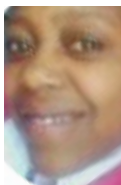




# Asia Pacific Stocks Rise This Week As U.S Growth Outlook Continues To Look Solid

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By **Nyambura Tabitha**  
Markets Reporter



Asian Stocks climbed significantly yesterday with the regional benchmark index almost hitting its biggest three day rally since April. The rise has largely been attributed to solid US

economic growth outlook and easing of uncertainties in Britain after the appointment of a new PM.

The MSCI Asia Pacific Index gained 0.8 percent to close at 132.80 yesterday in Hong Kong and has since risen 3.5% this week alone. Chinese stocks also climbed to a one month high indicating a strong rally. Markets around the world seem to have erased losses made after the surprise decision of the UK to leave

the EU. U.S Equity Indexes are on record highs and this is a trend most analysts believe will continue in the coming weeks.

## **China Stability**

Chinese Stability is definitely a crucial factor for the Asian Pacific Market and it is clear that policy makers in Beijing have been working hard to foster stability in the Chinese economy. The Hang Seng China



◀ Enterprises Index for mainland shares in Hong Kong rose 0.6% this week. Hong Kong's benchmark Hang Seng Index added 0.5 percent to cap of a very progressive rally. The Shanghai Composite Index also saw a slight improvement adding 0.4%.

Equities in China are rising steadily amid growing speculation that Beijing is taking decisive steps to promote investor sentiment. Data released by the government on Wednesday confirmed that Chinese exports in June fell 4.8% compared to the same time last year while imports dropped 8.4%. Exports for June though eked a small gain and it seems these numbers will continue to remain stable despite a weakening Yuan.

### **Other Important Regional Indicators**

Other markets in the Asia Pacific

region were also on the up. The South Korea's Kospi index gained 0.7% this week with Australia's S&P/ASX 200 Index also recording the same gain. The Taiex index gained 0.2 percent in Taiwan with the Singapore's Straits Times Index also advancing with a 0.2% margin. All these figures show a steady progress in the Asian Pacific arena and the future is looking quite solid.

### **Investing In the Region with the Asia Pacific Fund**

[The Asia Pacific Fund](#) is a diversified closed end fund that invests in equity securities of companies in the Asia Pacific region except Japan. The Fund is a good investment vehicle for investors looking to take advantage of Asia Pacific Stocks and its currently trading on the NYSE under the ticker symbol AFB. The Fund's stock is

trading at a 13% discount to NAV. The Fund is managed by Value Partners, one of Asia's largest fund management firms. The Fund is focused on Asia ex-Japan equities that generate strong cash flow and offer high dividend yields for investors.

Due to the challenging market situation during the first quarter of 2016, The Fund increased its cash position from 0.6% as of the end of 2015 to 10.3% and 9.1% in January and February 2016 respectively. Investors in recent years seem to have priced-in a crisis scenario for Chinese equities listed offshore probably due to irrational pessimism. However, this has created attractive opportunities for value investors. The Asia Pacific Fund is the ideal vehicle to unlock this value in the Asian Pacific markets.

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