| Wealth Management Advisory |

Standard Chartered Priority

Outlook 2016

A year to A.D.A.P.T. to a changing landscape

The team

01 **Alexis Calla***
Global Head, Investment Advisory and Strategy,
Chair of the Global Investment Council
Alexis.Calla@sc.com

02 **Steve Brice***
Chief Investment Strategist
Steve.Brice@sc.com

03 **Aditya Monappa*, CFA**
Head, Asset Allocation and Portfolio Solutions
Aditya.Monappa@sc.com

04 **Clive McDonnell***
Head, Equity Investment Strategy
Clive.McDonnell@sc.com

05 **Audrey Goh, CFA**
Director, Asset Allocation and Portfolio Solutions
Audrey.Goh@sc.com

06 **Manpreet Gill***
Head, FICC Investment Strategy
Manpreet.Gill@sc.com

07 **Rajat Bhattacharya**
Investment Strategist
Rajat.Bhattacharya@sc.com

08 **Arun Kelshiker, CFA**
Executive Director
Asset Allocation and Portfolio Solutions
Arun.Kelshiker@sc.com

09 **Victor Teo, CFA**
Investment Strategist
Victor.Teo@sc.com

10 **Tariq Ali, CFA**
Investment Strategist
Tariq.Ali@sc.com

11 **Abhilash Narayan**
Investment Strategist
Abhilash.Narayan@sc.com

* Core Global Investment Council voting members

Contents

Editorial

Strategy

Macro overview

Asset classes

Appendix

Editorial
Welcome to our 2016 Outlook

| Alexis Calla |

The annual calendar is in some ways an arbitrary construct. Yet, for investors, it is always useful to take time out to think about the past 12 months and identify what we did well and, of course, what we could have done better. The next step is to start planning for the year ahead and try to ready ourselves for the opportunities and challenges that we will undoubtedly face in 2016. In this spirit, let's take a moment to think about the last 12 months.

Oil prices may bottom, which could have significant implications across the US high yield bond market, Emerging Market equities and commodity-related currencies. And the USD may run out of steam more generally at some point in the year. This is likely to be matched with increased volatility across asset classes.

It was a challenging year

2015 has been a tough year for investors. Yet, our core investment strategies played out as scripted. We forecast lower returns for global equity markets and higher volatility; we continued to favour Developed Market equities over Emerging Market equities; and we highlighted the benefits of a diversified income allocation. We also stressed that policy divergence would likely push the USD higher.

Of course, we also got some key themes wrong – acceleration in global growth, a Fed rate hike in the early half of the year and the benefits of global equities and alternative strategies did not materialise. Meanwhile, our diversified income theme generated meagre returns, albeit against a very challenging backdrop.

Thankfully, some of our other key calls generated a lot of value for investors in 2015. For instance, our preferred equity regions (Europe and Japan on a currency-hedged basis) have performed very well over the course of the year, with the currency hedges being an important source of return. Meanwhile, the USD continued to strengthen, as we expected.

Looking ahead

Looking forward, one thing we can be sure of is that the investment environment is not going to get easier in 2016. One key factor is the stage the US economy is in its cycle. If you believe we are close to the end of the cycle, ie. close to a recession, then a defensive stance would be warranted.

We take a more constructive view. While we acknowledge that this cycle is already one of the longest on record, the US Federal Reserve is still focused on supporting growth rather than fighting inflation. As such, we believe we have at least 18-24 months of the US economic expansion remaining. History suggests this is still a good point of the cycle to be invested in risky assets such as global equities and US high yield bonds. That said, with returns normally negative in the last 6-12 months of the economic cycle, this means we are getting closer to the end of the equity bull market.

For us, one key variable to monitor is US inflation. We expect deflationary pressures to abate over the coming 12 months as the job market tightens and as oil prices eventually bottom. However, we do not see inflation spiking up anytime soon due to continued excess capacity elsewhere in the world. If we are wrong, and inflation picks up briskly, this would be a significant headwind for riskier assets as it would increase the pressure on the Fed to tighten monetary policy aggressively.

"We believe a high level of diversification and a more tactical approach to investing may be required to help improve returns while also trying to avoid some of the likely pullbacks in riskier assets (such as equity markets)."

Time to A.D.A.P.T.

It is against this backdrop that we have labelled 2016 as a year to A.D.A.P.T. to a changing landscape.

Many of the trends that we have seen in recent years may be coming closer to the end. As mentioned above, we appear to be getting closer to the end of the global equity bull market. Oil prices may bottom, which could have significant implications across the US high yield bond market, Emerging Market equities and commodity-related currencies. And the USD may run out of steam more generally at some point in the year, potentially when monetary policies become more synchronised. This is likely to be matched with increased asset market volatility.

As such, we believe a high level of diversification and a more tactical approach to investing may be required to help improve returns while also trying to avoid some of the likely pullbacks in riskier assets (such as equity markets).

Key investment views as we enter 2016

Asset class/theme	Preferred areas/strategies
Global equities	Euro area (FX-hedged) Japan
Income investing	Diversified approach important in rising volatility environment
Alternative strategies	Equity long-short Global macro Event-driven

2016: A year to A.D.A.P.T. to a changing landscape

| Steve Brice |

2015 marked the sixth year of global growth since the 2008-09 crisis. This makes it one of the longest business cycles on record. As the cycle matures, generating investment returns is likely to get even more challenging. Assessing where the US economy is in its cycle is key. A US recession in 2016, or early 2017, would warrant more caution. We are more upbeat, expecting US economic expansion to continue well into 2017. Nevertheless, we believe investors will need to be even more vigilant than in 2015 and A.D.A.P.T. to a changing landscape.

In this environment, we believe global equities can deliver positive returns and outperform other asset classes in 2016. That said, we would consider gradually increasing allocation to bonds and alternative strategies as we head into the late stage of an economic cycle.

A

Advanced economies at different stages of the economic cycle. US expansion mature, but consumer spending to drive growth in 2016. Europe and Japan in mid-cycle.

- Global equity bull market likely to extend as we remain some distance from the end of the US expansion
- Euro area (FX-hedged) and Japan still our preferred markets as they are likely only in the mid-part of their economic recovery

D

Deflationary pressures to abate in Developed Markets due to gradually tightening labour markets and bottoming oil prices.

- Gold likely to stabilise in Q1 as gradually tightening labour markets in the US and Germany put modest upward pressure on inflation
- US high yield bonds expected to perform well as default risk is contained as oil prices eventually bottom in 2016

A

Asia and Emerging Markets still dependent on China, which is transitioning towards consumer-led growth. Oil prices also key.

- China our preferred market in Asia as consumption gradually takes over from investment as the key driver of growth
- Non-Asia Emerging Markets may bottom in 2016 following gradually shifting growth dynamics in China and eventually bottoming oil prices

P

Policies of central banks to remain supportive of growth, Fed tightening not withstanding.

- US dollar bonds likely to deliver modest, but positive returns in 2016 as any tightening remains modest
- Income investing remains valid as absolute levels of yields remain low
- USD strength to become less broad-based

T

Transition to late cycle likely to lead to higher volatility.

- Investors need to take into account drawdown risks as volatility normally picks up moving into the late stage of the US economic cycle
- Increase allocation to bonds and alternative strategies as we approach the end of the cycle to benefit from different sources of return and lower volatility

Macro overview
Growing out of a deflationary scare

| Rajat Bhattacharya |

Sustained growth to allay deflation fears

Consumption to drive global growth

- Global economic recovery is likely to continue for the seventh year since the 2008-09 recession
- We expect trend growth (3.0-3.5%), driven by rising domestic consumption in the US, Europe and Asia
- Emerging Markets, especially outside of Asia, are likely to recover from a sharp downturn aided by a gradual recovery in commodities, although subdued global trade remains a headwind

Deflation pressures to ease

- Tighter job markets in the US, UK, Germany and Japan and an eventual recovery in oil prices are likely to allay deflation concerns
- However, excess productive capacities in China and Europe are likely to prevent a surge in inflation

Policies to remain accommodative

- Fiscal policies are likely to be less of a drag in the US and Europe and more supportive in China and Japan
- The US Fed raised rates in December 2015 for the first time since 2006, but future rises are expected to be gradual
- The European Central Bank and People's Bank of China are likely to ease monetary policy further
- Bank of Japan to sustain aggressive asset purchases

Emerging Markets, policy mistakes remain key risks

- A sharp slowdown in China and a faster-than-expected tightening of US monetary policy rank among the top risks to our constructive outlook
- Monetary policy errors leading to a deterioration in the growth outlook, geopolitical uncertainty and a sustained surge in the USD or oil prices remain other key risks

Perspectives from our Chief Investment Strategist

Steve Brice, our Chief Investment Strategist, addresses questions that are likely top of mind for our clients.

Q How would you characterise the global economic outlook for 2016?

A The key input to investment decisions next year is where we are in the US economic cycle. While it is very difficult to accurately predict recessions, most indicators point to a continued recovery over the next 18-24 months. The US economy normally only goes into recession after the central bank starts focusing on controlling inflation rather than supporting growth.

Continued global excess capacity, for example in Europe and China, means any pick-up in inflation, and therefore any tightening in monetary policy, should be gradual. Meanwhile, we see a reduced headwind from fiscal policy next year. Therefore, we expect the US economic expansion to continue into 2017.

Elsewhere, Europe and Japan are expected to accelerate modestly, and India is likely to deliver stronger growth on the back of structural reforms. On the other hand, China's structural slowdown is expected to extend – as the economy shifts to consumer-led growth – although this is unlikely to experience a hard landing.

Q Against this backdrop, what are your preferred asset classes?

A Equities remain our favoured asset class. A key factor here is the outlook for corporate earnings.

In the Euro area and Japan, our favoured regions, corporate earnings are expected to grow in the high-single to low-double-digit range as their currencies remain relatively weak, supporting export earnings, and their domestic economies recover helped by strengthening consumer spending. Very loose monetary policy settings should help support valuations.

In the US, the picture is more mixed. We expect corporate earnings to grow as the effects of the strong US dollar and weakening oil prices abate over the year. However, consensus expectations for 8% growth may be a little optimistic. Therefore, we expect only modestly positive returns for US equities in 2016.

In Asia ex-Japan, the changing profile of China's growth is likely to boost earnings of the region's service industries. For China itself, we see MSCI's decision to increase its indices exposure to newer, faster-growing industries such as social media companies as a potential positive catalyst. As such, China remains our preferred overweight within Asia.

Q Which areas of bond markets do you prefer?

A We have three key themes for bonds. First, we would look for opportunities to gradually raise bond exposure as we head closer to the end of the US economic cycle.

Second, we prefer USD bonds as yields are higher than in Europe and Japan and the US dollar is likely to remain firm, especially in the near term.

Third, we prefer corporate bonds over government bonds. Our most favoured area is US high yield bonds. We believe the 8% yield on offer here is attractive given the low yields available generally in bond markets today, notwithstanding the recent negative news flow, especially in the energy sector.

Q What is the outlook for USD in 2016?

A We have become more cautious about the outlook for USD strength. While we see further strength against certain currencies, we believe it will be more modest and less broad-based in 2016.

The Euro and Swiss franc may continue to weaken slightly on continued policy divergence and the Australian dollar is still vulnerable to falling base metal/iron ore prices.

Within Emerging Markets, we prefer Asian currencies for now as their external fundamentals are superior in most cases, they are cheaper and many are less reliant on commodity prices.

Q 2015 was a challenging year for investors. Do you see more of the same in 2016?

A The simplistic answer is 'yes'. It is normal for asset markets to get more volatile towards the end of the bull market.

However, it is important to understand that volatility can be positive as well as negative. This means investors need to balance the risk of significant drawdowns against the risk that markets could perform well, as they normally do in the first 12-24 months of a Fed rate hiking cycle.

From an income allocation perspective, we have reduced our allocation to high dividend yielding equities and added to bonds, in particular US high yield bonds, and preferred equity in order to try to reduce the size of drawdown risks. These tweaks have helped make us more comfortable with diversified income investing as a core theme for 2016.

Bonds
More constructive, raise allocation

| Manpreet Gill | Abhilash Narayan |

Key themes

We expect bonds to outperform commodities and cash, but underperform equities. We would hedge currency risks on Developed Market government bonds.

We prefer US Treasuries over German Bunds and Japanese Government Bonds. Fed communication efforts are likely to contain rises in Treasury yields.

Prefer corporate bonds over sovereigns. US High Yield is our preferred sub-asset class, followed by US Investment Grade.

Across Emerging Markets, we favour USD bonds over local currency bonds. Within local currency bonds, we prefer Asia over other regions. We will closely monitor oil price developments and remain open to re-evaluating this stance in 2016.

We expect the gap between 2-year and 10-year US yields to continue to narrow. This suggests 5-7 year average maturity profiles for USD-denominated bond allocations offers the best risk/ reward.

Raising allocation to bonds

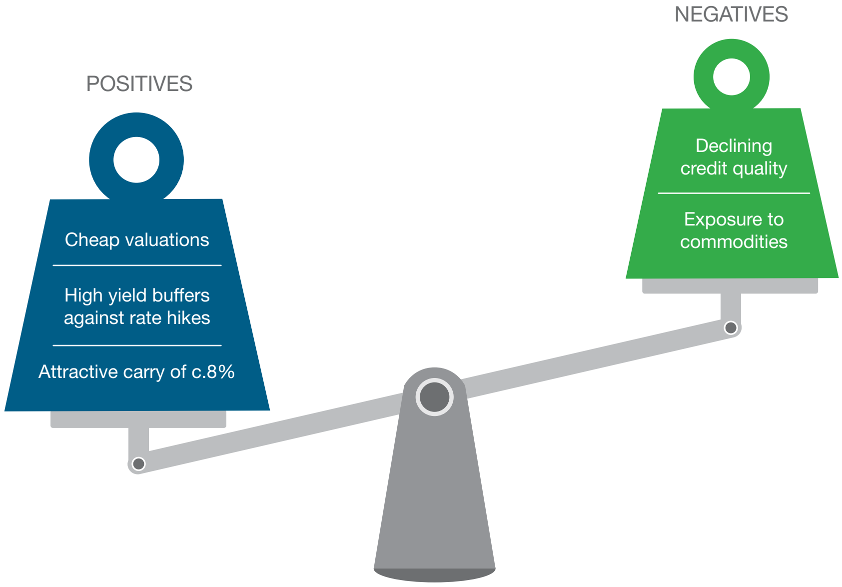
2015 has been an eventful year punctuated with bouts of market volatility. While the Fed hiked interest rates for the first time in almost a decade, the 10-year US Treasury yield is only slightly higher than at the start of the year. In contrast, German Bund yields are also slightly higher despite the onset of European Quantitative Easing (QE). Corporate bonds cheapened as credit spreads widened owing to concerns about credit quality.

As we look forward to 2016, we believe three factors are likely to drive bonds:

- The pace of rate hikes in the US and communication from the Fed.
- A continued low yield environment, where corporate bonds, which offer additional yield over government bonds, are likely to deliver higher total returns.
- Low risk of significant downside to global growth.

Why we like US High Yield corporate bonds

Factors arguing in favour of and against US HY bonds



Source: Bloomberg, Standard Chartered

Equity
Adaptability will be key in 2016

| Clive McDonnell |

Global equities are likely to outperform bonds for the fourth consecutive year, supported by high single-digit to low double-digit earnings growth in 2016. Valuations in Developed Markets are elevated, but not overvalued if we focus on valuation other than price-earnings ratios. Valuations in Emerging Markets are attractive, but catalysts for a broad based re-rating remain elusive. We are positive on equities in the Euro area and Japan, the former on an FX hedged basis. Cautiously optimistic best describes our view on equity markets in the US and Asia ex-Japan. We are still negative on non-Asia Emerging Markets as we head into 2016.

We view adaptability as one of the key themes and attributes investors will require in the year ahead as we move into a late cycle environment. Importantly, late cycle does not mean the end of the cycle. The average length of the US economic cycle is 59 months, with the shortest cycle length beyond this average being 73 months in 2001-07, and the longest 120 months in 1991-01.

These views are based on our market drivers:

- Earnings support modest gains in global equity markets in 2016. Consensus expectation is for 8-10% earnings growth in the US, Euro area and Emerging Markets (EM). Valuations are elevated, but not extreme, providing support to markets once earnings forecasts are met.
- We expect the dollar to remain strong against the euro, but it may peak against the yen and Emerging Market currencies in H1 2016.
- Oil prices to bottom in 2016. This should provide a lift after dragging down US and European earnings in 2015.
- Drawdown risk: we expect an increasing number of greater than 4% equity market drawdowns or peak to trough declines in markets, within what is expected to be a modestly positive trend for global equity markets.

Key themes

Equities to outperform bonds. We expect equities to outperform bonds for the fourth consecutive year.

Positive on Euro area equities (FX-hedged) and Japanese equities. Within Europe, we prefer European small and mid capitalisation stocks over large capitalisation.

Cautiously positive on US equities and Asia ex-Japan. Within the US, we prefer technology and banks and within Asia, we prefer China.

Negative on non-Asian Emerging Markets, specifically: Brazil, Mexico, Turkey, South Africa and Russia.

FX
Focus on nuances

| Tariq Ali, CFA | Manpreet Gill |

Key themes

Selective USD strength in 2016. We expect USD strength against EUR, CHF, AUD and NZD. EUR and CHF are likely to weaken on continued monetary divergence (at least through H1) while AUD and NZD are likely to move lower on further commodity price weakness.

JPY, GBP and CAD to start the year range-bound. A more stable, or improving, outlook for monetary policy, a strengthening economic environment and energy prices are the main factors. For Q1, 2016 we define technical trading ranges as 1.45-1.60 for GBP/USD, 116-126 for USD/JPY and 1.28-1.40 for USD/CAD.

Asia ex-Japan currencies to bottom later in the year. We expect further downside in the short term as the Fed hikes rates. However, we believe Asia ex-Japan currencies will bottom-out in 2016. We are most constructive on the MYR, IDR and INR relative to the regions' currencies. We also expect the MYR to recover some ground against the SGD.

USD: Not what it used to be...

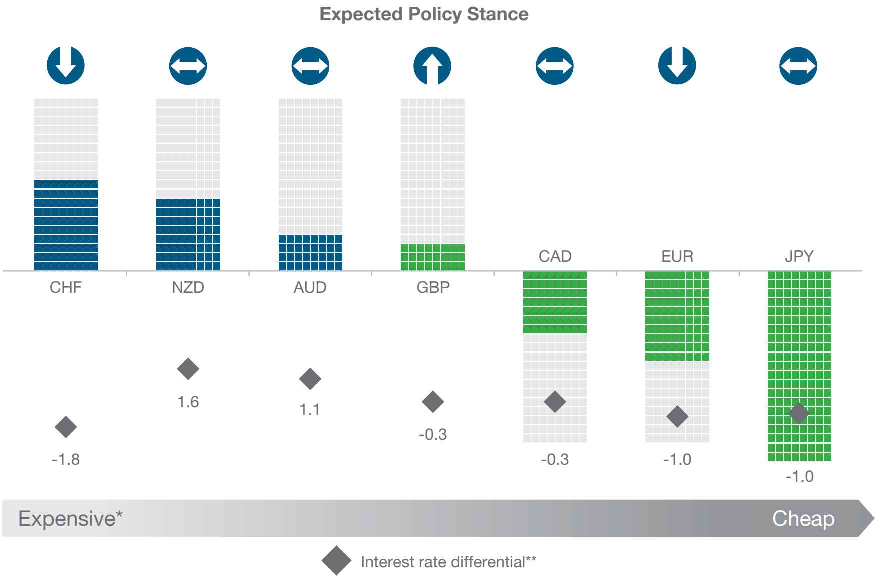
In 2015, the USD rallied strongly against both G10 and Emerging Market currencies as the Euro area, Japan, China and a number of other Asian countries initiated or expanded monetary stimulus, intensifying monetary policy divergence.

We believe broad USD strength is likely to end for two reasons. First, a modest Fed rate hike scenario for 2016 is already priced-in. The Fed is also likely to become more sensitive to USD strength, in our view, this may limit rate hikes should the USD continue to rally strongly. Second, the likelihood of further policy easing in many G10 countries is diminishing, and those that do ease further face the risk of a diminishing impact given how low yields already are.

A case for selective USD outperformance remains in place. We still see room for USD strength via continued monetary policy divergence against the EUR and CHF. In both cases, we believe authorities are likely to undertake further policy easing measures. Consequently, Euro area yields are likely to fall further into negative territory, expanding interest rate differentials with the US, and ultimately driving the EUR and CHF lower. We also see further room for USD strength against the AUD and NZD, where our negative outlook on their respective key export commodities argues for more weakness ahead.

In the G10 space, we expect further weakness in currencies with negative yield differentials with the US and expectations of further policy easing

EUR and CHF face the most negative combination



Source: Bloomberg, Standard Chartered
* Valuation based on deviation from historical average of the Real Effective Exchange Rate (REER) since 1980
** Interest rate differential is 2-year respective government bond yield – US 2-year government bond yield

Commodities
Not there yet

| Tariq Ali | Manpreet Gill |

Key themes

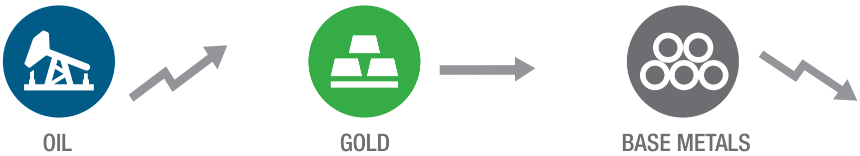
Negative on commodities. Most commodities continue to face a poor demand/supply balance, though oil and gold face the most room for improvement as we go through the year.

Oil prices may rise by the end of 2016 as the demand/supply gap gradually closes through the year. However, we do not expect oil prices (Brent) to exceed a quarterly average of USD65/bbl while risks of further downside remain heightened in the short term.

Gold likely to remain range-bound. A modest pick-up in inflation expectations may provide support, but higher US interest rates create a headwind. We expect gold to trade between USD1000-1200/oz.

Industrial metals to weaken, with specific exceptions. A lack of strong demand catalysts and considerable oversupply is likely to exert continued downward pressure on prices. We prefer consumption-linked metals (zinc, aluminium and nickel) to investment-focused metals (iron-ore and copper).

Views at a glance



We remain negative on commodities, but pace of weakness likely to slow compared with 2015

We believe commodities are likely to underperform other major asset classes heading into 2016. 2015 was characterised by sharp weakness in prices accompanied by a rise in inventories, almost across the board. A narrowing demand supply-gap is likely to slow the pace of losses given the magnitude of decline thus far. We also see room for greater divergence, with oil potentially facing the greatest upside risks and industrial metals facing continued downside risks.

Multi-asset income
Finding balance between yield and volatility

| Aditya Monappa, CFA | Arun Kelshiker, CFA | Audrey Goh, CFA |

Key views

Multi-income remains a valid strategy for 2016. Despite divergent policy, ample liquidity and low bond yields call for a diversified approach to income investing.

Yield target of 4-5% is achievable. A cross asset approach can help investors achieve their objectives as yields on various income assets remain comparable to last year.

Higher volatility environment means risk management is crucial. We have modestly reduced our allocation to equities, given the risk of more frequent pullbacks, and increased our allocation to a diversified basket of fixed income. Given low yields in fixed income, currency hedging can be important in protecting returns.

Over the last few years, a global multi-income approach has delivered the income objective with a moderate level of portfolio risk. Looking ahead to 2016, a conducive monetary policy environment coupled with low government bond yields continues to support the case for global income. However, in addition to diversification, comprehensive risk management (including currency and drawdown risk) is now a crucial element for a successful income strategy.

A question often raised is whether a regional income strategy (European or Asian multi-income) would be a better choice. Achieving attractive income in an ultra low-yield environment might be challenging for European multi-income. Asian multi-income could provide the yield, but at a higher level of risk. Both regional strategies would see a limited range of investments in non-core income where US focused assets play a key role. Against this backdrop, a global multi-income approach with appropriate risk management should deliver a sustainable yield for income-oriented investors.

Target yield remains achievable in 2016

Yield to maturity/dividend yield (%)

Preservation Yield – 20% of portfolio

Maintenance Yield – 60% of portfolio – 4-5% target yield

Aspirational Yield – 20% of portfolio

	End 2014	End 2015
Short Mat (1-5 years)	0.70	0.78
Medium Mat (5-7 years)	1.32	1.34
DM IG Corporates	2.37	2.74
Long Mat (20+ years)	2.92	2.96
US Dividend Equity	3.12	3.20
REITs (Europe)	3.28	3.47
Asia IG Corporates	3.92	3.96
CNY bonds	4.80	3.97
REITs (US)	3.66	4.08
Covered Call Strategy	4.24	4.11
REITs (Asia)	3.88	4.22
Convertibles	3.11	4.33
Pan-EU HY	4.16	4.48
EM HC IG	4.32	4.81
Asia Divi Equity	3.88	5.10
Europe Dividend Equity	5.04	5.42
Preferred Equity	5.95	5.72
Leveraged Loans	4.53	5.92
Asia HY Corporates	7.14	7.37
DM High Yield	6.09	7.78
INR bonds	8.55	8.12
EM High Yield	7.68	8.24
US HY	6.12	8.36

Source: Bloomberg, Standard Chartered

*We look to generate our target yield by exploring three distinct buckets, which include the following:
· Preservation Yield – Accepts a lower yield but provides downside protection during adverse market events
· Maintenance Yield – Forms the bulk of the yield opportunity. A good balance of yield and risk
· Aspirational Yield – An attempt to enhance overall yield while taking on higher, but measured risks

Consensus forecasts 2016

	Consensus Forecasts			
Real GDP (%, y/y)	**2015E**	**Our Bias**	**2016E**	**Our Bias**
US	2.5	→	2.5	→
Euro area	1.5	→	1.7	↗
Japan	0.6	→	1.1	→
China	6.9	→	6.5	→

Inflation (%, y/y)	2015E	Our Bias	2016E	Our Bias
US	0.2	→	1.8	↘
Euro area	0.1	→	1.1	→
Japan	0.8	→	0.9	→
China	1.5	→	2	↘

Policy rate (%)	1H 2016	Our Bias	2H 2016	Our Bias
US	0.85	→	1.25	↘
Euro area	0.05	→	0.05	↘
Japan	0.1	→	0.1	→
China	4.05	→	4.05	↘

FX	1H 2016	Our Bias	2H 2016	Our Bias
EUR/USD	1.05	↘	1.05	↘
GBP/USD	1.51	→	1.52	↗
USD/CHF	1.1	→	1.11	→
AUD/USD	0.68	→	0.69	→
NZD/USD	0.62	→	0.62	→
USD/CAD	1.35	→	1.34	↘
USD/JPY	125	→	126	→
USD/CNY	6.5	→	6.6	→
USD/SGD	1.42	↗	1.42	→
USD/KRW	1,210	↗	1,216	→
USD/TWD	33.5	↗	33.6	→
USD/INR	67	→	67	↘
USD/IDR	14,475	→	14,750	↘
USD/MYR	4.25	↗	4.3	↘
USD/THB	37	→	37	→
USD/PHP	47.8	↗	48.1	↗

Source: Bloomberg, Standard Chartered

Legend: → No strong bias | ↗ Moderately higher bias | ↘ Moderately lower bias

2016 key events

Dec

16	Fed meeting
17-18	EU Leaders' Summit
20	Spain general election
31	ASEAN Economic Community launch

Jan

16	Taiwan general election
21	ECB meeting
24	Portugal Presidential election
27	Fed meeting
X	Review of EU sanctions on Russia

Feb

X	Indian federal government budget

Mar

10	ECB meeting
16	Fed meeting

Apr

15-17	IMF/World Bank spring meetings
21	ECB meeting
27	Fed meeting

May

09	Philippine Presidential/Parliamentary Elections

Jun

02	ECB meeting
15	Fed meeting
X	Italian constitutional referendum

Jul

18-21	US Republican Party National Convention
21	ECB meeting
25-28	US Democratic Party National Convention
27	Fed meeting

Sep

04-05	G20 Summit in Hangzhou, China
08	ECB meeting
21	Fed meeting

Oct

20	ECB meeting

Nov

02	Fed meeting
08	US Presidential elections
30	Australia Parliamentary elections

Dec

08	ECB meeting
14	Fed meeting

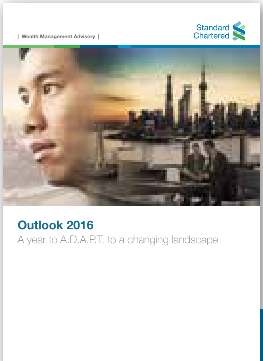
Legend:

X – Date not confirmed

Fed – US Federal Reserve

ECB – European Central Bank

Suite of key WMA publications



Outlook 2016

Annually

Our annual publication highlights what we believe will be the key investment drivers, which asset classes we expect to outperform and how our views might change as we move through the year.

Global Market Outlook

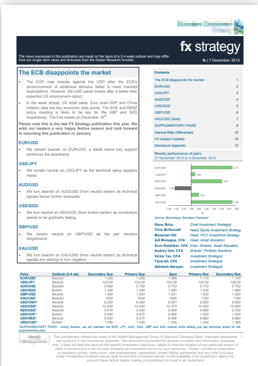
Monthly

Publication that captures the house view of key asset classes issued by the Global Investment Council.

Weekly Market View

Weekly

Update on recent developments and the key things to look out for in the coming week.



FX Strategy

Weekly

Weekly update on the currency market outlook, predominantly from a technical point of view.

Important information

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 Standard Chartered Bank, ("SCB") 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.

United Kingdom: Standard Chartered Bank (trading as Standard Chartered Private Bank) is an authorised financial services provider (licence number 45747) in terms of the South African Financial Advisory and Intermediary Services Act, 2002.

In Dubai International Financial Centre ("DIFC"), the attached material is circulated by Standard Chartered Bank DIFC on behalf of the product and/or Issuer. Standard Chartered Bank DIFC is regulated by the Dubai Financial Services Authority (DFSA) and is authorised to provide financial products and services to persons who meet the qualifying criteria of a Professional Client under the DFSA rules. The protection and compensation rights that may generally be available to retail customers in the DIFC or other jurisdictions will not be afforded to Professional Clients in the DIFC.

Banking activities may be carried out internationally by different Standard Chartered Bank branches, subsidiaries and affiliates (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.

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 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 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.