



Investment Newsletter

November 2021

“ **Omni Alpha:** ”
Profit From Disruptions

Why Omni Investment Services



“

By entrusting us with your investments via this **discretionary mandate offering**, you can relieve yourself from the day-to-day burden of managing your assets, allowing you to have more time for other meaningful pursuits.

”

“

Your investments will be **expertly and professionally managed** according to your specific investment goals and risk tolerance, whether investing in private, public or both. Besides, your investment will be supported with timely updates and meaningful reporting to make sure you are well informed.

”

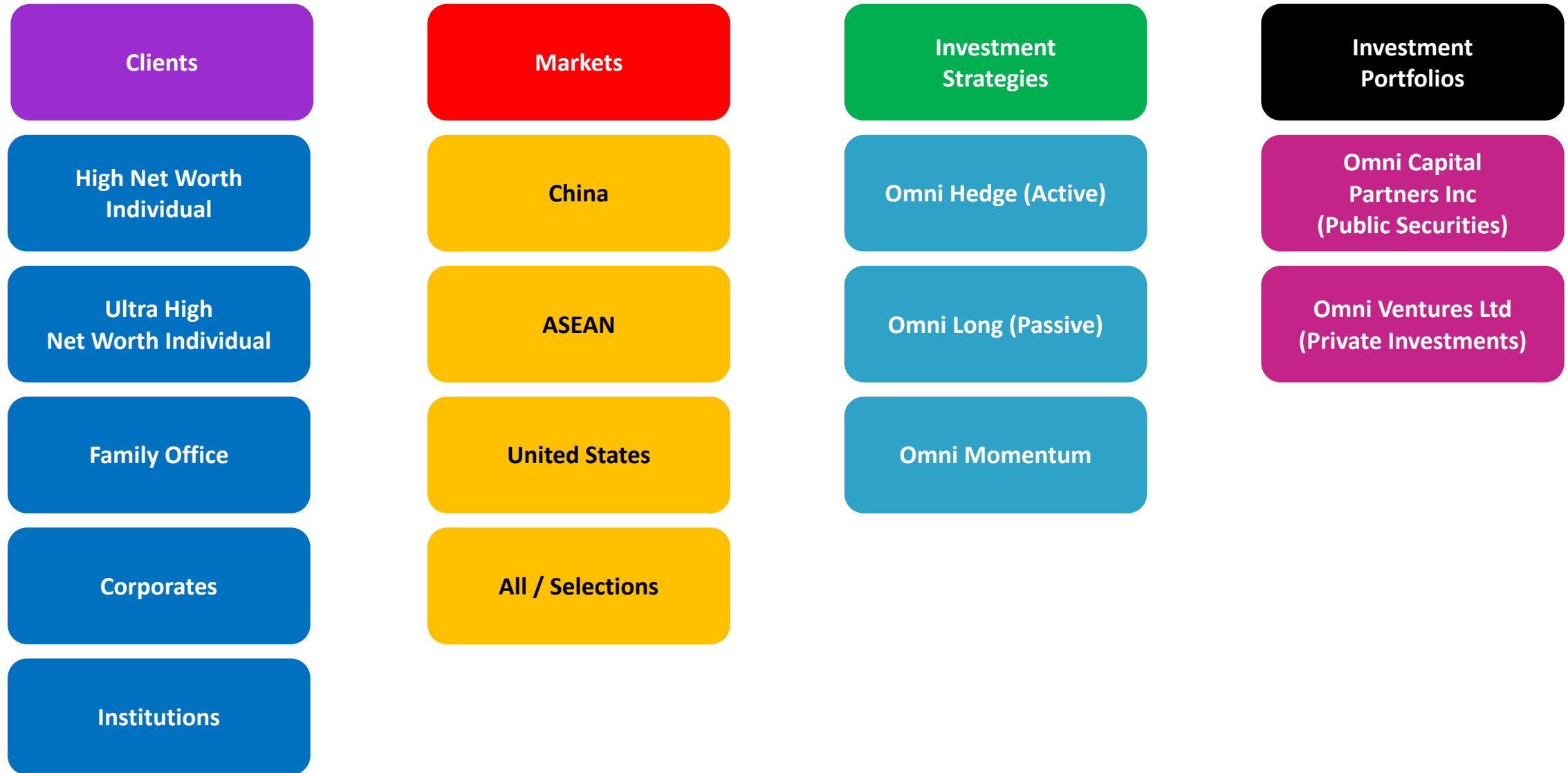
Experienced with
Impressive Track
Records

Different Approach,
Perspective and
Ideas

Global Investing
with focus on
China, ASEAN, and
United States

Thematic Investing
with focus on
Disruptive
Technology

Omni Investment Advisory



Omni Investment Focus



Asset Classes

Public Securities:

- Public Equity
- Digital Assets
- Forex
- Commodities

Private Investments:

- Startups
- Venture Capital
- Private Equity
- Direct Investments

Omni Hedge Overview



Omni Hedge®

Principal Objective

- This strategy seeks to maximize long-term returns and protection of capital.
- Invest primarily in public securities in China (at least 50% of its assets), ASEAN and United States companies:
 - That will ride the emerging global trends
 - That have strong management team and resources
 - That have explosive growth potential
 - That will use transformative technologies for high impact
 - That have superior business and earnings model
- Trading in markets with volatility and liquidity as they give opportunities.

Inception Date

- 1 July 2020

Current Number of Holdings

- 20

Team

- Scott (Strategy / Asset Allocation)
- Derrick (Macro / Theme)
- Analysts (Micro / Sector)

Omni Capital Partners

Hedge Strategy

Hedging strategy involves taking an offsetting position for the related assets through versatile investment options.

Purpose

To minimise the risk of adverse movements in prices and generate active positive returns.

Characteristics

- Define success in absolute terms
- Active adjustment on correlation to market movements
- Volatility is relevant
- Performance depends on generation of alpha
- Versatile investment options to optimize the performance

Features

- Global Macro & Micro
- Directional
- Arbitrage
- Long / Short
- Event Driven
- Momentum Investing

Omni Hedge Portfolio



	Industry Breakdown
Banks	13%
Electronic Equipment, Instruments & Components	12%
Pharmaceuticals	11%
Technology Hardware, Storage & Peripherals	7%
Insurance	7%
Internet & Direct Marketing Retail	6%
Commercial Services & Supplies	5%
Beverages	4%
Real Estate Management & Development	4%
Interactive Media & Services	4%
Food Products	4%
Metals & Mining	3%
Healthcare Equipment & Supplies	3%
Capital Markets	3%
Semiconductors & Semiconductor Equipment	3%
Household Durables	3%
Cash	6%

Note: Information as of 1 November 2021

	Sector Breakdown
Financials	23%
Information Technology	22%
Healthcare	14%
Consumer Discretionary	9%
Consumer Staples	9%
Industrials	5%
Real Estate	4%
Communication Services	4%
Materials	3%
Cash	6%

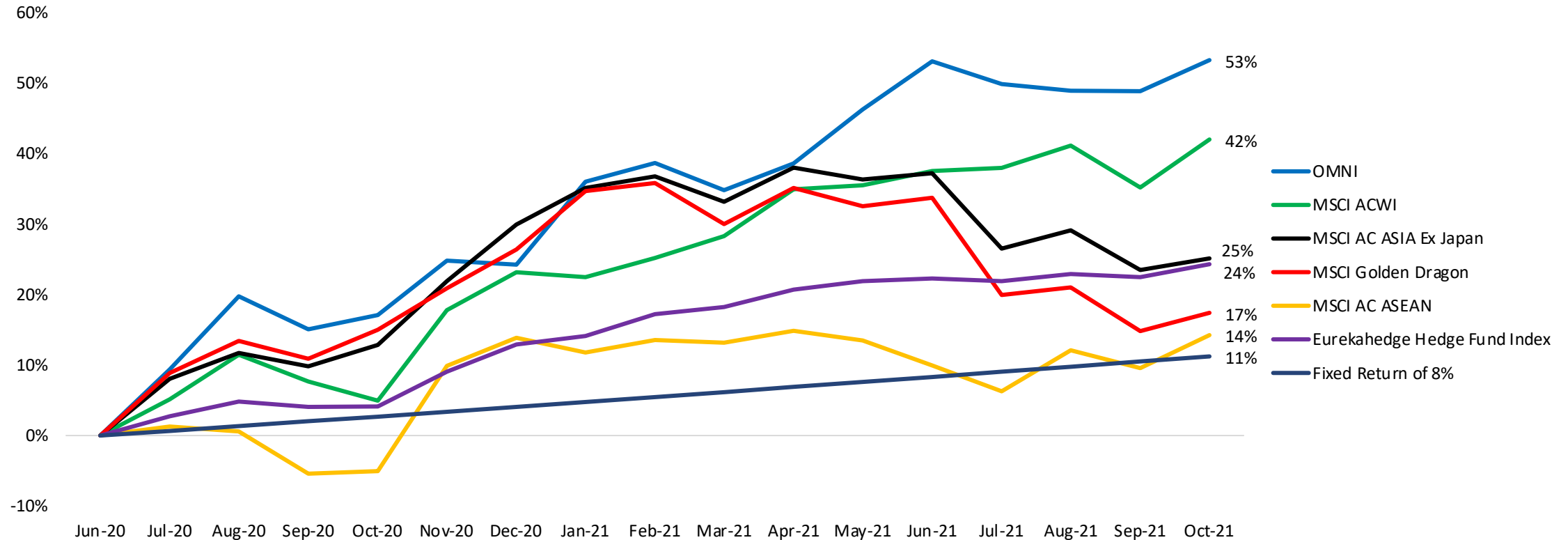
	Market Breakdown
China	61%
ASEAN	19%
United States	14%
Other	-
Cash	6%

	Market Capitalization
Mega (USD 100 Billion +)	20%
Large (USD 10 to USD 100 Billion)	44%
Medium (USD 2 to USD 10 Billion)	22%
Small (USD 0.3 to USD 2 Billion)	7%
Micro (USD 50 to USD 300 Million)	-
Cash	6%

Omni Hedge Performance



Performance of Omni's Model Portfolio (Hedge Fund Strategy)



Note:

MSCI ACWI captures large and mid cap representation across 23 Developed Markets and 27 Emerging Markets countries.

MSCI AC ASIA Ex Japan captures large and mid cap representation across 2 of 3 Developed Markets countries (excluding Japan) and 9 Emerging Markets countries in Asia.

MSCI Golden Dragon captures the equity market performance of large and mid-cap China securities (H shares, B shares, Red-Chips and P-Chips) as well as securities classified in Hong Kong and Taiwan.

MSCI AC ASEAN captures large and mid cap representation across 4 Emerging Markets countries and 1 Developed Market country.

The Eureka Hedge Hedge Fund Index is Eureka Hedge's flagship equally weighted index of 1710 constituent funds. The index is designed to provide a broad measure of the performance all underlying hedge fund managers irrespective of regional mandate.

Omni Hedge Performance



	1 Month	3 Months	6 Months	YTD	Since Inception
OMNI Hedge	3%	2%	11%	23%	53%
MSCI ACWI	5%	3%	5%	15%	42%
MSCI AC ASIA Ex Japan	1%	-1%	-9%	-4%	25%
MSCI Golden Dragon	2%	-2%	-13%	-7%	17%
MSCI AC ASEAN	4%	7%	-1%	0%	14%
Eurekahedge Hedge Fund Index	1%	2%	3%	10%	24%
Fixed Return of 8%	1%	2%	4%	7%	11%

Note:

MSCI ACWI captures large and mid cap representation across 23 Developed Markets and 27 Emerging Markets countries.

MSCI AC ASIA Ex Japan captures large and mid cap representation across 2 of 3 Developed Markets countries (excluding Japan) and 9 Emerging Markets countries in Asia.

MSCI Golden Dragon captures the equity market performance of large and mid-cap China securities (H shares, B shares, Red-Chips and P-Chips) as well as securities classified in Hong Kong and Taiwan.

MSCI AC ASEAN captures large and mid cap representation across 4 Emerging Markets countries and 1 Developed Market country.

The Eurekahedge Hedge Fund Index is Eurekahedge's flagship equally weighted index of 1710 constituent funds. The index is designed to provide a broad measure of the performance all underlying hedge fund managers irrespective of regional mandate.

Omni Long Overview



Omni Long®

Investment Objective

- This strategy seeks long-term growth of capital.
- Invest primarily in public securities in China (at least 50% of its assets), ASEAN and United States companies:
 - That will ride the emerging global trends
 - That have strong management team and resources
 - That have explosive growth potential
 - That will use transformative technologies for high impact
 - That have superior business and earnings model

Inception Date

- 1 July 2020

Current Number of Holdings

- 24

Team

- Scott (Strategy / Asset Allocation)
- Derrick (Macro / Theme)
- Analysts (Micro / Sector)

Long Only Strategy

This passive strategy involves long-term holding of investments which we believe will ride through all volatilities to produce superior returns.

Purpose

Buy growth company regardless of market timing.

Characteristics

- Define success in relative terms
- No adjustment on correlation to market movements
- Volatility is irrelevant
- Performance depends on growth

Features

- Global Macro & Micro
- Long Positions Only
- Value Investing
- Alpha Investing
- Absolute Return

Omni Long Portfolio



Industry Breakdown	
Interactive Media & Services	13%
Software	12%
Banks	9%
Machinery	7%
Electronic Equipment, Instruments & Components	6%
Semiconductors & Semiconductor Equipment	6%
Internet & Direct Marketing Retail	4%
Health Care Technology	4%
Life Sciences Tools & Services	4%
Entertainment	4%
Technology Hardware, Storage & Peripherals	4%
IT Services	3%
Healthcare Equipment & Supplies	3%
Real Estate Management & Development	3%
Household Durables	3%
Biotechnology	3%
Cash	12%

Note: Information as of 1 November 2021

Sector Breakdown	
Information Technology	32%
Communication Services	16%
Healthcare	13%
Financials	9%
Consumer Discretionary	7%
Industrials	7%
Real Estate	3%
Cash	12%

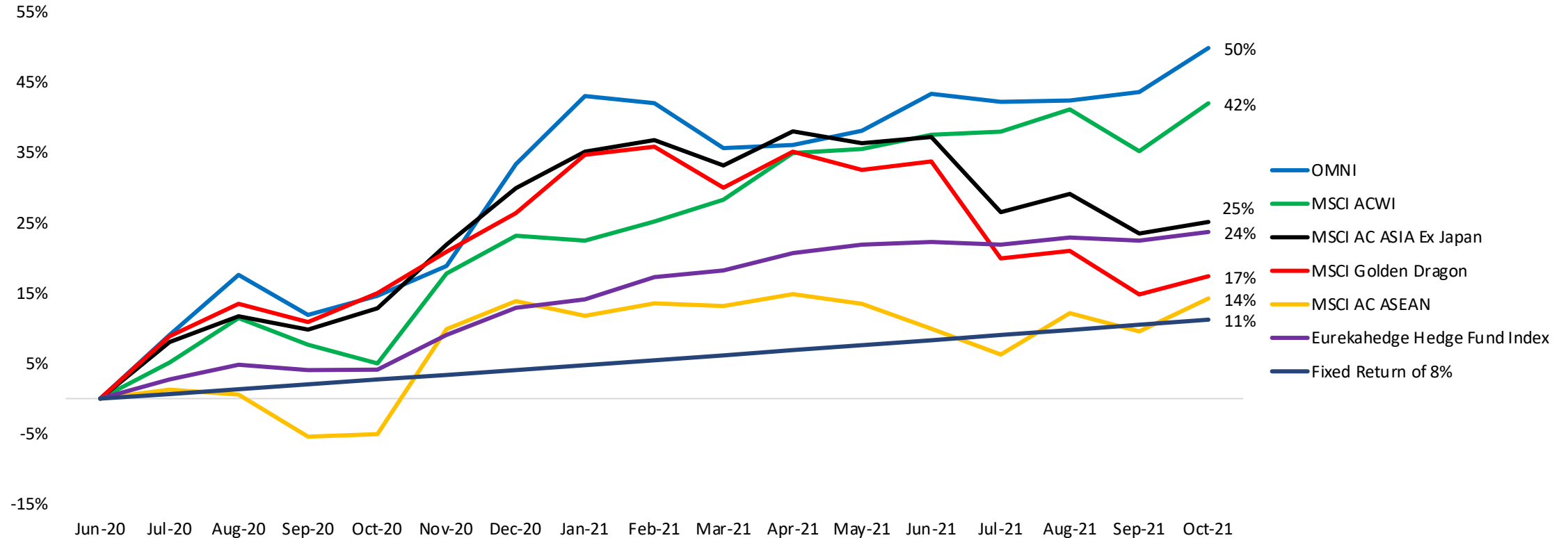
Market Breakdown	
China	44%
ASEAN	22%
United States	22%
Other	-
Cash	13%

Market Capitalization	
Mega (USD 100 Billion +)	18%
Large (USD 10 to USD 100 Billion)	32%
Medium (USD 2 to USD 10 Billion)	18%
Small (USD 0.3 to USD 2 Billion)	12%
Micro (USD 50 to USD 300 Million)	7%
Cash	12%

Omni Long Performance



Performance of Omni's Model Portfolio (Long Only Strategy)



Note:

MSCI ACWI captures large and mid cap representation across 23 Developed Markets and 27 Emerging Markets countries.

MSCI AC ASIA Ex Japan captures large and mid cap representation across 2 of 3 Developed Markets countries (excluding Japan) and 9 Emerging Markets countries in Asia.

MSCI Golden Dragon captures the equity market performance of large and mid-cap China securities (H shares, B shares, Red-Chips and P-Chips) as well as securities classified in Hong Kong and Taiwan.

MSCI AC ASEAN captures large and mid cap representation across 4 Emerging Markets countries and 1 Developed Market country.

The Eureka Hedge Fund Index is Eureka Hedge's flagship equally weighted index of 1710 constituent funds. The index is designed to provide a broad measure of the performance all underlying hedge fund managers irrespective of regional mandate.

Omni Long Performance



	1 Month	3 Months	6 Months	YTD	Since Inception
OMNI Long	4%	5%	10%	12%	50%
MSCI ACWI	5%	3%	5%	15%	42%
MSCI AC ASIA Ex Japan	1%	-1%	-9%	-4%	25%
MSCI Golden Dragon	2%	-2%	-13%	-7%	17%
MSCI AC ASEAN	4%	7%	-1%	0%	14%
Eurekahedge Hedge Fund Index	1%	2%	3%	10%	24%
Fixed Return of 8%	1%	2%	4%	7%	11%

Note:

MSCI ACWI captures large and mid cap representation across 23 Developed Markets and 27 Emerging Markets countries.

MSCI AC ASIA Ex Japan captures large and mid cap representation across 2 of 3 Developed Markets countries (excluding Japan) and 9 Emerging Markets countries in Asia.

MSCI Golden Dragon captures the equity market performance of large and mid-cap China securities (H shares, B shares, Red-Chips and P-Chips) as well as securities classified in Hong Kong and Taiwan.

MSCI AC ASEAN captures large and mid cap representation across 4 Emerging Markets countries and 1 Developed Market country.

The Eurekahedge Hedge Fund Index is Eurekahedge's flagship equally weighted index of 1710 constituent funds. The index is designed to provide a broad measure of the performance all underlying hedge fund managers irrespective of regional mandate.

Omni Momentum Overview



Omni Momentum®

Investment Objective

- This strategy seeks maximum returns and protection of capital.
- Invest in global public securities.
- Trading in markets with volatility and liquidity as they give opportunities.

Inception Date

- 1 July 2021

Current Number of Holdings

- 12

Team

- Scott (Strategy / Asset Allocation)
- Derrick (Macro / Theme)
- Analysts (Micro / Sector)

Momentum Strategy

The key of momentum investing is to know when to enter into a position, how long to hold it for, and when to exit. We can also react to short-term, news-driven spikes or selloffs.

Purpose

To minimise the risk of adverse movements in prices and to work with volatility by finding buying opportunities in short-term uptrends and then sell when the securities start to lose momentum.

Characteristics

- Define success in absolute terms
- Active adjustment on correlation to market movements
- Volatility is key
- Performance depends on generation of alpha
- Versatile investment options to optimize the performance

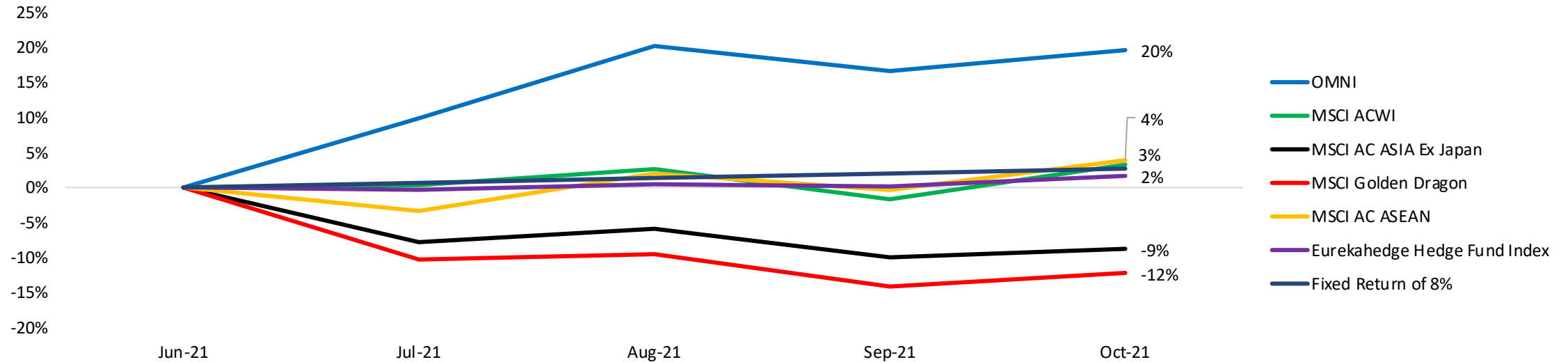
Features

- Directional
- Arbitrage
- Long / Short
- Event Driven

Omni Momentum Portfolio



Performance of Omni's Model Portfolio (Momentum Strategy)



	1 Month	3 Months	Since Inception
OMNI Momentum	3%	9%	20%
MSCI ACWI	5%	3%	3%
MSCI AC ASIA Ex Japan	1%	-1%	-9%
MSCI Golden Dragon	2%	-2%	-12%
MSCI AC ASEAN	4%	7%	4%
Eurekahedge Hedge Fund Index	1%	2%	2%
Fixed Return of 8%	1%	2%	3%

Asset Class Breakdown	
Equity	18%
Digital Asset	6%
Commodity	67%
Currency	-
Cash	9%

Financials Type	
ETF	18%
Future	67%
Option	-
Other	6%
Cash	9%

Note: Information as of 1 November 2021

Investment Review and Outlook



- According to Global Times, in response to such complicated and widespread outbreaks, local governments have adopted strict measures to curb the spread, with "zero-transmission policy". On the other hand, the two main reasons the WHO's Kluge gave for Europe's soaring case numbers were insufficient vaccination coverage and the relaxation of public health and social measures.
- US Fed is grappling with the danger of higher prices and lower growth. US GDP increased at just a 2% annualized pace in the third quarter, the slowest since the recovery began off a recession that ended in April 2020. Yet, annual inflation rose at its fastest pace in more than 30 years during September despite a decline in personal income.
- Government bond yield curves have been flattening all over the world as central banks are expected to move toward ending the era of loose-monetary policy put in place at the beginning of the pandemic. Expectations of sooner-than-expected rate increases have pushed short-term yields higher in recent days. Longer-term ones have fallen in part due to bets that a potentially more hawkish rate policy will successfully tamp down inflation. The latest dot plot highlights expectations that we could see rates really pick up in 2023. However, there are many that expect to see rates rise next year in 2022.

Investment Review and Outlook



- According to Caixin, China is accelerating long-discussed plans to roll out a nationwide property tax. Experts say such a tax could be tested by the end of this year in some first and second-tier cities that have hot real estate markets, most likely Shenzhen and the southern island province Hainan.
- There has been much debate about whether China should legislate on levying on private residential properties. Proponents say the tax will prevent housing bubbles from getting perilously larger, while opponents caution a property tax will chill the market and significantly shortcut China's economic growth.
- Nevertheless, the central government needs long-term measures to regulate the real estate market. A property tax, which would combine legal and economic measures, could be a good long-term tool with multiple functions such as complementing the local fiscal and taxation systems, improving government and national governance as well as adjusting income distribution for “Common Prosperity”.
- According to China’s central bank, real estate accounts for about 60% of urban household assets, compared to 20.4% allocated to financial assets, including stocks and bonds. In contrast, American households hold more than 40% of their wealth in financial assets. Moreover, the development of China's capital market has begun to take shape, and the conditions for residents to allocate financial assets are basically ready. The reform and opening up of the capital market is still advancing; the structural transformation, innovation and upgrading of the real economy have overall increased the demand for capital.

Investment Review and Outlook



I. China Network Economy Index.

In 2020, China's **innovation environment index** was 266.3, an increase of 6.3% over the previous year. The five evaluation index indexes in this field increased four and decreased one. Among them, the index of the number of people with college degree or above in the labor force, the index of the proportion of science and engineering graduates in the school-age population, and the index of the proportion of enterprises enjoying tax exemption and deduction all achieved double-digit growth, with growth rates of 14.3%, 13.1% and 12.4% respectively; per capita GDP index increased by 2.2%; the proportion index of science and technology allocation in financial allocation decreased by 8.4%.

II. China Economic Vitality Index.

In 2020, the **innovation investment index** was 209.7, an increase of 5.4% over the previous year. The six evaluation indexes in this field have increased in varying degrees. Among them, the full-time equivalent index of R&D personnel per 10,000 people and the proportion of R&D funds in GDP have increased rapidly, with the growth rates of 8.9% and 7.2% respectively; the proportion index of enterprises with R&D institutions, the proportion index of enterprise R&D funds in main business income and the proportion index of enterprises carrying out industry university research cooperation increased by 6.9%, 4.9% and 3.8% respectively; the per capita funding index for basic researchers increased by 0.9%.

Investment Review and Outlook



III. China Innovation Driven Index.

In 2020, the **innovation output index** was 319.8, an increase of 8.5% over the previous year. The five evaluation index indexes in this field increased four and decreased one. Among them, the patent authorization index per 10,000 R&D personnel, the technology market turnover index per 10,000 scientific and technological activity personnel and the trademark ownership index per 100 enterprises all achieved double-digit growth, with growth rates of 24.6%, 19.1% and 17.6% respectively; The number of scientific and technological papers per 10,000 people increased by 0.1%; the proportion index of invention patent authorization in patent authorization decreased by 13.8%.

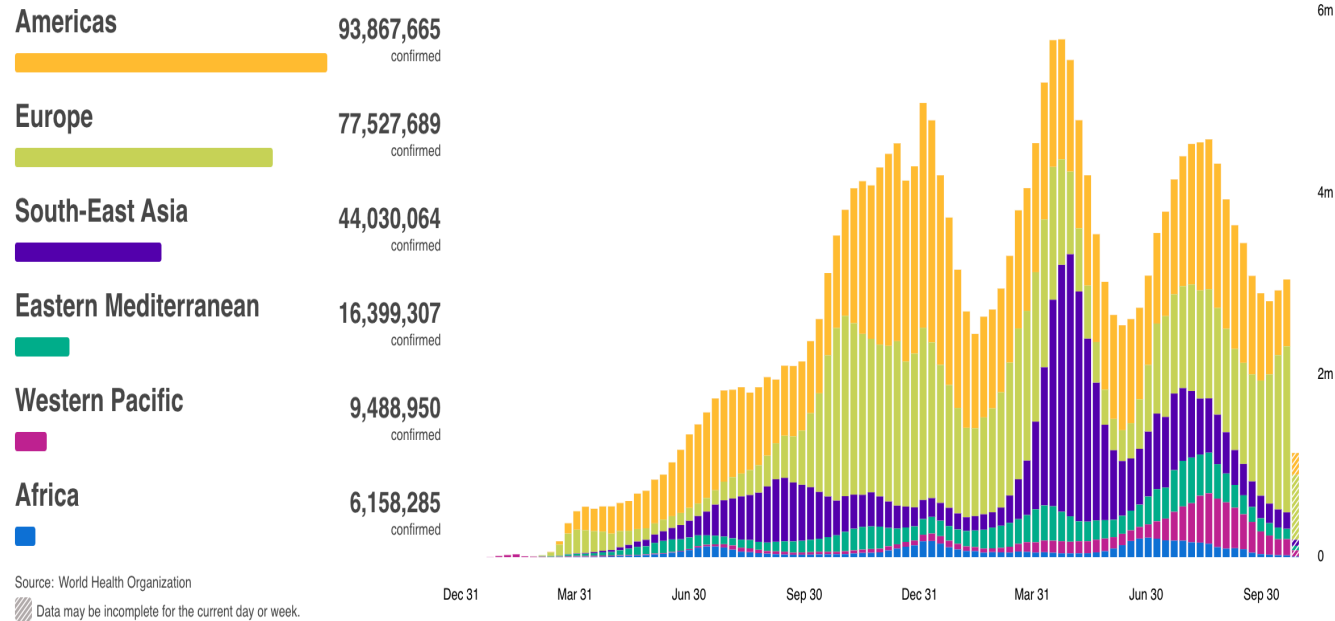
IV. China Knowledge Capability Index.

In 2020, the **innovation effectiveness index** was 174.7, an increase of 3.8% over the previous year. The five evaluation indexes in this field have increased in varying degrees. Among them, the proportion of new product sales revenue in main business revenue has increased rapidly, with a growth rate of 9.9%; the per capita main business income index and the proportion index of the export of high-tech products in the export of goods increased by 5.9% and 2.5% respectively; the contribution rate index of scientific and technological progress and energy consumption index per unit GDP increased by 0.8% and 0.2% respectively.

Living with COVID



Situation by WHO Region



According to WHO, globally, as of 31 October 2021, there have been 247,472,724 confirmed cases of COVID-19, including 5,012,337 deaths, reported to WHO. Also, a total of 6,893,866,617 vaccine doses have been administered.

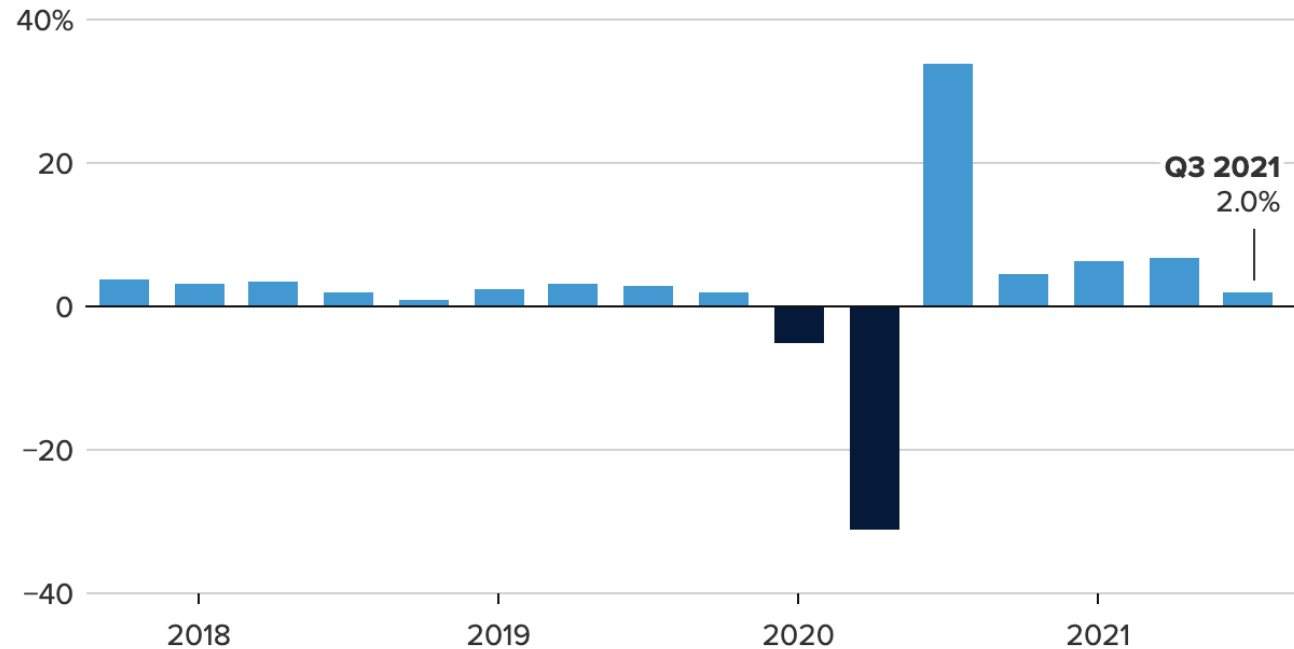
As shown in the Figure on the left, there is an increasing cases in Europe beginning end of October 2021.

Note: Information as of 1 November 2021

GDP Lowered Than Estimate in Third Quarter



U.S. gross domestic product, change from previous quarter



According to the Commerce Department, the US economy grew at a 2% rate in the third quarter, its slowest gain of the pandemic-era recovery, as supply chain issues and a marked deceleration in consumer spending stunted the expansion. Economists surveyed by Dow Jones had been looking for a 2.8% reading.

Source: Bureau of Economic Analysis. Data is seasonally adjusted at an annual rate.

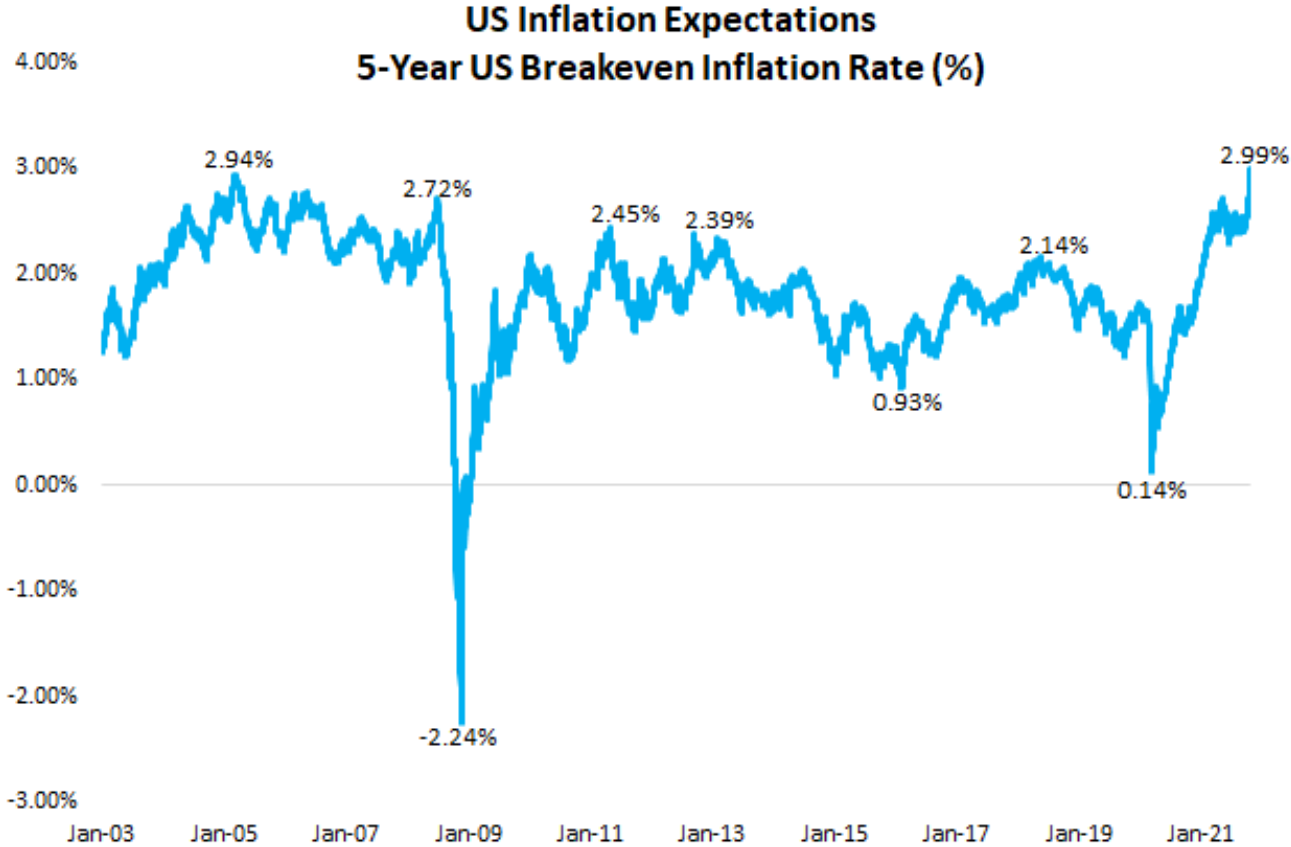


Source: Compound

Note: Information as of 27 October 2021



Inflation Expectation at Highest Level

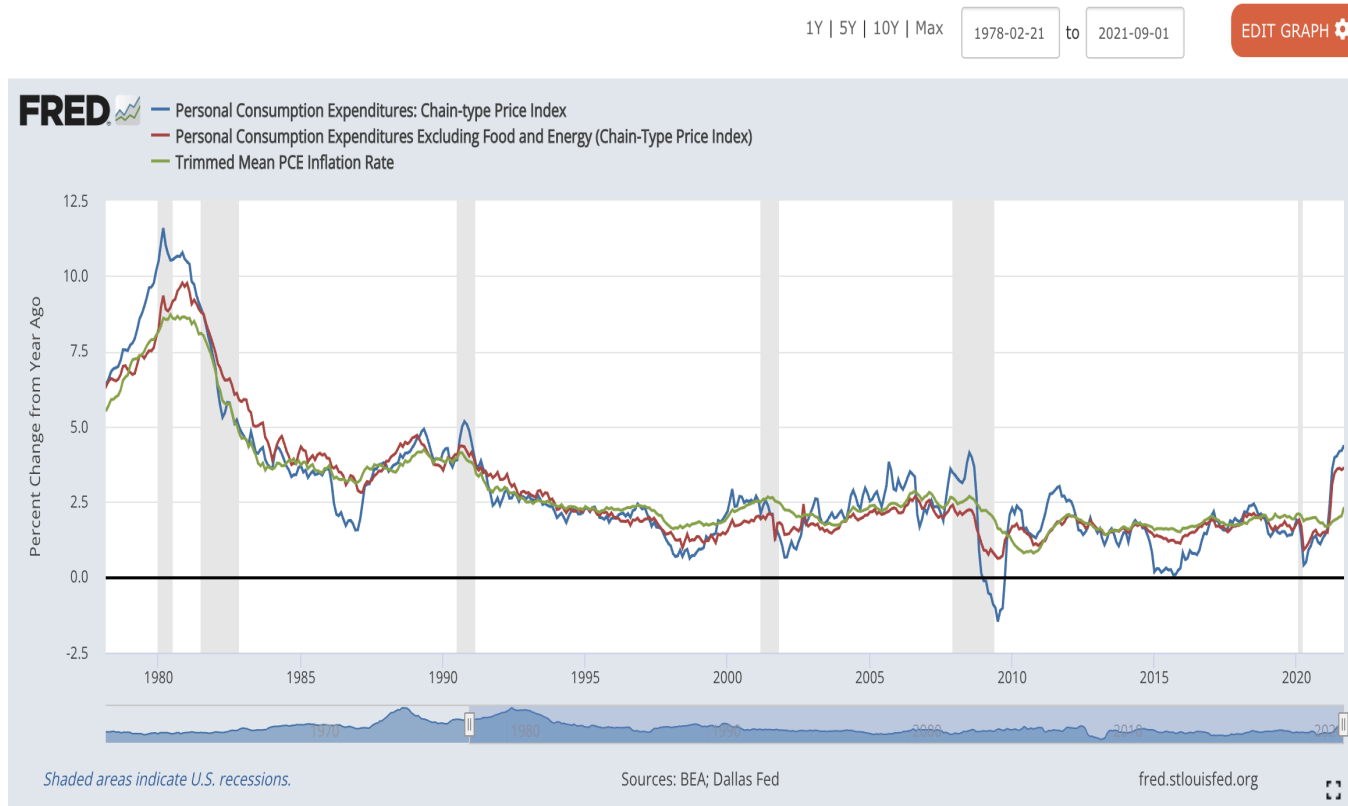


The 5 Year TIPS/Treasury Breakeven Rate is calculated as the difference between the 5 year treasury rate and the 5 year treasury inflation-indexed security rate. Market participants use this value as what they believe the expected inflation should be in the next 5 years, on average.

Market-based Inflation Expectations hit their highest level ever: 2.99%. If the inflation expectation continue to stay high, the outlook of inflation may not be “Transitory”, but more “Structural” and leading to Stagflation.

Source: Compound
Note: Information as of 27 October 2021

Highest Headline Inflation in 30 Years



Headline inflation, including food and energy, rose at a 4.4% annual rate in September, the fastest since 1991.

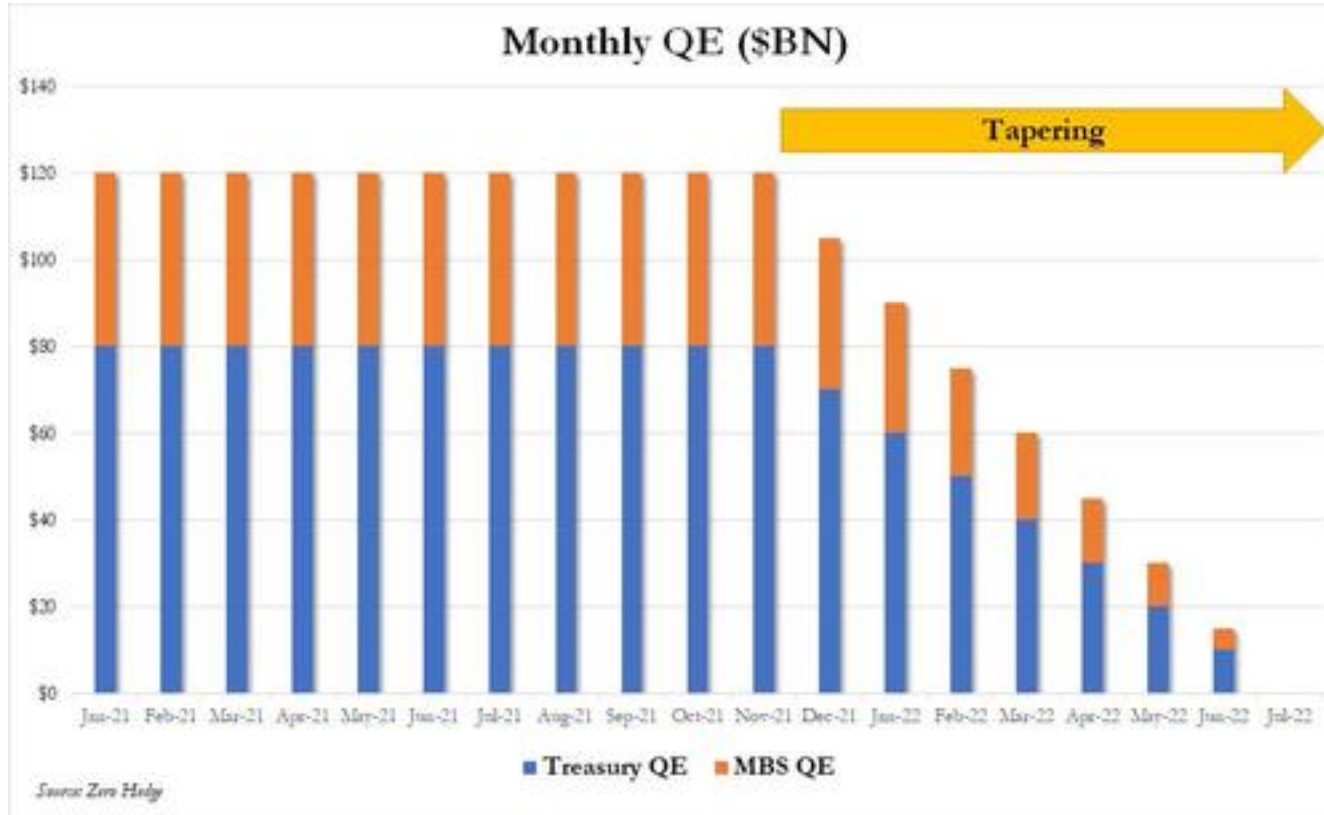
Core inflation, which is the Fed's preferred gauge, increased 3.6% for the 12 months, the same as in August but still also the fastest pace in 30 years.

The Trimmed Mean PCE inflation rate over the 12 months ending in September was 2.3%.

This could be new long-term inflation cycle that started from 2010, which will span for the next few decades.

Note: Information as of 29 October 2021

Here Comes The Taper

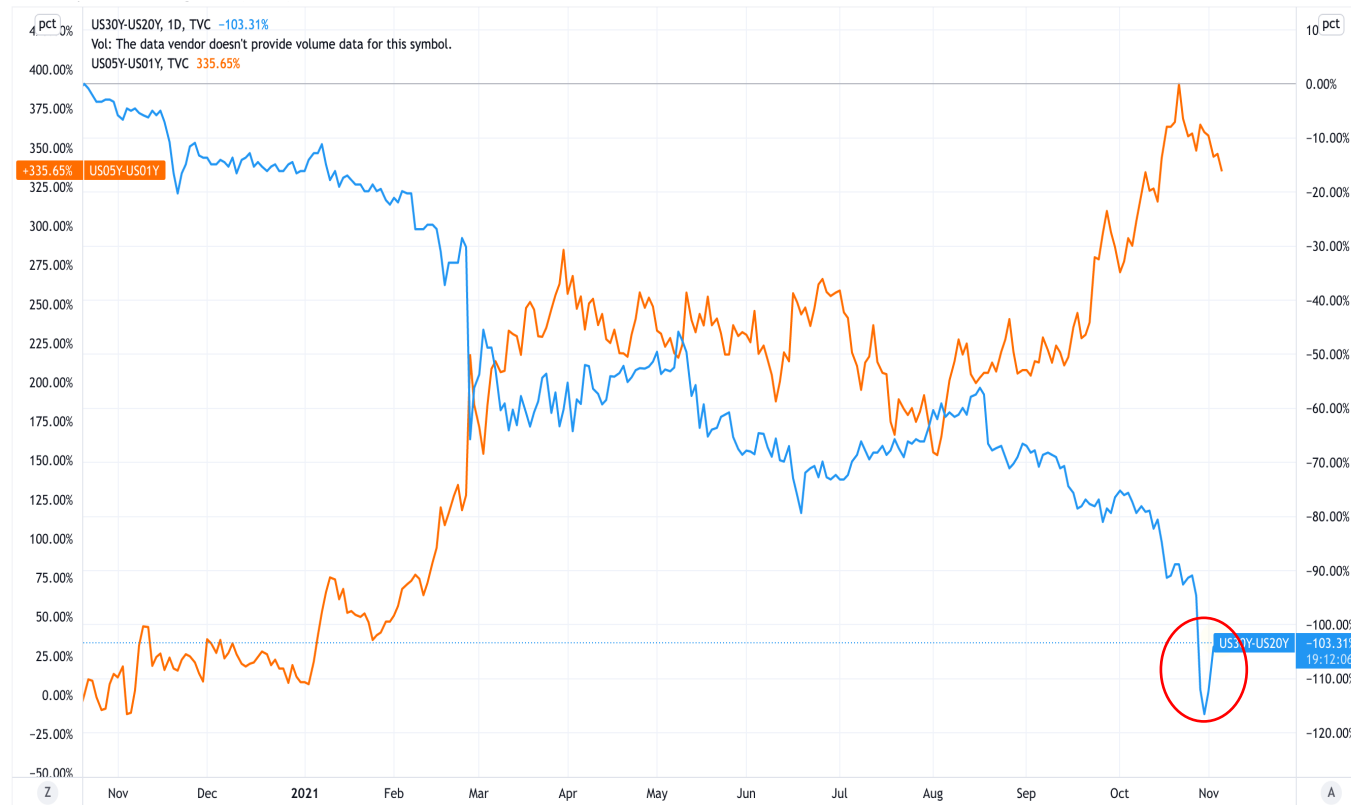


The existing USD 80 Billion/month of Treasury purchases, and USD 40 Billion/month of MBS purchases, are expected to be reduced by USD 10 Billion /month and USD 5 Billion/month.

This QE cycle will be ending in June 2022 and interest rate cycle could begin anytime now. The Fed keeps a very open view on the timing and quantum of rate hikes.

Note: Information as of 3 November 2021

Yield Curve Inverts In The Long Term

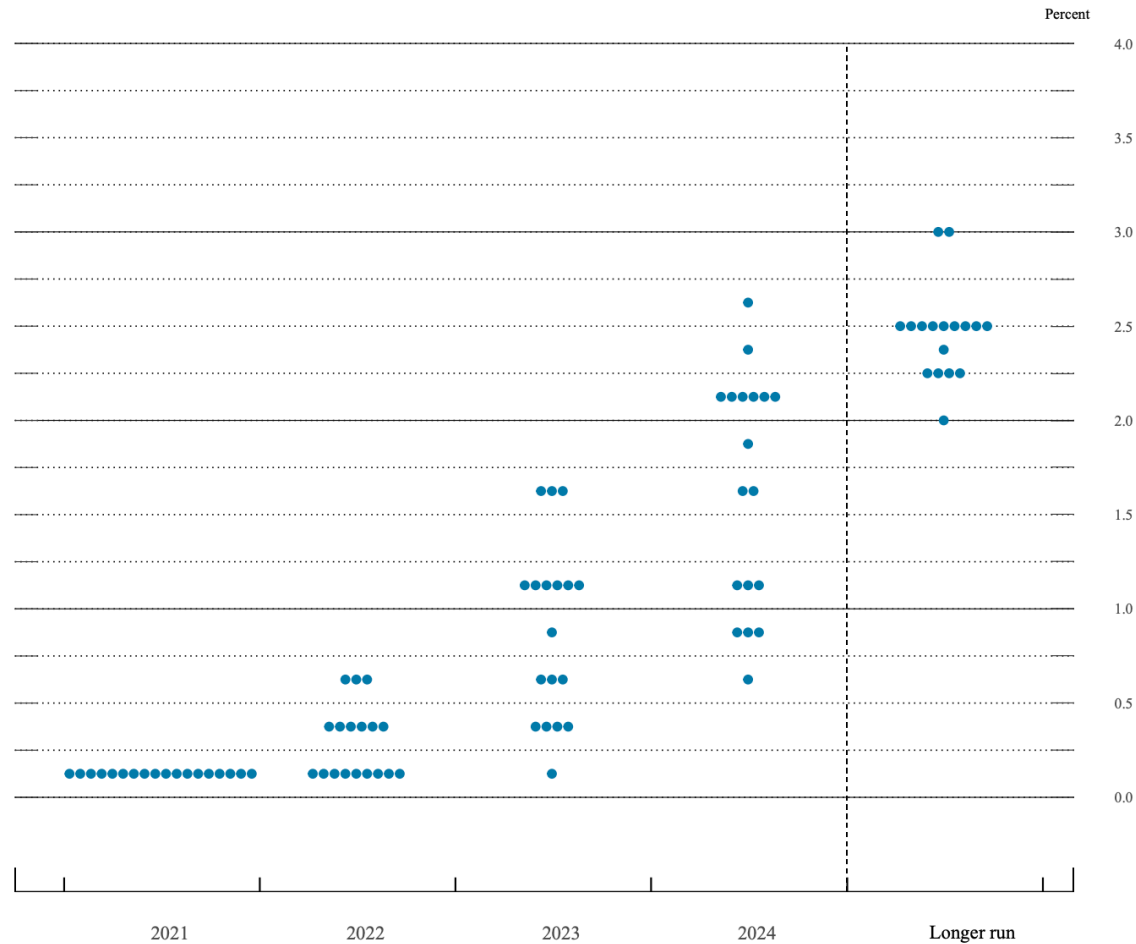


The yield on the US 20-year bond rose slightly above the 30-year bond yield for the first time, a move that garners attention because of investor sensitivity to inverted yield curves that can be a harbinger of recession, which is contradictory to the consensus view of strong economic growth for next 1 year or so.

TradingView

Note: Information as of 4 November 2021

Aggressive Policy Needed As Inflation Persists



According to the Fed's dot plot, which shows policymakers' rate-hike forecasts, this indicates half of the FOMC's members anticipate a rate increase by the end of 2022 and the other half predict the beginning of rate increases by the end of 2023.

Note: Information as of 26 October 2021

Higher Wage Inflation Equal Higher Fed Funds



Fed Funds vs NFIB small business jobs hard to fill



Source: BofA Global Investment Strategy, Bloomberg

BofA GLOBAL RESEARCH

US job openings rose to new high, as small businesses report difficulty filling jobs.

This abnormally is due to:

- Health risk associated with COVID-19
- Early retirements reduced the pool of available workers
- Households income scale have been able to amass higher savings relative to pre-pandemic levels
- Wages remain unattractive
- Mismatch between worker and company expectations.

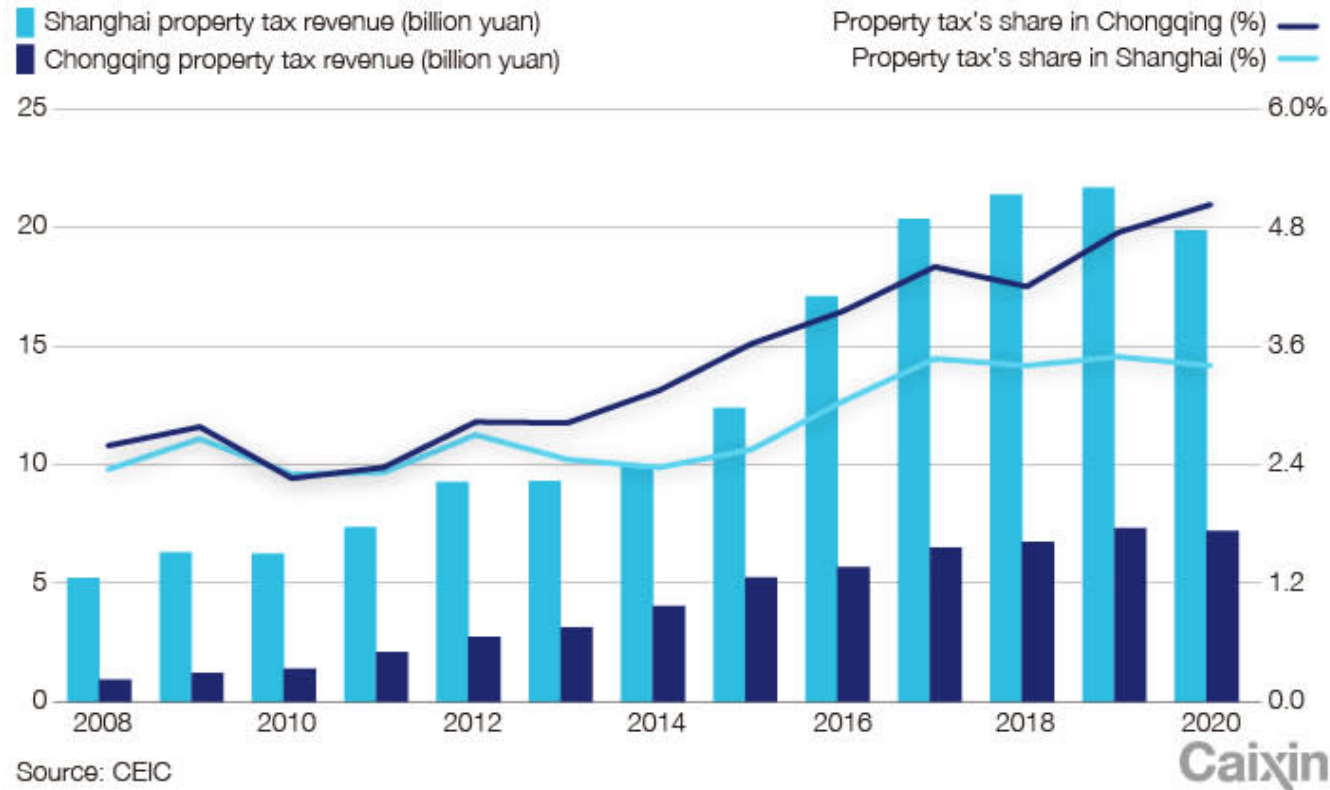
Note: Information as of 16 October 2021

China Pilot Testing on Property Taxes For A Decade



A Growing Share

Proportion of local tax revenues from property taxes in Shanghai and Chongqing



The central government for years has been mulling a tax on homeownership, and Shanghai and the southwestern megacity of Chongqing were chosen in 2011 to conduct trials of levying taxes on certain houses. Since then there has been much discussion of expanding the tests nationwide, though there has been little progress in a decade. The trials in Chongqing and Shanghai have shown that property taxes have had limited impact on real estate prices.

Note: Information as of 25 May 2021

To Deflate China Housing Bubble

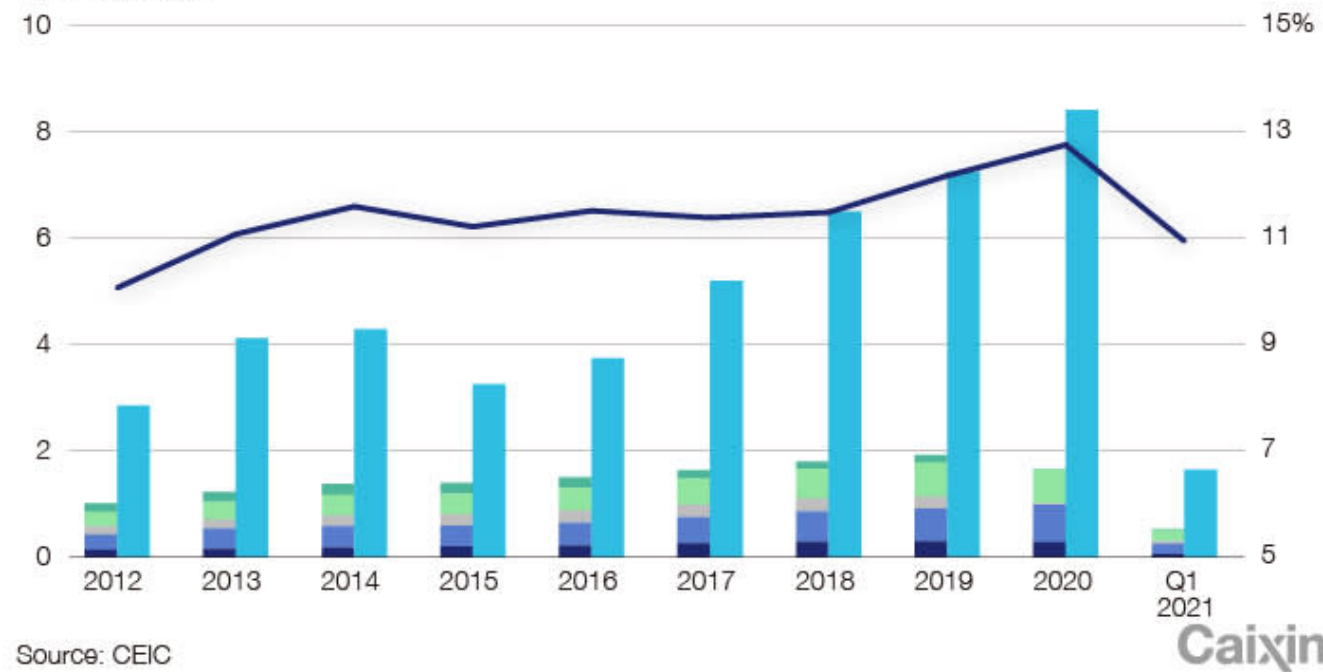


Types of Property Taxes

Five major property-related taxes and their share of total tax revenue

■ Farmland occupation tax
 ■ Land value-added tax
 ■ Urban land-use tax
 ■ Deed tax
 ■ Property tax
■ Land sales
 — Proportion of five major property-related taxes in total tax revenue (right axis)

Unit: trillion yuan



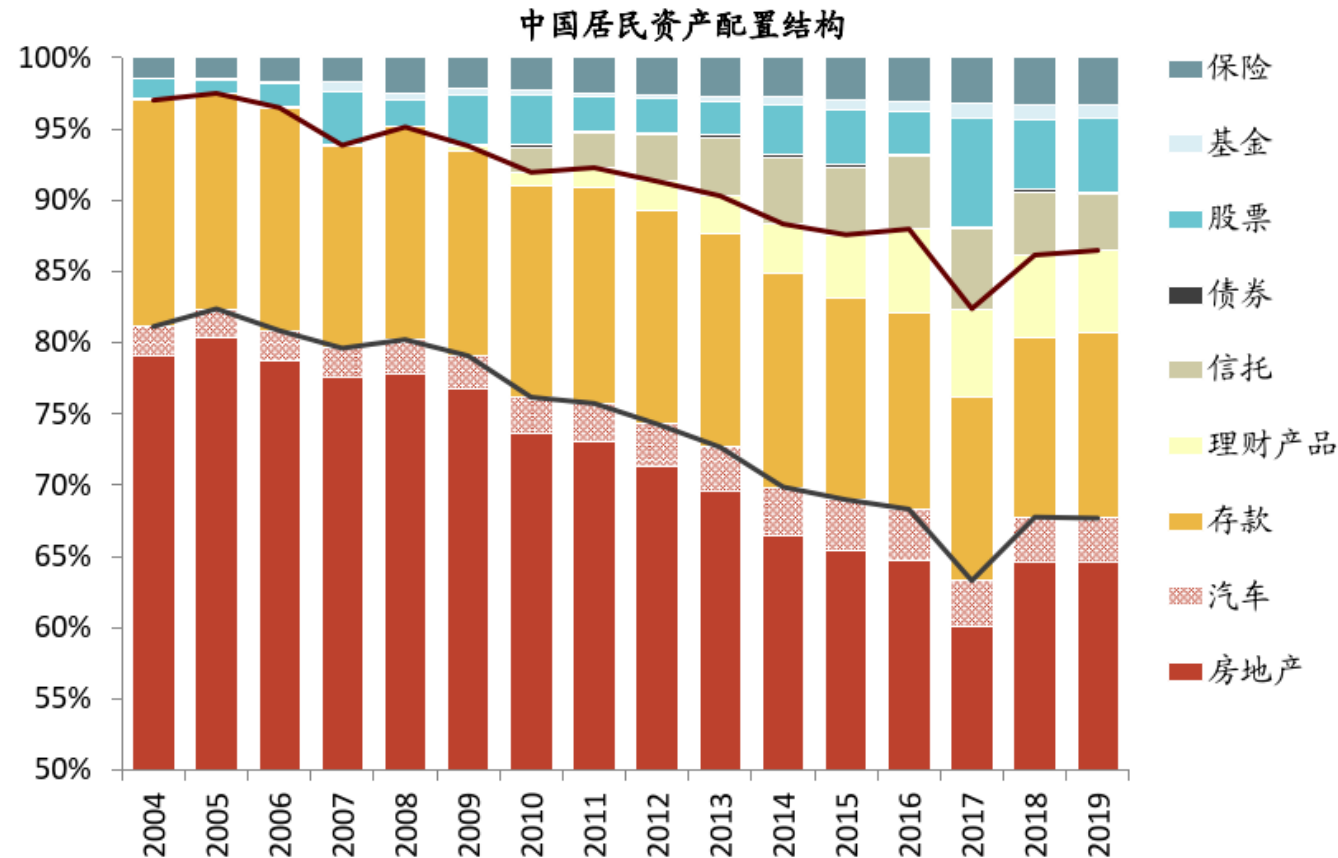
Source: CEIC

Caixin

The main purpose of such a tax is to provide a stable source of income for local governments. An overhaul of the tax revenue distribution system in 1994 diverted the lion's share of the country's fiscal revenue from the regional and local governments to the central government. For instance, 45% of China's fiscal revenue last year was handed over to the central government, up sharply from 22% in 1993. Amid weak growth of tax revenues, some local governments heavily rely on the sale of land-use rights to cover costs such as infrastructure and social welfare programs.

Note: Information as of 25 May 2021

Changes in Chinese Residents' Asset Structure



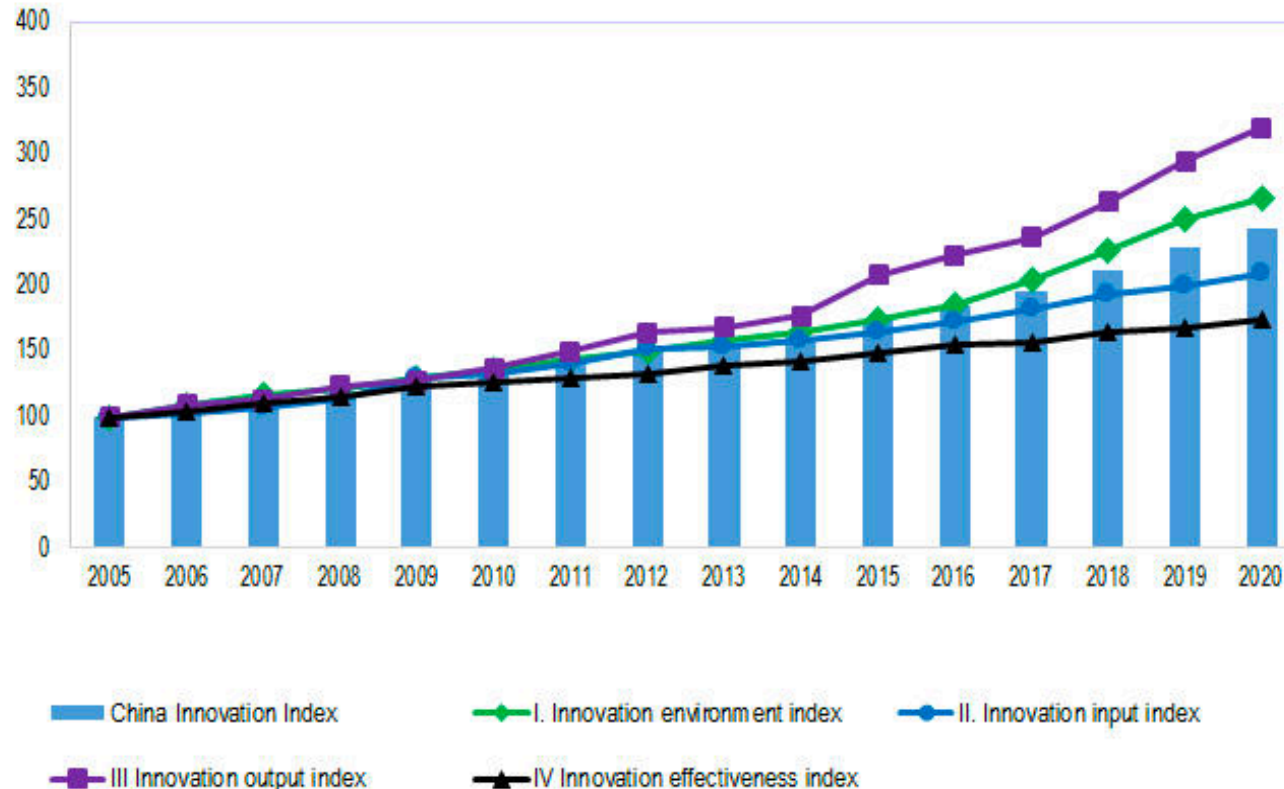
Chinese household assets have gradually accumulated since the reform and opening up. With the gradual improvement of the level of development and the evolution of the life cycle, the main force of allocation starts from satisfying the basic needs of survival and life, to improving living standards (purchasing various household durable consumer goods), and then to purchasing real estate. Now may be entering an inflection point where the allocation of financial assets is accelerating.

Note: Information as of 12 June 2020

Acceleration in China's Innovation Index



China Innovation Index and Sub-sector Index in 2005-2020



According to the calculation of the research group of Department of Social, Science and Technology, and Cultural Statistics of National Bureau of Statistics on China's innovation index, the innovation index of China reached 242.6 in 2020 (take 2005 as 100), an increase of 6.4 percent over the previous year. By field, the innovation environment index, innovation input index, innovation output index and innovation effectiveness index reached 266.3, 209.7, 319.8 and 174.7 respectively, an increase of 6.3, 5.4, 8.5 and 3.8 percent respectively over the previous year. The calculation results showed that in 2020, China's innovation ability and level continued to improve, the innovation environment continued to be optimized, the innovation input continued to increase, the innovation output grew rapidly, and the innovation results were further demonstrated.

Note: Information as of 1 November 2021

Contact Info



For further enquires, please contact:

Omni Capital Partners

V02-03-03, Lingkaran SV,
Sunway Velocity,
55109 Kuala Lumpur, Malaysia.

Website: www.ocpi.io

Email: info@ocpi.io

Mobile No: Scott: +6012 210 9119 / Derrick: +6011 1669 4250



DISCLAIMER

This document has been prepared only for use as a reference material for the purpose of the provision of information. The validity and completeness of the information contained herein is therefore not guaranteed. The recipient of this document must judge the content for themselves using their own understanding of the content contained within. This document has not been prepared for the purpose of soliciting investments. The submission of this document by Omni Capital Partner to a recipient does not constitute the soliciting of investments or securities to the recipient. If a recipient of this document does decide to invest and trade in securities such as stocks, a due-diligence review as well as due consideration must be undertaken by the recipient at their own risk. Furthermore, all rights pertaining to the content contained herein belong solely to Omni Capital Partner and the disclosure or transfer of any or all content contained in this document is not to take place without first obtaining prior consent from Omni Capital Partner. This document is only to be used internally at the company/organization to which the recipient belongs to and represents at the time this document is received.