# PHOENICIAN INTERNATIONAL LIMITED

Investment Outlook 1Q 2023

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Phoenician
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# COMPANY PROFILE

## Trusted | Innovative | International


# WHO WE ARE

## The Group

Phoenician International Limited ("Phoenician") is a publicly-listed investment firm headquartered in Hong Kong, dedicated to providing wealth management, investment management and investment banking services to a select group of private, institutional, and corporate clients.

## Our Strategy

Phoenician helps innovators, entrepreneurs, industry leaders achieve their financial goals by serving as a bridge between China and the West, while connecting leading foreign institutional investors with markets in Asia.

## Our Business

From managing wealth for successful individuals and institutions to helping businesses fulfil their ambition, Phoenician's comprehensive suite of solutions empowers our clients to make the most of global opportunities.

# Trusted by the Most Demanding Clients

We manage wealth for highly-sophisticated, multi-jurisdiction private clients and family offices with global investment interests

We offer a comprehensive suite of bespoken portfolio management solutions combined with a high-touch, personalized approach to meet clients' needs across products and jurisdictions.

Our discretionary and non-discretionary investment solutions are combined with state-of-the-art market connectivity across 50 markets and over 30 currencies.

As most of our clients are successful entrepreneurs, we also provide best-in-class corporate advisory services to facilitate monetization of their business interests.

# Independent Minds Delivering Performance Through “Dual World” Innovative Solutions

We offer our clients a constant stream of high-performance investable ideas actionable across the East/West divide, specifically tailored to their financial circumstances

As an independent investment firm, Phoenician has the ability to work with leading platforms and service providers worldwide in order to offer clients best-in-class advisory services and trading capabilities across asset classes, with major benefits on portfolio diversification.

Our key focus is to address the ever-increasing demand for multi-national, cross-border investment flows between China/ASEAN financial markets and the rest of the world.

We leverage on our global network of clients and relationships coupled with our decade-long presence in the Greater China region to offer clients global access to exclusive investment opportunities across multiple jurisdictions.

# International Footprint Delivering Local Insights

Across our Regional Offices, we have Built a Network of Reputable Local Professionals who Speak the Language, Know the Culture and Have First-Hand Knowledge of Clients' Needs

As a result of our relationship-based approach to serve private and institutional clients, Phoenician has the ability to scout co-investment opportunities in promising early-stage ventures, especially within the Greater China region, that are generally not available for investment by the general public;

Due to its deep connection with local communities both globally and within Greater China, we have hired and developed outstanding talent over time to enhance our client service and expand our private, institutional and corporate client network;

Phoenician's management team is constantly involved in local communities' activities, leading to substantial benefits in terms of employee loyalty and client trust.

# CONTACT US

## TICKER

**National Stock Exchange of Australia**
(NSX: PHI)

## REGISTERED OFFICE

**Cayman Registered Office**
Harbour Place, 2nd Floor
103 South Church Street
George Town
Grand Cayman, KY1-1104
Cayman Islands

## COMPANY ADDRESSES

**Hong Kong**
8 Queen’s Road Central, 6th Floor
Central, Hong Kong

Tel +852 3519 2870

www.phoeniciangroup.com

Email: administration@phoeniciangroup.com

**Representative Office in**
China
Unit 1212-14, Shanghai Two ICC,
No. 288 South Shan’xi Road,
Xuhui District, Shanghai, China

**Australia Registered Office**
RSM Australia Pty Ltd
Level 21, 55 Collins Street
Melbourne VIC 3000
Australia

# RETURNS IN 2022

2022 was a unique and extraordinary year for the global investor community.

At no point in time in the past 30 years as in 2022, both US Equity and US Bonds registered a substantial, coordinated drawdown which had put to test even the most consolidated defensive strategies.

The culprit of this synchronized meltdown was the radical change in correlation between US Equity and US Bonds.

Correlation between US Bonds and US Equities

0.51 in 2022

0.01 in the past 3 years

(0.16) in the past 5 years

(0.16) in the past 10 years

Despite significant losses in emerging market equity indexes, including MSCI China A Share Index which lost 25.74% last year, investment portfolios that did not provide enough non-US diversification suffered materially in terms of correlation, while portfolios with broader geographical diversification and real assets components were able to better contain risk, as correlation factor between non-US assets and US assets remained substantially low.

Correlation between US Equities and China Equities

0.03 in 2022

0.01 in the past 3 years

Correlation between US Bonds and China Bonds

0.02 in 2022

0.01 in the past 3 years

As of October 2022, the decline of the MSCI Emerging Markets Index had exceeded the average decline of the previous 10 bear markets, including the 1997 Asia Financial Crisis.

The only safe haven for global investors was the broad commodities space, with the S&P GSCI Commodity Index up in excess of 24%. Outside the US, China Government Bonds and China Corporate Bonds performed relatively well, in a context of both muted inflationary pressure and the expected reduction in monetary policy rates in the country.

The underlying economic drivers delivered a few surprises which caught most US-centric investors unprepared:

- US inflation was more persistent and stubborn than the market had expected, with inflation expectations for 2023 raising steadily during the course of 2022. In this context, each upward revision on the economy's real growth forecast was immediately followed by raising expectations in terms of inflation and policy rates, with substantial negative implication for US Bonds.

- US policy rates were raised more aggressively than expectations, again with negative impact on US Bonds and US Equities.

In addition, EU and UK inflation rates proved to be much higher than anticipated, mostly driven by the war in Ukraine, with substantial decline in EU Bonds and UK Bonds.

# PERFORMANCE BY ASSET CLASS

| | 1Y Return | 3Y Return |
|---|---|---|
| US Equity (Vanguard Total Stock Market ETF) | -19.51% | 6.98% |
| US Treasury Bonds (iShares 20+ Year T-Bonds) | -31.24% | -8.15% |
| US IG Debt (MSCI USD Investment Grade Corp Bond Index) | -14.89% | -2.57% |
| US HY Debt (MSCI USD High Yield Corporate Bond Index) | -11.80% | -0.34% |

| | 1Y Return | 3Y Return |
|---|---|---|
| China Equity (MSCI China A Index USD) | -25.74% | 3.26% |
| China Treasury Bonds (FTSE Chinese Gov't Bond Index) [1] | 2.75% | 1.97% |
| China IG Debt (FTSE Chinese USD Broad Bond Inv Grade Index)[1] | 2.79% | 2.21% |
| China HY Debt (FTSE Chinese USD Broad Bond High Yield Index)[1] | -3.11% | 1.15% |

| | 1Y Return | 3Y Return |
|---|---|---|
| EU Equity (MSCI European Union Index USD) | -17.44% | 1.79% |
| EU Treasury Bonds (S&P Eurozone Sovereign Bond Index USD) | -22.23% | -7.23% |
| EU IG Debt (MSCI EUR Inv Grade Corporate Bond Index)[2] | -13.80% | -4.35% |
| EU HY Debt (MSCI EUR High Yield Corporate Bond Index)[2] | -10.26% | -1.62% |

| | 1Y Return | 3Y Return |
|---|---|---|
| Global Equity (MSCI ACWI Index USD) | -17.96% | 4.49% |
| Gold (SPDR Gold Trust ETF USD) | -0.77% | 5.88% |
| Broad Commodities (S&P GSCI USD Index) | 24.08% | 9.41% |

1. Expressed in Hedged USD
2. Expressed in EUR

Source: Published Product Factsheets
Note: Returns expressed on a Total Return Basis

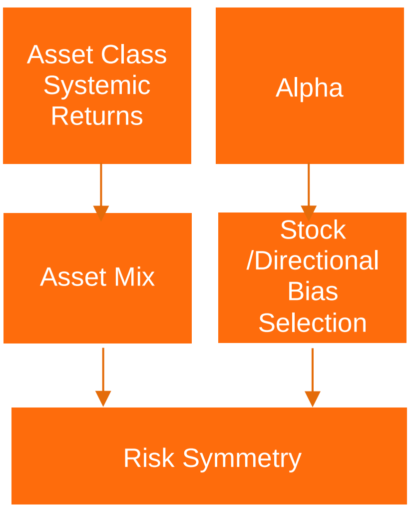
# PHOENICIAN PORTFOLIO PERFORMANCE

## Our Approach to Portfolio Design

We approach portfolio design with risk/return efficiency as our main concern, both for asset class allocation and in the pursuit of alpha.

We have developed a proprietary methodology underpinning both our asset mix and stock/financial instrument selections, which rest on the principle or *risk symmetry*.

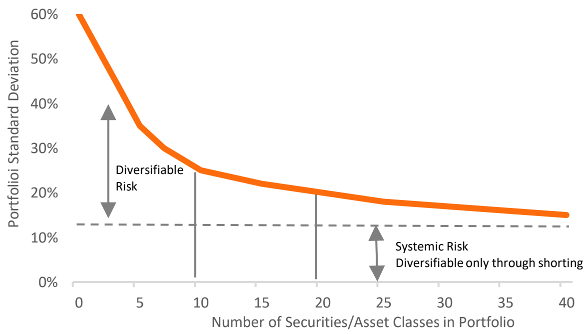
***Phoenician's Risk Symmetry Framework***




Risk symmetry enables us to take full advantage of diversification (both asset class diversification and financial instrument diversification) to build risk-balanced portfolios that maximize return for a given level of risk.

Including uncorrelated asset classes in a mixed portfolio or uncorrelated financial instruments in an actively managed portfolio is highly beneficial in terms of risk management.

***Portfolio's Standard Deviation vs No. of Securities/Asset Classes***

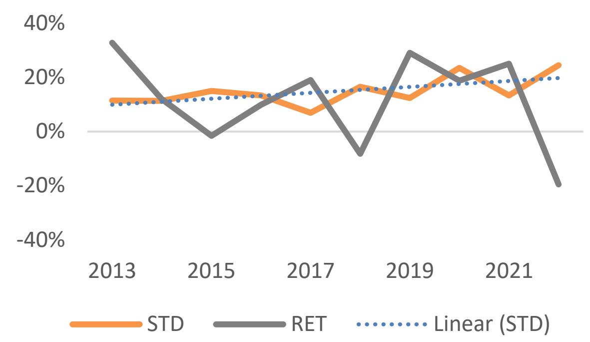



As an example, for asset classes with correlation below 0.5, having 6 asset classes in the mix can reduce the risk as measured by the standard deviation of the portfolio by more than 50%.

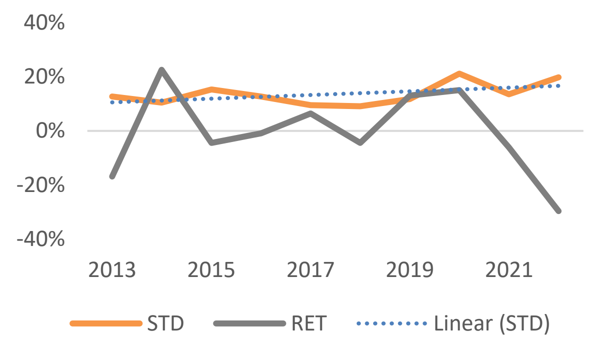
This in turn reduces dramatically the probability for the portfolio to lose money in a given year, with obvious benefits for the investors.

The reason why the most efficient portfolios have to be built around a thorough understanding of risk, rather than around asset class return predictions is that risk is certainly more predictable than returns within the various asset classes, as displayed below by the performance of benchmarks for US Equity and US Bonds over the past 10 years, with standard deviation for both asset classes behaving in a much more predictable and consistent manner than the actual returns of the same asset classes over the same period of time.

***Vanguard US Equity (Ret vs Std)***




***iShares 20+ Years US Bonds***

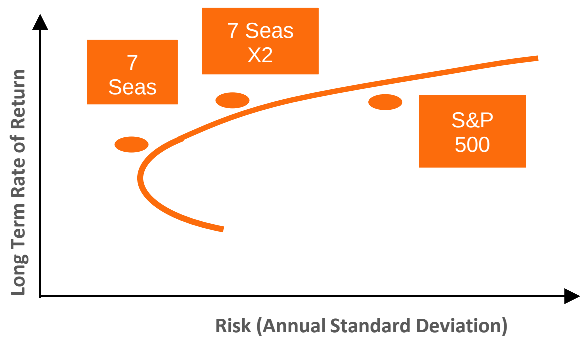



Note: RET= Total Returns including Dividend Reinvestment, STD= Annual Standard Deviation. Source ETF Factsheet

The pursuit of a risk-balanced portfolio inevitably delivers highly efficient, low-risk low-return portfolio, which might not be suitable for investors with a high-risk tolerance.

However, with the judicious use of leverage, a risk-efficient portfolio can be enhanced and transformed into a risk-efficient, medium-risk medium-return portfolio above the efficient frontier line, and is clearly superior to a single-asset-class or 60/40 equity/debt portfolio in terms of risk-adjusted returns.

***Portfolio Risk Return Profile Comparison***




Beside looking for uncorrelated assets/financial instruments, the apportionment of asset and instrument weightings is the most critical decision.

At Phoenician, we have mapped over time asset classes with consensus expectation shifts that mostly determine price movements on those same assets.

***Risk Symmetry Framework***

| | Real Growth | Inflation | Cash Rates |
|---|---|---|---|
| Consensus Forecast (up) | Global Equity<br>Commodities<br>US Credit | Inf Linked Bonds<br>Commodities<br>US Credit | ST Bills |
| (down) | Global Bonds<br>Inf Linked Bonds | Global Equities<br>Global Bonds | Global Equities<br>Gold |

| | Real Growth | Inflation | Cash Rates |
|---|---|---|---|
| Consensus Forecast (up) | RISK (A) | RISK (B) | RISK (C) |
| (down) | RISK (A) | RISK (B) | RISK (C) |

Good portfolio weightings should enable a decent offsetting related to price movements of each asset class, in response to a shift in market expectations related to real growth, inflation or cash rates.

To achieve this, the risk symmetry approach prescribes that the level of risk in the various quadrants should be symmetrical.

Our approached differs from earlier methodologies based on “risk parity” because it does not prescribe the same level of risk in each quadrant, but simply prescribes that the risk allocated to the quadrants above the consensus line mirrors the risk allocated to the quadrants below the consensus line.

In addition, shifts in expectations on cash rates (i.e. expectations on monetary policy decisions) are considered in their own merit as market moving events, separate from shifts in inflation expectations.

## Phoenician Portfolio Performance

Leveraging on our extensive research on market moving shifts in expectations and their impact across asset classes and applying the *risk symmetry* methodology described earlier, Phoenician has designed its flagship *Phoenician 7 Seas USD Portfolio*, which intends to provide USD-denominated low-risk medium-return performance and is intended to perform in a risk-efficient manner under all types of market conditions, with the potential to enhance returns through leverage. For clients with base currencies different from USD, we tailor-make 7 Seas Portfolios in their own base currencies.

2022 had been the perfect year with respect to serving as the testing ground for the Phoenician 7 Seas Portfolio, and the portfolio mix performed very well relative to other defensive portfolios under very challenging conditions.

Over the long term, the return and standard deviation table below shows that the Phoenician 7 Seas Portfolio has a superior risk-return profile when compared to less diversified asset allocation strategies such as 60 US Equity/40 US Debt.

***Phoenician 7 Seas Portfolio vs 60/40 US Equity US Debt***

| | Phoenician 7 Seas USD | | 60/40 US Equity US Debt | |
|---|---|---|---|---|
| | Return | Standard Deviation | Return | Standard Deviation |
| 1 Y | -13.03% | 12.17% | -24.22% | 17.31% |
| 3 Y | 1.06% | 10.72% | 0.95% | 15.31% |
| 5 Y | 2.65% | 9.17% | 4.11% | 12.96% |
| 10 Y | 3.53% | 7.67% | 7.40% | 10.46% |
| 20 Y | 5.61% | 7.42% | 7.58% | 10.78% |
| 30 Y | 6.48% | 7.39% | 7.98% | 11.94% |

*Note: Portfolios back tested prior to.2015. 60/40 Portfolio includes US market equity and long-term US Debt (20+ years)*

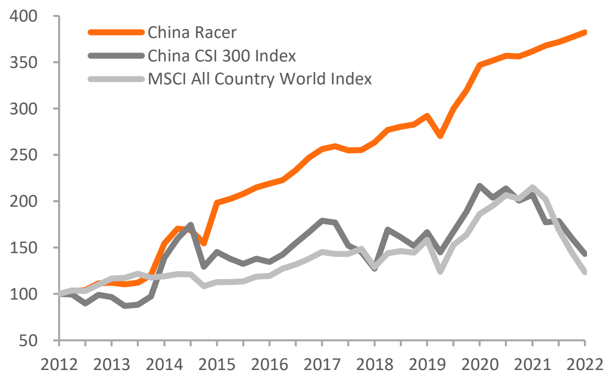
Our strategy to make short-term adjustments to our client asset allocation model with heavier weighting on broader commodity also paid off significantly in 2022.

When it comes to the pursuit of alpha, Phoenician is running two actively managed portfolios, Phoenician China Priority USD Portfolio and Phoenician Managed Futures USD Portfolio, and both performed extremely well in 2022.

***Phoenician Actively Managed Portfolios' Performance***

| | China Priority USD Portfolio | Managed Futures USD Portfolio |
|---|---|---|
| | *Returns* | *Returns* |
| 1 Y | 5.67% | 4.89% |
| 3 Y | 9.39% | 6.85% |
| 5 Y | 8.33% | 8.16% |
| 10 Y | 14.74% | 10.85% |

***Phoenician China Priority Performance Over Time***




The Phoenician China Priority Portfolio employs a long/short strategy, with the goal of capturing above-market capital growth from investing in prudently selected publicly-listed Chinese companies. In order to enhance performance as well as for hedging purposes, this portfolio also invests in futures and other hedging instruments, which differentiates it from most China-focused equity portfolios.

To achieve our investment goals, we identify companies which are undervalued and demonstrate significant growth potential or very likely benefit enormously from the structural changes in their own operations or within the industries they participate by establishing long positions in those high-quality companies. Conversely, the Phoenician China Priority Portfolio can also make profit by selling short overvalued companies whose market positions are deteriorating.

***Phoenician China Priority Performance Over Peers/Benchmark***

| Net Returns in US$ | China Priority | CSI 300 Index | Peer Group* | Percentile |
|---|---|---|---|---|
| Since 01/01/2013 | 14.74% | 5.61% | 2.11% | 100 |
| 5 years | 8.33% | -0.03% | -2.24% | 100 |
| 3 years | 9.39% | 0.16% | -3.56% | 100 |
| 2022 | 5.67% | -30.79% | -27.61% | 35 |
| 2021 | 4.25% | -4.43% | -10.55% | 89 |
| 2020 | 19.18% | 36.99% | 38.83% | 17 |
| 2019 | 10.80% | 38.96% | 28.80% | 6 |
| 2018 | 2.80% | -28.83% | -24.48% | 100 |
| 2017 | 16.90% | 32.99% | 42.27% | 1 |
| 2016 | 10.60% | -7.38% | -3.26% | 98 |
| 2015 | 28.20% | 1.15% | -9.28% | 93 |
| 2014 | 37.80% | 52.27% | 13.14% | 82 |
| 2013 | 12.20% | -2.65% | -0.23% | 93 |
| Q1 2022 | 1.73% | -14.27% | -15.38% | 100 |
| Q2 2022 | 1.06% | 0.59% | -0.01% | 63 |
| Q3 2022 | 1.36% | -10.41% | -20.55% | 100 |
| Q4 2022 | 1.40% | 3.83% | 7.68% | 23 |

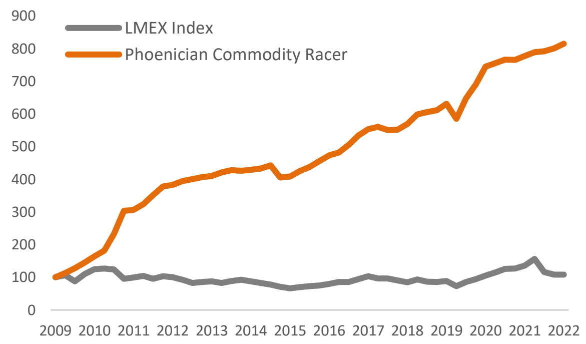
*Note: *Peer Group is consisted of open-end equity funds with a focus on China taken from Bloomberg, with country of domicile in Hong Kong. Around 100 such funds were used for the comparison analysis.*

The Phoenician China Priority Portfolio is also designed to capitalize on market volatility, so we also invest in futures and other hedging instruments to potentially profit from both rising and falling markets as well as reducing risk.

On the other hand, the Phoenician Managed Futures Portfolio utilizes a long/short strategy with the goal of achieving consistent, above-market returns from investing in a combination of commodity, currency and financial futures.

Designed to capitalize on market volatility and inefficiencies, managed futures are an important and major alternative asset class that not only provides the necessary hedge but also potentially makes profit in both rising and falling markets. Increased diversity is also achieved through international exposure that is facilitated by trading access to global markets 24 hours a day.

***Phoenician Managed Futures Performance Over Time***




***Phoenician Managed Futures Performance Over Peers/Benchmark***

| Net Returns in US$ | Managed Futures | LME Commodity Index | Peer Group* | Percentile |
|---|---|---|---|---|
| Since 01/01/2010 | 17.13% | 1.22% | -4.46% | 100 |
| 5 years | 8.16% | 3.11% | 0.16% | 86 |
| 3 years | 6.85% | 11.90% | -0.14% | 79 |
| 2022 | 4.89% | -10.37% | -6.56% | 96 |
| 2021 | 5.77% | 28.78% | -5.04% | 75 |
| 2020 | 9.96% | 19.42% | 23.87% | 29 |
| 2019 | 8.66% | 5.05% | 18.38% | 15 |
| 2018 | 11.65% | -18.20% | -9.29% | 91 |
| 2017 | 11.72% | 28.56% | 10.57% | 61 |
| 2016 | 15.87% | 20.91% | 7.91% | 78 |
| 2015 | -4.93% | -24.01% | -15.92% | 94 |
| 2014 | 4.55% | -0.84% | -11.54% | 91 |
| 2013 | 7.09% | -12.06% | -22.29% | 87 |
| 2012 | 25.03% | 1.05% | 6.31% | 100 |
| 2011 | 86.55% | -20.69% | -1.18% | 100 |
| 2010 | 64.27% | 24.62% | 25.61% | 80 |
| Q1 2022 | 1.51% | 14.93% | 7.15% | 74 |
| Q2 2022 | 0.46% | -25.55% | -6.62% | 79 |
| Q3 2022 | 1.12% | -6.90% | -8.50% | 87 |
| Q4 2022 | 1.72% | 12.50% | 9.37% | 15 |

*Note: *Peer Group is comprised of global commodity ETFs. Around 140 ETFs were used for the comparison analysis*

# WHAT'S NEXT

We look at consensus estimates in order to detail where our predictions are out of line with market expectations so that we can then determine which asset classes will be impacted if market expectations on a given indicator would shift in the manner we have predicted.

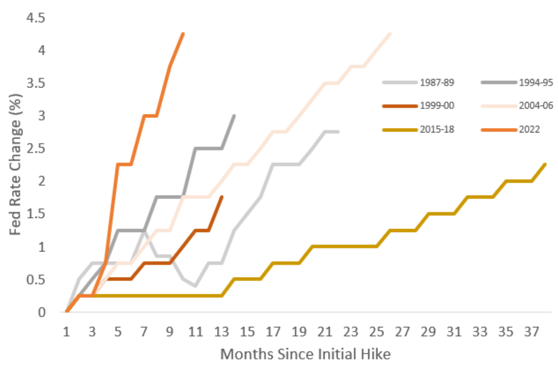
| | 2022 | 2023 | 2024 |
|---|---|---|---|
| **USA** | | | |
| Real GDP (YoY%) | 1.9 | ***0.3*** | ***1.3*** |
| CPI % | 8.0 | ***4.0*** | ***2.5*** |
| Unemployment % | 3.6 | 4.4 | 4.8 |
| Budget % | -3.9 | -3.5 | -3.4 |
| Curr. Acc. % | -4.4 | -4.4 | -4.4 |
| Bank Rate % | 4.5 | ***4.7*** | ***3.35*** |
| **China** | | | |
| Real GDP (YoY%) | 3.0 | 4.8 | 5.0 |
| CPI % | 2.1 | 2.3 | 2.2 |
| Unemployment % | 4.1 | 4.1 | 4.0 |
| Budget % | -5.7 | -5.0 | -4.9 |
| Curr. Acc. % | 2.2 | 1.5 | 1.0 |
| Bank Rate % | 3.65 | 4.3 | 3.35 |
| **EU** | | | |
| Real GDP (YoY%) | 3.4 | ***0.1*** | ***1.5*** |
| CPI % | 8.5 | ***6.5*** | ***2.7*** |
| Unemployment % | 6.6 | 6.9 | 6.9 |
| Budget % | -.35 | -3.5 | -2.9 |
| Curr. Acc. % | 1.1 | 1.3 | 1.9 |
| Bank Rate % | 2.9 | ***3.5*** | ***2.75*** |

*Note: Figures in bold represent the relevant economic indicators where our forecasts are not in line with consensus expectations*

## ECONOMIC CONSENSUS ANALYSIS

We first observe the latest trend in Fed Funds Rates. The current round of rate hikes by the Fed is by far the most aggressive one in the past four decades. The chart below depicts the changes in Fed Funds Rate since hiking began in each cycle.

***Monetary Policy Tightening Cycles Comparison***

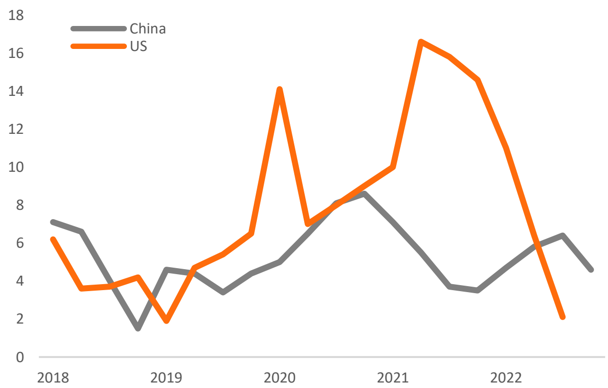



We believe Western economies will be experiencing stubbornly-high inflation, a challenge they have not faced for decades. To avoid inflationary pressures from becoming entrenched, central banks will keep tightening monetary policy well into 2024, even though with limited success in reducing inflation thus far and sluggish economic growth currently predicted by the market.

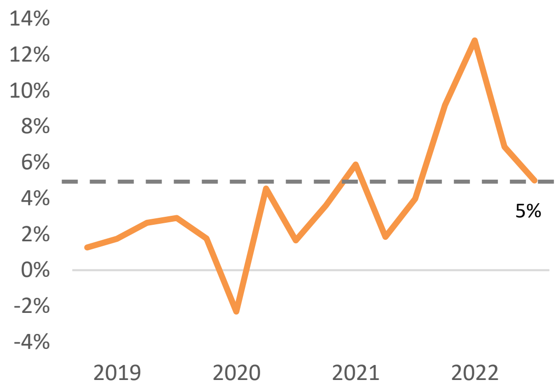
We think inflationary pressures have built in Western economies for over a decade due to the massive expansion of the monetary base in the US, the UK and the EU.

For instance, monetary base in the US grew 19% over the past 3 years, versus real GDP growth of only 5%. On the contrary, China had a much lower monetary base increase over the same period.

*China vs US Monetary Base Expansion, YoY%*



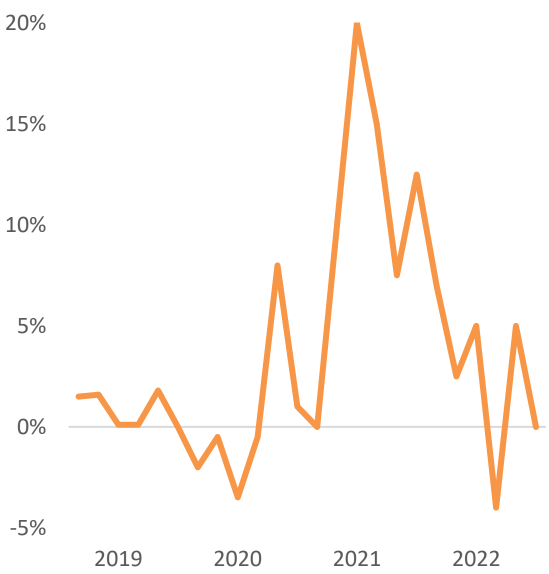

*U.S. Core Services CPI Excluding Shelter*




In addition, a decoupling from China and levy of import tariffs on Chinese goods will significantly heighten US core inflation via more expensive substitutes, and the same will apply to the European Union, which has banned energy imports from Russia.

While US Core Goods CPI has recently shown signs of a slowdown, the US Core Services CPI is still way above the Fed's target level, and declining participation rates in the US labor market make this part of the CPI index extremely difficult to contain.

*U.S. Core Goods CPI*

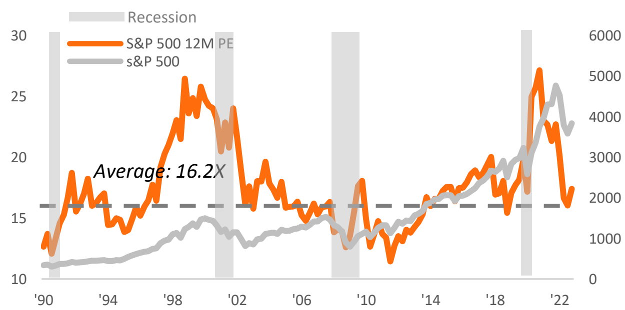



Finally, US Government Debt has reached 102% of the GDP, which in turn will make debt servicing at the 4%+ interest rate level not sustainable in the medium term, hindering the Fed from further increasing interest rates to completely stamp out inflation.

***Therefore, we expect the US and EU Equity to underperform notably in 2023, while US Bonds should have bottomed out. We view China Equity and Commodity as the only bright spots in 2023.***

In particular, the US market has been in a substantially uninterrupted bull run since 2008. Bull runs require low P/E to start. We believe 2023 cannot begin a new bull run, as S&P 500 P/E is close to 20x, but it must be seen in the context of the ongoing correction started in 2022, which is still likely to continue playing out in the next 12-24 months amid the likelihood of a recession despite the rebound in January 2023.

*S&P 500 P/E Multiples*



## Did we Experience the Last Flight to USD Safety?

Market Consensus indicate a general weakening of the USD against all currencies, driven by some slowdown in US economic growth, although possibly avoiding a US recession, followed by the easing of US monetary policy.

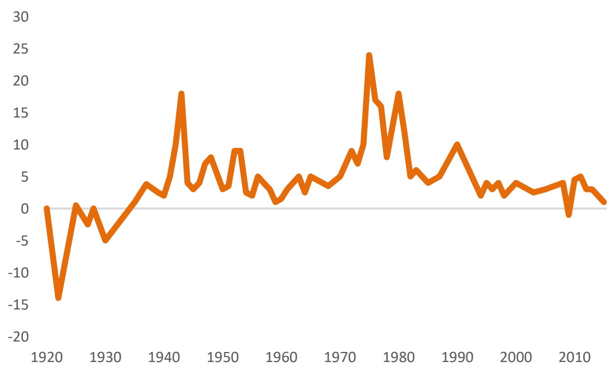
We agree on the outcome of a dollar devaluation, but for different reasons.

We see a persistently high US inflation as the key reason why the USD will lose ground, particularly against the Chinese yuan (CNY) and other emerging market currencies, as the inflation differential will start to play a role in the direction to which exchange rates are heading despite the continuation of a relatively tight monetary policy in the US relative to other economies.

We note here that foreign exchange markets are experiencing huge fundamental changes which cannot be underestimated, including the Saudi-Sino Yuan oil deal of which we describe below.

In 1944, one of the key reasons for the establishment of the Bretton Woods system was a period of elevated inflation affecting the UK economy during World War II, and the ensuing devaluation of the then world currency, the British Pound (GBP). Bretton Woods was basically a "multi-polar" currency system which linked each country's currency value to the country's gold reserves to protect from potential loss of value of the weakened GBP.

***UK inflation over time***




Since the unilateral abandonment of the Bretton Woods treaty by the US in 1971, the USD de facto become the world currency, and ever since it has been widely used for trade and settlements worldwide.

We think the weaponization of the USD coupled with other geopolitical considerations will be one of the factors pushing the global economy to re-adopt a multi-polar currency system, where trade settlement will diversify away from the USD, with the CNY being the prime beneficiary given China's large share of global import/export trade.

In this context, the recent Saudi-Sino Yuan oil deal, whereby China and Saudi Arabia have agreed to settle some of the crude oil transactions in CNY, will be considered in our view as the first meaningful step toward de-dollarization in foreign exchange reserves.

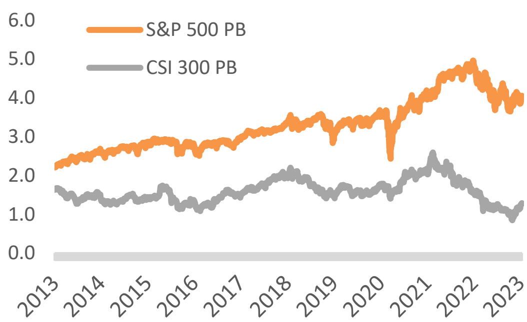
Global inflation is forecast to rise from 4.7% in 2021 to **8.8%** in 2022 but decline to **6.5%** in 2023 and to **4.1%** by 2024

## Is the US Equity Premium Sustainable?

US Equity has traded over time at a high premium to Emerging Market Equity in particular to Chinese Equity, despite recent opening up of Chinese Equity for investment by offshore investors via various Hong Kong Connect systems.

At times of economic recession, we believe P/E ratios are not reflecting true valuation multiples, as earnings forecasts tend to be overstated. Therefore, we prefer to look at the price to book (P/B) ratio, which measures the market capitalization of the index against the last reported net asset value of the underlying equity components. Net asset value is not subject to earnings expectations, although they do not capture fully the company's future cash flow outlook.

***China's CSI 300 P/B ratio vs S&P 500 P/B ratio***



We observe that US Equity premium has reached a substantial level in 2022, with a ratio of 3.9x for S&P 500 against a ratio of 1.5x for CSI 300.

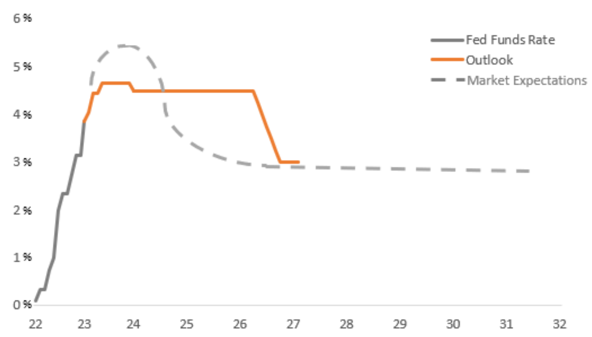
Historically, the high equity premium had been justified in various ways of which we now believe are no longer valid to explain the notable differential:

- US Equity should trade higher than equity in other markets due to lower US inflation and lower US Debt yield, which makes the US Equity cash flows less risky than other equity markets and supports USD appreciation against emerging market currencies over time. With bank rates and Gov't Bond yield lower in China than in the US nowadays, this factor will gradually become irrelevant.

- The US economy and US Equity have a higher component of "intangible assets" due to the larger share of Media and Communication Services companies in the economy, which is not reflected in the P/B ratio (P/B only accounts for net asset value). On this front, China has caught up with the US, with 1.95% of the CSI 300 being represented by Media and Communication Services companies versus 7.3% for the S&P 500.

Overall, the market expects a long-term policy rate in the US of above 3% for the next decade, representing a constant challenge for fighting inflation. We expect policy rates above 4% for the next 2-4 years.

***US Fed Funds Rates: Phoenician's Outlook vs Market Expectations***

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