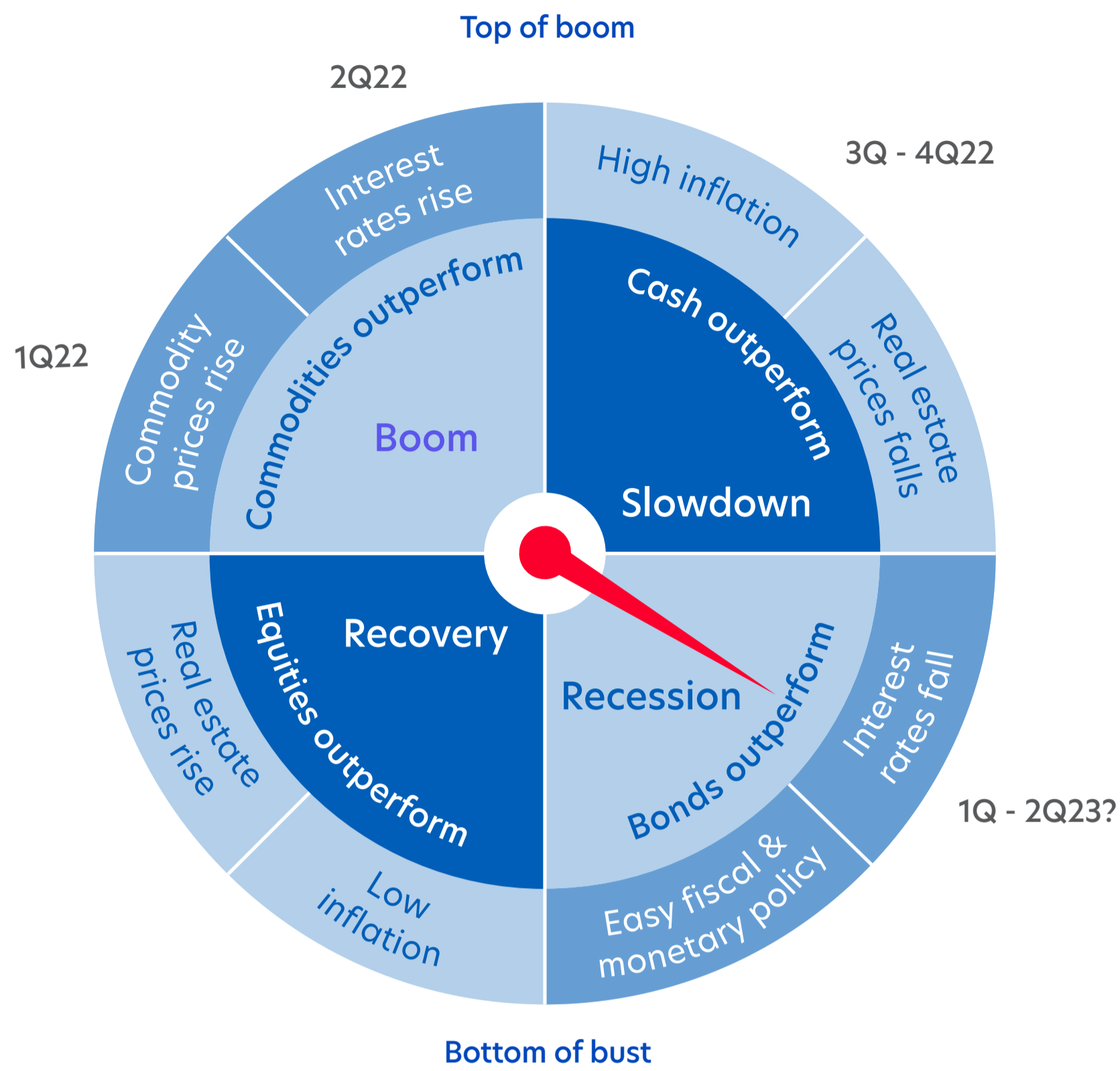


Economic imbalances are improving

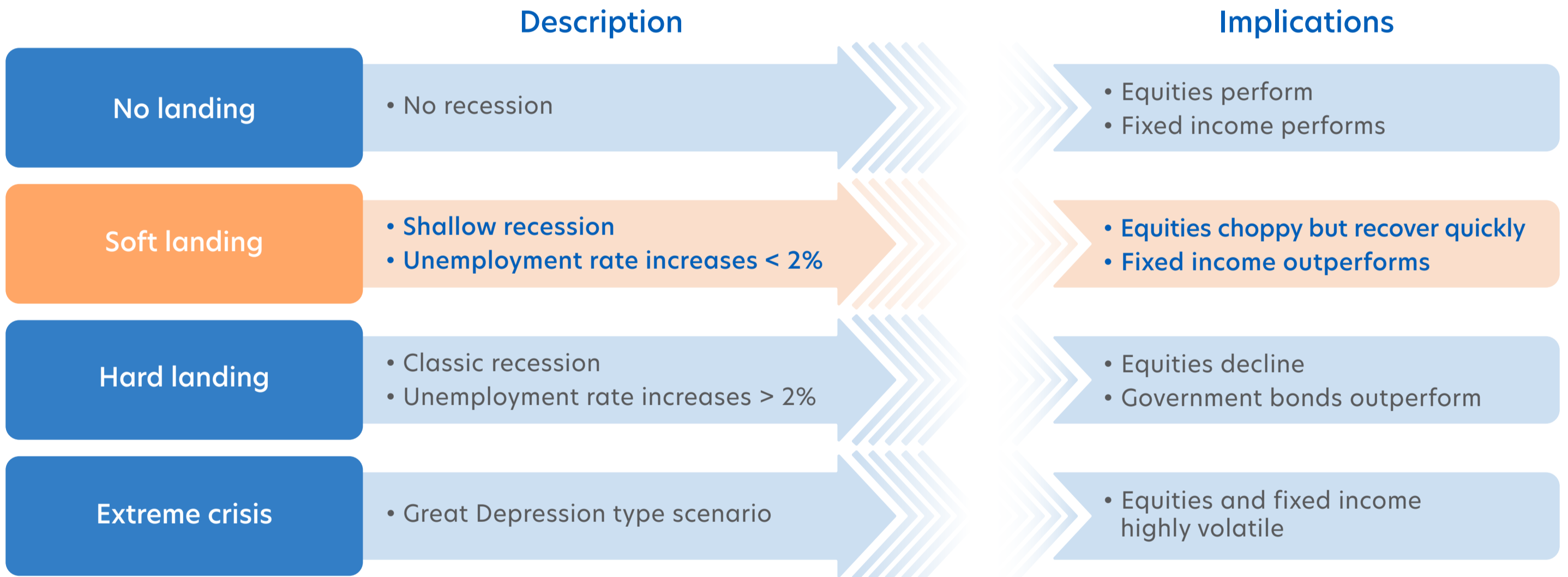
Inflation is easing amid slowing growth

UOBAM Investment Clock



The UOBAM Investment Clock has proven highly accurate, albeit within a shorter timeframe than usual. As we move towards the "Recession" quadrant of the cycle, we expect bonds to outperform.

Of the 4 economic scenarios, our base case is a soft landing



We are positive on bonds, neutral on equities

In a shallow downturn, **investment grade credit** offers attractive risk-adjusted returns.

On the other hand, this will weigh on **equity market performance**, with developed markets likely to be hurt more.

Global asset allocation	--	-	N	+	++
Equities	○	○	●	○	○
- US equities	○	○	●	○	○
- European equities	○	▶	●	○	○
- Japan equities	○	●	○	○	○
- Asian ex Japan equities	○	○	○	●	○
Government bonds	○	○	●	◀	○
Investment grade credits	○	○	○	●	○
High yield credits	○	●	○	○	○
Real estate investment trusts	○	○	●	○	○
Commodities	○	○	●	○	○
Alternatives (hedged strategies)	○	○	●	○	○
Alternatives (private equity)	○	○	●	○	○
Cash	○	●	○	○	○

++ Strong overweight + Overweight N Neutral - Underweight - Strong underweight