The Race to Save

How the emerging affluent are preparing for tomorrow

A study into the savings habits of 8,000 emerging affluent consumers across China, Hong Kong, India, Kenya, Korea, Pakistan, Singapore and Taiwan

Standard Chartered

Contents

All figures given in this report are percentages, unless otherwise stated

In charts, due to rounding of decimal places, displayed figures may not always add up to 100 per cent

The methodology can be found at the end of this report

Foreword

Karen Fawcett
CEO, Retail Banking

While growth has slowed in recent years, economies across Asia and Africa are still expanding, driven by an increasingly influential demographic: the emerging affluent.

The emerging affluent are consumers who are earning enough to start saving – and investing – and that's what makes them a crucial engine of economic growth. In the following pages, we reveal how a looming savings gap threatens the spending power of this group.

Now in its third year, Standard Chartered's Emerging Affluent Report highlights how many in this rising consumer class are taking an overly simplistic approach to savings; in some cases, cash is sitting under mattresses instead of in bank accounts.

We look at what's behind this trend, comparing the saving goals and challenges facing the emerging affluent in China, Taiwan, Hong Kong, Singapore, Korea, India, Pakistan and Kenya. We also examine the growing use of digital tools, retirement planning and attitudes towards assets such as property.

Some of the findings may surprise you: by taking advantage of basic wealth management strategies, savers in these markets could increase their savings by an average of 42 per cent over 10 years.

Emerging affluent consumers have lots of pressing reasons to save: longer life spans, the rising cost of education, health care and property. And they do save actively; two-thirds put aside for their top priority every month, while in India 17 per cent of these consumers save every week.

How and why these individuals save has a major impact on their lives, their families and dependents, as well as the economies in which they live. With the right information and support, coupled with easy access to quality banking products and services, we're confident the emerging affluent will play an increasingly important role in the growth story across Asia and Africa.

Introduction

Fast-growing markets in Asia and Africa are seeing the rise of a consumer class that will play a significant role in the development of consumption-led economies. They are the emerging affluent, and their impact on global growth will be profound.

As a leading international banking group operating in some of the world's most dynamic markets, we want to understand what's driving this emerging and important consumer class, who will be a key source of future demand for companies around the world.

Household savings are key to ensuring financial well-being, especially in countries that do not have well developed social security nets. This report provides new insight into what's motivating savings behaviour and whether the emerging affluent are on course to reach their goals.

The emerging affluent are focused on achieving some very significant savings targets, from buying a home and providing an education for their children to thinking ahead to retirement. They are clearly ambitious, but they are facing a savings challenge.

The increase in life expectancy that Western markets have been grappling with for years is now emerging in Asia. In fact, the next phase of global ageing will be driven by the major Asian economies. Furthermore, health care and education costs are rising and many of the emerging affluent live in some of the most expensive cities in the world, where housing is increasingly unaffordable. Building up a big enough savings pot to turn aspirations into an achievable reality is, therefore, critical.

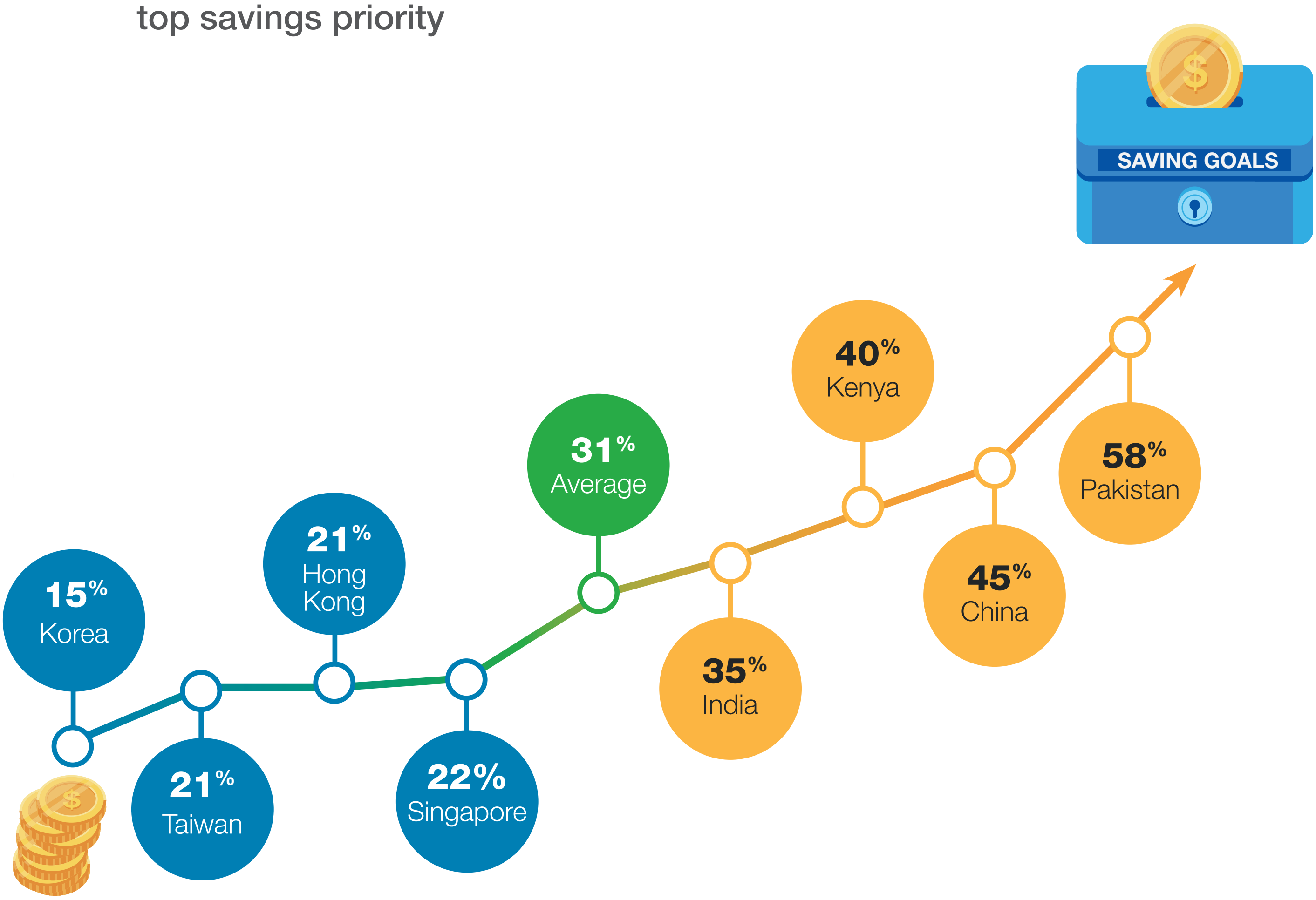
So close, and yet so far

The emerging affluent are lighting a fire under economic growth in some of the world's most dynamic markets. As their spending power increases, so do their ambitions, but many are still some distance away from reaching their personal goals.

While 31 per cent consider themselves close to reaching their main savings priority (see Figure 1), 41 per cent say they are far from achieving this.

Figure 1:

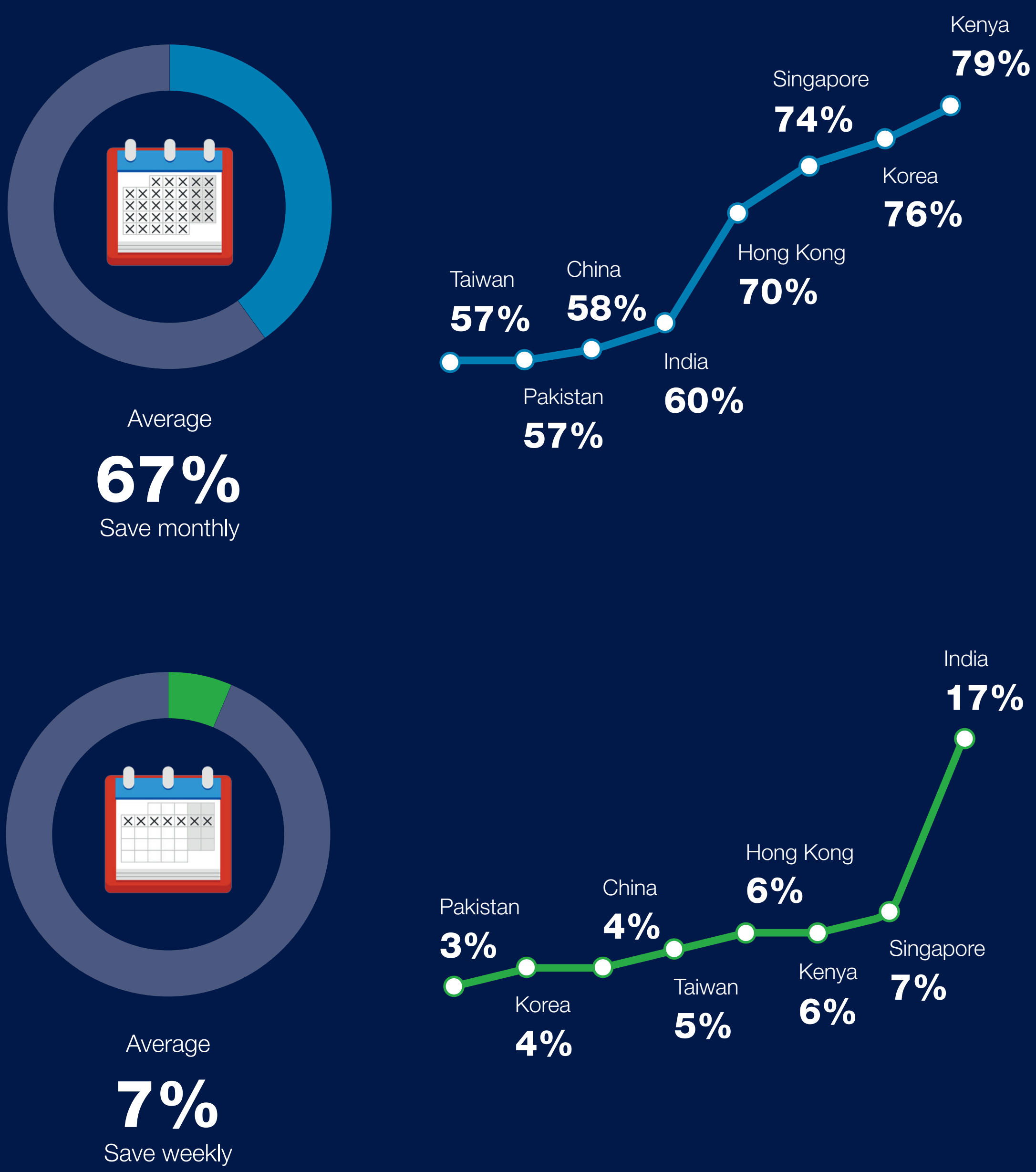
I am close to achieving my top savings priority



Despite this, the emerging affluent are active savers and, as such, are in a strong position to grow their savings pot. Two-thirds (67 per cent) save towards their top priority every month – rising to 70 per cent in Hong Kong, 74 per cent in Singapore, 76 per cent in Korea and 79 per cent in Kenya – while 17 per cent in India do so every week (see Figure 2).

Figure 2:

How often do you save money for your top savings priority?



However, though they are saving regularly, the emerging affluent are relying on a basic approach to saving money, which could add years to the amount of time it takes them to achieve their savings goals.

Digging deeper, the most common approach used by this demographic to achieve their top savings priority is a basic savings account (43 per cent). In fact, this is also the preferred method for achieving second (39 per cent) and third (38 per cent) savings priorities.

While most markets are united in their preference for basic savings accounts, the most common method of achieving a top savings priority in China and Korea is a time deposit (41 per cent and 51 per cent respectively, compared with a global average of 30 per cent). Meanwhile, half of emerging affluent savers in Pakistan prefer to store their savings in cash at home, making this the most popular approach in that country by far.

The adoption of more advanced saving methods, such as investments, is low in most of the markets (see Figure 3).

Figure 3:

How do you typically save to achieve your top savings priority?

	Average	China	Hong Kong	India	Kenya	Korea	Pakistan	Singapore	Taiwan
Savings account	43%	28%	47%	42%	74%	26%	38%	53%	40%
Time deposits	30%	41%	21%	33%	35%	51%	3%	20%	34%
Stock / equities	17%	25%	31%	17%	6%	15%	0%	16%	20%
Mutual funds	12%	12%	16%	24%	6%	10%	4%	8%	16%
Regular deposit savings plan	12%	28%	14%	0%	18%	0%	0%	21%	17%
Storing cash at home	11%	8%	6%	15%	2%	3%	50%	4%	7%
Property investment	10%	11%	8%	18%	10%	9%	8%	7%	9%
Fixed income securities	7%	17%	6%	19%	2%	4%	1%	6%	0%
Company pension fund	6%	8%	5%	12%	5%	3%	0%	3%	10%

Blue boxes = most common savings approach

Basic savings methods include: savings accounts, time deposits/fixed-term deposits and regular savings plans.
Advanced savings methods include: mutual funds, stocks/equities, fixed income securities and pensions

Given how regularly they save, the emerging affluent could find that adopting a more advanced approach to saving – taking calculated risk – reaps potentially greater rewards. **Our research shows that the emerging affluent in Asia could increase the return on their savings by an average of 42 per cent over a 10-year period, if they switched from a largely basic savings approach to a low-risk wealth management investment strategy.** This number could reach highs of 86 per cent in Hong Kong (see Figure 4).

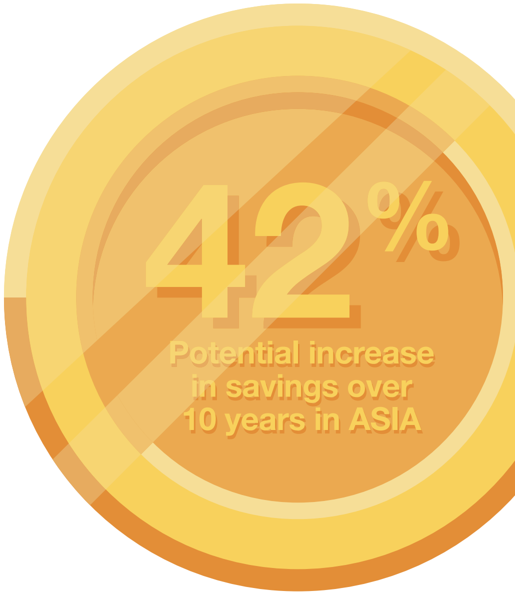
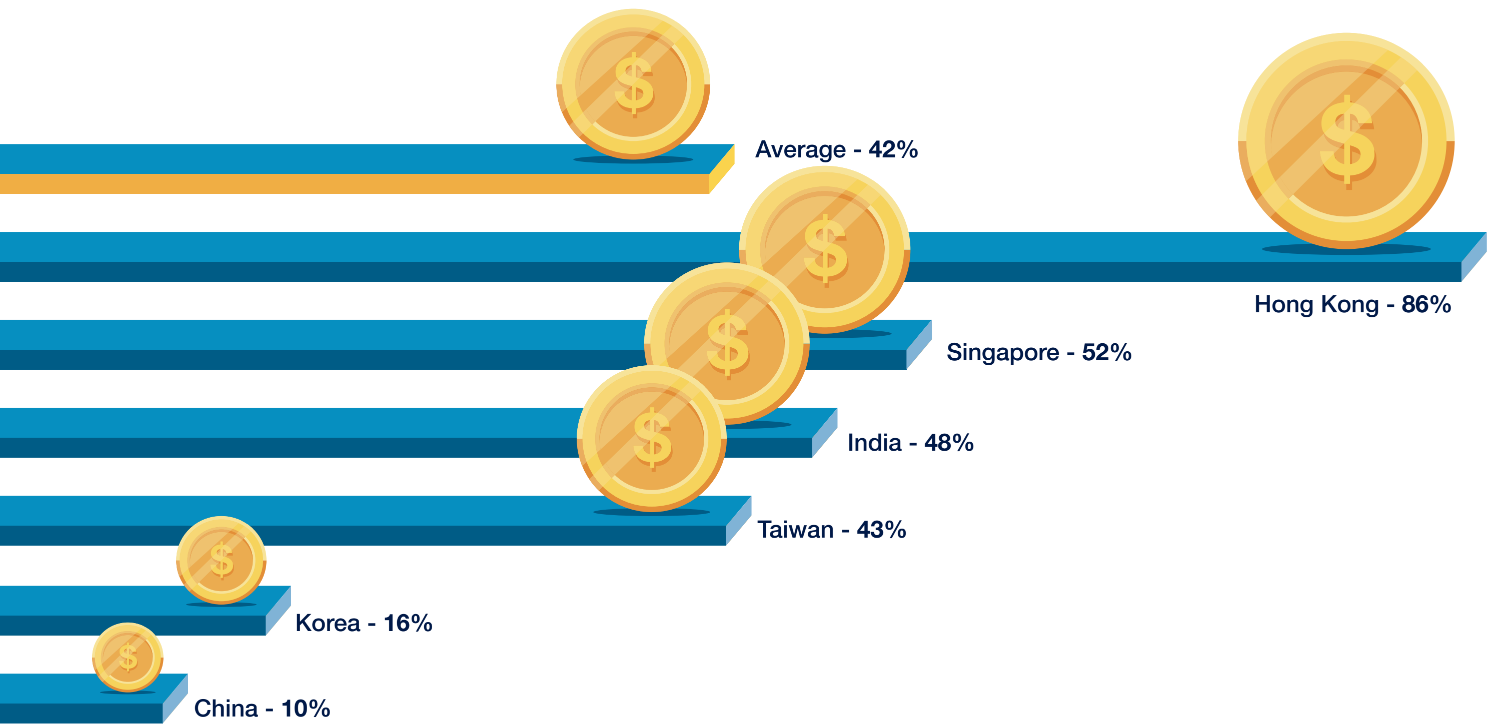


Figure 4:

Growth in 10-year returns by switching to a conservative (low-risk) wealth management investment approach*



Of course, emerging affluent consumers in more developed markets have greater opportunity to maximise potential savings, given they have access to more mature investment markets. What's interesting is that whether they live in a developed or developing market, the most common savings approach used is a basic savings method, or cash at home in the case of 50 per cent of respondents in Pakistan.

The investment markets in Kenya and Pakistan are less mature, but even here emerging affluent savers could reach their goals sooner, just by moving one step up from their preference of basic savings accounts or cash to time deposits. By doing this they could be earning 25 per cent and 82 per cent more over 10 years, respectively.

* Figures used to calculate the percentage uplift correct at time of publishing

The emerging affluent in the markets surveyed are avid savers, setting aside, on average, 27 per cent of their income every month. This well-engrained savings behaviour is the first step towards building financial stability and achieving their savings goals. The next step is to understand and choose the right products that will help them achieve these goals, within the expected timeframe.

Several factors should be considered, including the impact of inflation and individual risk appetite. A broader approach to savings and investing – which could include a mix of highly liquid products like savings accounts and longer-term investments – could help the emerging affluent to achieve their goals sooner.

Of course, people's circumstances can change and the market is constantly evolving, with new tools and services being launched every year. As such, savers should take a proactive approach to managing their savings and investments.

Fernando Morillo, Global Head, Retail Products and Segments

Losing interest

While the vast majority of the emerging affluent (96 per cent) do save, many say that low interest rates discourage them from saving more than they currently do. Almost a third (30 per cent) of people in the markets surveyed cite low interest rates as a barrier to saving more. As demonstrated by Figure 5, this sentiment is felt most strongly in China (39 per cent), Korea (38 per cent), Taiwan (38 per cent) and India (32 per cent).

Figure 5:

The low interest rate environment discourages me from saving more than I currently do

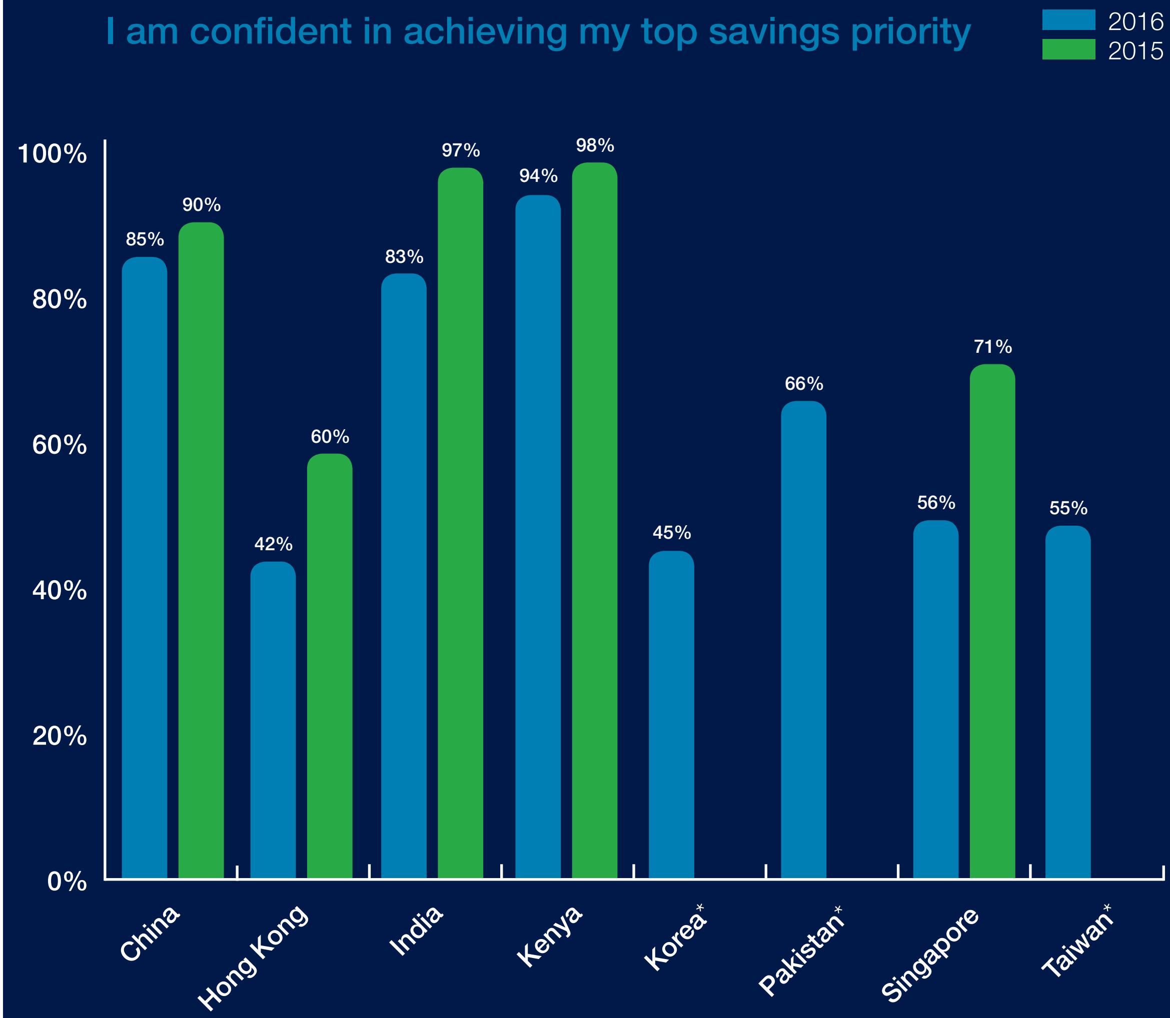
Meanwhile, emerging affluent savers in Pakistan (28 per cent), China (22 per cent) and India (20 per cent) say they would prefer to spend their money now than save it for later.

Room for doubt

Since our last study in 2015, the confidence of the emerging affluent in achieving their top savings priorities has fallen, with Hong Kong witnessing the largest drop (18 percentage points) and demonstrating the lowest level of confidence overall (see Figure 6). The decrease in confidence highlights why it is so important for consumers to set themselves on the right savings plan to achieve their goals, as doing so could help them reach their ambitions much sooner.

Figure 6:

I am confident in achieving my top savings priority



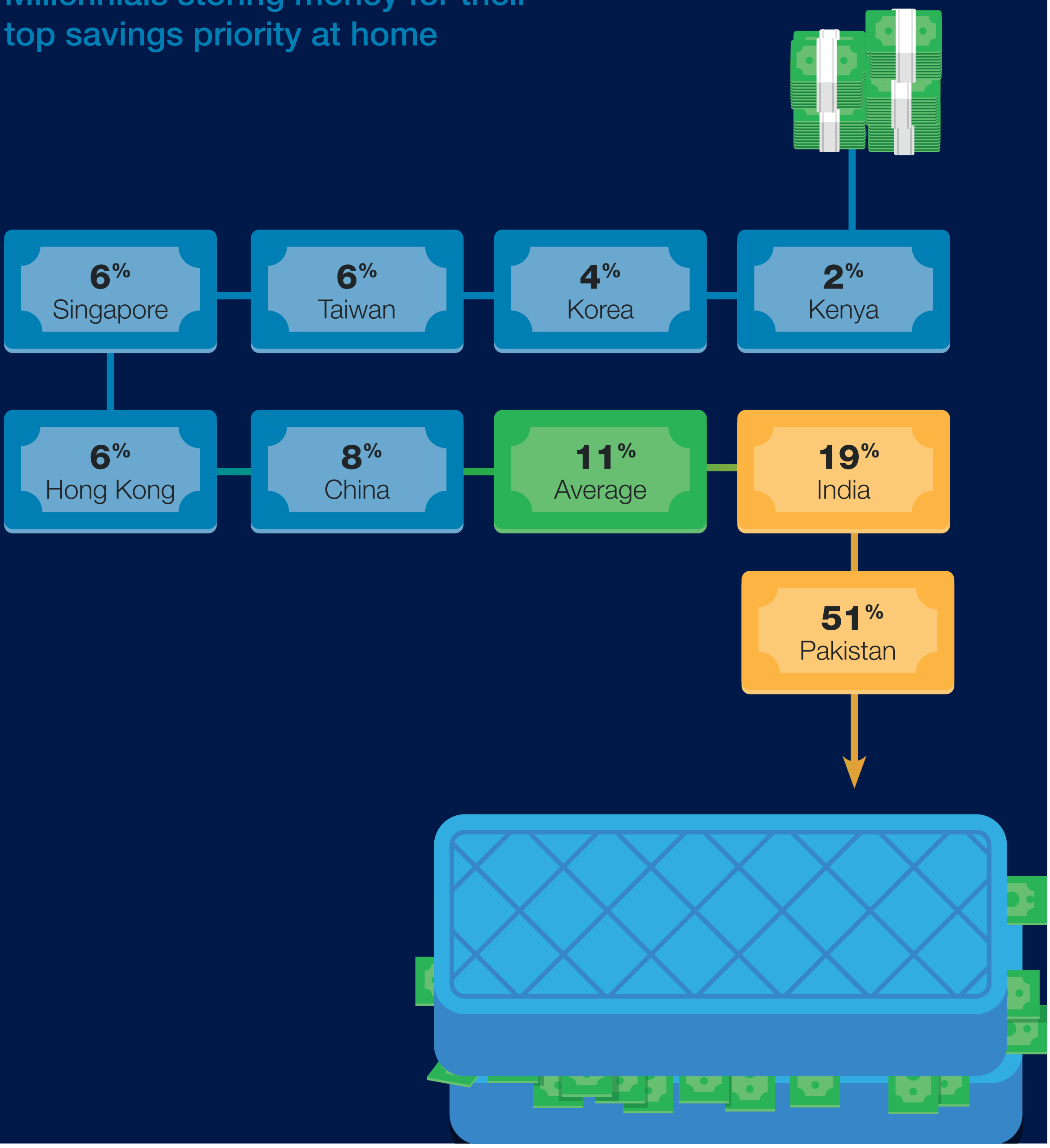
* These markets were not surveyed in 2015

Under the mattress

Perhaps surprisingly, millennials (aged 25-34) are more likely to keep their savings at home (11 per cent) than 45-55 year olds (9 per cent). This figure rises to 19 per cent of millennials in India and 51 per cent of millennials in Pakistan (see Figure 7). The preference for keeping cash at home could stem from a number of factors, such as the desire to be able to access savings at short notice, wanting to avoid risk, or lacking investing experience. However, this would need to be considered against the risk of saving money as cash, such as theft, loss and the absence of interest.

Figure 7:

Millennials storing money for their top savings priority at home



There's an app for that: becoming digitally savvy savers

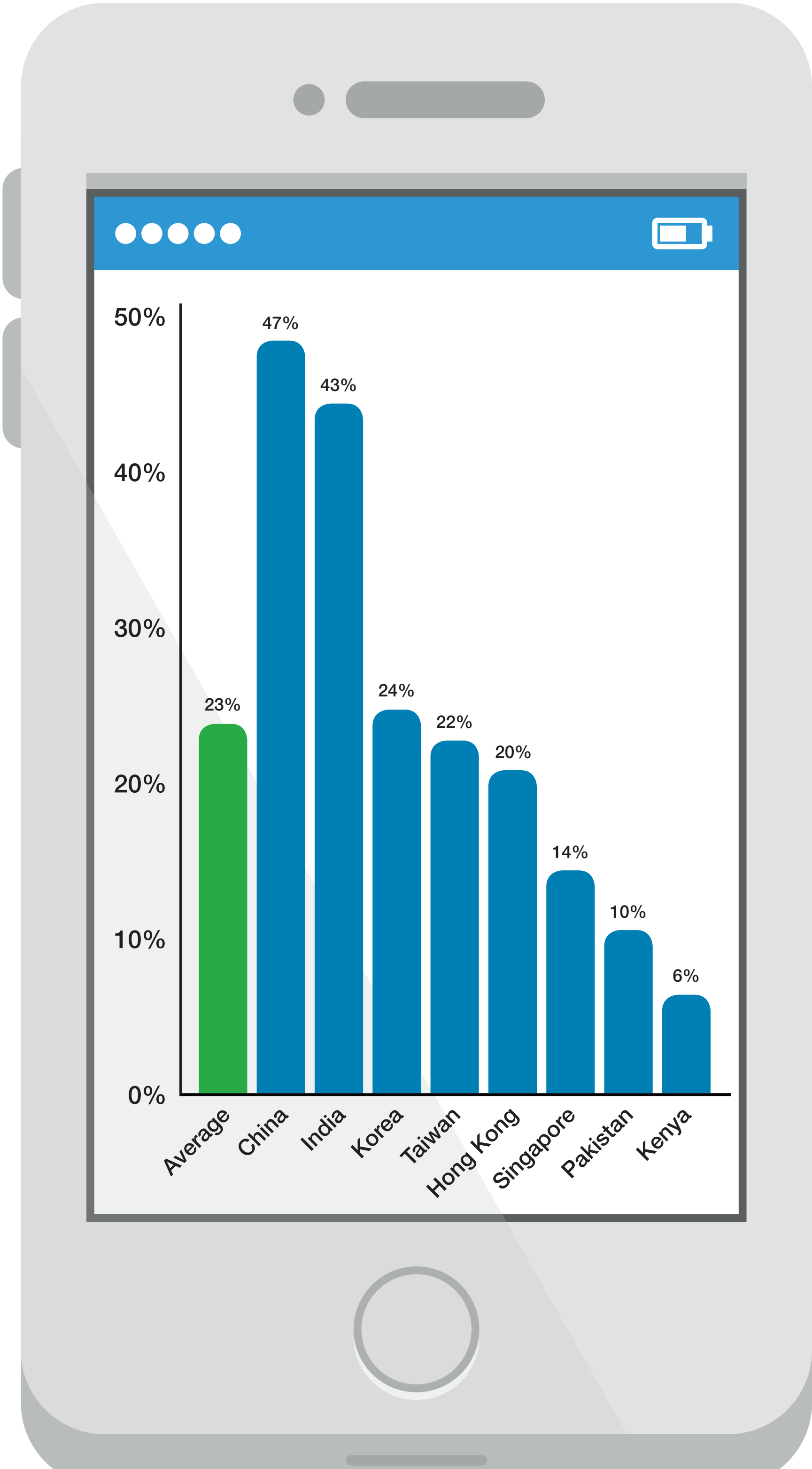
Digital tools and services are central to effective financial management in the modern age. From budget tracking to online transactions and live chat, digital banking has evolved rapidly and is continuing to answer the changing needs of consumers worldwide.

The emerging affluent who actively use digital tools are already reaping the rewards. In fact, frequent users save, on average, 8 per cent more of their income than those who use digital tools less often or not at all.

Digital banking tools have a good following among the emerging affluent, with 23 per cent using these frequently (see Figure 8) and more than half (54 per cent) at least sometimes.

Figure 8:

I use digital tools and services frequently



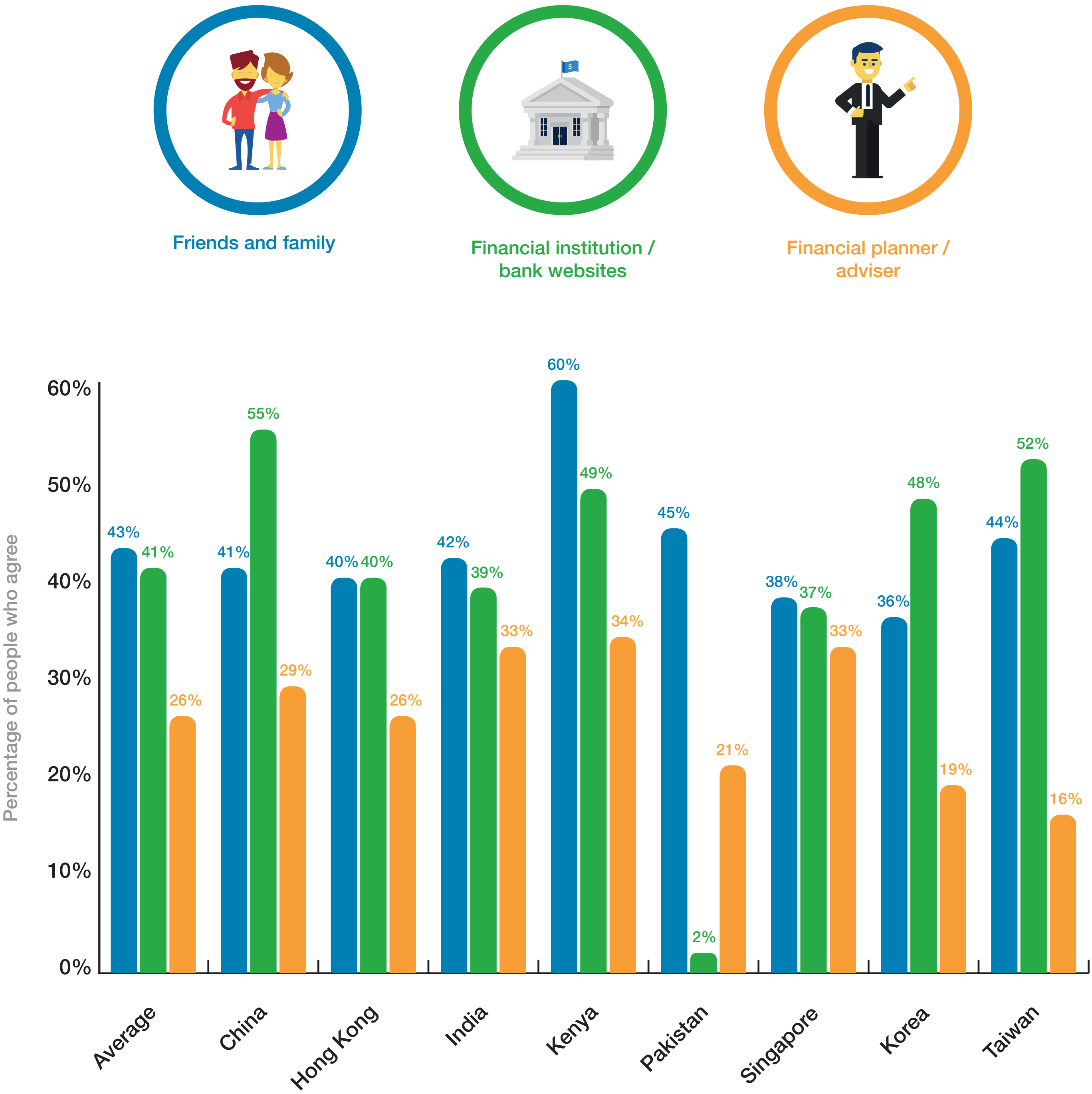
Of course, for some decisions, such as major savings or investments, people still tend to prefer direct contact. This helps to explain the rise of human-assisted digital customer journeys. For day-to-day management, digital tools and services can help savers with important skills such as budget planning, budget tracking and understanding how to grow their savings pot. Human interaction, however, still has a major role to play, as evidenced by the most common sources of information used by the emerging affluent to plan their finances: friends and family, financial institution/bank websites and financial advisers come top of the list (see Figure 9).

As the emerging affluent become more aware of how digital tools and services can help them to create, manage and grow their savings, the uptake will likely grow and evolve. Almost a quarter (23 per cent) admit to saving less than they could due to difficulty in setting financial goals and monitoring their savings progress – challenges that could be overcome through the efficient use of digital tools.

Human interaction, however, still has a major role to play, as evidenced by the most common sources of information used by the emerging affluent to plan their finances.

Figure 9:

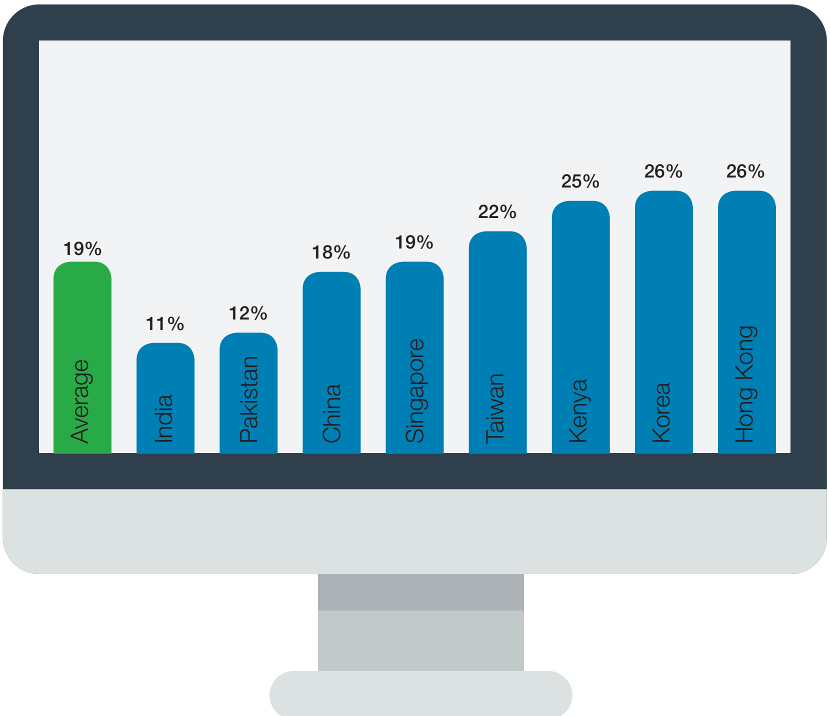
Main sources of information used to help plan finances



Interestingly, a fifth (19 per cent) of emerging affluent savers who never use digital tools say it is because they are not familiar enough with the technology and need advice on how and when to use it (see Figure 10).

Figure 10:

I never use digital tools because I am not familiar enough with the technology and need advice on how and when to use it



When it comes to digital uptake, one country in particular stands out. The emerging affluent in China are the most likely to use digital tools and services frequently (47 per cent), as well as most likely to use an online budgeting tool (28 per cent), expert advice on social media (37 per cent) and financial institution/bank websites (55 per cent).

As technology has developed in recent years, we've seen more people turning to their bank's website for financial advice. The wealth of information available at people's fingertips has proliferated and today, customers are spoilt for choice.

The younger generation, in particular, is used to searching online and using comparison websites. Of course, recommendations from friends and family remain important, but even these are often delivered in a digital format on social media. By the same token, comments and reviews from the general public can now be found easily on forum sites and online bloggers are becoming increasingly influential by reviewing products and services and sharing their thoughts online, a trend that is likely to continue.

There are a lot of financial services that work particularly well in the online/mobile environment, particularly those that enable easy and convenient access to savings. These days, not many people want to queue in a branch to make a transaction. On the other hand, sometimes people want to talk to a real person, particularly for a big-ticket item like a mortgage or life insurance, so face-to-face advice remains critical.

Digital banking is all about giving people choice and not, as some believe, about removing face-to-face interactions entirely. It is about digital with a human touch.

Aalishaan Zaidi, Global Head, Digital Banking

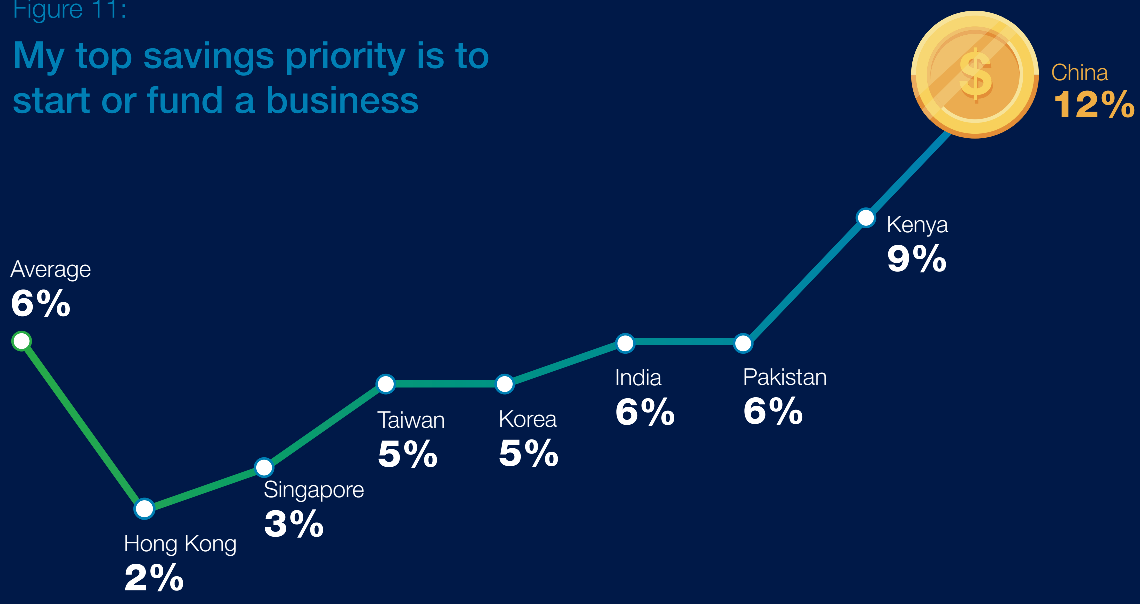
China focus: emerging entrepreneurs

Not only are emerging affluent savers in China the most digitally-savvy, they are also the most entrepreneurially minded.

More than one in 10 (12 per cent) of these consumers cite funding a business as their number one savings priority – double the global average of 6 per cent (see Figure 11).

Figure 11:

My top savings priority is to start or fund a business



When the picture is widened to look at the top three savings goals aggregated together, a quarter of emerging affluent savers in China cite funding a business as a priority, rising to one-third (32 per cent) among millennials.

Since the 1980s, the suppressed commercial aspirations of China's would-be entrepreneurs have been stimulated by Chinese fiscal policy, leading to a rapid explosion of start-ups.

China's entrepreneurial spirit is particularly strong among young people. China's youth are proactive and dynamic when it comes to starting their own companies and embracing new technologies. We're seeing a radical shift in the business ambitions of the new generation and, so far, it has produced many successful entrepreneurs.

This could also, in part, be driven by technological breakthroughs, spearheaded by the rise of mobile internet. On top of this, China's workforce is becoming increasingly college-educated.

The increase in pioneering technology combined with an educated workforce has cultivated an environment within which new businesses can thrive. What's more, China's economic and social structure has been designed in a way that fosters and encourages this sentiment.

Se Yan, Senior China Economist

Bricks and mortar: a preference for property

Property is a top savings priority for a considerable proportion of the emerging affluent. The prospect of owning a home is attractive and appeals to the emerging affluents' preference for keeping their money where they can see it.

The emerging affluent in Korea (25 per cent), Hong Kong (24 per cent), Taiwan (21 per cent) and China (12 per cent) all consider buying a home as their number one priority, with Singapore (15 per cent), Kenya (15 per cent) and India (11 per cent) also citing this as an important goal.

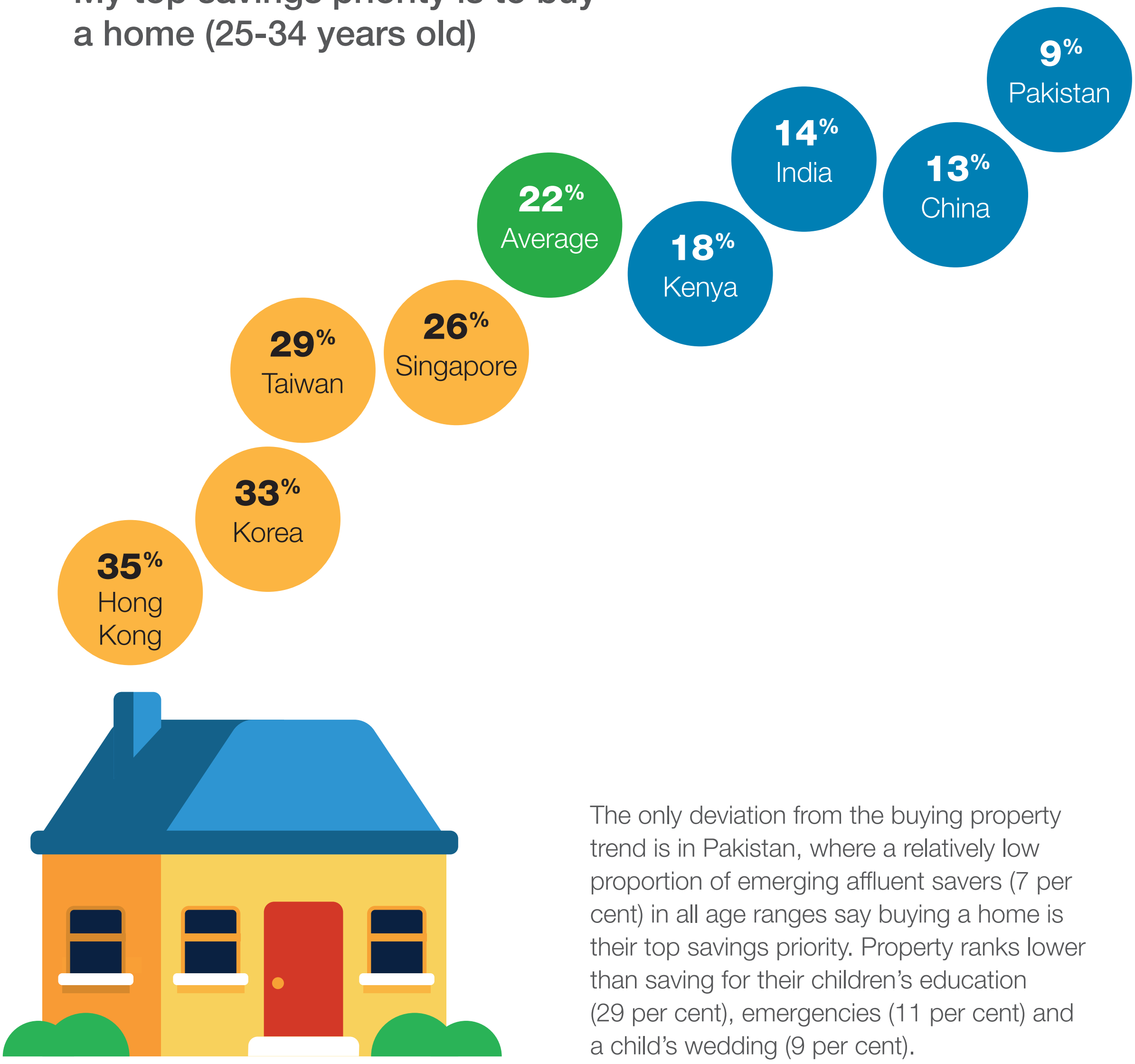
This sentiment is particularly strong in the millennial (25-34 year-old) age bracket. As shown in Figure 12, for this emerging affluent group, home ownership is the most popular savings priority in Hong Kong (35 per cent), Korea (33 per cent), Taiwan (29 per cent), Singapore (26 per cent), and Kenya (18 per cent).

But buying a home is becoming harder as prices rise, particularly for consumers living in some of the most expensive cities in the world – Hong Kong, Mumbai, Beijing, Shanghai and Singapore have some of the world's most unaffordable housing[1].

[1] Source: Oxford Economics

Figure 12:

My top savings priority is to buy a home (25-34 years old)



The only deviation from the buying property trend is in Pakistan, where a relatively low proportion of emerging affluent savers (7 per cent) in all age ranges say buying a home is their top savings priority. Property ranks lower than saving for their children's education (29 per cent), emergencies (11 per cent) and a child's wedding (9 per cent).

It's no surprise that property is so high on the agenda for the emerging affluent. Aside from the strong emotional value of owning your own home, buying property is typically viewed as a great form of investment.

Property ownership can fulfil a number of investment objectives, from increasing net worth and funding retirement to building assets to pass on to the next generation

It is a relatively easy investment to understand and manage, given the low level of complexity and the availability of information and financing.

The stability of property investment means home ownership is likely to remain a key savings focus of the emerging affluent for years to come.

Meghan Connolly, Global Head, Lending

Things to come: preparing for tomorrow

The emerging affluent have their eyes set on the future. Saving for their children's education is among the top priority, with almost a third (29 per cent) in Pakistan choosing it as their number one savings priority and almost a quarter (23 per cent) in Kenya (see Figure 13).

Figure 13:

My top savings priority is my children's education

When looking at the priorities of different age groups, children's education is the most popular top savings priority among 35-44 year olds in the markets surveyed (21 per cent) and for every age group in India and Pakistan (see Figures 14 and 15). It is also the most popular top savings priority for 35-44 year olds in Singapore (21 per cent) Kenya (31 per cent) and China (18 per cent).

Figure 14:

Top savings priority for each emerging affluent age group

25 - 34

Saving for a home

35 - 44

Children's education

45 - 55

Retirement

Analysing how priorities change with age also reveals that saving for retirement is not a consistent priority across markets for older emerging affluent savers (see Figure 15). While retirement is the top savings priority for 45-55 year olds in the markets surveyed and in Hong Kong (34 per cent), Taiwan (30 per cent) Singapore (31 per cent), Korea (27 per cent) and China (20 per cent), it is not the most popular choice for any age group in India, Pakistan or Kenya, where people are more likely to be saving towards funding their children's education.

Typically, the emerging affluent prioritise children's education, because there is an expectation that the younger generation will support their parents through retirement. But the world is changing fast: an increase in life expectancy across the globe means that countries are now facing challenges associated with ageing populations. For the first time in at least 60 years, the number of adults aged 65 and over globally will outnumber children under the age of four, according to United Nations projections. Furthermore, the next phase of global ageing will be driven by the major Asian economies[2]. With retirement stability likely to be rocked by the diminishing ratio of young to old, the emerging affluent need to find financially viable, sustainable ways of saving to support themselves in old age.

Unsurprisingly perhaps, millennials are not prioritising saving for retirement in any of the markets surveyed.

Figure 15:

Top savings priority by country and age breakdown

	Age 25-34	Age 35-44	Age 45-55
Average	Home 22%	Children's education 21%	Retirement 22%
India	Children's education 16%	Children's education 21%	Children's education 22%
Hong Kong	Home 35%	Home 21%	Retirement 34%
Singapore	Home 26%	Children's education 21%	Retirement 31%
China	Business 17%	Children's education 18%	Retirement 20%
Korea	Home 33%	Home 32%	Retirement 27%
Taiwan	Home 29%	Home 24%	Retirement 30%
Pakistan	Children's education 25%	Children's education 35%	Children's education 24%
Kenya	Home 18%	Children's education 31%	Children's education 23%

[2] Source: Standard Chartered Global Research Ageing – Passing the baton to Asia report

Historically, the ratio of young workers to retirees has swung heavily in favour of the younger generation across Asia and Africa. This has allowed for a family oriented retirement model, where each generation invests its time and money in the next and then when retirement beckons, working age children and grandchildren provide for the needs of their parents.

However, many countries, particularly across Asia, have just hit the demographic cliff and are experiencing an ageing population. With this trend set to continue, attitudes towards saving for retirement are likely to change significantly.

Emerging affluents in Asia certainly face some important questions when considering their savings priorities and how to plan for their financial future. This is partly due to the snowballing problem of ageing populations and partly because of the continuing prominence of the traditional family values system. In future, it is unlikely that the younger generation will continue to be able to afford to support their families in the same way.

Making this shift lies partly in financial planning and partly in ensuring early awareness of the scale of the challenges on the horizon.

Samantha Amerasinghe, Economist, Thematic Research

China

Examining savings priorities in the emerging affluent through the lens of age gives a greater understanding of emerging affluent goals in China. Those aged between 25 and 34 years old are unique from the other markets in the study, in that their top priority is funding a business (17 per cent). This keen entrepreneurial appetite is most concentrated among the younger generation. 35-44 year olds are more in keeping with global norms, prioritising their children's education (18 per cent). The focus then shifts towards retirement (20 per cent) for people aged 45 to 55.

Conclusion: a golden opportunity for the emerging affluent

The savings landscape is constantly evolving, driven by the changing habits of consumers and the market forces around them. These significant forces are putting increasing pressure on consumers to save more and to maximise the return on their wealth, in order to realise the future that they see for themselves and their families.

Many emerging affluents hope to one day own their own home – a major purchase and one that is becoming more challenging and more costly in many of these markets due to rising demand and increasing house prices. They also want the best education for their children, but costs are spiralling and competition for the top places can be high.

The emerging affluent are also living longer, meaning they need to save more not just for retirement, but also for life after retirement – including travel, leisure and care costs.

The emerging affluent are saving proactively and regularly. By making full and proper use of the tools, products and services available they could reach their top goals sooner.

Helping the emerging affluent to achieve their savings ambitions is at the core of Standard Chartered's mission. As tomorrow's emerging affluent continue to drive wealth creation in some of the most economically important areas of the world, we will continue to support them by making banking faster, simpler and more efficient, helping them to achieve their goals.

Methodolgy

- Standard Chartered partnered with GlobeScan, an independent global research consultancy, to conduct this study
- 8,000 emerging affluent consumers across major cities were surveyed. Fieldwork took place between November and December 2016 via online surveys (China, Hong Kong, India, Korea, Singapore and Taiwan) and face-to-face interviews (Kenya and Pakistan)

Definitions, cities covered and sample size

Market	Sample	Gross monthly household income*	Cities
China (online interviews)	1000	CNY20k to 40k	Shanghai, Guangzhou, Shenzhen, Beijing
Hong Kong (online interviews)	1000	HKD20k to 80k	Hong Kong
India (online interviews)	1000	INR80k to 200k	Bangalore, Mumbai, Jaipur
Korea (online interviews)	1000	KRW4m to 7m	Seoul, Busan
Singapore (online interviews)	1000	SGD5k to 16k	Singapore
Taiwan (online interviews)	1000	TWD80k to 200k	Hsinchu, Kaohsiung, Taichung, Taipei, Taoyuan
Kenya (face-to-face interviews)	1000	1) A, B socio-economic groups; determined by assessing belongings, such as cars, refrigerators and TVs, and activities, such as internet access 2) Minimum income before tax at least KES100k (spouse/partner combined)	Nairobi
Pakistan (face-to-face interviews)	1000	1) A, B socio-economic groups; using screener questions appropriate for Pakistan 3) Minimum income before tax at least PKR40k (spouse/partner combined)	Islamabad, Karachi, Lahore

**Household income did not include children's earnings. Married/cohabiting people were asked for the total monthly income of 'you and your spouse/partner before tax and deductions'. Others were asked 'personal total monthly income before tax and deductions'.*

Important information and disclosures

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

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

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

Investment products are not bank deposits or obligations of or guaranteed by Standard Chartered Bank or any of its subsidiaries unless specifically stated. Investment products are subject to investment risks, including the possible loss of the principal amount invested.

Predictions, projections or forecasts contained herein are not necessarily indicative of actual future events and are subject to change without notice. You are cautioned not to place undue reliance on such statements. Opinions, projections and estimates are solely those of SCB at the date of this document and subject to change without notice. Past performance is not indicative of future results and no representation or warranty is made regarding future performance. Any forecast contained herein as to likely future movements in rates or prices or likely future events or occurrences constitutes an opinion only and is not indicative of actual future movements in rates or prices or actual future events or occurrences (as the case may be). SCB makes no representation or warranty of any kind, express, implied or statutory regarding, but not limited to, the accuracy of this document or the completeness of any information contained or referred to in this document. This document is distributed on the express understanding that, whilst the information in it is believed to be reliable, it has not been independently verified by us. SCB accepts no liability and will not be liable for any loss or damage arising directly or indirectly (including special, incidental or consequential loss or damage) from your use of this document, howsoever arising, and including any loss, damage or expense arising from, but not limited to, any defect, error, imperfection, fault, mistake or inaccuracy with this document, its contents or associated services, or due to any unavailability of the document or any part thereof or any contents.

Copyright: Standard Chartered Bank 2017. Copyright in all materials, text, articles and information contained herein is the property of, and may only be reproduced with permission of an authorised signatory of, Standard Chartered Bank. Copyright in materials created by third parties and the rights under copyright of such parties are hereby acknowledged. Copyright in all other materials not belonging to third parties and copyright in these materials as a compilation vests and shall remain at all times copyright of Standard Chartered Bank and should not be reproduced or used except for business purposes on behalf of Standard Chartered Bank or save with the express prior written consent of an authorised signatory of Standard Chartered Bank. All rights reserved. © Standard Chartered Bank 2017

Important information and disclosures continued

Country Specific Disclosures

Singapore:
This document is being distributed in Singapore by, and is attributable to, Standard Chartered Bank (Singapore) Limited ("SCBSL"). Recipients in Singapore should contact SCBSL in relation to any matters arising from, or in connection with, this document. SCBSL is an indirect wholly-owned subsidiary of Standard Chartered Bank and is licensed to conduct banking business in Singapore under the Singapore Banking Act, Chapter 19.

IN RELATION TO ANY FIXED INCOME AND STRUCTURED SECURITIES REFERRED TO IN THIS DOCUMENT (IF ANY), THIS DOCUMENT TOGETHER WITH THE ISSUER DOCUMENTATION SHALL BE DEEMED AN INFORMATION MEMORANDUM (AS DEFINED IN SECTION 275 OF THE SFA). IT IS INTENDED FOR DISTRIBUTION TO ACCREDITED INVESTORS, AS DEFINED IN SECTION 4A OF THE SFA, OR ON TERMS THAT THE SECURITIES MAY ONLY BE ACQUIRED AT A CONSIDERATION OF NOT LESS THAN S$200,000 (OR ITS EQUIVALENT IN A FOREIGN CURRENCY) FOR EACH TRANSACTION.

Further, in relation to fixed income and structured securities mentioned (if any), neither this document nor the Issuer Documentation have been, and will not be, registered as a prospectus with the Monetary Authority of Singapore under the SFA. Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the product may not be circulated or distributed, nor may the product be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons other than a relevant person pursuant to section 275(1) of the SFA, or any person pursuant to section 275(1A) of the SFA, and in accordance with the conditions, specified in section 275 of the SFA, or (iii) pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Singapore dollar deposits of non-bank depositors are insured by the Singapore Deposit Insurance Corporation, for up to S$50,000 in aggregate per depositor per Scheme member by law. Foreign currency deposits, dual currency investments, structured deposits and other investment products are not insured.

Hong Kong:
This document, except for any portion advising on or facilitating any decision on futures contracts trading, is being distributed in Hong Kong by, and is attributable to, Standard Chartered Bank (Hong Kong) Limited 渣打銀行（香港）有限公司 (CE#AJI614) which is regulated by the Hong Kong Monetary Authority and the Securities and Futures Commission in Hong Kong.

India:
SCB in its capacity of a distributor or referrer of Investment Products may offer advice which is incidental to its activity of distribution/referral. SCB will not be charging any fee/consideration for such advice and such advice should not be construed as 'Investment Advice' as defined in the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013. The client can avail of the investment advisory services of SCB only upon (i) executing separate documents with the Investment Advisory Group of SCB for availing 'Investment Advice' (as defined in the Securities and Exchange Board of India (Investment Advisers) Regulations, 2013) from it; and (ii) paying specific fees (if applied by SCB) for such 'Investment Advice'.

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

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

Standard
Chartered