



Investment Navigator

Asia Edition

What to Do After the Recovery?

Summary

- The first eight months of 2021 have been clear: Global equities, with the exception of China, have been the asset class of choice. Corporate bonds outperformed government bonds while commodities also did well, in line with our broader views.
- What do we think about growth in the second half of 2021? Given the dip in bond yields, what are actionable for the rest of the year?

Worry About Growth or Inflation?

The worry about growth, instead of inflation, should be the real concern now: Since July, the reaction of the bond markets to decade-high US headline inflation rates of 5%+ has been puzzling. Rather than seeing rising bond yields, as one would normally expect, long-term bond yields have fallen from their end-March highs. US 10-year Treasury yields have declined to 1.3% (as of late-August), down 0.4% from over 1.7% in March. Similarly, German 10-year bund yields have lost 0.3% from their recent peak.

What are the cautious signals from the bond markets telling us? The bond market is suggesting that future growth, not inflation, is now the principal preoccupation of the financial markets.

Macro Insight of the Month	1
Overview of our CIO Asset Allocation	4
GDP & CPI Forecasts	5
Equity	6
Fixed Income	7
Forex & Commodities	8

This may seem odd given the strong economic recovery evident on both sides of the Atlantic.

How Fast Will Growth Fade?

There is a likelihood of fading effects from pandemic-related stimulus. The recovery thus far has been fuelled by an abnormally large monetary (zero interest rates, bond buying programmes) as well as fiscal (unemployment support, “helicopter money”, infrastructure investment spending) stimulus. This economic boost was a response to the pandemic-induced lockdowns, and thus largely one-off in nature.

As we progressively return to something resembling more normal economic activity, subject to any fallouts from new COVID-19

Prashant BHAYANI
CIO Asia
BNP Paribas
Wealth Management



Grace TAM
Chief Investment Adviser
Hong Kong
BNP Paribas
Wealth Management

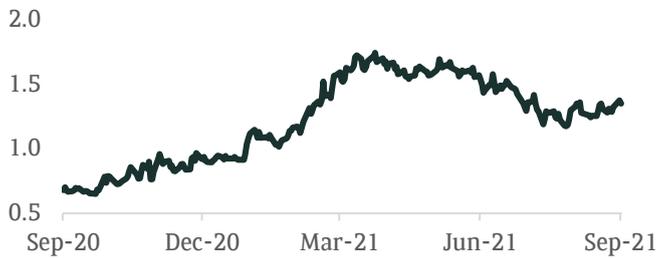


Dannel LOW
Investment Specialist
Asia
BNP Paribas
Wealth Management



variants, the impact from this extraordinary economic stimulus will fade post-lockdowns. The bond markets are telling us that there is a substantial risk of subpar economic growth ahead, post-stimulus.

US 10Y TREASURY YIELD HAS BEEN ON A DOWNTREND SINCE APRIL



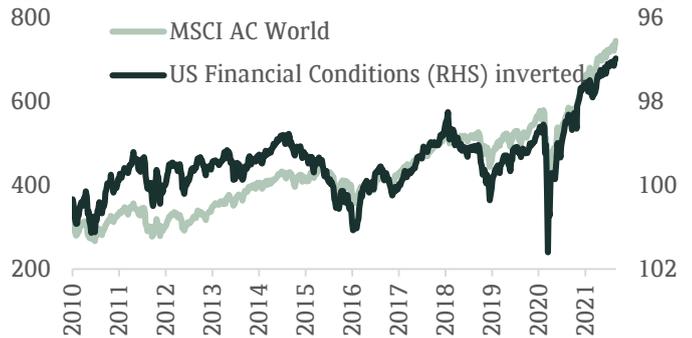
Source: Bloomberg, BNP Paribas (WM), as of 8 Sep 2021
Past performance is not indicative of current or future performance

Will Monetary Policy Tighten Too Fast?

There is obviously also the risk of premature tightening of monetary policy. The markets are also warning the risk of a policy mistake by the US Federal Reserve, that the Fed will react to these higher inflation rates by tightening monetary policy too early, at a time when growth is already slowing down. In past cycles, the primary trigger of economic recession has been central banks raising interest rates in response to rising inflation pressures. Recall that the sensitivity of the global economy to interest rates is far higher today than in the past, given the very high debt levels. Any modest tightening of Fed policy could heavily impact the US and global economy.

In that regard, the recent Jackson Hole Symposium had a Goldilocks outcome with Fed Chair Powell stating that labour slack is understated, full employment needs to justify rate hikes, and not explicitly linking any tapering to rate hikes as well. We expect the tapering announcement to be dependant on employment growth over the next few months with implementation in December this year.

EASY FINANCIAL CONDITIONS HAVE BEEN DRIVING MARKETS UPWARDS



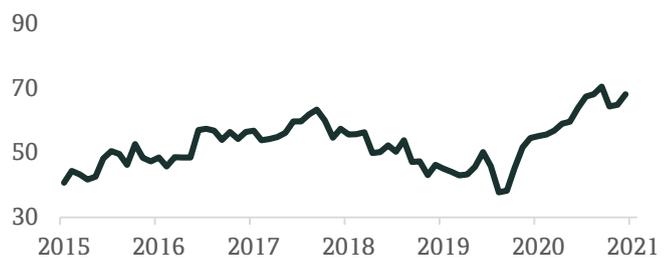
Source: Bloomberg, BNP Paribas (WM), as of 8 Sep 2021
Past performance is not indicative of current or future performance

Actionable Themes to Year-End

In light of the risk of possible sub-par economic growth as we enter the post-stimulus era, as well as tightening of monetary policy on the horizon, we have identified some themes to help navigate through the rest of 2021.

On-going investment boom: Surging government and corporate investment is a new trend that we believe will be persistent, after a decade of under-investment in the wake of the Great Financial Crisis. Structural shifts in demand and consumption post-lockdowns, and the ongoing record-low cost of debt financing are following winds for corporate investment. Companies are investing for growth, in order to cut costs and generate long-lasting productivity gains, while governments are investing both to support employment, and to upgrade key transport, housing and communications infrastructure.

ISM MANUFACTURING REPORT ON BUSINESS BACKLOG OF ORDERS



Source: Bloomberg, BNP Paribas (WM), as of 8 Sep 2021
Past performance is not indicative of current or future performance

Focus on real assets for income and diversification

In a world in which cash, Sovereign bond markets and Corporate credit markets offer historically low (or even negative) income yields to investors, we advocate greater exposure to real assets with positive after-inflation yields. We see attractive income and diversification benefits from exposure to infrastructure, real estate and commodities. Pension and insurance funds are having ever greater difficulty in meeting their future expected return targets, given their historically heavy weightings to bonds and credit. We expect these institutional investors to step up their exposure to these real asset classes in the future, looking to match their long-term liabilities with these long-term assets which purport to offer far higher future returns than fixed income.

Refocusing on healthcare and med tech

Healthcare benefits today from a resurgence in investment plus emergent revolutionary technologies. The challenge? To enhance healthy living years while controlling spiralling costs. Healthcare companies are better targeting treatments via more accurate diagnostic techniques, detecting health issues early via a focus on wellness and prevention, and advancing the use of telemedicine for prompter, more effective healthcare delivery. Acceleration in new drug approvals (especially for age-related and psychiatric conditions, e.g. Alzheimer's/dementia and clinical depression) is boosting the drug pipelines of pharmaceutical and biotech companies, thus driving future profit growth.

CONCLUSION / STRATEGY:

To end-August, 2021 has been a banner year for developed market equities, real estate and infrastructure with 20%+ returns in each case. We maintain our positive stance on equities and real assets, namely commercial real estate, global infrastructure and commodities.

We expect an announcement on the Fed tapering in 4Q, with implementation in December this year. The sharp recent slowing in US economic momentum complicates the Fed's decision, and much will be dependent on employment growth over the next few months. The US 10y treasury yield is likely to rise, and we target 2% in 12 months, while retaining our negative stance on government bonds.



Overview of our CIO Asset Allocation for September 2021

	Views		Constituents	We like	We avoid	Comments
	Current	Prior				
EQUITIES	+	+	Markets	EU, UK, Japan, EM: China, Taiwan, India, South Korea.		<ul style="list-style-type: none"> European stocks are still the preferred stock market, outperforming the US and emerging markets, and attracting substantial flows.
			Sectors	Real Estate, Financials, Healthcare, Semiconductors, Construction Materials, Precious Metals, EU Energy	Utilities	<ul style="list-style-type: none"> Healthcare in vogue: Strong drug pipeline prospects with strength in particular in innovative healthcare devices and diagnostics.
			Styles/ Themes	Megatrend themes		<ul style="list-style-type: none"> Good potential remains for secular themes such as 5G, AI, cloud, cybersecurity, smart consumers, health tech, water, waste and infrastructure.
BONDS	-	-	Govies		US long-term Treasuries	<ul style="list-style-type: none"> Our 10-year US bond yield target is 2%. We are neutral on US short-term bonds and stay negative on long-term bonds.
			Segments	Emerging Markets Bonds (USD + local currency) Fallen Angels & Rising Stars		<ul style="list-style-type: none"> We turn neutral from positive on US IG corporate bonds We keep a neutral stance on US HY. We prefer Fallen Angels and Rising Stars. We are positive on EM bonds, in both hard and local currency.
			Maturities	At benchmark		
CASH	=	=				
COMMODITIES	+	+		Gold		<ul style="list-style-type: none"> Gold - positive: We expect gold to trade in the \$1800-2000 range. Oil - neutral: Our 1-year target is \$70-80. Base metals - neutral: Our medium-term outlook remains bullish as we expect global growth to remain above trend.
FOREX			EURUSD			<ul style="list-style-type: none"> We keep our 3-month target for EURUSD at 1.17 and 12-month target at 1.22.
ALTERNATIVE				Real Estate; Macro, Event-driven Hedge Funds		<ul style="list-style-type: none"> We downgrade from positive to neutral on Relative Value, with a preference for Macro & Event Driven strategies.

Note: + Positive / = Neutral / - Negative

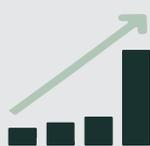


GDP & CPI Forecasts

		GDP (YoY%)			CPI (YoY%)		
		2020	2021f	2022f	2020	2021f	2022f
	Global	-3.3	5.7	5.1	-	-	-
Developed	US	-3.5	6.0	5.3	1.2	4.2	2.8
	Japan	-4.7	2.1	2.4	0.0	-0.2	0.3
	Eurozone	-6.7	5.0	5.2	0.3	2.4	2.1
	UK	-10.2	7.0	6.3	0.9	2.3	3.3
	Developing Asia	-5.3	5.2	8.3	3.8	3.8	3.2
North Asia	China	2.3	8.2	5.6	2.5	1.2	2.8
	Hong Kong*	-6.1	4.3	3.8	0.3	1.4	1.9
	South Korea	-1.0	3.9	3.0	0.5	2.1	1.7
	Taiwan*	3.1	4.7	3.0	-0.2	0.9	1.2
South Asia	India	-7.2	7.0	11.2	6.1	5.4	4.5
	Indonesia	-2.1	2.8	5.6	2.0	1.5	1.8
	Malaysia	-5.7	4.1	5.6	-1.1	2.3	0.4
	Philippines*	-9.5	6.9	6.5	2.6	3.4	3.0
	Singapore*	-5.4	5.2	3.2	-0.2	0.2	0.8
	Thailand	-6.2	0.9	3.4	-0.8	0.7	1.0

Source: BNP Paribas Group Economic Research, BNP Paribas Global Markets forecasts as of 31 August 2021

* IMF data and forecasts as of 31 August 2021



GROWTH

- The main driver of DM growth was consumption as economies reopened, resulting in a strong rebound in the services sector. Manufacturing lagged a little, due to previous strength and supply chain constraints.
- The fiscal multiplier effect should usher in a high growth environment for a longer period that could lead to positive surprises.



INFLATION

- Base effects and supply chain constraints have been the key drivers of headline inflation in the short term. We expect a peak at the beginning of next year in most countries.
- The labour market, especially wages, is the key driver of inflation in the medium term. In the US, there are signs of stress, and wages will rise in the coming months, but less so in other countries.



Equity

 POSITIVE
  NEUTRAL
  NEGATIVE

OVERALL GLOBAL: POSITIVE



COUNTRY

Eurozone
Emerging Mkt
Japan
UK

US

-

SECTOR

Healthcare
Real Estate
Financials

Consu. Discre.
Technology
Energy
Comms
Materials
Industrials
Consu. Sta.

Utilities

OVERALL ASIA: POSITIVE



COUNTRY

China, Taiwan
Singapore
South Korea
India, Indonesia

Thailand
Malaysia
Philippines

-

SECTOR

Technology
Healthcare
Industrials
Consu. Discre.
Real Estate
▲ Consu. Sta.

Comms
Energy
Materials

Financials
Utilities

- Given the high number of companies above their own 200-day moving averages (80%+ in US and Europe), the **breadth of this upwards momentum remains solid, supporting our positive equities stance.**
- China conundrum:** Chinese equities have sold off on regulatory tightening and a weaker credit impulse since February. On a 12+ month time horizon, we think investors should accumulate on this weakness.
- Upgrade Asia consumer staples to positive:** The re-opening momentum accelerates the consumption trend as well as the industry consolidation that benefits industry leaders. Also, packaged food and beverage manufacturers are seizing better opportunities and receptiveness to promote healthier products.

		1-month (%)	YTD (%)	2020 (%)	Forward PE (x)	Trailing PB (x)	Dividend Yield (%) 2021f	EPS Growth (%) 2021f	EPS Growth (%) 2022f	ROE (%) 2021f
Developed	US	2.8	19.9	19.2	22.0	5.0	1.8	43.6	8.2	22.4
	Japan	3.1	8.6	6.6	15.0	1.5	2.0	21.6	28.8	7.8
	Eurozone	2.4	17.9	-2.7	16.4	2.0	2.3	59.6	9.5	10.3
	UK	0.9	10.3	-16.1	12.1	1.8	3.7	76.5	3.5	10.3
	Asia Ex-Japan	2.1	-0.6	22.5	14.2	1.9	2.3	39.6	10.2	11.5
North Asia	China	0.0	-13.2	25.9	13.4	1.9	2.4	16.3	15.9	11.2
	Hong Kong	-0.9	4.4	2.1	16.9	1.4	2.7	27.7	15.4	8.1
	South Korea	-0.8	4.6	34.0	10.5	1.3	2.3	109.5	2.2	13.6
	Taiwan	3.0	17.7	28.6	14.6	2.8	2.7	50.8	0.7	19.4
South Asia	India	8.8	24.9	16.8	23.0	3.9	1.1	33.5	17.6	13.5
	Indonesia	6.4	-7.4	-9.5	14.7	2.4	2.7	25.6	21.7	14.3
	Malaysia	6.7	-3.8	-1.7	13.9	1.6	3.4	109.9	-7.9	10.4
	Philippines	10.5	-3.0	-9.7	17.1	1.8	1.4	52.5	24.8	7.3
	Singapore	-3.0	8.5	-12.8	13.8	1.3	3.4	46.3	13.2	8.0
	Thailand	8.8	8.5	-13.9	18.4	2.2	2.4	59.6	12.5	8.8

Source: MSCI indices in local currency terms, Bloomberg, Datastream, BNP Paribas (WM), as of 31 August 2021



BNP PARIBAS
WEALTH MANAGEMENT

The bank
for a changing
world

Fixed Income

 POSITIVE
  NEUTRAL
  NEGATIVE

OVERALL GLOBAL: NEGATIVE

OVERALL ASIA (USD): NEUTRAL

EMD (LC)
EMD (HC)Short-term UST
▼ US IG
High Yield

Long-term UST

Hong Kong

India
Philippines
South Korea
Indonesia
China

-

		Total Return (%)			Yield-to-Worst (%)
		1-Month	2020	2019	
Asia	Asia USD Bond	0.8	7.6	7.3	2.8
	Asia Local Currency Bond	1.1	4.8	9.7	3.1
	China	1.4	5.5	6.1	3.6
	Hong Kong	0.2	9.8	8.0	2.1
	India	1.4	10.0	6.7	3.1
	Indonesia	0.9	10.5	9.8	2.7
	Singapore	0.1	7.9	6.9	1.9
	South Korea	0.0	7.4	6.9	1.2
	Philippines	0.9	7.7	7.4	2.3
Other Regions	US 10-year Treasuries	-0.3	7.1	8.7	1.3
	US Investment Grades (IG)	-0.2	6.8	7.5	1.4
	US High Yield (HY)	0.5	12.0	7.1	3.9
	Emerging Market USD Bond	1.1	7.2	6.8	3.6

Source: Barclays indices, Bloomberg, BNP Paribas (WM) as of 31 August 2021

US Treasury 12-month Yield Targets (%)	2Y	5Y	10Y	30Y
	0.6	1.25	2.0	2.6

- We expect the Fed to announce the tapering in 4Q and execute it in December. We expect the Fed to hike rates in Q1 2023. Most policymakers think that the economy has made “substantial further progress” towards price stability and maximum employment. That plan could be delayed if the impacts of the Delta variant were persistent.
- We stay negative on US long-term government bonds. Our 12-month 10-year US bond yield target remains at 2%.
- Turn neutral from positive on US IG corporate bonds: spreads have limited potential to compress further. The asset class could face negative returns if Treasury yields tick up as the IG index duration is close to its all-time highs.
- Stay positive on EM bonds (both USD and local currency): EM assets have lagged. We see recent spread widening in EM hard currency as an opportunity. Also, the risk of Fed tapering is priced in after the recent correction in EM currencies.



Forex & Commodities

😊 POSITIVE 😐 NEUTRAL 😞 NEGATIVE

12-MONTH FOREX VIEW



EUR GBP JPY CAD CNY USD
AUD NZD HKD KRW TWD
INR IDR MYR PHP
SGD THB

COMMODITIES



Gold

Oil
Base metal

-

A turnaround in AUD: AUD weakened significantly in recent months due to fresh Covid lockdowns and China slow down that had depressed metal prices. We think the market has priced in too much bad news with AUD's short positioning the largest among G10 currencies.

AUDUSD saw a rebound from the recent lows of 0.71. The RBA pushed ahead with a cautious winding back of its bond purchasing program in September, underlining its confidence in the economic recovery outlook. The weaker-than-expected China data also raises market expectation of policy easing. Our 12-month target is 0.76.

GOLD: The precious metal should benefit from the central banks' efforts to keep real rates as low as possible given the high level of public debts. We expect gold to trade in the range of **\$1800-2000**.

OIL: We are neutral in the short term, while remaining bullish in the medium term as we expect above trend global growth. Downside risks are limited due to the OPEC+ supply management. Our **1-year target for Brent is \$70-80**.

BASE METALS: We expect base metals to resume their uptrend as soon as the macro outlook improves in China. The medium-term outlook remains bright as demand is expected to increase while supply will remain tight.

Forex Forecasts

	Spot As of 31 Aug 2021	3-month		12-month		
		View	Target	View	Target	
Developed	USD Index*	92.63	=	93.2	-	90.1
	Japan	109.9	=	111	=	111
	Eurozone	1.180	=	1.17	+	1.22
	UK	1.376	=	1.38	+	1.45
	Australia	0.731	=	0.73	+	0.76
	New Zealand	0.703	=	0.70	+	0.73
	Canada	1.264	=	1.25	=	1.24
Asia Ex-Japan	China	6.463	=	6.40	=	6.40
	Hong Kong*	7.777	=	7.76	=	7.75
	South Korea*	1,159	=	1,150	=	1,160
	Taiwan*	27.71	=	28.1	=	28.4
	India	73.01	+	72.0	+	72.0
	Indonesia*	14,263	=	14,500	=	14,800
	Malaysia*	4.157	=	4.15	=	4.16
	Philippines*	49.75	=	49.0	=	50.0
	Singapore*	1.345	=	1.34	=	1.35
Thailand*	32.23	=	32.00	=	31.70	

Source: BNP Paribas (WM) as of 31 August 2021

*BNP Paribas Global Markets forecast as of 31 August 2021

Note: + Positive / = Neutral / - Negative



BNP PARIBAS
WEALTH MANAGEMENT

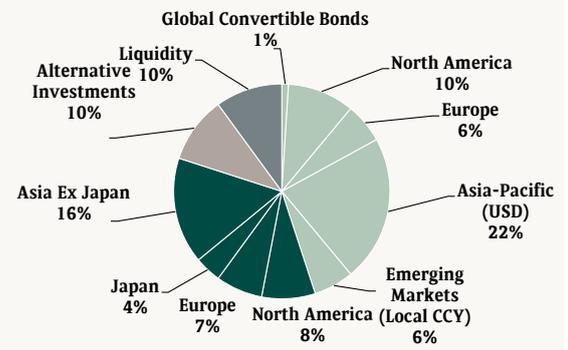
The bank
for a changing
world

Strategic & Tactical Asset Allocation

OUR TACTICAL ASSET ALLOCATION IS BASED ON OUR CIO'S ASSET ALLOCATION VIEWS.

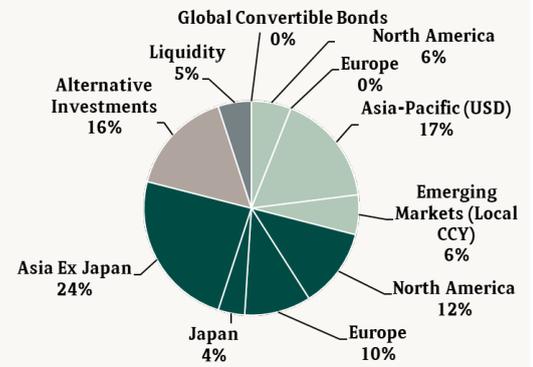
INVESTMENT PROFILE: BALANCED

	STRATEGIC ASSET ALLOCATION	TACTICAL POSITIONING	THIS MONTH'S TACTICAL ASSET ALLOCATION
FIXED INCOME	50%	-5%	45%
EQUITIES	30%	+5%	35%
ALTERNATIVES	10%	-	10%
LIQUIDITY	10%	-	10%



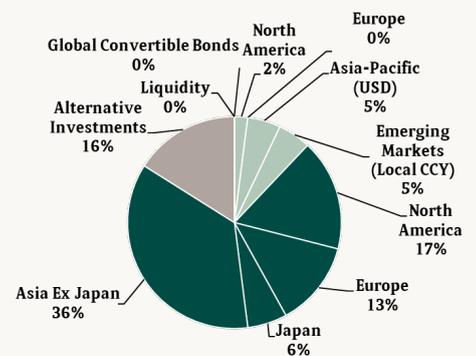
INVESTMENT PROFILE: DYNAMIC

	STRATEGIC ASSET ALLOCATION	TACTICAL POSITIONING	THIS MONTH'S TACTICAL ASSET ALLOCATION
FIXED INCOME	35%	-6%	29%
EQUITIES	45%	+5%	50%
ALTERNATIVES	15%	+1%	16%
LIQUIDITY	5%	-	5%



INVESTMENT PROFILE: VERY DYNAMIC

	STRATEGIC ASSET ALLOCATION	TACTICAL POSITIONING	THIS MONTH'S TACTICAL ASSET ALLOCATION
FIXED INCOME	20%	-8%	12%
EQUITIES	65%	+7%	72%
ALTERNATIVES	15%	+1%	16%
LIQUIDITY	0%	-	0%



Source: MyAdvisory, as of 8 September 2021

The above is for illustration purpose only and is subject to change from time to time.

DISCLAIMER

This document is provided in Singapore by BNP Paribas, acting through its Singapore branch, and in Hong Kong by BNP Paribas, acting through its Hong Kong branch. BNP Paribas is a public limited company (société anonyme) incorporated in France with liability of its members limited. BNP Paribas, acting through its Hong Kong branch is a licensed bank regulated by the Hong Kong Monetary Authority, a Registered Institution under the Securities and Futures Ordinance of Hong Kong (Cap. 571), and registered with the Securities and Futures Commission (SFC) to carry on Types 1, 4, 6 and 9 regulated activities in Hong Kong (SFC CE Reference: AAF564). BNP Paribas, acting through its Singapore branch (UEN/Registration No: S71FC2142G), is a licensed bank regulated by the Monetary Authority of Singapore. BNP Paribas Wealth Management is the business line name for the Wealth Management activity conducted by BNP Paribas. "BNP Paribas Wealth Management" (UEN/Registration No 53347235X) is a business name registered in Singapore under the Business Names Registration Act 2014.

This document is produced for general information only and should not be used as reference for entering into any specific transaction, and the information and opinions contained herein should not be relied upon as authoritative or taken in substitution for the exercise of judgment by any recipient or the seeking of independent professional advice (such as financial, legal, accounting, tax or other advice) by any recipient. This document is not intended to be an offer or a solicitation to buy or to sell or to enter into any transaction. In addition, this document and its contents is not intended to be an advertisement, inducement or representation of any kind or form whatsoever. BNP Paribas reserves the right (but is not obliged) to vary the information in this document at any time without notice and, save to the extent provided otherwise in Clause 6.5 of BNP Paribas Wealth Management's Terms and Conditions ("T&Cs") applicable to your account, BNP Paribas shall not be responsible for any consequences arising from such variation.

The terms set forth herein are intended for discussion purposes only and are subject to the final expression of the terms of the transaction, if the investor decides to proceed with the transaction. It does not represent (a) the actual terms on which a transaction would be entered into, (b) the actual terms on which any existing transactions could be unwound, (c) the calculation or estimate of an amount that would be payable following an early termination of the transactions, or (d) the actual valuations given to the transactions by BNP Paribas in its books of account for financial reporting. The final terms of the transaction will be set forth in the final term sheet, any applicable agreement and/or

confirmation. Please also refer to the disclaimer statements contained in the relevant documents, and disclosure and other important information concerning our fees, charges and/or commissions as set out in the Fee Schedule.

If this document is a post-trade/transaction confirmation, please examine the information as set out in this document carefully and contact us immediately if you notice any discrepancy. The content of this document is subject to the final transaction(s) details / information in our official bank statements and/or advices (if any) which may follow by mail. This document contains confidential information intended only for the use of the addressee(s) named above. If you are not the addressee(s), you must not disseminate, copy or take any action in reliance on it. If you have received this document by error, please notify BNP Paribas and delete/destroy this document immediately.

Although the information and opinions provided herein may have been obtained or derived from published or unpublished sources considered to be reliable and while all reasonable care has been taken in the preparation of this document, BNP Paribas does not make any representation or warranty, express or implied, as to its accuracy or completeness and, save to the extent provided otherwise in Clause 6.5 of the T&Cs applicable to your account, BNP Paribas shall not be responsible for any inaccuracy, error or omission.

All analysis, estimates and opinions contained in this document constitute BNP Paribas' own judgments as of the date of this document, and such expressions of opinion are subject to change without notice. Information provided herein may contain forward-looking statements. The words "believe", "expect", "anticipate", "project", "estimate", "predict", "is confident", "has confidence" and similar expressions are also intended to identify forward-looking statements. These forward-looking statements are not historical facts but based on the current beliefs, assumptions, expectations, estimates, and projections of BNP Paribas in light of the information presently available, and involve both known and unknown risks and uncertainties. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond control and are difficult to predict. Consequently, actual results could differ materially from those expressed, implied or forecasted in these forward looking statements. Investors should form their own independent judgment on any forward-looking statements and seek their own advice from professional advisers to understand such forward-looking statements. BNP Paribas does not undertake to update these forward looking statements.



DISCLAIMER

Where investors take into account any theoretical historical information regarding the performance of the product/investment, investors should bear in mind that any reference to past performance should not be taken as an indication of future performance. BNP Paribas is not giving any warranties, guarantee or representation as to the expected or projected success, profitability, return, performance, result, effect, consequence or benefit of any investment/ transaction. Save to the extent provided otherwise in Clause 6.5 of the T&Cs applicable to your account, no BNP Paribas group company or entity therefore accepts any liability whatsoever for any loss arising, whether direct or indirect, from the use of or reliance on this document or any part of the information provided.

Structured transactions are complex and may involve a high risk of loss including possible loss of the principal invested. If any product mentioned in this document is a structured product which involves derivatives, do not invest in it unless you fully understand and are willing to assume the risks associated with it. If you are in any doubt about the risks involved in any product/transaction, you should seek independent professional advice.

Prior to entering into any transaction, each investor/subscriber should fully understand the terms, conditions and features of the product/investment as well as the risks, the merits and the suitability of entering into any transaction/investment including any market risk associated with the issuer, and consult with their own independent legal, regulatory, tax, financial and accounting advisors before making the investment. Investors/subscribers should fully understand the features of the investment, be financially able to bear a loss of their investment and be willing to accept all risks involved. Save as otherwise expressly agreed in writing, (a) where BNP Paribas does not solicit the sale of or recommend any financial product to the investor/subscriber, BNP Paribas is not acting as financial adviser of the investor/subscriber in any transaction, and (b) in all cases, BNP Paribas is not acting as fiduciary of the investor/subscriber with respect to any transaction.

BNP Paribas and/or persons associated or connected with it may effect or have effected a transaction for their own account in a product/an investment described in this document or any related product before or after this document is published. On the date of this document, BNP Paribas and/or persons associated or connected with it and their respective directors and/or representatives and/or employees may take proprietary positions and may have a long or short position or other interests or make a market in a product mentioned in this document, or in derivative instruments based

thereon, and may purchase and/or sell the investment(s) at any time in the open market or otherwise, whether as principal or as agent or as market maker. Additionally, BNP Paribas and/or persons associated or connected with it may have within the previous twelve months acted as an investment banker or may have provided significant advice or investment services to the companies or in relation to a product mentioned in this document.

This document is confidential and intended solely for the use of BNP Paribas and its affiliates, their respective directors, officers and/or employees and the persons to whom this document has been delivered. It may not be distributed, published, reproduced or disclosed by any recipient to any other person, nor may it be quoted or referred to in any document, without the prior written consent of BNP Paribas.

Hong Kong: This document is distributed in Hong Kong by BNP Paribas, acting through its Hong Kong branch only to Professional Investors within the meaning of Part I of Schedule 1 to the Securities and Futures Ordinance of Hong Kong (Cap. 571). The products or transactions described in this document may not be authorised in Hong Kong and may not be available to Hong Kong investors.

Singapore: This document is distributed in Singapore by BNP Paribas, acting through its Singapore branch only to Accredited Investors within the meaning of the Securities and Futures Act, Chapter 289 of Singapore only and is not intended for investors in Singapore who are not such Accredited Investors and should not be passed on to any such persons. Some products or transactions described in this document may not be authorised in Singapore and may not be available to Singapore investors.

Save to the extent provided otherwise in Clause 6.5 of the T&Cs applicable to your account, information in this document is for general circulation to the intended recipients only and is not intended to be a recommendation or investment advice to recipients hereof. A recipient of this document should seek advice from its/his/her own professional adviser regarding the suitability of the products or transactions (taking into account the recipient's specific investment objectives, financial situation and particular needs) as well as the risks involved in such products or transactions before a commitment to purchase or enter into any product or transaction is made.

Please note that this document may relate to a product or products where BNP Paribas is issuer, and in such instance this document or certain information contained therein may have been prepared by BNP Paribas in its capacity as product issuer ("Issuer Document"). Where an Issuer Document is provided to



CONNECT WITH US



wealthmanagement.bnpparibas/asia

DISCLAIMER

you by BNP Paribas, acting through its Hong Kong branch or BNP Paribas, acting through its Singapore branch in its capacity as distributor, it shall also be subject to Clause 6.5 of the T&Cs. To the extent that there are any inconsistency between the terms of an Issuer Document and Clause 6.5 of the T&Cs, the latter shall prevail. Generally, please take note that various potential and actual conflicts of interest may arise from the overall investment activities or the roles of the parties involved in any investment product or transaction, their investment professionals and/or their affiliates. In particular, the counterparty / issuer / provider or its related entities or affiliates can offer or manage other investments which interests may be different to the interest of your investments in that investment product or transaction; or for cases where the product counterparty or issuer is BNP Paribas or its related entity or affiliate, BNP Paribas may also act as distributor, guarantor, calculation agent and/or arranger of the same product.

BNP Paribas and its affiliates and persons associated or connected with it (collectively "BNP Paribas Group") may make a market in, or may, as principal or agent, buy or sell securities mentioned in this document or derivatives thereon.

BNP Paribas Group, including its officers and employees may serve or have served as an officer, director or in an advisory capacity for any issuer mentioned in this document. BNP Paribas Group may, from time to time, solicit, perform or have performed investment banking, underwriting or other services (including acting as adviser, manager, underwriter or lender) within the last 12 months for any issuer referred to in this document. BNP Paribas Group may, to the extent permitted by law, have acted upon or used the information contained herein, or the research or analysis on which it was based, before its publication. Members of the BNP Paribas Group may face possible conflicts of interest in connection with certain duties under structured products.

For example, it and its affiliates may trade an underlying for their own account or for the account of

others. It or its affiliates may receive a portion of the management or other fees charged with any of the underlyings. BNP Paribas may offer other services to entities associated with an underlying, for which they may be remunerated. All of these activities may result in conflicts of interest with respect to certain financial interests of BNP Paribas.

Where this document includes a reference to real estate, please note that real estate service offered in Hong Kong by BNP Paribas, acting through its Hong Kong branch exclusively relates to real estate properties outside Hong Kong. Specifically, BNP Paribas, acting through its Hong Kong branch is not licensed to deal with any real estate property situated in Hong Kong. BNP Paribas, acting through its Singapore branch is not licensed to and does not offer real estate service, and nothing herein should be construed as such.

BNP Paribas clients and counterparties are responsible for ensuring that they comply with applicable provisions of Executive Order (EO) 13959, as amended (and any subsequent official guidance). For the full details of the EO, you may want to consult the following websites : For the EO itself, <https://home.treasury.gov/system/files/126/13959.pdf> , and for the latest guidance on this EO provided by the OFAC, <https://home.treasury.gov/policy-issues/financial-sanctions/recent-actions>.

By accepting this document, you agree to be bound by the foregoing limitations. In case there is a Chinese version and there is any ambiguity or difference of meaning between the English version and the Chinese versions, the English version shall prevail. In respect of any transactions or arrangement with BNP Paribas, acting through its Singapore branch, the English version is the only operative version and the Chinese version shall be disregarded.

Photo credit @ Getty images

© BNP Paribas (2021). All rights reserved.



BNP PARIBAS
WEALTH MANAGEMENT

The bank
for a changing
world