

Monthly Investment Outlook

May 2026

Market Recap

- **Equities rebounded in April.** Global equities, led by Asia ex-Japan, staged a strong recovery in April amid optimism for a de-escalation of Middle East tensions. Sectors wise, technology stocks outperformed while energy lagged.
- **Bonds delivered steady returns.** The 10-year U.S. Treasury (UST) yield edged higher as the Federal Reserve (Fed) held rates steady. Still, investment grade (IG) and high yield (HY) bonds posted positive returns with credit spreads tightening.
- **Oil remained elevated; Gold subdued.** Oil prices stayed above USD 100 per barrel as the Strait of Hormuz remained blocked. In comparison, gold erased earlier gains to end the month flat.

Macro Outlook and Asset Allocation

- **Position for growth with resilience.** The ceasefire signals willingness from both Iran and the U.S. to pursue a deal that could reopen the Strait of Hormuz. With the global economy likely to hold up and support corporate earnings growth, we see merit in gradually re-risking portfolios toward growth. Still, building diversification and resilience remain paramount. Beyond the Middle East conflict, central bank policy shifts, currency fluctuations and AI monetisation concerns could all contribute to market volatility.
- **Turning more constructive on equities.** We adopt a more positive view on the U.S. and Asia ex-Japan equities. Notably, the U.S. has proven to be resilient on the back of its robust earnings outlook. Meanwhile, Asia ex-Japan offers compelling risk-reward with a good balance of growth and value. Overall, we would pursue equity upside with valuation discipline, focusing on sectors and structural growth plays offering a margin of safety.
- **Build stability through quality income; Diversify with gold.** While U.S. Treasury yields may remain range-bound for now, the attractive all-in bond yields create opportunities to generate resilient carry. In addition, high-quality dividend stocks could serve as another source of stable income. Meanwhile, gold remains a critical portfolio diversifier, with its medium-term uptrend likely to resume on the back of a softer dollar and sustained central bank demand.

Tactical Asset Allocation			
Asset Class *		Segment*	
Equity	+	U.S.	+
		Europe	=
		Japan	=
		Asia ex-Japan	+
Fixed Income	=	U.S. Treasuries	=
		Developed Market (DM) Investment Grade (IG)	=
		Developed Market High Yield (HY)	=
		Emerging Market (EM) Asia	=
Hedge Funds	=		
Gold	+		
Cash	-		

* Overweight : +, Neutral : =, Underweight : -

Source: Maybank Group Wealth Management (GWM)

Asset Class	Changes to date (in USD currency)		
	1M	3M	YTD
MSCI AC World	10.2%	3.7%	6.8%
MSCI U.S.	10.5%	4.2%	5.5%
MSCI Europe	7.3%	-0.1%	4.4%
MSCI Japan	9.2%	4.0%	10.8%
MSCI Asia ex-Japan	16.3%	6.3%	15.0%
China	3.6%	-9.9%	-5.6%
Hong Kong	3.7%	-0.8%	9.5%
Taiwan	26.2%	23.9%	37.8%
South Korea	38.2%	25.9%	61.3%
India	9.2%	-5.8%	-10.6%
Singapore	3.1%	-1.8%	2.1%
Malaysia	4.3%	-0.2%	6.8%
Indonesia	-7.0%	-22.4%	-26.1%
Thailand	5.0%	14.0%	21.5%
Philippines	-2.3%	-9.5%	-5.0%
BBG Multiverse	1.3%	-0.8%	0.2%
BBG U.S. Treasury	-0.1%	0.0%	-0.1%
BBG Global IG	1.4%	-0.9%	0.1%
BBG Global HY	2.6%	0.2%	1.2%
BBG EM Asia	0.9%	0.2%	0.5%
Gold	0.1%	-7.4%	5.6%
Brent Crude	6.2%	59.3%	81.4%
WTI Crude	3.6%	61.1%	83.0%
Dollar Index (DXY)	-1.9%	1.1%	-0.3%
Bitcoin	11.9%	-9.3%	-12.8%

Sources: Bloomberg (BBG), Factset | 30 April 2026



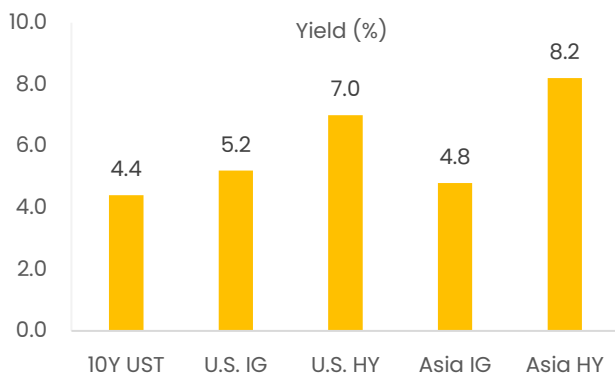
Monthly Investment Outlook

May 2026

Fixed Income Outlook

- **Fed on hold for now but still likely to ease later.** The U.S. Federal Reserve (Fed) left rates unchanged at its April meeting as expected. Meanwhile, the U.S. Department of Justice has dropped its investigation into Jerome Powell, clearing the path for Kevin Warsh to take over as the next Fed Chair. Notably, Warsh's perceived dovish tilt would suggest further policy accommodation. While the Fed may continue to adopt a wait-and-see approach for now, the central bank will likely ease again by end-2026 to support growth.
- **Lock-in attractive yields through quality credits.** The 10-year UST yield may remain range-bound for now with the Middle East conflict clouding the near-term inflation outlook. Still, we continue to see opportunities to generate stable income given the attractive all-in bond yields. That said, credit selection remains vital as spreads remain tight across both IG and HY bonds. We also continue to advocate broadening currency exposure within fixed income allocations.
- **Favour European senior bank bonds for resilience.** We maintain a constructive stance on European banks, favouring issuers with diversified earnings and resilient fundamentals. Senior bank bonds remain our preferred segment though we see pockets of opportunity in Additional Tier-1 (AT1) credits. Within corporates, we maintain our preference on defensive sectors such as utilities and telecommunications, where subordinated perpetual securities with attractive reset terms present compelling yield enhancement opportunities.
- **Reiterate preference for Australia financials; Selective in GCC.** Australian financial bond performance has been challenged amid the higher inflation and rates outlook. Nevertheless, the negatives appear to be priced in with credit fundamentals remaining robust. The planned phase-out of AT1 securities in early 2027 should also continue to provide a favourable technical backdrop. In comparison, we remain selective in GCC credits. While spreads have retraced from the highs at the onset of the Middle East conflict, we prefer to stay with high-quality GCC credits, particularly quasi-sovereign and banks with solid fundamentals.
- **Singapore Industrial REIT credits for steady carry.** We see continued appeal in Singapore REIT issuers, particularly within the industrial segment. Easing supply pressures and resilient demand are expected to drive stronger rental growth in 2026 relative to 2025. Balance sheet metrics are also projected to improve through 2027. Notably, the sector's limited exposure to the Middle East suggests marginal impact from the ongoing conflict.

Figure 1: Attractive all-in bond yields across both IG and HY credits



Source: Bloomberg | 30 April 2026

Figure 2: Seek resilient income opportunities from our preferred credit segments

Regions	Preferred Sectors
Developed Markets	<ul style="list-style-type: none"> • Europe banks • Europe telecommunications • Australia financials
Asia ex-Japan	<ul style="list-style-type: none"> • Hong Kong utilities • Hong Kong insurers • Singapore REITS (S-REITs) • Singapore government-linked issuers

Source: Bloomberg | 30 April 2026

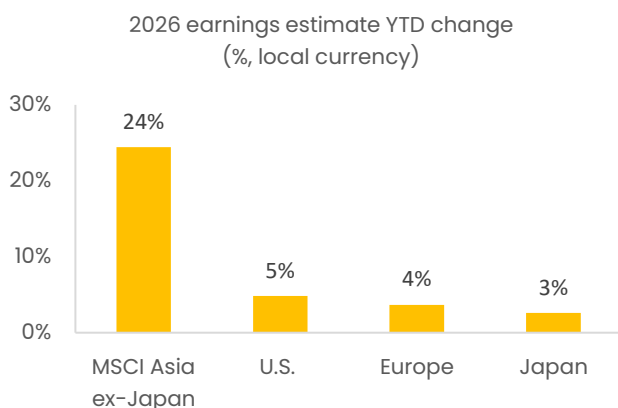
Monthly Investment Outlook

May 2026

Equity Outlook

- **Entry opportunities for U.S. defense and financials.** Our conviction in accumulating quality structural growth plays, including selected megatech stocks, proved rewarding in April. We continue to seek opportunities within the technology sector, including laggard plays in software and cybersecurity. In addition, we see an entry opportunity for defense stocks that have yet to rally despite the ongoing conflict. We also favour financials given the resilient earnings outlook.
- **Seeking earnings resilience in Europe.** As a net energy importer, Europe remains vulnerable to Middle East oil supply shocks, though energy-related equities may be relatively more shielded. In financials, the stable net interest margins and robust capital markets activity continue to underpin a solid earnings outlook. Meanwhile, industrials should continue to benefit from the structural tailwinds of rising defence spending and accelerating energy transition.
- **Stay constructive on Japan financials.** Management guidance in the upcoming earnings season may be muted amid external uncertainties and JPY volatility. Nevertheless, the ongoing corporate reforms and anticipated fiscal spending should lend support to the market. We remain constructive on financials, real estate and industrials. Notably, financials may benefit from further normalisation of the Bank of Japan (BoJ)'s monetary policy.
- **Renewed optimism on Asia ex-Japan.** Asia equities rebounded in April, supported by earnings upgrades across key markets. Notably, South Korea witnessed strong earnings revisions, driven by surging demand for AI-related semiconductors. In contrast, China internet stocks faced headwinds amid concerns over softer Software-as-a-Service demand. While volatility may persist, we see scope to accumulate select China technology names, underpinned by policy support. We also remain constructive on financials and industrials, which are supported by resilient earnings momentum despite the uncertain macro backdrop.
- **Favour Singapore and Malaysia within ASEAN.** Malaysia's balanced energy exposure and ongoing capital market reforms, including the MY Value-Up initiative, should drive value creation through stronger governance and improved liquidity. Meanwhile, Singapore's ongoing Equity Market Development Programme (EQDP) initiative, coupled with healthy dividend yields and SGD stability, should reinforce the market's appeal and attract inflows.

Figure 3: Positive earnings upgrade across markets particularly Asia ex-Japan



Source: Bloomberg | 30 April 2026

Figure 4: Focus on sectors and structural growth plays offering margin of safety

Regions	Preferred Equity Sectors
U.S.	<ul style="list-style-type: none"> • Comm. Svs • Financials • Industrials • Utilities
Europe	<ul style="list-style-type: none"> • Financials • Industrials • Materials • Utilities
Japan	<ul style="list-style-type: none"> • Financials • Industrials • Real Estate
Asia ex-Japan	<ul style="list-style-type: none"> • China: Comm. Svs, Financials, Industrials, and selected Technology names • Singapore: Banks, Internet, REITs, Telco • Malaysia: Banks, Construction, Healthcare, REITs

Source: Maybank GWM | 30 April 2026

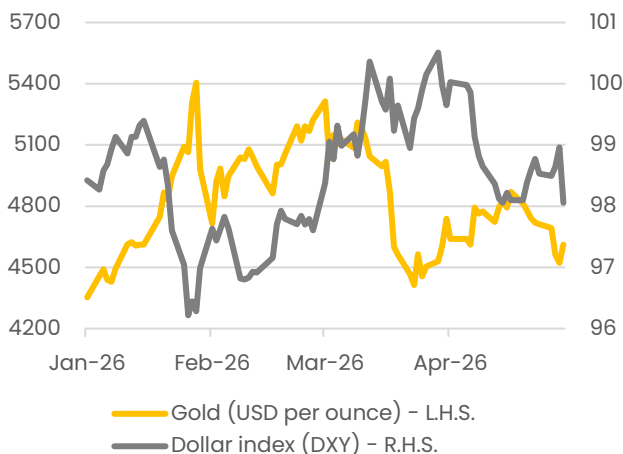
Monthly Investment Outlook

May 2026

Commodities Outlook

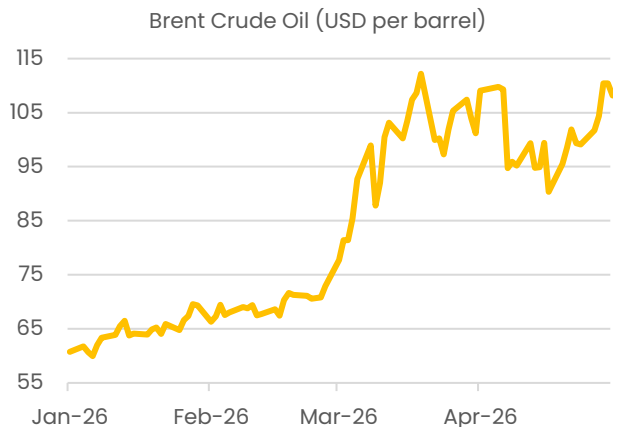
- **Maintain constructive stance on gold despite near-term headwinds.** Gold rallied to nearly USD 4,900 per ounce in mid-April on the U.S.–Iran ceasefire announcement, before retreating as higher oil prices stoked inflation concerns and lifted real yields. Turkey’s reported sale of around USD 20 billion of gold to support the Lira added further pressure on prices. However, the episode also underscored gold’s role as a liquid reserve asset particularly in times of stress. Despite the near-term headwinds, we remain constructive on gold’s medium-term outlook, backed by the precious metal’s importance as a strategic reserve asset for central banks around the world.
- **Oil prices likely to retreat once Strait of Hormuz reopens.** With minimal crossings at the Strait of Hormuz, oil prices remain elevated above USD 100 per barrel. However, we caution against over-extending exposure given the fundamentally oversupplied oil market. A de-escalation of the conflict could see prices retreat toward USD 80 per barrel or below with the normalising of shipping traffic at the Strait. Even in a bear-case conflict scenario, materially higher oil prices risk triggering demand destruction, which would ultimately exert downward pressure on prices. Separately, the UAE’s surprise exit from OPEC may add further downside, as the Emirates has long sought to increase production.

Figure 5: Gold may re-test USD 5,000 per ounce with sustained central bank demand



Source: Bloomberg | 30 April 2026

Figure 6: Brent crude stayed above USD 100 per barrel with Strait of Hormuz blocked



Source: Bloomberg | 30 April 2026

Disclaimer

This advertisement has not been reviewed by the Monetary Authority of Singapore or by the relevant authorities in Malaysia, Hong Kong and Indonesia.

This report is for information purposes only and under no circumstances is it or any part of it to be considered or intended as nor constitutes or forms the basis of an offer to sell or a solicitation of an offer to buy any of the securities, financial instruments or investment products referred to herein (each, a "Product", and collectively, "Products"), or an offer or solicitation to any person to enter into any transaction or adopt any investment strategy or enter into any legal relations, or an invitation to subscribe to any Products or an advice or a recommendation with respect to such Products. To the extent that any transaction is subsequently entered into between a recipient and Maybank, such transaction shall be entered into upon such terms as may be agreed by the parties in the relevant documentation.

Investments in collective investment schemes ("Fund(s)") are not obligations of, deposits in, or guaranteed by the distributors or any of their affiliates. Investors should read the Prospectus, obtainable from Maybank, before deciding whether to subscribe for units in the Fund(s). All applications for units in the Fund(s) must be made on the application forms accompanying the Prospectus.

Investors should note that income from and/or values of such Products, if any, may fluctuate and that each Product's price or value may rise or fall depending on market conditions. Accordingly, investors may receive back less than what they have originally invested or they may also not receive back anything at all from what they have originally invested (i.e. loss of the entire sum invested). All investments involve an element of risk, including capital and principal loss. Past performance is not necessarily a guide to or an indication of future performance. Any scenarios, assumptions, historical or simulated performances, indicative prices or examples of potential transactions or returns are for illustrative purposes only. Maybank does not guarantee the underlying investment, the principal or return on investments.

This report is prepared for Maybank's clients and is not intended for public circulation and/or distribution. It is not intended to provide personal investment advice and does not take into account the specific investment objectives, financial situation and particular needs of any particular recipient or reader and thus should be read with this in mind. Before acting on the information, an investor should therefore independently and separately evaluate and assess each Product and consider the suitability of the Product, the appropriateness of investing in the Product and the risks involved or the investment strategies discussed or illustrated in this report, taking into account the investor's specific investment objectives, financial situation, risk tolerance and particular needs, and seek independent financial, audit, tax, legal and/or other professional advice as necessary, before dealing, transacting and/or investing in any of the Products mentioned in this report or communicated to the investor as a follow-up to this report. Prior to any investment, it is the investor's own responsibility to obtain legal and/or tax opinions regarding the legal and tax consequences of the investment. All investments will be made solely upon and in reliance on the investor's own judgment and discretion, notwithstanding any opinion, commentary or recommendation this report, Maybank or its Relationship Managers/Client Advisors/Personal Financial Advisors/Appointed Representatives and/or its other employees may provide. Unless expressly agreed otherwise, Maybank offers no investment, financial, legal, tax or any other type of advice to recipients or readers of this report. Maybank has no fiduciary duty towards any such recipients and readers, and makes no representation and gives no warranty as to the results to be obtained from any investment, strategy or transaction, or as to whether any strategy, security or transaction described herein may be suitable for the financial needs, circumstances or requirements of the recipients and readers.

Disclaimer

The information herein has been obtained from sources believed to be reliable but such sources have not been independently verified by Maybank and consequently no representation and/or warranty is made as to the accuracy or completeness of this report for any particular purpose by Maybank and it should not be relied upon as such. Maybank may have issued other documents, investment proposals, reports, analyses or emails expressing views different from the contents hereof and all views expressed in all documents, investment proposals, reports, analyses and emails are subject to change without notice. The information or opinions or recommendations contained herein are subject to change at any time without prior notice. Maybank and its officers, directors, associates, connected parties and/or employees, including persons involved in the preparation or issuance of this report, may from time to time have positions or be materially interested in the Products referred to herein and may further act as market maker or may have assumed an underwriting commitment or deal with such Products and may also perform or seek to perform investment banking, advisory or other services in relation thereto. One or more directors, officers and/or employees of Maybank may be a director of any of the corporations of the Products mentioned in this report to the extent permitted by law. Accordingly, Maybank may have a conflict of interest that could affect the objectivity of this report.

This report may contain information such as valuation, performance, yield or the like, derived from a variety of valuation metrics, all of which may change at any time without notice and investors are cautioned not to place undue reliance on such information. This report may also contain forward looking statements which are often but not always identified by the use of words such as “anticipate”, “believe”, “estimate”, “intend”, “plan”, “expect”, “forecast”, “predict” and “project” and statements that an event or result “may”, “will”, “can”, “should”, “could” or “might” occur or be achieved and other similar expressions. Such forward looking statements are based on assumptions made by and/or information currently available to Maybank and are subject to certain risks and uncertainties that could cause the actual results to differ materially from those expressed in any forward looking statements. Investors are cautioned not to place undue reliance on these forward looking statements. This report is current as at the date of its publication and Maybank expressly disclaims any obligation to update or revise any such forward looking statements to reflect new information, events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events. This report may also contain charts, diagrams or graphs, including sample portfolio overview, which may differ or vary from the actual charts, diagrams or graphs, including any portfolio overview, which an investor may receive separately.

In this report, references to “Maybank” mean Malayan Banking Berhad, Maybank Singapore Limited, PT Bank Maybank Indonesia Tbk and/or its/their subsidiaries, affiliates and related corporations¹ worldwide. The information herein and the contents of this report remain the intellectual property of Maybank. The contents of this report are confidential and its circulation and use are restricted. This report is prepared for the use of Maybank’s clients and/or prospective clients and may not be reproduced, altered in any way, copied, published, circulated, distributed or transmitted to any other party in whole or in part in any form or manner or by any means (including electronically, photocopying, recording or via any information storage and retrieval system) without the prior express written consent of Maybank. Maybank and its officers, directors, associates, agents, connected parties and/or employees accept no liability whatsoever for the actions of third parties in this respect and shall not be liable or responsible for any losses, costs or damages including costs on a solicitor–client basis suffered or incurred by the investor that may arise from the use of, reliance on or any action taken in connection with this report.

¹As a prospect or client of Maybank Singapore Limited, no other Maybank affiliate or related corporation will be involved in your relationship with Maybank Singapore Limited.

Disclaimer

This report is not directed to or intended for distribution to or use by any person or entity who/which is a citizen or resident of or is located in the United States, Canada as well as any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or where Maybank may become subject to new or additional legal or regulatory requirements. The Products described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. Without prejudice to the foregoing, the reader is to note that additional disclaimers or warnings may apply based on the geographical location of the recipient of this report.

In the same regard, services rendered by Maybank in connection with the Products referred to herein will not be performed in any jurisdiction where Maybank is not licensed or authorised to provide such services or may become subject to new or additional legal or regulatory requirements.

Note to recipients and investors in Singapore –

Maybank Singapore Limited is regulated only by the Monetary Authority of Singapore and no other regulatory or supervisory body.

For collective investment schemes which are included in the CPF investment scheme: An investor using CPF funds for investment should make reference to the CPF website or seek clarification from an appointed representative for the legislated annual interest rates on the Ordinary and Special Accounts in order to make an informed decision.

For collective investment schemes with dividend payouts: Actual dividend payment amounts of the Funds may be higher or lower than the potential dividend depending on market conditions. The actual dividend payment may be zero. Investors should note that dividend payments are not guaranteed and there is no guarantee that the potential dividend level can be achieved in any quarter or any dividend payments will be made.

Prohibition of sales to European Economic Area (“EEA”) Investors: Effective 1st January 2018, Maybank Singapore Limited prohibits any offer and/or sale of any Packaged Retail and Insurance Based Investment Products (“PRIIPS”) to investors in the EEA in accordance with the guidelines made to Regulation (EU) No 1286/2014. The EEA region includes the following countries: Austria, Belgium, Bulgaria, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Italy, Latvia, Liechtenstein, Lithuania, Luxembourg, Malta, Netherlands, Norway, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden.

Prohibition of sales to the United Kingdom and Switzerland Investors: Subject to the same or similar PRIIPS regulations.

Note to recipients and investors in Hong Kong –

This document is distributed in Hong Kong by Malayan Banking Berhad, a company incorporated in Malaysia with limited liability and acting through its Hong Kong Branch. It is registered as a Licensed Bank under the Banking Ordinance and regulated by the Hong Kong Monetary Authority. It is also registered with the Hong Kong Securities and Futures Commission to carry on the regulated activities of dealing in securities (Type 1) and advising on securities (Type 4) in Hong Kong.

Disclaimer

Note to recipients and investors in Malaysia –

In Malaysia, the purchase, sale or subscription of investment products is subject to governmental consent, regulatory approval or other formalities. This report is distributed in Malaysia solely for the benefit of and for the exclusive use of Maybank's clients and is not intended for public circulation and/or distribution.

By receiving this report and continuing to retain the same, the recipient is deemed to represent and warrant to Maybank that the disclaimers set out above are acknowledged and understood, and this report will not be relied upon and/or used in any manner not expressly authorised.

Note to recipients and investors in Indonesia –

This document is distributed in Indonesia by PT Bank Maybank Indonesia Tbk, which is licensed and supervised by Indonesia Financial Services Authority (OJK). Investment products that are offered by PT Bank Maybank Indonesia Tbk are third party products. PT Bank Maybank Indonesia Tbk is a selling agent for third party products such as mutual funds and bonds. Investments in mutual funds and bonds are not covered by the deposit insurance program of the Indonesian Deposit Insurance Corporation (LPS).

Maybank Singapore Limited (UEN: 201804195C)

Malayan Banking Berhad, Hong Kong Branch (Incorporated in Malaysia with limited liability)
(Company Number: F000679)

Malayan Banking Berhad (196001000142 (3813-K))

PT Bank Maybank Indonesia Tbk (8120016120953)

