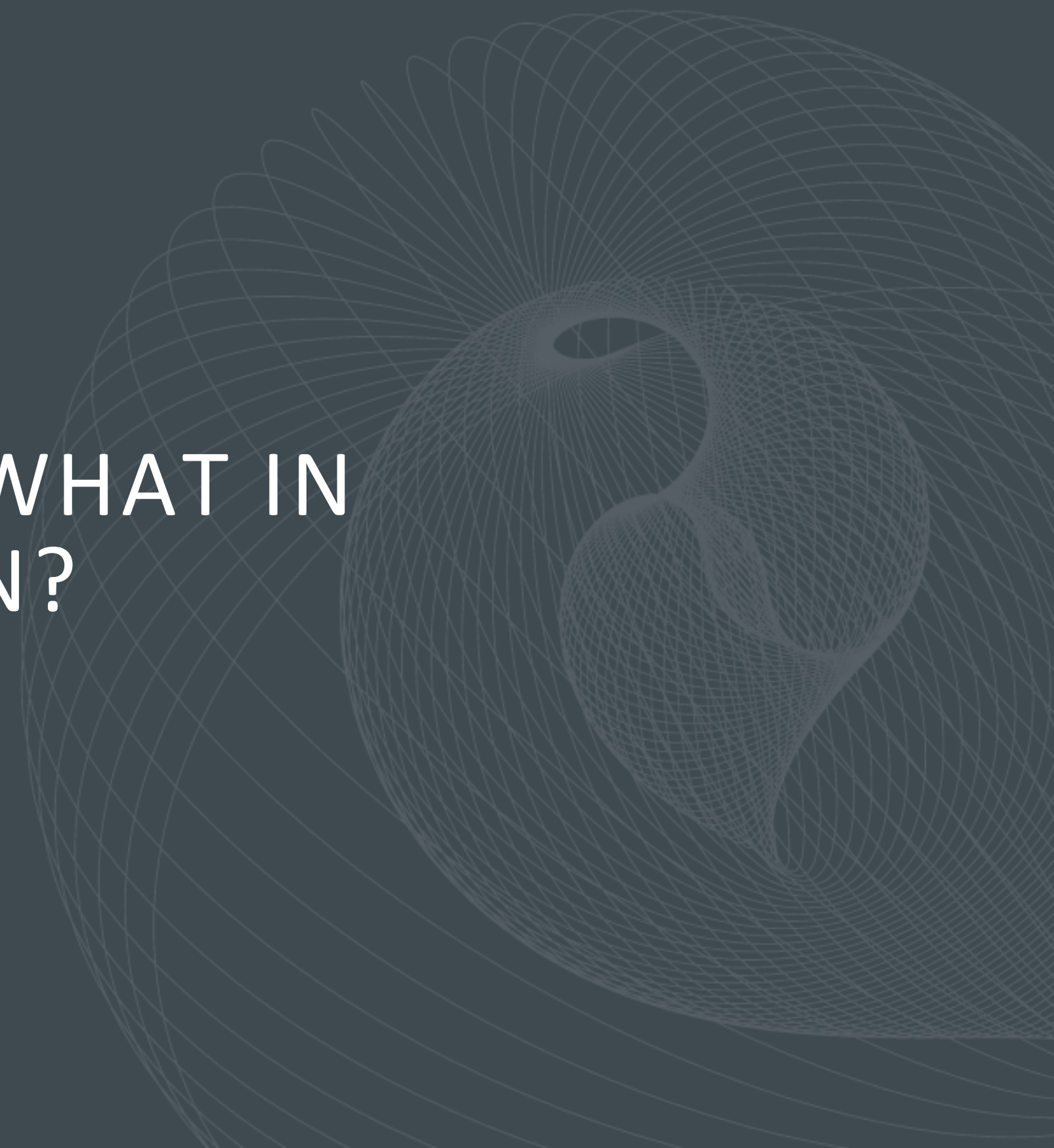


MIND OF THE MANAGER

GLOBAL PERSPECTIVE – WHAT IN THE WORLD IS GOING ON?

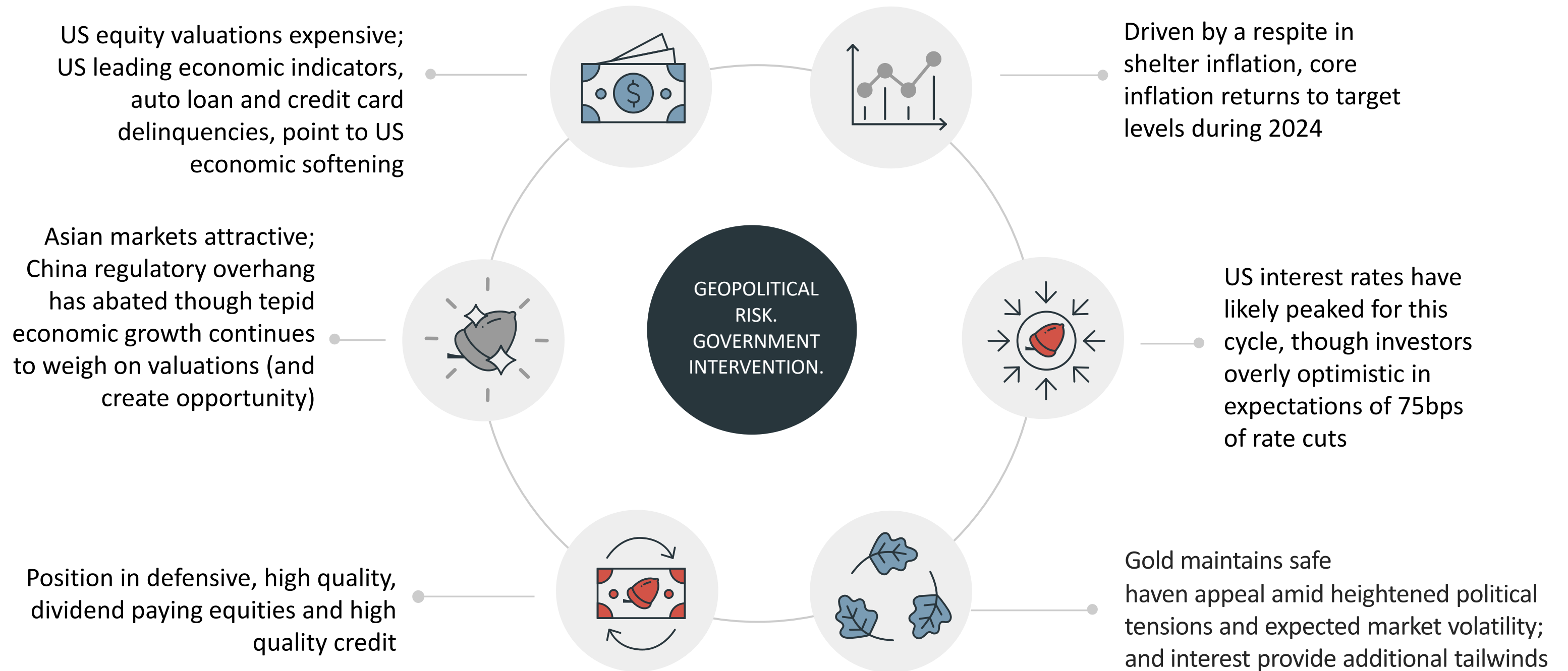
BRIAN ARCESE
JC XUE

MARCH 2024



MACRO OUTLOOK

Inflation and interest rates are key determinants of returns

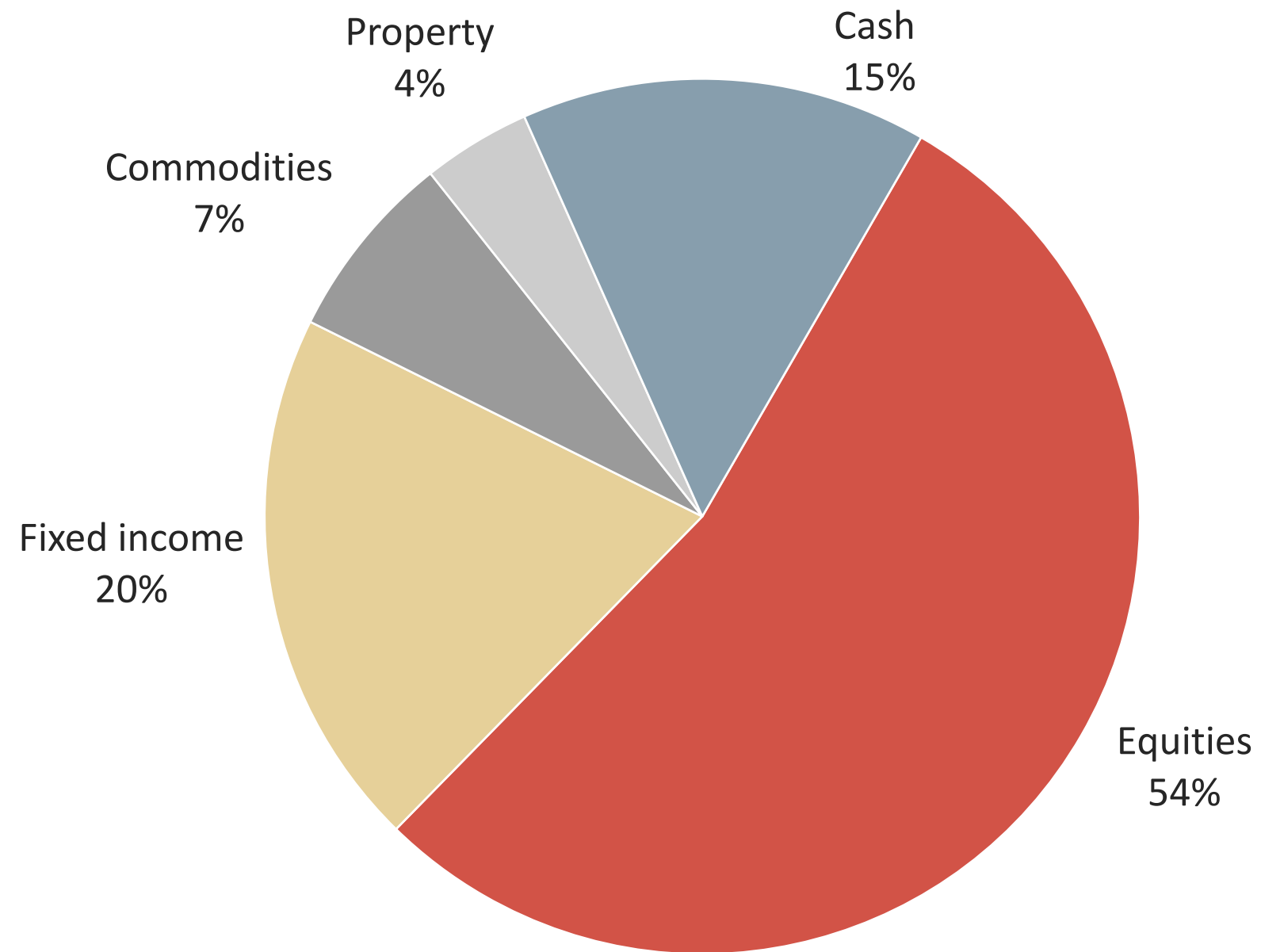


As of 31 Dec 2023. For illustration purposes only. Foord reserves the right to amend data, views or processes presented.



FOORD INTERNATIONAL FUND

Asset allocation – 29 February 2024

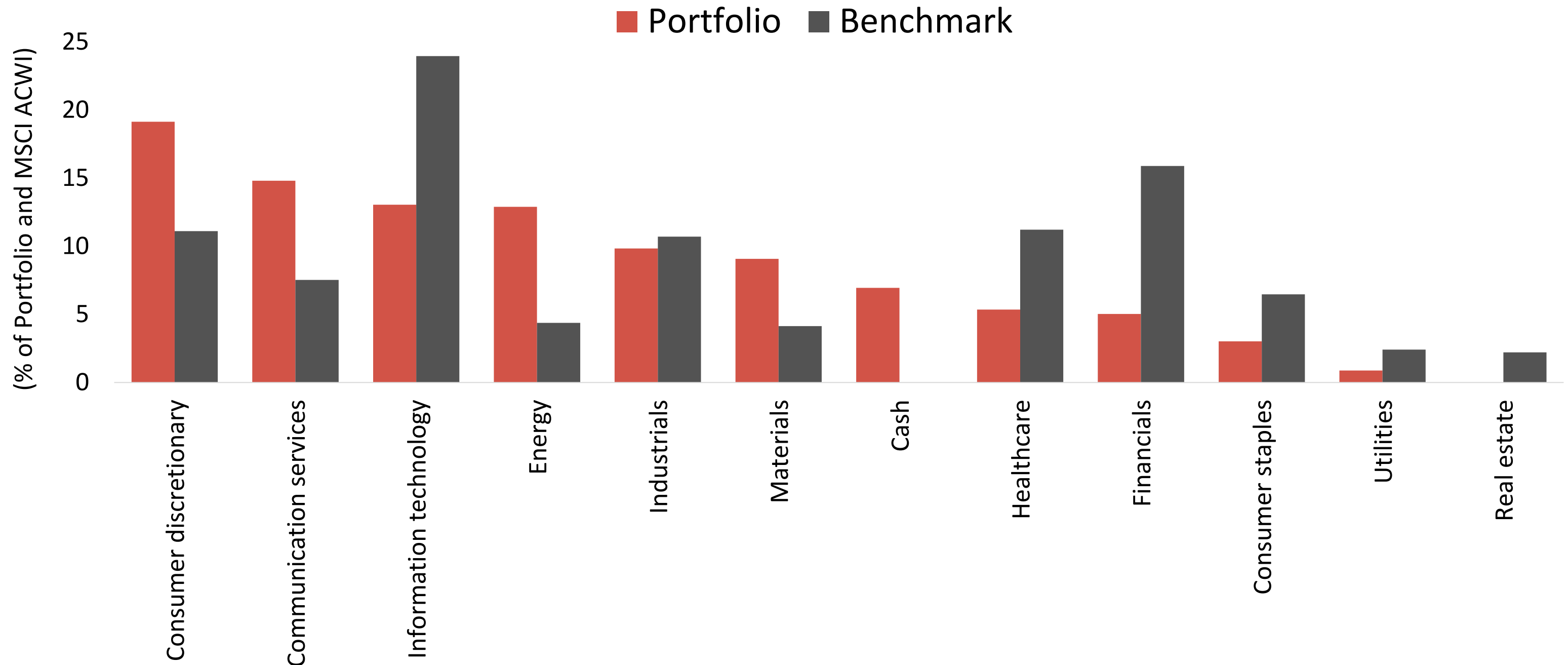


For illustration purposes only. Foord reserves the right to amend data, views or processes presented. Portfolio data is preliminary.



FOORD GLOBAL EQUITY FUND

Equity region and sector exposure – 29 February 2024



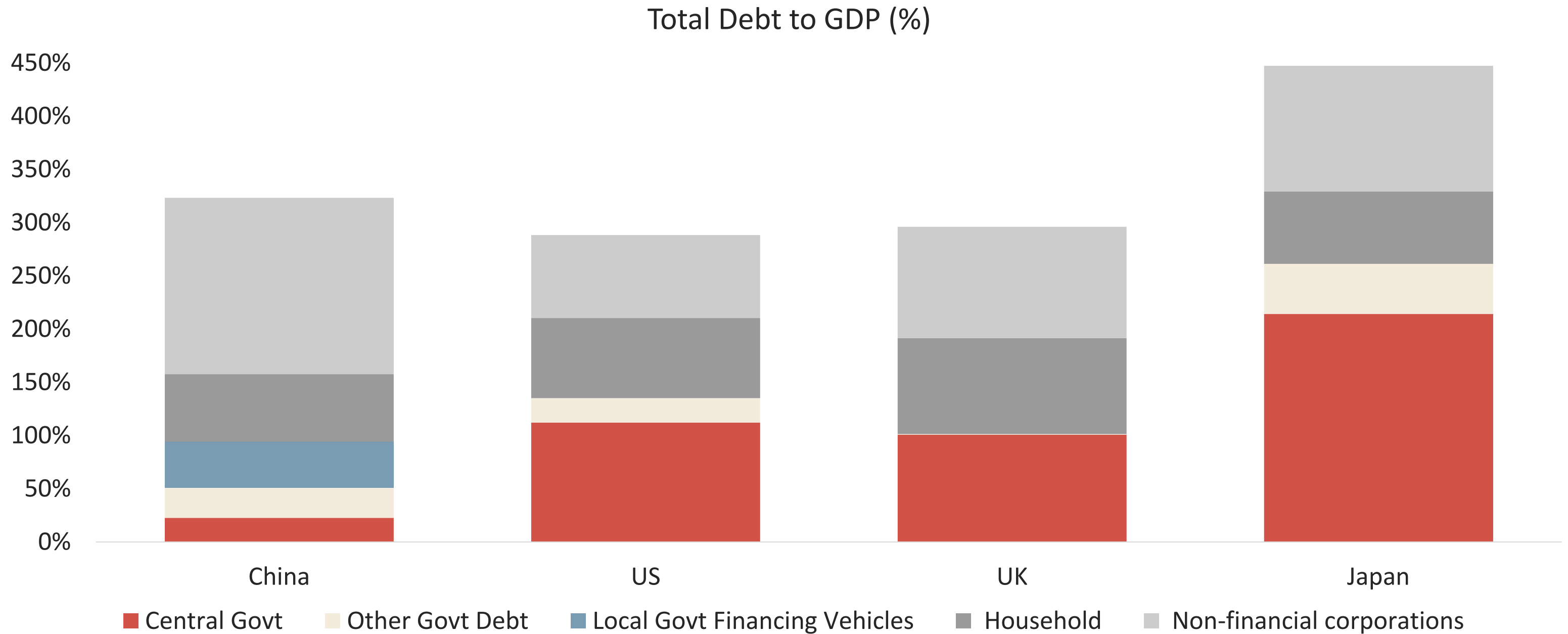
CHINA UPDATE

RISKS, MITIGANTS AND OPPORTUNITIES

Jing Cong Xue (JC)

CHINESE DEBT LEVELS MANAGEABLE

Government is deliberately implementing more measured stimulus

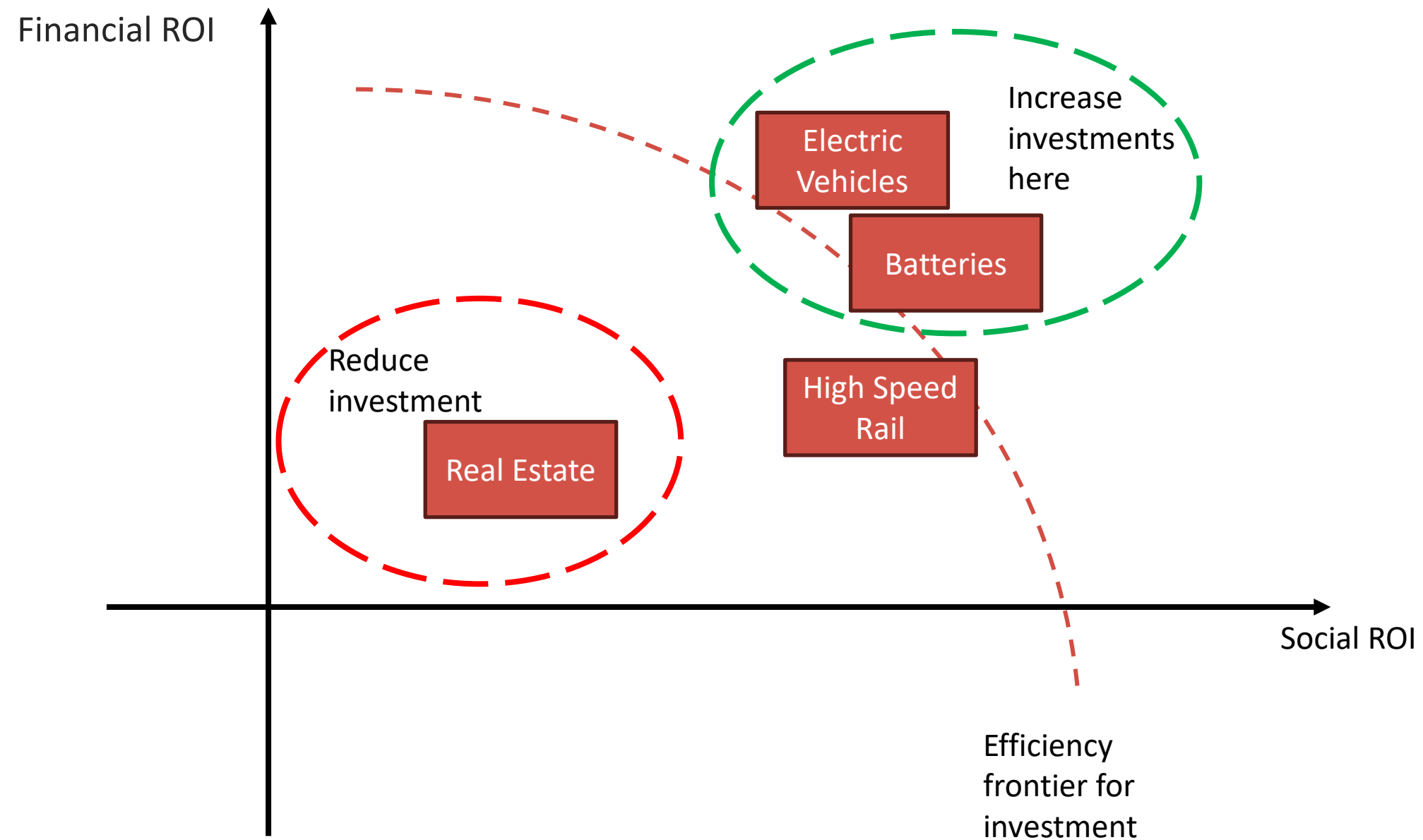


Source: IMF; World Bank; China National Bureau of Statistics



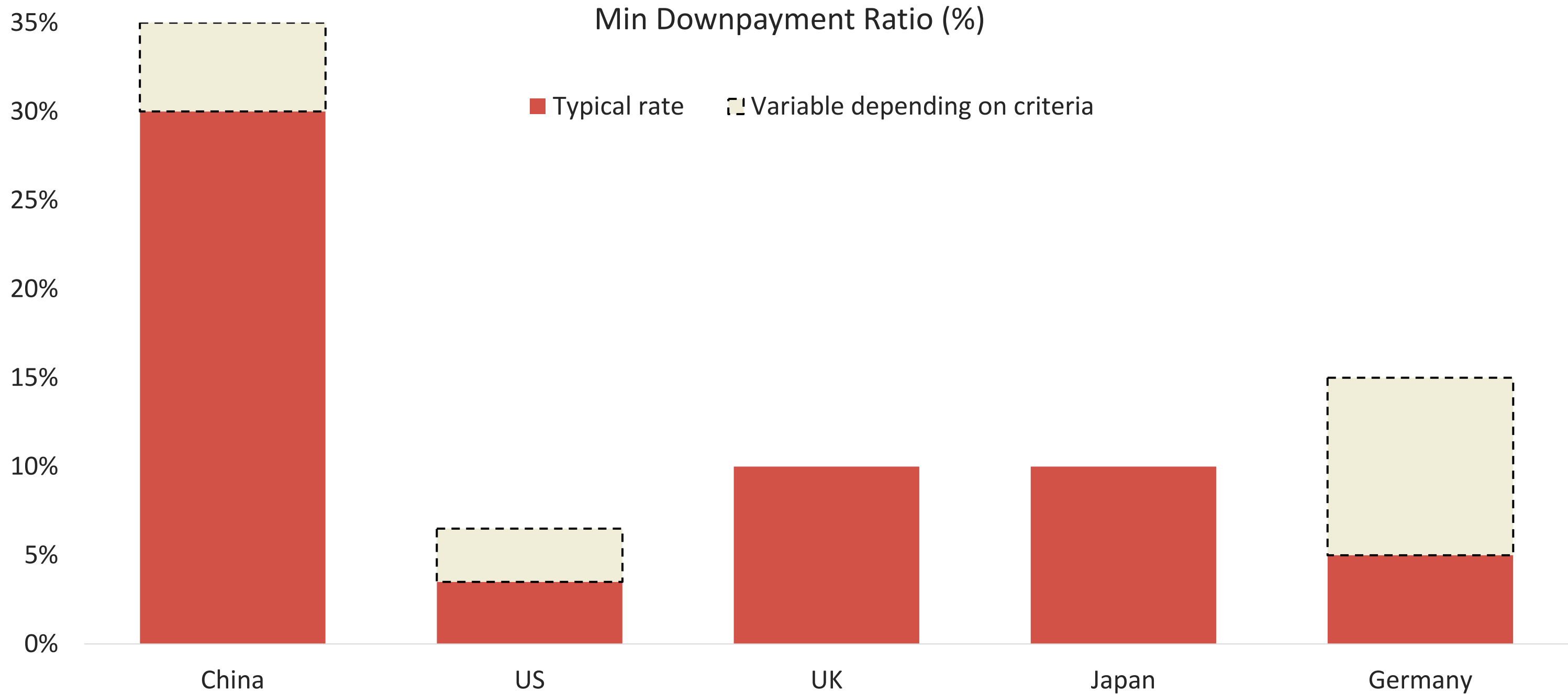
PROPERTY SECTOR (1/4)

Shifting investments towards higher Return On Investment (ROI) sectors



PROPERTY SECTOR (2/4)

Not the US housing crash of 2008



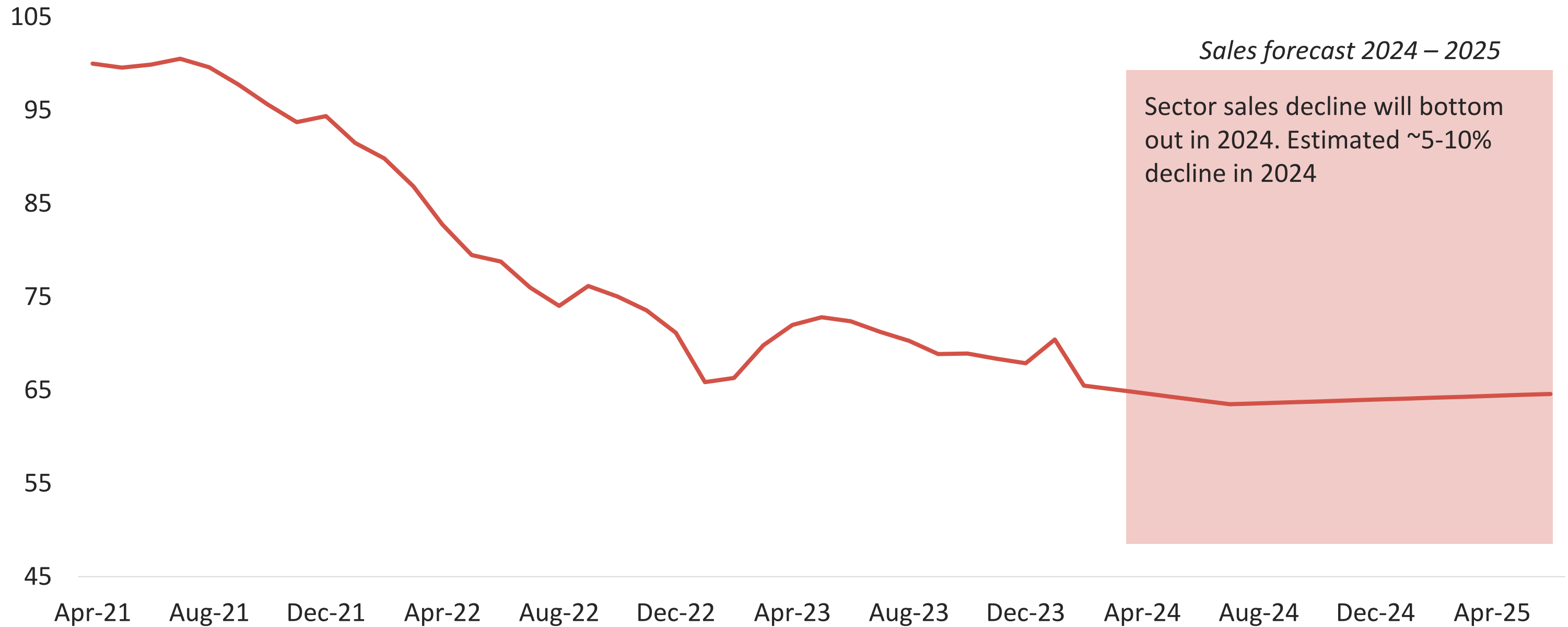
Source: News, BofA Global Research



PROPERTY SECTOR (3/4)

Where are we today?

50 Cities Rolling 12mths Sales Value (Index=100)



Source: China Real Estate Information Corporation



PROPERTY SECTOR (4/4)

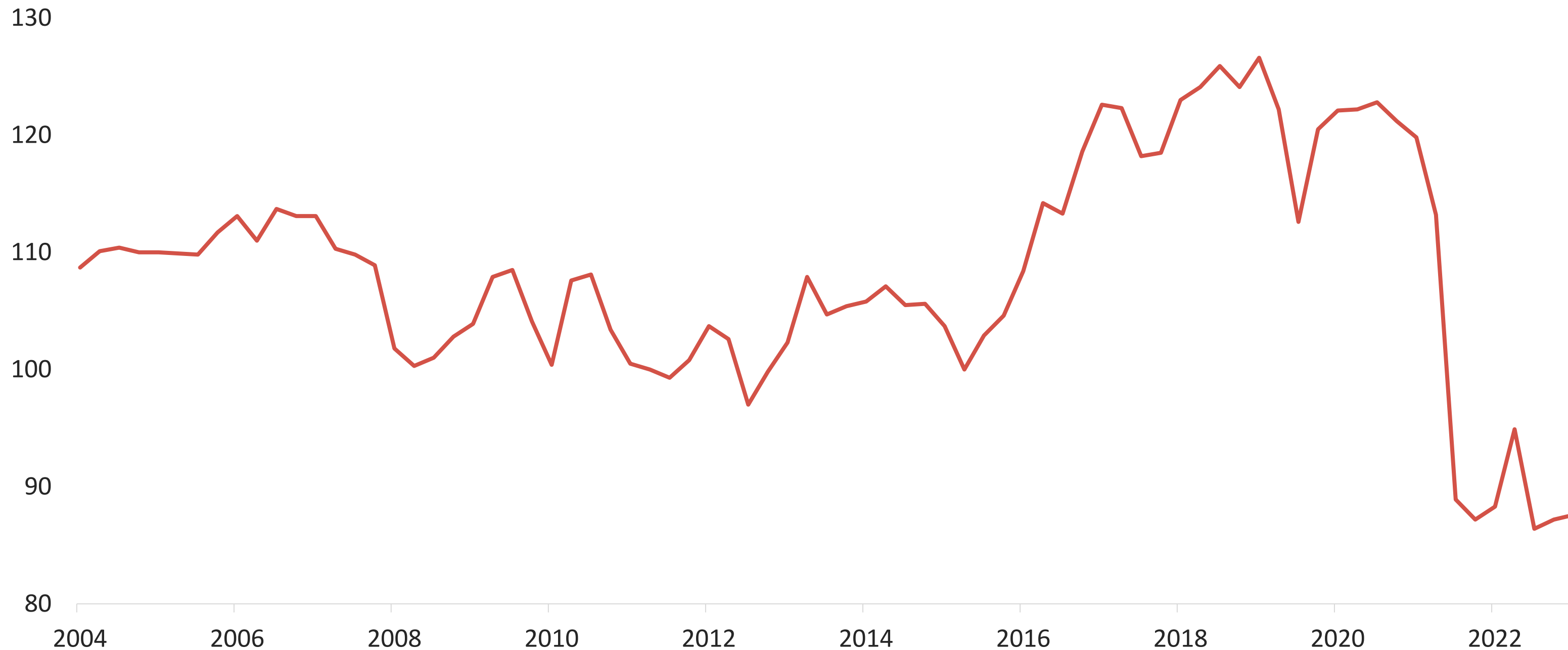
Targeted easing measures to continue

	Multiple measures to support the sector
Rate cuts	- Loan prime rate cut from 4.2% to 3.95%
Loan extension	- Targeted special loans projects etc.
Urban village renovation	- Redevelopment of old villages located in cities into high rises
Down payment adjustments	- Beijing, Shanghai downpayment for first home reduced to 30% from 35-40%
Whitelisting projects	- Residential projects deemed financially sound get financing for project completion



CHINESE CONSUMER CONFIDENCE

Fundamentals support recovery off a low base



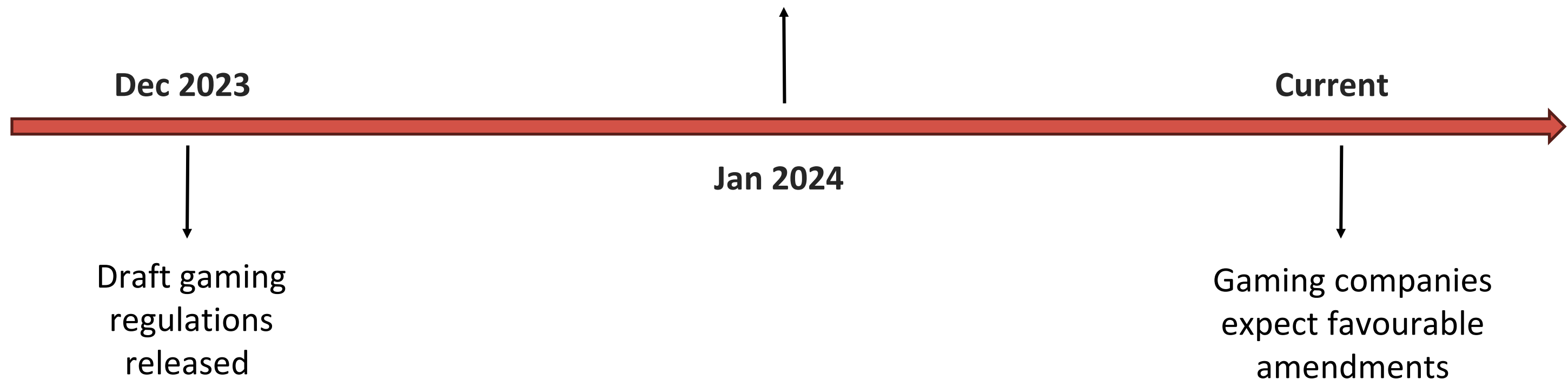
Source: Bloomberg



GAMING REGULATION

Draft gaming regulations not the start of new clamp downs

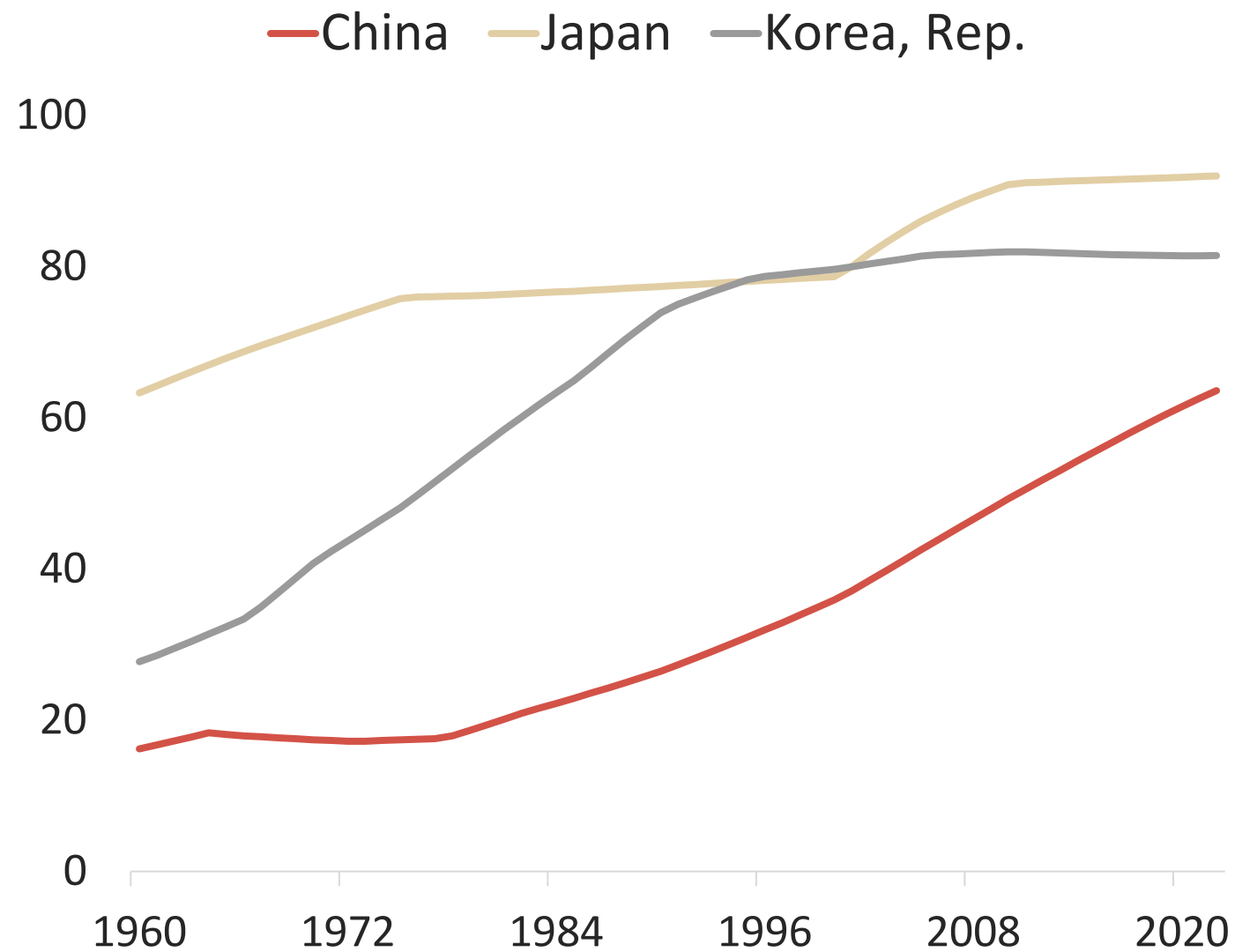
- **Punishment:** Head of publishing unit at gaming regulator fired
- **Tone softened:** Details to be ironed out post consult with industry



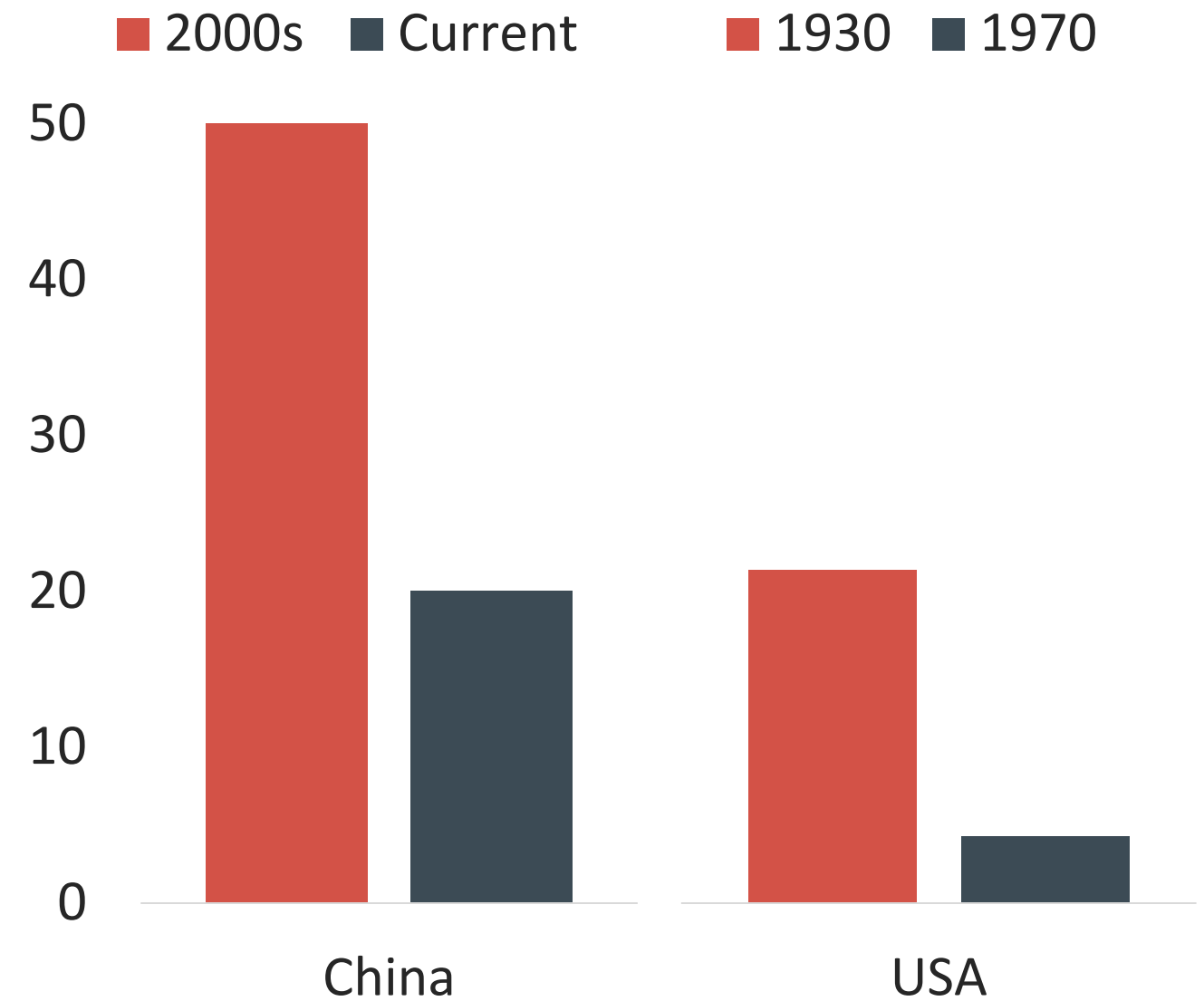
AGEING POPULATION

Multiple levers to pull to supplement labour force

Urbanisation Rate (%)



Agriculture Share of Total Employment (%)

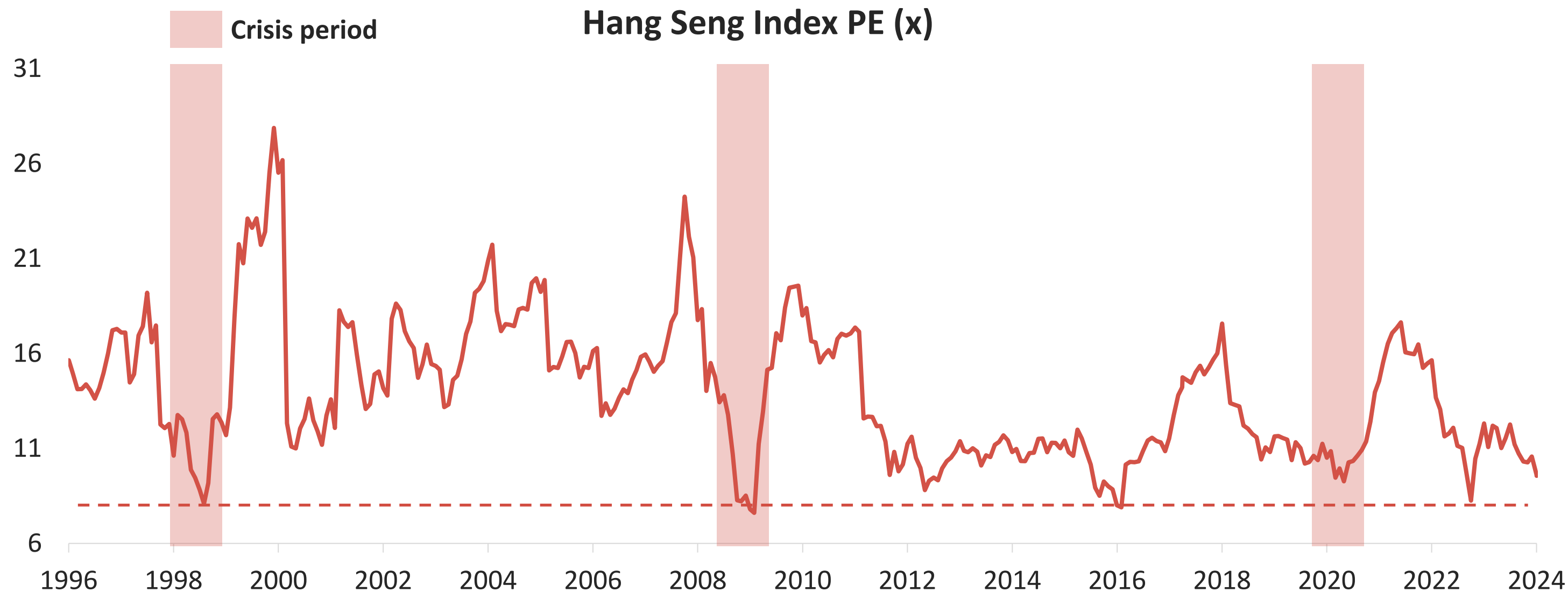


Sources: China-National Bureau of Statistics; World Bank



WHERE ARE WE IN THE CYCLE?

Hang Seng Index close to Asian and Global Financial Crises valuations



"Economists, analysts, fund managers and journalists were unanimous in their attacks on Thailand, predicting depression, massive devaluation, surging non-performing loans, political incompetence"

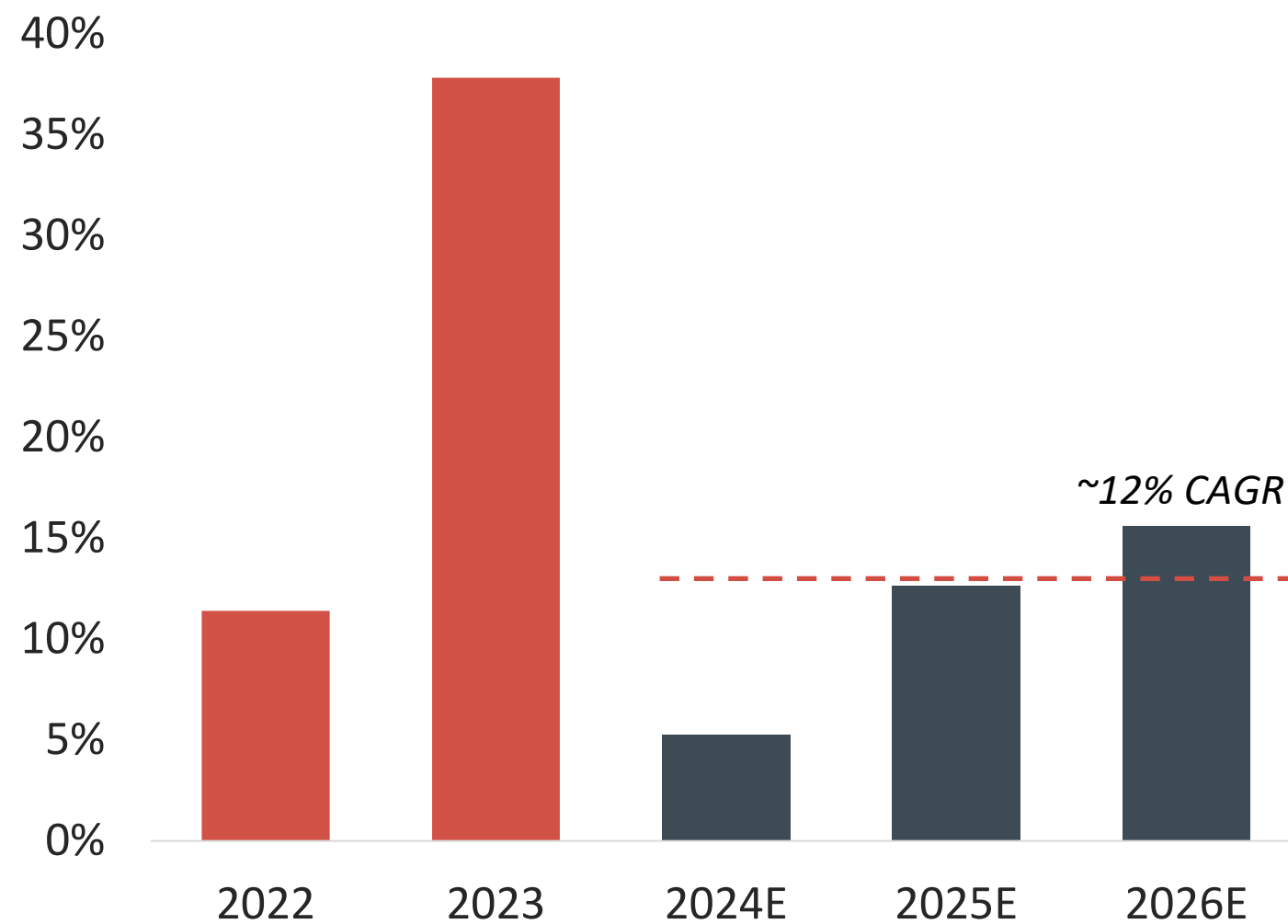
Source: Hang Seng Index



VALUATION VS. GROWTH

Valuation continues to look attractive relative to growth for the names we own

Average Annual Earnings Growth (Foord's Chinese holdings)



— Aggregated PE of Foord Chinese Holdings
— Ex-Net Cash/Investments



Source: Bloomberg, Foord estimates



THANK YOU

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