more than double, while graphite and nickel face deficits of 81% and 34%, respectively. Even magnetic rare-earth elements — essential for EV motors, wind turbines, robotics and highly advanced AI servers — will see tightening balances. The message is clear: the global economy is entering a high-intensity resource cycle where strategic minerals become the next bottleneck for growth.

For investors, these structural gaps translate into opportunity. As AI chip production scales and EV adoption accelerates globally, weakness in materials and mining counters increasingly looks like accumulation windows, not exits. While short-term sentiment may still swing with commodity cycles, the multi-year demand trajectory is anchored by committed capex plans across automakers, battery producers, data-center builders, and national energy-transition policies.

#### Demand for many critical minerals is expected to exceed supply by 2035



Note: Supply / demand in Kilotonnes per annum. REE = rare-earth elements

Source: Ellen MacArthur Foundation, IEA – Minerals Data Explorer, 2024.

We maintain a constructive view: selectively accumulate quality miners and material suppliers on dips. Key names such as Albemarle (Lithium), BHP (Nickel/Copper), Lynas Rare Earths (REEs), Freeport-McMoRan (Copper), and MP Materials (REEs) remain well-positioned to benefit from a decade increasingly defined by resource scarcity and strategic mineral value.