

# LION GLOBAL SAYS

A dark blue megaphone icon is positioned between the words 'LION' and 'GLOBAL'. The letter 'O' in 'GLOBAL' is replaced by a globe showing the Americas.

A Quick Guide To What's Happening In The Markets

# MACRO MOVERS & SHAKERS



	GROWTH	INFLATION	POLICY
US	Investor sentiment remained resilient thanks to employment. However, continuous claims are rising indicating that replacement jobs are hard to find. There are initial signs of consumer sentiment and business conditions weakening while inflation stayed sticky despite tariff increases. S&P 500 2Q earnings exceeded expectations, helped by lowered forecasts.	U.S. headline inflation rose to 2.7% year-over-year, while core inflation increased 2.9%. While Producer Price Index (PPI) rose by 2.3%, indicating moderate upstream cost growth. Overall, inflation remains above the Federal Reserve's 2% target, keeping rate cut expectations in check. Inflation should rise as higher tariffs feed through, in the coming months.	Market expects 2 rates cuts by year end with high chance of another cut in September. There will be a replacement after the resignation of Fed Board member Krugler. While tariffs may push prices up temporarily, the Fed also has the duo mandate to ensure full employment which could be more supportive for an imminent rate cut.
Europe	Europe's economic momentum lagged behind the U.S., but investor optimism remained due to hopes for stimulus measures and a quick resolution to the US-EU tariff dispute. Notably, economic sentiment improved for the third straight month in July, reaching its highest level since February 2022.	Eurozone inflation remains stable, with headline at 2.0% and core at 2.3%. While producer prices are subdued and investment is solid, weak consumption and rising Asian import competition continue to dampen growth momentum.	The tariff-related slump, combined with ongoing disinflation, may open the door to one last European Central Bank (ECB) cut of 0.25% this year. Bank of England is also uncertain when officials will cut rates next, choosing to first see the tariffs impact on the economy.
Asia	China's economy grew 5.2% year-on-year in Q2 2025, slightly below the previous quarter but better than expected. However, deflation risks, weak domestic demand, and the potential renewal of U.S. trade tensions after a temporary deal expires in mid-August could weigh on growth in the second half of the year.	Inflation remained modest and below most central bank targets. In China, core inflation rose to 0.7%, its highest in over a year, signaling mild recovery in domestic demand. However, producer prices fell 3.6%, reflecting persistent deflationary pressure from industrial overcapacity.	China still have some policy room to ease borrowing costs and reserve requirements for banks if needed to ensure it meet the 5% growth target. Reserve Bank of Australia (RBA) is expected to cut 0.25% to key rates in August 2025 to support the economy. MAS kept SGD policy steady in July, and next meets in October.
Japan	Japan's economy is recovering moderately, supported by wage growth and resilient consumption. Higher interest rate costs in the form of bond yields are impacting corporate earnings. External risks and weak global demand continue to pose challenges to sustained growth.	Inflation held steady at 3.3%, >2% target for more than 3 years. Rising food prices—especially rice—were offset by falling energy costs and subdued producer prices, helping to limit broader inflation pressures. The Bank of Japan expects inflation to moderate slightly but remain above its 2% target.	Monetary policy normalization in Japan is expected to be maintained, driven by higher wages demand. However, potential changes in the Cabinet, and the growing concern that JPY appreciation could dampen momentum for rate hikes.
Risks	<ul style="list-style-type: none"> <li>• Trade tensions escalate as US/China fail to reach an agreement</li> <li>• Sticky inflation means that the Fed must keep rates higher for longer</li> <li>• Policymakers in China fail to stabilize growth</li> </ul>		

# SENSIBLE CONSIDERATIONS

## At A Glance

## Legend:

## Outlook

Negative

Neutral

Positive

## Valuation

Expensive

Fair

Cheap



EQUITIES	Geography		Outlook	Valuation	
	Global		Neutral	Expensive	Equities market grinding higher supported by resilient economic fundamentals, expectations of fiscal and monetary stimulus by various government as tariffs uncertainty abated, and renewed enthusiasm for artificial intelligence
	US		Positive	Expensive	U.S. stocks have recovered from the Liberation Day sell-off and valuations are expensive. Q2 2025 earnings have been strong but there is a risk of margins erosion as companies might not be able to pass on the full cost of tariffs
	Europe		Negative	Expensive	Expect on-going political, policy and energy crisis to precipitate structural changes to improve outlook in the longer term. Defense spending set to rise, but the pace of stimulus implementation remains to be seen
	Asia Pac ex Japan		Positive	Fair	Weak USD eases financial conditions, allowing central banks to cut rates. Easier monetary and fiscal policy are positive for Asia. Lower than expected tariffs could lead to a resumption of exports in the region
	Japan		Negative	Expensive	Rate hikes due to return of inflation. Earnings and on-going corporate governance reforms support equities but higher valuation and, as the country leadership is in transition, politics would alter policy directions
	Market		Outlook	Valuation	
	China		Neutral	Cheap	Some relief from trade war with IPO market seeing signs of life
	South Korea		Positive	Cheap	Uniquely positioned in a multipolar world. Newly elected President is pro-market
	Taiwan		Neutral	Expensive	Decelerating earnings revision and above average valuations
EQUITIES	India		Neutral	Expensive	India finally commenced monetary easing with inflation well anchored and benefiting from lower oil prices
	Singapore		Neutral	Expensive	Potential Value-Up play to galvanize greater private sector participation
	Malaysia		Neutral	Cheap	Upturn in investment cycle driven by infrastructure and data center development
	Indonesia		Neutral	Cheap	Pullback in market provides attractive entry level
	Thailand		Negative	Cheap	Weak domestic consumption and policy implementation to be seen. Stay cautious despite low valuations
	Vietnam		Positive	Cheap	Long term economic growth tailwind, stable and pro-growth government, well-educated and motivated population, undemanding market valuation.

BONDS	Market & Duration		Outlook	
	Singapore		Positive	Singapore bonds should outperform with lower SGD interest rates arising from a weaker USD
	Asia		Negative	Credit spreads are likely range-bound though spreads at tight
	Short Duration		Positive	Selected short dated corporate bonds offers relative value compared to low cash rates

Valuation based on Price-to book ratio. All data are sourced from Lion Global Investors as of 31 July 2025, unless otherwise stated.

## AT A GLANCE | GENERAL PRODUCT SUITE

ETF	Liquidity	Fixed Income	Stable Growth	Stable Income	Decumulation	Efficient Beta	Regional Opportunities	Single-country Opportunities	
Lion-Phillip S-REIT ETF	LionGlobal SGD Liquidity Fund	LionGlobal Short Duration Bond Fund**	LionGlobal All Seasons Fund Standard (Acc)	LionGlobal All Seasons Fund Standard (Dist)	LionGlobal All Seasons Fund Standard (Decu)	Infinity Global Stock Index Fund**	LionGlobal Asia Pacific Fund**	LionGlobal Japan Growth Fund**	LionGlobal Japan Fund
Lion-OCBC Securities Singapore Low Carbon ETF	LionGlobal SGD Money Market Fund	LionGlobal Singapore Investment Grade Bond Fund	LionGlobal All Seasons Fund Growth (Acc)	LionGlobal All Seasons Fund Growth (Dist)	LionGlobal All Seasons Fund Growth (Decu)	Infinity U.S. 500 Stock Index Fund**	LionGlobal China Growth Fund**	LionGlobal Singapore Trust Fund	LionGlobal Malaysia Fund
Lion-OCBC Securities Hang Seng TECH ETF	LionGlobal SGD Enhanced Liquidity Fund	LionGlobal Singapore Fixed Income Fund**				Infinity Europe Stock Index Fund	LionGlobal Southeast Asia Fund	LionGlobal Vietnam Fund	LionGlobal Taiwan Fund
Lion-OCBC Securities China Leaders ETF	LionGlobal USD Enhanced Liquidity Fund	LionGlobal Asia Bond Fund						LionGlobal Korea Fund	LionGlobal Thailand Fund
Lion-Nomura Japan Active ETF (Powered by AI)*	Lion-BIBDS Islamic Liquidity Fund							LionGlobal India Fund	
Lion-OCBC Securities APAC Financials Dividend Plus ETF									
Lion-China Merchants Emerging Asia Select Index ETF									
Lion-China Merchants CSI Dividend Index ETF									

\*This is an actively managed ETF  
 \*\*CPFIS Funds: LionGlobal Short Duration Bond Fund Class A SGD (Dist), LionGlobal Singapore Fixed Income Investment Class A SGD, Infinity Global Stock Index Fund SGD, Infinity Global Stock Index Fund Class C SGD, Infinity U.S. 500 Stock Index Fund SGD, LionGlobal Asia Pacific Fund SGD, LionGlobal Japan Growth Fund SGD, LionGlobal Japan Growth Fund SGD-Hedged and LionGlobal China Growth Fund SGD.

For more information: [contactus@lionglobalinvestors.com](mailto:contactus@lionglobalinvestors.com) | Visit our website: [www.lionglobalinvestors.com](http://www.lionglobalinvestors.com)



This advertisement or publication has not been reviewed by the Monetary Authority of Singapore. It is for information only, and is not a recommendation, offer or solicitation for the purchase or sale of any capital markets products or investments and does not have regard to your specific investment objectives, financial situation, tax position or needs. You should read the prospectus and Product Highlights Sheet of the relevant fund which are available and may be obtained from Lion Global Investors Limited ("LGI") or any of its distributors, for further details including the risk factors and consider if a fund is suitable for you and seek such advice from a financial adviser if necessary, before deciding whether to invest in the fund. Applications for units in our funds must be made on forms accompanying the prospectus. Investments in our funds are not obligations of, deposits in, guaranteed or insured by LGI or any of its affiliates and are subject to investment risks including the possible loss of the principal amount invested. The performance of a fund is not guaranteed and the value of units in a fund and the income accruing to the units, if any, may rise or fall. Past performance, payout yields and payments as well as any predictions, projections, or forecasts are not necessarily indicative of the future or likely performance, payout yields and payments of a fund. Any extraordinary performance may be due to exceptional circumstances which may not be sustainable. Dividend distributions, which may be either out of income and/or capital, are not guaranteed and subject to LGI's discretion. Any such dividend distributions will reduce the available capital for reinvestment and may result in an immediate decrease in the net asset value of the fund. Any references to specific securities are for illustration purposes and are not to be considered as recommendations to buy or sell the securities. It should not be assumed that investment in such specific securities will be profitable. There can be no assurance that any of the allocations or holdings presented will remain in the fund at the time this information is presented. Any information (which includes opinions, estimates, graphs, charts, formulae or devices) is subject to change or correction at any time without notice and is not to be relied on as advice. You are advised to conduct your own independent assessment and investigation of the relevance, accuracy, adequacy and reliability of any information or contained herein and seek professional advice on them. No warranty is given and no liability is accepted for any loss arising directly or indirectly as a result of you acting on such information. The fund may, where permitted by the prospectus, invest in financial derivative instruments for hedging purposes or for the purpose of efficient portfolio management. **The Fund's net asset value or share-price may have a higher volatility as a result of its narrower investment focus to a limited geographical market or single region, when compared to funds investing in global or wider regional markets, or when compared to broadly diversified international stock funds.** LGI, its related companies, their directors and/or employees may hold units of a fund and be engaged in purchasing or selling units of a fund for themselves or their clients. This publication is issued in Singapore ©Lion Global Investors® Limited (UEN/ Registration No. 198601745D). All rights reserved. LGI is a Singapore incorporated company, and is not related to any corporation or trading entity that is domiciled in Europe or the United States (other than entities owned by its holding companies). All data are sourced from Lion Global Investors as of 31 July 2025, unless otherwise stated.