

Weekly Wealth Digest

05 June 2026

Your Edge. Our Insights.

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Weekly Focus

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Why Investors Hate Good Advice

The best advice often feels wrong because it challenges what we believe.

Your 30-Second Briefing

- Most investors claim they want objective advice. In reality, they often seek advice that confirms decisions they have already made.
- The behaviour becomes particularly dangerous during bull markets, when rising prices reward conviction regardless of whether the underlying thesis is correct.
- The market has a habit of turning agreement into comfort, comfort into conviction and conviction into risk.

The Long-Read

Most investors do not pay for advice. They pay for reassurance. Think about the last time you were excited about an investment.

Perhaps it was Ai. Perhaps it was bitcoin. Or perhaps it was a stock that had doubled in six months.

What did you do next? You probably didn't search for reasons you might be wrong. You searched for reasons you were right.

Human beings are remarkably good at gathering evidence. We are even better at gathering evidence that supports conclusions that we have already reached.

The market calls this research. Psychologist calls it confirmation bias.

When Prices Become Proof

One of the most dangerous assumptions in investing is believing that rising prices validate a thesis. Sometimes they do. Often they simply validate demand.

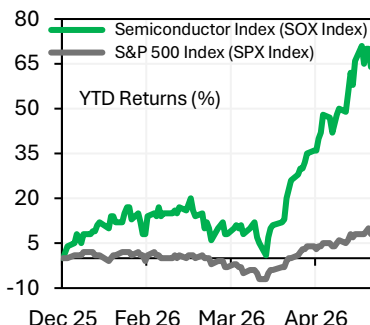
A stock can rise because a company is improving. A stock can also rise because more people believe it will continue rising. That distinction matters.

During strong bull markets, investors begin using price action as evidence. Every rally becomes proof that the thesis is correct. Every new high becomes validation. The market starts rewarding belief itself. This is where mistakes begin.

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Cognitive Bias Has Led To Some Stocks Running High In 2026



Source: Bloomberg

The Market Rewards Delusion First

One of the cruel realities of investing is that bad ideas often work before they fail.

History is filled with examples:

- The dot-com bubble
- The housing bubble
- The SPAC boom
- Meme stocks

In each case, early sceptics looked foolish. Investors who questioned valuations were accused of not understanding the future. Investors who embraced the narrative we rewarded with spectacular gains.

For a period of time the market validated the delusion. This is what makes bubbles so powerful.

If irrationality was immediately punished, nobody would participate. The danger is that markets often rewards irrational behaviour before eventually correcting it.

The Real Risk Isn't Being Wrong

Most investors think their biggest risk is being wrong. It isn't.

The biggest risk is being wrong and making money. Because that is when bad habits become reinforced.

A lucky decision looks identical to a good decision in the short-term. The market rarely reveals the difference immediately.

Overtime, investors begin confusing outcomes with skill. Rising prices become proof of intelligence. Dissenting views become easier to ignore.

The feedback loop strengthens itself. The more validation investors receive, the less willing they become to challenge their own assumptions.

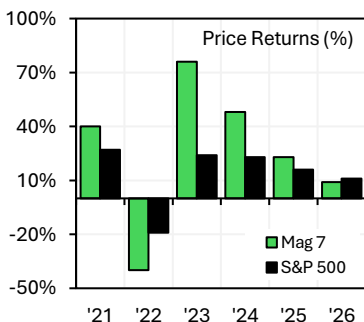
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Why Good Advice Feels Bad

The best investment advice is rarely exciting. It tells you to diversify when concentration is working.

Return Concentration Have Imprinted A False Sense of Confidence Among Investors



Source: JP Morgan

It tells you to take profits when momentum feels unstoppable.

It tells you to question assumptions when everyone is becoming more confident.

In other words, good advice often arrives at exactly the moment investors are least willing to listen.

That is why it feels uncomfortable.

And that is precisely why it is valuable.

The Bottom Line

Investors often believe their greatest enemy is volatility. More often its validation.

Because validation feels good, validation confirms our beliefs.

Validation tells us we were right all along.

The market can sustain optimism. It can sustain speculation. It can even sustain delusion for surprisingly long periods. What it cannot sustain forever is a gap between expectation and reality.

Eventually fundamentals matter. Eventually evidence matters. Eventually reality gets a vote.

The challenge is that by the time investors start listening again, the good advice usually sounds obvious.

Strategy In Focus

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The Puzzle This Week

Markets reward what's working, until they don't. As prices rise, momentum starts to feel like proof. The risk isn't being wrong, but being right for the wrong reason, so the focus shifts to diversifying returns and not relying on a single narrative.

Structured Investments

Autocallable: *GEV & ANET*



When strong narratives drive price action, volatility rises alongside expectations. Structures on GE Vernova and Arista Networks convert that into defined income (5–14%), allowing investors to benefit from momentum without needing further upside to justify positioning.

Compounder Plus Growth Strategy

RHB Asian Income & Maybank Asia ex-Japan Equity-i



High conviction in a single theme can work, until it doesn't. RHB Asian Income provides steady cash flow to smooth outcomes, while Maybank Asia ex-Japan Equity-i captures rotation into less crowded markets. Together, they balance income with participation, reducing reliance on one dominant idea.

Fixed Income

Investment-Grade Bonds: *HSBC & Emirates*



When markets start validating themselves, stable income becomes more valuable. HSBC Tier 2 (4.76%) and Emirates NBD (4.75%) offer predictable returns backed by strong banks, helping anchor portfolios when sentiment shifts and pricing adjusts.

The Macro View

05 June 2026

Calmer Yields, Weaker FX

Markets are steadier but still cautious. Softer yields offer support, but FX weakness and political/geopolitical uncertainty are keeping confidence shallow and positioning selective.

MACRO OVERVIEW

US jobless claims edged higher to 225k, signalling gradual cooling in the labour market, though still consistent with a stable employment backdrop ahead of the NFP print.

This keeps the Fed data-dependent rather than pivoting.

In Malaysia, attention has shifted to state elections (Negeri Sembilan, Johor), which could act as a proxy for voter sentiment and influence foreign investor positioning and policy timing expectations.

FX OVERVIEW

The USD was broadly steady, with majors trading in tight ranges as markets await clearer signals from US data and geopolitics.

However, regional FX underperformed, with the ringgit weakening past 4.00 alongside peers, reflecting election uncertainty, tariff risks, and softer foreign flows.

JPY remains pinned near intervention levels, reinforcing how FX markets are currently being driven by policy risk and positioning rather than fundamentals.

The Macro View

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COMMODITY OVERVIEW

Oil prices fell around 3%, reversing earlier gains on renewed ceasefire optimism.

However, conflicting signals from negotiations (e.g., Hezbollah rejection, stalled US-Iran talks) mean markets are still pricing persistent geopolitical risk, keeping oil range-bound around USD90–100.

Gold edged higher as a hedge against uncertainty, while CPO declined on weaker demand and profit-taking, highlighting softer near-term momentum across commodities.

FIXED INCOME OVERVIEW

Global bonds rallied, with UST yields falling in a bull steepening move, driven by softer oil and improving inflation expectations.

Locally, the curve was more mixed: longer maturities held steady with institutional demand, but the front-end remained under pressure due to ringgit weakness and weak demand in the 3Y MGS auction, suggesting investors are cautious on near-term rate risk while still comfortable extending duration selectively.

Market Shakers

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When Conviction Gets Crowded

Markets are still being driven by conviction, but that conviction is starting to look less comfortable.

Recent headlines continue to point to a market leaning heavily into the AI-driven growth story. Government interest in taking stakes in the sector, alongside strong retail demand for high-profile IPOs like SpaceX, reinforces the view that the next leg of growth is firmly in place.

But early signs of strain are emerging. The sharp selloff in Broadcom shows how quickly sentiment can turn when expectations are missed, even within the same AI narrative. In crypto, Bitcoin's decline reflects a similar dynamic, confidence can fade quickly when positioning becomes crowded.

At the same time, the backdrop is becoming less supportive. Trade tensions are resurfacing through new tariff proposals, while growing resistance to AI infrastructure suggests scaling the story may not be as smooth as assumed. Even discussions around government involvement highlight that the sector carries both opportunity and risk.

Taken together, the news flow reflects a familiar pattern: markets are using price strength to validate the story, rather than testing it.

That approach works, until it doesn't. As positioning tightens, the gap between expectation and reality becomes more important, and adjustments tend to be sharp.

The takeaway for the week is balance.

Momentum is still intact, particularly in AI-linked areas, but the emerging cracks suggest that upside is becoming more selective, and downside more reactive.

Structured Strategy

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Structured Investments Ideas

Structured investments offer predefined, market-linked returns designed for targeted upside, protection, or yield.

AUTOCALLABLE		AUTOCALLABLE	
Yield Enhancement		Bullet	
GE Vernova Inc		Arista Networks	
Strike 100.0%	Knock-Out Barrier 103.0%	Strike 100.0%	Knock-Out Barrier 103.0%
Knock-In Barrier 71.3%	Coupon 14.0% p.a.	Knock-In Barrier 80.0%	Coupon 5.0%
Tenure 9 months	Currency MYR	Tenure 3 months	Currency MYR
Underlying Drivers		Underlying Drivers	
Bull Case ▲ Power demand from grid upgrades, renewables, and gas-turbine orders supports earnings recovery and stronger cash flow visibility.		Bull Case ▲ AI data-centre build-outs and cloud networking demand continue to support strong revenue growth and high margins.	
Bear Case ▼ Execution risk remains around margin improvement, while project timing and policy shifts can create earnings volatility.		Bear Case ▼ Valuation is rich, and any slowdown in hyperscaler spending or customer concentration risk could pressure the stock.	

Note: Indicative pricing. Please speak to an AmBank RM.

Source: AmBank Wealth Management (05 June 2026)

Fund Strategy

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Unit Trust Ideas

Unit trusts pool's investors funds to enter markets at more efficient average prices and benefitting from professional diversified management.

MOMENTUM		MOMENTUM	
RHB Asian Income By RHB Asset Management Sdn Bhd		Maybank Asia ex Japan Equity-i By Maybank Asset Mgt. Sdn Bhd	
3Y Ann. Returns +12.6% p.a.	Fund Size RM 1.55 bn	1Y. Returns +30.9% p.a.	Fund Size RM 411 mil
Volatility 13.2% p.a.	Risk Rating 3-Moderate	Volatility 35.1% p.a.	Risk Rating 4-Growth
Fund Pitch		Fund Pitch	
Steady Asian Income Designed to deliver stable payouts with growth potential from Asian markets.		Shariah Compliant Asia Core Provides broad Asia equity exposure under a shariah compliant framework.	
Multi-Asset Strategy Balance mix of Asian equities and income assets to overall volatility.		Tactical Asia Positioning Holds firms that maintain pricing power and margins even during slowdowns.	
Upside Potential Asia is highly favoured by global investors, leading to capital rotation into the region.		Designed For Long Term Asia Positions for structural growth, from middle class expansion to tech & infra buildout.	

Bond Strategy

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Fixed Income Ideas

Bonds generate stable income by lending to government's and corporates, earning regular interest payments.

Financial Sector		Financial Sector	
Investment Grade		Investment Grade	
HSBC Holdings PLC 4.762% 29/03/2033 Tier 2 Subnotes		Emirates NBD Bank PJSC 4.75% 09/02/2028	
Ranking Subordinated	Coupon 4.76%	Ranking Sr Unsecured	Coupon 4.75%
Next Coupon 29 Sep 26	Maturity In 6.8 years	Next Coupon 9 Aug 206	Maturity In 1.68 years
Moodys Rating Baa1	Currency USD	Moodys Rating A1	Currency AUD
Credit Outlook		Credit Outlook	
Positive ▲ Globally diversified franchise, strong capital and liquidity buffers, and systemic importance support HSBC's overall credit strength.		Positive ▲ Strong UAE domestic franchise, solid asset quality, and supportive operating environment underpin credit stability.	
Negative ▼ Subordinated Tier 2 structure increases loss-absorption risk, while exposure to global cycles and geopolitics adds earnings volatility.		Negative ▼ Credit remains sensitive to regional economic cycles and sovereign linkage, particularly oil-driven macro conditions.	

Note: Indicative pricing. Please speak to an AmBank RM.

Source: Global Treasury Markets, AmBank WM, Bloomberg (05 June 26)

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