



CIO Office

Global Markets Weekly Kickstart

AI-Driven Energy Surge!

8 June 2026

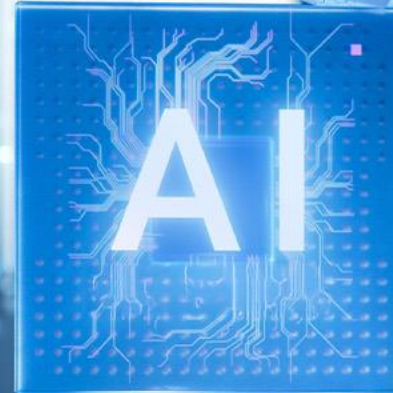


Chart of the Week

CPU and AI PC Platform Usher in a New Agentic AI Era

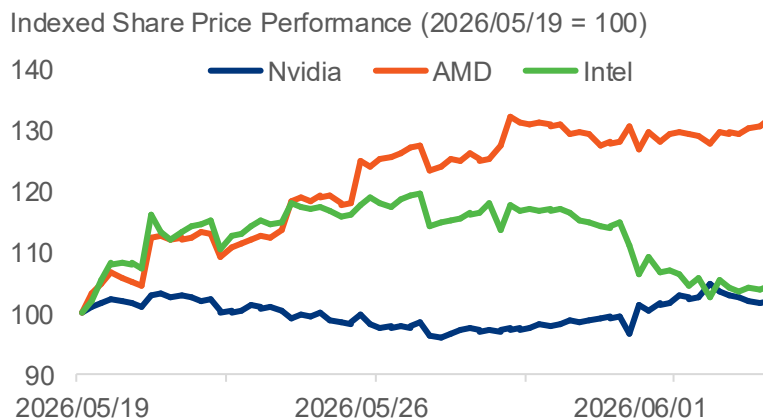
- ▶ The theme of this year's Computex Taipei was "AI Together," featuring three key exhibition areas: AI computing, robotics, and smart mobility.
- ▶ NVIDIA was the center of attention. Key highlights include: 1) Vera Rubin is set for mass production in 2H26. Its rack-level inference performance is 3x that of the previous generation, while the supply chain ecosystem has doubled in size, spanning 150 partners. The architecture includes the Vera CPU, designed for agentic AI and enhanced multi-rack collaboration. While Blackwell was not fully liquid-cooled, Vera Rubin marks NVIDIA's transition to a fully liquid-cooled era. 2) NVIDIA will launch a new agentic AI PC platform and, together with Microsoft, introduce RTX Spark. Built on the proven Blackwell architecture, Adobe Premiere and Photoshop have been re-engineered for RTX Spark, delivering 2x faster performance than Intel and AMD platforms.
- ▶ By expanding into AI PCs, NVIDIA is entering the CPU market and will compete directly with Intel and AMD, creating a new potential revenue stream. Currently, Intel's and AMD's combined PC-related revenue is roughly 20% of NVIDIA's data center revenue, implying limited contribution potential for NVIDIA. However, PCs account for nearly 60% of Intel's revenue, a higher proportion than AMD, suggesting a greater potential impact on Intel. The RTX platform is scheduled to launch this fall.

Source: Bloomberg, KGI

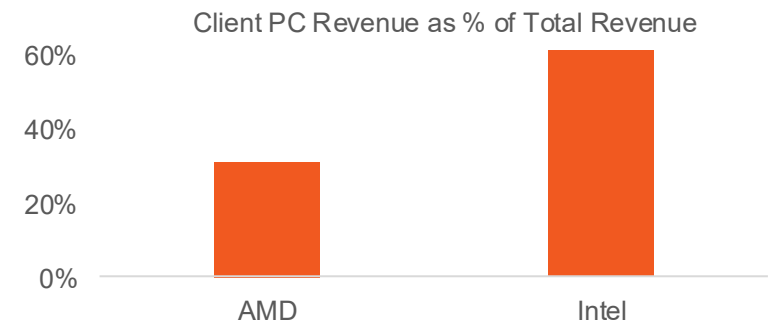
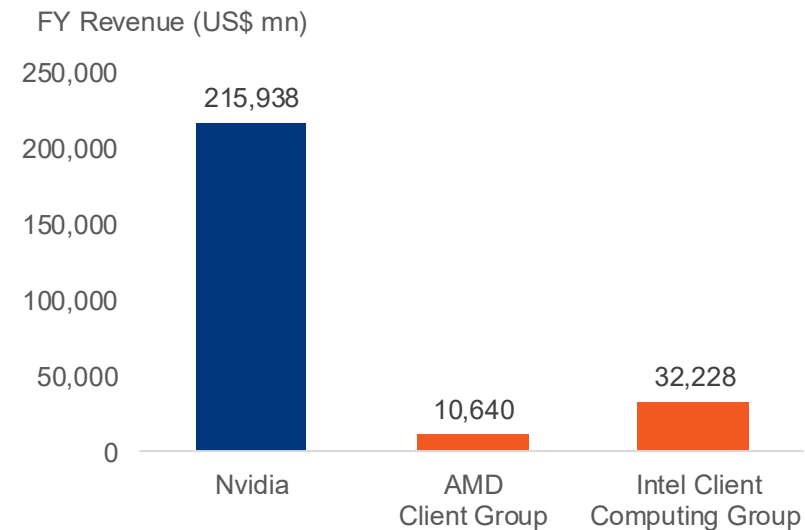
Pegatron Showcases NVIDIA Vera Rubin NVL72 Rack



NVIDIA AI CPU Poses Greater Competitive Pressure on Intel



Intel Remains More Dependent on the PC Market

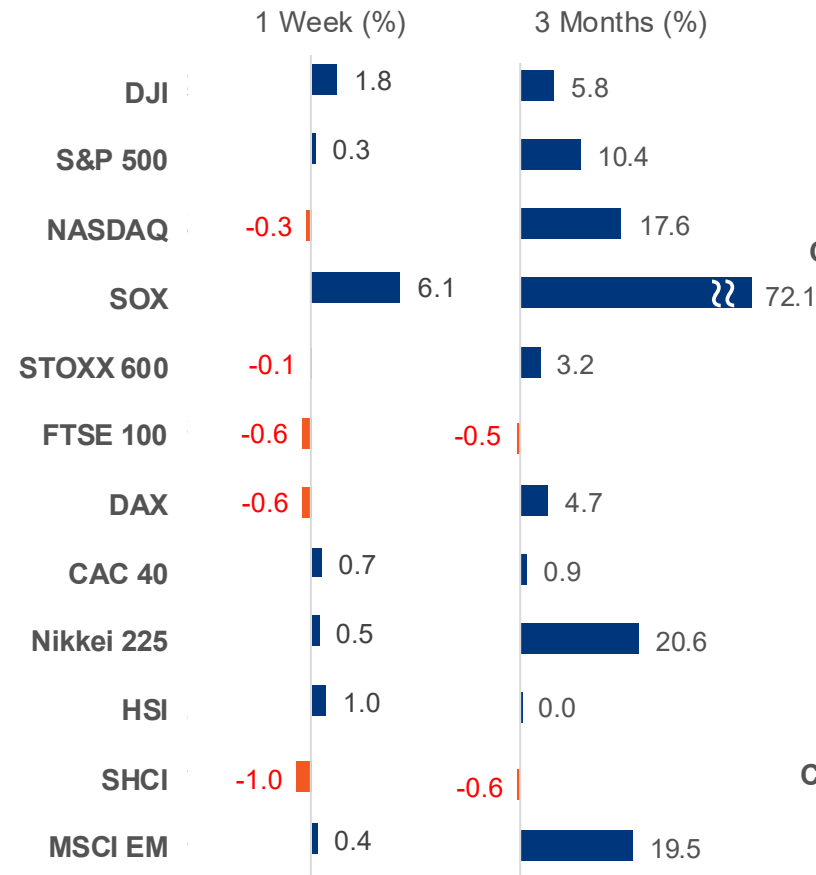


Market Recap

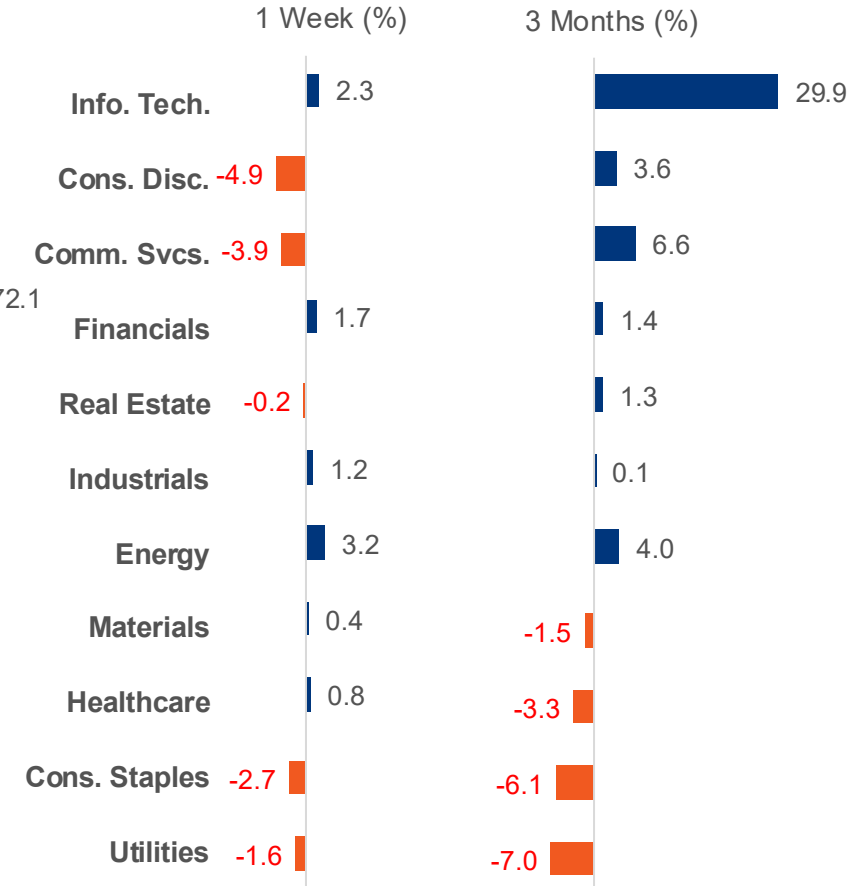
Middle East Uncertainty Keeps Equities Range-Bound Near Highs

- ▶ The U.S.-Iran conflict remains fluid. After Israel struck Lebanon, Iran suspended talks with the U.S. and proposed blocking the Strait of Hormuz, driving oil prices higher on fears of renewed Middle East tensions. However, reports that President Trump does not intend to escalate the conflict, coupled with strong AI demand and solid 1Q earnings, continued to support U.S. equities. Semiconductor stocks rallied, while the other major indices traded range-bound near highs.
- ▶ NVIDIA CEO Jensen Huang unveiled the N1X chip developed with MediaTek, designed to run the full software stack and support AI agent computing. He also called Marvell the next trillion-dollar company, sending its shares to record highs. Broadcom underperformed on conservative revenue and AI chip guidance. Energy stocks rose 3.2% on higher oil prices, while technology stocks gained 2.3% on a software-led rebound. TSMC reaffirmed confidence in long-term AI demand and forecast over 30% USD revenue growth this year, though its shares consolidated after recent gains.

Regional Index Performance (%)



U.S. Sector Index Performance (%)

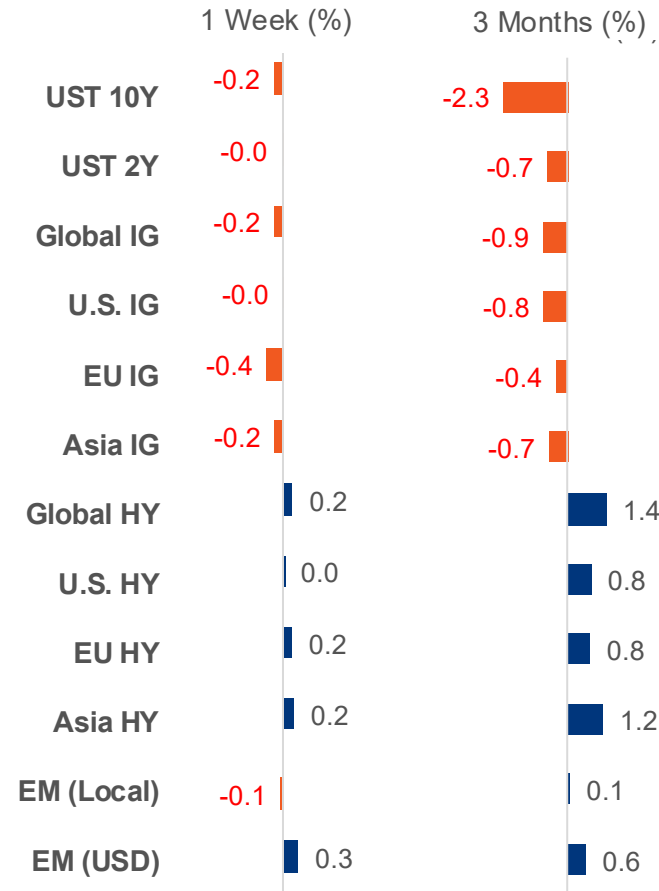


Source: Bloomberg

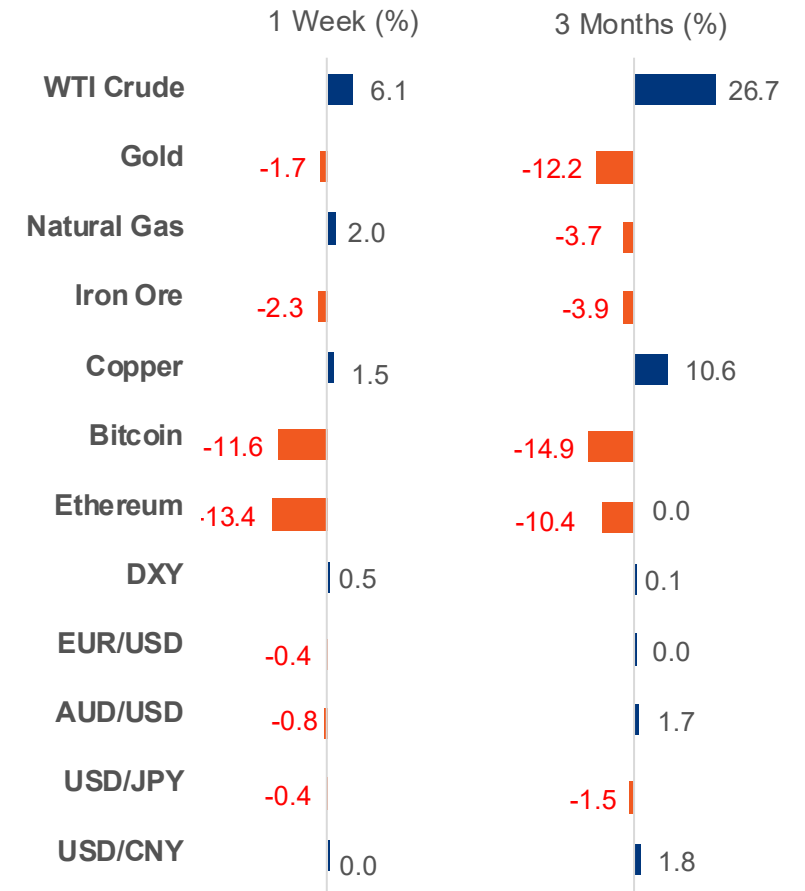
Resilient U.S. Economy, Elevated Rates as Higher Oil Prices Fuel Tightening Expectations

- ▶ U.S. May ISM Manufacturing PMI rose to 54, above expectations and the prior month, with gains in new orders and exports, while supply chains continued to face pressure from Middle East tensions. S&P Global Services PMI slipped to 50.7, indicating stable demand, expanding output, and weaker hiring.
- ▶ May ADP payrolls increased by 122,000, beating expectations and marking the strongest gain since January 2025, though initial jobless claims rose to 225,000, signaling ongoing layoff pressures. The 10-year Treasury yield remained elevated at 4.47%, as safe-haven demand from geopolitical risks offset inflation concerns driven by high oil prices.
- ▶ Eurozone inflation accelerated to 3.2% YoY in May, prompting expectations of a 25 bps ECB rate hike next week. Meanwhile, the BoJ has shifted its focus toward containing upside inflation risks, with markets pricing in an over 80% chance of a 25 bps hike at the June 15 meeting.

Performance of Bonds (%)



Performance of Commodities and Currencies (%)



What's Trending

SpaceX IPO Set to Debut, Strengthening Long-Term Space Growth Outlook

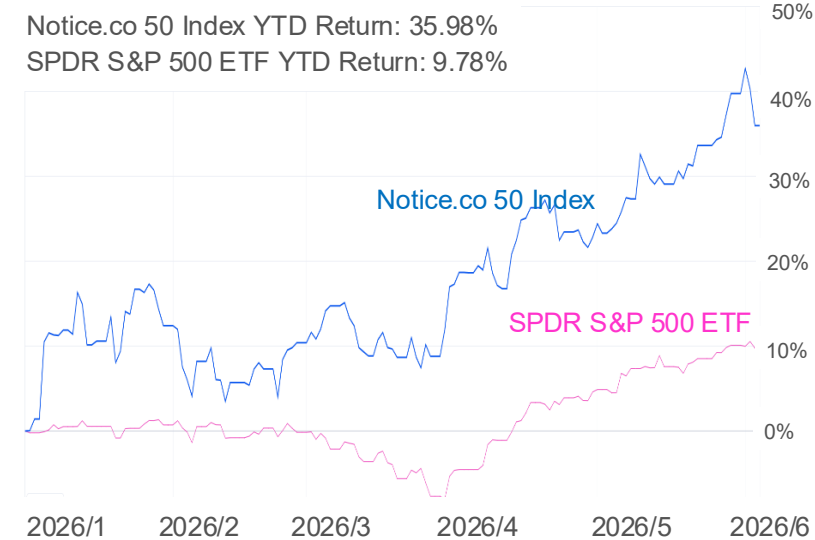
- ▶ SpaceX is expected to list on Nasdaq on June 12 under ticker SPCX, targeting a valuation of US\$1.75-2.0tn. The deal could surpass Saudi Aramco's US\$29bn IPO in 2019 to become the largest IPO in history.
- ▶ SpaceX's businesses span space, satellite communications, and AI. The market expects further valuation upside driven by: 1) Starship Gen 3, a fully reusable heavy-lift rocket expected to enter commercial service this year, reducing satellite launch costs per unit of bandwidth by 70% and increasing payload capacity 25x. 2) Leadership in direct-to-cell satellite technology, positioning Starlink as a mobile communications infrastructure platform with a potential addressable market of 1.1bn users by 2040. 3) Integration of orbital infrastructure with AI computing networks through AI data satellites, enabling space-based computing powered by solar energy and natural heat dissipation.
- ▶ Musk is linking Tesla, SpaceX, and xAI into a self-reinforcing ecosystem spanning AI, energy, computing, communications, and hardware manufacturing, creating a significant competitive moat. However, investors should monitor potential capital crowding-out effects that could weigh on other space-related stocks in the near term.

Source: Bloomberg, Major Media

Potential Timeline for SpaceX Inclusion in Major Indices and ETFs

Index	Estimated Inclusion Timing	Related ETF	Estimated Weight
Nasdaq-100 Index	Within 15 Trading Days After Listing (Late June or Early July)	QQQ	0.47%-0.7%
CRSP U.S. Total Market Index	One Week After Listing (Mid-June)	VTI · VUG	0.07%-0.11%
Russell 1000 Index	Sep 2026 (Potentially Accelerated Inclusion Ahead of Reconstitution Day)	IWB	0.08%-0.12%
Russell 1000 Growth Index	Dec 2026 (During Russell Annual Reconstitution Review)	IWF	0.16%-0.24%
S&P 500 Index	Mar 2027	SPY · VOO · IVV	0.08%-0.12%

Major Private-Market Indices Have Outperformed U.S. Equities YTD



Notice.co 50 Index (Private-Market Index Comprising the Top 50 Companies): Top Five Holdings

	Company	Weight	1Y Return
1	Bytedance (TikTok)	12.5%	129.9%
2	Databricks	10.5%	95.5%
3	Anthropic	9.4%	882.2%
4	SpaceX	8.2%	196.4%
5	OpenAI (ChatGPT)	7.7%	162.9%

Surging Power Demand Positions Data Centers as the Key Growth Driver

- ▶ U.S. electricity prices have risen more than 8% YoY this year, driven by the retirement of stable power sources in favor of renewables, as well as tighter supply from rapid AI infrastructure expansion amid geopolitical-driven energy volatility. To ease pressure on consumers, the Trump administration has required major tech firms and AI startups to fund new power generation and grid upgrades, boosting demand for electrical equipment.
- ▶ The IEA estimates global electricity demand grew at a 2.8% CAGR over the past decade, adding roughly 700 TWh annually. Growth is expected to accelerate to 3.6% during 2026-2030, with annual demand increasing by 1,100 TWh. Data centers, heat pumps, and cooling systems will be the main growth drivers, with data center servers accounting for the largest increase in power consumption. Energy demand from commercial buildings supporting data centers is expected to far outpace that of residential and industrial sectors.

U.S. Electricity Prices Rise Sharply, Led by Transportation and Residential Demand

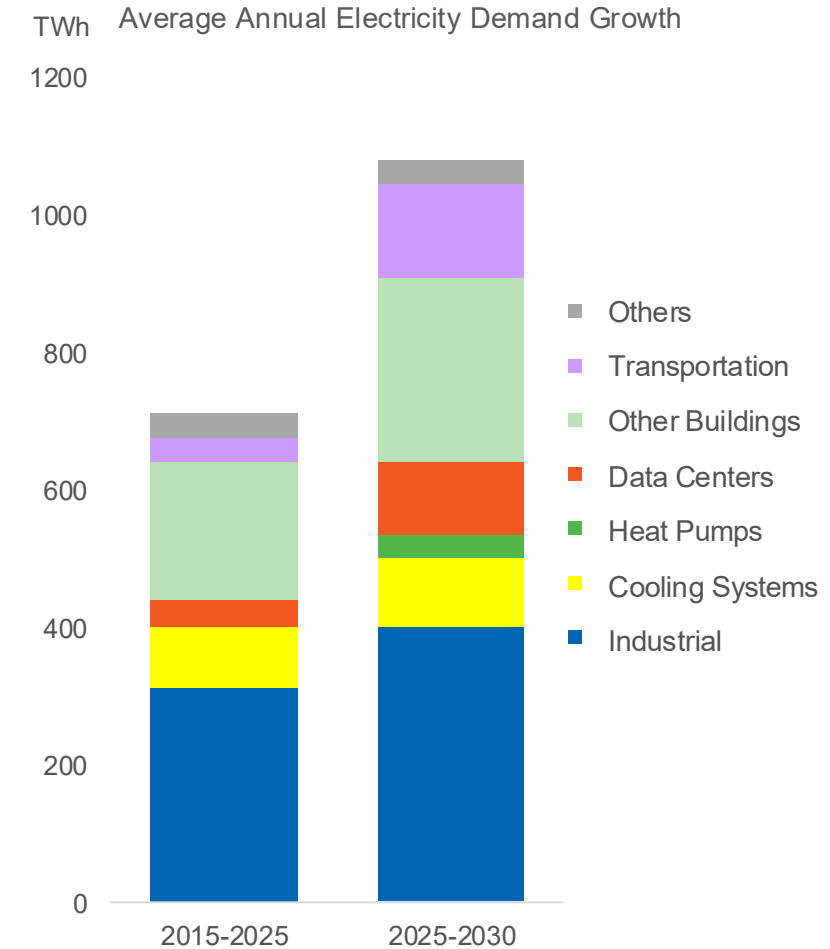
Residential Electricity Costs by U.S. Region (cents/kWh)

Region	Jan-Feb 2026	Jan-Feb 2025	YoY %
District of Columbia	23.84	19.23	24.0%
Maine	31.46	26.19	20.1%
New Jersey	23.12	19.69	17.4%
Pennsylvania	20.24	17.76	14.0%
New Hampshire	26.42	23.22	13.8%
New York	29.17	25.76	13.2%
Maryland	20.36	18.26	11.5%
U.S.	17.55	16.16	8.6%
Vermont	23.28	21.86	6.5%
California	31.48	30.91	1.8%
Connecticut	29.48	31.45	-6.3%
Rhode Island	29.81	32.4	-8.0%

Average U.S. Retail Electricity Prices by End-Use Sector (cents/kWh)

Region	Mar 2026 YTD	Mar 2025 YTD	YoY %
Transportation	16.72	13.24	26.3%
Residential	17.91	16.42	9.1%
All Sectors	14.23	13.16	8.1%
Industrial	8.94	8.28	8.0%
Commercial	13.97	12.98	7.6%

Data Centers, Heat Pumps, and Cooling Systems Expected to Drive Power Demand Growth



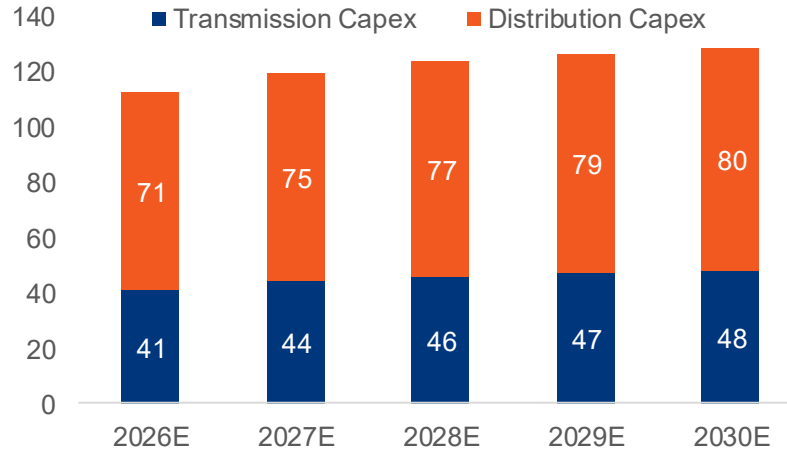
Source: IEA, KGI

On-Site Power Becomes Standard for Data Centers, Boosting Electrical Equipment Demand

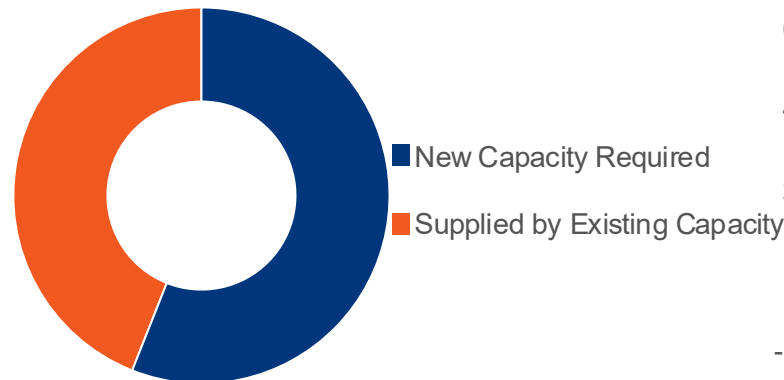
- ▶ Under evolving regulations, self-generated power is becoming the norm for new data centers. Significant investment in U.S. transmission and distribution infrastructure will be required to meet rising power demand and address aging grids. Based on NERC data, Goldman Sachs estimates U.S. power generation investment will reach US\$609bn during 2026-2030. Around 56% of future data center power demand will require new generation capacity, while existing infrastructure can meet only 44%, supporting strong growth in demand for electrical equipment.
- ▶ We estimate suppliers such as GE Vernova (GEV), as well as fuel cell and battery providers including Bloom Energy (BE), will benefit from this trend.
- ▶ Data center-related power generation capex is expected to continue growing over the next three years, accounting for roughly 30% of total generation investment. Related stocks have gained about 55% YTD, with earnings growth expected to more than double. As AI-driven data center expansion accelerates power demand, investment opportunities across power infrastructure remain attractive.

U.S. Power Generation Capex Expected to Reach US\$609bn During 2026–2030

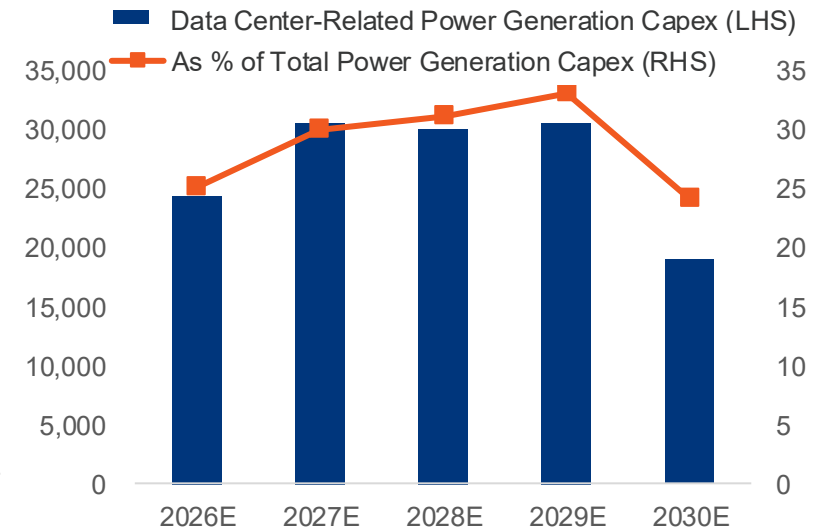
Estimated U.S. Transmission and Distribution Capex Requirements During 2026–2030



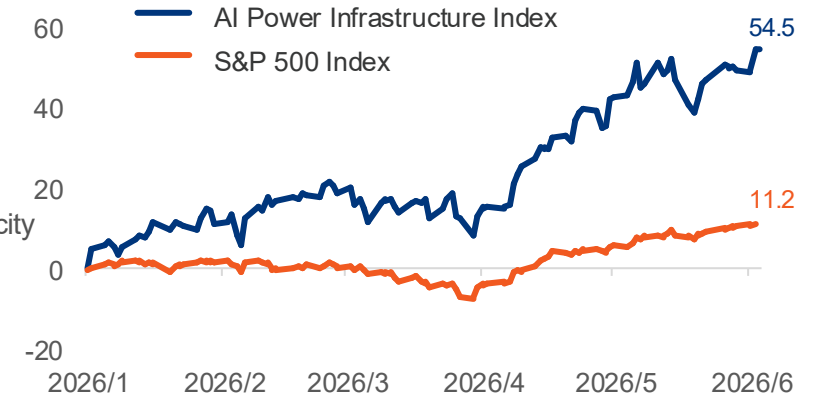
Projected Data Center Power Demand vs Existing Capacity



Data Center Power CapEx Growth Drives Stock Rally



YTD Return



Source: Goldman Sachs, North American Electric Reliability(NERC), Bloomberg, KGI

Asset Strategy

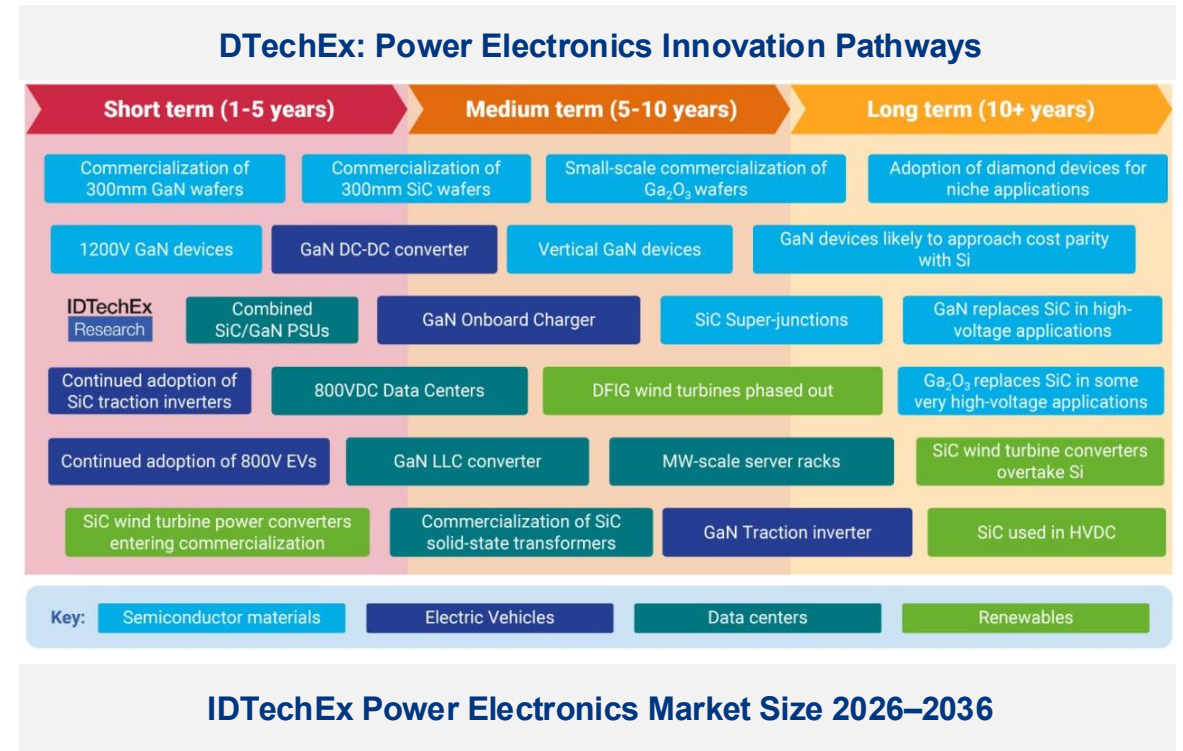
Asset Type	Market View	Preferred Assets
Equities	<ul style="list-style-type: none"> ◆ The U.S.-Iran conflict appears to be de-escalating, while oil prices remain elevated. Strong U.S. corporate earnings continue to provide fundamental support for equities, leaving room for further upside. However, investors should remain cautious given increasing short-term profit-taking pressure and crowded positioning. Longer term, we favor technology and AI-related themes. Investors may use market pullbacks to accumulate growth stocks while maintaining diversification across countries and sectors. ◆ European and Japanese equities remain attractive diversification options. Japanese equities offer greater technology exposure and upside potential than Korean stocks, while rising JGB yields support bank earnings. In Europe, defense remains the key investment theme, with preference for U.K. stocks that have stronger defense characteristics. 	<p>Strategy: AI themes including technology and semiconductors; outside AI, favor aerospace and defense.</p> <p>Regions: Japanese Equities (Banking, Semiconductor and Defense), UK Equities, European Defense</p>
Bonds	<ul style="list-style-type: none"> ◆ With oil prices elevated and the U.S. 30-year Treasury yield above 5%, investors should avoid excessive duration risk. We favor short- to medium-term bonds. High-quality investment-grade corporate bonds with wider spreads offer better defensive characteristics, particularly in financials, telecoms, utilities, and energy. ◆ The U.S. dollar remains firm in the near term. Investors may diversify through non-USD investment-grade bonds, including EUR- and AUD-denominated issues. 	<p>Types: Short- to medium-term investment-grade credit, with preference for financials, telecoms, utilities, and energy.</p> <p>Satellite : Non-USD bonds for diversification.</p>
Forex	<ul style="list-style-type: none"> ◆ The June FOMC meeting will mark Fed Chair Powell’s first appearance since recent market developments. Markets will focus on economic and policy guidance. Inflation expectations suggest the Fed is likely to keep rates unchanged, supporting the U.S. dollar in the near term. ◆ A stronger USD is expected to weigh on most non-USD currencies, with the RMB likely to appreciate only under PBOC support. 	<p>USD: Near-term strength remains supported.</p> <p>Others: Broad weakness; RMB relatively firm.</p>
Commodity	<ul style="list-style-type: none"> ◆ Energy prices are expected to remain elevated and volatile. ◆ The U.S. fiscal deficit continues to expand, while central banks maintain gold allocations as a core reserve asset, supporting the long-term outlook for gold. 	<p>Gold: Positive long-term outlook; accumulate on dips.</p>



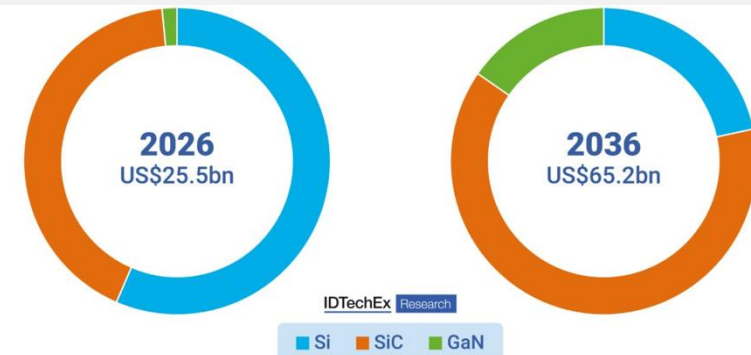
AI Power Architecture Upgrade: Chips and Components Emerge as the Next Key Bottleneck

- ▶ U.S. economic data remained resilient. May nonfarm payrolls increased by 172,000, above consensus of 88,000, while April payrolls were revised up to 179,000. The unemployment rate held steady at 4.3%. Meanwhile, May ISM Manufacturing PMI rose to 54.0, beating expectations of 53.0 and April's 52.7, while ISM Services PMI increased to 54.5, above consensus of 53.8 and the prior 53.6.
- ▶ AI is transforming data center power infrastructure from a supporting function into a critical bottleneck. The rapid adoption of high-power AI servers and high-density racks is driving higher power density, accelerating upgrades in power supplies, rectifiers, DC/DC converters, VRMs, and 48V/high-voltage DC architectures. As a result, investment opportunities extend beyond power generation and grids to chips and components across the data center power chain, including SiC/GaN power devices, MOSFETs, rectifiers, gate drivers, digital isolators, power management ICs, inductors, transformers, MLCCs, connectors, busbars, and high-current PCBs.
- ▶ As AI GPU and ASIC power consumption continues to rise, demand for higher efficiency, lower power loss, and greater power density is increasing. This should drive broader adoption of SiC/GaN solutions, while raising content value for VRMs, inductors, and MLCCs. Overall, the AI boom is reshaping the power supply chain, positioning power semiconductors and advanced passive components as the next structural beneficiaries after GPUs, HBM, and optical networking.

Source: Bloomberg



IDTechEx Power Electronics Market Size 2026–2036



Vicor (VICR US)

Closing Price US \$271.04

Target Price US \$370

Vicor designs, manufactures, and sells modular power components and complete power systems. Its solutions convert primary power into the DC power required by electronic circuits and are sold across the Americas and through distributors worldwide.

Proprietary Power Architecture Gains Traction

Vicor specializes in high-density power solutions for AI servers. Its 48V power conversion, Factorized Power Architecture (FPA), and Vertical Power Delivery/Power-on-Package (VPD/POP) technologies help reduce power loss, increase current density, and improve thermal management for GPUs and ASICs. The company recently raised its FY26 2Q revenue guidance to US\$142mn from US\$126mn, driven by product revenue growth and royalty income from new licensees of its patented power technologies.

AI Servers Make Power Delivery a Critical Bottleneck

Rising AI chip power consumption is exposing the limitations of traditional server power architectures, increasing the need for more efficient power conversion and thermal management. According to Reuters, data center power consumption could nearly double to 945 TWh by 2030, with AI accounting for roughly 40% of total demand. This trend is driving demand for Vicor's solutions, which enable higher power delivery with lower losses and greater power density.

1QFY26 Beat Expectations; 2Q Guidance Raised

1QFY26 revenue rose 20.3% YoY to US\$113mn, exceeding consensus by US\$3.7mn. GAAP EPS reached US\$0.44, beating expectations by US\$0.11. Supported by product revenue growth and royalty income from new licensing agreements, Vicor raised its 2QFY26 revenue guidance to US\$142mn from US\$126mn. The company also reported a 12-month backlog of US\$301mn at the end of the quarter.

Valuation Consensus

Bloomberg's 12-month consensus target price is US\$323.75, with a high target of US\$400 and a low target of US\$260.

Source: Bloomberg, Company

1-Year Price

(USD)

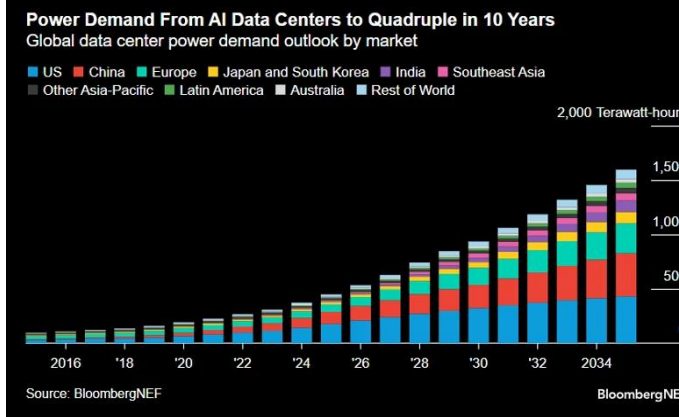


Financials

	2023	2024	2025	2026F	2027F
Revenue Growth(%)	1.5	-11.4	26.1	27.6	58.4
EBITDA (%)	17.3	10.6	22.9	31.0	39.8
EPS(USD)	1.19	0.48	2.61	2.93	5.86
Net Profit Margin(%)	13.2	6.0	26.2	22.6	29.5

Source: Bloomberg; 2026/27F are market estimates

AI Power Demand



P/E & P/B



Navitas (NVTX US)

Closing Price US \$25.08

Target Price US \$40

Navitas Semiconductor develops next-generation GaN and SiC power semiconductors. The company focuses on high-efficiency power solutions for applications including AI data centers, power electronics, and advanced computing systems.

NVIDIA MGX Collaboration Validates AI Data Center Power Roadmap

Navitas is positioned as an upstream supplier of GaN and SiC power semiconductor for AI data centers. Its partnership within NVIDIA's MGX ecosystem serves as a key validation of its technology. At Computex 2026, Navitas showcased an 800V-to-6V DC-DC power delivery board that eliminates the traditional 48V intermediate bus converter, targeting 97.5% peak efficiency, 1MHz switching frequency, and 2,100W/in³ power density.

800V DC Infrastructure Drives GaN and SiC Adoption

As rack power density continues to rise, AI data centers are migrating toward higher-voltage, higher-efficiency power architectures. IDTechEx forecasts the power electronics market will exceed US\$65bn by 2036, with GaN and SiC adoption accelerating across data center power supplies and point-of-load conversion. This trend directly benefits Navitas, whose GaNFast and GeneSiC product families are designed to improve conversion efficiency, reduce thermal losses, and enable more compact AI power systems.

1QFY26 Results Mixed; 2Q Outlook Improves

1QFY26 revenue declined 38.7% YoY to US\$8.6mn, exceeding consensus by US\$0.4mn, while GAAP EPS of -US\$0.15 missed expectations by US\$0.05. For 2QFY26, management guided revenue to US\$10mn ± US\$0.5mn, with non-GAAP gross margin of 39.25% ± 75 bps. Non-GAAP operating expenses are expected to remain broadly stable at US\$14.5mn-15.5mn.

Valuation Consensus

Bloomberg's 12-month consensus target price is US\$14.46, with a high target of US\$21 and a low target of US\$8.

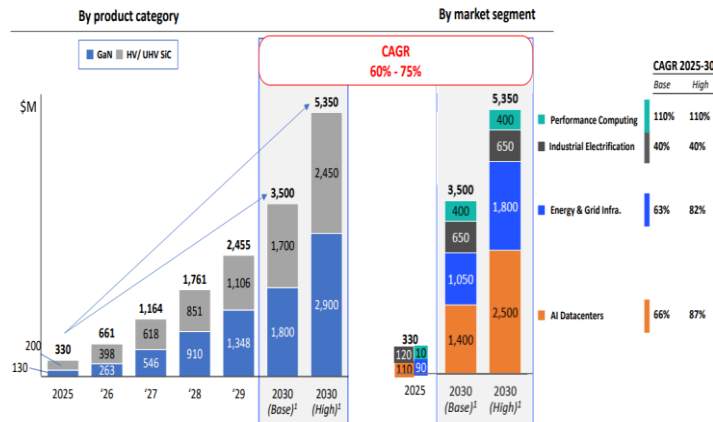
Source: Bloomberg, Company

1-Year Price

(USD)



2030 SAM Growth

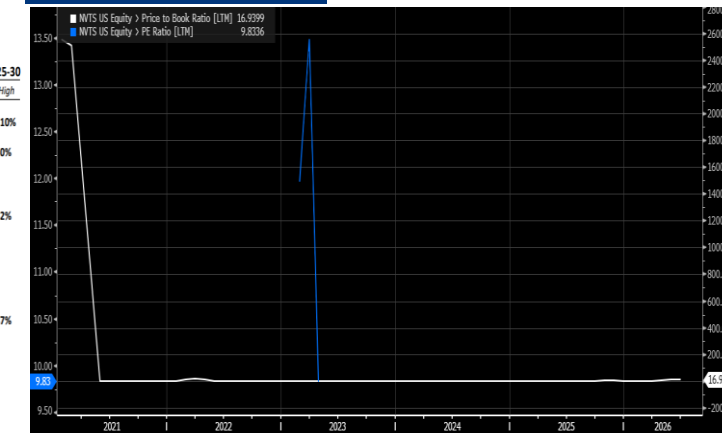


Financials

	2024	2025	2026	2027F	2028F
Revenue Growth(%)	109.4	4.8	-44.9	-7.8	72.3
EBITDA (%)	-117.1	-123.9	-142.2	-97.4	-42.6
EPS(USD)	-0.85	-0.45	-0.50	-0.17	-0.15
Net Profit Margin(%)	-181.0	-98.5	-223.7	-92.5	-45.7

Source: Bloomberg; 2027/28F are market estimates

P/E & P/B



Appendix

Key Economic Data / Events

► JUNE 2026

1

Monday

- US May S&P Global Manufacturing PMI Final (Act:55.1 Est:55.3 Prev:54.5)
- US May ISM Manufacturing Index (Act:54.0 Est:53.0 Prev:52.7)
- Japan May S&P Global Manufacturing PMI Final (Act:54.5 Prev:55.1)
- Eurozone May S&P Global Manufacturing PMI Final (Act:51.6 Est:51.4 Prev:52.2)

2

Tuesday

- U.S. Apr JOLTS Job Openings (Act:7,618k Est:6,866k Prev:6,887k)
- Taipei International Computer Show – COMPUTEX (6/2-6/5)

3

Wednesday

- U.S. May ADP Employment Change (Act:122k Est:120k Prev:105k)
- U.S. May S&P Global Services PMI Final (Act:50.7 Est:51.0 Prev:51.0)
- U.S. May ISM Services PMI (Act:54.5 Est:53.8 Prev:53.6)
- Japan May S&P Global Services PMI Final (Act:50.0 Prev:51.0)
- Eurozone April PPI YoY (Act:4.9% Est:4.9% Prev:2.0%)

4

Thursday

- U.S. Weekly Initial Jobless Claims (Act:225k Est:215k Prev:212k)
- Eurozone April Retail Sales MoM (Act:-0.4% Est:-0.3% Prev:0.8%)

5

Friday

- U.S. May Nonfarm Payrolls (Est:88k Prev:115k)
- U.S. May Unemployment Rate (Est:4.3% Prev:4.3%)
- Eurozone Q1 GDP YoY (Final) (Est:0.8% Prev:1.2%)

8

Monday

- Japan Q1 GDP Annualized QoQ (Final) (Est:1.4% Prev:0.8%)
- Eurozone June Sentix Investor Confidence Index (Prev:-16.4)

9

Tuesday

- U.S. May Existing Home Sales (Est:4.08m Prev:4.02m)
- China May Exports YoY (Est:14.4% Prev:14.1%)
- Apple Worldwide Developers Conference – WWDC

10

Wednesday

- U.S. May CPI YoY (Est:4.2% Prev:3.8%)
- U.S. May Core CPI YoY (Est:2.9% Prev:2.8%)
- Japan May PPI YoY (Est:5.6% Prev:4.9%)
- China May CPI YoY (Est:1.3% Prev:1.2%)
- China May PPI YoY (Est:3.9% Prev:2.8%)

11

Thursday

- U.S. Weekly Initial Jobless Claims (Prev:225k)
- U.S. May PPI YoY (Prev:6.0%)
- Eurozone Jun ECB Main Refinancing Rate (Est:2.40% Prev:2.15%)

12

Friday

- U.S. Jun University of Michigan Consumer Sentiment Index (Preliminary) (Est:46.0 Prev:44.8)
- Japan Apr Industrial Production MoM (Final) (Prev:-0.4%)
- Space X IPO

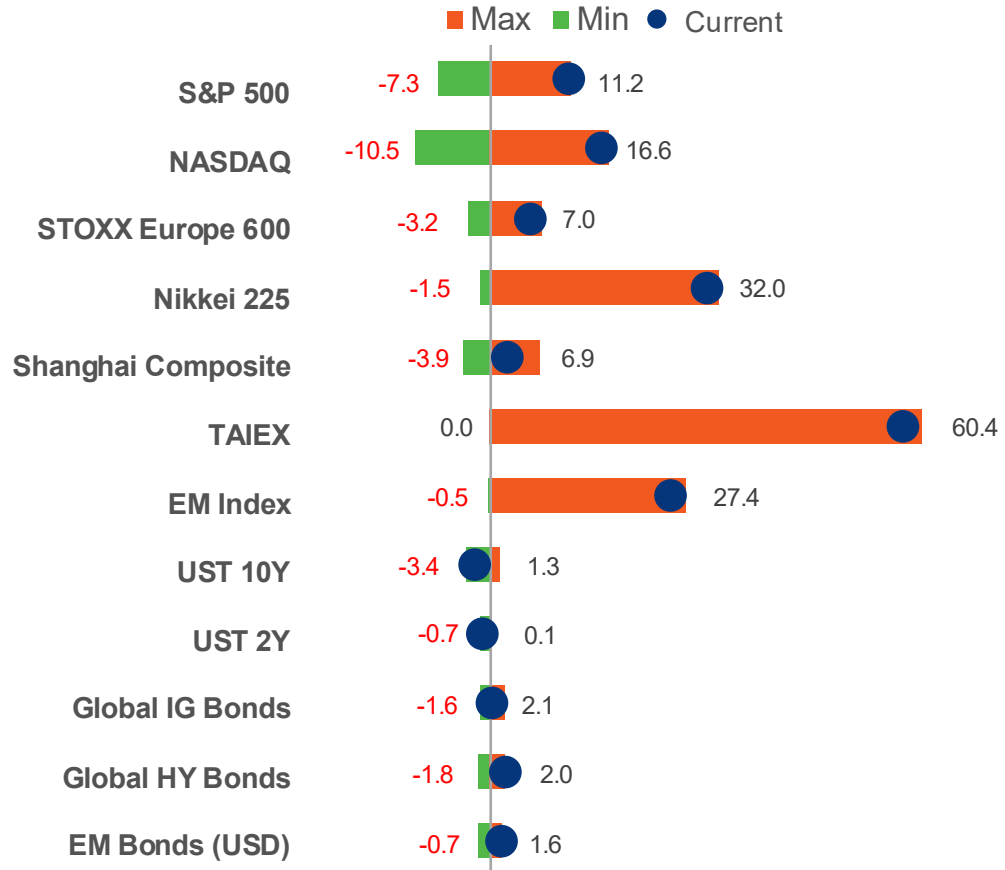
Source: Bloomberg

Key Earnings Releases

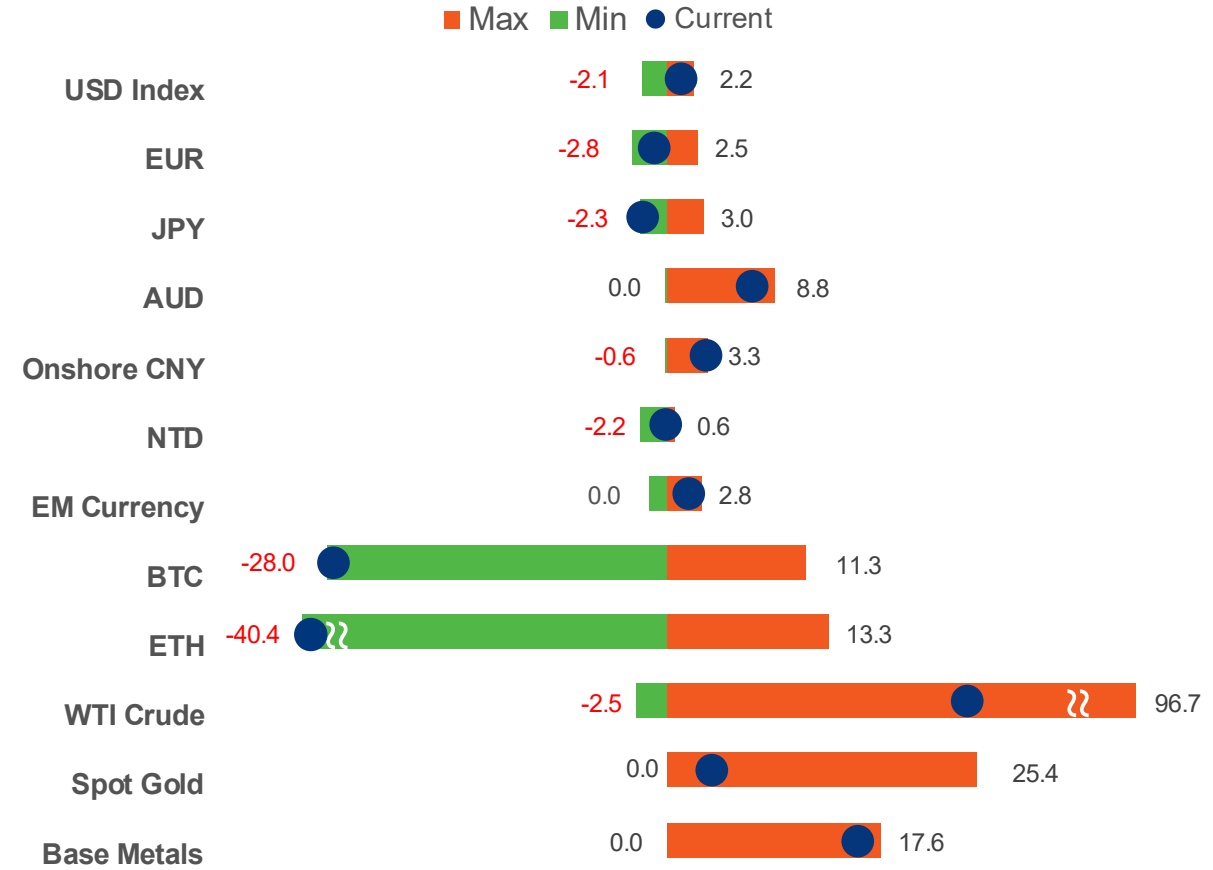
Date	Name	Revenue (F) (USD)	Actual Revenue (USD)	EPS (F) (USD)	Actual EPS (USD)	Exceed Expectation Revenue	Exceed Expectation EPS
2026/6/5	Broadcom Inc. (AVGO)	22.13B	22.19B	2.40	2.44	V	V

Major Market / Asset YTD Performance

Equities & Bond Markets YTD Performance (%)

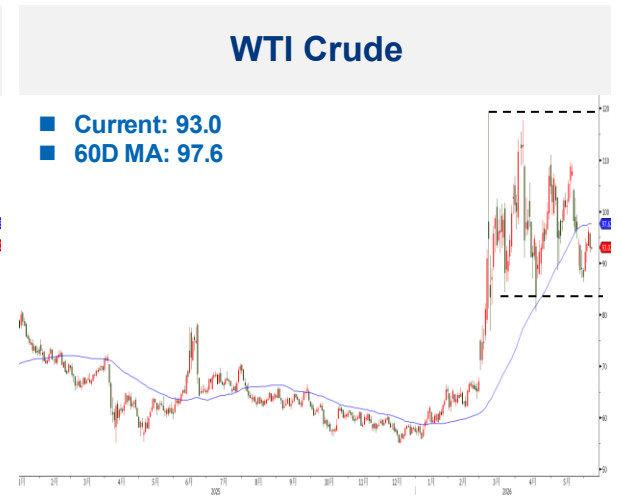
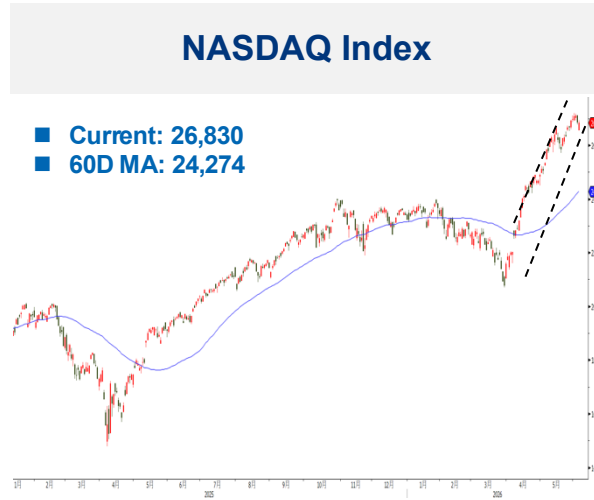
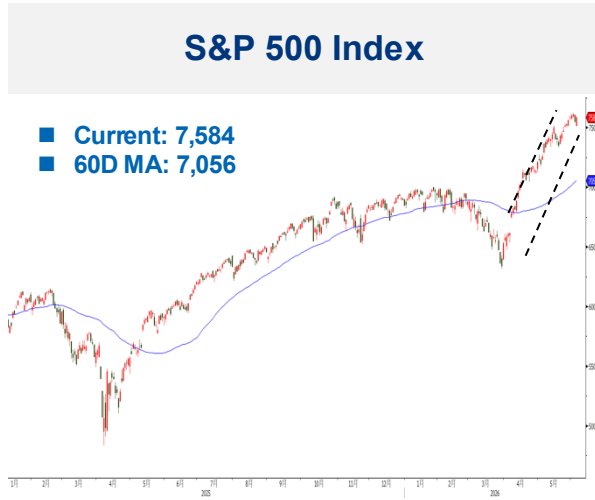


Currencies and Commodities Market YTD Performance (%)



Source: Bloomberg

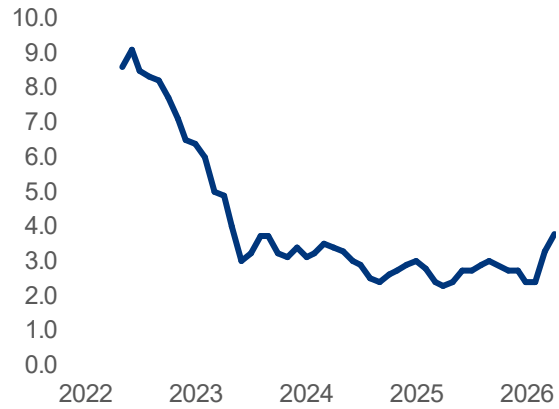
Technical Analysis



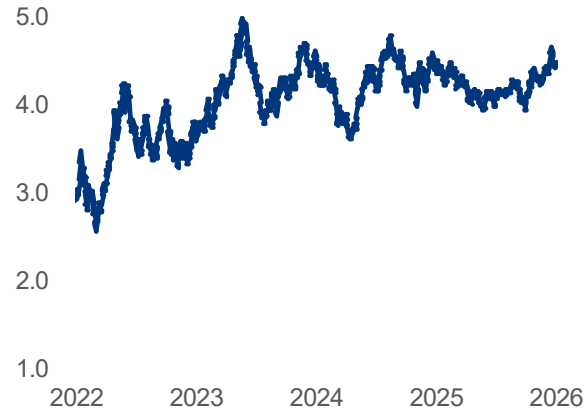
Source: Bloomberg

Market Monitor

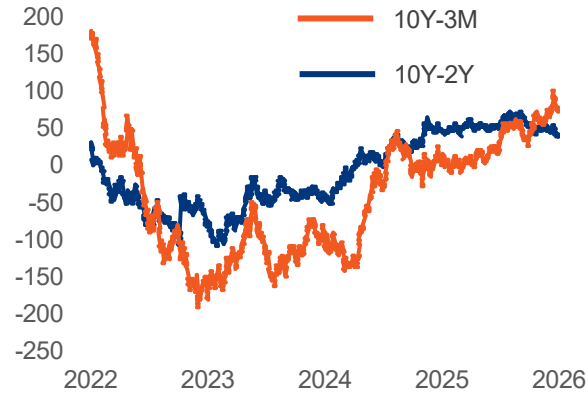
U.S. CPI YoY (%)



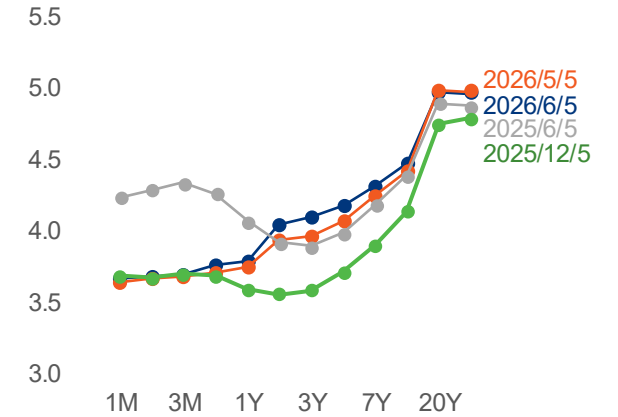
U.S. 10-Year Treasury Yield (%)



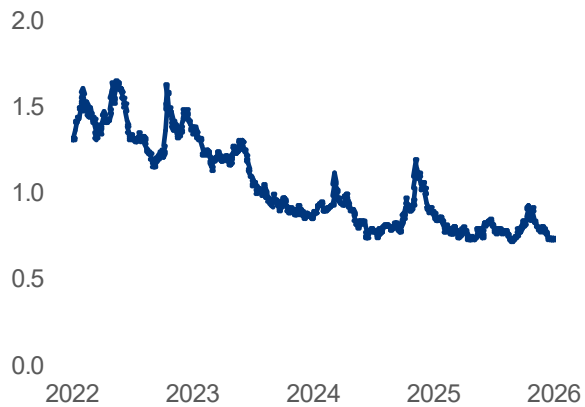
U.S. Treasury Yield Spread (bps)



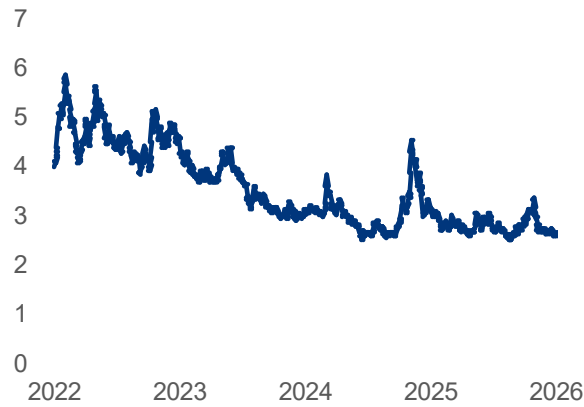
U.S. Treasury Yield Curve (%)



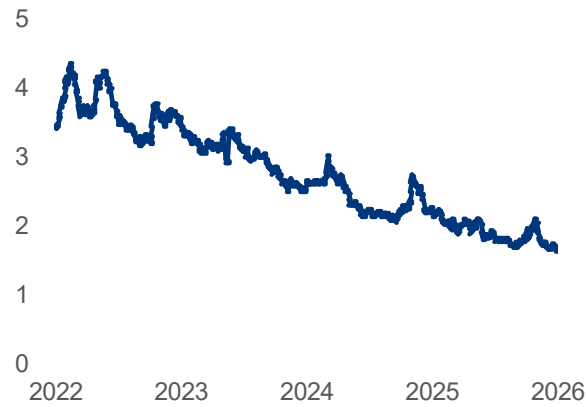
USD IG Credit Spread (%)



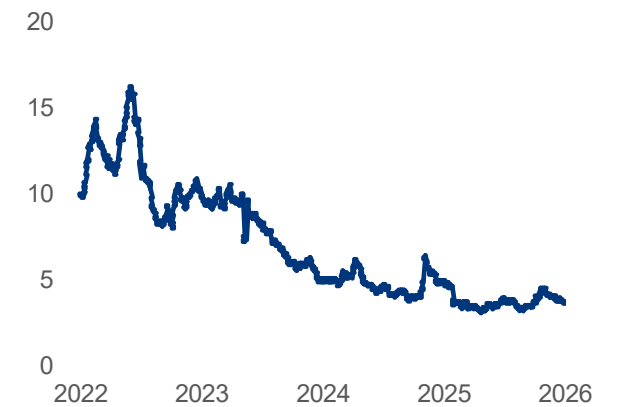
USD HY Credit Spread (%)



USD EM Credit Spread (%)



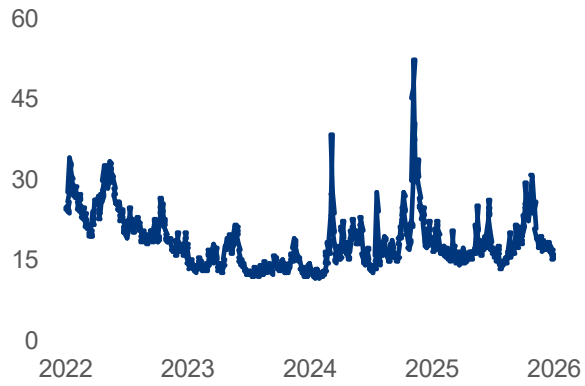
USD Asia Credit Spread (%)



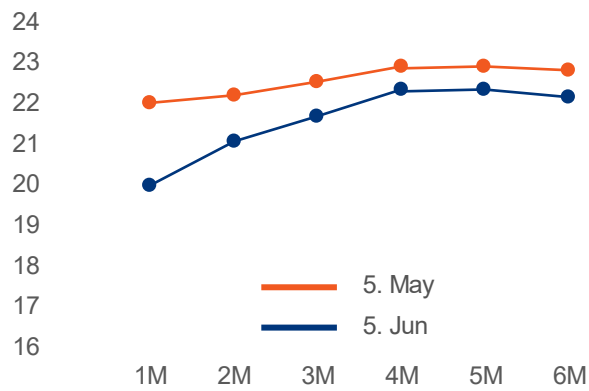
Source: Bloomberg

Market Monitor

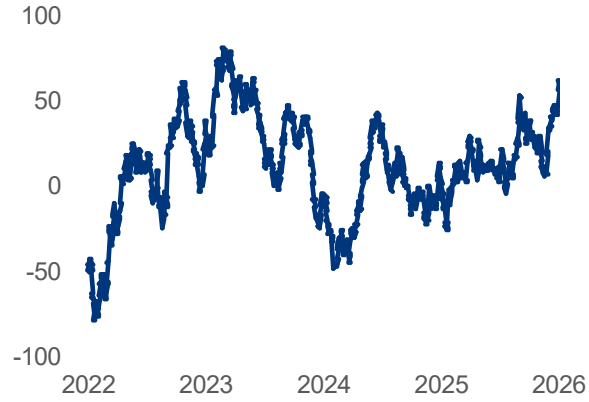
VIX Index



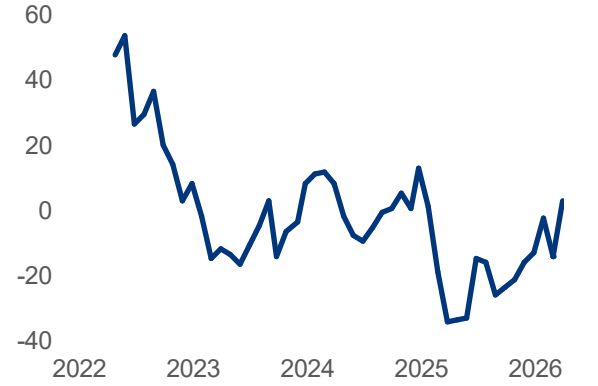
VIX Term Structure



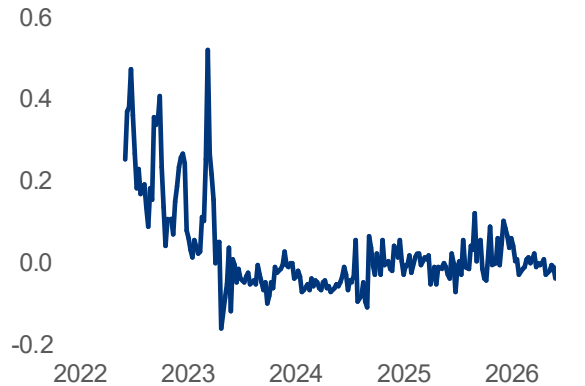
U.S. Citi Economic Surprise Index*



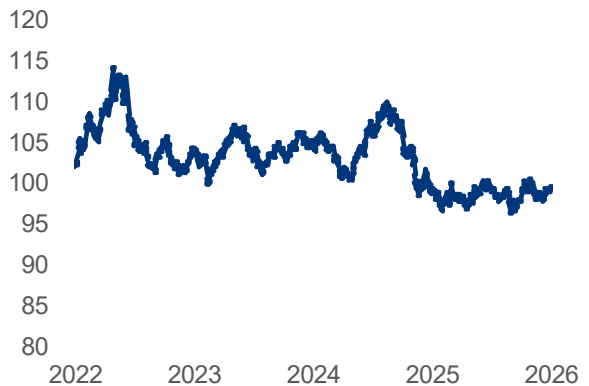
U.S. Citi Inflation Surprise Index*



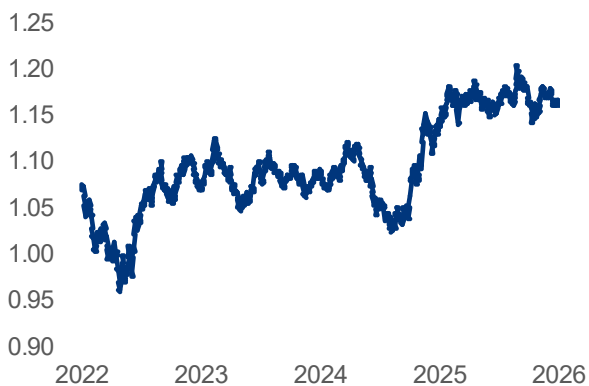
TED Spread (bps)



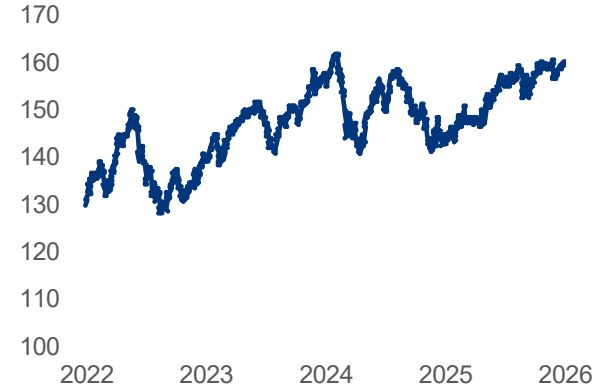
U.S. Dollar Index



EUR to USD



USD to JPY



Source: Bloomberg

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