



Weekly Market View

Some like it hot

The message from the Fed's latest policy meeting is unmistakable – the US central bank wants to run the economy hot for quite some time. While this is likely to increase bond market volatility, the environment of rising growth and extremely supportive central banks is positive for risk assets, especially equities and higher yielding corporate and Emerging Market bonds.

Equities: The so-called Value sectors such as materials, industrials and financials are likely to benefit the most under the new economic regime

Bonds: US long-term Treasury yields have strong momentum and could prod higher to test the Fed's tolerance for higher yields. The 10-year yield is likely to face strong resistance close to 2.0%

FX: We see a two-tier US dollar in the near term. The GBP could see further gains, while the EUR could remain under downward pressure



What are your expectations from China equities in the near term?

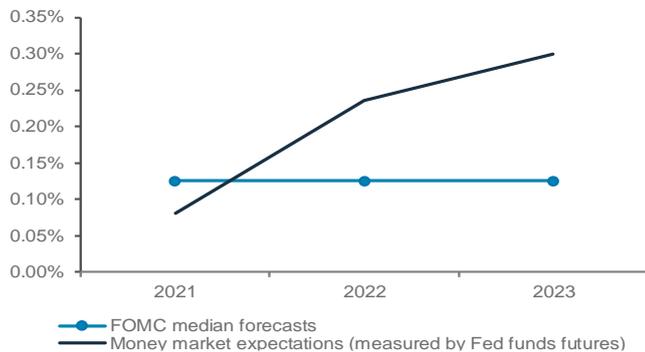
Are recent economic data and policy supportive for risk assets?

Do you expect crude oil prices to keep rising?

Charts of the week: A sanguine Fed

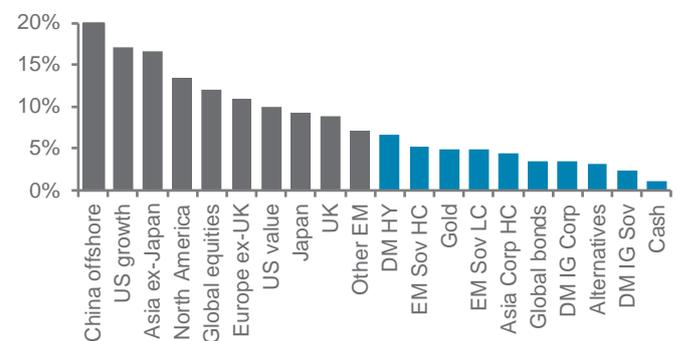
The Fed expects no rate hikes over the coming three years; this should be positive for a range of risk assets

Market expectations of the Fed's benchmark interest rate for 2022-23 are higher than the Fed's own forecasts



Source: Bloomberg, Standard Chartered

Historical annualised returns in USD since 2005 during periods of rising growth and inflation (grey: equities)



Note: Periods of rising growth/inflation identified by BCA Research

Editorial

Some like it hot

The message from the Fed's latest policy meeting was unmistakable – the US central bank wants to run the economy hot for quite some time and will only tighten policy if actual inflation (not expectations) significantly and sustainably rises above its modest expectations. This is likely to add an element of volatility into the bond markets, as investors parse every bit of inflation data in the coming months. Nevertheless, we believe the environment of accelerating growth and extremely dovish central banks (the ECB announced a faster pace of bond buying only last week) is bullish for risk assets, especially US and Asian equities and higher yielding corporate and Emerging Market bonds and currencies.

The Fed upgraded its growth forecast for 2021 to 6.5%, from 4.2%, due to the stimulatory effects of President Biden's latest USD 1.9trn fiscal spending package. It also expects the economy to grow faster than its long-run 1.8% potential rate in 2022 and 2023. However, Fed policymakers do not anticipate raising interest rates from the current rock-bottom levels at least until end-2023. This is primarily because they do not expect inflation to rise significantly above the Fed's 2% target for a sustained period. Fed Chair Powell made it clear that the central bank will look through any surge in near-term inflation due to statistical effects from last year's pandemic as it believes the price rises will be temporary.

The implications of these decisions are likely far reaching for investors. For one, it means the Fed is comfortable with the recent rise in long-term bond yields as it sees the gains reflecting the improvement in the growth outlook.

This leaves scope for the 10-year US Treasury yield to prod higher, testing the Fed's tolerance. We see increased chances that the Fed could stay on the sidelines as long as the 10-year yield remains below 2% and financial conditions do not tighten via an equity or corporate bond market sell-off or a USD surge.

Since short-term interest rates will remain anchored closer to the Fed's benchmark 0-0.25%, the slope of US Treasury yields (the difference between long- and short-term yields) is likely to steepen further as a result. This is positive for the US financial sector, as banks benefit from higher margins on their loans. Materials sector equities and crude oil are also likely to benefit in this scenario, along with those sectors linked to the economic recovery, such as industrials and financials (see page 4).

This environment also supports our view that Value stocks are likely to continue to catch up with their Growth peers. Meanwhile, the USD should get further support in the coming weeks from the widening growth differentials between the US and Europe, with the latter's recovery prospects delayed by a revival of the pandemic in some countries and due to vaccine setbacks (see page 5).

The next focus for markets will be on Biden's expected infrastructure spending plan, which the US president is likely to unveil in the coming days. Higher taxes to fund the stimulus are potential headwinds for risk assets. The first US-China high-level meeting under the Biden administration in Alaska is also likely to set the tone for their geopolitical rivalry in the coming years.

— Rajat Bhattacharya, Senior Investment Strategist

The weekly macro balance sheet

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

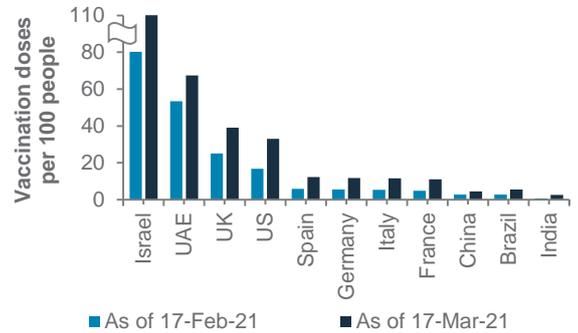
(+) factor: Fed and ECB easy monetary policy commitment

(-) factor: Renewed rise in COVID-19 cases

	Positive for risk assets	Negative for risk assets
COVID-19	<ul style="list-style-type: none"> Cases continue to fall in the US and Spain EU's vaccine regulator said the AstraZeneca vaccine was 'safe and effective' 	<ul style="list-style-type: none"> New cases have stopped falling in the UK; cases are rising again in Germany, France, Italy, Japan, India and Brazil
	Our assessment: Negative – Renewed rise in cases	
Macro data	<ul style="list-style-type: none"> A US manufacturing survey (Philadelphia Fed) rose to the highest level since 1973 China industrial output and retail sales rose more than expected Euro area economic sentiment (ZEW) rose to the highest since 2004; industrial output rose more than expected 	<ul style="list-style-type: none"> US retail sales fell more than expected m/m and industrial output unexpectedly fell m/m US housing starts fell more than expected and jobless claims unexpectedly rose China fixed asset investment growth was lower than expected
	Our assessment: Neutral – stronger-than-expected China data offset by surprisingly weak US retail sales	
Policy developments	<ul style="list-style-type: none"> The Fed lifted growth and inflation forecasts for 2021-22, but retained its outlook for no rate hikes at least until 2023 ECB's Lagarde urged policymakers to start disbursing the EUR 750bn recovery fund Lane said ECB will not allow interest rates to rise too soon while the pandemic hurts outlook 	<ul style="list-style-type: none"> Merkel's economic advisors cut German 2021 growth forecast to 3.1% from 3.7% amid a third pandemic wave Reports said Biden plans to announce first major tax hikes since 1993 to fund infrastructure stimulus BoE said the economic outlook remained "unusually uncertain"
	Our assessment: Positive – Easy Fed, ECB policies	
Other developments		<ul style="list-style-type: none"> US-China talks in Alaska underscored their rift EU's legal action vs the UK for Brexit violations
	Our assessment: Negative – geopolitical tensions	

The US and UK continue to lead in vaccinations among major economies

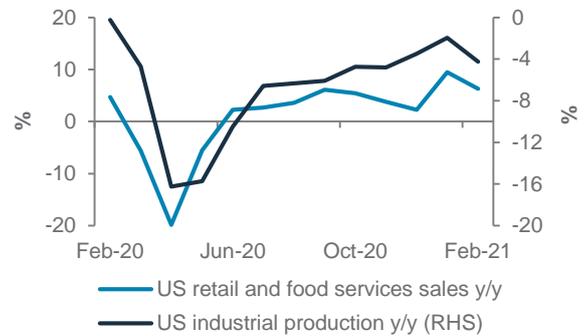
Number of COVID-19 vaccine doses administered per 100 people vs a month ago



Source: Our World in Data, Standard Chartered

US consumption and industrial output are likely to rebound on the back the new fiscal stimulus

US retail sales and industrial output growth



Source: Bloomberg, Standard Chartered

China's infrastructure investments are likely to slow as policymakers tighten credit growth

China's fixed asset investment, money supply



Source: Bloomberg, Standard Chartered

Top client questions

Q Will US Treasury yields rise further after the latest Fed meeting?

Following its latest policy meeting, the Fed revised up its growth and inflation forecasts, but the median 'dot plot' showed policymakers expected no rate hikes until end-2023, later than current market expectations.

In our view, economic (particularly inflation) and fiscal stimulus data are key to how much further the 10-year Treasury yield can rise. The Fed forecasts inflation (as measured by the personal consumption expenditures price index) to rise to 2.4% this year before falling back to 2.0% in 2022, posing an upside risk to the 10-year Treasury yield from current levels. Economic data disappointments and the prospect of higher US taxes are downside risks to yields.

From a technical standpoint, the short-term momentum could continue to push yields higher as inflation expectations remain supported. While bonds are oversold (ie yields are overbought), there are no signs so far of a reversal. The next resistance to watch is 1.95%-1.98% (the late-2019 highs and the 200-week moving average). On the downside, the yield would need to fall below the early-March high of 1.38% for the upward pressure to fade.

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

Q Which sectors are likely to benefit under the new regime of rising growth, moderate inflation and a supportive Fed?

The Fed's preference to let the economy run hot is favourable for the economic recovery and bodes well for Value sectors (ie. financials, energy and materials), in our view. We continue to like financials, as upside risks to bond yields are positive for bank lending margins. We see strong earnings rebound in energy stocks, but there are risks from environmental policies.

US materials is a preferred sector, while European materials is a core sector. Across global materials, we see strong EPS growth at 39% in the 12-months ahead. The sector's P/E ratio is at a 24% discount to the MSCI AC World index. To put this into perspective, only during the global financial crisis of 2008 did we see a deeper discount level.

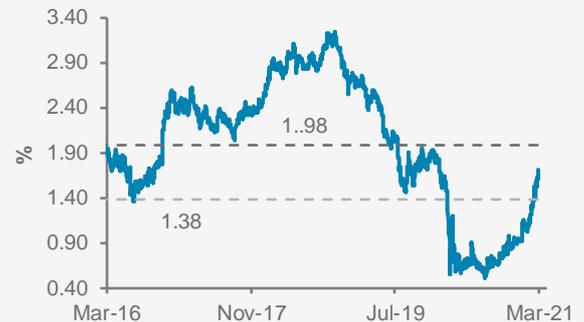
On the demand side, in the short term, the key drivers for the materials sector are likely to be the cyclical recovery and global fiscal stimulus. Over the longer term, a shift to renewable energy and electric vehicles could lead to increasing demand for copper.

On the supply side, copper supply appears to be constrained, which may lead to further gains in base metals.

— **Daniel Lam**, *CFA*, *Senior Cross-asset Strategist*

The US 10-year Treasury yield has strong resistance close to 2%

US 10-year Treasury yield; key technical levels



Source: Bloomberg, Standard Chartered

Global material sector equities are likely to see a strong rebound in earnings growth

Consensus earnings estimates and earnings revisions for the global materials sector index



Source: MSCI, FactSet, Standard Chartered

Top client questions (cont'd)

Q What are your expectations for China equities in the near term?

In the short term, we believe there is more upside in US and Japan equities – our two most preferred regions.

Chinese equities have been relatively weak vs US equities that have hit new highs. Liquidity has been dwindling in Chinese equities – trading volume over the last five sessions has been roughly 60-70% of what we saw back in the first two months this year. We attribute this to the risk of policy tightening in the Chinese market – in stark contrast to the US fiscal stimulus – and the Fed's pledge not to hike rates in 2023. On the regulatory front, there are growing concerns about increasing regulations on the Chinese internet sector. This hurts sentiment in Chinese offshore equities, as we discussed last week. Lastly, the US-China meeting in Alaska could cloud the markets with geopolitical tensions.

Technically, the CSI 300 index appears to have stumbled at the major resistance level of 5,900 in February 2021 and it has been falling since. The index had reached that level in 2007 and failed to break decisively higher.

— Daniel Lam, CFA, Senior Cross-asset Strategist

Q Will the USD strengthen further in the coming weeks?

The Fed confirmed it expects a hot economy and prefers a “chilled” monetary policy, even as longer-term yields rise.

In the near-term, this cocktail is likely to temporarily support the USD. EUR/USD will likely drift below 1.18 as vaccination execution delays keep the ECB very dovish. A USD rally is also likely to lead the low-yielding CHF and JPY to rally towards 0.94 and 110, respectively.

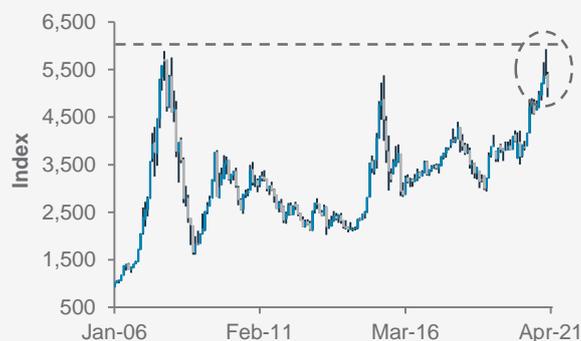
However, USD strength is unlikely to dominate entirely over a 1-3 month horizon. We expect USD/CAD to continue to slide towards 1.22 and GBP/USD to push towards 1.42 as the US economic expansion and vaccinations allow the respective central banks to move towards policy normalisation. USD/CNH could drift towards 6.40 again in the coming weeks as economic data remains strong. Finally, the RBA and RBNZ remain dovish, but they are unlikely to act to prevent their currencies from pushing towards 0.80 and 0.74, respectively.

On a longer 6-12 month horizon, though, we continue to expect the USD to weaken. Rising inflation is likely to follow today's rising yields, resulting in an eventual fall in real (net-of-inflation) yields, especially relative to other major currencies. This would be bearish for the USD medium-term.

— Manpreet Gill, Head, FICC Investment Strategy

China onshore equities face a technical resistance as market liquidity tightens

China's onshore CSI300 index



Source: Bloomberg, Standard Chartered

A “two-tier” USD is possible near-term; the GBP could see further gains whilst the EUR could remain under downward pressure

GBP/USD and EUR/USD



Source: Bloomberg, Standard Chartered

Top client questions (cont'd)

Q Do you expect crude oil prices to keep rising? Will it impact the inflation outlook?

We remain constructive on oil and expect prices to move back above USD 70/bbl, towards the 2018 high. This is underpinned by expectations of supply-led rebalancing by OPEC+ and a normalisation of global oil demand. Oil markets have shown signs of tightening in recent months as inventories continue to draw down.

The recent conclusion of the OPEC+ meeting saw oil prices push higher on the back of Saudi Arabia's cautious approach towards adding supplies. We believe the cartel will now wait to see actual improvements in demand as opposed to forecast revisions. US shale output will unlikely increase significantly given continued discipline on new investment. High frequency indicators could continue to improve as the vaccine rollout should help dispel health-related travel concerns.

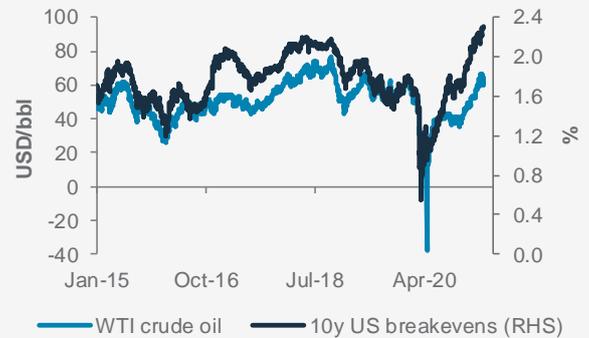
Although we expect further price gains ahead, we note renewed demand concerns could see the market take a breather in the near-term given the elevated level of optimism that has already been priced in. Catalysts for the recent correction include the recent US stockpile build, as well as a stalling of vaccine rollouts in some regions.

Historically, short-term fluctuations in inflation expectations (proxied by 10-year breakeven rates) have been driven by oil price moves. This means a further increase in oil prices could indirectly lead to higher inflation expectations. Having said that, we believe the Fed will likely look through base effects given its new average inflation targeting framework.

— DJ Cheong, CFA, Investment Strategist

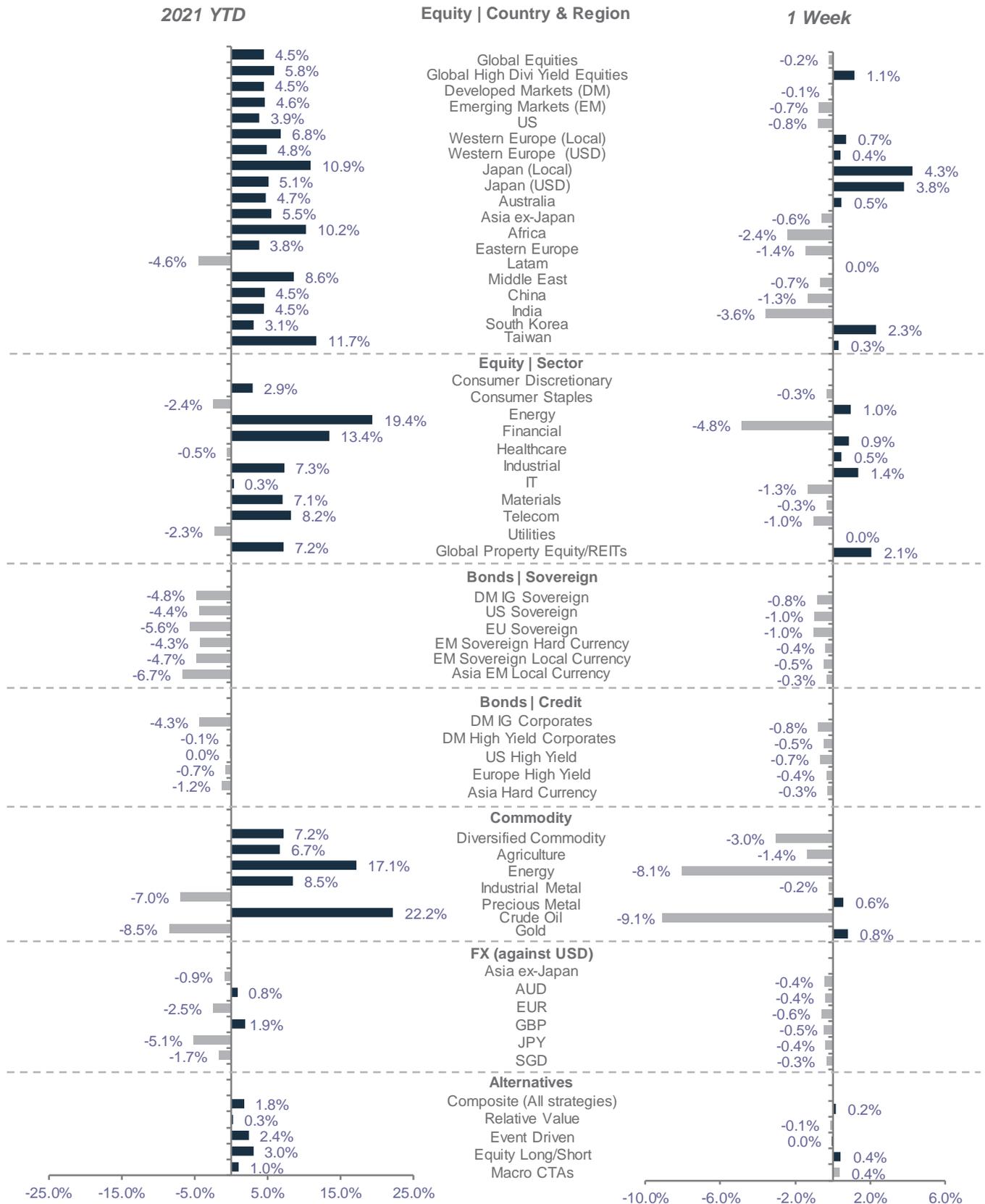
Crude oil prices could rise further in the medium-term, which could lift near-term inflation expectations

WTI crude oil price and US 10-year inflation breakeven rate



Source: Bloomberg, Standard Chartered

Market performance summary*



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

*Performance in USD terms unless otherwise stated, 2021 YTD performance from 31 December 2020 to 18 March 2021; 1-week period: 11 March 2021 to 18 March 2021

Our asset class views at a glance

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

Source: Standard Chartered Global Investment Committee

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

S&P500 has resistance 1% above current level

Technical indicators for key markets as on 18 Mar 2021

Index	Spot	1st support	1st resistance
S&P500	3,915	3,896	3,955
STOXX 50	3,868	3,842	3,880
FTSE 100	6,780	6,752	6,806
Nikkei 225	30,217	29,884	30,383
Shanghai Comp	3,463	3,434	3,477
Hang Seng	29,406	28,962	29,628
MSCI Asia ex-Japan	888	883	890
MSCI EM	1,347	1,342	1,351
Brent (ICE)	63.3	61.3	67.2
Gold	1,734	1,726	1,744
UST 10Y Yield	1.71	1.64	1.74

Source: Bloomberg, Standard Chartered

Economic and market calendar

	Event	Next week	Period	Prior
MON	EU	ECB Current Account SA	Jan	36.7b
	CN	5-Year Loan Prime Rate	Mar-22	4.65
TUE	US	New Home Sales	Feb	923k
	UK	Retail Sales Ex Auto Fuel y/y	Feb	-5.9%
WED	JN	Jibun Bank Japan PMI Composite	Mar P	48.2
	UK	CPI y/y	Feb	0.7%
	EC	Markit Eurozone Composite PMI	Mar P	48.8
	UK	Markit/CIPS UK Composite PMI	Mar P	49.6
	US	Markit US Composite PMI	Mar P	59.5
THUR				
FRI/SAT	JN	Tokyo CPI y/y	Mar	-0.3%

Source: Bloomberg, Standard Chartered

Prior data are for the preceding period unless otherwise indicated. Data are % change on previous period unless otherwise indicated

P - preliminary data, F - final data, sa - seasonally adjusted, y/y - year-on-year, m/m - month-on-month

US Treasury bond market has low investor diversity

Our proprietary market diversity indicators as of 17 Mar

Level 1	Diversity	1-month trend	Fractal dimension
US 10Y Treasury	○	→	1.21
Global Equities	●	↑	1.43
Gold	●	→	1.43
Equity			
MSCI US	●	↑	1.45
MSCI Europe	●	→	1.37
MSCI AC AXJ	●	↑	1.51
Fixed Income			
DM Corp Bond	●	↓	1.32
DM High Yield	●	↑	2.44
EM USD	●	→	1.45
EM Local	●	→	1.39
Asia USD	●	↑	1.69
Currencies			
EUR/USD	●	→	1.53

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

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

Disclosures

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

Market Abuse Regulation (MAR) Disclaimer

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

Country/Market Specific Disclosures

Botswana: This document is being distributed in Botswana by, and is attributable to, Standard Chartered Bank Botswana Limited which is a financial institution licensed under the Section 6 of the Banking Act CAP 46.04 and is listed

in the Botswana Stock Exchange. **Brunei Darussalam:** This document is being distributed in Brunei Darussalam by, and is attributable to, Standard Chartered Bank (Brunei Branch) | Registration Number RFC/61. Standard Chartered Bank is incorporated in England with limited liability by Royal Charter 1853 Reference Number ZC18 and Standard Chartered Securities (B) Sdn Bhd, which is a limited liability company registered with the Registry of Companies with Registration Number RC20001003 and licensed by Autoriti Monetari Brunei Darussalam as a Capital Markets Service License Holder with License Number AMBD/R/CMU/S3-CL. **China Mainland:** This document is being distributed in China by, and is attributable to, Standard Chartered Bank (China) Limited which is mainly regulated by China Banking and Insurance Regulatory Commission (CBIRC), State Administration of Foreign Exchange (SAFE), and People's Bank of China (PBOC). **Hong Kong:** In Hong Kong, this document, except for any portion advising on or facilitating any decision on futures contracts trading, is distributed by Standard Chartered Bank (Hong Kong) Limited ("SCBHK"), a subsidiary of Standard Chartered PLC. SCBHK has its registered address at 32/F, Standard Chartered Bank Building, 4-4A Des Voeux Road Central, Hong Kong and is regulated by the Hong Kong Monetary Authority and registered with the Securities and Futures Commission ("SFC") to carry on Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activity under the Securities and Futures Ordinance (Cap. 571) ("SFO") (CE No. AJI614). The contents of this document have not been reviewed by any regulatory authority in Hong Kong and you are advised to exercise caution in relation to any offer set out herein. If you are in doubt about any of the contents of this document, you should obtain independent professional advice. Any product named herein may not be offered or sold in Hong Kong by means of any document at any time other than to "professional investors" as defined in the SFO and any rules made under that ordinance. In addition, this document may not be issued or possessed for the purposes of issue, whether in Hong Kong or elsewhere, and any interests may not be disposed of, to any person unless such person is outside Hong Kong or is a "professional investor" as defined in the SFO and any rules made under that ordinance, or as otherwise may be permitted by that ordinance. In Hong Kong, Standard Chartered Private Bank is the private banking division of Standard Chartered Bank (Hong Kong) Limited. **Ghana:** Standard Chartered Bank Ghana 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:** This document is being distributed in India by Standard Chartered Bank in its capacity as a distributor of mutual funds and referrer of any other third party financial products. Standard Chartered Bank does not offer any 'Investment Advice' as defined in the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013 or otherwise. Services/products related securities business offered by Standard Chartered Bank are not intended for any person, who is a resident of any jurisdiction, the laws of which imposes prohibition on soliciting the securities business in that jurisdiction without going through the registration requirements and/or prohibit the use of any information contained in this document. **Indonesia:** This document is being distributed in Indonesia by Standard Chartered Bank, Indonesia branch, which is a financial institution licensed, registered and supervised by Otoritas Jasa Keuangan (Financial Service Authority). **Jersey:** The Jersey Branch of Standard Chartered Bank is regulated by the Jersey Financial Services Commission. Copies of the latest audited accounts of Standard Chartered Bank are available from its principal place of business in Jersey: PO Box 80, 15 Castle Street, St Helier, Jersey JE4 8PT. Standard Chartered Bank is incorporated in England with limited liability by Royal Charter in 1853 Reference Number ZC 18. The Principal Office of the Company is situated in England at 1 Basinghall Avenue, London, EC2V 5DD. Standard Chartered Bank is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. The Jersey Branch of Standard Chartered Bank is also an authorised financial services provider under license number 44946 issued by the Financial Sector Conduct Authority of the Republic of South Africa. Jersey is not part of the United Kingdom and all business transacted with Standard Chartered Bank, Jersey Branch and other SC Group Entity outside of the United Kingdom, are not subject to some or any of the investor protection and compensation schemes available under United Kingdom law. **Kenya:** This document is being distributed in Kenya by, and is attributable to Standard Chartered Bank Kenya Limited. Investment Products and Services are

distributed by Standard Chartered Investment Services Limited, a wholly owned subsidiary of Standard Chartered Bank Kenya Limited (Standard Chartered Bank/the Bank) that is licensed by the Capital Markets Authority as a Fund Manager. Standard Chartered Bank Kenya Limited is regulated by the Central Bank of Kenya. **Malaysia:** This document is being distributed in Malaysia by Standard Chartered Bank Malaysia Berhad. Recipients in Malaysia should contact Standard Chartered Bank Malaysia Berhad in relation to any matters arising from, or in connection with, this document. **Nigeria:** This document is being distributed in Nigeria by Standard Chartered Bank Nigeria Limited (“the Bank”), a bank duly licensed and regulated by the Central Bank of Nigeria. The Bank accepts no liability for any loss or damage arising directly or indirectly (including special, incidental or consequential loss or damage) from your use of these documents. You should seek advice from a financial adviser on the suitability of an investment for you, taking into account these factors before making a commitment to invest in an investment. To unsubscribe from receiving further updates, please click the link at the bottom of this email or send an email to clientcare.ng@sc.com requesting to be removed from our mailing list. Please do not reply to this email. Call our Priority Banking on 01-2772514 for any questions or service queries. The Bank shall not be responsible for any loss or damage arising from your decision to send confidential and/or important information to the Bank via e-mail, as the Bank makes no representations or warranties as to the security or accuracy of any information transmitted via e-mail. **Pakistan:** This document is being distributed in Pakistan by, and attributable to Standard Chartered Bank (Pakistan) Limited having its registered office at PO Box 5556, I.I Chundrigar Road Karachi, which is a banking company registered with State Bank of Pakistan under Banking Companies Ordinance 1962 and is also having licensed issued by Securities & Exchange Commission of Pakistan for Security Advisors. Standard Chartered Bank (Pakistan) Limited acts as a distributor of mutual funds and referrer of other third-party financial products. **Singapore:** This document is being distributed in Singapore by, and is attributable to, Standard Chartered Bank (Singapore) Limited (Registration No. 201224747C/ GST Group Registration No. MR-8500053-0, “SCBSL”). Recipients in Singapore should contact SCBSL in relation to any matters arising from, or in connection with, this document. SCBSL is an indirect wholly owned subsidiary of Standard Chartered Bank and is licensed to conduct banking business in Singapore under the Singapore Banking Act, Chapter 19. Standard Chartered Private Bank is the private banking division of SCBSL. IN RELATION TO ANY SECURITY OR SECURITIES-BASED DERIVATIVES CONTRACT REFERRED TO IN THIS DOCUMENT, THIS DOCUMENT, TOGETHER WITH THE ISSUER DOCUMENTATION, SHALL BE DEEMED AN INFORMATION MEMORANDUM (AS DEFINED IN SECTION 275 OF THE SECURITIES AND FUTURES ACT, CHAPTER 289 (“SFA”). THIS DOCUMENT IS INTENDED FOR DISTRIBUTION TO ACCREDITED INVESTORS, AS DEFINED IN SECTION 4A(1)(a) OF THE SFA, OR ON THE BASIS THAT THE SECURITY OR SECURITIES-BASED DERIVATIVES CONTRACT MAY ONLY BE ACQUIRED AT A CONSIDERATION OF NOT LESS THAN S\$200,000 (OR ITS EQUIVALENT IN A FOREIGN CURRENCY) FOR EACH TRANSACTION. Further, in relation to any security or securities-based derivatives contract, neither this document nor the Issuer Documentation has been registered as a prospectus with the Monetary Authority of Singapore under the SFA. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the product may not be circulated or distributed, nor may the product be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons other than a relevant person pursuant to section 275(1) of the SFA, or any person pursuant to section 275(1A) of the SFA, and in accordance with the conditions specified in section 275 of the SFA, or pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. In relation to any collective investment schemes referred to in this document, this document is for general information purposes only and is not an offering document or prospectus (as defined in the SFA). This document is not, nor is it intended to be (i) an offer or solicitation of an offer to buy or sell any capital markets product; or (ii) an advertisement of an offer or intended offer of any capital markets product. **Deposit Insurance Scheme:** Singapore dollar deposits of non-bank depositors are insured by the Singapore Deposit Insurance Corporation, for up to S\$75,000 in aggregate per depositor per Scheme member by law. Foreign currency deposits, dual currency investments, structured deposits and other investment products are not insured. This advertisement has not been reviewed by the Monetary Authority of Singapore. **Taiwan:** Standard Chartered Bank (“SCB”) or Standard Chartered Bank (Taiwan) Limited (“SCB (Taiwan)”) may be involved in the financial instruments contained herein or other related financial instruments. The author of this document may have discussed the information contained herein with other employees or agents of SCB or SCB (Taiwan). The author and the above-mentioned employees of SCB or SCB (Taiwan) may have taken related actions in respect of the information involved (including communication with customers of SCB or SCB (Taiwan) as to the information contained herein). The opinions contained in this document may change, or differ from the opinions of employees of SCB or SCB (Taiwan). SCB and SCB (Taiwan) will not provide

any notice of any changes to or differences between the above-mentioned opinions. This document may cover companies with which SCB or SCB (Taiwan) seeks to do business at times and issuers of financial instruments. Therefore, investors should understand that the information contained herein may serve as specific purposes as a result of conflict of interests of SCB or SCB (Taiwan). SCB, SCB (Taiwan), the employees (including those who have discussions with the author) or customers of SCB or SCB (Taiwan) may have an interest in the products, related financial instruments or related derivative financial products contained herein; invest in those products at various prices and on different market conditions; have different or conflicting interests in those products. The potential impacts include market makers' related activities, such as dealing, investment, acting as agents, or performing financial or consulting services in relation to any of the products referred to in this document. **UAE:** DIFC - Standard Chartered Bank is incorporated in England with limited liability by Royal Charter 1853 Reference Number ZC18. The Principal Office of the Company is situated in England at 1 Basinghall Avenue, London, EC2V 5DD. Standard Chartered Bank is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. Standard Chartered Bank, Dubai International Financial Centre having its offices at Dubai International Financial Centre, Building 1, Gate Precinct, P.O. Box 999, Dubai, UAE is a branch of Standard Chartered Bank and is regulated by the Dubai Financial Services Authority ("DFSA"). This document is intended for use only by Professional Clients and is not directed at Retail Clients as defined by the DFSA Rulebook. In the DIFC we are authorised to provide financial services only to clients who qualify as Professional Clients and Market Counterparties and not to Retail Clients. As a Professional Client you will not be given the higher retail client protection and compensation rights and if you use your right to be classified as a Retail Client we will be unable to provide financial services and products to you as we do not hold the required license to undertake such activities. For Islamic transactions, we are acting under the supervision of our Shariah Supervisory Committee. Relevant information on our Shariah Supervisory Committee is currently available on the Standard Chartered Bank website in the Islamic banking section at: <https://www.sc.com/en/banking/islamic-banking/islamic-banking-disclaimers/> **UAE:** For residents of the UAE – Standard Chartered Bank UAE does not provide financial analysis or consultation services in or into the UAE within the meaning of UAE Securities and Commodities Authority Decision No. 48/r of 2008 concerning financial consultation and financial analysis. **Uganda:** Our Investment products and services are distributed by Standard Chartered Bank Uganda Limited, which is licensed by the Capital Markets Authority as an investment adviser. **United Kingdom:** Standard Chartered Bank (trading as Standard Chartered Private Bank) is an authorised financial services provider (license number 45747) in terms of the South African Financial Advisory and Intermediary Services Act, 2002. **Vietnam:** This document is being distributed in Vietnam by, and is attributable to, Standard Chartered Bank (Vietnam) Limited which is mainly regulated by State Bank of Vietnam (SBV). Recipients in Vietnam should contact Standard Chartered Bank (Vietnam) Limited for any queries regarding any content of this document. **Zambia:** This document is distributed by Standard Chartered Bank Zambia Plc, a company incorporated in Zambia and registered as a commercial bank and licensed by the Bank of Zambia under the Banking and Financial Services Act Chapter 387 of the Laws of Zambia.