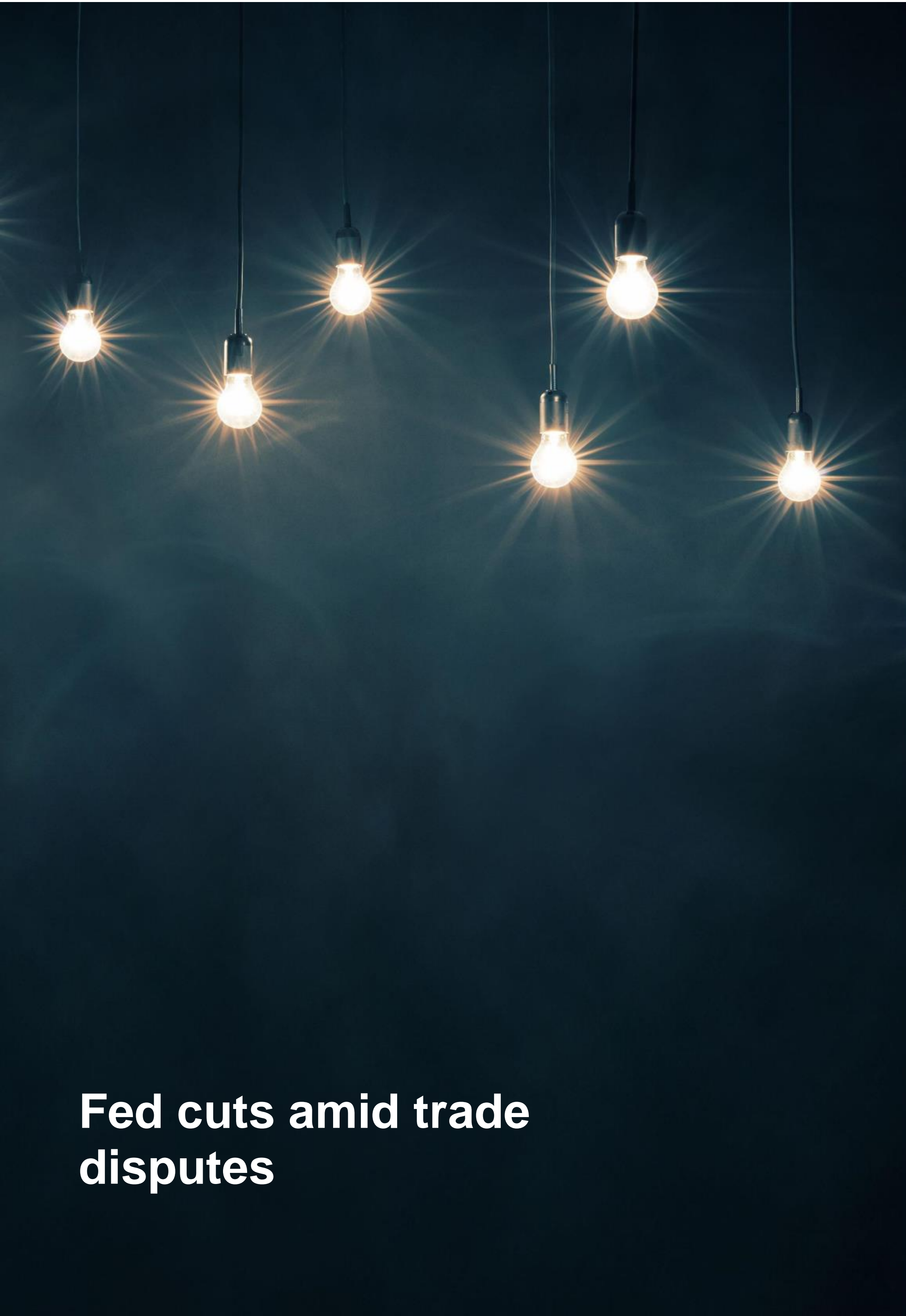
Standard Chartered Private Bank

Weekly Market View



Fed cuts amid trade disputes

The Fed's description of its July rate cut as a 'mid-cycle adjustment' supports our positive 6-12 month view on equities and EM bonds.

Escalating trade disputes between US-China and Japan-Korea pose short-term risks, but we continue to expect an eventual deal

Equities: Q2 earnings remain supportive of equities in the US, less so in Europe

Bonds: The lack of a rise in long-term bond yields is supportive for EM USD bonds.

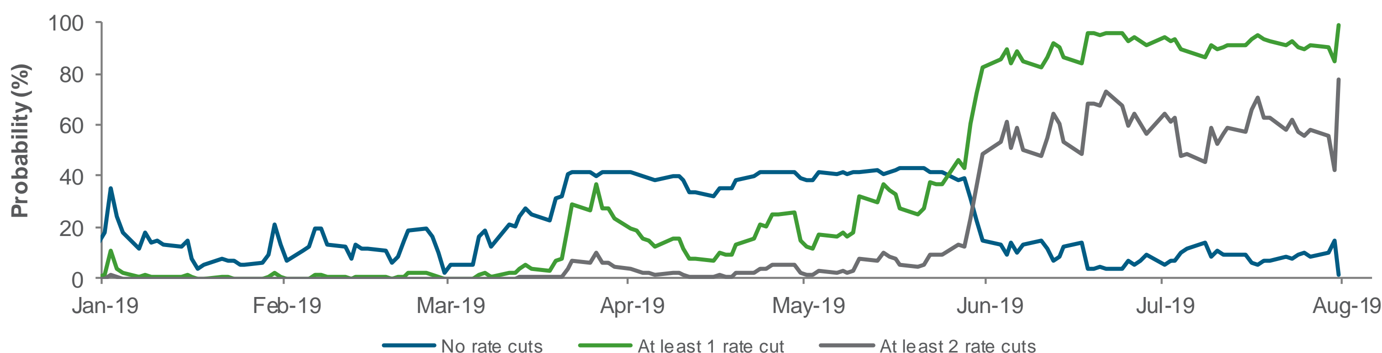
FX: Volatile perceptions of Brexit risk may weigh on the GBP short term, but we remain bullish medium-term.

Contents

Fed cuts amid trade disputes	1
What does this mean for investors?	4
Key asset class questions	5
Our recommended allocations	9
Asset allocation summary	10
Market performance summary	11
Economic and market calendar	12
Important information	13

Chart of the week: Market expectations of Fed rate cuts in 2019

Market-based probability of another 0, 1 and 2 Fed rate cuts by end-2019 following this week's rate cut



Source: Bloomberg, Standard Chartered

Editorial

Fed eases rates in a 'mid-cycle adjustment'

As widely expected, the Fed cut its policy rate by 25bps at its 31 July meeting. Markets were, however, disappointed by Fed Chair Powell's guidance on the future path of policy. As highlighted in the above key chart of the week, markets were expecting a high likelihood of two further rate cuts before the end of 2019. However, Powell's description of the rate cut as a 'mid-cycle adjustment' and that the rate cut was "not the beginning of a long series of rate cuts" challenged these expectations, disappointing markets. Rate cut expectations rebounded after the US announced fresh tariffs on China.

US (and Asian) equities and US Treasury bond yields moved lower, while the USD was higher, following the Fed decision.

In our assessment, the Fed policy decision and guidance largely meet our expectations that Fed easing has parallels with 1995 and 1998 when the Fed similarly conducted a 'mid-cycle adjustment' and the economy avoided a recession.

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As we noted in our H2 Outlook (and reiterate on page 5), we believe the US economy shows greater similarity to the periods immediately preceding Fed rate cuts in 1995 or 1998 rather than ‘end-of-cycle’ rate cuts in 2001 or 2007. We also note equities and corporate/Emerging Market (EM) bonds performed well following rate cuts in 1995/98. Over a 6-12 month horizon, therefore, we view the Fed’s ‘insurance’ rate cut in July as supportive of equities and corporate/EM bonds.

See page 5 for more details on why we believe the Fed’s rate cut will be successful in supporting growth and page 7 for our view on how it could impact corporate and EM bonds.

Short term, though, US equities may be showing signs of fatigue. We see support for the S&P500 2.8% and 6.2% below current levels.

The art of the deal – US-China trade

President Trump announced fresh tariffs on USD 300bn worth of additional Chinese goods, starting in September. This follows a restart of US-China trade talks (characterised as ‘frank’ and ‘constructive’) in Shanghai last week, which ended with an agreement to meet again in September. Equities weakened following the announcement, but the impact was larger on oil prices and Treasury yields.

In our assessment, the new tariff announcement fits into our central scenario that, while a deal of some sort is likely in the coming quarters, the broader US-China relations context means the path is unlikely to be smooth. This means we view such escalations as a risk to the short-term outlook rather than significantly impacting our long-term view.

Boris Johnson raises ‘Hard Brexit’ fears

The GBP has fallen 3.0% since Johnson’s appointment as UK Prime Minister (PM) on 24 July amid rising market fears of a ‘no-deal’ Brexit.

In our assessment, much of the new government’s comments are likely part of an aggressive negotiation strategy. As we noted in our *Weekly Market View dated* 19 July 2019, PM Johnson has room to potentially renegotiate a deal, or secure a temporary free trade agreement pending a final deal before the deadline. Even if both should fail, a no-deal outcome is likely to be eventually blocked by the UK Parliament, potentially forcing an election which, in turn, is likely to favour the avoidance of a hard Brexit given current opinion polls.

For the GBP, this means that while heightened volatility is likely between now and end-October, we view the GBP as offering an attractive risk/reward trade-off over a 6-12 month horizon at current levels (we expect 1.20 or lower on hard Brexit vs. 1.40 or higher on a soft Brexit). We see key support for GBP/USD at 1.1979. See our *Marketwatch* dated 30 July 2019 for more details.

A second trade dispute: Japan-Korea

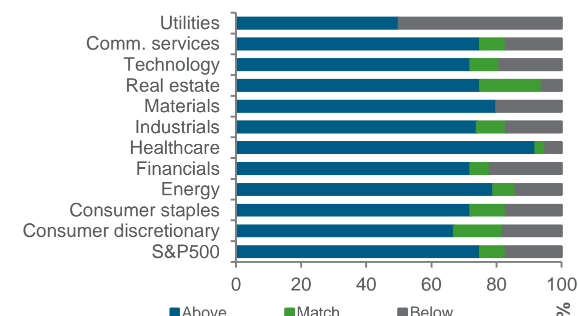
Japan tightened export controls on chemicals essential to electronics manufacturing to South Korea in response to a Korean court decision related to World War II reparations. While we are watching this risk to Korean growth closely, given a number of ongoing trade-related risks, we prefer to focus on markets with greater sensitivity to domestic growth and policy in Asia, like China. See page 6 for more.

What we are watching

US jobs report (2-Aug); US-China trade talks (Sep); Brexit-related events (ongoing).

Majority of US Q2 earnings continue to beat expectations

S&P500 index; Q2 earnings relative to expectations



Source: FactSet, Standard Chartered

US equity rally showing signs of short-term fatigue

S&P500 technicals

Source: Bloomberg, Standard Chartered

The GBP has weakened following rising ‘no-deal’ Brexit fears. Key support sits just below 1.20

GBP/USD

Source: Bloomberg, Standard Chartered

What does this mean for investors?

Global equities and commodities fell following Fed guidance and new US tariffs on China. Bonds and the USD gained.

Equities

How are the US and European earnings seasons progressing? In the US, 59% of S&P500 companies have reported earnings thus far, of which 75% have beaten expectations. This positive earnings surprises trend is the strongest in the healthcare sector, at 92%, though the trend extended across sectors. We prefer the energy, healthcare and industrials sectors.

In Europe, just under 20% of the Stoxx600 companies have reported; of which 55% beat earnings expectations. We prefer the energy, industrials, consumer staples and consumer discretionary sectors.

Of the companies that have reported in HK and China, utilities have disappointed relative to expectations. However, insurance and consumer staple companies have said they expect interim earnings to grow by more than 50%. We prefer financials, real estate, consumer staples and consumer discretionary sectors in China equities.

Bonds

What does the latest Fed outcome mean for EM USD bonds? The impact is likely mixed. EM USD government bond yield premiums continued to decline following both the 25bps Fed rate cut and easing US-China trade concerns. Favourable external dynamics and continued search-for-yield are likely to aid them going forward. A rise in Treasury yields would be a risk, though we are encouraged by the fact that 10-year US Treasury yields fell following the Fed's decision.

Elsewhere, 10-year German Bund yields hit an all-time low while US Treasury yields fell further after new US tariffs on China. Given the low yields on offer across the US, Bund and Japan Government Bond universe, we are less constructive on Developed Market (DM) Investment Grade (IG) government bonds. See page 7 for more.

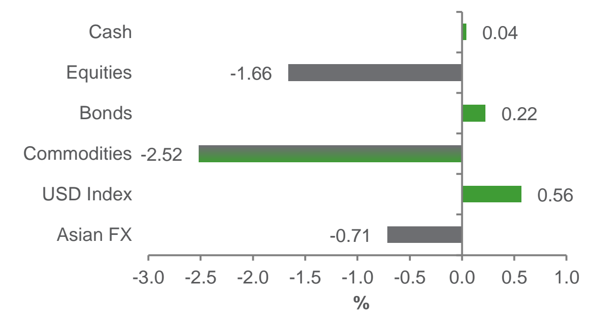
FX

Could the AUD weaken further? Recent inflation data surprised positively, but at 1.5%, it remains well short of the Australian Central Bank's 2-3% target range, which underpins the case for further policy easing. Terms of trade, though, remains supportive of the AUD. Further downside is likely limited, in our view, given elevated net short AUD positioning, unless the USD unexpectedly rallies. Immediate support and resistance are seen at 0.6700 and 0.7085, respectively.

WTI gap vs. Brent could start to narrow. Ongoing Middle-East tensions and continued OPEC discipline remain supportive of higher oil prices, even if escalating trade disputes raise renewed demand concerns. However, we believe there are different dynamics at play in the US shale market. Relatively sweet and light US shale (WTI pricing) competes more with North Sea Brent oil (Brent oil pricing) rather than heavier crudes produced by Saudi Arabia and Russia. The ongoing buildout of pipeline and deep-water harbour infrastructure in the US Gulf means less inefficiencies in accessing WTI oil. This means the gap between the two may begin to narrow.

Therefore, while we expect Brent oil prices to remain relatively range-bound around USD 65/bbl over the next 6-12 months, the gap between Brent and WTI could start to narrow over this period.

Benchmark (USD) performance w/w*



Source: MSCI, JP Morgan, DJ-UBS, Citigroup, Bloomberg, Standard Chartered (Indices used are JP Morgan Cash, MSCI AC World TR, Citi World Big, DJ-UBS Commodity, DXY and ADXY)

*Week of 25 July 2019 to 1 August 2019

Equity market technicals are mostly bullish

Technical levels of key market indicators as on 1 August

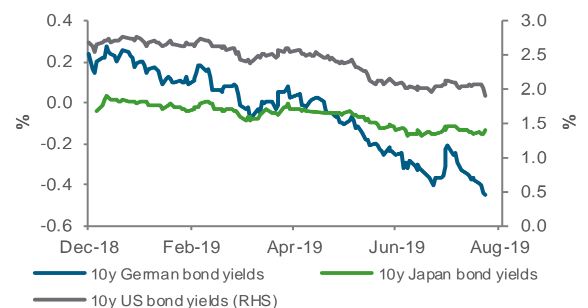
Index	Spot	1st support	1st resistance	Short-term trend
S&P500	2,954	2,942	2,986	↘
STOXX 50	3,490	3,424	3,526	↘
FTSE 100	7,585	7,508	7,770	↗
Nikkei 225	21,177	20,950	21,800	↗
Shanghai Comp	2,909	2,885	2,965	→
Hang Seng	27,566	26,665	28,500	↘
MSCI Asia ex-Japan	631	623	655	↘
MSCI EM	1,025	1,010	1,060	→
Brent (ICE)	61	60	66	↓
Gold	1,440	1,405	1,455	↑
UST 10Y Yield	1.90	1.74	2.10	↘

Source: Trading Central, Standard Chartered

Note: Arrows represent short-term trend opinions

Major government bond yields remain low

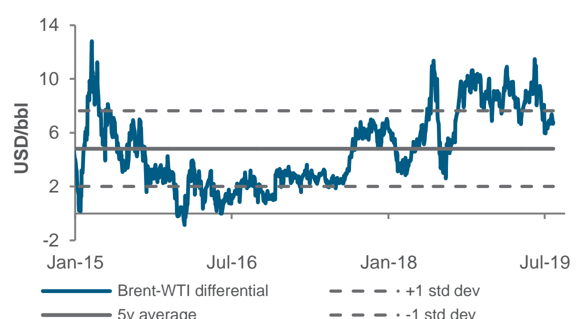
10y G3 government bond yields



Source: Bloomberg, Standard Chartered

Brent-WTI price gap may narrow in 6-12 months

Difference between Brent and WTI crude oil prices



Source: Bloomberg, Standard Chartered

Top client question

Do you expect the Fed to be successful in helping the US economy avoid a recession with ‘insurance’ rate cuts?

Yes, we believe the Fed’s latest move – arguably an ‘insurance’ rate cut aimed at prolonging the business cycle – will be largely successful.

Increasingly dovish central banks

Central banks around the world have taken a decidedly dovish turn over the past few months, with the Fed leading the way. While the global economy has slowed, much of this weakness has been concentrated in the manufacturing sector. Even here, it is worth placing the weakness in perspective. As the charts on the right illustrate, measures such as PMI indices have slowed from highs, but remain well within expansionary territory in the US.

More like 1995/98 than 2001/07

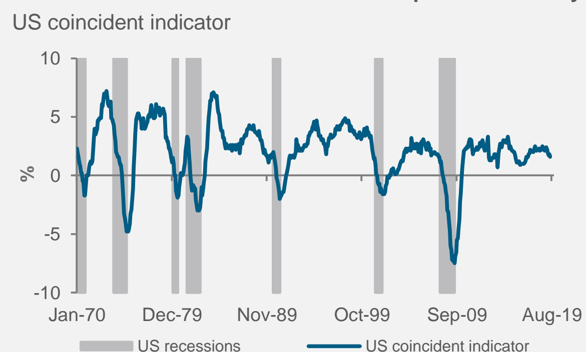
The table on the right also summarises our comparison of the current period with those periods immediately prior to previous mid-cycle rate cuts (1995 and 1998) and previous recessions (2001 and 2008). Since we published our H2 Outlook, the magnitude of economic disappointments has narrowed. While individual indicators such as GDP growth and the Chicago PMI have slowed further, many indicators such as retail sales and personal income and spending have strengthened. The lagged impact of the fall in mortgage rates should be a support and, finally, we believe monetary policy is not yet restrictive.

Our assessment of US recession risks unchanged

We are not downplaying the risks – our Global Investment Committee sees the probability of a US recession at 30-35% – but this remains largely unchanged from prior months. On balance, we continue to believe the environment looks much more similar to the 1995/1998 mid-cycle slowdown based on our set of indicators.

The US coincident indicator remains in positive territory

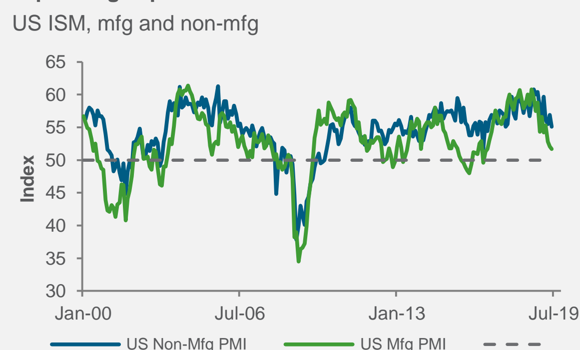
US coincident indicator



Source: Bloomberg, Standard Chartered

US PMIs have weakened, but remain above the 50-mark separating expansion from contraction

US ISM, mfg and non-mfg



Source: Bloomberg, Standard Chartered

We believe the current environment looks more like the 1995/1998 mid-cycle slowdowns than something much worse

Medium-term factors	Current signal	Prior to mid-cycle rate cut (1995/8)	Prior to recession rate cut (2001/7)
Valuations	⇔	⇩ / ⇔	⇩ / ⇩
US unemployment rate	⇩	⇧ / ⇧	⇩ / ⇩
US monetary policy settings	⇔	⇩ / ⇩	⇩ / ⇔
Inflation expectations	⇧	⇩ / ⇧	⇩ / ⇩
Geopolitics	⇩	⇧ / ⇧	⇧ / ⇧
Financial excesses	⇔	⇔ / ⇔	⇩ / ⇩

Source: Standard Chartered

Top client question

Could major central bank support trigger renewed gains in Asia ex-Japan equities?

Yes, central banks, softer USD to support

We have upgraded Asia ex-Japan equities to preferred from core holding on supportive central bank policies and a softer USD outlook. The Fed cut is likely to keep bond yields contained and eventually weaken the USD, which we view are constructive for Asia ex-Japan equities. Fed cuts, together with possible ECB easing, could also induce fund flows into the region and trigger renewed gains in Asia ex-Japan equities.

Flows, positioning, inexpensive valuations are positives

In addition to these factors, with foreign positioning in the region at decade lows, we see upside for fund flows from DMs into Asia ex-Japan equities. Trading at 12-month ahead price to earnings of 13.3x, the valuation for Asia ex-Japan equities is slightly above its long-term average at 13x. Yet, the supportive monetary measures from major central banks have not been reflected, in our view.

Resumption of trade talks positive, but path likely volatile

A resumption of US-China trade talks and Trump's apparent willingness to grant export licenses to US tech companies for supplies to China are positive moves to offset no-deal risks. Having said that, the announcement of fresh US tariffs demonstrates the path toward a deal is unlikely to be smooth. Broader efforts at de-escalation could eventually push valuations for Asia ex-Japan equities higher, in our view.

Prefer China offshore and onshore within Asia

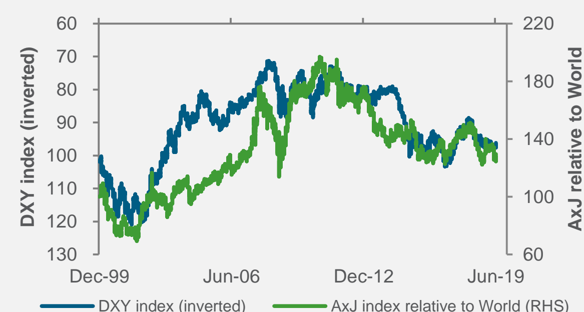
Within Asia, we have upgraded China offshore to preferred holdings from core on attractive valuations and further stimulus measures ahead. MSCI China is trading at a 13% discount to Asia ex-Japan. MSCI China equities have priced in most of the trade war downside risks, but the upside from further stimulus measures have not been reflected, in our view. Sluggish economic data have increased pressure for the Chinese government to announce further easing measures, such as rate cuts and reserve requirement ratio (RRR) cuts, to improve liquidity and boost domestic consumption. Trading at 12-month ahead price to earnings of 11.4x at an estimated 15.6% earnings growth, China onshore equities are attractively valued. Both China offshore and onshore equities are our preferred holdings in Asia ex-Japan.

Watching Japan, UK equities

Outside of Asia ex-Japan, we have also raised Japan equities to core holding given still-attractive valuations. However, we have reduced UK equities to least preferred based on the view that risks remain focused on Brexit and we prefer taking exposure via the GBP instead.

USD weakess should support Asia ex-Japan equities' outperformance

USD Index (DXY) and Asia ex-Japan equities relative to global equities (MSCI)



Source: Bloomberg, Standard Chartered

Asian equities remain inexpensive relative to global equities

P/E ratio – MSCI Asia ex-Japan relative to MSCI World

Source: Factset, Standard Chartered

China money supply growth has slowed despite a lower RRR ratio for major banks

China M1 money supply y/y change vs. Required Reserve Ratio (RRR) for major banks

Source: Bloomberg, Standard Chartered

Top client question

Could US Treasury yields rebound higher from here? What are the implications?

Any rebound likely to be limited

Bond yields edged lower following the Fed rate cut, amid market disappointment with the Fed guidance on future policy rates, and subsequently following fresh US-China trade worries. However, Fed guidance was in line with our expectations of only a couple of 'insurance' rate cuts. This supports our view that 10-year US Treasury yields are likely to be capped below 2.25% over the next 12 months given still-negative economic surprises in the US and tepid long-term inflation expectations. Lower US rates should also reduce hedging costs for foreign investors, which could increase the relative attractiveness of US Treasuries compared with German Bunds and Japanese Government Bonds, supporting inflows.

We continue to prefer EM USD government bonds

One key implication of this view is that we remain comfortable with EM USD government bonds, which remain preferred. Sensitivity to a sharp rise in Treasury yields remains a key risk for this asset class, but this week's Fed decision arguably mitigates that somewhat. Meanwhile, we expect EM USD government bonds to continue to benefit from still-reasonable valuations (especially relative to other types of bond), the expected boost to EM growth from further EM central bank rate cuts and a likely weaker USD over the next 6-12 months. Sustained demand, continued low rates and changes to index composition should also offer support.

Low DM IG yields offer little buffer

A second implication is that the low yields offered by DM IG government bonds offer a very low buffer against the risk of any rise in yields - even a small (12-15bps) rise in yields could result in negative total returns. Thus, we reduce our view on the sub-asset class to Least Preferred.

Asia USD bonds to benefit from lower yields, but supply a risk

The impact of the Fed rate cut on Asian USD bonds is likely to be more mixed. While the rate cut and improving EM sentiment should lead to lower yields, and therefore higher bond prices, it could also eventually lead to higher supply. The YTD supply in Asian USD bonds is the highest on record and a Fed-driven boost to supply could risk indigestion. That said, we continue to like the high credit quality and defensive characteristic of Asian USD bonds and believe any short-term weakness is likely to be shallow. The sub-asset class continues to rank second in our preference order within bonds.

Mixed outlook on DM IG, DM HY bonds

We have a mixed outlook on DM IG and High Yield (HY) corporate bonds. While these bonds are likely to benefit from lower rates, which should help reduce borrowing costs, deteriorating credit quality remains a concern, which could act as a drag. Thus, we prefer to take exposure to riskier bonds through EM USD government and Asian USD bonds.

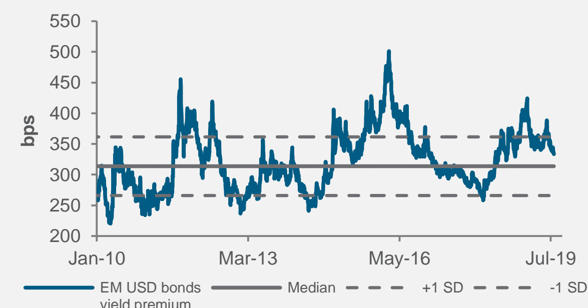
The recent decline in DM IG government bond yields leads to unattractive risk reward

Bloomberg Barclays Global Aggregate Treasury Index Yield-to-Worst (YTW)

Source: Bloomberg, Standard Chartered

Attractive yield, still reasonable valuations and accommodative DM central bank are supportive of EM USD government bonds

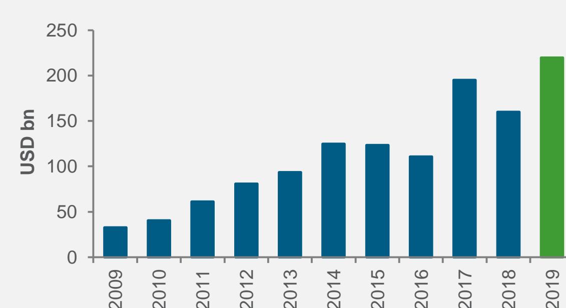
EM USD government bond yield premiums



Source: Bloomberg, Standard Chartered

Record high supply could act as a drag for Asian USD bonds

YTD (1 Jan to 29 July) supply for Asian USD bonds since 2009



Source: Bloomberg, Standard Chartered

Top client question

Which currencies may benefit from the USD weakness?

USD likely in midst of peaking process

We expect the USD to complete a peaking process in the coming weeks and begin a new medium-term downtrend. This trend reversal is likely to see a stronger JPY and EUR. We are also bullish towards the GBP and the INR over a medium-term horizon.

Net-of-inflation bond yields remain a key driver

One key driver of a lower USD is an expected narrowing of real interest rate differentials. As the Fed begins its policy adjustment, most other major central banks have more limited ability to lower their own rates. We are also monitoring perceptions the US may consider FX intervention to reverse what Trump considers unfair currency weakness by countries following negative rate policies.

USD/JPY could fall

USD/JPY has a track record of quiet range trading that is frequently punctuated with sharp breakouts, both higher and lower. Since the 2008, there have been five occasions when USD/JPY has moved between 15% and 30% over 3-7 month periods. These are often difficult to predict, but are usually driven by strong investment flow reversals. We are monitoring Japanese institutional investors, who may hold significant unhedged overseas assets in a quest for yield.

The long period of ultra-low interest rates in Japan also means the JPY is commonly used as a cheap funding currency. Significant short exposure means any JPY strength could trigger a faster-than-anticipated move.

We are bearish USD/JPY on a near- and medium- term time horizon. Technically, we expect resistance between 109 and 110.50 to hold. A break of 105 area support could open a move towards 100-102.

EUR/USD may rise

We are bullish EUR/USD in the near and medium term. The current support around 1.11 held thrice recently. Although a temporary break lower could see 1.085 to 1.10, we await a break of 1.1450 to signal a reversal towards 1.1850 initially.

Retain 6-12 month bullish GBP/USD view

Markets perceive that the risk of a no-deal Brexit has risen as new Prime Minister Johnson's negotiating strategy has hardened. Since the UK parliament is scheduled to sit again only on 3 September, a month of uncertainty lies ahead. From a medium-term perspective, we remain bullish for the GBP, and on a risk-reward basis, we expect investment flows to support the GBP at oversold levels. We have anticipated a no-deal Brexit to push GBP/USD to 1.15, perhaps 1.10. A soft-Brexit is likely to see the pair back around 1.35, and a cancellation of Brexit at 1.43 to 1.45. (Please refer to our recent *Market Watch* publication for more details)

EM currencies may also see support

Finally, slow China growth and trade concerns cast a shadow over EM currencies, but Fed easing should begin to support them as the USD turns lower. Our preference is for a lower USD/INR towards 67.00, driven by attractive asset markets, expected lower rates that support funding fiscal stimulus and relatively stable oil prices, which could trigger strong capital inflows.

Fed easing supports further narrowing of key interest rate differential; driver for lower USD/JPY

USD/JPY vs. US-JP Real 2y Interest Rate Differentials

Source: Bloomberg, Standard Chartered

Fed easing supports further narrowing of key interest rate differential; driver for higher EUR/USD

EUR/USD vs. EU-US Real 2y Interest Rate Differentials

Source: Bloomberg, Standard Chartered

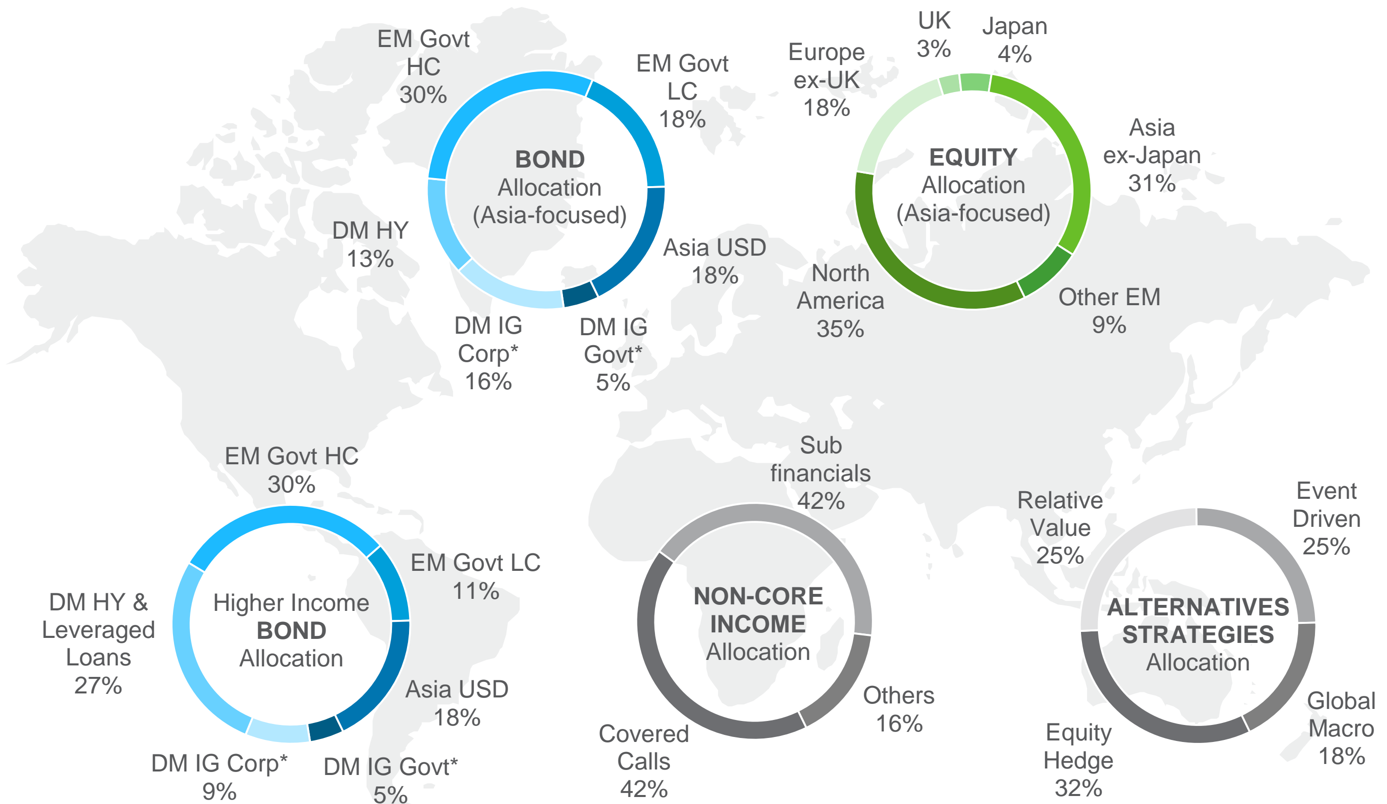
Stable oil prices are expected to be one supportive factor for a lower USD/INR

Daily chart: USD/INR vs. Brent

Source: Bloomberg, Standard Chartered

Our recommended allocations

Asset class sleeves



Tailoring a multi-asset allocation to suit an individual's return expectations and appetite for risk

- We have come up with several asset class 'sleeves' across major asset classes driven by our investment views
- Our modular allocations can be used as building blocks to put together a complete multi-asset allocation
- These multi-asset allocations can be tailored to fit an individual's unique return expectations and risk appetite
- We illustrate allocation examples for both Global and Asia-focused investors, across risk profiles

BOND Allocation (Asia-focused)	Higher Income BOND Allocation	EQUITY Allocation (Asia-focused)	NON-CORE Income Allocation	ALTERNATIVES STRATEGIES Allocation
• For investors who want a diversified allocation across major fixed income sectors and regions • Asia-focused allocation	• For investors who prefer a higher income component to capital returns from their fixed income exposure • Includes exposures to Senior Floating Rate bonds	• For investors who want a diversified allocation across major fixed income sectors and regions • Asia-focused allocation	• For investors who want to diversify exposure from traditional fixed income and equity into 'hybrid' assets • Hybrid assets have characteristics of both fixed income and equity • Examples include Covered Calls, REITs and sub-financials	• For investors who want to increase diversification within their allocation • Include both 'substitute' and 'diversifying' strategies

Note: Allocation figures may not add up to 100 due to rounding. *FX-hedged

Asset allocation summary

All figures are in percentages

Summary	View	ASIA FOCUSED Conservative	ASIA FOCUSED Moderate	ASIA FOCUSED Moderately Aggressive	ASIA FOCUSED Aggressive	GLOBAL FOCUSED Conservative	GLOBAL FOCUSED Moderate	GLOBAL FOCUSED Moderately Aggressive	GLOBAL FOCUSED Aggressive
Cash	▼	11	3	2	0	11	3	2	0
Fixed Income	◆	68	43	31	8	68	43	31	8
Equity	▲	21	38	53	82	21	38	53	82
Alternative Strategies	◆	0	16	15	10	0	16	15	10

Asset class	View	ASIA FOCUSED Conservative	ASIA FOCUSED Moderate	ASIA FOCUSED Moderately Aggressive	ASIA FOCUSED Aggressive	GLOBAL FOCUSED Conservative	GLOBAL FOCUSED Moderate	GLOBAL FOCUSED Moderately Aggressive	GLOBAL FOCUSED Aggressive
USD Cash	▼	11	3	2	0	11	3	2	0
DM Government Bonds*	▼	3	2	2	0	5	3	2	1
DM IG Corporate Bonds*	◆	11	7	5	1	15	9	7	2
DM HY Corporate Bonds	◆	9	6	4	1	13	8	6	2
EM USD Government Bonds	▲	20	13	9	2	16	10	7	2
EM Local Ccy Government Bonds	◆	12	8	6	1	10	6	4	1
Asia USD Bonds	◆	12	8	6	1	10	6	4	1
North America Equity	▲	7	13	18	29	12	21	30	46
Europe ex-UK Equity	◆	4	7	9	14	2	3	4	7
UK Equity	▼	1	1	2	2	1	1	1	2
Japan Equity	◆	1	2	2	4	1	2	2	3
Asia ex-Japan Equity	▲	7	12	17	26	4	8	11	17
Non-Asia EM Equity	◆	2	3	5	7	2	3	4	7
Alternatives Strategies	◆	0	16	15	10	0	16	15	10
		100	**100**	**100**	**100**	**100**	**100**	**100**	**100**

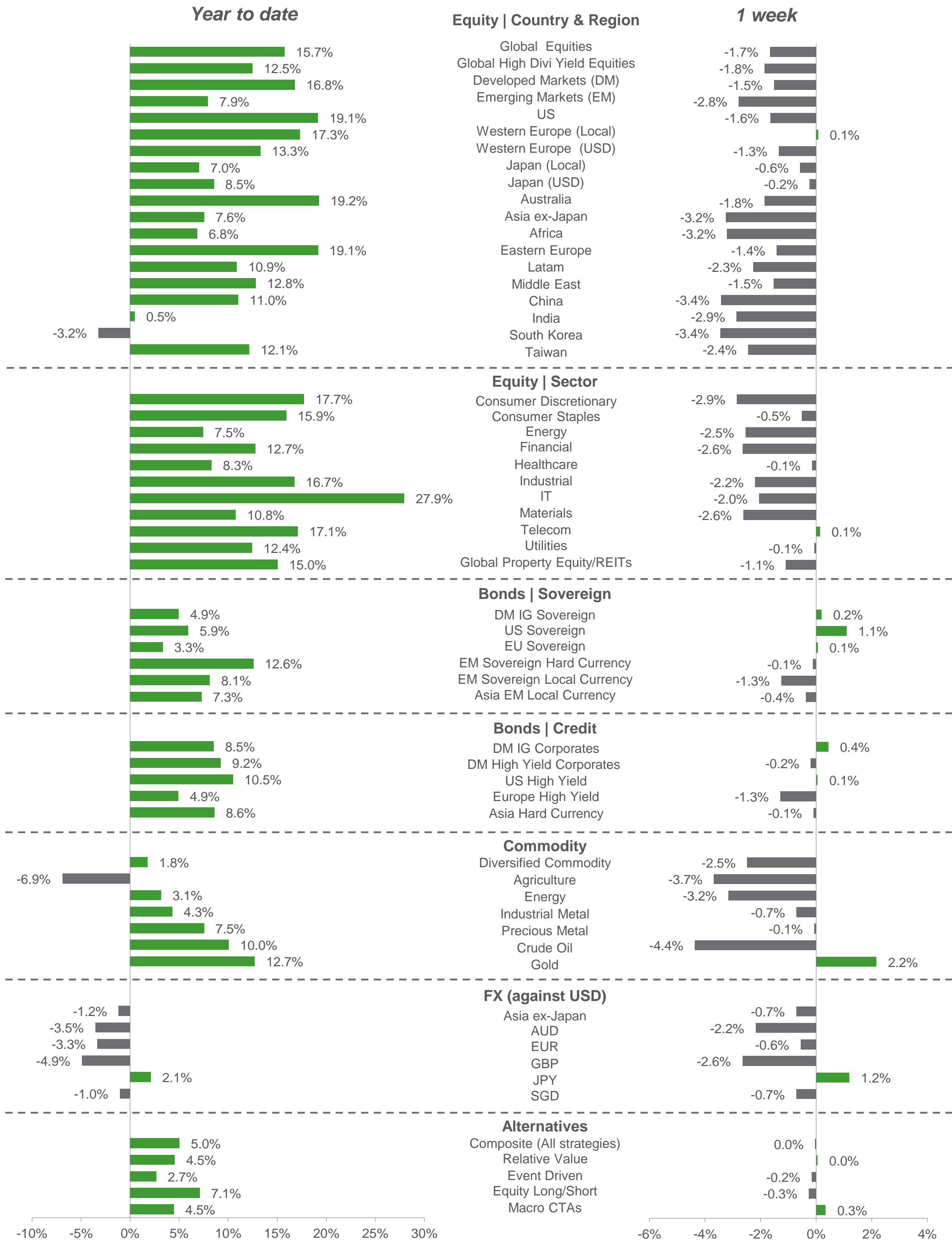
Source: Bloomberg, Standard Chartered

For illustrative purposes only. Please refer to the disclosure appendix at the end of the document. * FX-hedged

Note: 1. For small allocation we recommend investors to implement through global equity/global bond product 2. Allocation figures may not add up to 100 due to rounding.

Legend: ▼ Least preferred ◆ Core holding ▲ Most preferred

Market performance summary *



Sources: MSCI, JP Morgan, Barclays Capital, Citigroup, Dow Jones, HFRX, FTSE, Bloomberg, Standard Chartered

*Performance in USD terms unless otherwise stated, YTD period from 31 December 2018 to 01 August 2019, 1 week period: 25 July 2019 to 01 August 2019

Economic and market calendar

	Event	Next Week	Date	Period	Expected	Prior
MON	CH	Caixin China PMI Composite	05-Aug-19	Jul	–	50.6
	CH	Exports y/y	05-Aug-19	Jul	–	-1.3%
	EC	Sentix Investor Confidence	05-Aug-19	Aug	–	-5.8
	IN	Markit India PMI Composite	05-Aug-19	Jul	–	50.8
	RU	Markit Russia PMI Composite	05-Aug-19	Jul	–	49.2
	UK	Markit/CIPS UK Composite PMI	05-Aug-19	Jul	–	49.7
	US	ISM Non-Manufacturing Index	05-Aug-19	Jul	55.5	55.1
TUE	AU	RBA Cash Rate Target	06-Aug-19	6-Aug	–	1.0%
	GE	Factory Orders WDA y/y	06-Aug-19	Jun	–	-8.6%
WED	CA	Markit India PMI Composite	07-Aug-19	Jul		50.8
	GE	Industrial Production WDA y/y	07-Aug-19	Jun	–	-3.7%
	IN	RBI Repurchase Rate	07-Aug-19	7-Aug	5.5%	5.8%
THUR						
FRI/ SAT	CA	Markit Russia PMI Composite	09-Aug-19	Jul		49.2
	CH	CPI y/y	09-Aug-19	Jul	–	2.7%
	GE	Exports SA m/m	09-Aug-19	Jun	–	1.1%

	Event	This Week	Date	Period	Actual	Prior
MON						
TUE	EC	Economic Confidence	30-Jul-19	Jul	–	103.3
	GE	CPI EU Harmonized y/y	30-Jul-19	Jul P	1.3%	1.5%
	JN	Industrial Production y/y	30-Jul-19	Jun P	-2.5%	-2.1%
	JN	BoJ 10-Yr Yield Target	30-Jul-19	Jul	0.0%	0.0%
	US	Personal Income	30-Jul-19	Jun	0.3%	0.5%
	US	Real Personal Spending	30-Jul-19	Jun	0.2%	0.2%
	US	PCE Core Deflator y/y	30-Jul-19	Jun	1.7%	1.6%
	US	Conf. Board Consumer Confidence	30-Jul-19	Jul	124.4	121.5
WED	CH	Manufacturing PMI	31-Jul-19	Jul	49.7	49.4
	CH	Non-manufacturing PMI	31-Jul-19	Jul	54.0	54.2
	EC	Unemployment Rate	31-Jul-19	Jun	7.5%	7.5%
	EC	CPI Core y/y	31-Jul-19	Jul A	1.0%	1.1%
THUR	US	FOMC Rate Decision (Upper Bound)	01-Aug-19	Jul	2.3%	2.5%
	UK	Bank of England Bank Rate	01-Aug-19	Aug	0.8%	0.8%
FRI/ SAT	EC	PPI y/y	02-Aug-19	Jun	–	1.6%

Source: Bloomberg, Standard Chartered; key indicators highlighted in blue
Previous data are for the preceding period unless otherwise indicated
Data are % change on previous period unless otherwise indicated
P - preliminary data, F - final data, sa - seasonally adjusted
y/y – year-on-year, m/m - month-on-month

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A	Excellent	C	Fair
B	Good	D	Unsatisfactory

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