Standard Chartered
Private Bank

Poised to break higher?

Global Market Outlook

(In-brief)

March 2019

Investment strategy

Poised to break higher?

- In our Global Investment Committee's assessment, equities' recent out-performance relative to bonds and cash has a high probability of extending further.
- Global growth expectations are too pessimistic. A normalisation could brighten the equities and corporate/Emerging Market (EM) bonds outlook.
- Asia ex-Japan is our preferred equity market, with the US ranking second. A US-China trade deal could prove supportive for China's equity markets, both offshore and onshore.
- EM USD government bonds remain preferred, with the ongoing commodity rebound likely to offer support. Asia USD bonds are also preferred amid strong onshore demand.

Buy or sell into this equity rally?

Equity markets had a positive month with EM equities rebounding sharply towards the end of the month amid trade deal optimism. Global equities are up over 4% since we went tactically positive on equities earlier this year (see *Weekly Market View, 18-Jan-2019)*, a view we re-emphasized in subsequent *Global Market Outlooks*. EM USD and Asia USD bonds, too, gained as they outperformed global corporate and government bonds. The USD remained range-bound.

Incoming economic data largely continued to reflect slowing economic growth. However, what is more important is that economic surprise indices (data relative to market expectations) show the magnitude of negative surprises are now close to 2011-13 troughs. This suggests the bar for further negative surprises is much higher, a situation that has historically been indicative of a rebound.

At the same time, major equity, bond (US Treasury) and commodity markets are close to key technical levels. Putting this together with arguably excessive pessimism on economic data, our Global Investment Committee believes there is room for equities to break higher and extend recent gains, especially if a US-China trade deal offers a catalyst.

Figure 1

Economic expectations are pessimistic

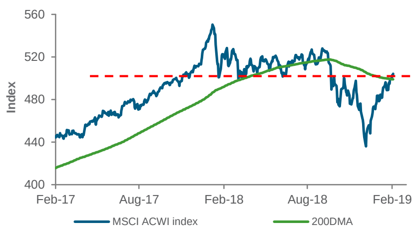
Global economic surprises index

Source: Bloomberg, Standard Chartered

Figure 2

Global equities poised at a key threshold

MSCI AC World Index; 200-day moving average



Source: Bloomberg, Standard Chartered

IMPLICATIONS
FOR INVESTORS

Equities likely to outperform other traditional asset classes. Asia ex-Japan preferred region.

EM USD govt. and Asia USD bonds expected to outperform Developed Market bonds

Macro environment supportive of core allocation to alternative strategies

Trade deal may boost Asian equities

Asia ex-Japan is a preferred regional equity market (ie. we would tilt a global equity allocation towards this region). This region suffered some of the biggest falls last year as trade tensions ratcheted higher. However, one of the possibly positive 'shocks' we identified in our *Outlook* 2019 – that of easing US-China trade tensions – looks increasingly likely to come to pass as the two countries inch closer to a trade deal. Given how much valuations have eased as tensions escalated, we believe they may be poised to outperform other regions should the two countries reach a deal.

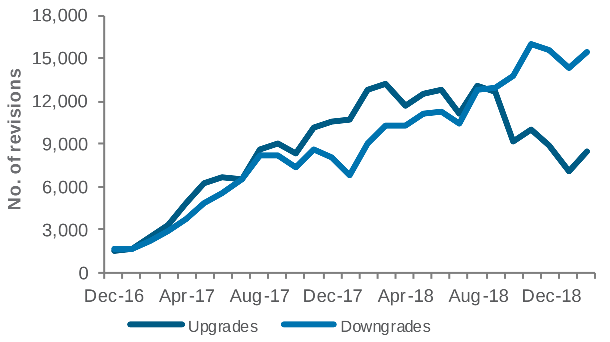
China is a preferred market within the region given it remains at the heart of US-China trade concerns. MSCI's index inclusion decision should also support inflows. However, a similar case can be made for several other relatively open and inexpensive markets, like Korea or Singapore, which we see as core holdings (ie. equity allocations in line with benchmarks – page 31) within Asia ex-Japan.

US equities rank second in our regional preference order. While they are also likely to benefit from reduced risk aversion and trade tensions, continued signs of improvement in the 2019 earnings outlook will likely be key in extending gains.

Figure 3

Deterioration in global earnings' upwards/downgrades ratio may be coming to an end

Number of analyst 2019 corporate earnings estimate upgrades/downgrades on MSCI AC World constituents over the past 75 days



Source: MSCI, Factset, Standard Chartered

As the chart above illustrates, the sharp fall in earnings expectation upgrades for global equities in 2019 may be showing signs of reversing, both in absolute terms and relative to downgrades. This suggests that, barring an unexpected recession, growth fears may largely be priced in.

We would also be on watch whether a US-China trade agreement has a currency impact. While we expect both the USD and Asian currencies to remain rangebound – the USD index has remained within about a 3% range since *Outlook 2019* – a trade deal could trigger a break higher in Asian currencies.

Turning more positive on Asia USD bonds

Our Global Investment Committee also raised Asia USD bonds to preferred. In its assessment, the regional asset class' higher credit quality and lower volatility (both relative to their US and Euro area peers) remain ongoing supports. Many of the positive spillovers from a US-China trade deal would also likely support Asia USD bonds as well. Finally, we believe the re-emergence of regional demand is a key positive reflective of renewed risk appetite, especially against the backdrop of significant new bond supply.

EM USD government bonds remain a preferred bond asset class, with still-reasonable valuations and the ongoing rebound in commodity prices likely to offer support. We also believe a combination of EM USD government bonds and Asia USD bonds is one attractive route to obtain an attractive yield, but with more limited volatility.

Could a rebound in US Treasury yields derail the outlook for either of these asset classes? We believe the risk is small. A modest move higher in 10-year US Treasury yields would be consistent with a rebound in economic surprises. However, we believe any rise is likely to be contained below 3% as any significantly larger move would require renewed inflation worries. In addition, both our preferred bond asset classes offer reasonably wide yield premiums over Treasuries, a narrowing of which would buffer any yield rise.

A tailwind for multi-asset income strategies

Overall, we continue to believe the environment remains reasonably attractive for both multi-asset income and balanced strategies, without a preference between the two.

For income strategies, we believe bond yields remain attractive despite the falling yields in our preferred areas YTD. Within this, we prefer reducing exposure to leveraged loans relative to simple High Yield (HY) bonds given the lack of value in the former. While a rise in US Treasury yields may pose a small risk to income strategies' returns, we believe potential gains in Asian equities and EM/Asia USD bonds should help offset such a move.

Macro overview

Easing trade tensions, policies

- **Core scenario:** Prospects of a US-China trade pact, the Fed's pause in rate hikes and China's incremental fiscal and monetary stimulus have the potential to stabilise global growth expectations. Subdued inflation is enabling policy easing across Emerging Markets (EMs).
- **Policy outlook:** We expect the Fed to hike only once in 2019, the ECB and BoJ to maintain their existing highly accommodative policy stance and China to ease policies further to support growth.
- **Key risks:** Slowing growth and greater disinflationary pressures in the Euro area; political/geopolitical tensions, including in Europe.

Core scenario

The Global Investment Committee expects global growth and inflation to slow moderately in 2019, in line with consensus forecasts*. However, we have turned more constructive over the past month amid increasing prospects of a trade agreement between the US and China, a dovish turn in Fed policy and progressive monetary and fiscal stimulus in China. These factors, seen against the backdrop of subdued inflation, have the potential to stabilise global growth expectations, especially across EMs, which are likely to additionally benefit from easing global financial conditions. The Euro area remains the biggest risk to this constructive outlook if growth and inflation expectations are cut further.

Figure 4

Asia ex-Japan and the US remain the world's biggest growth drivers

Region	Growth	Inflation	Benchmark rates	Fiscal policy	Comments
US	●	◐	◐	●	Growth to slow modestly, but remain above trend amid strong job market, consumption. Fed to hike only once in 2019
Euro area	○	●	●	◐	Growth and inflation to fall below long-term trend amid slowing global trade; ECB to maintain its highly accommodative policy
UK	◐	◐	◐	◐	Reduced expectations of a 'hard Brexit'; BoE torn between Brexit risks and tight job market
Japan	○	●	●	◐	Growth and inflation to stay close to long-term trend. BoJ to stay highly accommodative
Asia ex-Japan	●	◐	◐	●	China to further ease fiscal and monetary policies to support growth. Rest of Asia to benefit from easing trade tensions, liquidity
EM ex-Asia	◐	◐	◐	◐	Differentiation remains key; easing trade tensions, liquidity, China stimulus to help

Source: Standard Chartered; * Consensus global growth estimate: 3.5% in 2019 vs. 3.7% in 2018

Legend: ● Supportive of risk assets ◐ Neutral ○ Not supportive of risk assets

IMPLICATIONS
FOR INVESTORS

The Fed to raise rates only once in 2019

The ECB and BoJ to maintain their highly accommodative monetary policies

China to progressively ease fiscal and monetary policies to support domestic-driven growth

Bonds

Favour Emerging Market bonds

- We view bonds as a core holding as we believe it is increasingly important to diversify in the late stage of an economic cycle. Modestly slower growth and inflation lead us to expect US 10-year Treasury yields to remain centred around 2.75%, lower than previously expected.
- Emerging Market (EM) USD government bonds remain a preferred area within bonds as we continue to like the attractive yield and reasonable valuations. We upgrade Asian USD bonds to a preferred holding owing to their high credit quality, low volatility and defensive characteristic.
- We turn more cautious on Developed Market (DM) High Yield (HY) corporate bonds given the sharp gains thus far, as we believe valuations have become somewhat expensive.

Figure 5

Bond sub-asset classes in order of preference

Bond asset class	View	Rates policy	Macro factors	Valua-tions	FX	Comments
EM USD government	▲	◐	●	◐	NA	Attractive yields, relative value and fund inflows are positive
Asian USD	▲	◐	●	◐	NA	High credit quality, defensive allocation. Influenced by China risk sentiment
EM local currency	◆	◐	●	○	◐	Attractive yield and easier central bank stance balanced by higher volatility
DM IG government	◆	◐	◐	NA	◐	More dovish Fed and ECB policy to cap yields
DM IG corporate	◆	◐	◐	◐	◐	Low yield premium and high interest rate sensitivity offset by high credit quality
DM HY corporate	▼	◐	◐	○	◐	Attractive yields on offer, offset by expensive valuations

Source: Standard Chartered Global Investment Committee

Legend: ● Supportive ◐ Neutral ○ Not Supportive ▲ Preferred ▼ Less Preferred ◆ Core Holding

A new year, a newfound optimism

In our 2019 Outlook, we had highlighted greater optimism towards bonds as we believed the Fed was likely to hike rates less than market expectations at the time. Market expectations have clearly shifted towards our viewpoint and a more sanguine view of the Fed has helped fuel the recent rally in bonds and risk assets.

Our expectation of slower growth and inflation leads us to believe that the Fed is likely to hike rates only once in 2019. Hence, we expect US 10-year Treasury yields to remain centred around 2.75%, which paints a positive outlook for bonds.

IMPLICATIONS FOR INVESTORS

EM USD government bonds and Asian USD bonds are most likely to outperform global bonds

Expect US 10-year Treasury yields to remain centred around 2.75%

Reduce exposure to DM HY corporate bonds following recent rally and credit deterioration concerns

Figure 6

Where markets are today

Bonds	Yield	1m return#
DM IG government (unhedged)	1.50%*	**-0.7%**
EM USD government	6.17%	**1.0%**
DM IG corporates (unhedged)	3.02%*	**0.2%**
DM HY corporates	6.41%	**1.3%**
Asia USD	4.73%	**0.8%**
EM local currency government	6.24%	**-0.9%**

Source: Bloomberg, JPMorgan, Barclays, FTSE, Standard Chartered

31 January to 28 February 2019
As of 31 January 2019

Equities

Equities – Confirming the upgrade

- Global equities are formally raised to our most preferred asset class, from core, with a 73% probability of outperforming our balanced allocation. This follows our January upgrade to the short-term outlook. The two positive shocks with a high impact on markets we highlighted in our Outlook 2019 report were: easing of trade tensions and monetary easing. The former is underway and the latter has occurred via a pause in rate hikes by the Fed and a drop in bond yields.
- Asia ex-Japan is now our most preferred market as we turn more positive on Emerging Markets (EMs) relative to Developed Markets (DMs). Easier monetary conditions in EMs have attracted foreign fund inflows, which have acted as a catalyst to re-rate valuations. In our opinion, Asia ex-Japan has an 89% probability of outperformance.
- US equities are a core holding. The market remains our second most preferred market globally and has a 65% probability of outperforming global equities in the coming 12 months, in our assessment. Earnings weakness is a headwind, but share buybacks remain an important market catalyst.
- Euro area equities are least preferred as concern over capital adequacy among Euro area banks increases in light of weaker-than-expected profit growth. Brexit remains an overhang in the UK, but we assign a high likelihood of a solution in the months ahead.
- Risks to our equity views: US earnings weakness and higher commodity prices negatively impacting corporate margins.

Figure 7

Asia ex-Japan is raised to our most preferred equity market

Equity	View	Valuations	Earnings	Return on equity	Economic data	Bond yields	Comments
Asia ex-Japan	▲	●	◐	○	◐	●	Attractive valuations, signs of better earnings outlook as trade war risks ease
US	◆	◐	○	●	◐	◐	Valuations now fair, earnings weak, but supported by share buybacks in 2019.
EM ex-Asia	◆	◐	◐	◐	◐	◐	Valuations attractive with catalyst from higher commodity prices and easing trade tensions
Japan	◆	●	○	●	◐	●	Valuations attractive. Returns to shareholders structurally rising.
UK	◆	●	◐	○	◐	●	Soft Brexit is our base case, which could lead to market re-rating
Euro area	▼	●	◐	◐	◐	●	Bank capital levels and risk of US auto import tariffs trade a concern

Source: Standard Chartered

Legend: ● Supportive ◐ Neutral ○ Not Supportive ▲ Preferred ▼ Less Preferred ◆ Core Holding

IMPLICATIONS
FOR INVESTORS

Global equities are our preferred asset class, with a tilt towards Emerging Market equities

Asia ex-Japan is preferred, US, Emerging Markets ex-Asia Japan, UK are core holdings. Euro area is least preferred

Prefer China (onshore and offshore) within Asia ex-Japan

Figure 8

Where markets are today

Market			Index level
P/E ratio	P/B	EPS	
US (S&P 500)			
16x	3.0x	6%	**2,784**
Euro area (Stoxx 50)			
13x	1.4x	9%	**3,298**
Japan (Nikkei 225)			
13x	1.2x	2%	**21,385**
UK (FTSE 100)			
12x	1.6x	5%	**7,075**
MSCI Asia ex-Japan			
13x	1.4x	6%	**653**
MSCI EM ex-Asia			
11x	1.5x	11%	**1,412**

Source: FactSet, MSCI, Standard Chartered.

Note: valuation and earnings data refer to 12-month forward data for MSCI indices; as of 28 Feb 2019

Alternative strategies

Alternatives as a core holding

- We maintain alternatives as a core holding
- Equity Hedge is now preferred, given our constructive view on equities and expectation of higher volatility with correlations stable at low levels
- Global Macro remains an attractive “diversifier”, given its historical low correlation to traditional assets, especially during sustained pullbacks

Performance review of alternatives strategies

Market volatility may rise as late-cycle dynamics are expected to persist. In such an environment, we think maintaining alternatives as a core holding makes sense.

In February, most strategies delivered positive returns, except for Event Driven which ended unchanged. Our preferred alternatives allocation returned 0.6% for the month and 1.5% YTD. This performance took place against a backdrop of continued recovery in global equities and other risky assets.

Within alternatives, Equity Hedge is now a preferred holding, alongside Global Macro. In our view, equity market volatility is likely to rise, while correlation between stocks is likely to remain stable at around current levels. Should these conditions materialise, there would be wider performance dispersion across equities, presenting opportunities to long/short managers.

Within alternatives, Global Macro can be an attractive “diversifier”, as it has shown low correlation to traditional assets, especially during sustained pullbacks.

Figure 9

Traffic light framework alternatives strategies

		Description	View	Drivers for strategies to perform	
Substitutes	Equity Hedge	In essence, buying undervalued stocks and selling overvalued stocks	▲	• Positively trending equity markets	●
				• Rising equity market dispersion	◐
	Relative Value	Looking to take advantage of differences in pricing of related financial instruments	◆	• Falling interest rates/cost of funding	◐
				• Narrowing credit spreads	◐
	Event Driven	Taking positions based on an event such as a merger or acquisition	▼	• Positively trending equity markets	●
				• Rising M&A activity	◐
				• Narrowing credit spreads	○
Diversifier	Global Macro	Looking to exploit themes, trends and asset class relationships (correlations) at a global level, generally with leverage	▲	• Rising volatility and credit spreads	●
				• Increasing cross asset dispersion	◐
				• Persistent market trends (up/down)	●

Source: Standard Chartered

Legend: ● Supportive ◐ Neutral ○ Not Supportive ▲ Preferred ▼ Less Preferred ◆ Core Holding

IMPLICATIONS
FOR INVESTORS

Diversified alternatives allocation preferred, given our outlook on volatility and late-cycle dynamics

Equity Hedge (preferred) supported by expectation of higher volatility and stable correlations

Global Macro (preferred) as a “diversifier” in an investment allocation likely to be beneficial

Figure 10

Where markets are today

Alternatives	YTD	* 1m return
Equity Hedge	3.1%	1.3%
Relative Value	1.0%	0.2%
Event Driven	1.4%	0.0%
Global Macro	0.2%	0.4%
Alternatives Allocation	1.5%	0.6%

Source: Bloomberg, Standard Chartered
* 31 January to 28 February 2019

FX

USD: Likely to remain range-bound

- A more dovish Fed has provided a window for easing of global liquidity. Other central banks have moved quickly to a similar dovish stance.
- EUR likely to remain subdued with Germany a key drag. US auto tariffs remain a threat. We expect GBP to move higher as Brexit fears recede.
- A currency agreement within the Sino-US trade pact could keep CNY firm. Asian currencies likely to track CNY, but AUD could stay weak.

Figure 11

Foreign exchange: key driving factors and outlook

Currency	3m View	12m View	Real interest rate differentials	Risk sentiment	Commodity prices	Broad USD strength	Comments
USD	◆	◆	●	○	NA	NA	Medium-term rate differentials remain
EUR	◆	◆	◐	◐	NA	◐	Slow monetary policy normalisation
JPY	◆	◆	◐	◐	NA	◐	Range-bound amid opposing constraints
GBP	▲	▲	◐	●	NA	◐	Brexit dependent but value in medium term
AUD	◆	◆	○	◐	●	◐	Domestic weakness and China slowdown
CNY	◆	◆	○	●	◐	◐	Targeted response to slow growth and trade

Source: Bloomberg, Standard Chartered Global Investment Committee

Legend: ● Supportive ◐ Neutral ○ Not Supportive ▲ Bullish ▼ Bearish ◆ Range

USD – Range-bound as drivers remain benign

The key USD driver continues to be the significant real and nominal positive interest rate differential. This advantage narrowed on the back of the Fed hike pause and talk of an early end of quantitative tightening (QT). Many global central banks have quickly followed the Fed's initiative and the overall USD impact has been relatively benign. We expect this to continue through H1 this year, while absolute rates remain relatively attractive for the USD.

Slowing global growth is generally USD supportive and should allow the USD to remain firm against the EUR. The expected Sino-US currency agreement could result in a mildly stronger CNY. Since the USD is a strong momentum currency, there is ample opportunity for a strong trend to emerge – but thus far the technical and fundamental signals for direction remain mixed. The USD index (DXY) has traded narrowly between 93.20 and 97.70 since May 2018, and only a clear break of these support and resistance levels would suggest a potential trend developing.

IMPLICATIONS
FOR INVESTORS

Currencies may diverge against the USD as trade talks and issues conclude and unfold through Q2

Softer EUR bias likely to continue in H1, but we expect GBP to remain firm through soft Brexit

A currency agreement within a trade agreement supports CNY and some other Asian EMFX, but AUD, KRW and TWD may underperform

Figure 12

Where markets are today

FX (against USD)	Current level	1m change#
Asia ex-Japan	106	-0.3%
AUD	0.71	-2.5%
EUR	1.14	-0.7%
GBP	1.33	1.2%
JPY	111	-2.2%
SGD	1.35	-0.5%

Source: Bloomberg, Standard Chartered
31 January to 28 February 2019

Multi-asset

Diversification remains key

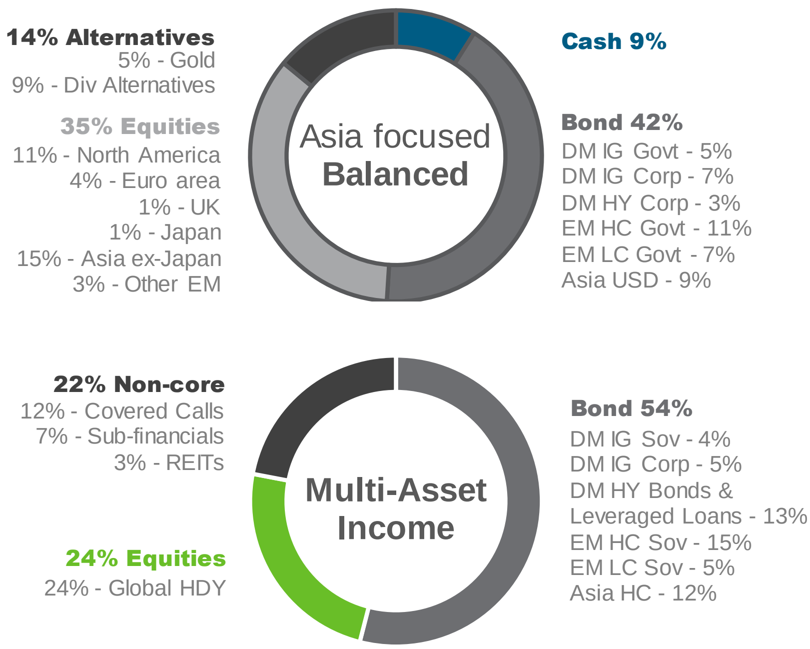
- We believe that continuing to diversify risky asset exposures is the most effective way to manage timing risk in a late-stage economic cycle
- For income-seeking investors, a multi-asset income allocation can continue to help achieve regular income goals

In our *Outlook 2019*, we updated two distinct asset allocations relevant to the goals of i) capital growth-focused investors and ii) income-focused investors (Figure 50).

In a month marked by a continuation of the recovery in equities and other risky assets, our multi-asset income and balanced allocations both delivered positive returns. The multi-asset income allocation performed slightly better than the balanced allocation, largely due to the performance of the fixed income and non-core components in the multi-asset income allocation.

Figure 13

Breakdown of our recommended Balanced and Income allocations



Source: Bloomberg, Standard Chartered

Note: *Allocation figures may not sum to 100% due to rounding*

IMPLICATIONS
FOR INVESTORS

Diversifying your income strategy across multiple assets (Multi-asset income strategy) remains key for income investors looking to generate consistent levels of yield

Neutral between income-tilted and growth-tilted allocations within multi-asset space

Tailor your overall multi-asset allocation in line with your return expectations and risk appetite

Figure 14

Key multi-asset views

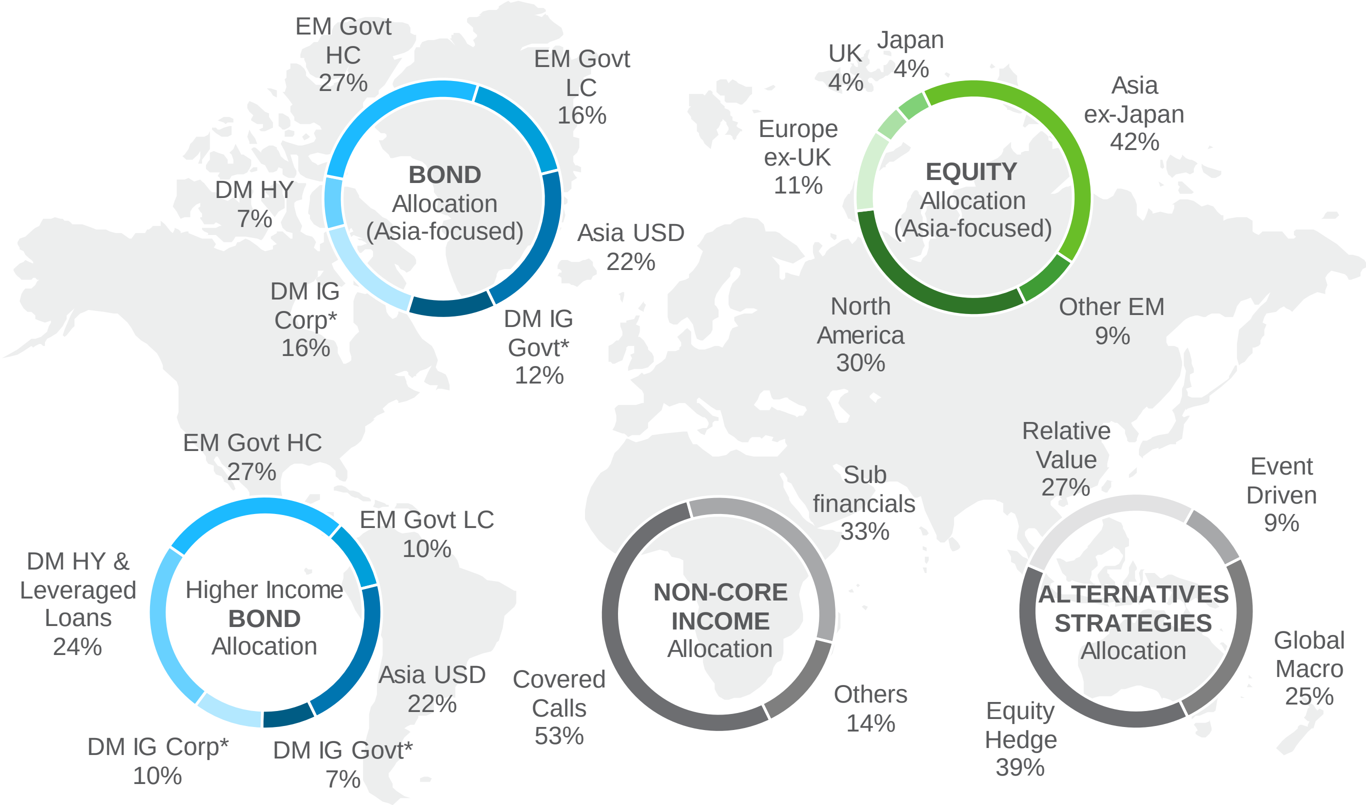
Allocation performance	YTD	1m return*
Total return balanced	4.4%	1.0%
Multi-asset income	4.3%	1.3%

Source: Bloomberg, Standard Chartered

* 31 January to 28 February 2019

Our recommended allocations

Asset class sleeves



Tailoring a multi-asset allocation to suit an individual's return expectations and appetite for risk

- We have come up with several asset class "sleeves" across major asset classes driven by our investment views
- Our modular allocations can be used as building blocks to put together a complete multi-asset allocation
- These multi-asset allocations can be tailored to fit an individual's unique return expectations and risk appetite
- We illustrate allocation examples for both Global and Asia-focused investors, across risk profiles

BOND Allocation (Asia-focused)	Higher Income BOND Allocation	EQUITY Allocation (Asia-focused)	NON-CORE Income Allocation	ALTERNATIVES STRATEGIES Allocation
• For investors who want a diversified allocation across major fixed income sectors and regions • Asia-focused allocation	• For investors who prefer a higher income component to capital returns from their fixed income exposure • Includes exposures to Senior Floating Rate bonds	• For investors who want a diversified allocation across major equity sectors and regions • Asia-focused allocation	• For investors who want to diversify exposure from traditional fixed income and equity into “hybrid” assets • Hybrid assets have characteristics of both fixed income and equity • Examples include Covered Calls, REITs and sub-financials (Preferred Shares and CoCo bonds)	• For investors who want to increase diversification within their allocation • Include both “substitute” and “diversifying” strategies

* FX-hedged
Note: Allocation figures may not add up to 100 due to rounding.

Asset allocation summary

Tactical Asset Allocation - (12m). All figures are in percentages.

		ASIA FOCUSED				GLOBAL FOCUSED			
Summary	View	Conservative	Moderate	Moderately Aggressive	Aggressive	Conservative	Moderate	Moderately Aggressive	Aggressive
Cash	◆	19	9	4	0	19	9	4	0
Fixed Income	◆	62	41	30	8	62	41	30	8
Equity	▲	19	36	52	83	19	36	52	83
Alternative Strategies	◆	0	14	13	8	0	14	13	8

		ASIA FOCUSED				GLOBAL FOCUSED			
Asset class	View	Conservative	Moderate	Moderately Aggressive	Aggressive	Conservative	Moderate	Moderately Aggressive	Aggressive
USD Cash	◆	19	9	4	0	19	9	4	0
DM Government Bonds	◆	7	5	4	1	11	7	5	1
DM IG Corporate Bonds*	◆	10	7	5	1	14	9	7	2
DM HY Corporate Bonds*	▼	5	3	2	1	6	4	3	1
EM USD Government Bonds	▲	17	11	8	2	13	8	6	2
EM Local Currency Government Bonds	◆	10	7	5	1	8	5	4	1
Asian USD Bonds	▲	13	9	7	2	10	7	5	1
North America	◆	6	11	16	25	10	18	26	42
Europe ex-UK	▼	2	4	6	9	1	2	3	5
UK	◆	1	2	2	4	1	2	2	3
Japan	◆	1	2	2	4	1	2	2	3
Asia ex-Japan	▲	8	15	22	35	5	10	14	23
Non-Asia EM	◆	2	3	4	7	2	3	4	7
Alternative Strategies	◆	0	14	13	8	0	14	13	8
		100	**100**	**100**	**100**	**100**	**100**	**100**	**100**

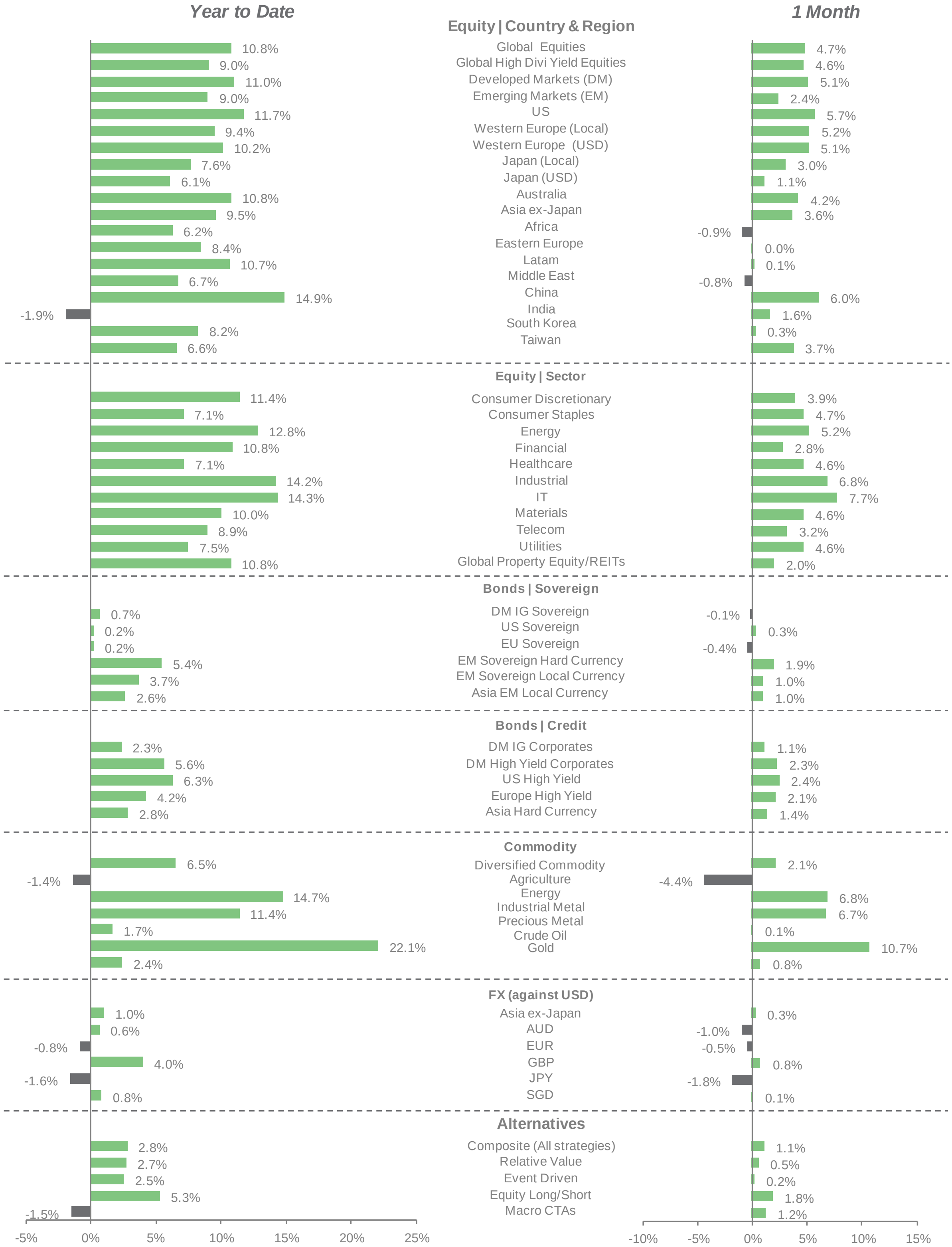
Source: Bloomberg, Standard Chartered

For illustrative purposes only. Please refer to the disclosure appendix at the end of the document. * FX-hedged

Note: 1. For small allocation we recommend investors to implement through global equity/global bond product 2. Allocation figures may not add up to 100 due to rounding.

Legend: ▼ Least preferred ◆ Core holding ▲ Most preferred

Market performance summary*



Source: MSCI, JPMorgan, Barclays, Dow Jones, HFRX, FTSE, Bloomberg, Standard Chartered
*All performance shown in USD terms, unless otherwise stated
*YTD performance data from 31 December 2018 to 28 February 2019 and 1-month performance from 28 January 2019 to 28 February 2019

Events calendar

january

23	BoJ policy decision
24	ECB policy decision
31	FOMC policy decision

february

01	India budget statement
05	RBA policy decision
07	BoE policy decision

march

05	China National People's Congress
05	RBA policy decision
07	ECB policy decision
15	BoJ policy decision
21	BoE policy decision
21	FOMC policy decision
29	UK to leave the EU

april

X	China Politburo meeting on economic policy
02	RBA policy decision
10	ECB policy decision
17	Indonesia general election due
25	BoJ policy decision

may

X	Australia federal election
02	BoE policy decision
02	FOMC policy decision
07	RBA policy decision
23-26	European Parliament election
X	India general election due

june

04	RBA policy decision
06	ECB policy decision
20	BoE policy decision
20	FOMC policy decision
20	BoJ policy decision
28-29	G20 Leaders' summit

july

X	China Politburo meeting on economic policy
01	Japan Upper House election
02	RBA policy decision
25	ECB policy decision
30	BoJ policy decision

august

01	FOMC policy decision
01	BoE policy decision
06	RBA policy decision

september

03	RBA policy decision
12	ECB policy decision
19	FOMC policy decision
19	BoJ policy decision
19	BoE policy decision

october

X	China Politburo meeting on economic policy
01	RBA policy decision
24	ECB policy decision
31	Last day of ECB President Mario Draghi's 8-year term
31	FOMC policy decision
31	BoJ policy decision

november

X	Japan's Constitutional referendum
X	APEC summit
05	RBA policy decision
07	BoE policy decision

december

X	China Central Economic Conference
X	China Politburo meeting on economic policy
03	RBA policy decision
12	FOMC policy decision
12	ECB policy decision
19	BoJ policy decision
19	BoE policy decision

Legend: X – Date not confirmed | **ECB** – European Central Bank | **FOMC** – Federal Open Market Committee (US) | **BoJ** – Bank of Japan | **BoE** – Bank of England | **RBA** – Reserve Bank of Australia

The team

Our experience and expertise help you navigate markets and provide actionable insights to reach your investment goals.

Alexis Calla
Chief Investment Officer
Chair of the Global Investment Committee

Steve Brice
Chief Investment Strategist

Christian Abuide
Head
Discretionary Portfolio Management

Clive McDonnell
Head
Equity Investment Strategy

Manpreet Gill
Head
FICC Investment Strategy

Manish Jaradi
Senior Investment Strategist

Belle Chan
Senior Investment Strategist

Daniel Lam, CFA
Senior Cross-asset Strategist

Rajat Bhattacharya
Senior Investment Strategist

Audrey Goh, CFA
Senior Cross-asset Strategist

Francis Lim
Senior Investment Strategist

Abhilash Narayan
Investment Strategist

DJ Cheong
Investment Strategist

Cedric Lam
Investment Strategist

Ajay Saratchandran
Senior Portfolio Manager

Samuel Seah, CFA
Senior Portfolio Manager

Thursten Cheok, CFA
Senior Portfolio Strategist

Trang Nguyen
Portfolio Strategist

Marco Iachini
Cross-asset Strategist

Disclosure appendix

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

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

Standard Chartered Bank is incorporated in England with limited liability by Royal Charter 1853 Reference Number ZC18. The Principal Office of the Company is situated in England at 1 Basinghall Avenue, London, EC2V 5DD. Standard Chartered Bank is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority.

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

This document is being distributed for general information only and it does not constitute an offer, recommendation or solicitation to enter into any transaction or adopt any hedging, trading or investment strategy, in relation to any securities or other financial instruments. This document is for general evaluation only, it does not take into account the specific investment objectives, financial situation or particular needs of any particular person or class of persons and it has not been prepared for any particular person or class of persons.

Investment involves risks. The prices of investment products fluctuate, sometimes dramatically. The price of investment products may move up or down, and may become valueless. It is as likely that losses will be incurred rather than profit made as a result of buying and selling investment products. You should not rely on any contents of this document in making any investment decisions. Before making any investment, you should carefully read the relevant offering documents and seek independent legal, tax and regulatory advice. In particular, we recommend you to seek advice regarding the suitability of the investment product, taking into account your specific investment objectives, financial situation or particular needs, before you make a commitment to purchase the investment product.

Opinions, projections and estimates are solely those of SCB at the date of this document and subject to change without notice. Past performance is not indicative of future results and no representation or warranty is made regarding future performance. Any forecast contained herein as to likely future movements in rates or prices or likely future events or occurrences constitutes an opinion only and is not indicative of actual future movements in rates or prices or actual future events or occurrences (as the case may be). This document has not been and will not be registered as a prospectus in any jurisdiction and it is not authorised by any regulatory authority under any regulations.

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

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

Standard Chartered Private Bank is the private banking division of SCB. Private banking activities may be carried out internationally by different SCB legal entities and affiliates according to local regulatory requirements. Not all products and services are provided by all SCB branches, subsidiaries and affiliates. Some of the SCB entities and affiliates only act as representatives of the Standard Chartered Private Bank, and may not be able to offer products and services, or offer advice to clients. They serve as points of contact only.

Country and Area Specific Disclosures

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

Brunei Darussalam: This document is being distributed in Brunei Darussalam by, and is attributable to, Standard Chartered Securities (B) Sdn Bhd which is a limited liability company registered with the Registry of Companies with Registration Number RC20001003 and licensed by Autoriti Monetari Brunei Darussalam as a Capital Markets Service License Holder with License Number AMBD/R/CMU/S3-CL.

China Mainland: This document is being distributed in China by, and is attributable to, Standard Chartered Bank (China) Limited which is mainly regulated by China Banking Regulatory Commission (CBRC), State Administration of Foreign Exchange (SAFE), and People's Bank of China (PBOC).

Hong Kong: In Hong Kong, this document, except for any portion advising on or facilitating any decision on futures contracts trading, is distributed by Standard Chartered Bank (Hong Kong) Limited ("SCBHK"), a subsidiary of Standard Chartered Bank. SCBHK has its registered address at 32/F, Standard Chartered Bank Building, 4-4A Des Voeux Road Central, Hong Kong and is regulated by the Hong Kong Monetary Authority and registered with the Securities and Futures Commission ("SFC") to carry on Type 1 (dealing in securities), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activity under the Securities and Futures Ordinance (Cap. 571) ("SFO") (CE No. AJI614). The contents of this document have not been reviewed by any regulatory authority in Hong Kong and you are advised to exercise caution in relation to any offer set out herein. If you are in doubt about any of the contents of this document, you should obtain independent professional advice. Any product named herein may not be offered or sold in Hong Kong by means of any document at any time other than to "professional investors" as defined in the SFO and any rules made under that ordinance. In addition, this document may not be issued or possessed for the purposes of issue, whether in Hong Kong or elsewhere, and any interests may not be disposed of, to any person unless such person is outside Hong Kong or is a "professional investor" as defined in the SFO and any rules made under that ordinance, or as otherwise may be permitted by that ordinance. In Hong Kong, Standard Chartered Private Bank is the private banking division of Standard Chartered Bank (Hong Kong) Limited.

Ghana: Standard Chartered Bank Ghana Limited accepts no liability and will not be liable for any loss or damage arising directly or indirectly (including special, incidental or consequential loss or damage) from your use of these documents. Past performance is not indicative of future results and no representation or warranty is made regarding future performance. You should seek advice from a financial adviser on the suitability of an investment for you, taking into account these factors before making a commitment to invest in an investment. To unsubscribe from receiving further updates, please click here. Please do not reply to this email. Call our Priority Banking on 0302610750 for any questions or service queries. You are advised not to send any confidential and/or important information to the Bank via e-mail, as the Bank makes no representations or warranties as to the security or accuracy of any information transmitted via e-mail. The Bank shall not be responsible for any loss or damage suffered by you arising from your decision to use e-mail to communicate with the Bank.

India: Standard Chartered Bank is registered with Securities and Exchange Board of India as an Investment Advisor (Registration Number: INA000002249) under the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013. You can avail of investment advisory services of Standard Chartered Bank only upon (i) executing separate documents with the Investment Advisory Group of Standard Chartered Bank for availing 'Investment Advice' (as defined in the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013); and (ii) paying specific fees (if applied by Standard Chartered Bank) for such 'Investment Advice'. Standard Chartered Bank acts as a distributor of mutual funds and referrer of other third party financial products, for which Standard Chartered Bank receives commission / referral fees from the product provider.

Jersey: In Jersey, Standard Chartered Private Bank is the Registered Business Name of the Jersey Branch of Standard Chartered Bank. The Jersey Branch of Standard Chartered Bank is regulated by the Jersey Financial Services Commission. Copies of the latest audited accounts of Standard Chartered Bank are available from its principal place of business in Jersey: PO Box 80, 15 Castle Street, St Helier, Jersey JE4 8PT. Standard Chartered Bank is incorporated in England with limited liability by Royal Charter in 1853 Reference Number ZC 18. The Principal Office of the Company is situated in England at 1 Basinghall Avenue, London, EC2V 5DD. Standard Chartered Bank is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. The Jersey Branch of Standard Chartered Bank is also an authorised financial services provider under license number 44946 issued by the Financial Sector Conduct Authority of the Republic of South Africa. Jersey is not part of the United Kingdom and all business transacted with Standard Chartered Bank, Jersey Branch and other Standard Chartered Group Offices outside of the United Kingdom, are not subject to some or any of the investor protection and compensation schemes available under United Kingdom law.

Kenya: Investment Products and Services are distributed by Standard Chartered Investment Services Limited, a wholly owned subsidiary of Standard Chartered Bank Kenya Limited (Standard Chartered Bank/the Bank) that is licensed by the Capital Markets Authority as a Fund Manager. Standard Chartered Bank Kenya Limited is regulated by the Central Bank of Kenya.

Malaysia: This document is being distributed in Malaysia by Standard Chartered Bank Malaysia Berhad. Recipients in Malaysia should contact Standard Chartered Bank Malaysia Berhad in relation to any matters arising from, or in connection with, this document.

Singapore SCBSL: This document is being distributed in Singapore by, and is attributable to, Standard Chartered Bank (Singapore) Limited ("SCBSL"). Recipients in Singapore should contact SCBSL in relation to any matters arising from, or in connection with, this document. SCBSL is an indirect wholly-owned subsidiary of Standard Chartered Bank and is licensed to conduct banking business in Singapore under the Singapore Banking Act, Chapter 19. IN RELATION TO ANY FIXED INCOME AND STRUCTURED SECURITIES REFERRED TO IN THIS DOCUMENT (IF ANY), THIS DOCUMENT TOGETHER WITH THE ISSUER DOCUMENTATION SHALL BE DEEMED AN INFORMATION MEMORANDUM (AS DEFINED IN SECTION 275 OF THE SECURITIES AND FUTURES ACT, CHAPTER 289 ("SFA"). IT IS INTENDED FOR DISTRIBUTION TO ACCREDITED INVESTORS, AS DEFINED IN SECTION 4A OF THE SFA, OR ON TERMS THAT THE SECURITIES MAY ONLY BE ACQUIRED AT A CONSIDERATION OF NOT LESS THAN S$200,000 (OR ITS EQUIVALENT IN A FOREIGN CURRENCY) FOR EACH TRANSACTION. Further, in relation to fixed income and structured securities mentioned (if any), neither this document nor the Issuer Documentation have been, and will not be, registered as a prospectus with the Monetary Authority of Singapore under the SFA. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the product may not be circulated or distributed, nor may the product be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons other than a relevant person pursuant to section 275(1) of the SFA, or any person pursuant to section 275(1A) of the SFA, and in accordance with the conditions, specified in section 275 of the SFA, or pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Singapore dollar deposits of non-bank depositors are insured by the Singapore Deposit Insurance Corporation, for up to S$50,000 in aggregate per depositor per Scheme member by law. Foreign currency deposits, dual currency investments, structured deposits and other investment products are not insured.

Singapore SCB, Singapore Branch: This document is being distributed in Singapore by SCB, Singapore branch only to accredited investors, expert investors or institutional investors, as defined in the Securities and Futures Act, Chapter 289 of Singapore. Recipients in Singapore should contact SCB, Singapore branch in relation to any matters arising from, or in connection with, this document. In Singapore, Standard Chartered Private Bank is the Private Banking division of SCB, Singapore branch. SCB, Singapore branch (Registration No. S16FC0027L) (GST Registration No.: MR-8500053-0) is licensed to conduct banking business under the Banking Act, Chapter 19 of Singapore. IN RELATION TO ANY FIXED INCOME AND STRUCTURED SECURITIES REFERRED TO IN THIS DOCUMENT (IF ANY), THIS DOCUMENT TOGETHER WITH THE ISSUER DOCUMENTATION SHALL BE DEEMED AN INFORMATION MEMORANDUM (AS DEFINED IN SECTION 275 OF THE SFA). IT IS INTENDED FOR DISTRIBUTION TO ACCREDITED INVESTORS, AS DEFINED IN SECTION 4A OF THE SFA. Further, in relation to fixed income and structured securities mentioned (if any), neither this document nor the Issuer Documentation have been, and will not be, registered as a prospectus with the Monetary Authority of Singapore under the SFA. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the product may not be circulated or distributed, nor may the product be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons other than a relevant person pursuant to section 275(1) of the SFA, and in accordance with the conditions, specified in section 275 of the SFA, or pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA. Singapore dollar deposits of non-bank depositors are insured by the Singapore Deposit Insurance Corporation, for up to S$50,000 in aggregate per depositor per Scheme member by law. Foreign currency deposits, dual currency investments, structured deposits and other investment products are not insured. In relation to any collective investment schemes referred to in this document (if any), this document is for general information purposes only and is not an offering document or prospectus (as defined in the SFA). This document is not, nor is it intended to be (i) an offer or solicitation of an offer to buy or sell any financial product; or (ii) an advertisement of an offer or intended offer of any financial product.

Taiwan: Standard Chartered Bank ("SCB") or Standard Chartered Bank (Taiwan) Limited ("SCB (Taiwan)") may be involved in the financial instruments contained herein or other related financial instruments. The author of this document may have discussed the information contained herein with other employees or agents of SCB or SCB (Taiwan). The author and the above-mentioned employees of SCB or SCB (Taiwan) may have taken related actions in respect of the information involved (including communication with customers of SCB or SCB (Taiwan) as to the information contained herein). The opinions contained in this document may change, or differ from the opinions of employees of SCB or SCB (Taiwan). SCB and SCB (Taiwan) will not provide any notice of any changes to or differences between the above-mentioned opinions. This document may cover companies with which SCB or SCB (Taiwan) seeks to do business at times and issuers of financial instruments. Therefore, investors should understand that the information contained herein may serve as specific purposes as a result of conflict of interests of SCB or SCB (Taiwan). SCB, SCB (Taiwan), the employees (including those who have discussions with the author) or customers of SCB or SCB (Taiwan) may have an interest in the products, related financial instruments or related derivative financial products contained herein; invest in those products at various prices and on different market conditions; have different or conflicting interests in those products. The potential impacts include market makers' related activities, such as dealing, investment, acting as agents, or performing financial or consulting services in relation to any of the products referred to in this document.

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

UAE: DIFC - Standard Chartered Bank, Dubai International Financial Centre (SCB DIFC) having its offices at Dubai International Financial Centre, Building 1, Gate Precinct, P.O. Box 999, Dubai, UAE is a branch of Standard Chartered Bank and is regulated by the Dubai Financial Services Authority ("DFSA"). This document is intended for use only by Professional Clients and is not directed at Retail Clients as defined by the DFSA Rulebook. In the DIFC we are authorized to provide financial services only to clients who qualify as Professional Clients and Market Counterparties and not to Retail Clients. As a Professional Client you will not be given the higher retail client protection and compensation rights and if you use your right to be classified as a Retail Client we will be unable to provide financial services and products to you as we do not hold the required license to undertake such activities. For Islamic transactions, we are acting under the supervision of our Shariah Supervisory Committee. Relevant information on our Shariah Supervisory Committee is currently available on the Standard Chartered Bank website in the Islamic banking section here.

UAE: For residents of the UAE – Standard Chartered Bank UAE does not provide financial analysis or consultation services in or into the UAE within the meaning of UAE Securities and Commodities Authority Decision No. 48/r of 2008 concerning financial consultation and financial analysis.

Uganda: Our Investment products and services are distributed by Standard Chartered Bank Uganda Limited, which is licensed by the Capital Markets Authority as an investment adviser.

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

Zambia: This document is distributed by Standard Chartered Bank Zambia Plc, a company incorporated in Zambia and registered as a commercial bank and licensed by the Bank of Zambia under the Banking and Financial Services Act Chapter 387 of the Laws of Zambia.

Market Abuse Regulation (MAR) Disclaimer

Standard Chartered Bank is incorporated in England with limited liability by Royal Charter 1853 Reference Number ZC18. The Principal Office of the Company is situated in England at 1 Basinghall Avenue, London, EC2V 5DD. Standard Chartered Bank is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and Prudential Regulation Authority. Banking activities may be carried out internationally by different Standard Chartered Bank branches, subsidiaries and affiliates (collectively "SCB") according to local regulatory requirements. Opinions may contain outright "buy", "sell", "hold" or other opinions. The time horizon of this opinion is dependent on prevailing market conditions and there is no planned frequency for updates to the opinion.

This opinion is not independent of SCB's own trading strategies or positions. SCB and/or its affiliates or its respective officers, directors, employee benefit programmes or employees, including persons involved in the preparation or issuance of this document may at any time, to the extent permitted by applicable law and/or regulation, be long or short any securities or financial instruments referred to in this document or have material interest in any such securities or related investments. Therefore, it is possible, and you should assume, that SCB has a material interest in one or more of the financial instruments mentioned herein. If specific companies are mentioned in this communication, please note that SCB may at times do business or seek to do business with the companies covered in this communication; hold a position in, or have economic exposure to, such companies; and/or invest in the financial products issued by these companies. Further, SCB may be involved in activities such as dealing in, holding, acting as market makers or liquidity providers, or performing financial or advisory services including but not limited to, lead manager or co-lead manager in relation to any of the products referred to in this communication. SCB may have received compensation for these services and activities. Accordingly, SCB may have a conflict of interest that could affect the objectivity of this communication.

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

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

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