

WEEKLY BULLETIN

December 2025: Issue #1

Quote of the Week.

“To build a lasting business, your vision must extend far into the future.” – Red-Top Merchant, Hu Xueyan 胡雪岩

Across Asia's wealth hubs, the mood among private banking fund selectors has shifted into something both familiar and newly complex. Inflation remains sticky in pockets, geopolitical narratives continue to reshape capital flows, and the search for yield is now unfolding alongside a profound structural reordering of how—and where—investors deploy their money. The world is not in crisis, but it is unmistakably in transition.

In conversations across Singapore, Hong Kong, and Dubai, a common thread emerges: pragmatism is replacing optimism, but opportunity has not disappeared. Selectors are leaning into quality fixed income and private credit, tapping into spreads that still reflect last year's stress. Equity risk is being recalibrated as monetary tightening slowly gives way to selective easing, and the most sophisticated investors are rethinking the traditional “US-first” mindset. Fewer are willing to chase stretched valuations in American Mega caps; more are looking toward Europe and Asia—regions where fundamentals may finally be turning and risk-reward looks more balanced.

Three quiet shifts are shaping 2026 positioning:

- Private credit is no longer a niche — it is becoming the backbone.
As equity markets grow selective and banks retrench, growth capital is flowing into private lenders at unprecedented speed. For many technology firms, private credit has become not just an alternative, but the default.
- AI and digital transformation are moving from theme to thesis.
Selectors are separating hype from substance, favoring companies and strategies that generate productivity gains, not just headlines. AI adoption is now a capital-formation story, not merely a stock-market one.
- Asia's onshore markets are rising in relevance.
From resilient India to selectively improving signals in China, wealth managers are preparing for a more multipolar investment environment—one in which regional flows matter as much as Wall Street.

But beneath these themes lies a deeper observation: clients themselves are changing. Many are becoming less fixated on chasing perfect entry levels and more focused on constructing portfolios that can survive uncertainty—and still participate when opportunity appears. Structured products, multi-asset solutions, and alternatives continue to gain traction, not out of fear, but out of discipline.

As we approach the final stretch of 2025, this period recalls the wisdom often shared in investing circles: markets don't reward those who predict the future, but those who adapt to it. In a world where the old playbooks are fading, adaptability has become the most valuable asset on the balance sheet.

This bulletin marks one of our final editions, and perhaps that is fitting. Transitions—whether in markets or in life—invite us to step back, reassess, and prepare for what comes next. The coming year will reward clarity, patience, and conviction over noise.

Let us continue to navigate it with purpose.

Last Week 's Notable Events.

US Economy/Politics

- 3rd Dec – Trump cuts South Korea tariffs to 15%, boost for Hyundai and GM.
- 4th Dec – Economists expect Fed to cut rates again despite deepening policy rift.
- 5th Dec – Trump admin invests \$800 million to bolster US nuclear industry.
- 8th Dec – Ray Dalio says Middle East is becoming a 'Silicon Valley' of capitalists.

Europe Economy/Politics

- 7th Dec – EU's U\$140 million fine on Musk's X riles US Deputy Secretary of State, stroking tensions.
- 8th Dec – Macron's visit to China a counterpoint to rising tensions.

Asia Pacific Economy/Equity

- 5th Dec – Malaysia becomes a lynchpin in US-led effort to break China's grip on rare earths.
- 5th Dec – At least 10 Singapore-linked entities face US sanctions over alleged links to Iranian oil trade.
- 7th Dec – Japan and Australia urge calm after Chinese radar locks onto Japanese jets.
- 8th Dec – China's exports top expectations on strong sales to non-US markets.

Weekly Data Monitor

Weekly chart:

- Asian Tech stocks continue to lead MSCI APAC index higher while US stocks rotate among the big caps..
- Global real estate falls as US yields edge higher
- Oil prices rises on news that G7 looking to cut out Russian oil supply. .

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

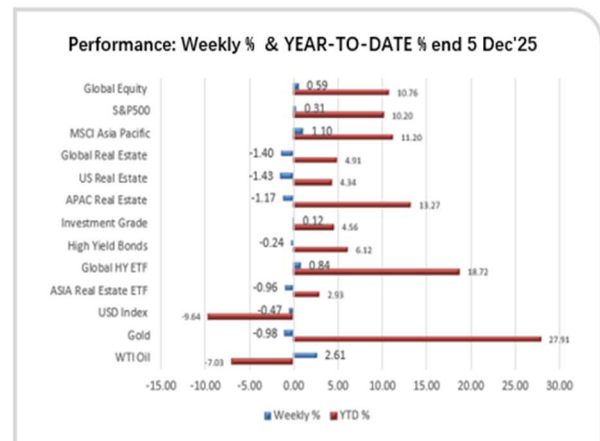


Chart of the Week

The chart shows that market drawdowns are common—the S&P 500 typically falls about -13% at some point each year. Yet despite these pullbacks, most years still end with positive returns.

This pattern reminds investors that volatility is normal and often temporary. Even with the swings seen in 2025, the market has again shown resilience.

Key message: Staying invested through short-term declines has historically been rewarded, as long-term equity trends remain upward.

