



THRIVING AMID TRUMPONOMICS 2.0 AND INNOVATION

Market Outlook &
Investor Trends 2025

SUMMARY

MARKET OUTLOOK 2025

Ready for 2025? Dive into expert insights on key trends, risks, and opportunities that could shape your portfolio this year.

TOP THEMES AND IDEAS

Discover the top investment themes and ideas to keep your portfolio ahead of the curve.

SYFE INVESTOR TRENDS

Discover Syfe's journey over the past year and how our investors are aligning their investments with current market opportunities.



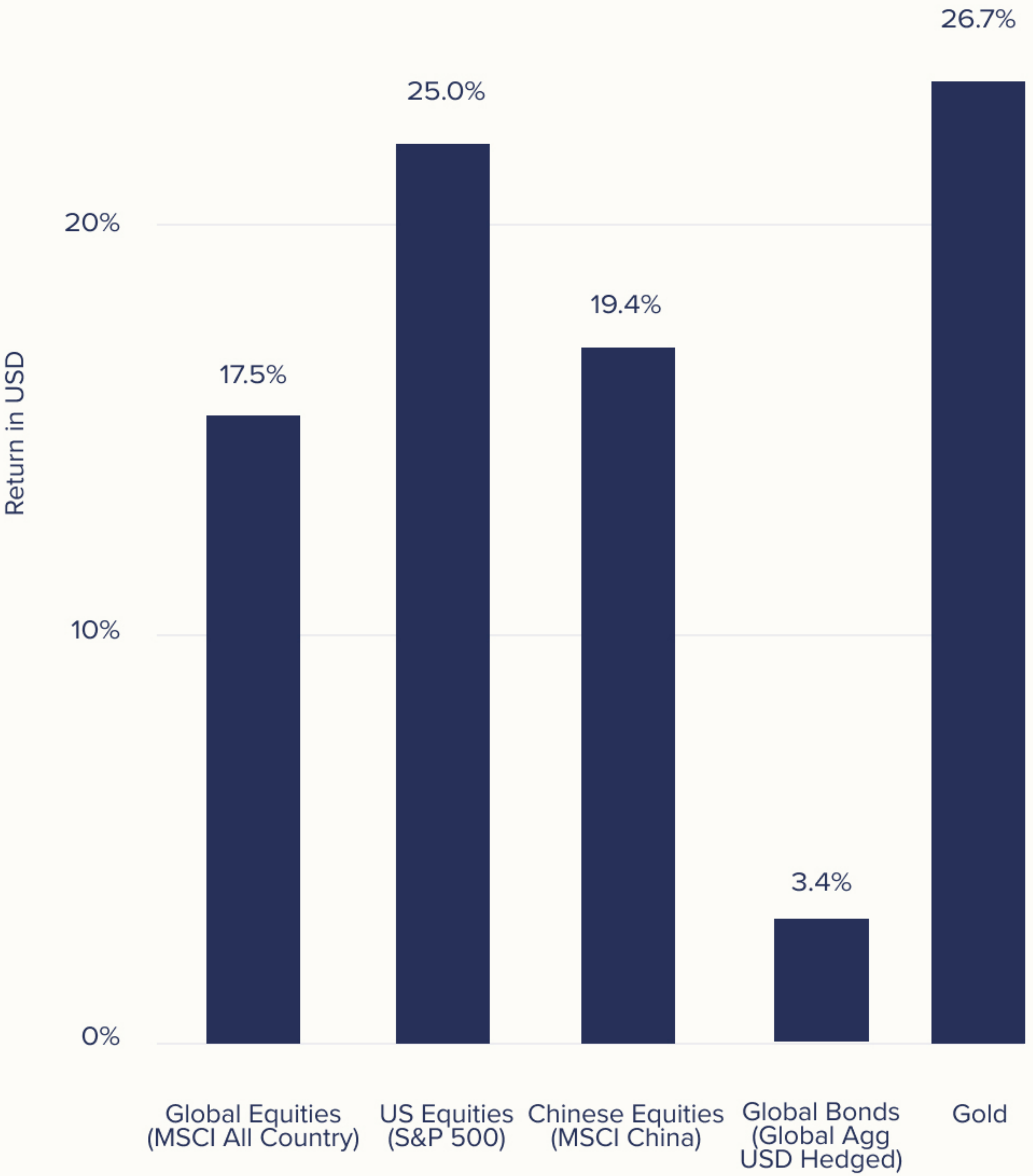
PART ONE

MARKET OUTLOOK *2025*



SCORECARD IN 2024

In 2024, resilient US economic growth, easing inflation, and Fed rate cuts drove exceptional returns across global equities (+18%) and gold (+27%). Bitcoin benefited from a more favorable regulatory environment, delivering +123%.



Source: Syfe, Bloomberg, as of 31 December 2024

FOUR TRENDS TO DEFINE 2025

1. TRUMPONOMICS 2.0

Trade policies and tariffs could reduce 2025 US GDP growth by -0.6% and global growth by -0.3%. Immigration restrictions may shrink the labour force, while tax cuts stimulate economic activity.

IMPLICATIONS

Trump's policies bring both risks and opportunities, increasing economic uncertainty and potentially driving volatile market sentiments throughout 2025.

2. FED ACTIONS

The Fed is expected to maintain cautious rate cuts in 2025, responding flexibly to tariff-induced inflation and economic changes.

IMPLICATIONS

The bar for the Fed to hike rates again is very high, with the "Fed put" ready to address economic slowdowns and market volatility.



3. CHINA'S STRATEGY

China tackles structural issues and tariffs with proactive fiscal and monetary measures to stabilise growth.

IMPLICATIONS

While challenges remain, policymakers' proactive stance and readiness for decisive action could help mitigate the headwinds and lay a foundation for stabilisation.



4. AI EVOLUTION

Strong capital expenditure supports economic transformation.

IMPLICATIONS

AI, a transformative megatrend, drives global growth through innovation. Investors should remain invested in global equities, despite potential trade-related volatility.

A SNAPSHOT OF GLOBAL MACROECONOMICS DRIVERS IN 2025



GROWTH

Economic growth remains resilient, driven by strong US performance, though trade wars pose potential risks.



INFLATION

Inflation continues to moderate, but Trump's policies can drive up short-term inflation in the US.



CENTRAL BANKS

Developed market central banks continue easing, with the Fed likely easing at a slower pace than others.

Key Risks



US-CHINA TRADE WAR ESCALATES TO FINANCIAL WARS

weaponizing financial systems and creating significant global impacts.



US GOVERNMENT FISCAL MISSTEPS

could lead to significant economic challenges, including rising borrowing costs and weakened growth.

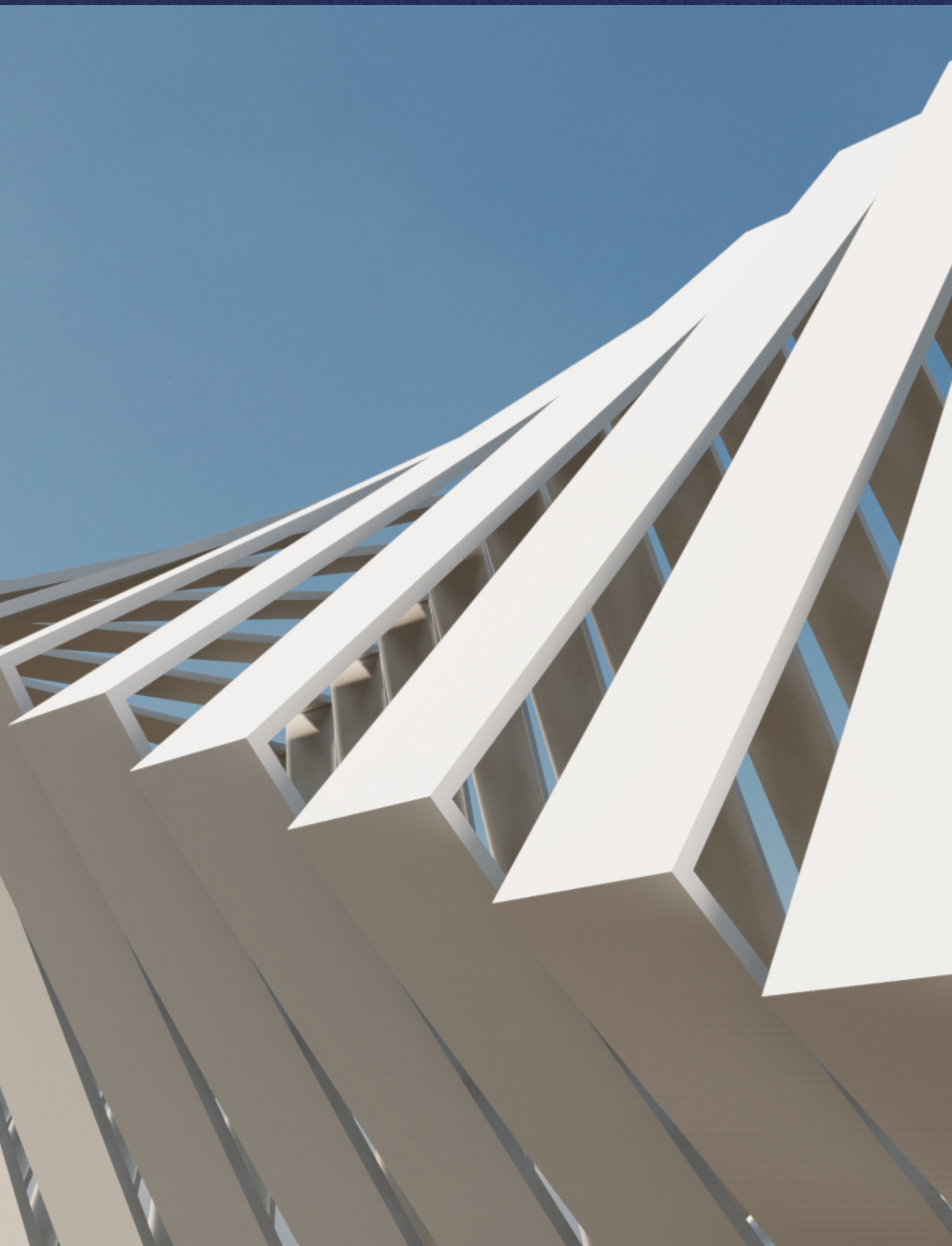


HIGH US EQUITY VALUATIONS

especially in tech, risk corrections if earnings disappoint or AI investment slows. Concentrated positioning can amplify the sell-offs.

PART TWO

KEY THEMES AND IDEAS





OUR TOP THEMES FOR 2025

TRUMP POLICY BENEFICIARIES

Focus on Industrials, Financials, and Small Caps.

CHINESE EQUITIES

Present opportunities as a contrarian tactical play.

CORPORATE BONDS

Returns supported by attractive bond yields.

DIVERSIFICATION STRATEGIES

Add gold and derivatives to enhance portfolio resilience.

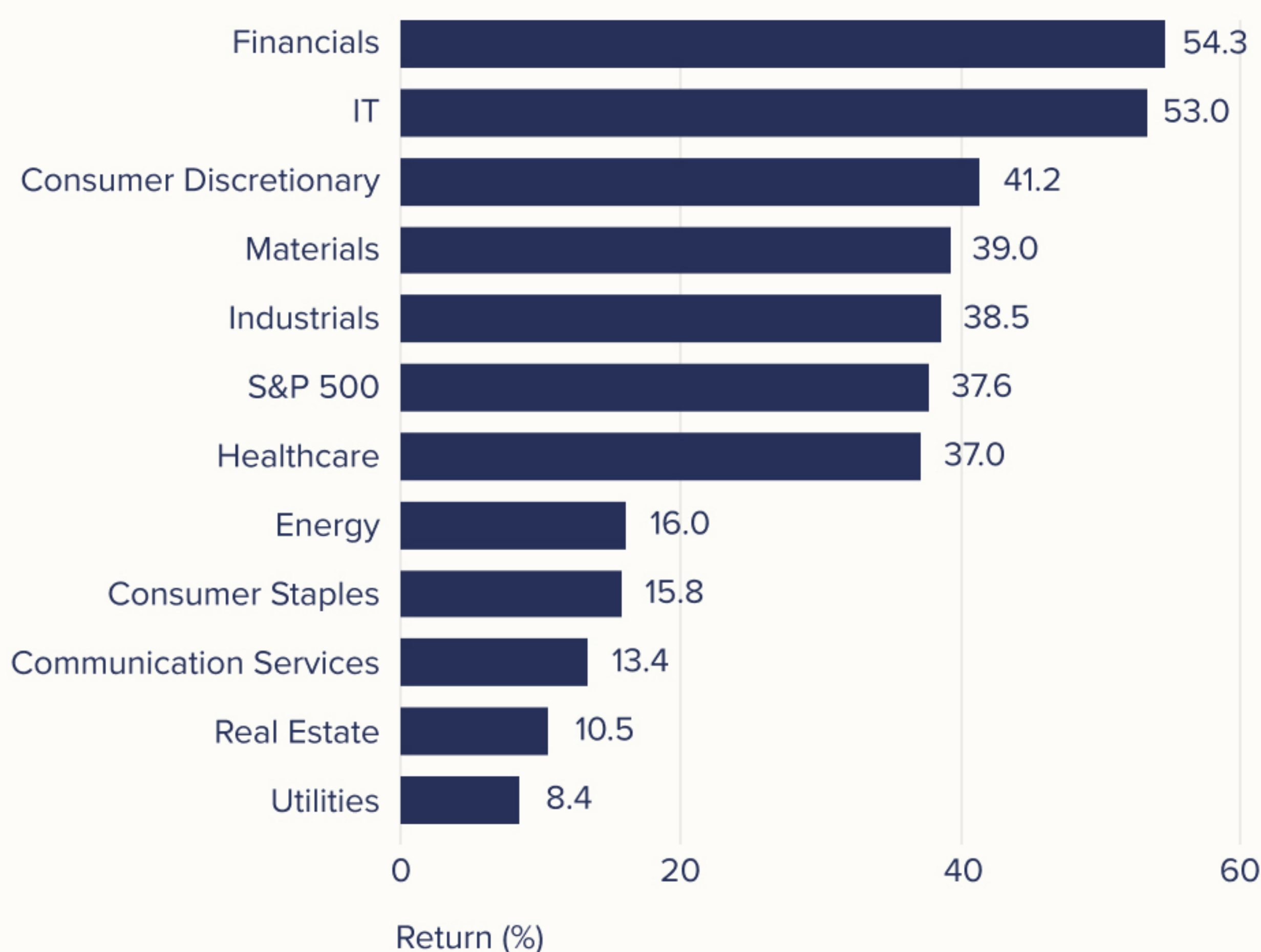
PRIVATE ASSETS

Explore opportunities beyond public markets.

POSITION FOR TRUMP POLICY BENEFICIARIES

FINANCIALS AND INDUSTRIALS LED IN **TRUMP 1.0**

Post Election Rally in 2016 (08.11.2016-26.01.2018)

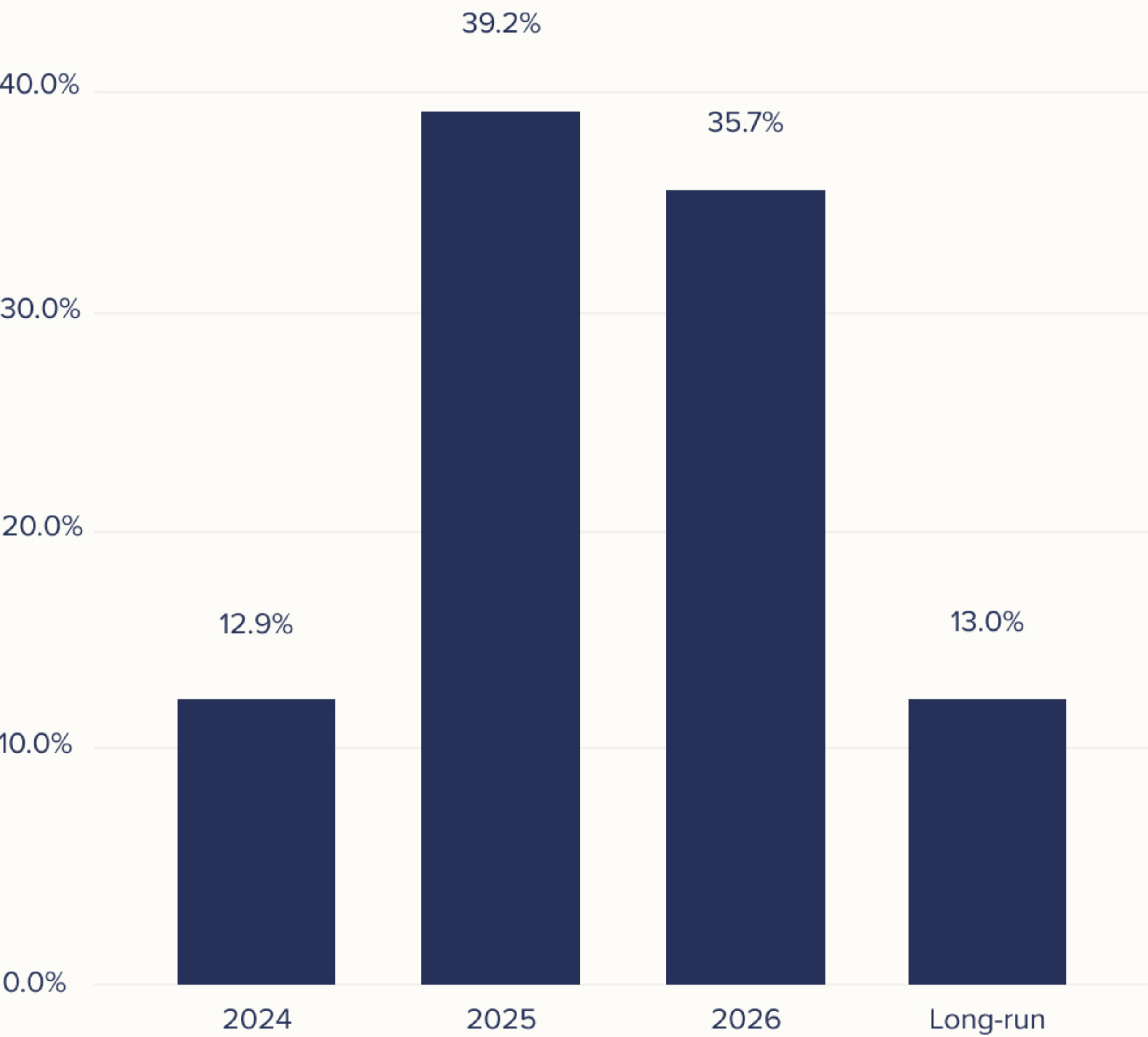


Source: LSEG data stream, Deutsche Bank

- ▶ Many of Trump's second-term policies mirror those from his first term, creating familiar opportunities for certain sectors.
- ▶ Financials could benefit from deregulation.
- ▶ Industrials gain from supply chain reshoring to the US.

THE RUSSELL 2000 IS EXPECTED TO DELIVER **STRONG EARNINGS** IN YEARS AHEAD

Consensus estimate for year-on-year EPS growth



Source: Factset, as of November 2024

- ▶ US small caps could benefit from both the Fed’s lower rate policy and Trump’s policies.
- ▶ Analysts anticipate robust earnings growth in 2025 and 2026.

THEME 2

CHINESE EQUITIES CAN BE A CONTRARIAN TACTICAL PLAY

CHINESE EQUITIES ARE TRADING AT **50% DISCOUNT** TO US EQUITIES

Forward P/E of MSCI China vs MSCI US



Source: Factset, Invesco, as of October 2024

- ▶ Valuation discounts for Chinese firms may reflect excessive pessimism.
- ▶ Policy measures likely to stabilise economy and markets.
- ▶ Key sectors leverage supply chain shifts and robust demand.

“

And, you know, many people in the investment community describe China as uninvestable. To me, that word is music to my ears. I've made my whole career buying assets that other people consider uninvestable.

Howard S. Marks

Co-chairman of Oaktree
Capital Management

”

THEME 3

CORPORATE BONDS' RETURNS SUPPORTED BY ATTRACTIVE BOND YIELDS

HIGH STARTING YIELDS CAN OFFER ATTRACTIVE ENTRY POINTS

Bond yield (%)

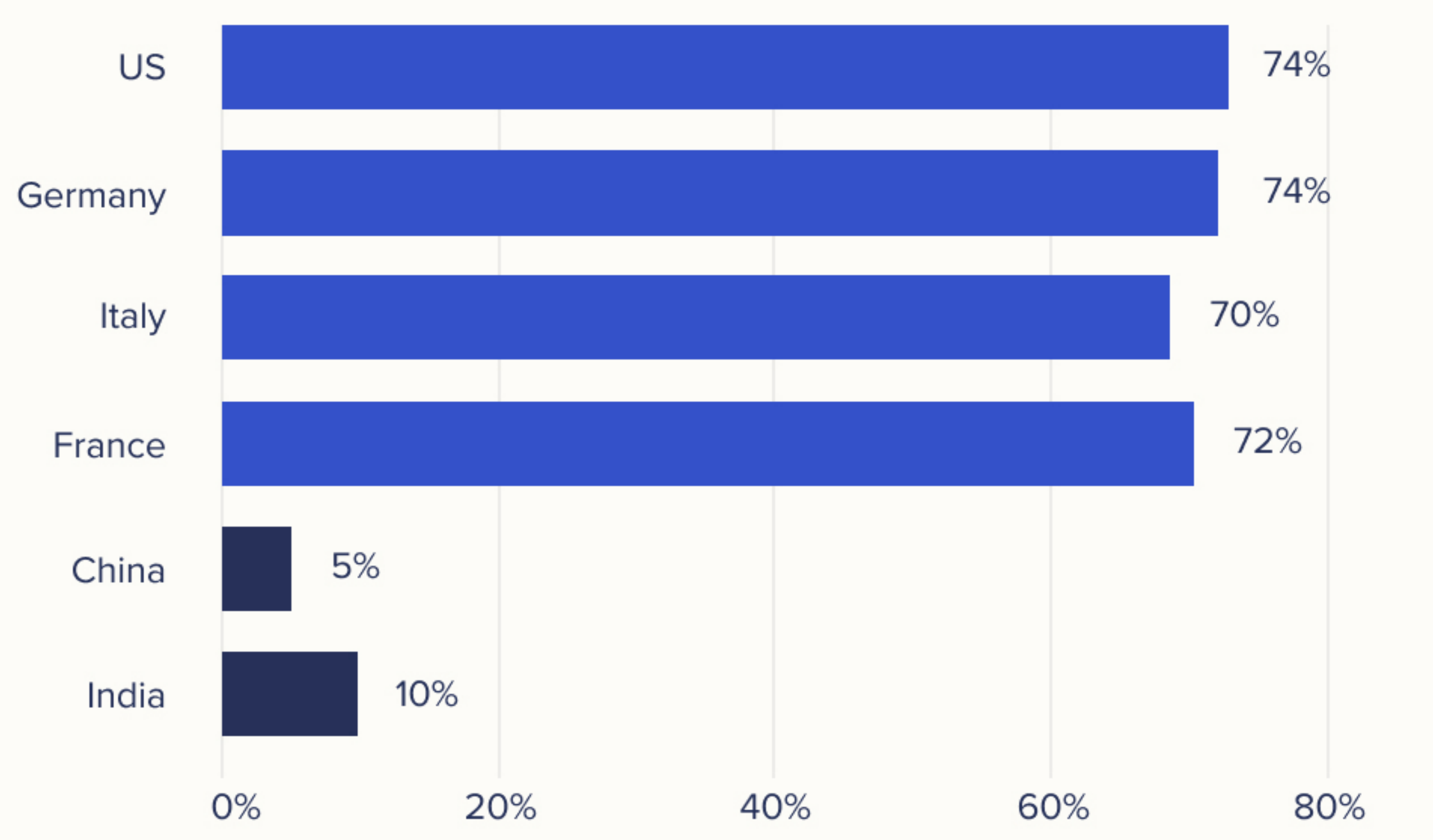


Source: Barclays. Data based on Bloomberg indices. As at 30 November 2024. Chart shows the yield spread in basis points between the Intermediate Baa component of the Baa US Corporate Index and the Intermediate A component of the A US Corporate Index.

- ▶ Corporate bond yields hit decade-highs, offering strong income opportunities in 2025.
- ▶ Fed and global central banks continue rate cuts, limiting US rate upside.
- ▶ Attractive total returns achievable through high yields in fixed income.

DIVERSIFICATION REMAINS KEY

EM CENTRAL BANKS SET TO INCREASE ALLOCATION IN GOLD



Gold as % FX Reserve

Source: Syfe, World Gold Council, Q3 2024

- ▶ Central banks, especially in EM, continue to drive gold’s demand.
- ▶ Gold acts as a hedge against geopolitical risks and uncertainties in sovereign debt and deficits.
- ▶ In addition to gold, derivative-related investments and digital assets can provide enhanced diversification.

EXPLORE OPPORTUNITIES IN PRIVATE ASSETS



PRIVATE CREDIT

- ▶ Private credit, with its tailored solutions, addresses funding needs unmet by traditional bank loans.
 - ▶ Floating-rate structures adjust with interest rate changes, potentially benefiting from a higher-for-longer rate environment.
 - ▶ Resilient US growth underscores private credit's potential for attractive returns.
-



PRIVATE EQUITY

- ▶ Private equity connects investors to structural trends like AI adoption and innovation.
- ▶ Invests in early-stage firms revolutionising growth across diverse sectors.
- ▶ Benefit from long-term sector evolution fueled by structural advancements in AI.

PART THREE

INVESTOR TRENDS IN SYFE



Built on trust, growing together



▶ We turned 5 in 2024!

▶ In August 2024, we raised

US\$27 million

in our latest funding round.

▶ Our first

10,000 customers

showed their confidence in Syfe by investing with us and increasing their assets under management.

ASSET UNDER MANAGEMENT

S\$47
MILLION



S\$426
MILLION

▶ New investors continue to join us.

First-time investors increased by **40%**
in 2024 compared to 2023

CASH MANAGEMENT

As the Fed cut interest rates, returns on cash instruments declined. However, our Cash+ solutions still stand out, offering superior returns, greater convenience, and zero strings attached.

	Cash+ Flexi	Cash+ Guaranteed	Fixed Deposit	SSBs	T-Bills
Yields (p.a.)	3.4% (SGD)* 4.5% (USD)	2.75% - 3.0% (SGD) guaranteed	2.1-3.0% ^	2.66%	3.05%
Term / Duration	No Lock In	1 / 3 / 6 / 12 months	3-24 months	10 years	6-12 months
Withdrawal Facility	Redeemable anytime	End of term	Early withdrawal penalties might be imposed	Redeemable anytime	No early redemption
Minimum and maximum funds	Min: None Max: None	Min: None Max: None	Min and Max: Dependent on banks	Min: S\$500 Max: S\$200,000	Min: S\$1,000 Max: dependent on allotments

*projected yield as of 31 December 2024
Source: Treasury Bills Statistics (mas.gov.sg), Singapore Savings Bonds (mas.gov.sg),
^Fixed deposit account benchmarks are taken from the highest fixed deposit rates offered by Singapore banks, including promotional rates. Updated as of 8 January 2025. Cash+ is a low risk investment portfolio managed by Syfe. It is not a savings or deposit product at a bank. Investments involve risk and Cash+ does not provide any guarantee or assurance of returns.

MANAGED PORTFOLIOS

MANAGED PORTFOLIOS SAW
THE HIGHEST INFLOWS IN 2024:

Income+

20–29
years old

Top Allocated MP: **Core Equity100**

Focused on growth and early
wealth building

30–39
years old

Top Allocated MP: **Core Equity100**

Seeks growth while
diversifying with REIT+ and
Income+ Enhance for stability

40–49
years old

Top Allocated MP: **REIT+**

Shifts towards stability and income
generation, aligning with
mid-to-long-term financial planning

INNOVATIVE PRODUCT

We introduced Singapore's first protected portfolio.
Designed to harness the growth of the S&P 500 while
shielding you against major losses.

INVEST YOUR SRS WITH SYFE!

You can now grow your SRS with us through Core
Equity100, Income+, and Cash+ Flexi (SGD).

BROKERAGE

TOP 5 TRADING STOCKS AND ETFS IN 2024		
U.S.	SG	HK
NVIDIA	DBS	ALIBABA
VANGUARD S&P 500 ETF	SIA	YESASIA
TESLA	OCBC	LINK REIT
APPLE INC	STI ETF	PING AN INSURANCE
MICROSOFT	MAPLETREE LOGISTICS TRUST	NEW FOCUS AUTO TECH

MARKET ACCESS

We launched access to the Hong Kong Stock Exchange (HKEX) in July 2024, enabling investors to trade industry giants such as Alibaba, Xiaomi, Tencent, and more.

BEST MONTH IN 2024: NOVEMBER

A 90% increase in trading volume compared to January.

INVESTMENT AND ADVISORY TEAM



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Investment Strategist



ARCHIT PARAKH
Head of Investments HK
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