standard chartered

WS Global Chief Investment Office
21 June 2024

Global Market Outlook

In-brief

H2 Outlook

Adapting to shifting winds

The start of major central bank rate cuts marks a key turning point for investors as policymakers switch their focus towards supporting growth.

We see it as a good time to adapt to these shifting winds by (i) staying Overweight equities over bonds and cash, (ii) favouring US equities globally and Indian equities in Asia and (iii) owning gold and EM USD bonds as diversifiers.

In this environment, balanced foundation allocations comprising equities, bonds and alternative assets are likely to outperform allocations that are solely aimed at generating income.

Our opportunistic allocations continue to favour growth sectors in the US, a barbell-like strategy in Europe and select government policy beneficiaries in China.

This contains the highlights of our H2 Outlook 2024 views. Please contact us for the full H2 Outlook 2024 which contains our detailed macroeconomic and asset class views.

Investment strategy and key themes

Steve Brice
Global Chief Investment Officer

Manpreet Gill
Chief Investment Officer, AMEE

Raymond Cheng
Chief Investment Officer, North Asia

Our top preferences

Foundation Allocations

- OW Global equities
- *In equities:* US
- *In bonds:* EM USD bonds

Opportunistic Allocations

Equity BUY ideas

- *US technology sector*
- *US comms. services sector*
- *India large cap equities*
- *China non-financial divi SOEs*
- *Taiwan equities*
- *Japanese banks*

Bond BUY ideas

- *US inflation-protected bonds*
- *Europe govt. bonds (FX-hedged)*
- *INR local currency bonds*
- *US Agency MBS*

FX views

- Bullish bias on USD

Adapting to shifting winds

- The start of major central bank rate cuts marks a key turning point for investors as policymakers switch their focus towards supporting growth. We see it as a good time to adapt to these shifting winds by (i) staying Overweight equities over bonds and cash, (ii) favouring US equities globally and Indian equities in Asia and (iii) owning gold and Emerging Market (EM) USD bonds as diversifiers.
- In this environment, balanced foundation allocations comprising equities, bonds and alternative assets are likely to outperform allocations that are solely aimed at generating income.
- Our opportunistic allocations continue to favour growth sectors in the US, a barbell-like strategy in Europe and select government policy beneficiaries in China.

Investment strategies in the face of shifting winds

Our 2024 Strategy of 'Sailing with the Wind' has performed well on the back of a strong equity market rally. Our Balanced allocation has risen 6.7% year-to-date, outperforming income-oriented strategies.

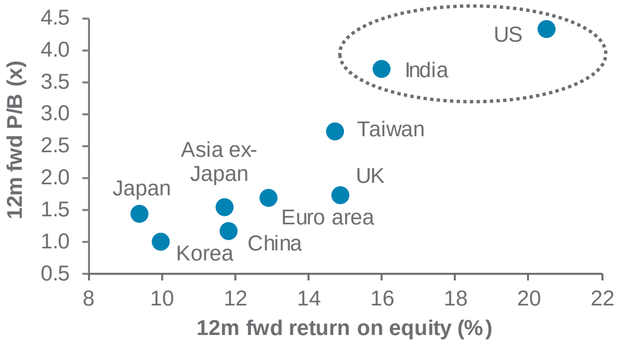
As we approach a potential inflection point in the form of central bank rate cuts and the US election, we believe it is time for investors to 'Adapt to Shifting Winds'. We expect: (i) equities to outperform bonds and cash, an outcome likely to result in balanced strategies outperforming income strategies; (ii) US and Indian equities to outperform global and Asian markets, respectively; and (iii) gold and EM bonds to offer diversified sources of return.

Policy inflection point a key positive for equities

Major central bank rate cuts, which started in Q2, are likely to extend into the second half of the year. Europe is the forerunner along this path. The central banks of Sweden and Switzerland and the European Central Bank have already cut rates as growth and inflation slow. We believe the Fed has room to follow suit, albeit later in H2, as slowing rents and softening labour markets drive inflation lower.

Fig. 1 **High US and Indian equity market valuations arguably justified by high return on equity**

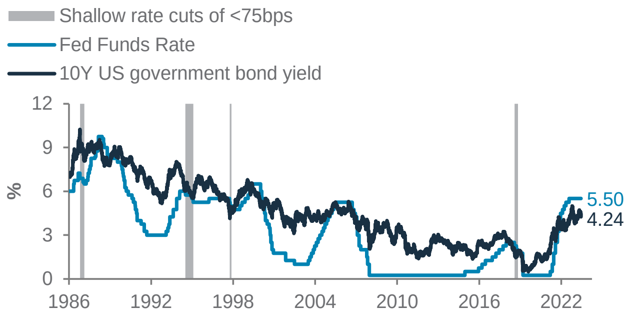
12m forward Price/Book vs. return on equity



Source: FactSet, Standard Chartered

Fig. 2 **Bond yields have historically fallen near or ahead of Fed rate cuts**

10yr US govt. bond yield vs. Fed policy rate



Source: Bloomberg, Standard Chartered

For markets, this policy shift is significant as it creates the conditions for our soft-landing view to pan out. Pre-emptive rate cuts that help avoid a sharp, recessionary slowing of economic growth are likely to support an extended earnings growth cycle. These conditions should result in equities continuing to outperform bonds and cash in H2 24.

US and Indian equities to lead

Regionally, we believe US equities offer a strong case for continued outperformance relative to other major equity markets in H2. US earnings remain a cornerstone of our view – 12-month expected earnings growth remains robust and has been revised higher since the start of the year. More significantly, these expectations show gains broadening beyond the 'Magnificent 7' stocks by year-end.

US valuations are undoubtedly high and have been one key pushback against our positive view. However, we believe these are justified by a high return on equity (ROE). In our view, this suggests valuations are unlikely to be a barrier to further gains in an environment where markets remain focused on growth assets amid likely upcoming Fed rate cuts.

After 14.8% gains YTD, though, we would balance our positive view given that further gains are unlikely to occur in a straight line. While our short-term quantitative and technical models are not flashing any warning signs, fund manager surveys note quite low levels of cash, which historically have been an indicator of short-term reversals. History also shows there is a risk of volatility in the weeks around US elections. While both are short-term factors, they warn of greater volatility in H2 than what markets experienced in H1.

Beyond the US, we have a core holding (Neutral) view on most other major markets. We have upgraded Euro area equities to core holding amid a surprise improvement in high frequency growth data, political uncertainties notwithstanding. We also now see Japan as a core holding (Neutral) as the positive case (share buybacks, shareholder-friendly reform, and higher nominal growth) runs up against an extended negative signal from our short-term technical model. We are Underweight UK equities amid low earnings expectations.

In Asia ex-Japan, we are Overweight Indian equities. The basis is not dissimilar to that of US markets – the economic and earnings growth outlook remains positive and the completion of elections puts a key event risk behind us. Valuations are challenging, but we note Indian equity markets rank second highest, after the US, among major equity markets in terms of ROE. Our relative preference for large-cap equities also helps mitigate this risk, in our assessment.

We have a core holding (Neutral) view on Chinese equities. Positioning and valuations suggest the easy gains are now behind us as both have moved away from excessively negative extremes. This now puts the onus on earnings growth, which is likely to require greater policy support.

Carry, the key theme in bonds and FX

'Carry', or the yield, remains the key opportunity in bond and FX markets. It is, however, much harder to find value. This balance causes us to have a core holding (Neutral) view on global bonds.

History reminds us that US dollar bond yields generally peak not far from when the Fed stops hiking rates and fall near or ahead of Fed rate cuts. While the magnitude of this decline varies depending on the size of rate cuts, history strongly argues for locking in today's yield. Holding a core allocation to bonds is attractive, especially vs. holding cash, where reinvestment risk is considerably higher as rate cuts bring future yields lower. We have a neutral view between government and corporate bonds – while the latter offers a slightly higher yield, yield premiums over government bonds offer little value.

EM bonds offer pockets of opportunity and risk. We are Overweight EM USD-denominated government bonds as we believe the relatively high yield and better value mean it is likely to outperform global bonds. In contrast, we are Underweight EM local currency bonds as we believe the yield does not compensate for taking on currency risk. Many major EMs are also unlikely to cut rates as deeply or rapidly as Developed Market (DM) central banks, limiting price gains in EM local currency bonds.

Gold a bright spark

Gold has been a top-performing asset class in H1 24, rising 14.4% YTD. What we find most interesting is how the gold rally continues to be driven by a tight demand/supply balance rather than falling bond yields. We see room for this to continue given central bank demand remains strong, while the direction of yields turns more supportive amid rate cuts.

While we continue to have a core holding (Neutral) view on the asset class, H1 has been a lesson on why it is important to build and maintain a core holding in gold within Foundation portfolios.

Opportunistic allocations: A focus on growth

In the US, our equity sector Overweights are focused on the technology and communication services sectors. While we like them for their earnings outlooks and sensitivity to falling bond yields, we also like them for being growth-oriented. This, we believe, fits well with the macro and markets environment we expect for H2 24 as the Fed starts to cut rates to manage a soft landing for the US economy.

In Europe, we are Overweight the technology and healthcare sectors. We believe this more barbell-like approach is consistent with the improvement in the growth outlook, while recognising this trend still has some distance to go, especially with election-related uncertainty in France.

In China, we are Overweight the technology, communication services and consumer discretionary sectors. We believe this more focused approach on sector-specific fundamentals looks increasingly attractive as the easy gains from broader market gains come to an end, with positioning and valuations both no longer at extremes.

We add a new equity Buy idea on Japan banks. With the short-term technical signal remaining weak for the broader Japan market, we believe this idea should offer more focused exposure to an undervalued sector exposed to a longer-term recovery in Japan's economy and rising net interest margins at banks. We close our Buy idea on South Korean equities, even as we keep our Taiwan Buy idea open, to trim our exposure to the semiconductors sub-sector (see the equity section for more details).

In bonds, we add a new Buy idea on US agency mortgage-backed securities. We believe the risk/reward is attractive given the robust yield, quasi-sovereign credit quality, contained mortgage prepayment risk and the likelihood for yields to move lower (see the bonds section for more details).

How important are US elections for market?

One key event in H2 24 that is firmly on investors' horizons is the US Presidential election.

Since 1972, the S&P500 has, on average, delivered positive returns six months before and after elections, with any volatility limited to the weeks around the election itself.

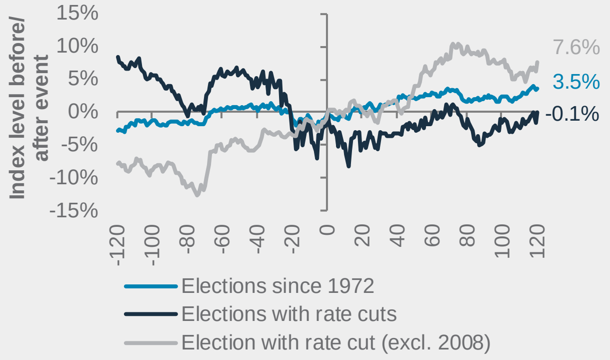
Today, the question is whether the presence of a Fed rate cutting cycle changes this outcome to any degree. Our analysis illustrated in the chart shows that, historically, S&P500 returns were significantly worse than average around elections when the Fed was also cutting rates.

However, this average appears to have been heavily influenced by 2008, the only US Presidential election in our period of analysis that also fell within an economic recession. Excluding 2008 from the analysis suggests the impact of whether we are in a rate hiking or rate cutting cycle makes little discernible difference to market returns.

The bottom-line: The US Presidential election is likely to dominate the headlines, but investors should pay more attention to macro and market fundamentals.

Fig. 3 US equities generally perform well in the 6 months before and after a US election

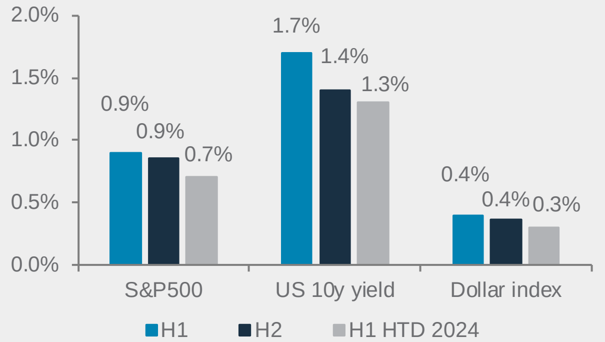
S&P500 average performance around US Presidential elections across scenarios



Source: Bloomberg, Standard Chartered; Data since 1972

Fig. 4 Equity, FX volatility lower than usual in 2024 compared with previous election years

Average H1 and H2 historical* realised volatility and actual H1 24 volatility for major US assets during election years



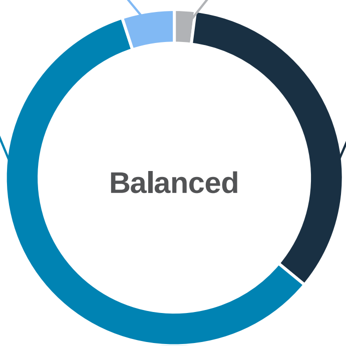
Source: Bloomberg, Standard Chartered; *Data since 1948

Foundation asset allocation models

The Foundation and Foundation+ models are allocations that you can use as the starting point for building a diversified investment portfolio. The Foundation model showcases a set of allocations focusing on traditional asset classes that are accessible to most investors, while the Foundation+ model includes allocations to private assets that may be accessible to investors in some jurisdictions, but not others.

Fig. 5 **Foundation asset allocation for a moderately aggressive risk profile**

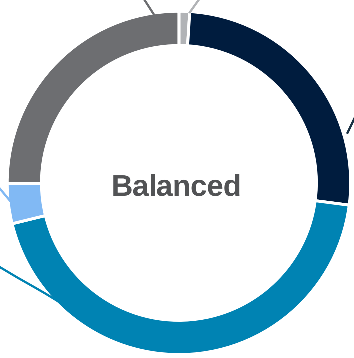
Gold	**5%**
Gold	5%
Equity	**59%**
North America	39%
Europe ex-UK	8%
UK	1%
Japan	4%
Asia ex-Japan	8%



Cash	**2%**
USD Cash	2%
Bond	**34%**
DM IG Government	12%
DM IG Corporate	11%
DM HY Corporate	3%
EM USD Government	4%
EM Local Ccy Government	1%
Asia USD	4%

Fig. 6 **Foundation+ asset allocation for a moderately aggressive risk profile**

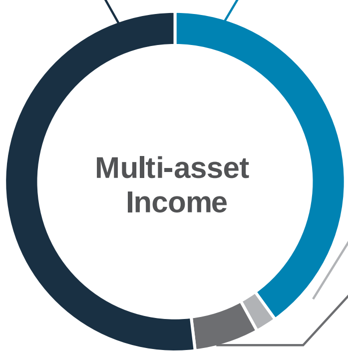
Alternatives	**25%**
Alternatives	5%
Private Equity	6%
Private Real Assets	5%
Private Debt	9%
Gold	**4%**
Gold	4%
Equity	**44%**
North America	29%
Europe ex-UK	6%
UK	1%
Japan	3%
Asia ex-Japan	6%



Cash	**1%**
USD Cash	1%
Bond	**26%**
DM IG Government	9%
DM IG Corporate	8%
DM HY Corporate	2%
EM USD Government	3%
EM Local Ccy Government	1%
Asia USD	3%

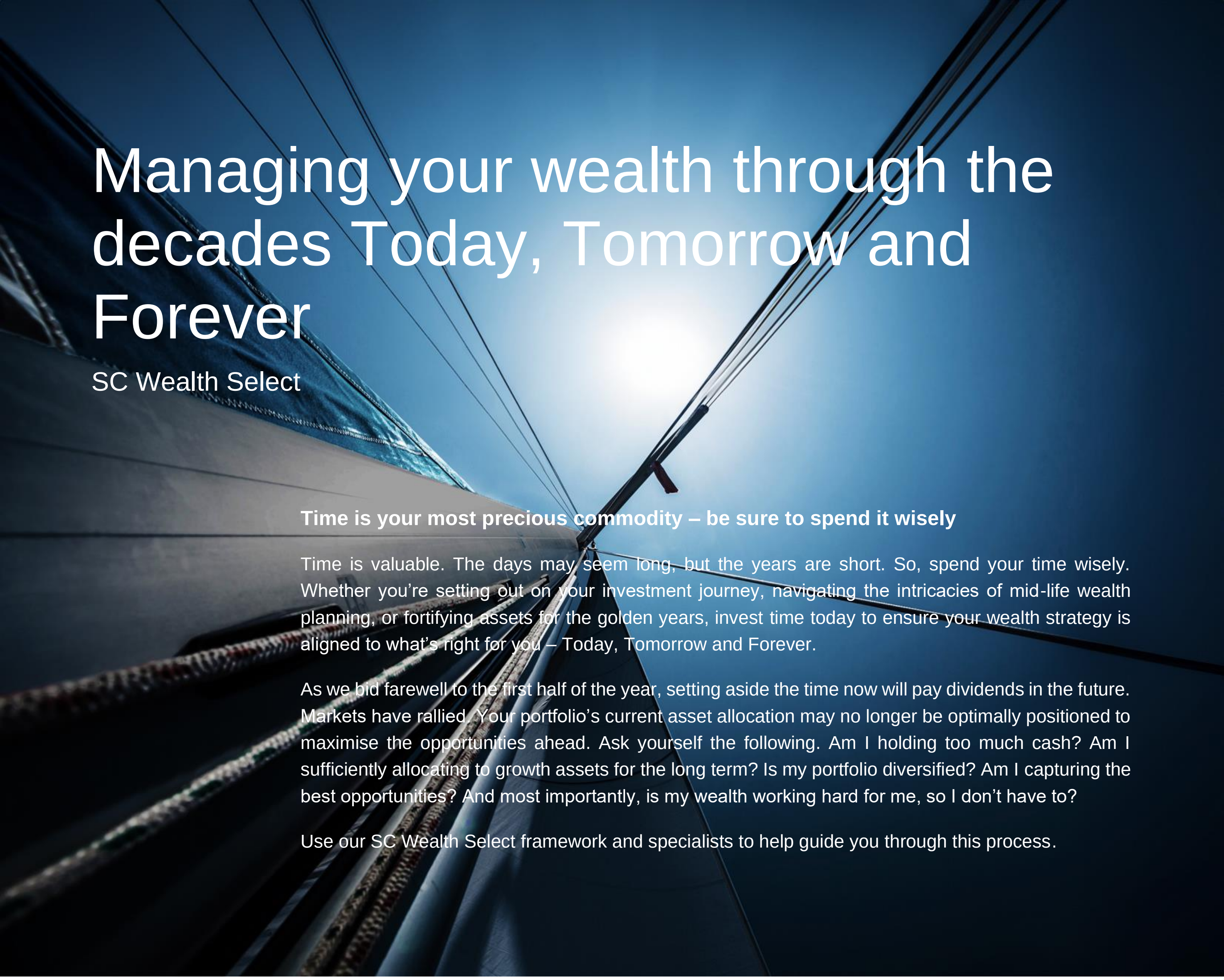
Fig. 7 **Multi-asset income allocation for a moderate risk profile**

Bonds	**52%**
DM IG Government	7%
DM IG Corporate	5%
US Mortgage-backed Securities	4%
DM HY Corporate	22%
EM HC Government	6%
EM LC Government	3%
Asia USD	5%



Equity	**40%**
US High Dividend	18%
Europe High Dividend	9%
Asia High Dividend	9%
Global Infrastructure	2%
Global REITs	2%
Cash	**2%**
USD Cash	2%
Hybrids	**6%**
Covered calls	3%
Sub financials	3%

Source: Standard Chartered



Managing your wealth through the decades Today, Tomorrow and Forever

SC Wealth Select

Time is your most precious commodity – be sure to spend it wisely

Time is valuable. The days may seem long, but the years are short. So, spend your time wisely. Whether you're setting out on your investment journey, navigating the intricacies of mid-life wealth planning, or fortifying assets for the golden years, invest time today to ensure your wealth strategy is aligned to what's right for you – Today, Tomorrow and Forever.

As we bid farewell to the first half of the year, setting aside the time now will pay dividends in the future. Markets have rallied. Your portfolio's current asset allocation may no longer be optimally positioned to maximise the opportunities ahead. Ask yourself the following. Am I holding too much cash? Am I sufficiently allocating to growth assets for the long term? Is my portfolio diversified? Am I capturing the best opportunities? And most importantly, is my wealth working hard for me, so I don't have to?

Use our SC Wealth Select framework and specialists to help guide you through this process.

Purpose

Today, Tomorrow, Forever

Our approach to wealth management is built on your vision of Today, Tomorrow and Forever for yourself, your family and beyond. As you move through life, your needs, life goals and preferences change. However, at every stage, clearly defined goals help to anchor your investment decisions.

Using a 'Today, Tomorrow and Forever' approach, we distinguish your wealth assets intended to be used in the near term (Today) from your wealth assets that are to be used over decades (Tomorrow and Forever). This allows your portfolio to be segmented into different strategies that can help you meet your short- and long-term goals.

'Today, Tomorrow and Forever' planning is unique to you. Our specialist's partner with you to build well-diversified, long-term Foundation portfolios, aligned to your Today, Tomorrow, Forever needs. Opportunistic ideas are added to capture short term opportunities, as well as sufficient protection included to address you and your family's objectives.

Today, Tomorrow, Forever Approach

Planning for Today

Requires ensuring liquidity and income flows take centre stage.

Securing Tomorrow

Entails a well-diversified investment and protection portfolio with a focus on growth, while ensuring inflation is accounted for and risks are mitigated.

Building for Forever

Involves greater focus on long-term returns given the time horizon of your portfolio can be measured in decades, and might also include business interests, real estate, collectibles, or charitable funds.

Principles

that stand the test of time

Adhering to time-tested Principles, to ensure your investment decisions remain robust and consistently applied, is paramount to your success Today, Tomorrow and Forever. We use five Wealth Principles to guide and guardrail your wealth decisions.

Discipline – Ensure consistency and prudence over your emotions

- Reacting to emotions such as optimism and fear can lead to poor investment decisions at the worst times
- Have a plan and stick to it – this helps you to stay focused on the bigger picture

Diversification – Simply put, don't put all your eggs in one basket

- Reduce risk by holding a variety of financial assets. Multi-asset diversification in your Foundation portfolio is important
- As a guide, make sure your portfolio contains a variety of asset classes and investments that have low correlation with one another

Time in the Market – A more robust strategy than timing the market

- Predicting market sell-offs is challenging, and timing your exit and re-entry is difficult
- Missing out on the best performing days of a market can have a significantly detrimental impact on your portfolio
- 'Time in the market' and buying the market with a longer-term view provide more consistent returns that can ride out bumps along the way

Risk and Return – Make sure the risk is worth the return

- To achieve higher investment returns, you will likely have to accept a greater level of risk in your portfolio
- Therefore, it's important to understand the risks and manage these on an ongoing basis

Protection – Don't let the unexpected catch you unprepared

- Even though you may feel healthy, or financially stable now, protection offers the ability to overcome times of financial uncertainty and mitigate the long-term impact of unforeseen events on your wealth
- A good protection plan not only safeguards your wealth today, but also considers the value of your future earnings over your lifetime, in today's terms

Process

Following a holistic approach to managing your wealth

We follow a rigorous process to ensure your needs and objectives are well-understood, and your portfolio is aligned and managed to deliver on these objectives.

However, markets constantly evolve and your needs change. Hence, we encourage you to undertake regular portfolio reviews to ensure your portfolio remains aligned to your Today, Tomorrow and Forever objectives. This proactive approach includes strategic rebalancing based on insights from our Chief Investment Office.

Learn more

Scan the QR code below to learn more about our SC Wealth Select approach to growing, managing and protecting your wealth.

The five-step process

Showcase
Demonstrate how SC Wealth Select can help you

Discover
Let us understand your needs, preferences and goals better

Propose
We'll design a Foundation portfolio tailored for you, with Opportunistic overlays

Implement
Allow us to implement you portfolio seamlessly and efficiently

Monitor and review
It's important to regularly review and rebalance your portfolio

Please be sure to reach out to your Relationship Manager today to arrange a portfolio review.

Explanatory notes

1. The figures on page 5 show allocations for a moderately aggressive risk profile only – different risk profiles may produce significantly different asset allocation results. Page 5 is only an example, provided for general information only and they do not constitute investment advice, an offer, recommendation or solicitation. They do not take into account the specific investment objectives, needs or risk tolerances of a particular person or class of persons and they have not been prepared for any particular person or class of persons.

2. Contingent Convertibles are complex financial instruments and are not a suitable or appropriate investment for all investors. This document is not an offer to sell or an invitation to buy any securities or any beneficial interests therein. Contingent convertible securities are not intended to be sold and should not be sold to retail clients in the European Economic Area (EEA) (each as defined in the Policy Statement on the Restrictions on the Retail Distribution of Regulatory Capital Instruments (Feedback to CP14/23 and Final Rules) ("Policy Statement"), read together with the Product Intervention (Contingent Convertible Instruments and Mutual Society Shares) Instrument 2015 ("Instrument", and together with the Policy Statement, the "Permanent Marketing Restrictions"), which were published by the United Kingdom's Financial Conduct Authority in June 2015), other than in circumstances that do not give rise to a contravention of the Permanent Marketing Restrictions.

Disclosures

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 our Standard Chartered website under Regulatory disclosures 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.

Sustainable Investments

Any ESG data used or referred to has been provided by Morningstar, Sustainalytics, MSCI or Bloomberg. Refer to 1) Morningstar website under Sustainable Investing, 2) Sustainalytics website under ESG Risk Ratings, 3) MCSI website under ESG Business Involvement Screening Research for more information. The ESG data is as at the date of publication based on data provided, is for informational purpose only and is not warranted to be complete, timely, accurate or suitable for a particular purpose, and it may be subject to change. Sustainable Investments (SI): This refers to funds that have been classified as 'Sustainable Investments' by Morningstar. SI funds have explicitly stated in their prospectus and regulatory filings that they either incorporate ESG factors into the investment process or have a thematic focus on the environment, gender diversity, low carbon, renewable energy, water or community development. For equity, it refers to shares/stocks issued by companies with Sustainalytics ESG Risk Rating of Low/Negligible. For bonds, it refers to debt instruments issued by issuers with Sustainalytics ESG Risk Rating of Low/Negligible, and/or those being certified green, social, sustainable bonds. For structured products, it refers to products that are issued by any issuer who has a Sustainable Finance framework that aligns with Standard Chartered's Green and Sustainable Product Framework, with underlying assets that are part of the Sustainable Investment universe or separately approved by Standard Chartered's Sustainable Finance Governance Committee.

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 and Standard Chartered Securities (B) Sdn Bhd | Registration Number RC20001003. Standard Chartered Bank is incorporated in England with limited liability by Royal Charter 1853 Reference Number ZC18. Standard Chartered Securities (B) Sdn Bhd is a limited liability company registered with the Registry of Companies with Registration Number RC20001003 and licensed by Brunei Darussalam Central Bank as a Capital Markets Service License Holder with License Number BDCB/R/CMU/S3-CL and it is authorised to conduct Islamic investment business through an Islamic window. **China Mainland:** This document is being distributed in China by, and is attributable to, Standard

Chartered Bank (China) Limited which is mainly regulated by National Financial Regulatory Administration (NFRA), 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 SCBHK, a subsidiary of Standard Chartered PLC. **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 send an email to feedback . ghana @ sc . com. 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 Standard Chartered via e-mail, as Standard Chartered makes no representations or warranties as to the security or accuracy of any information transmitted via e-mail. Standard Chartered 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 in its capacity as a distributor of mutual funds and referrer of any other third party financial products. Standard Chartered 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 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:** 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 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 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 ("SCBMB"). Recipients in Malaysia should contact SCBMB in relation to any matters arising from, or in connection with, this document. This document has not been reviewed by the Securities Commission Malaysia. The product lodgement, registration, submission or approval by the Securities Commission of Malaysia does not amount to nor indicate recommendation or endorsement of the product, service or promotional activity. Investment products are not deposits and are not obligations of, not guaranteed by, and not protected by SCBMB or any of the affiliates or subsidiaries, or by Perbadanan Insurans Deposit Malaysia, any government or insurance agency. Investment products are subject to investment risks, including the possible loss of the principal amount invested. SCBMB expressly disclaim any liability and responsibility for any loss arising directly or indirectly (including special, incidental or consequential loss or damage) arising from the financial losses of the Investment Products due to market condition. **Nigeria:** This document is being distributed in Nigeria by Standard Chartered Bank Nigeria Limited, a bank duly licensed and regulated by the Central Bank of Nigeria. Standard Chartered 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 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 02 012772514 for any questions or service queries. Standard Chartered shall not be responsible for any loss or damage arising from your decision to send confidential and/or important information to Standard Chartered via e-mail, as Standard Chartered 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, 1970. 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, 2001 ("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$100,000 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:** SC Group Entity 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 SC or SCB (Taiwan). The author and the above-mentioned employees of SC or SCB (Taiwan) may have taken related actions in respect of the information involved (including communication with customers of SC 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 SC or SCB (Taiwan). SC 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 SC 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 SC or SCB (Taiwan). SC, SCB (Taiwan), the employees (including those who have discussions with the author) or customers of SC 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. 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:** In the UK, Standard Chartered Bank is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. This communication has been approved by Standard Chartered Bank for the purposes of Section 21 (2) (b) of the United Kingdom's Financial Services and Markets Act 2000 ("FSMA") as amended in 2010 and 2012 only. Standard Chartered Bank (trading as Standard Chartered Private Bank) is also an authorised financial services provider (license number 45747) in terms of the South African Financial Advisory and Intermediary Services Act, 2002. The Materials have not been prepared in accordance with UK legal requirements designed to promote the independence of investment research, and that it is not subject to any prohibition on dealing ahead of the dissemination of investment research. **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.