NOVEMBER 2021

Investment Navigator
Asia Edition

DON'T COP OUT: COP WINS!! Long Live the Energy Transition!

Key questions

- **Is the Energy Transition moving too fast?** Is it too costly? Or is the rally in commodities exposing the normal supply and demand imbalances that occur in rapid global economic recovery?
- **With COP 26 a key question is focusing on the bottlenecks in the energy value chain.** What combination of private and public policy will get us to limit the temperature increase to 1.5 degrees Celsius by 2050? **What are the investment opportunities?**
- What more? **What is the investment case for India, the Emerging Giant in Asia** - the best performing major market in the world in 2021?

Is The Energy Transition Moving Too Fast Or Is It Not Fast Enough?

This question is reverberating globally as we recently went though a spike in many commodity prices, shortages of natural gas, as winter approaches. **Can we afford the costs of climate change?** The ongoing COP 26 meetings in Glasgow are at a crucial cross-road to discuss the most important societal and investment opportunity of this generation.

Commodities Rally With Cyclical Recovery

First of all, commodities normally rise in periods of economic recovery. The current recovery is different in the sense that it arose from an exogenous shock, where governments globally shut down economies during the height of the pandemic. Hence, when the economies globally started reopening, we witnessed the fastest economic recovery in 50 years.

Underinvestment In The Previous Commodity Cycle

Secondly, there was a commodity bear market in the previous cycle, hence, capex and underinvestment exacerbated the supply side issues. For example, it takes on average 6-8 years to build a greenfield copper mine. Therefore, the 2009-2020 capex underspend laid the foundation of the supply side issues we suffer from today.

Prashant BHAYANI
Chief Investment Officer
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

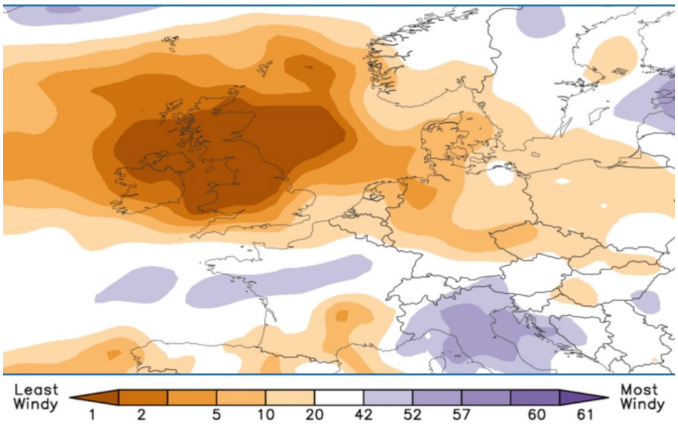
BNP PARIBAS WEALTH MANAGEMENT

The bank for a changing world

Stronger Demand And Lagging Supply = Rising Prices

Thirdly, the rapid economic recovery this year exposed the underestimation of supply. In Europe, the increase in natural gas prices has been caused by a prolonged previous winter, and lack of LNG cargoes over the summer which led to tight supply conditions. This was aggravated by poor domestic production and lower supplies from Russia. **In fact, the UK & Ireland had a "Wind Drought" with the least windy time period in 60 years affecting windmill power.**

APR TO SEP 2021: LEAST WINDY SUCH PERIOD FOR UK & IRELAND IN 60 YEARS



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

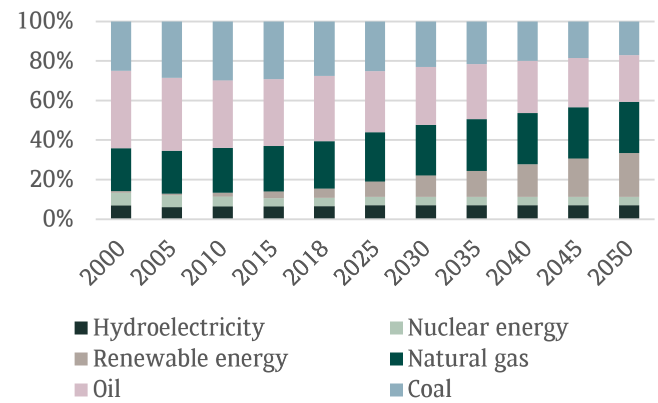
In China, electricity demand has increased by double digits due to robust exports and shrinkage of coal supply by just 5%. As a result, natural gas as an alternative fuel has rocketed in price. Rules to lower energy intensity have since been loosened temporarily. We have subsequently seen a correction in coal prices in China after the authorities acted to increase supply and reduce intensive energy usage in the past month.

Energy Transition Is A Multi-decade Process

Fourthly, the energy transition was always going to be a multi-decade process. The world currently relies on fossil fuels for 80% of energy needs. Oil and gas are transition fuels. Crucially, but not well understood, this transition is aided by the replacement of capital stock at the end of its useful life, which is easier and less expensive to execute.

For example, the average age of coal plants in North America and Europe were already advanced, therefore, swift replacement of aging coal plants made perfect economic sense. However, in Asia, the average age of a coal plant is only 13 years. Another example is EV adoption rates. The average life of a car is 10-13 years in developed markets, and it is natural to see an upgrade cycle over time as these cars age. At the end of 2020, while demand explodes, the global EV penetration was still only at 4.5%. However, this will likely accelerate with to 25% by 2030 and 70% by 2080. Higher commodity prices could also help boost adoption.

GLOBAL ENERGY CONSUMPTION BY TYPE 2000 - 2050



Source: IEA World, Statisa, BNP Paribas (WM), as of 8 Oct 2021. Past performance is not indicative of current or future performance.

Climate Change Is Investment Risk & Return

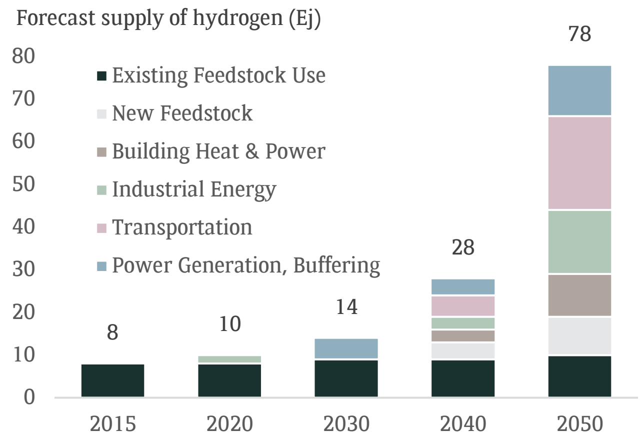
The irony here is that the rise of commodity prices were due to a number of complex factors. That has now translated into a more pressing need for solutions with regards to energy infrastructure value chain versus pre-pandemic. **For instance, one of the key bottlenecks is high capacity batteries for storage of renewable power, which would possibly help solve the "wind drought" issues.**

Invest In Solutions To Energy Bottlenecks

100 GWs of these high capacity batteries will be in place by 2050 as an example. **It is estimated the world requires $150 trillion investment over the next 30 years, which is twice global GDP to meet decarbonisation goals.** Focus on the entire value chain which will create multi-decade investment

opportunities including **(1) renewable energy capacity, (2) energy storage, (3) batteries, (4) carbon pricing, (5) carbon capture and storage, and (6) grid connectivity and (7) HYDROGEN** to name just a few of the key bottlenecks attracting significant investment.

HUGE GROWTH POTENTIAL IN HYDROGEN: SUPPORTS MULTIPLE SUSTAINABILITY SOLUTIONS



Source: BNP Paribas WM, as of 8 Oct 2021
Past performance is not indicative of current or future performance.

Global Public Policy A Key Driver

Furthermore, public policy is also driving this acceleration with the Europe's "Green New Deal", the US "Build, Back, Better" and China's commitment to carbon neutrality by 2060. These are fundamental building blocks, which can aid the acceleration of adoption, with the phasing out of petrol engines or early retirement of coal plants, even in emerging countries. At the COP 26, India stole the show by agreeing to carbon neutrality by 2070. Clearly, the momentum for energy transition is increasing, with EMs now coming onboard.

India The Emerging Giant

As for India, we have decided to take profits on largely due to the extremely strong price action, moving from Overweight to Neutral. **The Sensex has appreciated circa 60% since the upgrade in end May 2019, 52% last 12 months, and 29% year-to-date as of October 28th. It is the best performing major equity market in the world in 2021.** It trades at a record 60% premium to Asia stocks and near 100% valuation premium to China equities. The Sensex 30 Index trades at a 26x current year earnings and 22x next year earnings. Furthermore, higher energy prices and higher inflation will lead to RBI rate hikes as we are seeing globally.

Why Should India Trade At A Premium And It Has Historically?

India long-term fundamentals remain strong. (1) Improving business landscape under PM Modi, (2) Young population – demographics key to growth in an aging world, (3) Lower levels of debt compared to other major countries, (4) Large and growing domestic market, and (5) Strong culture of high return on equity with company returns. Two of the top three wealthiest people in all of Asia are located in India, reflecting the massive domestic growth catch-up potential. **We would revisit the case on a market pullback.** India also provides diversification potential from China, which was especially evident this year.

CONCLUSION / STRATEGY:

In summary, we have been long "green real assets" and profited by the increase in commodity prices as consistent with a vigorous cyclical recovery. However, this only strengthens the case for further investment and acceleration of the private and public partnership driving the fight to limit global warming to 1.5 degrees Celsius. **It is estimated the world requires $150 trillion investment over the next 30 years, which is twice global GDP to meet decarbonisation goals.** National security and energy security go hand-in-hand. This is also one of the key issues where there is true global consensus. Investors should focus investments on key bottlenecks as well as adopt ESG integration across your mainstream investment portfolios.

Overview of our CIO Asset Allocation for November 2021

	Views Current	Views Prior	Constituents	We like	We avoid	Comments
EQUITIES	+	+	Markets	EU, UK, Japan, EM		Cyclical/value, improving profitability plus M&A activity are the key attractions in these key stock markets.
			Sectors	Real Estate, Financials, Healthcare, Semiconductors, Construction Gold miners, EU Energy	Utilities	
			Styles/ Themes	Megatrend themes		Good potential remains for secular themes such as **5G, AI, cloud, cybersecurity, smart consumers, health tech, water, waste & infrastructure.**
BONDS	-	-	Govies		US long-term Treasuries	■ Our 10-year US bond yield target is 2%. ■ We are neutral on US short-term bonds
			Segments	Emerging Markets Bonds (USD + local currency) Fallen Angels & Rising Stars		■ We are **neutral on US investment grade (IG) corporate bonds** ■ We keep a **neutral stance on US high yield (HY)**. We prefer **Fallen Angels & Rising Stars**. ■ We are **positive on EM bonds, in both hard and local currency.**
CASH	=	=				
COMMO-DITIES	+	+		Gold		■ **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 demand will increase & supply will remain tight
FOREX			EURUSD			Our 12-month target remains 1.18.
ALTERNATIVE				Real Estate; Private Equity Macro, Event-driven Hedge Funds		We are neutral on Relative Value & Long/Short Equity, with a preference for Macro & Event Driven strategies.

Note: + Positve / = 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	-9.8	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	7.8	5.6	2.5	1.2	2.8
	Hong Kong*	-6.1	6.4	3.5	0.3	1.9	2.1
	South Korea	-1.0	3.9	3.0	0.5	2.1	1.7
	Taiwan*	3.1	5.9	3.3	-0.2	1.6	1.5
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	3.2	6.3	2.6	4.3	3.0
	Singapore*	-5.4	6.0	3.2	-0.2	1.6	1.5
	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 October 2021
** IMF data and forecasts as of 31 October 2021*

GROWTH

- Growth rate in Q4 should be affected by the supply bottlenecks in a context of a strong increase in year-end demand.
- We expect more reopening of major economies in 2022. Fiscal policy in the USA and in Eurozone should remain accommodative and will sustain the economy for the coming year notably through investments in energy transition.

INFLATION

- Inflation can stay high for longer than anticipated. Over the coming months, key drivers will be base effects and supply chain constraints. Medium-term the key will be the job market evolution.
- We do not see the comparison with the 1970's stagflation: (1) Density trade union has gone down across most developed countries and limits wages spiral inflation. (2) Central banks in DMs have strong credibility in fighting inflation. (3) Delivery times is far lower than during 70's .

Equity

POSITIVE NEUTRAL NEGATIVE

OVERALL GLOBAL: POSITIVE

Positive	Neutral	Negative
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

Positive	Neutral	Negative
COUNTRY		
China, Taiwan Singapore South Korea Indonesia	▼ India Thailand Malaysia Philippines	-
SECTOR		
Technology Healthcare Industrials Consu. Sta. ▲ Utilities	▼ Consu. Discre. Comms Energy Materials Real Estate	Financials

- Strong earnings momentum on the back of a bullish Q3 result season, allied with rising buybacks, negative real yields and boosted M&A activity are key drivers for global stocks.
- **Downgrade India to neutral** after a 25% rally YTD. The market trades at a record 60% premium to its Asian counterparts. Also, high energy prices and higher inflation will lead to rate hikes by the RBI.
- **Upgrade Asia utilities to overweight** as the potential and need for **renewable energy** in Asia is significant. Utilities companies will play a key role with the help of government policies.
- **Downgrade Asia consumer discretionary to neutral** amid high valuations, near term sales growth moderation and the impact of "common prosperity".

		1-month (%)	YTD (%)	2020 (%)	Forward PE (x)	Trailing PB (x)	Dividend Yield (%) 2021f	EPS Growth (%) 2021f	EPS Growth (%) 2022f	ROE (%) 2021f
Developed	US	6.9	22.0	19.2	21.8	5.1	1.8	48.8	7.4	22.7
	Japan	-1.3	11.2	6.6	15.0	1.6	1.9	20.0	33.5	8.9
	Eurozone	4.0	18.5	-2.7	15.8	2.0	2.3	64.7	9.1	11.0
	UK	2.2	12.4	-16.1	12.3	1.9	3.6	79.6	2.4	11.0
	Asia Ex-Japan	1.3	-3.7	22.5	14.4	2.0	2.3	39.8	9.2	11.6
North Asia	China	3.0	-15.2	25.9	13.6	1.9	2.4	14.5	16.1	11.3
	Hong Kong	1.2	-1.0	2.1	16.3	1.3	2.8	23.9	15.8	7.9
	South Korea	-3.6	-3.9	34.0	10.5	1.3	2.4	114.6	-1.9	13.8
	Taiwan	0.5	13.6	28.6	14.4	2.9	2.7	56.7	0.2	19.6
South Asia	India	0.0	27.6	16.8	24.0	4.2	1.1	34.9	18.0	13.6
	Indonesia	7.2	2.8	-9.5	15.9	2.7	2.4	29.6	20.2	14.2
	Malaysia	1.2	-6.7	-1.7	14.7	1.6	4.0	106.6	-11.2	10.3
	Philippines	2.1	-0.5	-9.7	18.1	2.0	1.3	49.3	27.6	6.9
	Singapore	3.6	13.1	-12.8	15.4	1.5	3.4	47.3	14.3	8.0
	Thailand	0.9	6.4	-13.9	18.9	2.3	2.6	60.1	12.6	9.0

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

Fixed Income

POSITIVE NEUTRAL NEGATIVE

OVERALL GLOBAL: NEGATIVE		
Positive	Neutral	Negative
EMD (LC) EMD (HC)	Short-term UST US IG High Yield	Long-term UST

OVERALL ASIA (USD): NEUTRAL		
Positive	Neutral	Negative
Hong Kong	India Philippines South Korea Indonesia China	-

		Total Return (%)			Yield-to-Worst (%)
		1-Month	2020	2019	
Asia	Asia USD Bond	-0.7	5.5	7.3	3.3
	Asia Local Currency Bond	0.0	1.6	9.7	3.5
	China	-1.6	1.9	6.1	4.5
	Hong Kong	-0.4	8.3	8.0	2.5
	India	0.3	9.7	6.7	3.4
	Indonesia	0.6	9.7	9.8	2.9
	Singapore	0.0	7.1	6.9	2.1
	South Korea	-0.4	6.5	6.9	1.5
	Philippines	0.7	6.4	7.4	2.6
Other Regions	US 10-year Treasuries	-0.7	4.9	8.7	1.6
	US Investment Grades (IG)	0.0	5.8	7.5	1.7
	US High Yield (HY)	-0.2	11.8	7.1	4.2
	Emerging Market USD Bond	-1.3	4.1	6.8	4.4

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

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

- The Fed announced to begin tapering from November, reducing purchases by USD15bn per month (USD10bn Treasuries and USD5bn mortgages back securities). This should see a fairly rapid taper that will conclude in mid-2022. The bar for interest rate hikes is higher and the Fed's view remains that inflation is transitory. We expect the first rate hike in 4Q 2022.
- We expect long-term bond yields to continue to move higher given inflation worries and central moving away from the Covid-19 emergency measures. We keep our 2% target for the UST 10-year yield on a 12-month horizon.
- **Neutral on US HY corporate bonds** given high valuations. We prefer rising stars and fallen angels. Rising stars are still trading wide to lower IG bonds.
- **Stay positive on EM bonds (both USD and local currency:** The recent spread widening is an opportunity. The asset class is seeing some support from negative US real yields. We also think that EM currencies have room to appreciate and that the market has already priced in the monetary policy tightening.

Forex & Commodities

POSITIVE NEUTRAL NEGATIVE

12-MONTH FOREX VIEW

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

COMMODITIES

Positive	Neutral	Negative
Gold	Oil Base metal	-

12M EURUSD target at 1.18: Eurozone growth is expected to be well above trend but risks are linked to supply shocks and high energy prices, especially natural gas, that could put a dent in growth figures. Eurozone's Inflation figures have not peaked yet, while inflation risks are lower in Europe relative to the US.

A medium-term risk for the EURUSD pair lies in asymmetric inflation. If inflation in the US turns systemic, the euro could strengthen significantly, as strong wage inflation in the Eurozone is unlikely.

GOLD: Rising inflation concerns are positive for gold. Real yields should rise moderately while remaining negative. For next year, we expect gold to trade in the **$1800-2000** range as supply and demand outlook remain favorable.

OIL: OPEC+'s tight supply management, declining inventories and additional demand due to substitution effects of natural gas pushed Brent up to $85/barrel. There are increasing calls for OPEC+ to increase output. Prices should be back in the **$70-80** range.

BASE METALS: China's metals consumption is expected to remain soft during the winter. There could be a strong recovery from the spring on the back of a probable China policy easing in early 2022, a moderation of energy supply constraints and major auto & manufacturing goods re-stocking.

Forex Forecasts

		Spot	3-month		12-month	
		As of 31 Oct 2021	View	Target	View	Target
Developed	USD Index*	94.12	=	93.9	=	92.5
	Japan	114.0	+	111	+	111
	Eurozone	1.157	=	1.16	=	1.18
	UK	1.371	=	1.36	=	1.40
	Australia	0.751	-	0.73	=	0.76
	New Zealand	0.718	-	0.70	=	0.73
	Canada	1.240	=	1.25	=	1.24
Asia Ex-Japan	China	6.399	=	6.50	=	6.50
	Hong Kong*	7.779	=	7.79	=	7.79
	South Korea*	1,169	=	1,175	=	1,180
	Taiwan*	27.81	=	27.9	=	28.2
	India	74.88	=	76.0	-	78.0
	Indonesia*	14,168	=	14,300	=	14,500
	Malaysia*	4.141	=	4.13	=	4.13
	Philippines*	50.41	=	49.0	=	51.6
	Singapore*	1.349	=	1.35	=	1.35
	Thailand*	33.18	=	32.50	=	33.10

Source: BNP Paribas (WM) as of 31 October 2021
**BNP Paribas Global Markets forecast as of 31 October 2021*

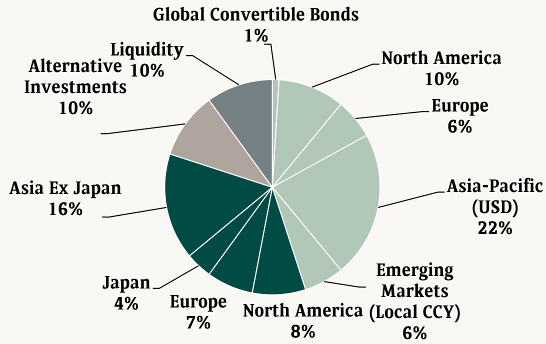
Note: + Positve / = Neutral / - Negative

Strategic & Tactical Asset Allocation

OUR TACTICAL ASSET ALLOCATION IS BASED ON OUR CIO'S ASSET ALLOCATION VIEWS. THERE IS NO CHANGE THIS MONTH.

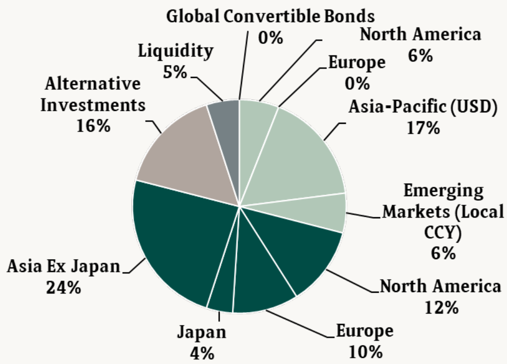
INVESTMENT PROFILE: BALANCED

	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%



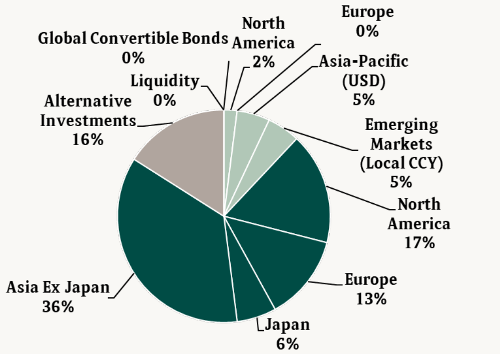
INVESTMENT PROFILE: DYNAMIC

	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 2 November 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