Latest Market Focus –
Asia Equity Market Update
Strategy amid AI hardware corrects

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- **Concerns over artificial intelligence (AI) hardware sectors triggered correction of Asian equities**. Since late June, worries over AI capex slowdowns have triggered stocks of global semis leaders to correct. KOSPI Index further affected by volatilities of leveraged ETFs

- **AI manufacturing leaders' earnings remain focus**. Global secular growth of AI continuously benefits Asian AI manufacturers in the next few years. Major AI enterprises still reasonably priced. Markets will focus on guidance of capex and AI supply / demand. Fundamentals still intact

- **Rotation of capital could benefit other Asian markets**. As capital in Asia rotates out from AI stocks with large gains, flows might be headed towards markets with low valuations such as Hong Kong equity and ASEAN equity. Diversify the allocation within Asia for dynamic growth

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