

CIMB PREFERRED INSIGHTS

OCT 2022

Key Highlights

- We take a look at some ideas on Real Estate, Sustainability & Asian Credit:
 - **Manulife AsiaPac REIT Fund**
 - **Allianz Global Sustainability Fund**
 - **Manulife SGD Income Fund.**
- For direct Fixed Income securities, we take a look at:
 - **Rothsay Life USD 4.875% Perp Call 2027**
- For direct equities, we take a look at:
 - **Apple Inc**
 - **Microsoft**
 - **Morgan Stanley**

¹Last week was another tumultuous week to wrap up a bad month, quarter and year-to-date for global markets amid persistent worries over a hawkish US and other major central banks to counter elevated inflation pressure. Among the persistent wall of

worries causing the crisis of confidence are escalating geopolitical tensions, a slowing China, potential energy crunch in Europe and mounting risks of a global recession as most major central banks continue to tighten their monetary policies.

Meanwhile, the World Bank has trimmed its economic growth forecast for East Asia and the Pacific to 3.2% from 5% in April due to China's slowdown. The revised forecast was also down from the previous year's growth of 7.2%. China, which constitutes 86% of the 23-country region's economic output, was projected to grow 2.8% this year, a significant deceleration from the bank's April forecast of 5%. For 2023, the world's second-largest economy is expected to grow 4.5%.

Elsewhere, the Organisation for Economic Cooperation and Development (OECD) said that the global economy will likely grow 2.2% in 2023, slower than the 2.8% projected earlier.

¹ Adapted from "Sentiments from the week before", Song Seng Wun, 3 Oct 2022

The final quarter of the year has just begun. There are several macro data releases that will shape market confidence in the first trading week of 4Q 2022. While China is on a week-long National Day Golden Week holiday, the Sep S&P Global PMIs will give a snapshot of global macro activities towards the end of Q3 amid tightening financial but softening demand conditions. The major event risk should be September's US jobs report. Elsewhere, the BoJ will release its Q3 Tankan surveys, the Australian & Kiwi central banks are holding their respective Oct monetary policy meetings. Meanwhile FX traders will continue to monitor the Bank of England amid volatility in the UK bond & FX markets.

In Singapore, the notable macro releases include the preliminary 3Q URA Private Home Prices & retail sales for Aug – both data sets are expected to show strong readings.

For investors, some ideas that can be looked at include Unit Trust Funds that have a sustainability theme, invest into Asian Fixed Income/debt securities or invest into Real Estate, we take a look at **Manulife AsiaPac REIT Fund**, **Allianz Global Sustainability Fund**, and **Manulife SGD Income Fund**.

For customers who wish to look at debt securities directly, we take a look at **Rothsay Life USD 4.875% Perp Call 2027**.

Finally, for customers looking at direct equities access, some ideas for consideration include **Apple Inc**, **Microsoft** and **Morgan Stanley**.

Please speak to your Relationship Manager for more details.

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