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Founder and Chief Strategist (since 1994)

Veteran investment guru with over 43 years' investment experience. Named 'Warren Buffett of Asia' (2017); 'Second Board King of Malaysia' (1998); 'Southeast Asia's Small-Cap King' (2006).

“Do you see a global recession happening moving forward due to Covid-19 that seems to have staged a comeback amid a low growth, low interest rate environment?”

We are already at the brink of a global recession. It is very possible that we fall deeper into a recessionary state by the end of 1H2020 if there are negative growth for two consecutive quarters. I believe that the range of economic and monetary tools are available and can be used by global central banks and governments and together will mitigate the economic impacts of Covid-19. Furthermore, these would allow the markets to snap back and bounce back faster when the outbreak is under control.

“Last week, you shared briefly on sectors you see performing positively. To zoom in further, could you tell us more that you favour under such a backdrop?”

We like sectors that have long-term growth. The current market crisis provides us with an opportunity to buy companies in these sectors at a very attractive price.

Technology

- We continue to favour 5G and Internet of Things (IOT) innovation, Infrastructure as Service (IaaS), Software as Service (SaaS), fibre optic internet, solar, smart home appliances and high value-added industrial manufacturing. These technologies will become more widespread going forward.

Logistics

- Freight cost and shipping fees will be the first line to benefit from the resumption of global trade. We expect that strong logistics players with warehouse facilities to be able to capture supply chain orders from multinationals.

Renewable energy

- A long term bet, as we move towards a carbon lite world.

Rubber gloves

- The share prices soared to an unprecedented high ever since the Covid-19 pandemic. Investors should be mindful about buying them at reasonable price.

Oil & gas

- The market can be expected to return to a more normal state after OPEC + supply disagreement is resolved.

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