standard chartered

Wealth Management Chief Investment Office
22 October 2021

Weekly Market View

The golden signal

The Q3 corporate earnings season is promising to be a strong driver of our two preferred equity markets – the US and Euro area. US companies are once again exceeding earnings and revenue estimates, leading to upgrades to future earnings expectations. Positive earnings growth surprises typically lead to sustained stock market outperformance, especially if monetary policy is supportive.

Equities: US financial and healthcare companies have delivered the biggest earnings surprises so far, supporting our preference for the two sectors. Our other preferred sector, energy, has delivered strong earnings growth.

Bonds: US long-term Treasury yields have risen on the back of rising growth, inflation and Fed tapering expectations. We expect a further, albeit modest, rise, unless Fed rate hike expectations pick up sharply.

FX: The rally in pro-cyclical currencies – AUD, NZD, CAD – may be due for a pause or short-term correction. AUD/USD faces resistance above 0.7560.

+

What is your take on the latest rebound in Chinese risky assets?

What are the key takeaways from the US earnings season?

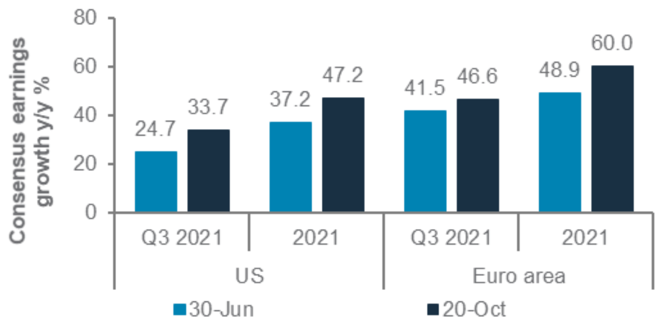
What is the technical outlook for China's major equity indices and sectors?

Important disclosures can be found in the Disclosures Appendix.

Charts of the week: Strong US earnings, a bounce in China

US and Euro area Q3 earnings expectations have risen since the start of Q3; China stocks, high yield bonds bounced

Consensus earnings growth estimates for Q3 21 and FY21



MSCI China equities index and China High Yield bonds index

Source: Refinitiv, FactSet, MSCI, Bloomberg, Standard Chartered

Editorial

The golden signal

The Q3 21 corporate earnings season is promising to be a strong driver of our two preferred equity markets – the US and Euro area. Corporate earnings are, of course, among the most powerful drivers of markets. Positive earnings growth surprises typically lead to sustained stock market outperformance, especially if monetary policy is supportive.

While these are early days, with only 20% of US S&P500 companies having reported so far, more than 80% of those companies have beaten earnings and revenue estimates. As a result, the consensus now expects a 34% rise in US Q3 earnings, up from 25% at the start of Q3, according to Refinitiv data. The positive earnings surprises come on the back of 14% revenue growth, up from the 12% growth forecast at the start of the quarter. In Europe, the consensus expects 47% growth in MSCI Euro area Q3 earnings on the back of 6% revenue growth. The results include strong earnings beats from banks, which continued to cut their bad loan provisioning as concerns about the long-term economic impact of the pandemic fade.

The positive surprises in revenue and earnings growth support our constructive view on equities and risk assets. We believe strong corporate earnings will overcome nascent concerns about rising bond yields and inflation and hawkish central banks, which tend to drag equity valuations. At the start of the year, we expected corporate earnings to deliver against high expectations (reflected then in high valuation multiples) as we recovered from the pandemic. The early Q3 results show that businesses continue to exceed those high expectations, following strong earnings beats in Q1 and Q2.

We expect this pattern of strong revenue and earnings beats to sustain over the coming year as rising vaccinations allow more social mobility and increased economic activity. This should help revive the services sector, which is crucial to job creation. Add to that the prospect of businesses replenishing rock-bottom goods inventory levels, households paring down still-high savings to meet pent-up demand for services (leisure, entertainment, travel, etc.) and central banks staying accommodative for at least the next 12 months, and we have a good chance of economic growth sustaining above pre-pandemic trend levels in both the US and Euro area in 2022. This should support strong corporate revenue growth, which would offset the drag from likely higher taxes, and rising raw material, wage and borrowing costs (especially in the US). More fiscal policy support in the US, especially if President Biden's infrastructure spending bill gets passed, and in Germany, under a socialist coalition, are likely to sustain the growth cycle longer.

This week also saw some signs of recovery in China markets – MSCI China is up more than 10% from early October's bottom, while the yield premium on Asian High Yield USD bonds tightened c. 90bps from October's high. We see increased signs of authorities ring-fencing problems in China's property sector (see page 5). Authorities have also relaxed controls on coal production to ease power shortages. Meanwhile, local governments are accelerating bond issuance likely to prepare for infrastructure spending. These are positive developments.

Nevertheless, authorities have held back broad-based stimulus (the PBoC held interest rates this week) and China's wide-ranging reforms continue, the latest being increased scrutiny on financial institutions. Against this backdrop, we believe Asia's USD bond market, including beaten down High Yield bonds, offer the best risk/reward for medium-term investors looking to rebuild China exposure within a diversified allocation. China equity technicals are improving (see page 6), but on a 12-month horizon we would focus on our selective preferred sectors, such as industrials, energy and technology, which are likely to benefit from government policies or the global growth cycle.

— Rajat Bhattacharya

The weekly macro balance sheet

Our weekly net assessment: On balance, we see the past week's data and policy as neutral for risk assets

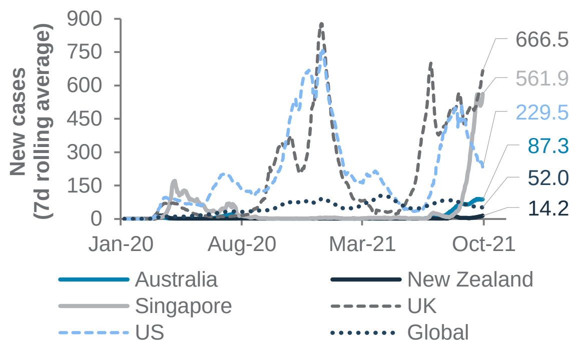
(+) factors: Falling global COVID cases, strong corporate earnings

(-) factors: Weak China growth, US slowdown, hawkish central banks

	Positive for risk assets	Negative for risk assets
COVID-19	• New cases in the US, Euro area, Asia, Japan, Latin America continued to fall • Hospitalisations in the UK remained well below last winter's peak levels • The US approved Moderna, Johnson & Johnson booster shots, mixing of vaccines	• New cases are rising again in the UK and hit record highs in Australia, New Zealand, Russia, Singapore • Highly vaccinated Singapore extended mobility restrictions to November; Russia imposed one-week workplace shutdown
	Our assessment: Neutral – Falling global cases, subdued hospitalisations vs resurgence in the UK, Oceania, Singapore	
Macro data	• US existing homes sales and housing market index rose more than expected • US retail sales fell less than expected in September • China retail sales growth accelerated more than estimated • UK consumer inflation rose less than expected • Japan September exports rose more than expected	• Fed's Beige Book showed growth slowdown in several districts amid supply constraints, COVID worries • US industrial production, housing starts fell more than expected • China's Q3 growth slowed more than expected; industrial output slowed • German producer inflation rose more than forecast
	Our assessment: Neutral – Better-than-expected US retail, home sales vs US industrial output drop, China growth slump	
Policy developments	• Hawkish Bundesbank President and ECB policymaker Jens Weidmann said he will step down at the end of 2021 after a decade in the post • China said property sector debt crisis is manageable	• Fed's Quarles said he supported bond purchase tapering from November amid inflation pressures • BoE's Bailey said bank will have to act against inflation • PBoC left rates unchanged
	Our assessment: Neutral – China debt vs. hawkish Fed, BoE	
Other developments	• Strong US, Euro area corporate earnings	
	Our assessment: Positive – Strong Q3 earnings season	

COVID-19 cases are falling across most countries, but recent rise in daily cases in highly vaccinated UK and Singapore needs to be watched closely

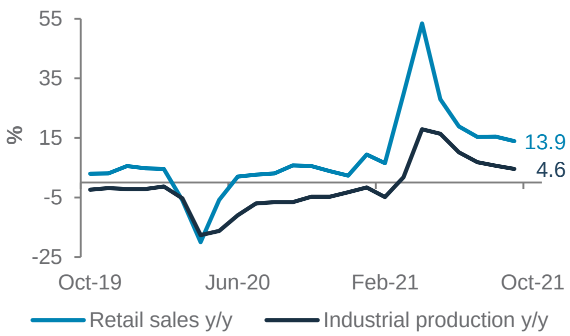
COVID-19 new cases per mln; 7-day rolling average



Source: Our World in Data, Standard Chartered

US supply chain problems have dragged industrial output lower, but retail sales growth remains robust

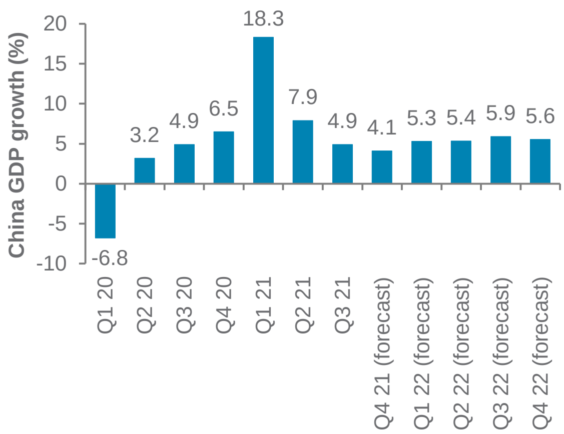
US retail sales and industrial production growth



Source: Bloomberg, Standard Chartered

China's GDP growth slowed sharply in Q3, but consensus expects it to stabilise just above 5% over the coming quarters

China GDP growth; actual, consensus expectations



Source: Bloomberg, Standard Chartered

Top client questions

What are the key takeaways from the US earnings season?

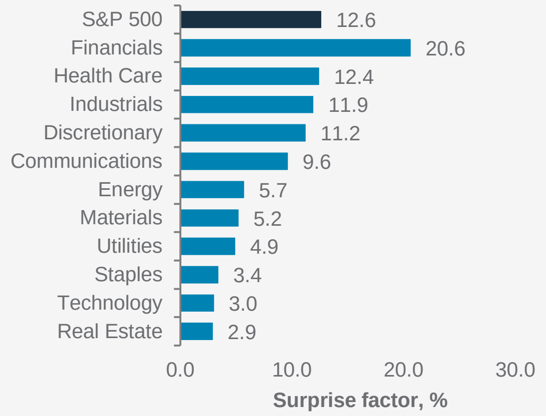
Among S&P500 companies that have reported so far, earnings have surprised by 13% to the upside, a good start. In the three years prior to the pandemic, earnings have surprised positively by 5%, on average, but since Q2 2020, positive earnings surprises have been in the double digits. Profit margins are likely to be closely watched this season as investors discern whether cost inflation is squeezing margins, but so far, Q3 margins are likely to be revised up as earnings surprises (13%) exceed revenue surprises (3%).

It is still early in the reporting season, with 20% of S&P500 companies having reported, though it is more advanced in the financial sector where 45% have reported. Encouragingly, financials have shown the biggest earnings surprise (21%) among all sectors as the better economic outlook has allowed banks to release loan loss provisions made in the bleak pandemic days. Healthcare and Industrials are the next two sectors with most positive surprise (12%). The energy sector has earnings surprise (6%) below the broader market, but we would not read too much into it given this is in the context of an outsized earnings growth of 1,527% following a low near-zero base last year. We see the sector performing well given elevated oil prices. Financials, healthcare and energy are our preferred sectors in the US.

— **Fook Hien Yap,** *Senior Investment Strategist*

US Q3 earnings season has started positively, with a 13% earnings surprise in the S&P500, led by the Financials and Healthcare sectors

US Q3 2021 earnings surprise by sectors, %



Source: Refinitiv, Standard Chartered

Could US Treasury yields continue to rise?

While persistent expectations of Fed tapering and higher inflation have pushed US bond yields higher, we would watch the following factors that could help signal whether this move could extend:

1. Whether the rise in inflation extends longer than expected on the back of supply bottlenecks and higher energy prices ahead of winter, when fuel consumption usually rises
2. Whether seasonality persists - since 1991, the 10-year Treasury yield has risen two-thirds of the time in Q4
4. Whether the debt ceiling discussion is re-opened in December

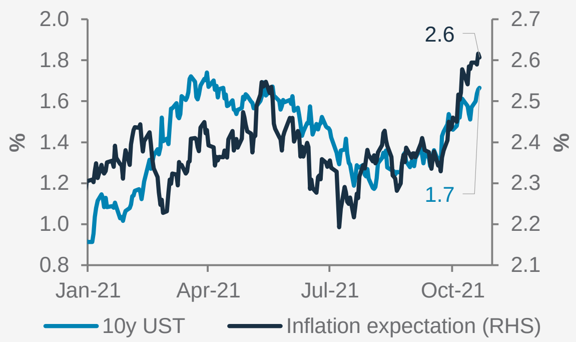
While we continue to believe risks are tilted towards modestly higher bond yields, we believe any significant overshoot is likely to be short lived as long as US Fed rate hike expectations do not rise further (markets are already pricing almost 2 rate hikes by end-2022) and inflation proves to be transitory.

In this context, we continue to view Developed Market (DM) Investment Grade bonds as less preferred given their low yields and high sensitivity to Treasury yields. Our preferred DM High Yield bonds and Asian USD bonds, though, offer both lower sensitivity to Treasury yields and, in the case of Asian USD bonds, an attractive yield premium buffer over Treasuries.

— **Cedric Lam,** *Senior Investment Strategist*

Long-term US Treasury yields have risen on Fed tapering, growth and inflation expectations lately

US 10-year Treasury yield and 10-year inflation expectations (based on inflation-protected Treasuries)



Source: Bloomberg, Standard Chartered

Top client questions (cont'd)

What is your take on the rebound in Chinese risky assets?

We continue to believe Europe and US equities are likely to outperform Chinese equities on a 12-month horizon, but we do see room for short-term absolute return opportunities in Chinese risky assets. A combination of 1) a less intense regulatory clampdown, such as lower-than-expected anti-monopoly fines in China internet-related stocks and 2) selective credit easing in the property sector, is helping soothe overly negative sentiment. The reported interest payment on Evergrande's USD-denominated bond ahead of the 23 October deadline is also promising. On technical charts, downside risks seem to be fading for now in Hong Kong/China equities (see page 6). Key resistance levels remain, but until those are tested, pullbacks likely create short-term tactical buying opportunities.

Chinese HY property sector bonds also rebounded sharply over the past week, likely helped by bottom-fishing and coupon repayment by some weaker developers. Policymaker statements, which indicated that authorities are keeping a close eye on the sector, also helped moderate concerns. There is a risk volatility remains high due to continued uncertainty about the health of the sector. However, these near-term challenge notwithstanding, we continue to believe Asian HY bonds offer an attractive risk/reward on a 12-month horizon.

— **Daniel Lam, CFA,** *Senior Cross-asset Strategist*
— **Abhilash Narayan,** *Senior Investment Strategist*

China stocks have recovered more than 10% from this year's lows, but the benchmark index faces a key technical resistance

MSCI China stock index, with 200-day moving average (DMA)

Source: Bloomberg, Standard Chartered

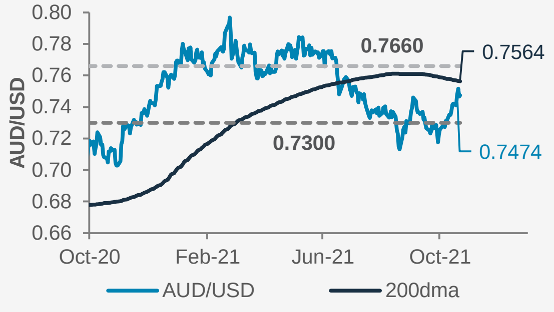
Are pro-cyclical currencies due for a pullback?

Pro-risk currencies have led the recent USD peaking process, supported by significant improvements in Terms of Trade (AUD), a more aggressive central bank policy outlook (NZD and GBP), or both (CAD). Terms of Trade measures the ratio of export to import prices and elevated oil, gas and coal prices have underpinned the AUD and CAD. The Reserve Bank of New Zealand has already begun hiking rates, while the Bank of England and Bank of Canada are expected to increase rates well before the Fed.

We are watching the short-term technical outlook closely as technical readings warrant either sideways consolidation or a correction that may offer an attractive entry opportunity. AUD/USD is nearing overbought levels and approaching resistance between 0.7560 and 0.7660. We expect dips towards 0.73–0.74 support to hold. NZD/USD is also near overbought levels and is testing 0.7210 resistance. We expect 0.70–0.71 support to hold any dip. USD/CAD is nearing oversold levels, but any corrective rally should find strong resistance around 1.25 before the next downside objective at 1.2225 and a possible test of the key 1.20 support in the coming weeks. GBP/USD is showing less upward momentum and could encounter strong resistance at 1.3850 and then at 1.3930. We expect support around 1.3570 but would be cautious of a sustained break lower.

The rally in AUD/USD may be ready for a pause

AUD/USD (daily) with key technical levels



Source: Bloomberg, Standard Chartered

Technical charts of the week

Manish Jaradi
Senior Investment Strategist

China equities: Potential base building

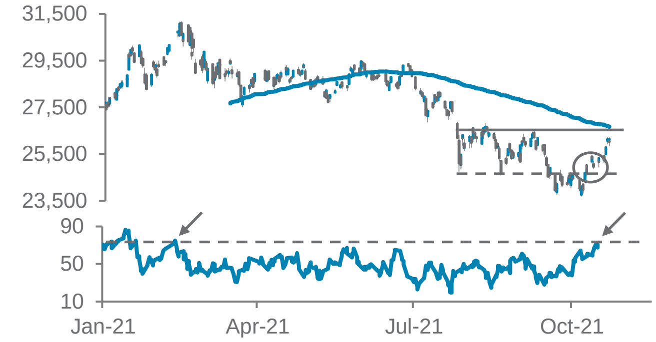
MSCI China daily chart with 200-DMA

Source: Refinitiv, Standard Chartered

The sideway channel developing suggests the index is attempting to build a base. Any break above the upper edge of the channel could open way towards crucial resistance on the 200-DMA. A break above the longer-term moving average is needed for the uptrend to resume.

Hong Kong equities: Downside risks seem to be fading

Hang Seng index 4-hour chart with 200-period moving average with Relative Strength Index

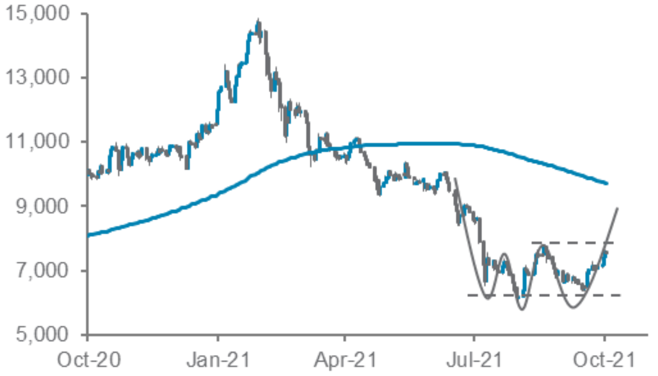


Source: Refinitiv, Standard Chartered

Downside risks appear to be fading as momentum on intraday charts has hit the highest level since February, following the break above minor resistance at 24,581. Any break above 26,560–26,660 would confirm that the downward pressure had eased.

China Internet: Downward pressure easing

CSI China Internet USD index daily chart with 200-DMA

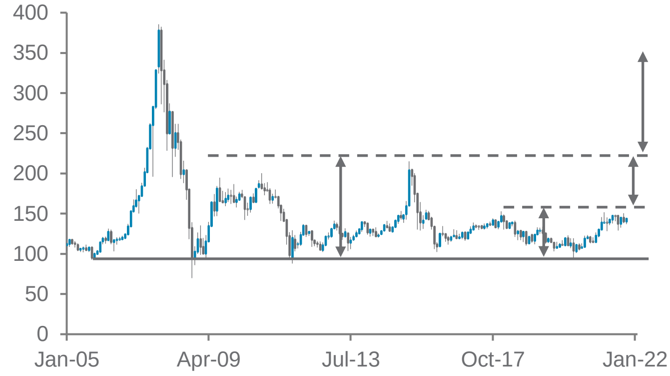


Source: Bloomberg, Standard Chartered

Although not the textbook style, a reverse head and shoulders-type pattern raises the odds of a meaningful respite, potentially towards the 200-DMA (29% above Thursday's close). For this, resistance at the September high of 7792 (3% above Thursday's close) needs to be broken.

China Industrials: Multi-year base building

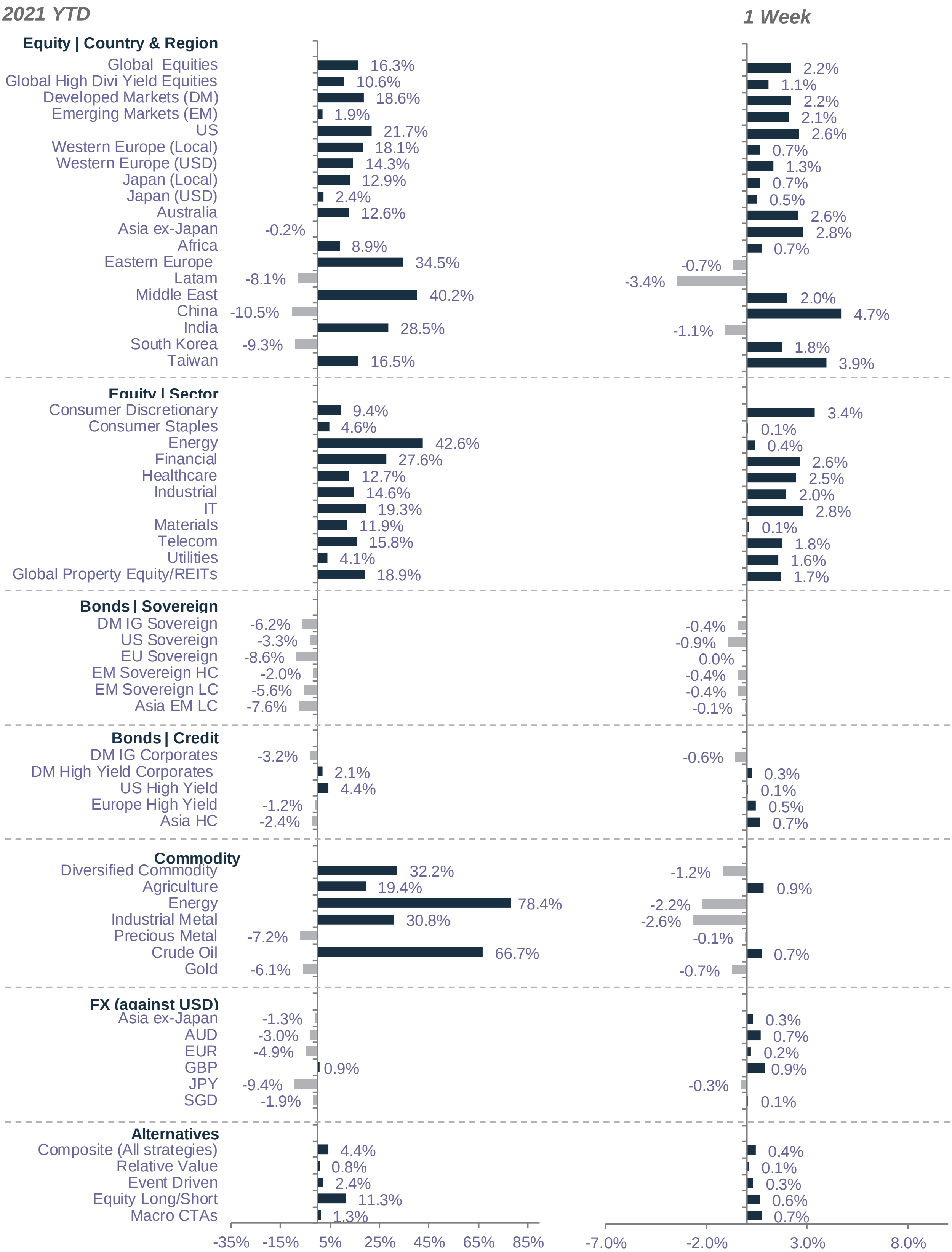
MSCI China Industrials monthly chart



Source: Refinitiv, Standard Chartered

The index seems to be forming a multi-year base and is now testing key resistance at the 2018 high of 153. Any break above could open way towards the 2015 high of 215 (50% above Thursday's close). Any break above that would be very bullish.

Market performance summary *



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

*Performance in USD terms unless otherwise stated, 2021 YTD performance from 31 December 2020 to 21 October 2021; 1-week period: 14 October 2021 to 21 October 2021

Our asset class views at a glance

Asset class			
Equities	▲	**Alternatives**	◆
Euro area	▲	Equity hedge	▲
US	▲	Event-driven	◆
UK	◆	Relative value	▼
Asia ex-Japan	▼	Global macro	◆
Japan	◆		
Other EM	◆	**Cash**	▼
		USD	▼
Bonds (Credit)	◆	EUR	▲
Asia USD	▲	GBP	▲
Corp DM HY	▲	CNY	◆
Govt EM USD	▲	JPY	◆
Corp DM IG	▼	AUD	▲
		NZD	▲
Bonds (Govt)	▼	CAD	◆
Govt EM Local	▼		
Govt DM IG	▼	**Gold**	◆

Source: Standard Chartered Global Investment Committee

Legend: ▲ Most preferred | ▼ Less preferred | ◆ Core holding

Economic and market calendar

	Event	Next week	Period	Prior
MON				
TUE	US	Conf. Board Consumer Confidence	Oct	109.3
WED	CH	Industrial Profits y/y	Sep	10.1%
	US	Durable Goods Orders	Sep P	1.8%
THUR	EC	Economic Confidence	Oct	117.8
	EC	Industrial Confidence	Oct	14.1
	US	GDP Annualized q/q	3Q A	6.7%
	US	Personal Consumption	3Q A	12.0%
FRI/SAT	US	Core PCE y/y	Sep	3.6%
	EC	CPI Core y/y	Oct P	1.9%
	US	Personal Income	Sep	0.2%

Source: Bloomberg, Standard Chartered
Prior 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

The S&P500 index is close to its first resistance level

Technical indicators for key markets as on 21 October 2021

Index	Spot	1st support	1st resistance
S&P500	4,550	4,498	4,576
STOXX 50	4,156	4,144	4,175
FTSE 100	7,190	7,176	7,219
Nikkei 225	28,709	28,526	29,073
Shanghai Comp	3,595	3,577	3,604
Hang Seng	26,018	25,520	26,325
MSCI Asia ex-Japan	829	820	835
MSCI EM	1,293	1,284	1,302
Brent (ICE)	84.6	84.0	85.5
Gold	1,785	1,772	1,792
UST 10Y Yield	1.70	1.61	1.74

Source: Bloomberg, Standard Chartered

Investor diversity remains normal across major assets

Our proprietary market diversity indicators as of 20 October

Level 1	Diversity	1-month trend	Fractal dimension
Global Bonds	◐	↓	1.40
Global Equities	●	→	1.55
Gold	●	↑	1.78
Equity			
MSCI US	●	↑	1.51
MSCI Europe	●	↓	1.62
MSCI AC AXJ	●	↑	1.78
Fixed Income			
DM Corp Bond	●	↓	1.52
DM High Yield	●	→	1.75
EM USD	●	→	1.55
EM Local	●	↑	1.63
Asia USD	◐	↓	1.50
Currencies			
EUR/USD	●	↑	1.52

Source: Bloomberg, Standard Chartered; **Fractal dimensions below 1.25 indicate extremely low market diversity/high risk of a reversal**

Legend: ● High | ◐ Low to mid | ○ Critically low

Disclosures

This document is confidential and may also be privileged. If you are not the intended recipient, please destroy all copies and notify the sender immediately. This document is being distributed for general information only and is subject to the relevant disclaimers available at https:// www. sc. com/en/regulatory-disclosures/#market-commentary-disclaimer. It is not and does not constitute research material, independent research, an offer, recommendation or solicitation to enter into any transaction or adopt any hedging, trading or investment strategy, in relation to any securities or other financial instruments. This document is for general evaluation only. It does not take into account the specific investment objectives, financial situation or particular needs of any particular person or class of persons and it has not been prepared for any particular person or class of persons. You should not rely on any contents of this document in making any investment decisions. Before making any investment, you should carefully read the relevant offering documents and seek independent legal, tax and regulatory advice. In particular, we recommend you to seek advice regarding the suitability of the investment product, taking into account your specific investment objectives, financial situation or particular needs, before you make a commitment to purchase the investment product. Opinions, projections and estimates are solely those of SCB at the date of this document and subject to change without notice. Past performance is not indicative of future results and no representation or warranty is made regarding future performance. Any forecast contained herein as to likely future movements in rates or prices or likely future events or occurrences constitutes an opinion only and is not indicative of actual future movements in rates or prices or actual future events or occurrences (as the case may be). This document must not be forwarded or otherwise made available to any other person without the express written consent of the Standard Chartered Group (as defined below). Standard Chartered Bank is incorporated in England with limited liability by Royal Charter 1853 Reference Number ZC18. The Principal Office of the Company is situated in England at 1 Basinghall Avenue, London, EC2V 5DD. Standard Chartered Bank is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. Standard Chartered PLC, the ultimate parent company of Standard Chartered Bank, together with its subsidiaries and affiliates (including each branch or representative office), form the Standard Chartered Group. Standard Chartered Private Bank is the private banking division of Standard Chartered. Private banking activities may be carried out internationally by different legal entities and affiliates within the Standard Chartered Group (each an “SC Group Entity”) according to local regulatory requirements. Not all products and services are provided by all branches, subsidiaries and affiliates within the Standard Chartered Group. Some of the SC Group Entities only act as representatives of Standard Chartered Private Bank and may not be able to offer products and services or offer advice to clients. #ESG data has been provided by Sustainalytics. Refer to https://www.sustainalytics.com/esg-data for more information.

 CFRA content is not investment advice and a reference to or observation concerning a security or investment provided in the CFRA SERVICES is not a recommendation to buy, sell or hold such investment or security or make any other investment decisions. The CFRA content contains opinions of CFRA based upon publicly-available information that CFRA believes to be reliable and the opinions are subject to change without notice. This analysis has not been submitted to, nor received approval from, the United States Securities and Exchange Commission or any other regulatory body. While CFRA exercised due care in compiling this analysis, CFRA, ITS THIRD-PARTY SUPPLIERS, AND ALL RELATED ENTITIES SPECIFICALLY DISCLAIM ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, to the full extent permitted by law, regarding the accuracy, completeness, or usefulness of this information and assumes no liability with respect to the consequences of relying on this information for investment or other purposes. No content provided by CFRA (including ratings, credit-related analyses and data, valuations, model, software or other application or output therefrom) or any part thereof may be modified, reverse engineered, reproduced or distributed in any form by any means, or stored in a database or retrieval system, without the prior written permission of CFRA, and such content shall not be used for any unlawful or unauthorized purposes. CFRA and any third-party providers, as well as their directors, officers, shareholders, employees or agents do not guarantee the accuracy, completeness, timeliness or availability of such content. In no event shall CFRA, its affiliates, or their third-party suppliers be liable for any direct, indirect, special, or consequential damages, costs, expenses, legal fees, or losses (including lost income or lost profit and opportunity costs) in connection with a subscriber’s, subscriber’s customer’s, or other’s use of CFRA’s content.

Market Abuse Regulation (MAR) Disclaimer

Banking activities may be carried out internationally by different branches, subsidiaries and affiliates within the Standard Chartered Group according to local regulatory requirements. Opinions may contain outright “buy”, “sell”, “hold” or other opinions. The time horizon of this opinion is dependent on prevailing market conditions and there is no planned frequency for updates to the opinion. This opinion is not independent of Standard Chartered Group’s trading strategies or positions. Standard Chartered Group and/or its affiliates or its respective officers, directors, employee benefit programmes or employees, including persons involved in the preparation or issuance of this document may at any time, to the extent permitted by applicable law and/or regulation, be long or short any securities or financial instruments referred to in this document or have material interest in any such securities or related investments. Therefore, it is possible, and you should assume, that Standard Chartered Group has a material interest in one or more of the financial instruments mentioned herein. Please refer to https://www.sc. com/en/banking-services/market-disclaimer.html for more detailed disclosures, including past opinions/ recommendations in the last 12 months and conflict of interests, as well as disclaimers. A covering strategist may have a financial interest in the debt or equity securities of this company/issuer. This document must not be forwarded or otherwise made available to any other person without the express written consent of Standard Chartered Group.

Country/Market Specific Disclosures

Botswana: This document is being distributed in Botswana by, and is attributable to, Standard Chartered Bank Botswana Limited which is a financial institution licensed under the Section 6 of the Banking Act CAP 46.04 and is listed in the Botswana Stock Exchange. **Brunei Darussalam:** This document is being distributed in Brunei Darussalam by, and is attributable to, Standard Chartered Bank (Brunei Branch) | Registration Number RFC/61. Standard Chartered Bank is incorporated in England with limited liability by Royal Charter 1853 Reference Number ZC18 and Standard Chartered Securities (B) Sdn Bhd, which is a limited liability company registered with the Registry of Companies with Registration Number RC20001003 and licensed by Autoriti Monetari Brunei Darussalam as a Capital Markets Service License Holder with License Number AMBD/R/CMU/S3-CL. **China Mainland:** This document is being distributed in China by, and is attributable to, Standard Chartered Bank (China) Limited which is mainly regulated by China Banking and Insurance Regulatory Commission (CBIRC), State Administration of Foreign Exchange (SAFE), and People's Bank of China (PBOC). **Hong Kong:** In Hong Kong, this document, except for any portion advising on or facilitating any decision on futures contracts trading, is distributed by Standard Chartered Bank (Hong Kong) Limited ("SCBHK"), a subsidiary of Standard Chartered PLC. SCBHK has its registered address at 32/F, Standard Chartered Bank Building, 4-4A Des Voeux Road Central, Hong Kong and is regulated by the Hong Kong Monetary Authority and registered with the Securities and Futures Commission ("SFC") to carry on Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activity under the Securities and Futures Ordinance (Cap. 571) ("SFO") (CE No. AJI614). The contents of this document have not been reviewed by any regulatory authority in Hong Kong and you are advised to exercise caution in relation to any offer set out herein. If you are in doubt about any of the contents of this document, you should obtain independent professional advice. Any product named herein may not be offered or sold in Hong Kong by means of any document at any time other than to "professional investors" as defined in the SFO and any rules made under that ordinance. In addition, this document may not be issued or possessed for the purposes of issue, whether in Hong Kong or elsewhere, and any interests may not be disposed of, to any person unless such person is outside Hong Kong or is a "professional investor" as defined in the SFO and any rules made under that ordinance, or as otherwise may be permitted by that ordinance. In Hong Kong, Standard Chartered Private Bank is the private banking division of Standard Chartered Bank (Hong Kong) Limited. **Ghana:** Standard Chartered Bank Ghana PLC accepts no liability and will not be liable for any loss or damage arising directly or indirectly (including special, incidental or consequential loss or damage) from your use of these documents. Past performance is not indicative of future results and no representation or warranty is made regarding future performance. You should seek advice from a financial adviser on the suitability of an investment for you, taking into account these factors before making a commitment to invest in an investment. To unsubscribe from receiving further updates, please click here. Please do not reply to this email. Call our Priority Banking on 0302610750 for any questions or service queries. You are advised not to send any confidential and/or important information to the Bank via e-mail, as the Bank makes no representations or warranties as to the security or accuracy of any information transmitted via e-mail. The Bank shall not be responsible for any loss or damage suffered by you arising from your decision to use e-mail to communicate with the Bank. **India:** This document is being distributed in India by Standard Chartered Bank in its capacity as a distributor of mutual funds and referrer of any other third-party financial products. Standard Chartered Bank does not offer any 'Investment Advice' as defined in the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013 or otherwise. Services/products related securities business offered by Standard Charted Bank are not intended for any person, who is a resident of any jurisdiction, the laws of which imposes prohibition on soliciting the securities business in that jurisdiction without going through the registration requirements and/or prohibit the use of any information contained in this document. **Indonesia:** This document is being distributed in Indonesia by Standard Chartered Bank, Indonesia branch, which is a financial institution licensed, registered and supervised by Otoritas Jasa Keuangan (Financial Service Authority). **Jersey:** The Jersey Branch of Standard Chartered Bank is regulated by the Jersey Financial Services Commission. Copies of the latest audited accounts of Standard Chartered Bank are available from its principal place of business in Jersey: PO Box 80, 15 Castle Street, St Helier, Jersey JE4 8PT. Standard Chartered Bank is incorporated in England with limited liability by Royal Charter in 1853 Reference Number ZC 18. The Principal Office of the Company is situated in England at 1 Basinghall Avenue, London, EC2V 5DD. Standard Chartered Bank is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. The Jersey Branch of Standard Chartered Bank is also an authorised financial services provider under license number

44946 issued by the Financial Sector Conduct Authority of the Republic of South Africa. Jersey is not part of the United Kingdom and all business transacted with Standard Chartered Bank, Jersey Branch and other SC Group Entity outside of the United Kingdom, are not subject to some or any of the investor protection and compensation schemes available under United Kingdom law. **Kenya:** This document is being distributed in Kenya by, and is attributable to Standard Chartered Bank Kenya Limited. Investment Products and Services are distributed by Standard Chartered Investment Services Limited, a wholly owned subsidiary of Standard Chartered Bank Kenya Limited (Standard Chartered Bank/the Bank) that is licensed by the Capital Markets Authority as a Fund Manager. Standard Chartered Bank Kenya Limited is regulated by the Central Bank of Kenya. **Malaysia:** This document is being distributed in Malaysia by Standard Chartered Bank Malaysia Berhad. Recipients in Malaysia should contact Standard Chartered Bank Malaysia Berhad in relation to any matters arising from, or in connection with, this document. **Nigeria:** This document is being distributed in Nigeria by Standard Chartered Bank Nigeria Limited ("the Bank"), a bank duly licensed and regulated by the Central Bank of Nigeria. The Bank accepts no liability for any loss or damage arising directly or indirectly (including special, incidental or consequential loss or damage) from your use of these documents. You should seek advice from a financial adviser on the suitability of an investment for you, taking into account these factors before making a commitment to invest in an investment. To unsubscribe from receiving further updates, please click the link at the bottom of this email or send an email to clientcare.ng@sc.com requesting to be removed from our mailing list. Please do not reply to this email. Call our Priority Banking on 01-2772514 for any questions or service queries. The Bank shall not be responsible for any loss or damage arising from your decision to send confidential and/or important information to the Bank via e-mail, as the Bank makes no representations or warranties as to the security or accuracy of any information transmitted via e-mail. **Pakistan:** This document is being distributed in Pakistan by, and attributable to Standard Chartered Bank (Pakistan) Limited having its registered office at PO Box 5556, I.I Chundrigar Road Karachi, which is a banking company registered with State Bank of Pakistan under Banking Companies Ordinance 1962 and is also having licensed issued by Securities & Exchange Commission of Pakistan for Security Advisors. Standard Chartered Bank (Pakistan) Limited acts as a distributor of mutual funds and referrer of other third-party financial products. **Singapore:** This document is being distributed in Singapore by, and is attributable to, Standard Chartered Bank (Singapore) Limited (Registration No. 201224747C/ GST Group Registration No. MR-8500053-0, "SCBSL"). Recipients in Singapore should contact SCBSL in relation to any matters arising from, or in connection with, this document. SCBSL is an indirect wholly owned subsidiary of Standard Chartered Bank and is licensed to conduct banking business in Singapore under the Singapore Banking Act, Chapter 19. Standard Chartered Private Bank is the private banking division of SCBSL. IN RELATION TO ANY SECURITY OR SECURITIES-BASED DERIVATIVES CONTRACT REFERRED TO IN THIS DOCUMENT, THIS DOCUMENT, TOGETHER WITH THE ISSUER DOCUMENTATION, SHALL BE DEEMED AN INFORMATION MEMORANDUM (AS DEFINED IN SECTION 275 OF THE SECURITIES AND FUTURES ACT, CHAPTER 289 ("SFA")). THIS DOCUMENT IS INTENDED FOR DISTRIBUTION TO ACCREDITED INVESTORS, AS DEFINED IN SECTION 4A(1)(a) OF THE SFA, OR ON THE BASIS THAT THE SECURITY OR SECURITIES-BASED DERIVATIVES CONTRACT MAY ONLY BE ACQUIRED AT A CONSIDERATION OF NOT LESS THAN S$200,000 (OR ITS EQUIVALENT IN A FOREIGN CURRENCY) FOR EACH TRANSACTION. Further, in relation to any security or securities-based derivatives contract, neither this document nor the Issuer Documentation has been registered as a prospectus with the Monetary Authority of Singapore under the SFA. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the product may not be circulated or distributed, nor may the product be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons other than a relevant person pursuant to section 275(1) of the SFA, or any person pursuant to section 275(1A) of the SFA, and in accordance with the conditions specified in section 275 of the SFA, or pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. In relation to any collective investment schemes referred to in this document, this document is for general information purposes only and is not an offering document or prospectus (as defined in the SFA). This document is not, nor is it intended to be (i) an offer or solicitation of an offer to buy or sell any capital markets product; or (ii) an advertisement of an offer or intended offer of any capital markets product. Deposit Insurance Scheme: Singapore dollar deposits of non-bank depositors are insured by the Singapore Deposit Insurance Corporation, for up to S$75,000 in aggregate per depositor per Scheme member by law. Foreign currency deposits, dual currency investments, structured deposits and other investment products are not insured. This advertisement has not been reviewed by the Monetary Authority of Singapore. **Taiwan:** Standard Chartered Bank ("SCB") or Standard Chartered Bank (Taiwan) Limited ("SCB (Taiwan)") may be involved in the financial instruments contained herein or other related financial instruments. The author of this document may have discussed the information contained herein with other employees or agents of SCB or SCB (Taiwan). The author and the above-mentioned employees of SCB or SCB (Taiwan) may have taken related actions in respect of the information involved (including communication with customers of SCB or SCB (Taiwan) as to the information contained herein). The opinions contained in this document may change, or differ from the opinions of employees of SCB or SCB (Taiwan). SCB and SCB (Taiwan) will not provide any notice of any changes to or differences between the above-mentioned opinions. This document may cover companies with which SCB or SCB (Taiwan) seeks to do business at times and issuers of financial instruments. Therefore, investors should understand that the information contained herein may serve as specific purposes as a result of conflict of interests of SCB or SCB (Taiwan). SCB, SCB (Taiwan), the employees (including those who have discussions with the author) or customers of SCB or SCB (Taiwan) may have an interest in the products, related financial instruments or related derivative financial products contained herein; invest in those products at various prices and on different market conditions; have different or conflicting interests in those products. The potential impacts include market makers' related activities, such as dealing, investment, acting as agents, or performing financial or consulting services in relation to any of the products referred to in this document. **UAE:** DIFC - Standard Chartered Bank is incorporated in England with limited liability by Royal Charter 1853 Reference Number ZC18.The Principal Office of the Company is situated in England at 1 Basinghall Avenue, London, EC2V 5DD. Standard Chartered Bank is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. Standard Chartered Bank, Dubai International Financial Centre having its offices at Dubai International Financial Centre, Building 1, Gate Precinct, P.O. Box 999, Dubai, UAE is a branch of Standard Chartered Bank and is regulated by the Dubai Financial Services Authority ("DFSA"). This document is intended for use only by Professional Clients and is not directed at Retail Clients as defined by the DFSA Rulebook. In the DIFC we are authorised to provide financial services only to clients who qualify as Professional Clients and Market Counterparties and not to Retail Clients. As a Professional Client you will not be given the higher retail client protection and compensation rights and if you use your right to be classified as a Retail Client we will be unable to provide financial services and products to you as we do not hold the required license to undertake such activities. For Islamic transactions, we are acting under the supervision of our Shariah Supervisory Committee. Relevant information on our Shariah Supervisory Committee is currently available on the Standard Chartered Bank website in the Islamic banking section at: https://www .sc. com/en/banking/ islamic-banking/islamic-banking-disclaimers/ **UAE:** For residents of the UAE – Standard Chartered Bank UAE does not provide financial analysis or consultation services in or into the UAE within the meaning of UAE Securities and Commodities Authority Decision No. 48/r of 2008 concerning financial consultation and financial analysis. **Uganda:** Our Investment products and services are distributed by Standard Chartered Bank Uganda Limited, which is licensed by the Capital Markets Authority as an investment adviser. **United Kingdom:** Standard Chartered Bank (trading as Standard Chartered Private Bank) is an authorised financial services provider (license number 45747) in terms of the South African Financial Advisory and Intermediary Services Act, 2002. **Vietnam:** This document is being distributed in Vietnam by, and is attributable to, Standard Chartered Bank (Vietnam) Limited which is mainly regulated by State Bank of Vietnam (SBV). Recipients in Vietnam should contact Standard Chartered Bank (Vietnam) Limited for any queries regarding any content of this document. **Zambia:** This document is distributed by Standard Chartered Bank Zambia Plc, a company incorporated in Zambia and registered as a commercial bank and licensed by the Bank of Zambia under the Banking and Financial Services Act Chapter 387 of the Laws of Zambia.