

**Standard Chartered PLC**  
**Q4'24 results presentations**

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**Friday, 21 February 2025**

*(Amended in places to improve accuracy and readability)*

**Bill Winters:**

Good morning and good afternoon, everyone. Welcome to our full year 2024 results presentation. We delivered a strong performance in 2024 with a return on tangible equity of 11.7%, up 160 basis points year-on-year. We achieved record income of \$19.7 billion, including a very strong performance in Wealth Solutions and double-digit growth in Global Markets and Banking.

Our fourth quarter performance continued the consistent delivery of previous quarters. These results demonstrate that our strategy of combining cross-border capabilities with leading wealth management expertise is firing on all cylinders. We've remained disciplined on cost, delivering positive income to cost jaws in 2024, and we're now one year into our Fit for Growth programme, which is progressing at pace.

We continue to return capital to our shareholders. And today, we are announcing a 37% increase in full year dividend per share and a new share buyback of \$1.5 billion. This will take our total shareholder distributions announced since our full year 2023 results to \$4.9 billion and well on the way to delivering our target of at least \$8 billion by 2026. We made a positive start to 2025, and we're tracking to the upper end of our 5% to 7% CAGR target for 2023 to 2026.

Before I hand over to Diego to talk through our performance in more detail, I'd like to thank our much valued colleague, José Viñals, who will step down as Group Chairman later this year. José Jose has been a great partner to me and to the members of the Board during his tenure as Chairman. He's helped steer the group and has made tremendous contributions to the results we're delivering today. I wish José the very best in his future endeavours.

I also want to extend my congratulations to Maria Ramos, who will succeed José Jose as a group chair. Maria is a seasoned leader with a wealth of experience and leadership positions within the private and public sectors and look forward to working with Maria in her new capacity as we continue to deliver on the group strategy.

Diego will now take you through the performance after which, I'll come back to update you on our strategy, and we will then both come back for the Q&A session. So Diego, over to you.

**Diego De Giorgi:**

Thank you, Bill. Good morning, and good afternoon to everyone on the call. In my remarks, I will be comparing year-on-year on an underlying basis and speaking to constant currency unless otherwise stated.

The group delivered headline income growth of 14% with operating income of \$19.7 billion in 2024. Adjusting for a deposit insurance reclassification and the notable items, 2024 income was up 12% and above our income guidance of towards 10%. We have spoken about the notable items in previous earnings calls but let me give you the background on the deposit insurance reclassification, which I just mentioned.

Historically, our deposit insurance was recognised within NII. However, to align with industry standards, we decided that these payments should be recorded as operating expenses. As a result, we reclassified the 2024 cost of the deposit insurance of \$147 million in Q4, adjusting this from NII into expenses.

To be clear, the impact of this reclassification is net neutral to operating profit. NII for the year was \$10.4 billion, up 10%, and non-NII was up 20%, driven by a record performance in Wealth Solutions and double-digit growth in Global Markets.

Operating expenses were up 7% for the year, and credit impairment of \$557 million was up 5%. Other impairment included \$561 million relating to the write-off of software assets as the group conducted a proactive review of its software accounting treatment as discussed in previous quarters. This review is now completed with net nil impact on capital.

Restructuring charges of \$441 million are primarily from the impact of organisational transformation actions, including \$156 million relating to cost to achieve of the Fit for Growth programme. 2024 profit before tax was up 21% and return on tangible equity was 11.7%, up 160 basis points.

Now, let's turn to each component in detail. 2024 NII of \$10.4 billion was up 10% or 8% excluding the deposit insurance reclassification and slightly above our guidance range of \$10 billion to \$10.25 billion for 2024.

Looking into expectations for 2025, there are several elements at play. First, NII in Q4 was particularly strong, benefitting from assertive management of pass-through rates as well as the impact of the reclassification. So, the Q4 baseline is higher than anticipated, and we think there could be some reduction in deposit pass-through rates in 2025.

Second, as you will see on slide 29 in the appendix, the currency weighted average interest rate outlook for 2025 is 76 basis points lower than 2024, albeit this has improved around 12 basis points since we last spoke to you. You will see from the same slide that our exposure is to a broad range of currencies and the rate outlook can vary between these different currencies.

Third, there is a headwind of around 1% to NII in 2025 from the WRB transformation actions we announced in Q3. As a result of all these factors, we still think that NII may be challenging to grow, albeit this will be, of course, from a higher 2024 base, and hence, the overall outcome in 2025 will be somewhat above what we anticipated a few months ago.

Our hedging program has continued to build at a rapid pace with a structural hedge of \$64 billion at the end of 2024, which we expect to grow to \$75 billion by the end of 2025. Broadly speaking, our disclosed interest rate sensitivity is now around 3% of income for a 100 basis point reduction in rates, much lower than around 10% back in 2021.

Non-NII continues to be a strong driver of growth and is around half of the group's total income. Wealth Solutions, Global Markets and Global Banking make up over 70% of our non-NII and all delivered double-digit growth in 2024 with a record performance in Wealth Solutions. I'll talk to these products in more detail when I cover the performance of our business segments.

Now, turning to expenses. Operating expenses were up 6% in 2024, excluding the deposit insurance reclassification, which was booked in Q4. Higher expenses in Q4 were due to this reclassification in addition to investment spend timing, which we highlighted in previous quarters and around \$65 million impact from the review of software capitalisation.

The deposit insurance cost is expected to be around \$200 million each year going forward. As a result, we are now targeting our 2026 total expenses to be below \$12.3 billion including the deposit insurance costs and around \$100 million of UK bank levy. There is no change to the previous \$12 billion cost cap guidance on a like-for-like basis, and we remain committed to delivering positive jaws each year.

We are now one year into our Fit for Growth programme, which has over 200 projects in train. We have achieved the equivalent of around \$200 million of annualised savings from projects executed in 2024, which is slightly ahead of the pace we had set for ourselves.

Let me give you a few examples of the different initiatives we are working on. We removed complexity from decision-making by simplifying our organisational matrix, transforming from a regional to a business-centric model. This will deliver around \$60 million in savings.

In WRB, we are improving client experience by simplifying and digitising key processes in onboarding and servicing, including client due diligence, asset transfers, corporate actions, processing, and card dispute resolution, which should deliver around \$40 million in savings. We are also implementing a technology platform that will optimise workflows within our operations and will significantly reduce turnaround times to deliver quality services to clients. This went live in December 2024 and the first wave of use cases will be deployed this year.

Lastly, on vendor sourcing, we are automating our end-to-end procurement process, which should deliver around \$20 million in savings. We're off to a good start with Fit for Growth and slightly ahead of plan, and we expect the majority of the \$1.5 billion of savings to ramp up from this year through to next year with tail effects continuing post 2026 and we expect to have incurred around 60% of the cost to achieve by the end of this year.

Moving now to credit impairment. CIB benefited from significant recoveries throughout the year with a net release of \$106 million in 2024. This was partly offset by a precautionary \$58 million overlay for clients who have exposure to Hong Kong commercial real estate including \$24 million taken in Q4. Slide 32 provides some more details on our \$2.6 billion exposure to this sector, which is focused on a limited number of top-tier clients. In WRB, impairment increased \$290 million in 2024, mainly driven by the high-interest rate environment impacting repayments on some unsecured credit cards and personal loan portfolios as well as the growth and maturity of our digital partnership portfolios. Impairment in the Ventures segment was down 13%, mainly from reduced delinquency rates in Mox.

Our 2024 loan loss rate was 19 basis points, benefitting from the net release in CIB, which we do not expect to be repeated in the coming years. We are, therefore, maintaining our guidance that we expect the loan loss rate to normalise towards the historical through the cycle, 30 to 35 basis points.

Our high-risk assets were down \$1.8 billion in 2024. The increase in Early Alerts in Q4 were mainly due to a limited number of Hong Kong commercial real estate exposures. Other than this, we are not seeing any new significant signs of stress emerging across the group.

Underlying loans and advances to customers were up 2% in the quarter, mainly from the execution of pipeline deals in Global Banking, bringing the full year underlying growth to 4% and in line with our low single-digit percentage growth guidance. WRB loan growth remained subdued during the year, but we saw some growth in mortgages in Korea in Q4 as pricing conditions improved. Underlying customer deposits were up 1% in 2024 as growth in WRB CASA was partially offset by outflows in CIB deposits, particularly at year-end, which have largely reversed.

Turning now to RWA and capital. Risk-weighted assets were down around \$2 billion in the quarter. This was driven by a \$5 billion increase in asset growth and mix, more than offset by lower market risk RWA as well as the impact of FX.

We continue to generate strong levels of capital with a CET1 ratio of 14.2% in 2024. And as Bill mentioned, we are announcing today a new \$1.5 billion share buyback, which will take our pro forma CET1 ratio to 13.6% as we continue to operate dynamically within our 13% to 14% target range. Since our full year 2023 results, we have now announced around \$4.9 billion of shareholder distributions, including \$4 billion in share buybacks, as well as the 2024 interim dividend of \$230 million and a proposed final dividend of \$679 million.

Our share count is down 9% in 2024 and 21% since 2021, which has helped fuel growth in our per share metrics. Our full year dividend per share is up 37% year-on-year. Our underlying earnings per share has increased 30%, and our TNAV per share is up 11%. We are maintaining our distribution target of at least \$8 billion between 2024 and 2026. We will also continue to target increasing our full year dividend per share over time.

Now, let's take a look at our business segments performance. CIB income for the year was \$11.8 billion, up 6% and driven by double-digit growth in Global Markets and Global Banking with a particularly strong Q4, up 15%. Global Markets income was up 15%, with flow income up 12%, driven by higher FX and credit trading. Q4 was strong for episodic income compared to the same quarter last year as we saw higher levels of volatility across our footprint. Global Banking income was also up 15%, and up 26% in Q4, driven by favourable market conditions in capital markets and higher origination volumes. Transaction services income was flat, mainly due to margin compression or down 1% excluding the impact of deposit insurance reclassification.

2025 has started strongly in Global Markets and Global Banking. And we are seeing a broad-based pickup in client activity across classes, albeit the environment remains uncertain. We will be hosting a CIB investor seminar on the 15<sup>th</sup> of May this year, where we will provide a deep dive into our distinctive value proposition and how the business is benefitting from the new corridors of globalisation.

Turning to Wealth and Retail Banking. Income was up 11% to \$7.8 billion in 2024. This was driven by a record performance in Wealth Solutions, with investment products income up 36% from broad-based growth across products and many of our top wealth markets. We continue to see steady growth across our key leading indicators, including onboarding 265,000 new-to-bank affluent clients in 2024, having consistently onboarded more than 65,000 new clients every quarter over the past six quarters. We also had \$44 billion in affluent net new money in 2024 equivalent to a strong 16% growth of affluent AUM coming from net new money. This included \$21 billion of wealth net new sales, up 73%, driven by strong international flows. Q4 remains strong, delivering \$10 billion of net new money and 2025 has started well for Wealth Solutions.

Now, on to Ventures. Mox has grown to around 650,000 customers with an average of three products per customer. As a result, income was up 15%, and customer deposits have grown by 57%, whilst we remain disciplined in our approach to lending. For Trust, income more than doubled, and we ended the year with close to 1 million clients and have since surpassed this level. Mox and Trust are each expected to be profitable in 2026.

SCV launched four new ventures in the year and raised \$60 million of funds in a challenging environment. As our portfolio matures, we expect to generate gains on sales or mergers of our ventures and will increasingly obtain third-party funding for expansion of ventures, demonstrating the economic value we are creating. We continue to guide that underlying losses in our Ventures segment will not exceed \$200 million across 2025 and 2026.

Lastly, we will be making some changes to our financial disclosures effective in Q1 2025 by allocating some of the items currently held in Central and others to the underlying business segments. This includes allocation of some of the income, AT1 cost, and risk-weighted assets currently held centrally in Treasury as well as some corporate centre costs and the UK bank levy. The main purpose of this is to improve resource allocation as well as to show a more

accurate view of the returns generated by the businesses. Also note that there is no impact to the group's consolidated financials resulting from these changes. We will publish a data pack shown in the representation of financial data prior to our Q1 results.

I will now hand back to Bill to take us through the strategic update. Over to you, Bill.

**Bill Winters:**

Thank you, Diego. As I mentioned in my opening remarks, we've been successfully executing on our strategy of combining differentiated cross-border capabilities with leading Wealth Management expertise. We've managed our portfolio of products, clients, and markets dynamically over the years, and have taken actions across our businesses to reallocate capital to higher returning areas. This has helped us to deliver sustainably higher returns with 2024 RoTE of 11.7%. Our TNAV per share has also increased significantly in recent years and is up around 25% since 2022.

Let's now take a look at the actions we're taking to drive improving returns over the medium term. In CIB, we said we will further sharpen the focus on serving the cross-border needs of our large global corporate and financial institution clients. We're already seeing this in our results helps. We set ourselves a target to increase cross-border network income to around 70% of total CIB income over the medium term. And this is now 61% in 2024.

The proportion of CIB income from our financial institution clients increased by 2 percentage points in 2024 to 51%. Our target is to raise is to around 60% over the medium term, having increased by 8 percentage points since 2019. These targets supersede the ones we previously announced with our 2023 results in February last year. As part of our continued investment into improving our product offering, earlier this year we announced a strategic partnership with Apollo to support and accelerate financing for infrastructure, clean transition and renewable energy globally. Of course, the world in 2025 is in a state change with regards to geopolitical trends and potentially in its patterns of global trade.

So now let's look at our cross-border network strategy and why we believe we are well positioned. Our cross-border network income of \$7.3 billion in 2024 has been growing strongly with an 11% CAGR since 2019, and it is delivering attractive returns. Our network income is not just trade, it's highly diversified across a range of products from transaction services to Global Markets and Global Banking. Geographically, it is not overly reliant on a single bilateral trade relationship and only seven individual market corridors generate network income greater than \$100 million per annum.

This is demonstrated by the chart on this slide. On the left is the originating market where the client is domiciled and the lines flow from left to right with the width of the lines reflecting the network income for that cross-border corridor. It shows why we expect to continue to benefit from the structural reconfiguration of trade flows in our footprint. Around one-third of our total network income is intra-Asia and is growing at a fast pace. As a whole, Asia is our largest generator of network income, and we are uniquely positioned with a presence in 21 markets. ASEAN is increasingly important in capturing supply chain diversification shifts and around 20% of our network income is inbound into ASEAN. In addition, we're well positioned to capitalise on the growth of the Middle East, which is one of our fastest-growing corridors, up at around 17% CAGR since 2019. Lastly, it's worth reminding you that our US-China cross-border income is relatively small and only around 1% of our total CIB income. And that's not to say that we're complacent, and we will continue to be nimble in how we help our clients capture future market opportunities.

Turning now to Wealth and Retail Banking. In WRB, we continue to build on our strengths of being a leading wealth manager for affluent clients in Asia, Africa, and the Middle East. At the Affluent Investor Seminar we held back in December, we committed to a set of ambitious targets of \$200 billion of net new money from 2025 to 2029, and double-digit income CAGR in Wealth Solutions from 2024 to 2029. We delivered \$44 billion of net new money in

2024 and achieved strong double-digit growth of 28% in Wealth Solutions income. Our affluent clients share of WRB income is now 68% and this was up 3 percentage points year-on-year. We're targeting for this to reach 75% by 2029.

Our ability to service the full client continuum and international clients our core markets remain a powerful growth engine for us. In 2024, we up-tiered 295,000 individual clients and increased the number of international clients by 18% year-on-year. We've also continued to execute on our actions of reshaping our mass retail business by announcing the potential sale of WRB businesses in Botswana, Uganda and Zambia all in November of last year. We will invest \$1.5 billion in our affluent business over the next five years to accelerate growth, and this incremental investment will be funded by the reshaping of our mass retail business.

Now, into sustainable finance. In 2024, our sustainable finance income was \$982 million, up 36% year-on-year and very close to our 2025 target of over \$1 billion. The growth in our sustainable finance income has significantly outpaced that of global renewables investment since 2019 and has delivered an attractive return on risk-weighted assets, up 100 basis points compared to 2023.

We've also mobilised \$121 billion of sustainable finance since the beginning of 2021, making good progress towards our \$300 billion commitment by 2030. We continue to advance our broader sustainability agenda as we embed net zero across the organisation and through the transaction life cycle. We recognise that achieving our net zero target by 2050 requires active collaboration and engagement with our clients. So, I'm also pleased to have published our inaugural transition plan alongside our annual report today.

Now, looking ahead, we've made no changes to our 2025 and 2026 targets on a like-for-like basis, albeit the growth rates are now from a higher base in 2024 than previously expected. We will continue to deliver strong income growth and with a positive start to 2025, we are currently tracking towards the upper end of our 5% to 7% CAGR target for 2023 to 2026. We continue to expect to deliver positive jaws in every year. We remain committed to distributing at least \$8 billion to our shareholders through the dividend and share buybacks from 2024 to 2026. And we are continuing to target RoTE approaching 13% in 2026 and to progress thereafter.

To conclude, our strategic focus and execution has delivered a strong performance. Our cross-border focus positions us well to benefit from new corridors of globalisation across CIB and WRB. We remain disciplined on costs and our Fit for Growth programme is accelerating. This all leads to improving returns and increased shareholder distributions. This is our time.

With that, I'll hand back to the operator, and Diego and I will be happy to take your questions.

**Operator:**

Thank you. We will now begin the question-and-answer session. (Operator Instructions)

**Joseph Dickerson - Jefferies:**

Hi. Good morning. Thanks for taking my questions and congrats on the very consistent delivery over the course of this year with the results. Just on a couple of questions.

First, on the commentary around 2025 revenue being below the 5% to 7% CAGR. I think we expected that out of Q3, but it looks like there's been a pretty significant step-up quarter-on-quarter in terms of volume and mix effect in NII such that, that is annualising now at about \$10.9 billion. So, what's the pass-through dynamic there that you seem to be calling out because it seems to also come up against positive commentary on the non-IL aspects for the start of the year.



And then the second question is just more high level. Thinking beyond 2026, do you think the bank is capable of delivering more in the mid-teens type of return, i.e. above 13% as Fit for Growth kicks in and you continue to leverage wealth opportunities in the footprint? Many thanks.

**Bill Winters:**

Joe, thanks very much for the questions. Obviously, you're pointing out the strong momentum from Q4, which we've noted has carried through into 2025. We're not changing our guidance. We have indicated that we think that the compound growth rate will be at the higher end of that 5% to 7% range, obviously, reflecting the strong 2024 and a good start to 2025. Clearly, we're going to push for every bit of upside that we can.

We think the franchise is in really good shape. The environment is very supportive, and we'll drive that very hard. On 2026 and beyond, obviously, we've guided to approaching 13% RoTE in 2026 and we're well on track to achieving that. And we've further guided that we expect that to continue to progress after 2026. So we're not updating our guidance.

But I can certainly tell you that 13% does not feel like any kind of an appropriate end point for us and that we think we can drive this substantially from there, depending on all sorts of things. The things that we can control in terms of our own execution and the progress that we're making, we feel extremely good about. The external environment, we'll see. It's a long way off, but Diego, do you want to pick up on both questions?

**Diego De Giorgi:**

Also, fundamentally, on the first question, and I suspect that there's a few other people on the line that have similar lines of thought. So let me run you through how we think about it.

So, first of all, and foremost, I would say, we start from a high note. We ended up Q4 of 2024 really well. And so, the guidance that we have given at Q3, that we reiterate today, which I'll focus for a second on NII as you did in your question, it is clearly starting from a higher point.

You referenced in your question, PTRs (pass-through rates), and indeed, that is an important element. We have been very assertive in managing our pass-through rates in the fourth quarter, for the first cut by the Fed. We'll see what we do. But inherently, in a lower rate environment, our ability to manage pass-through [rates] as assertively as we have, is more limited. So that needs to be factored in.

The rate environment has not changed very meaningfully from Q3, but we are, as we have long expected and in our latest set of currency weighted forward curves, you will see that we expect currently an impact for 2025 of 76 basis points, but we clearly have a rates headwind. We also have the impact of the strategic actions that we're going to take during the course of the year in terms of continuing the shift towards our wealth management for affluent business, that clearly that we have indicated, leads to about \$100 million of impact on NII.

As a last consideration, which doesn't really affect the numbers, but I think it's really important to bear in mind, and it's something we are very proud of the way that our Treasury team has continued to push in terms of the strengthening of our structural hedge. You have our structural hedge now at \$64 billion going to \$75 billion next year, that although it does not provide a fillip to NII at the current levels of rates, clearly, will stand us in good stead if rate cuts are going to prove to be deeper than is currently embedded in the forward curves. So simple way to put it, challenging to grow NII, but from a higher base, and therefore, implicitly, the number that we are going to be targeting is a higher number than the number we were targeting at Q3. That's the way to think about it on an NII basis.

But, I would be remiss if I didn't mention that as you think about our entire rate of revenues, never forget we are half NII, half non-NII, our non-NII last year grew at 20%. We have had a strong start to the year. It's clear that we enter 2025 with a high degree of confidence.

**Robin Down - HSBC:**

Good morning. We've all got questions on NII, but I'm going to leave that for some of the other analysts to explore deposit migration, et cetera. Can I ask you two quicker questions?

One on the start you've made to 2025, I think CIB, in particular, you are calling out you had a good start there in Markets and Banking. Is that a comment that basically implies a year-on-year increase? Or is it just a good start in absolute terms? I appreciate it's only 21<sup>st</sup> February, but good to know what you mean by a good start?

And then the second question, probably slightly kind of esoteric question, but the software write-downs that you've taken to get rid of dormant products et cetera, I think last time we spoke at the sell-side round table, I think you were flagging up that they were part of the CTA, so part of the restructuring going forward and would involve a lot of de-duplication of systems. So, is that process now all done and captured in the software write-down, or should we be expecting further software write-downs as you de-duplicate going forwards?

And then part of the reason I'm asking for that is, can you tell us in effect the CTA charge that you're highlighting, is all in effect cash charges, it all affects the capital line? Or is there going to be some element of software write-down within the \$1.5 billion of CTA that won't impact capital. If that makes sense.

**Bill Winters:**

Good. Thanks very much for the questions, Robin. 2025 has started off well. And that's not just CIB, it's CIB and Wealth. Global Banking has had a reasonable start as well. So, the momentum that we felt at the end of last year, of course, I think Q4 was quite strong as well, is continuing to build.

And I think it's pretty clear why, we've got uncertainty in Markets. We've got a client profile, which is increasingly coming our way, if I could put it that way. So, the issues that are of concern to our clients play directly to our strengths. And that momentum continues to build, both on the CIB and on the WRB side, in particular, in Global Markets and in Wealth.

So, I don't need to say much more of that. As you point out, we're only seven weeks into the quarter. Diego, you'll have some thoughts on that question, and I'll let you take the software question in its entirety.

**Diego De Giorgi:**

That's mine, indeed. On 2025, all good, I would say that on Wealth Management, in particular, you mentioned CIB in particular, but Wealth Management has also had a strong start. Let's not forget that we had an early and relatively lengthy Chinese New Year, and that notwithstanding everything is going well, and the business has done very well before and continues to do well afterwards. So all fine also on the Wealth Management side.

Let's talk software write-downs. And your question is really software write-downs, but a little bit more. Let me take it in small steps. First of all, in terms of the software write-down, the one that we have flagged was a matter of documentation of the decisions to be taken in the context of software capitalisation. That one is done, finished.

By the way, as you will know and as you have referenced, it didn't impact our capital. And as a consequence, it has no impact on our ability to grow our business, return capital to our shareholders, et cetera. So that part is taken care of.

The cost to achieve for FFG (Fit for Growth) is largely a cash expense. So whatever issue of capitalisation there is a de minimis thing. What is true and what you referred to in terms of the conversations that we have had following Q3 is that, you can expect, on top of the 50% of the Fit for Growth (\$1.5 billion cost to achieve) that will come in 2025, you can expect a few other things, there are fundamentally two. One of which is double occupancy costs due to the fact that as we continue to move around our physical setup in terms of mostly of data centres, we have some double occupancy costs.



And we will have certainly something due to the market exits that we will be affecting, although obviously, the timing for those is uncertain. The right way, I think, to think of it is think of something like \$100 million to \$200 million of additional impact apart from the 50% of Fit for Growth. So, it's largely Fit for Growth, there is a little bit of a tail of the rest. What is definitely finished is the software write-downs that had to do with the documentation of the decisions on capitalisation.

**Andrew Coombs - Citigroup:**

Good morning. I will take up the opportunity to go back to NII and then one other question as well. On the NII, just on slide 5. Can you unpack the \$153 million improvement that's in there for mix, volume and other because that's obviously quite a bit higher than consensus was expecting and just trying to work out how much of that relates to the big step down in term CLB deposits that's probably not likely to continue. So, anything you can say on that would be helpful.

And then second not related to NII. In your Early Alerts, you've seen quite a big increase, \$5.1 million to \$5.6 million, which you earmark is due to Hong Kong commercial real estate state. There's obviously no charge today for that. But at what point would you potentially have to take a provision there? Thank you.

**Bill Winters:**

Thanks, Andrew. I'm going to turn the NII question over to Diego. Before doing that, on the Early Alerts. I think we've been pretty consistently cautious in terms of recognising these episodes of instabilities, first in China, more recently in Hong Kong. And we'll continue to be cautious. But you see that our provision level, despite I'd say, an equally cautious introduction of further overlays in Hong Kong, is relatively small. And our Stage 2 and Stage 3 is very, very benign.

There are flash points in Hong Kong, we know, and we're all very focused on those. But we think that the overall environment is one that feels relatively stable, and we feel very comfortable with our positioning, in fact, very, very comfortable with our positioning. So, I wouldn't read too much into the early alert increase other than that it means that we're very, very focused. Diego?

**Diego De Giorgi:**

So, on the NII question, A couple of factors at work. But fundamentally, the key factor is the shift in the mix of assets from our treasury assets to our commercial assets. We have funded the trading book, as you will have certainly seen, we've done that because clients were looking for opportunities to capture volatility or other opportunities that were arising. We've done it in what I think is a way that proves, by the way, the fact that we can lean into our businesses, in particular, our Markets business that is largely a recurrent business, but has often, like in this quarter, the opportunity to benefit from episodic moments of increased volatility, we have the ability to really do it in two ways. We can lean into it with risk-weighted assets. But this quarter, for example, we haven't. And we have been able to deploy capital in other ways while still facilitating our clients' activity. That is the largest part of the thing.

There is another element which speaks to the nature of the quality of our funding that we, obviously, continue to improve. And where, in particular, we have been reducing corporate time deposits. and substituted them with cheaper ways of funding. So that is at the heart of that change that you have referenced, Andy.

**Perlie Mong – Bank of America:**

Just a couple, one is restructuring. So, this year we are looking at somewhere like maybe \$440 million of restructuring. So Fit for Growth aside, I think there is still maybe like \$200 million to \$300 million restructuring charge. I know when you operate in 60 markets, it's always difficult to forecast what's going to be in this line; but, if I look back at the last seven, eight years, it looks like there's a sort of a run rate for lack of a better phrase, of

maybe somewhere between \$200 million to \$400 million. Is that the right way of thinking about it? That's number one.

And number two is, what about \$300 million of notable items in non-interest income to do with Ghana and Egypt. So how do you think about what do you put in restructuring and other? And what do you leave in the non-interest income line? Because it obviously affects some of the growth rates and forecast that we are looking at. Well, noting that your guidance is not on notable items, but obviously, it is part of the number that we have to strip out and adjust for.

**Bill Winters:**

Thanks Perlie. I'll go straight to Diego on this.

**Diego De Giorgi:**

So, on restructuring, Perlie, first of all, how do we think about the run rate of restructuring. We don't think of a run rate of restructuring. And as a consequence, we don't guide also to restructuring going forward.

Having said that, within that, in the previous response to Andy, I did flag some elements of restructuring that we know are going to come next year, the dual occupancy and the exit of markets, that would be in the region of \$100 million to \$200 million. So below the range that you had indicated, which feels a bit high if you to think about it that way. I would think it's more in the range of what we are expecting, for example, for next year. But as you yourself caution, it's difficult to think of restructuring ahead of time. And it's also difficult to think about what happens within the footprint and how it gets reflected into our numbers. What I can tell you for sure, are two things. One, we do things because of rules. It's not that we decide where to put things, whether they fall in our business, in our treasury, in our operations, depending on the rules, they affect us at different places in the P&L.

More importantly, I think, is that our guidance is all ex-notables. So, we try to make it as clear as possible what is underlying and what is not. And we are always very scrupulous to call out what is notable, whether it is in our favour or not in our favour, so that we make sure to communicate what is the real strength of the business, which I continue to think is very much so. And while those numbers seem relatively large, when you look at them that way, we are talking about an almost \$20 billion revenue line. So, they are meaningful but relatively at the margin, I would say.

**Bill Winters:**

I will add just a little bit more colour. Over the past eight years or so, we've had over 20 material disposals of either businesses, partial or whole countries, including the three that we announced last year in terms of retail exits in Sub-Saharan Africa and other businesses as well. And that's been a kind of a continuous evolution as this bank has transformed itself. We look today and we say we are a much more focused bank. A bank that is playing much more to its core strengths.

But the evolution is ongoing. And in fact, we'll never stop looking at every line of business, every client segment, every market to ask ourselves a question, are we really differentiated in this space? And if the answer is yes, then we're going to invest in it; and if the answer is no, then we're going to find a way to reposition that, which in most cases, will generate some kind of restructuring charge. So, we definitely don't think of it as a run rate, but we do see the opportunity, let's call it, the obligation to continuously restructure. And I can't say when that will stop.

**Operator:**

Thank you. I would now like to hand to Manus Costello for any questions on the webcast.

**Manus Costello:**

Thank you. We've got one question at the moment from Guy Stebbings at Exane. Guy asks, could you please help us think about the NII trajectory over this year, entering 2025 at close to \$11 billion run rate but implying it will be

lower. So could you give us some colour on the phasing during the year? Another way to ask it, what does your guidance for 2025 NII imply about the trajectory into 2026?

**Diego De Giorgi:**

So, Guy, very difficult to talk about quarters. From this point of view, we are clearly in the hands of the volatility of rates. And so I would draw you back to thinking about, rather than the path, think about the objective and where we are going to go.

We're going to do everything we can to grow NII, but we have three forces that work against us. One is mechanical which is the reclassification and that's easy, and it's neutral, obviously to operating profit, but it's one. We have the decrease in our ability to manage aggressively PTRs as rates continue to decrease. And we have the strategic actions that we can quantify at about \$100 million.

How they take place during the course of the year, it's difficult to say from where we stand. But I think that if you think about where we are going and if you then look at our currency forward rates and you think about how the rates headwind then abates into 2026 and you combine that with the strength of our non-net interest income engines of growth, I think that gives you the confidence both for 2025 and for 2026 going forward.

**Kun Peng Ma – China Securities:**

Hi. Good morning, Bill and Diego. Thank you for taking my question. This is Kunpeng of China Securities. I've got two questions. The first is on Hong Kong CRE, because some of the ECL has been charged in Q4. So, if we look forward, because we know HK CRE is still under pressure. So, for simplicity, should we assume that the majority of the Hong Kong CRE is in trouble or from my mind, it's not a big deal because it's a very small amount or is there another story about Hong Kong CRE trajectory going forward?

The second one is about Africa because you have heard a lot from the Chinese companies. The next target beyond ASEAN and the Middle East, is Africa. But Standard Chartered is having some headaches in some African countries. But if we look forward, do you view Africa as a potential to become another big corridor business for Standard Chartered going forward? I only have these two questions. Thank you.

**Bill Winters:**

Great. Thanks for joining us. It's great to have you here. So, we talked a bit about Hong Kong CRE. We can talk a little bit more. Is it a big deal? It's a big deal because it's a big market for us, and we're very focused on it. And do we have a problem? Absolutely not. And I would say we feel very good both about our portfolio positioning and about the prospects for the market.

But as you said, there are some problems there, and we're going to watch it very carefully, and we're working very constructively in the market to make sure that we navigate this in the best possible way. But we think we're perfectly adequately provided and have flagged the issues very, very, very clearly. No doubt Diego will have some more colour on that.

Africa, you mentioned some headaches in Africa. I mean, overall, our Africa business is super strong. It has performed well, it has performed well consistently. So, we have had a period of country restructurings or near restructurings. The P&L for us in Africa has been consistently good. It is returns accretive, and it is very differentiating in terms of the position it puts us vis-a-vis our multinational clients, very much including our Chinese clients.

So how do we manage to generate decent results in Africa, despite the fact that there's serious debt woes and currency concerns in a number of countries. We do it by being the differentiated provider in each of those markets. So, when there's a debt restructuring in a particular country, Ghana and Zambia were the two that we have experienced in recent years, of course, we take a loss at the time of that restructuring. We also tend to be the aggregator of deposits in that period. We tend to be the ones who can generate the highest net interest margin,

and we are definitely the go-to source for whatever the appropriately creative solutions are to help local corporations and multinationals to manage their exposure to that country, whether that is debt exposure or currency exposure. And we have consistently generated returns that are far in excess of the cost of the debt restructurings. That is because of the position that we occupy in Africa.

When I talk about differentiation for a US or European or Chinese or Korean MNC who has an operation in Africa, and most large MNCs do, they want to have a bank with global standards, who are operating on the ground, operating locally who can help them navigate the challenges that inevitably come up in any developing economy. And more often than not, they choose Standard Chartered because of our presence.

This puts us in a really good stead not just for those companies in Africa, but for the rest of their business. So, I could regale you with endless anecdotes of customers where we initiated the relationship in some market in sub-Saharan Africa, insinuated ourselves into the core banking group for that client. We are then able to bid through an RFP process or whatever on the cash management business in India or in the trade flows or FX panel in China and only got there because of the introduction that we got in Africa in the first place. So, it is a big differentiator and it is paying its own way plus. Then there is the whole notion of Here For Good, which is, we are a purpose-driven company, and we are able to play out our purpose in Africa to extraordinary effect. And that is really good for business.

**Diego De Giorgi:**

I would just add one thing, maybe taking it in a slightly different direction. The slides that we have given you on our network business, I think, make a number of points that are important. They point to the diversification of our network. They point to the resilience of our network to what happens in any one specific country or corridor or set or region. They also point to the fact that these new corridors of globalisation that are being redefined, the intra-Asia and the Asia to the Middle East and importantly, the Asia, Middle East to Africa are important things in which very a few people can provide our type of services.

If you look on that graph, and you see that every part of our network contributes to the success of our African business and vice versa. That is truly at the heart of the cross-border Corporate and Investment Banking unique set of capabilities that we offer to our clients.

**Gurpreet Sahi – Goldman Sachs:**

Congratulations on a good set of numbers. Can I have two quick ones, please. First is, Bill, really on the supply change shifts as they are happening, especially this year with some policy moves from the US. How are clients adjusting to these tariff changes? Then how does it play to your strengths of being a bank, which is, as you say, following global standards, but present in Asia, Africa and Middle East, with respect to advising the clients?

And then second quick one is on slide 39. I do see that the CASA ratios in both of your key businesses have moved up quarter-on-quarter. Do we see it as sustainable from your discussions with clients or the treasuries? And can we say that the CASA ratio has kind of bottomed out in third quarter of last year.

**Bill Winters:**

Great. Thanks, Gurpreet. On the supply chain shifts, of course, we're seeing an ongoing shift that began realistically began back in the Obama days, because China was achieving the point of being something other than a low-cost manufacturer. And so we saw a significant migration of manufacturing into places like Vietnam and Indonesia and Malaysia, India, in some cases. That accelerated, obviously, as a result of the first round of trade tensions between the US and China and then it accelerated further on the back of security concerns largely coming out of COVID. And of course, it carried on through the Biden years and is now carrying on again. So, this is not a new phenomenon.

The effect has been a very substantial shift of elements of low-cost manufacturing from China to other markets. And these are Chinese companies who are moving and non-Chinese companies who are moving. Most of them are clients at Standard Chartered. And most of the markets into which they're going are core markets for Standard Chartered, which is another way of saying, this has been a good thing for us. The fact that the ASEAN markets are benefitting from this shift, more recently, South Asian markets, including India, have benefited from this shift. In some episodic cases, African and Middle Eastern markets have also benefitted. These are our core markets.

So, I could go into the shorthand and say, we have a higher market share outside of Mainland China than we do inside Mainland China. So those shifts are working very much in our favour. Of course, when a company moves, especially a Chinese company moves out of China into one of the neighbouring countries, that brings with it some need for local currency financing and currency risk management, interest rate risk management. Those are our products. So, as we have this gradual shift of supply chains, motivated by cost, security or tariff levels and all three are contributing to that, it's been a helpful thing for us.

Just to anticipate the conclusion, is it therefore the case that if we launch into a full-scale global trade war, that this is a good thing for us? Of course not, of course not. It would be bad for the global economy. It would be bad for the aggregate level of trade, and it would almost certainly stifle cross-border investment, which is not good for anybody. The fact that it is not good for anybody gives me some confidence that it is not going to happen. But obviously, we are in a crazy world and crazy things might happen.

But we are certainly focused on helping our clients to accomplish the financing and their own supply chain shifts, which are material and ongoing. Diego, we talked about this all the time. So, Diego will have thoughts on that question. And please take up the CASA question as well.

**Diego De Giorgi:**

I'll take the CASA, on the other one I think it's very clear. These new corridors of globalisation are a great opportunity for us and the extreme events, hopefully, will never materialise because no one gains from cutting off their nose to spite their face. The way to think about CASA-TD ratios is to think about the optimisation of liabilities. We are all about optimising our liability stack.

And we are all about funding ourselves in the cheapest possible way. That means we have three sources for doing that. In retail, we have a retail CASA. But in retail, what is very good for us, is also time deposits because time deposits are a way that very often is the way that Wealth Management clients come into the system. So really growing the two of them, and do we see a real migration? Not particularly. We are not at interest rates or there hasn't been enough of a break in clients' minds in terms of interest rate direction and level that makes us consider a substantial change in the mix. But undoubtedly, we want to continue to push all of our funding basis in retail.

Within CIB, which is more volatile by the way, as you have seen, for example, with this quarter where we've had some outflows that have all then reversed in the first quarter. But clearly, there is more volatility because the sums that very large multinational corporations and financial institutions can move around, can be substantially larger. In CIB, undoubtedly, we want to emphasise CASA because corporate time deposits are an expensive source of funding for us. So, we want to de-emphasise it. And our Treasury, once again, works constantly to reduce that source of funding and go towards more efficient sources.

**Aman Rakkar – Barclays Bank:**

I had a question on net interest income. Two questions on net interest income actually. So, one is around your pass-throughs. So, you're talking about not being able to execute pass-throughs as assertively going forward as you did in Q4, so presumably lower pass-throughs on the way down. I just want to confirm in your updated rate sensitivity

disclosure, roughly speaking, are you able to put any numbers on what you're assuming there and how that compares? I think directionally, I get that it's less of the pass-through that you're modelling in your go forward. But can you help us to any number?

And then the second question is the outlook for deposits. There's a lot of focus on lending, and the outlook for that continues to be below where you'd like it to be in the long term, but deposits are a bigger number to your average interest earning assets anyway.

So, I'm interested in what your take is on deposit formation in your markets because I look at places like Hong Kong, and money supply is growing very strongly there despite subdued lending. And the reason I'm asking these questions, maybe it's the third part of the question, but we are really struggling to make sense of your NII commentary for 2025. It's coming across the various questions that are being asked, but the idea that you don't grow net interest income when you're annualising so strongly, you're actually not very rate-sensitive anymore, you're executing pass-throughs really well. You would expect some balance sheet momentum, it just does not stack up at all. So, I know it's probably the fourth or fifth time you're being asked that kind of question. But if there's anything we're missing around that, please, can you let us know?

**Diego De Giorgi:**

All right. From the top, first of all, in terms of the PTRs, we have always given you ranges for both the CIB and WRB through the cycle, if you wish, PTRs. The way to think about it is that in Q4, we definitely had PTRs on the CIB side that were above that range. And in WRB, we were within that range somewhat towards the top end of that range. Where do we go? I think we go back inside the range. And where do we go within that range, we will see where we end up, we obviously work hard at optimising and we work hard on our pricing.

To the question of what do we use in the model, we use more the mid- to lower end of the ranges that we give you. So that will give you a sense of both where we are and what do we use.

On deposits, first, I'll harp for one second on one thing that you said almost en passant while you were talking about deposits but I think it's important. You said the demand growth for loans remains subdued. It's true that it does but it's slightly better than we have expected, right? I mean we grew them in 2024 by 4%. It's very much in line with our guidance of low single digits. If anything, it almost approaches the mid, which is probably the place where we tend to think of growth of credit demand in our footprint as a natural level, if you wish.

So true that demand for loans has not been spectacular, but it's not been bad. And obviously, where we are particularly good at attracting deposits is by leveraging on our Wealth Management for affluent in the sense that we capture inexpensive CASA across our markets, but obviously heavily in the markets where we are present with the continuum of our business like Hong Kong and Singapore, but also in other markets. And as I said, time deposits for wealth management are a good instrument in that respect.

Now, I know that by saying that I have hurt myself for the third question because I told you that everything is going well that we have demand growth. And at the same time, we are looking at the way that NII develops this year with caution. I would use the word we are 'conservative', but optimistic. It's difficult to say something different, and you'll have to forgive a CFO for using something a bit conservative. The reality is that we are doing well.

But the level of certainty out there is higher than it was before. And we know that we can't continue to perform on pass-through rates in the way that we have. And therefore, from this higher level that we have established in 2024. So the ultimate result will be better than the results that we were forecasting in Q3, but we remain somewhat conservative.



**Rob Noble – Deutsche Bank:**

Good morning. Thanks for taking my questions. It's another one on the software impairment charge. Can you give us an idea of what the useful life of software that you use within the model? And is that something that you changed with the charge?

And if you did, should I not expect higher amortisation and cost inflation from this going forwards? And then the other side of that, I think you spend about \$1 billion a year in software. Is that the same level that we should expect to continue in capital expenditure on software?

**Bill Winters:**

Thanks, Rob. I'll go to Diego, but there's been no change in the calibration of useful life. As Diego mentioned earlier, we did change the way that we have documented and reviewed the documentation for the initial capitalisation decisions that we made. But that's done. I mean we've completed that review.

And our overall investment level has been pretty steady for the past couple of years, we would expect it to grow very gently with growth in earnings. We continue to invest in everything that we feel that we need to invest in to achieve our plan and position us well for the future. Obviously, the surplus is going back to shareholders. But you shouldn't expect any material increase in the software that we're capitalising. But Diego, feel free to dig in on all that.

**Diego De Giorgi:**

Just one thing. Absolutely, as Bill said, no difference, no change in the useful life. The useful life is between 5 and 10 years. anywhere between that depending on the particular piece of software. I do think though that you are going in the wrong direction in terms of thinking of the impact that it could have, you are thinking it could increase costs.

If anything, it will have a slightly flattering effect because a few tens of millions of dollars of cost that we would have incurred we are not going to incur. So, you'll see a slight improvement there. That's the only thing in that I would point out, other than that all as Bill said.

**Bill Winters:**

All else equal.

**Diego De Giorgi:**

Thank you. All else equal of course.

**Jeremy Hou – CICC:**

Thank you for taking up my question. Two questions. The first one is on costs. So, I appreciate your commitment to cost discipline, like the cost savings, positive jaws and then WRB transformation, et cetera. So, from another angle, the Asian market is optimistic and is also highly competitive. So, what is the reasonable underlying cost growth for you to capture the opportunities without under-investing in it? And is it possible that we may see the cost growth materially to pick up after the Fit for Growth program ends, i.e., after 2026.

And the second question is on the buybacks. I know you never want to guide this but is the \$1.5 billion like a new run rate that we can refer to and as the bulk of the CTA will happen in 2025, so is there a major concern when you do buybacks later this year?

**Bill Winters:**

Thanks very much, Jeremy, for the questions. Of course, you're right - the Asian markets are very competitive. We've been investing substantially, in particular in our Wealth business, but also more generally in our CLB business. And we've been getting very good returns on those investments.

We announced back in Q3, a \$1.5 billion further step-up in investment in our Wealth business over the coming years. And that is intended to obviously drive the income growth that we are talking about, but it is exactly to your point, to remain competitive and to continue to take the share that we have been taking and that we intend to take, we are going to have to invest.

But we fully factored that into the guidance that we've given in every regard. As we pointed out, we have been funding, and we are funding, and we will continue to fund that investment into our Wealth business by optimising the rest of our business. And some of that, of course, is going to come through Fit for Growth and just being more efficient in everything that we do. Some of that is the repositioning of key parts of our mass market business across the network. But it's all baked into our guidance.

And I'll just observe that in a very competitive market, we have been an employer of choice. We have been able to attract extraordinary talent. We pay the market price for that talent, and we will continue to. I would say that the competitive environment so far has been working to our favour. And we feel like we are pretty well positioned for that going forward. Diego, you will have some more thoughts on that, and I will let you take the buyback point as well.

**Diego De Giorgi:**

On this one, just one thing that you mentioned, you mentioned post Fit for Growth, et cetera. Well, Fit for Growth is intended to exactly transform the way that we do things at the bank. Investments like the technology platform, the process simplification, the service delivery, the platforms. I mean these are all things that over time are designed to give us a more efficient, more competitive bank, and therefore, you should take heart from the fact that we are making this big investment because it will transform the way that costs will look in the future.

On the buybacks, you should not take it as a new run rate, definitely. We take decisions every time we do it. I would say that what is important there is, in particular, vis-à-vis what you just said, that we have flagged indeed that 50% of the Fit for Growth cost to achieve does happen this year. And so you do need to factor it into your thoughts in terms of capital returns. We do it in ours.

Our engines of profit growth are working well, and that has enabled us to announce a \$1.5 billion share buyback, but we shouldn't extrapolate on that. You should stay very focused on the fact that we are guiding to over \$8 billion between 2024 and 2026 and we do underline the word 'over', it is our objective to go over that, if we can.

**Alastair Warr – Autonomous:**

I've just got a follow-up on the capital return, if I may. You said over \$8 billion, but I think consensus in the market were already quite a long way ahead of that during the second half of last year. So, if you just take pro forma 13.6% after your buyback, for capital generation, you have been running at the higher end or above your range. Should we just on a two-, three-, four-year view be thinking about you trying to manage the CET1 towards the lower end of what you talked about as the comfort range there or more hovering, if you like?

**Bill Winters:**

Great. Thanks for the question, Alastair. And we've had a good run, I think, operationally, but also in terms of capital management. We pretty consistently demonstrated that we're prepared to go down into that 13% to 14% range.

We've occasionally dropped down to the bottom end of the range. We've occasionally hovered closer to the top end of the range or at the top end of the range. And we'll continue to take that approach. As we reflect on the world right now, there's a little bit of uncertainty out there. And while things are going very well at the moment, it doesn't feel like a bad time to be in the middle of our range as we start off this year rather than down towards the bottom.

Are we prepared to drop down to 13% in the right circumstances? Absolutely. We've done it in the past, also during times where there was some uncertainty, and we'll do that in the future if we think it's appropriate. But we're going to take that decision day by day. One of the areas of uncertainty over the past several years has been Basel 3.1. We've always guided to what our best guess was. We're guiding now to our best guess being that it is neutral. It's obviously been delayed by a year. But there are some ups and downs within the overall mix, as I think there is for every bank, but we don't see that as being an impact.

So, the uncertainty that I'm talking about is much more the geopolitical uncertainty. And the fact that none of us think that the credit cycle has gone away. And it still feels like we're in a relatively benign part of the credit cycle. So, it's appropriate to be slightly cautious, and that's where we are. But no reluctance to drop down to the bottom end of the range, when we think that the circumstances are right. Next question?

**Kian Abouhossein – JP Morgan:**

Thank you very much for taking my question. I have a question on transaction services income, and in particular, the Payments & Liquidity line, which has hasn't been growing. I'm just trying to understand, normally, I would expect this line to grow more or less with GDP, maybe even higher, and we haven't seen any growth. I'm just trying to understand a little bit how we should think about the revenue line going forward?

And secondly, I have a question regarding Mox and Trust. Clearly, these are becoming more seasoned business. They're becoming profitable in 2026. How should we think about the end-game of these two assets?

**Bill Winters:**

Let me just start with Mox and Trust, and I'll pass it over to Diego for more on that and the Transaction Services question. I think you all know Mox and Trust, were de novo banks with de novo tech stacks and part it was an experiment to see whether we could develop new technology and assemble existing technology from partners into something that was really differentiated. Part of it was that we think that this is a super business model in two markets that we know extremely well, Hong Kong and Singapore. The experiment has been highly effective. I mean, we're very, very, very happy with the technology that we developed ourselves and with partners. And we're finding ways to port that technology into other parts of the bank and other markets.

It's not just the technology, it's also the way of doing business, everything from what satisfies a customer, to ways that we can add incremental products and services, we've got a growing suite of Wealth Management products, for example, in each of Mox and Trust at this point, which will help drive really good strong profitability growth. And every indicator is that as these banks reach maturity, and you heard Diego say earlier, over 1 million customers in Singapore and approaching that in Hong Kong, this is very substantial market penetration with high levels of customer satisfaction, these will be very profitable banks with very low-cost income ratios, very low cost to add a client and very low cost to serve.

And that is clearly the model for mass market banking going forward. Interestingly, it also presents real opportunities for us to graduate those same clients into the more affluent propositions that we offer, whether those are in Standard Chartered Bank, we're building those into Mox and Trust.

End state, these are strategic assets for us. We think we can achieve material levels of profitability in each of those banks. And equally, obviously, we're doing that with partners, financial partners and technology partners. So, will those partnerships evolve over time? Yes, most likely.

Will we choose to reposition those banks in some way vis-à-vis Standard Chartered Bank? Entirely possible. But our focus right now is just on getting the most value from those banks as we can, given the super momentum that we generated over their early lives. Diego, over to you for both questions.

**Diego De Giorgi:**

I think Mox and Trust are terrific businesses and Bill does great credit to them. On Transaction Services, let's go from the top on Transaction Services for a second because it's composed of different parts. And you singled out on Payments & Liquidity. But Look, this is a business that lives, right now, with fundamental net interest income headwinds, right? So that is where one starts. But within it, the dynamics are quite different in the sense that in Security Services, Security Services has done extremely well this year, it's up 12% for the year, and it's a line of business in which we continue to invest because we have a really differentiated proposition that we offer our clients, our financial institution clients around the world to access our network, and it's a great opportunity for us to foster those relationships with financial institutions and drive other business with them.

Trade, which has also been somewhat challenged in that case, partially from the net interest income headwinds because it is a business that obviously benefits from lower rates, but also partially from the dynamic that a lot of our clients have gone for local currency financings away from hard currency financings in some cases, particularly in some very large geographies, and therefore, that type of swing has an impact on our Trade business. But it's a good business and it's a phenomenal source of cross-selling. A lot of the advantages from the business, you do see it in our Financial Markets business. We'll spend more time on with all of you when we have our CIB Investor Day in May [2025].

It's going to be one of the important parts that we really want to touch upon. And ultimately, the Payments & Liquidity, it's fundamentally an interest rate game. And indeed, the headwinds there and the margins really had not been to our help. There are opportunities there for improvement as the interest rate cycle changes.

**Bill Winters:**

Thank you Great. So, I think we've run through the questions. That just leads me to say thank you very much for this time and attention on what I know is a busy Friday morning. Great questions, as always, and thanks for your ongoing support through your coverage. Have a great weekend.