Standard Chartered Private Bank

weekly **market view**

macro strategy | 17 May 2019

This reflects the views of the Wealth Management Group

Editorial

Where to seek shelter?

- **Equity markets have held above key support levels despite escalating trade tensions. We believe domestic-focussed defensive sectors offer safe havens amid the volatility.**
- **Equities:** The consumer staples, real estate and utilities sectors are likely to be relatively resilient if trade uncertainties continue.
- **Bonds:** While Emerging Market (EM) bonds have been hurt by trade tensions, Asia USD bonds offer stability on strong demand.
- **FX:** Volatility around 23 May EU elections is likely to provide a tactical opportunity to add GBP exposure. USD/INR is likely to face resistance around 71.00 as the Indian election concludes.

What's new?

- **Where to seek shelter?** Benchmark equity indices in the US, UK, Euro area, Asia ex-Japan, China and Hong Kong held above their 200-day moving averages (DMA) – a key support – after falling 2%-6% in USD terms since the start of May as trade tensions escalated again. Only Japan's Topix index fell below both the 200- and 100DMAs. In the US, domestic-focused consumer staples and real estate sectors have been relatively resilient. Similarly, in China, the domestic-focused consumer staples sector has been stable. Although we believe the two sides will eventually reach a deal, possibly by the G20 meeting in end-June, the coming weeks could see heightened uncertainty. While buying-the-dips remain a valid strategy over a 12-month view, domestic-focused defensive sectors are likely to provide safe havens against any near-term volatility, in our assessment.
- **Asian USD bonds stay resilient.** Escalating trade tensions have stalled this year's EM bond rebound as yield premiums rose. However, Asia USD bonds have been relatively resilient. We see limited impact on Asian USD corporate bond issuers as only a small segment of the market has direct exposure to the US. Second-order effects (i.e. a hit to Chinese growth) are a risk, but we believe the probability of a deeper sell-off (similar to 2018) is relatively low. We continue to view Asia USD bonds as a preferred holding given their defensive characteristics and sticky investor base. Also, the weakness in Asian currencies over the past few weeks (see page 3) could enhance the attractiveness of USD bonds for Asian onshore investors who have become larger buyers of Asia USD credit in recent years.
- **Weaker China data raises chances of more policy stimulus.** China's fixed asset investment, industrial production and retail sales growth data slowed in April as the economy gave back some of Q1's gains. We expect Beijing to accelerate policy easing if data continues to weaken, and especially if the US goes through with its plan to impose tariffs on all Chinese imports. The authorities have significant tools to offset the growth-slowing impact of an all-out trade war, including liquidity and interest rate easing, consumer subsidies and property market easing.

What we are watching

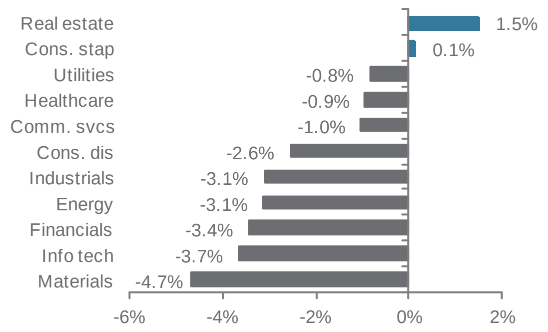
- Further China stimulus; US car tariff decision (18 May); US Fed meeting minutes (22 May); EU elections (23-26 May); Indian poll results (23 May); US home sales data.

Contents

Where to seek shelter?	*1*
What does this mean for investors?	*2*
Is the weakness in Asian currencies over?	*3*
Market performance summary	*4*
Economic & Market Calendar	*5*
Disclosure Appendix	*6*

US real estate and consumer staples sectors have outperformed in the downturn amid trade tensions

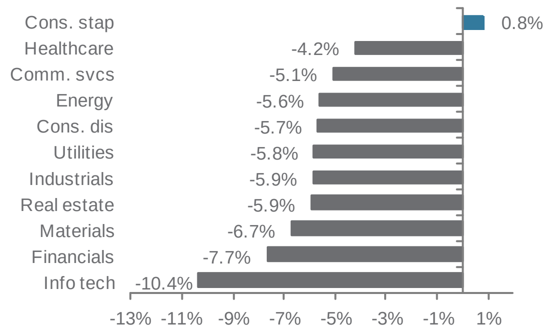
Performance of MSCI US index sectors since end-April



Source: Bloomberg, Standard Chartered

China's consumer staples sector has outperformed, underscoring its relative resilience

Performance of MSCI China sectors since end-April



Source: Bloomberg, Standard Chartered

Alexis Calla
Global Head, Investment Advisory & Strategy

Steve Brice
Chief Investment Strategist

Clive McDonnell
Head, Equity Investment Strategy

Manpreet Gill
Head, FICC Investment Strategy

Manish Jaradi
Senior Investment Strategist

Audrey Goh, CFA
Senior Cross-asset Strategist

Daniel Lam, CFA
Senior Cross-asset Strategist

Belle Chan
Senior Investment Strategist

Rajat Bhattacharya
Senior Investment Strategist

Francis Lim
Senior Investment Strategist

Thursten Cheok, CFA
Senior Portfolio Strategist

Abhilash Narayan
Investment Strategist

Cedric Lam
Investment Strategist

Trang Nguyen
Portfolio Strategist

DJ Cheong
Investment Strategist

Marco Iachini
Cross-Asset Strategist

What does this mean for investors?

Global equities stabilised after a pullback in early-May, with Developed Markets (especially Europe) rebounding. Government bonds outperformed corporate bonds. The USD rebounded.

Equities: Is there a safe-haven sector amid escalating tensions?

- **In the US, the consumer staples and real estate sectors stand out as being relatively shielded from the trade tension fallout.** The consumer staples sector is dominated by the food and beverages industry. Although it has some exposure to China, it is largely focused domestically. The sector has been flat since the start of May, while the S&P500 index has fallen c.3% since hitting a record high on 1 May.
- **The US real estate sector is a beneficiary of falling bond yields and lower Fed rate expectations** as markets price in more than 70% probability of a rate cut by the end of the year. The sector has been up 1.5% since the start of May, while most other sectors have slumped. US consumer staples and real estate are core holdings in our 12-month asset allocation view; they could prove relatively resilient if trade uncertainties continue.
- **In China, domestic-focused sectors such as utilities and consumer staples are likely to outperform,** while property and aviation could underperform as a weaker CNY raises the cost of foreign debt.
- **There is growing expectation that China may roll out more stimulus measures**, particularly if the US proceeds with plans to impose a 25% tariff on another USD 300bn worth of Chinese goods by end-June. China's sustained policy support is a key reason why China is our preferred equity market in Asia ex-Japan.

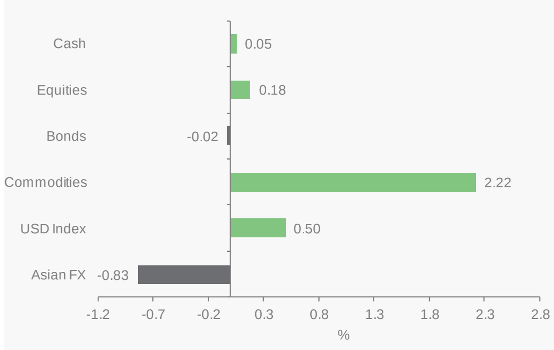
Bonds: Is the bond market signalling an economic downturn?

- **The US 10-year government bond yield briefly fell below the 3-month yield** for the first time since March. This 'inversion' in yields is usually seen as one warning that investors expect a growth downturn. Although we believe this is an important indicator of future activity, we've noted before that the curve has to stay inverted for a few months in order to provide a strong signal of an impending recession. Also, it is not a precise indicator in terms of timing – a better approach is to read this in conjunction with other signals, such as the US Leading Economic Indicator (LEI). Currently, the US LEI does not point to a sharp slowdown in growth in the near future.

FX: What is the outlook for GBP and INR given the elections?

- **GBP volatility around the 23 May EU elections is likely to provide an opportunity to add exposure to the undervalued GBP.** Initial supports around 1.2750 in GBP/USD and 1.7350 in GBP/SGD are likely to attract longer-term investors. Recent polling shows the Brexit party is likely to win the largest share of votes, gaining not only from Conservatives, but also from Labour. We believe the chances of a cross-party Brexit deal, which is positive for GBP, is under-priced by the market.
- **USD/INR is likely to face resistance around 71.00 as the Indian election concludes,** offering attractive levels to position for a return to 68.50. Investors are likely to price in a growth recovery and continued pro-business reforms if official results on 23 May confirm that the BJP-led NDA coalition will achieve a majority, albeit with lesser number of seats than in the current parliament. If US-China tensions rise, Indian assets could become more attractive to overseas investors if a stable government is formed. A key risk would be any escalation of the US-Iran tension that causes a sharp rise in oil prices.

Benchmark (USD) performance w/w*



**Week of 09 May 2019 to 16 May 2019*

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)

US equity market technicals have turned positive

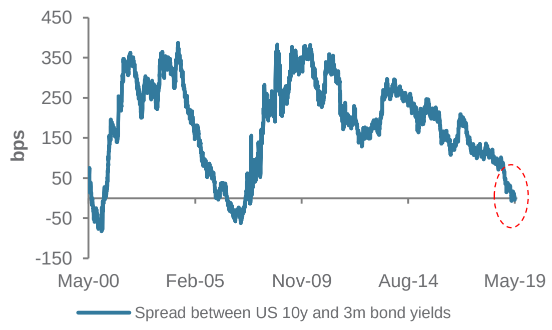
Technical levels of key market indicators as on 16 May

Index	Spot	1st support	1st resistance	Short-term trend
S&P500	2,876	2,813	2,916	↑
STOXX 50	3,439	3,332	3,468	→
FTSE 100	7,354	7,265	7,359	→
Nikkei 225	21,063	20,300	21,900	↘
Shanghai Comp	2,956	2,800	3,090	↘
Hang Seng	28,275	27,250	29,300	↓
MSCI Asia ex-Japan	633	595	663	↘
MSCI EM	1,011	967	1,067	↘
Brent (ICE)	73	69	73	↘
Gold	1,286	1,270	1,322	↗
UST 10Y Yield	2.39	2.20	2.57	↘

Source: Trading Central, Standard Chartered
Note: Arrows represent short-term trend opinions

US 10-year government bond yields briefly fell below 3-month yields in March and again in May, signalling investors expect a slowdown in growth ahead

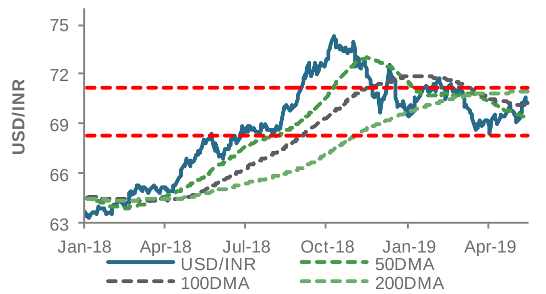
Yield premium on US 10-year government bonds over 3-month bonds



Source: JPMorgan, Bloomberg, Standard Chartered

USD/INR faces a major resistance around 71.00

USD/INR



Source: Bloomberg, Standard Chartered

Top client questions

Q1. Is the weakness in Asian currencies over?

Not yet, from a technical perspective.

Currencies of export-reliant Asian economies, such as the CNY, the KRW and the TWD, have suffered since the start of the month as renewed US-China trade tensions raised concerns that business and consumer confidence could be hurt further. On technical charts, the Bloomberg JPMorgan Asia Dollar index (ADXY Index) stayed in a range over the past three months, marked approximately by a horizontal trendline at 107 on the top and 106 on the bottom. However, it has broken below the lower end of its range earlier this month.

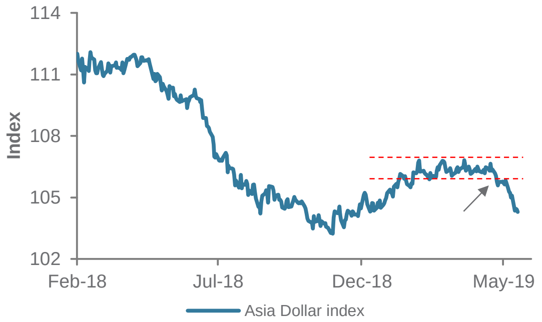
This break out from the range is bearish, especially in light of the feeble rebound from late 2018. After a rally from September 2018, the rebound ran out of steam in January at the key resistance at 106.65 (the 38.2% retracement of the 2018 slide), following which the index consolidated sideways. In technical parlance, a Fibonacci retracement of 38.2% is deemed to be a reasonable retracement after prolonged moves. In other words, the rebound from late last year can be viewed as a 'correction' rather than the start of a new (up)trend.

In our assessment, the bearish break this month indicates that the corrective rebound from 2018 is now over and the index could maintain a weak bias in coming weeks. While the index looks oversold and could rebound in the short term, any rebound could be capped at the 1 May high of 106.00. On the downside, the index has moderate support at about 104.00, followed by strong support at the November low of 103.20.

Having said that, we see scope for differentiation within Asia. Currencies of economies exposed to the US-China trade war could underperform, including KRW, TWD, SGD and MYR. Meanwhile, we expect INR to appreciate if elections results show a majority for the ruling coalition (see page 2).

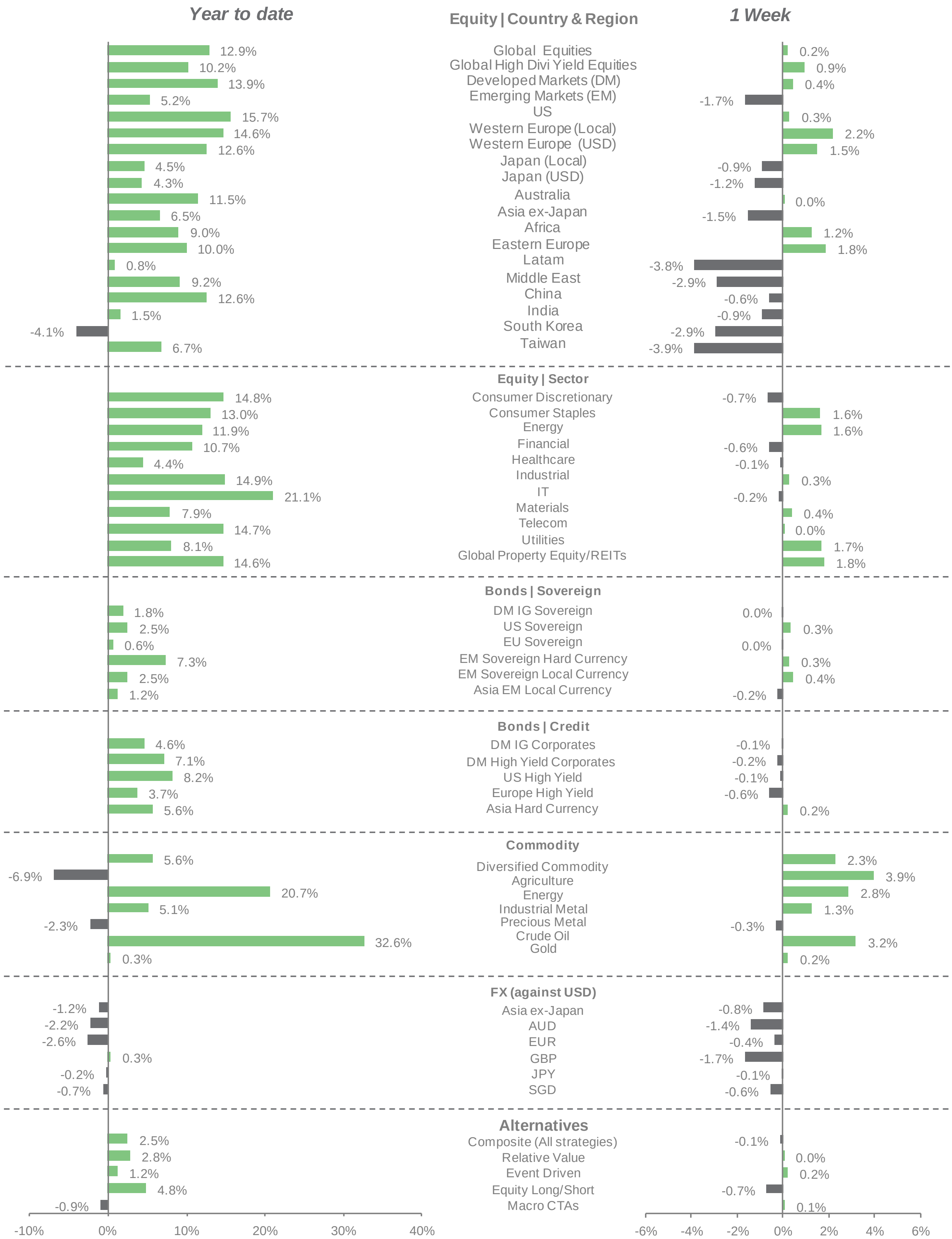
The Asian currency index's break below the range spells further weakness

ADXY Index (Daily Chart)



Source: Bloomberg, Standard Chartered

Market performance summary*



**Performance in USD terms unless otherwise stated, YTD period from 31 December 2018 to 16 May 2019, 1 week period: 09 May 2019 to 16 May 2019*

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

Economic & Market Calendar

	Event	Next Week	Date	Period	Expected	Prior
MON	EC	ECB Current Account SA	20-May-19	Mar	–	26.8b
TUE	EC	Consumer Confidence	21-May-19	May A	–	-7.9
	US	Existing Home Sales	21-May-19	Apr	5.34m	5.21m
WED	JN	Exports y/y	22-May-19	Apr	-1.4%	-2.4%
	US	FOMC Meeting Minutes	22-May-19	1 May	–	–
THUR	JN	Nikkei Japan PMI Mfg	23-May-19	May P	–	50.2
	GE	Markit/BME Germany Composite PMI	23-May-19	May P	–	52.2
	EC	Markit Eurozone Manufacturing PMI	23-May-19	May P	–	47.9
	EC	Markit Eurozone Services PMI	23-May-19	May P	–	52.8
	EC	Markit Eurozone Composite PMI	23-May-19	May P	–	51.5
	GE	IFO Expectations	23-May-19	May	–	95.2
	US	New Home Sales	23-May-19	Apr	673k	692k
FRI/SAT	JN	Natl CPI Ex Fresh Food, Energy y/y	24-May-19	Apr	0.5%	0.4%
	UK	Retail Sales Ex Auto Fuel y/y	24-May-19	Apr	–	6.2%
	US	Cap Goods Orders Nondef Ex Air	24-May-19	Apr P	–	1.4%

	Event	This Week	Date	Period	Actual	Prior
MON	IN	CPI y/y	13-May-19	Apr	2.9%	2.9%
TUE	JN	BoP Current Account Adjusted	14-May-19	Mar P	¥1271.0b	¥1896.7b
	EC	ZEW Survey Expectations	14-May-19	May	-1.6	4.5
WED	IN	Exports y/y	15-May-19	Apr	0.6%	11.0%
	CH	Fixed Assets Ex Rural YTD y/y	15-May-19	Apr	6.1%	6.3%
	CH	Industrial Production y/y	15-May-19	Apr	5.4%	8.5%
	CH	Retail Sales y/y	15-May-19	Apr	7.2%	8.7%
	US	Retail Sales Ex Auto and Gas	15-May-19	Apr	-0.2%	1.1%
	US	Industrial Production m/m	15-May-19	Apr	-0.5%	0.2%
THUR	JN	PPI y/y	16-May-19	Apr	1.2%	1.3%
	US	Housing Starts	16-May-19	Apr	1235k	1168k
	US	Building Permits	16-May-19	Apr	1296k	1288k
	US	Initial Jobless Claims	16-May-19	11-May	212k	228k
FRI/SAT	MX	Overnight Rate	17-May-19	16-May	8.25%	8.25%
	US	U. of Mich. Sentiment	17-May-19	May P		97.2

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

Source: Bloomberg, Standard Chartered; key indicators highlighted in blue

Disclosure Appendix

THIS IS NOT A RESEARCH REPORT AND HAS NOT BEEN PRODUCED BY A RESEARCH UNIT.

This document is not research material and it has not been prepared in accordance with legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research. This document does not necessarily represent the views of every function within the Standard Chartered Group (as defined below), particularly those of the Global Research function.

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.

Banking activities may be carried out internationally by different branches, subsidiaries and affiliates within the Standard Chartered Group (collectively "SCB") according to local regulatory requirements. With respect to any jurisdiction in which there is a SCB entity, this document is distributed in such jurisdiction by, and is attributable to, such local SCB entity. Recipients in any jurisdiction should contact the local SCB entity in relation to any matters arising from, or in connection with, this document. Not all products and services are provided by all SCB entities.

This document is being distributed for general information only and it does not constitute 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.

Investment involves risks. The prices of investment products fluctuate, sometimes dramatically. The price of investment products may move up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying and selling investment products. 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 has not been and will not be registered as a prospectus in any jurisdiction and it is not authorised by any regulatory authority under any regulations.

SCB makes no representation or warranty of any kind, express, implied or statutory regarding, but not limited to, the accuracy of this document or the completeness of any information contained or referred to in this document. This document is distributed on the express understanding that, whilst the information in it is believed to be reliable, it has not been independently verified by us. SCB 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 this document, howsoever arising, and including any loss, damage or expense arising from, but not limited to, any defect, error, imperfection, fault, mistake or inaccuracy with this document, its contents or associated services, or due to any unavailability of the document or any part thereof or any contents.

SCB, and/or a connected company, may at any time, to the extent permitted by applicable law and/or regulation, be long or short any securities, currencies or financial instruments referred to on this document or have a material interest in any such securities or related investment, or may be the only market maker in relation to such investments, or provide, or have provided advice, investment banking or other services, to issuers of such investments. Accordingly, SCB, its affiliates and/or subsidiaries may have a conflict of interest that could affect the objectivity of this document. This document must not be reproduced, forwarded or otherwise made available to any other person without the express written consent of SCB, nor should it be distributed into any other jurisdiction unless permitted by the local laws and regulations of that jurisdiction. Neither SCB nor any of its directors, employees or agents accept any liability whatsoever for the actions of third parties in this respect.

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 the Standard Chartered Private Bank, and may not be able to offer products and services, or offer advice to clients. They serve as points of contact only.

Country and Area 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 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 Regulatory Commission (CBRC), 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 Limited 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: Standard Chartered Bank does not provide any investment advisory services. Standard Chartered Bank in its capacity of a distributor of mutual funds or while referring any other third party financial products may offer advice which is incidental to its activity of distribution/referral. Standard Chartered Bank will not be charging any fee/consideration for such advice and such advice should not be construed as 'Investment Advice' as defined in the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013 or otherwise. All products are subject to suitability and availability. Mutual Fund Investments are subject to market risk. Read scheme related documents carefully prior to investing. Past performance is not indicative of future returns.

Jersey: In Jersey, Standard Chartered Private Bank is the Registered Business Name of the Jersey Branch of Standard Chartered Bank. 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 Standard Chartered Group Offices 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: 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.

Singapore SCBSL: This document is being distributed in Singapore by, and is attributable to, Standard Chartered Bank (Singapore) Limited ("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. IN RELATION TO ANY FIXED INCOME AND STRUCTURED SECURITIES REFERRED TO IN THIS DOCUMENT (IF ANY), 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"). IT IS INTENDED FOR DISTRIBUTION TO ACCREDITED INVESTORS, AS DEFINED IN SECTION 4A OF THE SFA, OR ON TERMS THAT THE SECURITIES 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 fixed income and structured securities mentioned (if any), neither this document nor the Issuer Documentation have been, and will not be, 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. **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.

Singapore SCBSL (Standard Chartered Private Bank): This document is being distributed in Singapore by Standard Chartered Bank (Singapore) Limited ("SCBSL") only to accredited investors, expert investors or institutional investors, as defined in the Securities and Futures Act, Chapter 289 of Singapore. Recipients in Singapore should contact SCBSL in relation to any matters arising from, or in connection with, this document. In Singapore, Standard Chartered Private Bank is the Private Banking division of Standard Chartered Bank (Singapore) Limited, (Registration No. 201224747C) (GST Group Registration No. MR-8500053-0) is licensed to conduct banking business under the Banking Act, Chapter 19 of Singapore. IN RELATION TO ANY FIXED INCOME AND STRUCTURED SECURITIES REFERRED TO IN THIS DOCUMENT (IF ANY), THIS DOCUMENT TOGETHER WITH THE ISSUER DOCUMENTATION SHALL BE DEEMED AN INFORMATION MEMORANDUM (AS DEFINED IN SECTION 275 OF THE SFA). IT IS INTENDED FOR DISTRIBUTION TO ACCREDITED INVESTORS, AS DEFINED IN SECTION 4A OF THE SFA. Further, in relation to fixed income and structured securities mentioned (if any), neither this document nor the Issuer Documentation have been, and will not be, 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, 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 (if any), 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 financial product; or (ii) an advertisement of an offer or intended offer of any financial 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.

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.

Thailand: Please study the Scheme Information Documents carefully e.g. investment policy, risks, fund performance before investing.

UAE: DIFC - Standard Chartered Bank, Dubai International Financial Centre (SCB DIFC) 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 authorized 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 here.

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.

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.

Market Abuse Regulation (MAR) Disclaimer

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. Banking activities may be carried out internationally by different branches, subsidiaries and affiliates within the Standard Chartered Group (collectively "SCB") 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 SCB's own trading strategies or positions. SCB 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 SCB has a material interest in one or more of the financial instruments mentioned herein. If specific companies are mentioned in this communication, please note that SCB may at times do business or seek to do business with the companies covered in this communication; hold a position in, or have economic exposure to, such companies; and/or invest in the financial products issued by these companies. Further, SCB may be involved in activities such as dealing in, holding, acting as market makers or liquidity providers, or performing financial or advisory services including but not limited to, lead manager or co-lead manager in relation to any of the products referred to in this communication. SCB may have received compensation for these services and activities. Accordingly, SCB may have a conflict of interest that could affect the objectivity of this communication.

SCB has in place policies and procedures, logical access controls and physical information walls to help ensure confidential information, including material non-public or inside information is not disclosed unless in line with its policies and procedures and the rules of its regulators.

Please refer to https://www.sc.com/en/banking-services/market-disclaimer.html for more detailed disclosures, including past opinions in the last 12 months and conflict of interests, as well as disclaimers. This document must not be forwarded or otherwise made available to any other person without the express written consent of SCB.

THIS IS NOT A RESEARCH REPORT AND HAS NOT BEEN PRODUCED BY A RESEARCH UNIT.