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Global Market Outlook

Filtering out the noise

Unexpectedly high US trade tariffs have created greater uncertainty than usual. Our base case still assumes a soft landing for the US economy, but the risk of a hard landing has risen. We now see equities and bonds as core holdings, but remain Overweight gold.

Within equities, we continue to believe a balanced approach across major regions is sensible amid uncertainty. US equities should still do well in a soft-landing scenario, but we also see opportunities in European and Asian equities.

Within bonds, Developed Market Investment Grade government bonds should benefit from a softening of bond yields in a slow growth environment. The sharp drop in the USD could be the start of a more prolonged decline.

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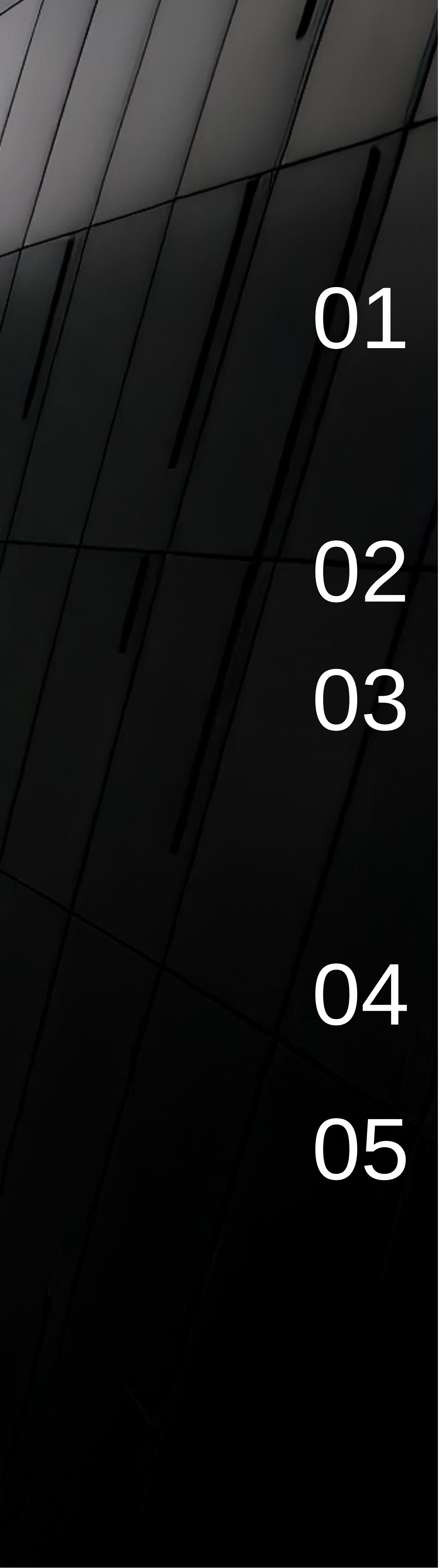
Why are US government bonds attractive?

Where are the bargains among equity sectors?

Are quantitative models still bullish on equities?



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Steve Brice
Global Chief Investment Officer

Manpreet Gill
Chief Investment Officer, AMEE

Raymond Cheng
Chief Investment Officer, North Asia

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- DM IG government bonds

Opportunistic ideas – Equities

- US software, communications, major banks
- China non-financial high dividend SOEs and Hang Seng Technology Index
- European banks, industrials

Opportunistic ideas – Bonds

- US Treasury Inflation-Protected Securities (TIPS)
- US Agency mortgage-backed securities (MBS)

Filtering out the noise

- Unexpectedly high US trade tariffs have created greater uncertainty than usual. Our base case still assumes a soft landing for the US economy, but the risk of a hard landing has risen. We now see equities and bonds as core holdings, but remain Overweight gold.
- Within equities, we continue to believe a balanced approach across major regions is sensible amid uncertainty. US equities would still do well in a soft-landing scenario, but we also see opportunities in European and Asian equities.
- Within bonds, Developed Market (DM) Investment Grade (IG) government bonds should benefit from a softening of bond yields in a slow growth environment. The sharp drop in the USD could be the start of a more prolonged decline.

Tariffs raise risks to growth outlook

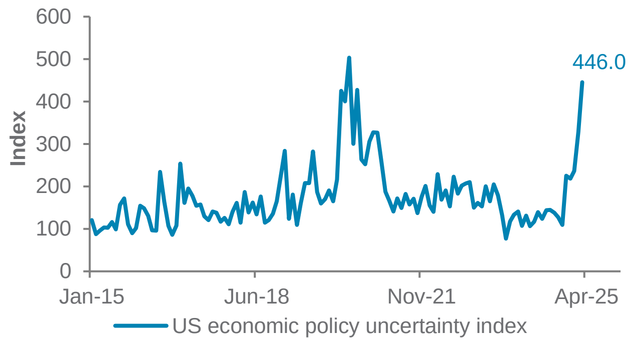
The US ‘Liberation Day’ trade tariff announcements proved to be harsher than markets expected. While partial rollbacks helped temper market reaction, a high level of volatility meant that, at one point, the S&P500 had achieved a peak-to-trough drawdown of approximately 20% this year. Bond yields oscillated due to, first, growth worries, and then rising inflation concerns, while gold trended firmly higher.

Last month, we discussed what appeared to be a relatively balanced outlook for US economic growth. Two factors have arguably deteriorated since then. First is the level of US trade tariffs, which impose a negative drag on US and global growth. Second is the worsening of business and consumer confidence. Together, these make the case that growth is likely to slow in the coming quarters.

Our base case continues to be one of a soft landing i.e., US growth slows, but avoids contraction (50% probability). However, the risk of the US economy tipping over into recession i.e., two quarters of negative growth, have clearly risen (30% probability). In our view, trade negotiations between the US and ex-China partners remain the key factor to watch, as they are likely to determine where the average US tariff level, and hence the magnitude of its drag on growth, settles.

Fig. 1 US trade policy has resulted in very high policy and market uncertainty

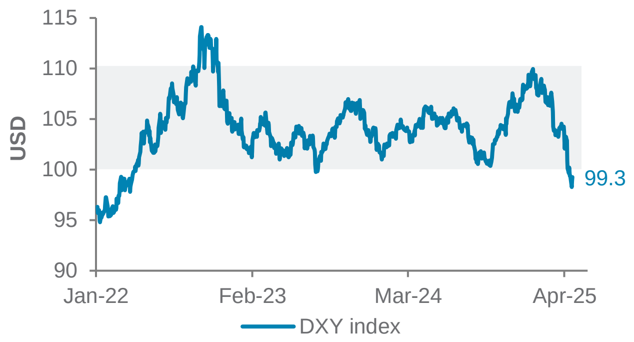
US policy uncertainty index



Source: Bloomberg, Standard Chartered

Fig. 2 The USD appears to be breaking below its 2022-2025 range, signalling potential weakness ahead

USD index (DXY)



Source: Bloomberg, Standard Chartered

Equities a core holding amid uncertainty

The unusually high level of policy uncertainty (and a narrow gap between soft landing and recession scenarios) means risk/reward is less favourable towards taking strong directional views in equities at this time. Hence, we trim our equities view to a core holding (Neutral). Our preference at this time sits with portfolio hedges – gold and high quality bonds.

This is consistent with our quantitative Equity-Bond Risk Model, which argues that downside risks for equities and bonds remain higher than usual and that we remain in an environment favourable for gold. Our stock-bond model is more constructive, suggesting a small Overweight to equities is appropriate, but we override this based on qualitative input.

Within equities, we continue to prefer a balanced exposure across major regions. In the long term, higher tariffs and resilient, rather than efficient, supply chains pose risks to the historically elevated US profit margins.

A soft-landing scenario should support US equities via the stabilisation of earnings expectations. US tariffs also raise downside risks for other major markets, but in Europe, we expect these to be at least partly mitigated by Germany's fiscal spending package and the ECB's rate cuts.

In Asia ex-Japan, we retain our preference for China equities. US tariffs are admittedly a headwind to growth. However, we believe (i) inexpensive valuations, which suggest more of this risk is priced, (ii) DeepSeek-led optimism, and (iii) indications that further policy support may be forthcoming can help offset trade uncertainty. We also retain a core holding view on Indian equities, with the market's pre-Liberation Day weakness already pricing in significant downside risk.

Gold rally defies expectations

Gold remains attractive amid the current uncertainty. As we have noted before, gold is likely to benefit in the current environment from (i) strong central bank demand amid elevated US policy uncertainty, and (ii) investor demand to mitigate inflationary (or stagflationary) risks in a world of higher trade tariffs. We maintain our Overweight view.

Adding to DM IG government bonds

Unusually high uncertainty means we are now Overweight DM IG government bonds. In our view, it is attractive to add while the US 10-year government bond yield remains above our 12-month expected range of 4.00-4.25%.

The rebound in US bond yields was initially driven by fears of an unwinding in arbitrage trades. However, we believe such worries are unwarranted in the long term, as the Fed has the tools (and experience, in 2020) to address such unexpected spikes in yields. This means we expect the US 10-year government bond yield to move gradually back towards 4% in a soft-landing scenario – and lower in a recessionary scenario.

Broadly, our preference for a diversified approach continues to argue in favour of multi-asset income strategies to generate income. Within this, we maintain a preference for sub-financials over DM High Yield bonds and US Agency MBS bonds over DM IG government bonds.

Start of a USD bear market?

A key recent development has been the break lower in the USD index (DXY) below the 100-110 range that has persisted since 2022. This has occurred independent of relative interest rate spreads, suggesting the tariff policy shock is the catalyst.

We expect this break lower to persist, with risks of further USD weakness after a brief consolidation. Hence, we expect safe haven currencies including the JPY and CHF to strengthen against the USD (to 140 and 0.78 respectively) over 12-months. A weak USD is also supportive for non-US equities.

Diversified equity sectors, inflation protection

We are implementing diversification across our equity sector preferences as well. In the US, we now favour a mix of cyclical (technology software, communication services, financials) and defensive (healthcare, utilities) sectors. In bonds, we add a new opportunistic idea in US Treasury inflation-protected bonds (TIPS) to benefit from (and hedge against) any uptick in long-term inflation expectations.

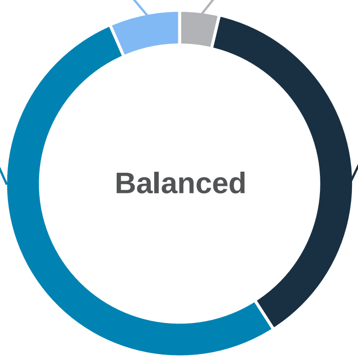
Foundation asset allocation models

The Foundation and Foundation+ models are allocations that you can use as the starting point for building a diversified investment portfolio. The Foundation model showcases a set of allocations focusing on traditional asset classes that are accessible to most investors, while the Foundation+ model includes allocations to private assets that may be accessible to investors in some jurisdictions, but not others.

Fig. 3 **Foundation asset allocation for a balanced risk profile**

Gold	**7%**
Gold	7%

Equity	**53%**
North America	35%
Europe ex-UK	7%
UK	2%
Japan	3%
Asia ex-Japan	7%



Cash	**4%**
USD Cash	4%

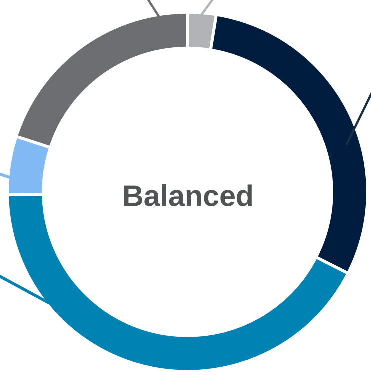
Bond	**37%**
DM IG Government	17%
DM IG Corporate	9%
DM HY Corporate	3%
EM USD Government	2%
EM Local Ccy Government	2%
Asia USD	5%

Fig. 4 **Foundation+ asset allocation for a balanced risk profile**

Alternatives	**20%**
Alternatives	4%
Private Equity	5%
Private Real Assets	4%
Private Debt	7%

Gold	**5%**
Gold	5%

Equity	**42%**
North America	28%
Europe ex-UK	5%
UK	2%
Japan	2%
Asia ex-Japan	5%

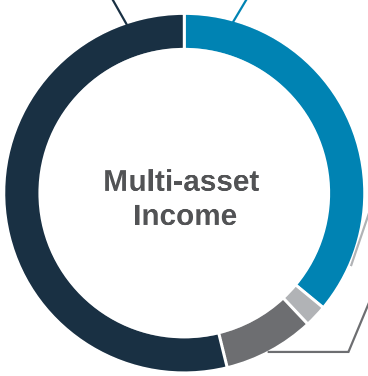


Cash	**3%**
USD Cash	3%

Bond	**30%**
DM IG Government	13%
DM IG Corporate	7%
DM HY Corporate	2%
EM USD Government	2%
EM Local Ccy Government	2%
Asia USD	4%

Fig. 5 **Multi-asset income allocation for a moderate risk profile**

Bonds	**54%**
DM IG Government	6%
DM IG Corporate	6%
US Mortgage-backed Securities	6%
DM HY Corporate	19%
EM HC Government	5%
EM LC Government	6%
Asia USD	6%



Equity	**36%**
Global High Dividend	28%
Global Equity	4%
Global Infrastructure	2%
Global REITs	2%

Cash	**2%**
USD Cash	2%

Hybrids	**8%**
Covered calls	4%
Sub financials	4%

Source: Standard Chartered

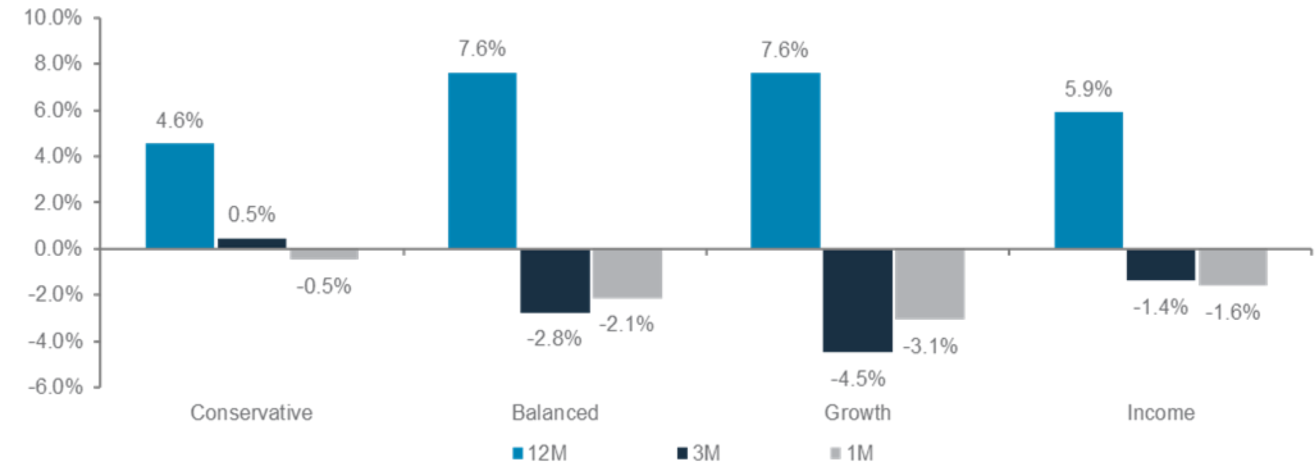
Foundation: Our tactical asset allocation views

	View	Detail
USD cash	▼	+ Short term safety || - Falling yields, likely underperformance vs major asset classes
Bonds	◆	
DM IG Govt	▲	+ High credit quality, attractive yields || - High sensitivity to inflation, monetary policy
DM IG Corporate	◆	+ High credit quality, sensitive to falling yields || - Elevated valuations
DM HY Corporate	◆	+ Attractive yield, low rate sensitivity || - Elevated valuations, sensitive to growth
EM USD Govt	▼	+ Attractive yield, sensitive to US rates || - EM credit quality, US trade policy risks
EM Local Ccy Govt	◆	+ Attractive yield, benefit from USD weakness || - US trade policy risks
Asia USD	◆	+ Moderate yield, low volatility || - Sensitive to China growth
Equities	◆	
North America	◆	+ Earnings growth, supportive Fed policy || - Valuations, US trade policy uncertainty
Europe ex-UK	◆	+ Inexpensive valuations, German fiscal spending || - US trade policy risks
UK	◆	+ Attractive valuations, dividend yield || - Stagflation risks, US trade policy risks
Japan	◆	+ Reasonable valuations, rising dividends/share buybacks || - JPY strength, US trade policy
Asia ex-Japan	◆	+ Earnings, India growth, China policy support || - China growth concerns, US trade policy
Gold	▲	+ Portfolio hedge, central bank demand, falling real yields || - Resilient USD

Source: Standard Chartered Global Investment Committee; **Green** = Upgrade; **Red** = Downgrade

Legends: ▲ Overweight | ▼ Underweight | ◆ Neutral

Fig. 6 **Performance of our Foundation Allocations***



Source: Bloomberg, Standard Chartered; *12-month performance data from 24 April 2024 to 24 April 2025, 3-month performance from 24 January 2025 to 24 April 2025, 1-month performance from 24 March 2025 to 24 April 2025

Perspectives on key client questions

Audrey Goh, CFA
Head, Asset Allocation

Tay Qi Xiu
Portfolio Strategist

US government bonds: evaluating the outlook amid trade tensions, stagflation risks and Fed policy

Since President Trump's 'Liberation Day' tariff announcement on 2 April, the US government bond market has experienced heightened volatility. The US 10-year bond yield initially fell following the announcement but quickly reversed course, spiking to nearly 4.6%. While yields have since stabilised, they remain above pre-tariff announcement levels. This instability, coupled with losses in US government bonds themselves amid the equity market sell-off, has prompted scrutiny over their role as safe havens (Fig. 8).

In this segment, we assess the outlook for US government bonds through three critical questions. First, is there a 'Fed Put' in US government bonds that might limit further yield surges? Second, could China retaliate against US tariffs by accelerating the sale of its US government bond holdings? And finally, how might the Fed respond if stagflation – rising inflation amid slowing growth – were to materialise?

The Fed Put: conditional and situational

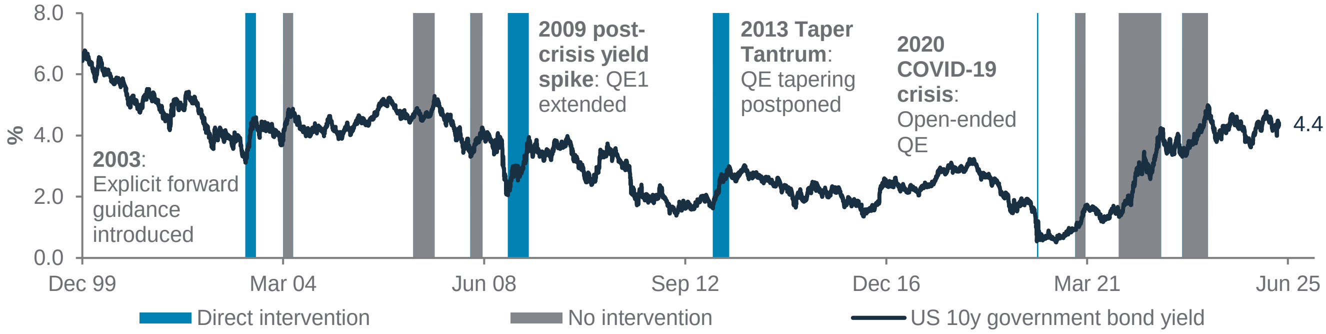
A historical review of the Fed reveals that the bank does not routinely intervene in government bond markets simply due to rising yields. While the Fed usually seeks to ensure orderly yield movements via verbal signals, direct intervention is reserved only for cases where yields surge rapidly in a manner disconnected from fundamentals, or when such moves threaten financial stability or market functioning.

This framework has been evident during periods of rapid yield gains since 2000. Examples of direct Fed intervention, which include policy changes and introduction of policy tools, are more common during periods when rising yields threatened to undermine a fragile economic recovery, such as in 2003, 2009 and the 2013 'Taper Tantrum'. Meanwhile, threats to the functioning of bond markets, characterised by severe illiquidity, such as during the COVID-19 panic, led the Fed to launch 'unlimited quantitative easing' and emergency lending facilities to restore order.

In contrast, the Fed is less likely to intervene when yield increases are orderly and reflect economic fundamentals. Following the COVID-19 pandemic, when yields rose due to stronger growth and elevated inflation, the Fed welcomed the

Fig. 7 Fed intervention in the US government bond market has only occurred when yield gains were disconnected from fundamentals or there were threats to financial stability and orderly market functioning

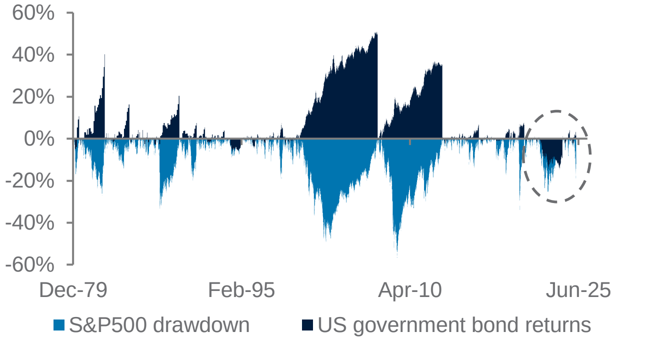
US 10-year government bond yields and periods of yield gains that saw direct Fed intervention and no intervention



Source: Bloomberg, Standard Chartered; *Direct intervention includes policy changes (eg, extension of asset purchases) or introduction of policy tools (eg, use of emergency lending facilities). No intervention involves verbal management of yield gains only moves and refrained from acting. Today, while yields have risen, the movement has not been deemed disorderly, and the broader economy remains resilient. Fed officials, including Collins, have offered verbal reassurances, but there is no evidence of market dysfunction, nor signs that yields are diverging materially from economic reality. As such, the threshold for direct intervention remains unmet, and further upside in yields cannot be ruled out amid tariff uncertainty.

Fig. 8 US government bonds have not been effective diversifiers in recent years

S&P 500 drawdowns vs cumulative Treasury returns



Source: Bloomberg, Standard Chartered

Modest impact from foreign selling

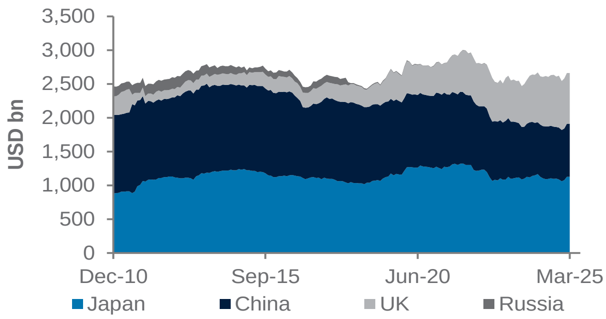
Amid rising US-China tensions, speculation has grown that China might retaliate by selling its sizeable US bond holdings. However, historical precedent suggests the Fed typically does not respond to foreign selling of US bonds that is unrelated to domestic economic conditions or market stress. Since 2018, China and Russia have been reducing their exposure to US government bonds, largely without triggering a significant Fed response. The more pertinent historical parallel lies in the mid-1990s, during US-Japan trade tensions. Back then, yields rose after Japan made implicit threats to sell bonds in response to US pressure on trade, but the Fed did not intervene, leaving the federal government to manage trade negotiations instead.

From China's perspective, aggressive selling carries considerable costs. A rapid liquidation of US bond holdings would likely trigger substantial losses and risk CNY appreciation if proceeds are repatriated, undermining China's export competitiveness – especially damaging when tariffs are already weighing on trade. Moreover, such a move may backfire: the Fed could step in as a buyer of last resort, and global investors might view higher yields as a buying opportunity, limiting the effectiveness of China's strategy. This means China could bear huge costs for little strategic gains.

In addition, a full-scale dumping would also be a one-time lever: once used, China erodes its bargaining power in the future. Practical constraints further complicate execution. The global financial system lacks sufficient safe, liquid alternatives to absorb China's reserves. The Euro area's bond market is fragmented, while gold and currency alternatives such as the JPY or GBP lack the depth and capacity to absorb large scale inflows. While a symbolic partial selling of US government bonds is conceivable, the probability of wholesale dumping remains low, barring the onset of a significant escalation of tensions, which risks China's US assets being frozen.

Fig. 9 China has already been reducing its US government bond holdings since 2018

Select direct foreign holdings of US government bonds



Source: Bloomberg, Standard Chartered

Stagflation: a complicated policy trade-off

The possibility of stagflation complicates the Fed's dual mandate, but broadly, history suggests the Fed's reaction function to stagflation depends on a few factors. First, the Fed is likely to respond to the dominant economic challenge. If inflation rises faster than unemployment, for example, the Fed is likely to prioritise inflation and raise rates. Second, if inflation is deemed to be transitory, for instance due to oil prices spikes such as during the Gulf War, then the Fed may tolerate higher inflation in the interest of supporting employment. Third, if there are signs of inflation broadening and turning persistent, with the unanchoring of long-term inflation expectations, then the lessons of Volcker's era inflation loom large, and the Fed is likely to prioritise inflation.

Applying this framework to the current context means that if employment deteriorates at the same time as inflation is rising, then the Fed is likely to prioritise employment, as tariff-induced inflation is likely to be seen as transitory. On the other hand, if the labour market remains resilient but signs of tariff-induced inflation emerge, the Fed may turn hawkish. However, this raises the risk of a more severe downturn further ahead, as the Fed requiring clear evidence of economic deterioration before resuming rate cuts heightens the risk of it falling behind the curve.

Upside bias to persist for now, but likely not for long

In the near-term, the upside bias in US long-dated bond yields is likely to persist as long as US policy uncertainty remains. However, with medium-term risks skewed towards slower growth, and no clear strategic gains for China to accelerate the selling of its US bond holdings, the upside to yields is likely to be limited. Should a US recession or stagflation materialise, the Fed is likely to prioritise employment and cut interest rates. This should ultimately lead to lower yields down the road.

Macro overview – at a glance

Rajat Bhattacharya
Senior Investment Strategist

Key themes

US downturn risks rising: A US economic soft landing remains our base case scenario, but the odds of a US recession have risen to 30% from 20% a month ago, in our view, amid rising policy uncertainty. President Trump's tariffs, even if kept at the 10% base rate, are likely to hurt growth and lift inflation this year. Tax and Fed rate cuts (we expect 75bps of cuts in the next 12 months) and deregulation should help a recovery by 2026. **Risk**: A delay in Fed rate cuts due to elevated near-term inflation.

ECB to cut further, BoJ to hike: We expect the ECB to cut rates by another 50bps over the next 12 months as trade uncertainty dampens growth. Germany's incoming coalition agreed to ease fiscal restrictions to boost infrastructure and defence spending, which should help partly offset the impact of US tariffs on Euro area growth. Unlike other Developed Market central banks, the BoJ is likely to hike rates further this year as a tight labour market fuels wages and inflation.

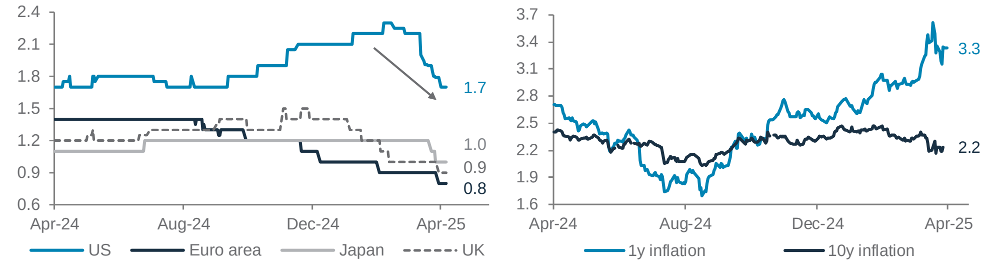
China to ease policy further: China is likely to further ease fiscal, monetary and credit policies to stimulate domestic demand and offset the deflationary impact of US tariffs. China has been the main target of US tariffs, although Trump has said a deal could happen "pretty quickly". A prolonged trade war is a key risk, while a trade deal is a likely catalyst for a growth resurgence.

Key chart

US growth estimates have been downgraded the most lately amid rising policy uncertainty. While US tariffs are likely to increase near-term inflation, investors do not expect long-term inflation to rise

Fig. 10 US leads downgrades to global growth forecasts amid rising policy uncertainty

Consensus 2025 GDP growth estimates; US 1-year and 10-year inflation estimates*



Source: Bloomberg, Standard Chartered; *Based on US 1-year inflation swaps and 10-year breakeven yield

Macro factors to watch

Trade policy reversal, spillover of US tariffs: Our base case is US President Trump will use the threat of tariffs to negotiate better trade/investment deals for the US, before shifting focus to tax cuts and deregulation to revive the economy. This strategy is likely to hurt near-term growth but set the economy on a more sustainable growth path.

However, we need to watch out for the spillover effects of tariffs. According to the Yale Budget Lab, the average tariff rate is likely to rise to c.18%, from c.3% at end-2024, even accounting for the 90-day pause in tariffs and the likely consumption shift away from Chinese goods. This would be the biggest trade shock to the economy since the 1930s.

The next focus will be on the impact of tariffs and uncertainty on consumption, investment, job creation and inflation expectations. Although the US job market remains resilient, soft data suggests waning consumer and business confidence and rising inflation expectations among consumers. As near-term inflation risks rise, there is a risk the Fed delays rate cuts.

German fiscal boost, trade talks: The German parliament's decision to ease debt limits to boost infrastructure and defence spending is likely to lift Germany's potential growth by 2ppt over the next decade. Once the incoming coalition takes charge in May, focus is likely to shift to the pace of the implementation of the stimulus and on trade deals with the US. The impact of both is likely to be felt only from next year, leaving the ECB as the primary support to near-term growth. Slowing economic activity and inflation and tighter financial conditions should encourage the ECB to cut rates by 50bps over the next 12 months, with risk of more cuts if growth slows.

Accelerated China stimulus: The US-led trade war seems to be focused on China. This is likely to increase deflationary pressures on China and Emerging Markets. We expect China to accelerate fiscal spending and ease bank reserve requirements to boost lending and revive domestic demand, countering the impact of US tariffs. China has cut its reliance on US exports since Trump's first term, but it is now more reliant on global exports, making a broader trade war a key risk. A trade deal with the US and/or Europe is an upside risk.

Bonds – at a glance

Cedric Lam
Senior Investment Strategist

Ray Heung
Senior Investment Strategist

Key themes

We continue to view global bonds as a core holding. Uncertainty over US trade policy and, by extension, the growth and inflation outlook, have driven yield premia (the spread on higher yielding bonds over risk-free assets) higher. However, our core expectation for an economic soft landing, aided by Trump's likely pivot to tax cuts and deregulation policies and monetary policy flexibility should help cap bond yields and support future bond returns. Additionally, we believe headline yields remain attractive, particularly compared to cash, helping to mitigate reinvestment risk when central banks cut rates further. Risks to our view include a reduced rate cut expectations and a surge in term premia in long-term bonds due to sticky inflation and rising government debt.

We upgrade Developed Market (DM) Investment Grade (IG) government bonds to Overweight. Major central bank rate cuts should support performance. Additionally, we anticipate interest rate volatility to subside gradually as leveraged positions in the market are partially closed. **We downgrade Emerging Market (EM) USD government bonds to Underweight and keep EM local currency (LC) government bonds a core holding (Neutral).** Investors are demand high yield premia on bonds from major exporting countries, keeping yields elevated for EM bond asset classes. However, a weakened USD gives EM central banks greater monetary policy flexibility and supports EM LC bonds relative to their USD counterparts.

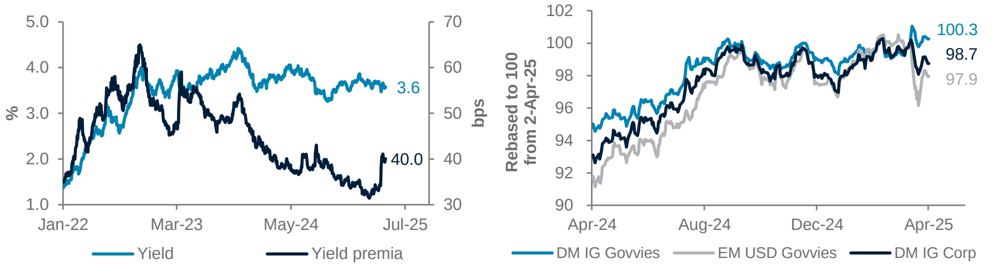
DM IG corporate bonds remain a core holding (Neutral). While tight yield premia indicate rich valuations, we believe these are supported by solid fundamentals. **We move DM High Yield (HY) corporate bonds to Neutral** as demand for higher risk premia is balanced by low default expectations under an economic soft-landing scenario. **Asia USD bonds are also core holdings (Neutral).** Although most Asian economies face US tariff risks, stronger external balances, flexible monetary policy tools and robust domestic support are capping significant spikes in yields.

Key chart

Term premia on long-term bonds still face upside risk, but our expectation of an economic soft-landing scenario suggests lower bond yield prospects and cash-beating returns

Fig. 11 **Global bond yields remain intact, despite higher yield premia; DM IG government bonds delivered positive returns since Trump's 'Liberation Day' tariff announcement**

Global bond yields and yield premia; Total returns of DM IG vs EM USD government bonds



Source: Bloomberg, Standard Chartered

Maintain opportunistic idea: US Agency mortgage-backed securities

This asset class continues to offer a yield pick-up over comparable government bonds. The asset class has a strong and positive correlation with government bonds, which is likely to support performance as investors look for more stable and predictable returns. Risks include a stagflation scenario.

Maintain opportunistic idea: US Treasury Inflation-Protected bonds

We initiated this opportunistic idea on 11 April 2025 (please refer to Weekly Market View, 11 April 2025, for details) as a hedge against tariff-induced inflationary risks. Risks to this trade include a de-escalation of the tariff war and a change to a more benign inflationary outlook.

Close convertible bonds and Asia HY bonds

We have closed our opportunistic ideas on global convertible bonds and Asia HY bonds with holding period gains of 6.2% and 0.2%, respectively.

Equity – at a glance

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Head, Equity Strategy

Fook Hien Yap
Senior Investment Strategist

Michelle Kam
Investment Strategist

Jason Wong
Equity Analyst

Key themes

We downgrade global equities to Neutral (core holding) and maintain a Neutral stance across all major regions. Policy uncertainty and a high level of volatility is resulting in a poor risk-reward. This is driving our preference to be Neutral, until the uncertainty subsides. **US equities** are under pressure as cracks emerge in the US exceptionalism narrative. Earnings are being revised down, but we still expect the market to recover under our economic soft-landing base case scenario as growth stays positive. The current earnings season is the main catalyst in the near term.

Europe ex-UK equities are expected to benefit from fiscal support, although tariff-related headwinds could weigh on earnings growth. **UK equities** provide more defensive exposure, resulting in more resilience in a market downturn. However, a lack of growth sectors could constrain the potential of outperformance. **Japan equities** face challenges from a stronger JPY and persistent foreign capital outflows, despite Japan's priority in engaging in trade negotiations with the US.

Within the Asia ex-Japan region, we remain Overweight China equities. China's earnings outlook is bolstered by the low-cost DeepSeek chatbot breakthrough. Also, policy stimulus supports a valuation re-rating, which should offset the geopolitical uncertainties and structural concerns. We remain **Neutral India equities**, which is relatively insulated from tariff concerns, but faces headwind from negative earnings revisions. On the other hand, we remain **Underweight ASEAN,** as the redirection of China exports is intensifying competition for domestic ASEAN businesses and further weakening earnings momentum.

Key chart

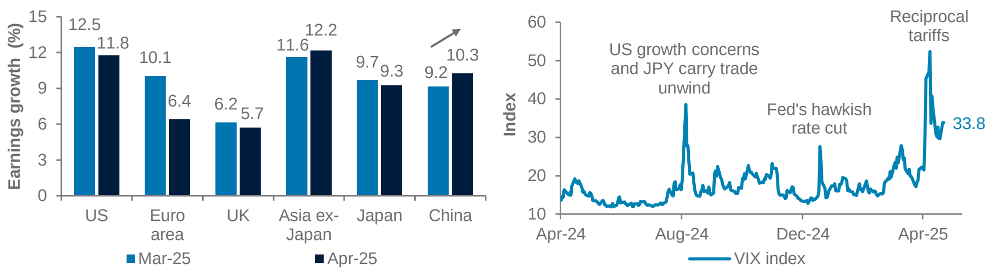
Diversifying across different markets in the face of volatility

Index	12m forecast*	Our views
S&P500	5,820	US ◆
Nasdaq 100	21,500	
Euro Stoxx 50	5,430	Europe ex-UK ◆
FTSE 100	8,920	UK ◆
Hang Seng	24,000	China ▲
Nifty 50	26,000	India ◆
Nikkei 225	36,300	Japan ◆

*Based on 24-Apr closing levels

Fig. 12 **Asia ex-Japan and China equities' 12-month forward earnings growth estimates are moving higher, while US growth estimate is moving lower. US policy uncertainty is resulting in relatively elevated volatility**

Consensus 12m forward earnings growth estimates for MSCI equity indices; S&P500 Volatility index (VIX)



Source: FactSet, Bloomberg, Standard Chartered

Legends: ▲ Most preferred | ▼ Least preferred | ◆ Core holding

Tariff woes yet to fade

We downgrade global equities to Neutral within our foundation portfolio, as policy uncertainty and recession concerns imply a higher equity risk premium. We are cautious on risky assets near term with the associated volatility but expect more clarity to emerge over the next few months towards a soft-landing scenario, which would support a recovery in global equities.

We remain Neutral US equities following the recent sell-off amid solid corporate fundamentals and earnings growth. Potential tailwinds of deregulation and tax cuts are overshadowed by elevated market volatility on policy uncertainty. Valuations still appear expensive, with the 12m forward P/E ratio at a 17% premium to its historical average.

Within Asia ex-Japan, we trim the scale of Overweight in China equities as the weight of US tariffs appears to focus on China. China's economic data is still robust with supportive domestic policies, which should continue to support market stability. The focus remains on tensions with the US and concerns on China's relationship with its other trade partners. Within China, we favour offshore equities versus their onshore counterpart due to a higher composition of technology-related stocks – an area which has performed robustly since the start of year and where we expect further growth.

We are Neutral India equities within Asia ex-Japan. It is relatively insulated from tariff concerns but faces near-term headwind from negative earnings revisions.

Equity opportunistic views

Fook Hien Yap
Senior Investment Strategist

Keep calm and carry on

- We have seven opportunistic equity buy ideas where we target positive absolute returns. Since President Trump's tariff announcements on 2 April, all ideas have traded down along with the broader market. However, we continue to believe these ideas can recover as the narrative for our **soft-landing base case** emerges in the next few months.
- **Within the US**, tariffs would likely imply higher costs, so we prefer companies with strong pricing power (technology software) or those less vulnerable to a trade war (communication services). Major banks have reported solid Q1 earnings, with deregulation benefits to come.
- **Outside the US**, companies involved in the US supply chain face potential disruption. We prefer companies with domestic exposure (Europe banks and China non-financial high dividend SOEs) or those having an offsetting stimulus (Europe industrials and Hang Seng technology).

Opportunistic buy ideas

US technology software: Retaliation against the US has been focused on goods, not services, leaving software companies resilient. Furthermore, we see strong pricing power amongst the deeply embedded software companies. A decline in the cost of AI tools supports software products and development. Weakness in corporate IT spending is a risk.

US communication services: Attractive growth continues with online entertainment and AI applications. Digital advertising may slow along with the economy, but valuations are pricing this in. Advertising softness is a risk.

US major banks: Q1 results were strong, while guidance has been reasonable. We believe deregulation benefits still lie ahead, with potentially greater share buybacks. A sharp slowdown in the US economy is a risk.

Europe banks: Over two-thirds of revenue is derived domestically, resulting in a domestic focus. Positive earnings revisions have been supporting attractive dividend yields and share buybacks, which we expect to continue. A sharp slowdown in Europe's economy is a risk.

Europe industrials: A fiscal boost in infrastructure and defence spending would support industrials. The Aerospace and defence segment is the largest in the industrial sector (25% index weight) - apart from defence, it benefits from a rise in global air travel. Meanwhile, infrastructure spending would benefit the sector members selling electrical equipment and machinery. A downturn in Europe's economy is a risk.

China non-financial high dividend SOEs: We continue to like the stability of high-dividend SOEs, which have predominantly domestic exposure. Non-financial SOEs are less exposed to the troubled property sector. Adverse regulatory changes are a risk.

Hang Seng technology: We prefer a barbell approach in China, with the technology sector complementing income stability from high-dividend SOEs. Policymakers' support for AI and technology development is improving the earnings outlook. There is also significant valuation re-rating potential as further policy stimulus is unveiled. Weaker-than-expected stimulus is a risk.

Fig. 13 **Opportunistic buy ideas**

Region	Idea	Initiation
US	Communication services sector	27-Mar-24
	US major banks	1-Aug-24
	US technology software	20-Feb-25
Europe	Europe industrials	27-Mar-25
	Europe banks	27-Mar-25
Asia	China non-financial high dividend SOEs	27-Mar-24
	Hang Seng technology	31-Oct-24

Source: Standard Chartered

Sector views: technology growth continues

We expand our US barbell strategy, upgrading the defensive utilities sector to Overweight, alongside the defensive healthcare sector and growth-oriented communication and technology sectors. In Europe, we downgrade energy to Underweight amid weak oil prices. In China, we maintain exposure to improving consumption and AI adoption with our preference for technology, communication and discretionary.

Fig. 14 **Our sector views by region**

US	Europe	China	India*
Financials	Financials	Technology	Technology
Comm.	Industrials	Comm.	Disc.
Technology	Comm.	Discretionary	Financials
Healthcare	Technology	Financials	Industrials
Utilities ▲	Healthcare	Staples	Healthcare
Industrials	Staples	Healthcare	Staples
Energy	Utilities	Materials	
Staples	Real Estate	Energy	
Discretionary	Materials ▲	Industrials	Utilities
Materials	Discretionary	Utilities ▲	Energy
Real Estate	Energy ▼	Real estate	Materials

Source: Standard Chartered; *Commentary in India Market Outlook

Legends: Overweight | Neutral | Underweight
▲ Upgrade from last month | ▼ Downgrade from last month

FX – at a glance

Iris Yuen
Investment Strategist

Key themes

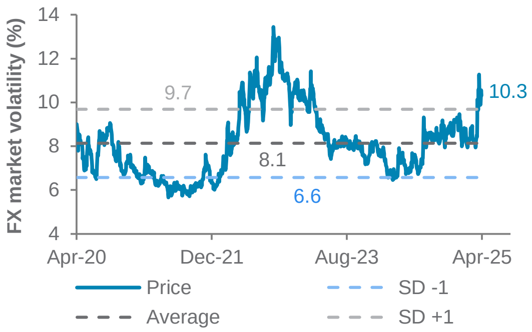
We expect the USD index (DXY) to test resistance at 99.5 in the near term and consolidate at lower levels into 2026 amid US policy uncertainty. The FX market has entered a period of renewed volatility, driven by uncertainty in US trade policies. Meanwhile, expectations of rising near-term inflation should keep the Fed cautious in its approach to interest rate adjustments, supporting the USD in the near term. However, trade policy uncertainty may hinder US economic growth and lead to fund rotations out of the US, potentially leading to a softer dollar over a 12-month horizon. We now see downside risks primarily driven by renewed tariff noise. Reduced US policy uncertainty or a decisively hawkish turn in Fed policy is an upside risk for the USD.

We expect EUR/USD to settle around 1.14 on a 3-month horizon and edge towards 1.15 on a 12-month horizon. The GBP is also expected to show resilience over the next three months. The BoE is likely to remain cautious against rate cuts due to lingering concerns over supply-side constraints, high wage growth and persistent inflation in the services sector, which should keep GBP/USD well supported around 1.33-1.34. The JPY is likely to strengthen gradually, as markets have largely priced in expectations of a BoJ rate hike. We expect the USD/JPY pair to trade around 140-142. **Meanwhile, the CHF has the most potential to strengthen further.** We expect USD/CHF to test 0.78 in 3 months.

Key chart

The VXY index (benchmark for implied volatility in G10 currencies) has risen to 1 standard deviation above the five-year average, suggesting large price swings

Fig. 15 **FX volatility has risen to one standard deviation about the five-year average**
Benchmark for implied FX volatility in G10 currencies; Table of forecasts



Currency	3m forecast	12m forecast
USD (DXY)	99.5	98.7
EUR/USD	1.14	1.15
GBP/USD	1.33	1.34
USD/JPY	142	140
AUD/USD	0.61	0.64
NZD/USD	0.57	0.60
USD/CAD	1.40	1.40
USD/CNH	7.38	7.70
USD/CHF	0.78	0.78
USD/SGD	1.33	1.34

Source: Bloomberg, Standard Chartered; *As of 23-Apr-25

What is the near-term outlook for FX?

Recent CHF strength reduces the cost of Swiss imports, which in turn is likely to weigh on consumer prices. While the SNB must keep inflation below 2% and prevent a sustained drop in the price level, this suggests officials have some wiggle room when it comes to brief periods of falling prices. While we see recent momentum favouring CHF upside versus the dollar, the CHF's move against the EUR has been less dramatic. This suggests the CHF may have more room to strengthen further before the SNB intervenes.

Commodity currencies are likely to diverge in performance. AUD/USD is likely to soften over the next three months to 0.61, though we have a modestly bullish bias over 12 months, expecting it to rise to 0.64 on hopes for progress in US-China trade negotiations. Also, Australia's fiscal policy is likely to be more expansionary if the centre-right opposition comes to power after the 3 May election. This implies the Reserve Bank of Australia will be cautious in cutting interest rates. The NZD is expected to follow a similar path to the AUD, with any upside likely to remain range-bound between 0.57 and 0.60. However, the CAD's weakness is likely to persist, with limited upside in oil prices. We see USD/CAD trade around 1.40 over a 12-month horizon.

In Asia, further monetary policy loosening following MAS's April easing decision may push USD/SGD back to 1.33-1.34. Meanwhile, the market awaits further stimulus and trade talk news from China. We expect USD/CNH to edge towards 7.38 over the next 1-3 months while the underlying economy and inflation remain soft. China is likely to guide the CNH weaker at a cautious pace to offset the impact of US tariffs, leading the USD/CNH pair to test 7.70 in 12 months. We see USD/INR trading around 86 over a 12-month horizon as prospects of foreign equity inflows and a softer US dollar underpin the INR.

Gold, crude oil – at a glance

Manpreet Gill
Chief Investment Officer, AMEE

Tay Qi Xiu
Portfolio Strategist

Key themes

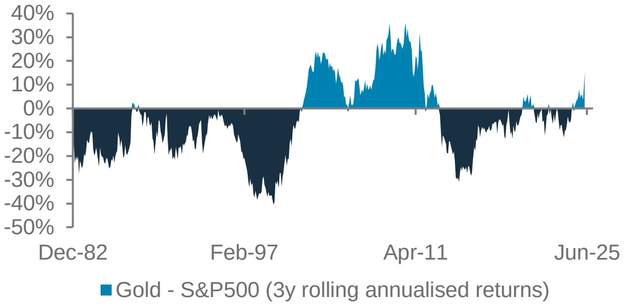
We remain Overweight gold, raising our 3-month and 6-12-month targets to USD 3,400/oz and USD 3,500/oz, respectively. Gold remains a crucial portfolio diversifier, and there has been a surge in demand for gold-backed exchange-traded funds (ETFs) in recent weeks, particularly from Chinese investors. However, after the sharp rally in prices, positionings look stretched (Page 15); we would recommend waiting for a better entry level. Silver, which has lagged gold in recent weeks, can be considered, but silver is not a perfect substitute for gold, given its industrial demand. A credible resolution of US-led trade disputes is a key risk to gold prices, but we see any correction as an opportunity to add to exposure, as central bank demand remains a strong long-term anchor. The PBoC added to its gold reserves for a fifth straight month in March – a trend we see continuing, given China's gold reserves at 6.5% of total holdings still lag the 15% average among BRICS peers. Rough estimations show that every 1ppt increase in China's gold holdings as proportion of total reserves would amount to around 400 tonnes of new demand.

We trim our WTI crude oil price expectations to 60/bbl over 3m and 12m horizons. The broader context of significant supply and subdued demand remains unchanged, as does our expectation oil markets remain in a surplus through 2025. US trade policy raises downside risks to economic growth, which in turn raises downside risks to oil demand. On the supply side, OPEC+'s decision to continue unwinding some of its prior supply cuts is likely to exacerbate excess supply. Geopolitics remains a key risk, with any flare-up in the Middle East posing an upside risk to oil prices. However, significant OPEC+ spare capacity means any price rebound is likely to be short-lived. Our view of subdued energy prices, though, are likely to help contain long term inflation expectations, particularly in the US.

Key chart

Fig. 16 Gold's outperformance over the S&P500 is significant but not unprecedented and far from extreme

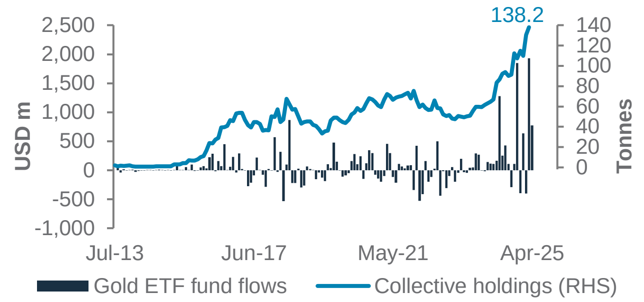
Gold's excess returns vs the S&P 500



Source: Bloomberg, Standard Chartered

Fig. 17 Inflows into China's gold ETFs have surged amid US-China trade tensions

China gold ETF inflows and collective holdings



Source: World Gold Council, Standard Chartered; As of Mar 25

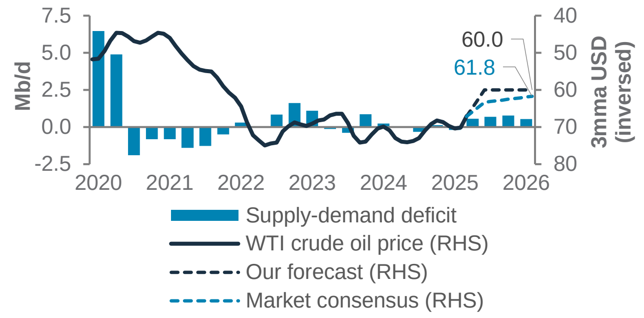
Fig. 18 The gold/silver ratio has crossed 100 for only the second time since 1973

Gold/silver ratio

Source: Bloomberg, Standard Chartered

Fig. 19 The oil market is likely to remain in surplus this year, keeping prices in check

Oil supply-demand balance, price estimates



Source: Bloomberg, Standard Chartered

Quant perspective: Models are neutral to modestly bullish

Francis Lim
Senior Quantitative Strategist

Maggie, Au Yeung
Quantitative Analyst

Summary

Our stock-bond model is slightly Overweight equities over bonds in April. The model score rose from -1 to +1 in April (a positive score indicates an Overweight to equities), after it initially fell from a maximum of +5 to 0 in March. The increase in the model score is driven by valuation factors, which view Asia and Developed Market (DM) equities to be cheap. Technical factors are also supportive of equities, as the net declines in stocks look too bearish, and this increases the chance for a bullish reversal. Fundamental factors remain very weak, as all of them are showing negative signals for equities. These factors include a contraction in new orders in the PMI, an elevated macro risk index, a negative economic surprise index and a continuing slowdown in the upward versus downward earnings revisions ratio.

Our technical framework is Neutral equities in the short term. The price actions for non-US markets are currently bullish, as they rebounded strongly after their significant sell-offs in early April. However, our market regime indicators for all equity markets turned bearish as market volatility rose outside of the normal historical range, even when the extremes are considered. To put this into perspective, the magnitude of the sell-off in the S&P500 on 3-4 April amounted to 10%+, and it is only exceeded by Black Friday in 1987, the Global Financial Crisis in 2008 and the COVID-19 pandemic in 2021. Our models will likely retain a Neutral view across all equity markets to manage downside risks until market volatility calms down further.

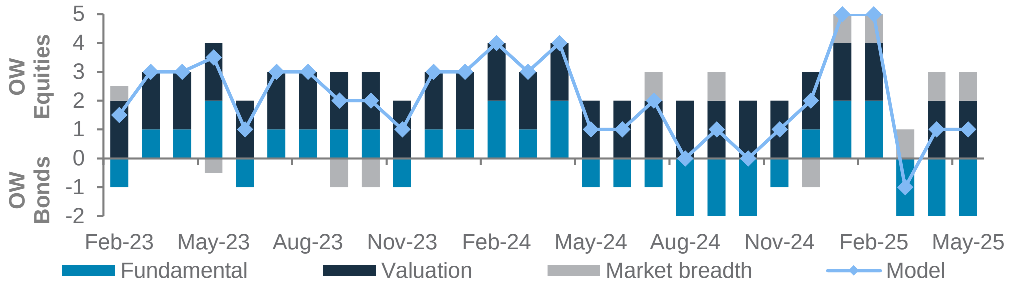
Our market diversity indicators flag stretched positioning in Gold. The precious metal has rallied more than 28% this year amid tariff uncertainty, and our indicator suggests waiting for a better entry point. Gold was initially flagged for a stretched positioning in late March. It then pared back gains by as much as 4.8% in early April before starting to rise again.

Key chart

Our stock-bond model score rose to 1 from 0 in April, indicating a slight Overweight to equities. The change was driven by valuation and technical factors

Fig. 20 **Breakdown of our stock-bond rotation model's scores since inception in Feb-23**

Model scores are based on the total of fundamental, valuation and market breadth factors

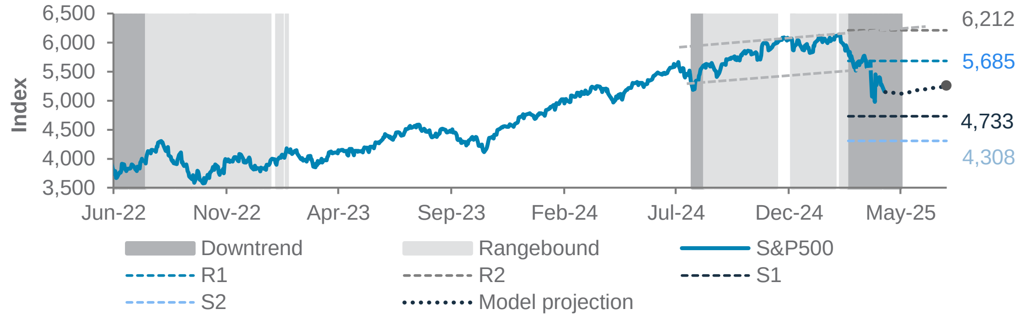


Source: Bloomberg, Standard Chartered

Our market regime indicator projects a recovery in the S&P500 to start in mid-May but near-term price action is still bearish. Given market volatility remains extreme, we retain a Neutral short-term view to reduce risks

Fig. 21 **Our technical model is Neutral on S&P500**

Our framework is projecting a recovery, but near-term volatility could remain high



Source: Bloomberg, Standard Chartered

Fig. 22 **Long- and short-term quantitative models are neutral risky assets**

Long-term models below have a typical time horizon of 3-6 months, while short-term models have a 1-3-month horizon

Long-term	Stock or bond	Equity and bond market risks	Global inflation-growth regime
Current view	**Slightly Overweight equities over bonds**	**High equity and bond market risks**	**Prefer risky assets and some inflation hedge**
What factors is this view based on?	• **Fundamental:** -2 score. Elevated macro risk index, contraction in PMI new orders, negative Economic Surprise index and further decline in upward versus downward earnings revision ratio • **Valuation:** +2 score. Price-to-earnings ratios of DM and Asian equities look cheap • **Market breadth:** +1 score. Net declines in global stocks look too bearish and signalling higher chance of a reversal	• **Equity risk:** High. Momentum factors are bearish and higher interest rate benchmarks are a negative factor. Lower inflation partially offsets these negative factors • **Government bond risk:** High. Higher commodity prices and fluctuations in growth factors such as US housing starts and US manufacturing PMI are driving up duration risks due to concerns about stickier inflation	• **Global inflation** fell further to 1.9% y/y from 2.1% previously. Consensus expects 2.2% in the next 12 months. However, weak leading indicators in the US, Europe and China imply global inflation is likely to fall further • **Global industrial production growth** slowed slightly to 1.9% y/y from 2.1% and consensus expects growth to remain around the current level in the next 12 months. Leading indicators point to slower but still positive growth
Key model factors	• Economic activity, macro risk and surprise indices, corporate earnings, forward price-to-earnings ratio and technical factors	• Market factors include interest rates, commodity prices and equity market momentum. Macro factors include US housing, inflation, money in circulation, capacity utilisation and employment	• Tracks current and consensus estimates of inflation, industrial production and leading economic indicators for the US, Euro area, the UK, China, India and Korea
How does it work?	• A monthly scorecard of -5 to 5 based on fundamental, valuation and market breadth factors to indicate relative preference for bonds and equities. A positive score favours equities and vice versa	• Using risk barometers to gauge the likelihood of large sell-offs in US equities and government bonds. Each barometer ranges from 0 to 100, where a value below 50 indicates high downside risk and vice versa	• A macro model of the global economic cycle (recession, recovery, late cycle and stagflation) and implications for long-term asset class returns.

Short-term	Technical analysis	Investor positioning
Current views	**Neutral equities**	**Gold positioning stretched**
What factors is this view based on?	• **Neutral all Level 2 equity markets.** Price actions are bullish, especially for non-US markets, but our market regime indicators show near-term volatility remains high. Our models cut risks with a Neutral view across all Level 2 equity markets until volatility indicators fall back to normal range • **Remain bearish USD/JPY.** Trend remains in favour of our bearish view, which is also supported by our momentum and volatility indicators	• **Gold** has risen 28% year to date (YTD) amid tariff uncertainty. Our positioning indicator suggests waiting for a better entry point • **DM Investment Grade sovereign bonds** have also performed well, generating 5.0% YTD gains. Our indicator has yet to flag stretched positions, but it is inching closer to the threshold and is worth watching closely
Key model factors	• **Price action:** Momentum, volatility and volume dynamics over short- to medium-term horizons	• **Price action:** Overbought conditions occur when prices rise sharply; oversold conditions happen when prices fall rapidly in a short time
How does it work?	• A short-term technical model that tracks momentum, volatility and volume indicators and uses machine learning to identify bear/bull markets	• A market indicator based on fractal analysis that provides timely indication of investor positioning based on price actions

Source: Standard Chartered

Foundation: Asset allocation summary

Summary	View	FOUNDATION Moderate	FOUNDATION Balanced	FOUNDATION Aggressive
Cash	▼	4	4	4
Fixed Income	◆	57	37	17
Equity	◆	33	53	73
Gold	▲	7	7	7
Asset class				
USD Cash	▼	4	4	4
*DM IG Government Bonds**	▲	25	17	9
*DM IG Corporate Bonds**	◆	14	9	5
DM HY Corporate Bonds	◆	4	3	1
EM USD Government Bonds	▼	3	2	1
EM Local Ccy Government Bonds	◆	3	2	0
Asia USD Bonds	◆	8	5	2
North America Equities	◆	22	35	48
Europe ex-UK Equities	◆	4	7	9
UK Equities	◆	1	2	3
Japan Equities	◆	2	3	4
Asia ex-Japan Equities	◆	4	7	10
Gold	▲	7	7	7
		100	**100**	**100**

Summary	FOUNDATION Conservative
Cash	35
Fixed Income	65
Asset class	
USD Cash	35
DM IG Govt (Short duration)	16
DM IG Corp (Short duration)	17
DM HY (Short duration)	7
EM USD Govt (Short duration)	10
EM LCY Govt	5
Asia USD bonds	11
	100

Source: Standard Chartered
All figures in %
1. Allocation figures may not add up to 100 due to rounding. *FX-hedged
2. The Conservative TAA is based off the SAA and is not overlaid with any tactical views

Legends: ▲ Most preferred | ▼ Least preferred | ◆ Core holding

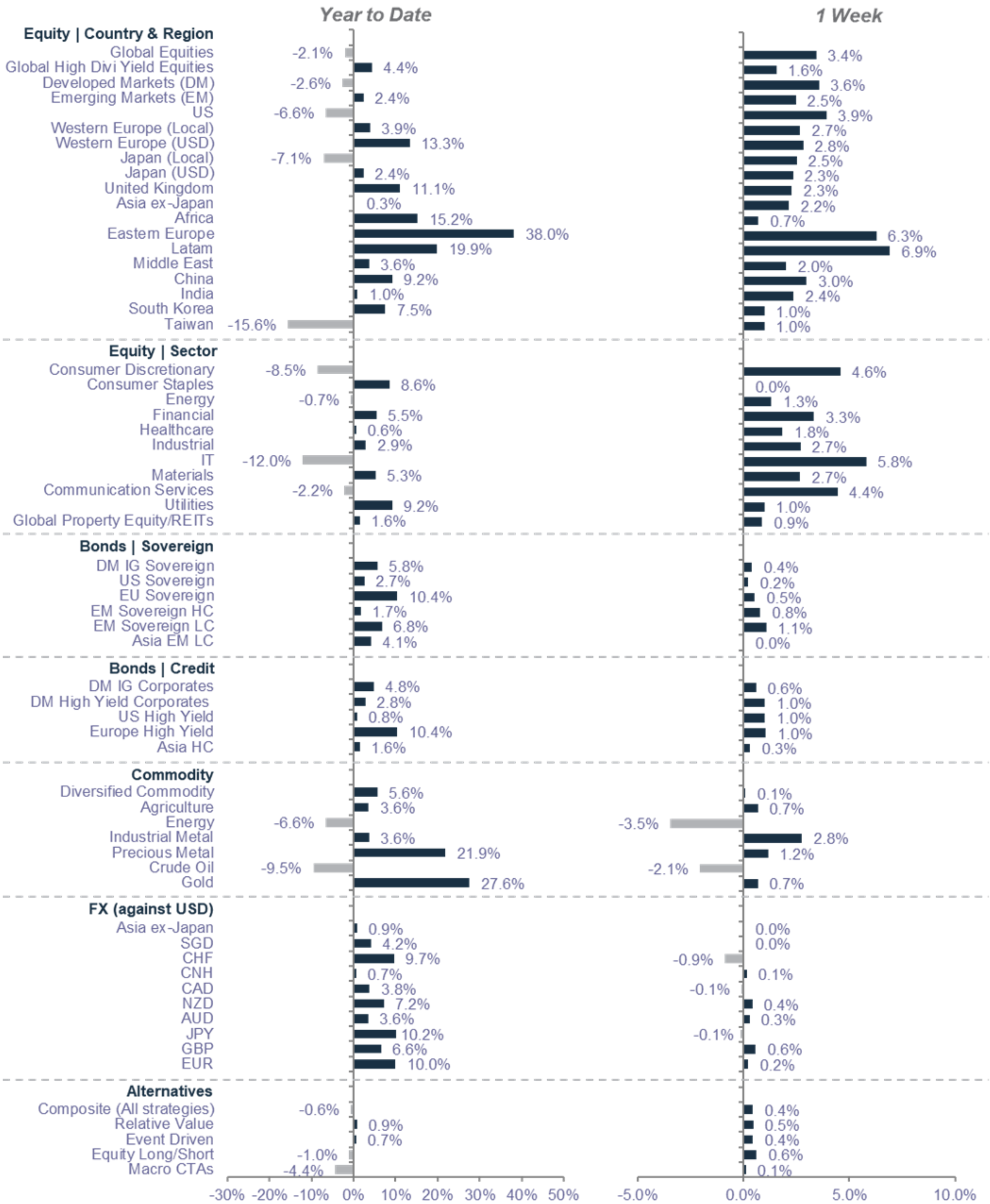
Foundation+: Asset allocation summary

Summary	View	Moderate	Balanced	Aggressive
		FOUNDATION+		
Cash	▼	3	3	3
Fixed Income	◆	48	30	13
Equity	◆	28	42	54
Gold	▲	6	5	5
Alternatives	◆	15	20	25
Asset class				
USD Cash	▼	3	3	3
*DM IG Government Bonds**	▲	21	13	6
*DM IG Corporate Bonds**	◆	12	7	3
DM HY Corporate Bonds	◆	3	2	1
EM USD Government Bonds	▼	3	2	0
EM Local Ccy Government Bonds	◆	2	2	0
Asia USD Bonds	◆	7	4	2
North America Equities	◆	18	28	36
Europe ex-UK Equities	◆	3	5	7
UK Equities	◆	1	2	2
Japan Equities	◆	2	2	3
Asia ex-Japan Equities	◆	3	5	7
Gold	▲	6	5	5
Alternatives	◆	3	4	5
Private Equity		2	5	9
Private Real Assets		5	4	4
Private Debt		5	7	7
		100	**100**	**100**

Source: Standard Chartered
All figures in %
1. Allocation figures may not add up to 100 due to rounding. *FX-hedged

Legends: ▲ Most preferred | ▼ Least preferred | ◆ Core holding

Market performance summary*



Source: MSCI, JPMorgan, Citigroup, Dow Jones, HFRX, FTSE, Bloomberg, Standard Chartered

*All performance shown in USD terms, unless otherwise stated

*YTD performance data from 31 December 2024 to 24 April 2025; 1-week performance from 17 April 2025 to 24 April 2025

Our key forecasts and calendar events

Currency	USD (DXY)	EUR/ USD	GBP/ USD	USD/ JPY	AUD/ USD	NZD/ USD	USD/ CAD	USD/ CNH	USD/ CHF	Oil (WTI, USD/ bbl)	Gold (USD/ oz)	Fed policy rate (upper bound)	US Treasury 10y yield (%)	ECB policy rate
3m forecast	99.5	1.14	1.33	142	0.61	0.57	1.40	7.38	0.78	60	3,400	4.50% (Jun-25)	4.25-4.50%	2.25% (Jun-25)
12m forecast	98.7	1.15	1.34	140	0.64	0.60	1.40	7.70	0.78	60	3,500	3.75% (Mar-26)	4.00-4.25%	1.75% (Mar-26)

Source: Standard Chartered

MAY

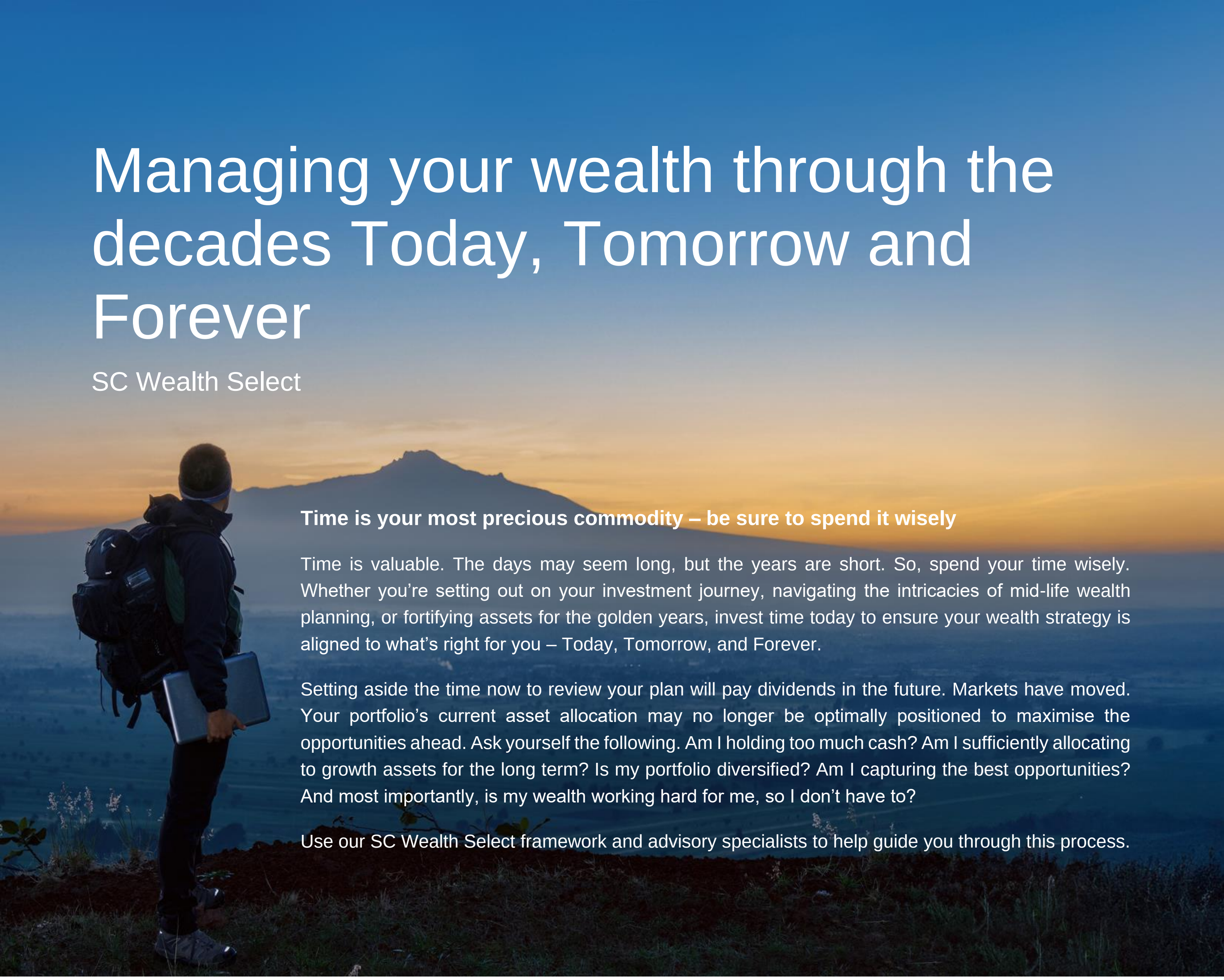
- 1 May > Japan: BoJ policy meeting
- 2 May > EU: CPI
- 2 May > US: Nonfarm payrolls
- 6-7 May > Germany: Global Solutions Summit
- 8 May > US: Fed policy meeting
- 8 May > UK: BoE policy meeting
- 13 May > US: CPI
- 22 May > EU: PMI
- 22 May > US: PMI

JUN

- 1 Jun > Canada: 51st G7 Leaders' Summit
- 3 Jun > EU: CPI
- 5 Jun > EU: ECB policy meeting
- 6 Jun > US: Nonfarm payrolls
- 11 Jun > US: CPI
- 17 Jun > Japan: BoJ policy meeting
- 19 Jun > US: Fed policy meeting
- 19 Jun > UK: BoE policy meeting
- 23 Jun > EU: PMI
- 23 Jun > US: PMI
- 24-26 Jun > the Netherlands: NATO Summit

Legends: Central bank policy | Geopolitics | Economic data

X – Date not confirmed | ECB – European Central Bank | FOMC – Federal Open Market Committee (US) | BoJ – Bank of Japan | BoE – Bank of England



Managing your wealth through the decades Today, Tomorrow and Forever

SC Wealth Select

Time is your most precious commodity – be sure to spend it wisely

Time is valuable. The days may seem long, but the years are short. So, spend your time wisely. Whether you're setting out on your investment journey, navigating the intricacies of mid-life wealth planning, or fortifying assets for the golden years, invest time today to ensure your wealth strategy is aligned to what's right for you – Today, Tomorrow, and Forever.

Setting aside the time now to review your plan will pay dividends in the future. Markets have moved. Your portfolio's current asset allocation may no longer be optimally positioned to maximise the opportunities ahead. Ask yourself the following. Am I holding too much cash? Am I sufficiently allocating to growth assets for the long term? Is my portfolio diversified? Am I capturing the best opportunities? And most importantly, is my wealth working hard for me, so I don't have to?

Use our SC Wealth Select framework and advisory specialists to help guide you through this process.

Purpose

Today, Tomorrow, Forever

Our approach to helping you grow and manage your wealth starts with you. We use a goals-aware approach to understanding your vision of Today, Tomorrow, and Forever for yourself, your family and beyond, and then design portfolios to meet these differing needs.

Using our 'Today, Tomorrow and Forever' approach, we ensure your wealth needs for the near term (Today) are met, whilst ensuring your wealth needs for the decades ahead (Tomorrow and Forever) are also planned for.

Your vision of 'Today, Tomorrow and Forever' is unique to you. Our specialist's partner with you to build well-diversified, long-term Foundation portfolios, aligned to your Today, Tomorrow, Forever needs. Opportunistic ideas are added to capture short term opportunities, as well as sufficient protection included to address you and your family's objectives.

Today, Tomorrow, Forever Approach

Planning for Today

Requires ensuring liquidity and income flows take centre stage.

Securing Tomorrow

Entails a well-diversified investment and protection portfolio with a focus on growth, ensuring inflation is accounted for and risks are mitigated.

Building for Forever

Involves greater focus on long-term returns given the time horizon of your portfolio can be measured in decades, and might also include business interests, real estate, collectibles, or charitable funds.

Principles

that stand the test of time

Adhering to time-tested Principles, to ensure your investment decisions remain robust and consistently applied, is paramount to your success Today, Tomorrow, and Forever. We use five Wealth Principles to guide and guardrail your wealth decisions.

Discipline – Ensure consistency and prudence over your emotions

- Reacting to emotions such as optimism and fear can lead to poor investment decisions at the worst times
- Have a plan and stick to it – this helps you to stay focused on the bigger picture

Diversification – Simply put, don't put all your eggs in one basket

- Reduce risk by holding a variety of financial assets. Multi-asset diversification in your Foundation portfolio is important
- As a guide, make sure your portfolio contains a variety of asset classes and investments that have low correlation with one another

Time in the Market – A more robust strategy than timing the market

- Predicting market selloffs is challenging, and timing your exit and re-entry is difficult
- Missing out on the best performing days of a market can have a significantly detrimental impact on your portfolio
- 'Time in the market' and buying the market with a longer-term view provide more consistent returns that can ride out bumps along the way

Risk and Return – Make sure the risk is worth the return

- To achieve higher investment returns, you will likely have to accept a greater level of risk in your portfolio
- Therefore, it's important to understand the risks and manage these on an ongoing basis

Protection – Don't let the unexpected catch you unprepared

- Even though you may feel healthy, or financially stable now, protection offers the ability to overcome times of financial uncertainty and mitigate the long-term impact of unforeseen events on your wealth
- A good protection plan not only safeguards your wealth today, but also considers the value of your future earnings over your lifetime, in today's terms

Advisory Process

Following a holistic approach to managing your wealth

We follow a rigorous process to ensure your needs and objectives are well-understood, and your portfolio is aligned and managed to deliver on these objectives.

However, markets constantly evolve and your needs change. Hence, we encourage you to undertake regular portfolio reviews to ensure your portfolio remains aligned to your Today, Tomorrow and Forever objectives. This proactive approach includes strategic rebalancing based on insights from our Chief Investment Office.

Learn more

Scan the QR code below to learn more about our approach to growing, managing and protecting your wealth.

The five-step process

Showcase
Learn how our advisory framework can help you

Discover
Let us understand your needs, preferences and goals better

Propose
We'll design a Foundation portfolio tailored for you, with Opportunistic overlays

Implement
Allow us to implement your portfolio seamlessly and efficiently

Monitor & Review
It's important to regularly review and rebalance your portfolio

Please be sure to reach out to your Relationship Manager today to arrange a portfolio review.

standard chartered

presents

InvesTips

from the CIO's desk

Presented by:

Steve Brice

Global Chief Investment Officer, Standard Chartered Bank

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