

Weekly Wealth Digest

27 February 2026

Your Edge. Our Insights.

Market Insights To Power Your Next Move

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The Macro View

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Macro Overview

*Disinflation at Home,
Softer Data Abroad*

Global macro signals were mixed. In the US, initial jobless claims edged higher, pointing to some cooling in labour market conditions, while Eurozone economic confidence weakened, led by softer services sentiment.

In Malaysia, producer prices remained in deflationary territory, with PPI falling 2.9% y/y in January, marking the eleventh consecutive month of producer deflation. The drag came mainly from the mining and services sectors, though prices rose modestly on a month-on-month basis.

Overall, the data reinforces a picture of easing cost pressures domestically amid a slowing global backdrop.

FX Overview

*Ringgit Holds Firm As Market
Stays Cautious*

Currency markets remained range-bound as investors stayed cautious amid US-Iran geopolitical risks and global trade policy uncertainty. The US dollar was broadly stable, while major G10 currencies saw modest moves. The ringgit continued to strengthen, with USD/MYR easing toward 3.89, supported by a softer USD tone and confidence in Malaysia's macro stability. Policymaker comments highlighted that a stronger ringgit is helping improve sentiment and lower imported input costs, particularly for manufacturers and SMEs, reinforcing its supportive role for the domestic economy.

The Macro View

Soft Data, Geopolitical Risk & Safe Haven Demand

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Commodities

Oil Steady, Gold Firm, CPO Under Pressure

Commodity markets reflected a balance between supply concerns and risk sentiment.

Oil prices hovered around USD70/bbl, as expectations of a global supply glut continued to clash with Middle East geopolitical risks ahead of the upcoming OPEC+ meeting.

Gold prices firmed, supported by safe-haven demand amid geopolitical and policy uncertainty.

In contrast, CPO prices declined, weighed down by weaker demand conditions and ongoing pressure across the broader agri-commodity complex.

Fixed Income

Safe Haven Flows Support Bonds Upward Trajectory

Bond markets benefited from a defensive shift in positioning. US Treasury yields declined, supported by safe-haven demand amid geopolitical tensions, tariff uncertainty, and signs of labour-market softening.

In Malaysia, sentiment in the government bond market remained positive, with strong demand at the 5-year MGS auction, which attracted a healthy bid-to-cover ratio.

Firm interest was also evident in the secondary market, particularly in the belly of the curve, while high-grade corporate bonds continued to see supportive flows.

Market Shakers

Key Developments

27 February 2026

US Economy

Mortgage Relief

US mortgage rates have fallen to their lowest level since 2022, offering relief to homeowners and prospective buyers. The decline supports housing affordability and strengthens the administration's narrative that financial conditions for households are improving.

US-Iran

Nuclear Talk Progress

The US and Iran have made measured progress in nuclear negotiations, according to mediators, with both sides agreeing to meet again following talks in Geneva. The development signals tentative de-escalation, though outcomes remain uncertain.

US Demographics

Emigration Surges

Americans are leaving the US in record numbers, driven by cost-of-living pressures, lifestyle preferences, and political uncertainty. The trend raises longer-term implications for labour supply, tax base dynamics, and domestic demand.

AI Tech

Nvidia Earnings Don't Erase Ai Fear

Despite record sales and strong cash flow, Nvidia's results have not fully eased market concerns about AI's broader economic and social disruption. Investor focus is shifting from earnings strength to second-order risks of AI adoption.

Japan

Inflation Slows, But Rate Hikes Continue

Tokyo inflation fell below the Bank of Japan's target, but policymakers continue to signal that the rate-hike path remains intact. The data suggests easing price pressures without materially altering Japan's policy normalization trajectory.

US Energy

Power-Plant Pollution Rises

US power-plant pollution rose sharply in 2025, marking a rare reversal of a long-term decline. The increase was largely attributed to higher coal usage to meet electricity demand, highlighting tensions between energy security and climate goals.

The 4 Key Pillars

Quarterly Themes

Jan – Mar 2026

Real Economy Ai Trade

Traditional Sectors Applying Ai

The next phase of Ai winners will be users, not builders – companies using Ai to cut costs, optimize operations and expand margins quietly.



State Directed Capital

China & Japan's Fiscal Firepower

When consumers slow, governments step in. Growth increasingly follows policy, fiscal spending and reform agendas, not free markets.



Neutrality Premium

Asia's Role As Economic Connectors

Global trade hasn't stopped - it's re-routing. Neutral connector economies benefit by enabling trade between China and the US.



Shock Absorbers

Income & Defense

In volatile market's, portfolio's need stabilisers – income delivers cash flow, while gold and precious metals protect purchasing power.



Peak Ahead

Our Foresight

Jan – Mar 2026

What We Think The Future Holds

Q1 2026	Cashflow Therapy  Income is resilient as volatility fatigue sets in.
	Gold & Beyond  Central bank buying, industrial purchases, low supplies.
	Japan's Quiet Comeback   Corp. reforms & rising wages attract long-term capital.
	Sovereign Capital Boost   Gov's spend to boost economic competitiveness.
Q2 2026	Old Industries, New (Ai) Edge  Tangible Ai gains, unlocking value in traditional sectors.
Q3 2026	Crypto Grows Up   Growing institutional adoption as supplies tighten.
	Asia's Economic Connectors  Asia's export hubs & connectors drive trade recovery.
Q4 2026	Mid-Term Elections  Markets hedge against US political uncertainty.

Performance Heat Map

Asset Class Performance Annually (%)

	2021	2022	2023	2024	2025	2026
Global REITs	32.6%	-23.7%	10.9%	2.8%	8.4%	7.7%
Gold	-3.6%	-0.3%	13.1%	27.2%	64.6%	16.2%
US Equities	26.9%	-19.4%	24.2%	23.3%	16.4%	0.5%
EM Equities	-4.6%	-22.4%	7.0%	5.1%	30.6%	11.1%
DM Equities	20.1%	-19.5%	21.8%	17.0%	19.5%	2.5%
Global Equities	16.8%	-19.8%	20.1%	15.7%	20.6%	3.5%
Gbl ex US Eq	5.5%	-18.3%	12.6%	2.9%	29.2%	9.0%
Global IG Bond	-4.7%	-16.2%	5.7%	-1.7%	8.2%	1.6%
Global HY Bond	1.0%	-12.7%	14.0%	9.2%	12.1%	1.4%
China A-Shares	-5.2%	-21.6%	-11.4%	14.7%	17.7%	0.7%
MY Equities	-3.7%	-4.6%	-2.7%	12.9%	2.3%	4.3%
MY 12M FD	1.7%	2.7%	2.8%	2.5%	2.1%	2.1%

Market Prognosis

- **Gold:** Early-week gains faded as USD stabilised, but prices stayed supported by persistent geopolitical risk and safe-haven demand.
- **US:** Weakness was driven by big-tech selling after cautious guidance and renewed concerns over rates and earnings momentum.
- **Europe:** Markets proved relatively resilient, supported by easing inflation pressures despite political and policy uncertainty.
- **Asia ex-Japan:** Performance was mixed but supported by firmer regional growth expectations and relatively stable FX conditions.
- **Japan:** Equities benefited from rising global bond yields and continued optimism around domestic reflation dynamics.
- **IG Bonds:** Saw renewed inflows as investors shifted defensively amid macro and geopolitical uncertainty.
- **HY Bonds:** High-yield lagged IG as risk appetite softened and credit spreads stopped tightening.

Source: AmBank Wealth Management (27 Feb 2026)

Weekly Focus

Investors' Hallucinations: Therapy In Session

Why The Market Thinks It's In Trouble

27 February 2026

Your 30-Second Briefing

Markets are reacting to fear, not a collapse in fundamentals. Jobs, earnings and capex remain broadly resilient.

Selling today is often mechanical – driven by flows and volatility triggers, not economic breakdown.

When prices overreact to narratives, opportunity emerges for disciplined investors.

The Long-Read

If you only watched markets, you'd think something is breaking.

Volatility spikes. Sharp sell-offs. Headlines whispering recession. Policy error. Hard landing.

But if you look at the actual economy - jobs, profits, investment - the story is far less dramatic.

So why does the market look like it's in crisis mode when the data doesn't?

Because markets don't just price facts. They price fear, incentives, and memory. And right now, all three are loud.

A Strange Puzzle: Bad Prices, Okay Data

Let's start with what hasn't happened.

- Unemployment hasn't surged.
- Corporate earnings have slowed, but not collapsed.
- Investment in AI, infrastructure, energy and defence remains elevated.
- Credit stress is contained, not systemic.

That's not what an economy on the brink usually looks like.

Yet markets trade as if something is about to snap.

That gap - between price and reality - is where hallucinations form.

Incentives Over Insight

Here's the less glamorous truth: much of today's selling isn't about forecasting.

It's about mechanics.

Weekly Focus

When volatility rises:

- Systematic strategies cut exposure.
- ETFs see outflows and sell everything proportionally.
- Risk models reduce positions automatically.

Prices fall. That fall triggers more selling. The story follows the move. In this environment, price action creates narrative, not the other way around. That doesn't require a recession. It just requires momentum.

The Market Has Trauma

After the pandemic crash, inflation shock, and rate surge, investors are hyper-alert.

Soft data print isn't "moderation." It's "the start of the downturn."

A cautious central banker isn't "balanced." It's "policy mistake."

Markets now sell first and ask questions later. That's not irrational. It's scar tissue. And scar tissue can overreact.

The Dog That Isn't Barking

In real downturns, companies cut jobs. They slash investment. They protect cash.

Today, major corporations are still spending - heavily - on:

- AI infrastructure
- Semiconductor capacity
- Energy systems
- Industrial reshoring

Those are multi-year commitments. You don't make those if you believe demand is about to collapse.

The Opportunity Inside the Overreaction

Here's the quiet twist. When markets overreact to fear:

- Good assets get sold with bad ones.
- Valuations can overshoot to the downside.
- Expectations fall faster than fundamentals.

And that's when long-term opportunity appears. Volatility isn't the signal. The disconnect between perception and reality is.

The Bottom Line

Markets are anxious. The economy is adjusting.

Panic in prices doesn't always mean disaster - sometimes it means perspective matters.

Structured Investment Strategy

Enhance Yield Strategy

Cloud Infra & Platform Services

Microsoft Corp

Global enterprise software, cloud and digital productivity platform leader

Global Data & Memory Backbone

Micron Technology

Critical global supplier of DRAM and NAND memory infrastructure

Bull

Microsoft's fundamentals are supported by strong Azure cloud growth, accelerating AI adoption through Copilot and OpenAI integration, and highly recurring enterprise software revenues.

Bull

Micron's fundamentals are supported by a cyclical recovery in memory pricing, rising demand for high-bandwidth memory driven by AI workloads, and improving industry supply discipline.

Bear

Valuation remains elevated, while cloud and AI investment intensity could pressure margins if enterprise IT spending slows or competition in hyperscale cloud intensifies.

Bear

Earnings remain highly cyclical, with exposure to memory price volatility and downside risk if AI-driven demand weakens or industry supply ramps faster than expected.

Autocallable Parameters

Variant	EKI (At Maturity)
Currency	MYR
Tenure	9 Months
Coupon	10.0% p.a.
Strike	100%
Knock-Out	105%
Knock-In	80.0%

Autocallable Parameters

Variant	EKI (At Maturity)
Currency	MYR
Tenure	9 Months
Coupon	17.0% p.a.
Strike	95%
Knock-Out	195%
Knock-In	60.0%

Allocation Strategy

2 Key Strategies

- **Income Focused:** Income is valuable now as high rates and uncertainty favour steady, lower-risk returns over growth.
- **Returns Accelerator:** Boosts returns through top equity exposure and added income - ideal for yield and growth seekers.

Returns Accelerator		Income Focused	
Nomura Global Shariah Semiconductor Equity By Nomura Asset Mgt MY		AmIncome & Growth By AmFunds Management Bhd	
3Y Ann Returns +74.3%	Fund Size RM 287 mn	3Y Ann Returns +10.9%	Fund Size RM 32.7 mn
3-year Volatility 29.8%	Risk Rating 5-Aggressive	3-year Volatility 7.0%	Risk Rating 5-Aggressive
Key Fund Features		Key Fund Features	
Structural Scarcity Advanced chips are scarce, strategic assets with pricing power in upcycles.		Cash-Flow First Combines dividend-paying equities and income assets for steady cash flow.	
Shariah Edge Shariah screening filters out highly levered names, resulting in cleaner balance sheets in a cyclical industry.		Downside Aware Actively manages drawdowns through diversified income and defensive positioning.	
AI Enablers Focus on AI enablers (logic, memory, equipment), not just headline AI-hype, capturing broader value creation.		Cycle-Buffer Income stream absorbs volatility during equity drawdowns, reducing forced selling at market lows.	

Bond Strategy

IG Bond Strategy

Financial Sector Emirates NDB Bank PJSC 5.913% 18 June 2035		Financial Sector Goldman Sachs Group Inc 5.15% 22 May 2045	
Ranking Sr. Unsecured	Coupon (%) 5.91%	Issuer Subordinated	Coupon (%) 5.15%
Next Coupon 18 Jun 2026	Maturity In 9.31 years	Next Coupon 22 May 2026	Maturity In 19.24 years
Currency AUD	Moody Rating A1	Currency USD	Moody Rating Baa2
Credit Outlook		Credit Outlook	
Positive Strong domestic franchise, high capitalisation, and support from the UAE operating environment underpin Emirates NBD's solid credit profile.		Positive Goldman Sachs benefits from a strong global investment banking franchise, robust liquidity, and disciplined risk management supporting its credit strength.	
Negative Credit quality remains exposed to regional economic cycles, sovereign linkages, and concentration risks tied to the Gulf economy.		Negative Earnings volatility from capital markets activities and high regulatory capital intensity constrain credit stability during market downturns.	

Source: Bloomberg (27 February 2026)

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