

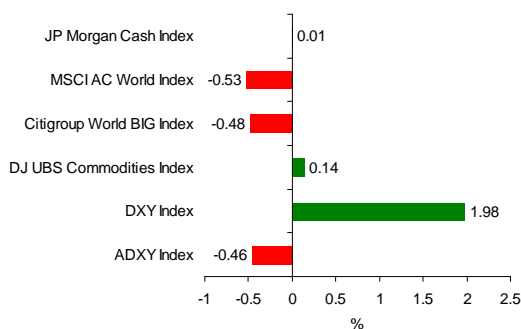
Weekly Market View

9 September 2011

Contents

Stagflation getting more likely	Pg 2
Challenges of QE3	Pg 3
Political disconnect	Pg 4
QE3 euphoria on hold	Pg 5
Watch 30 yr not 10 yr	Pg 5
Silver to shine	Pg 6
Risk of currency wars	Pg 7
Conclusion	Pg 7
Technical Analysis	Pg 8
Economic & Market Calendar	Pg 9
3-12 month Market Outlook	Pg 10
Disclaimer	Pg 11

Benchmark (USD) performance w-o-w*



*week of Sept 2 to Sep 8.
Source: Bloomberg, Standard Chartered

Steve Brice
Chief Investment Strategist

Rob Aspin, CFA
Senior Investment Strategist

Suren Chelliah
Investment Strategist

Free-for-all

In the present environment of weak global growth, rising inflationary pressures and growing stress in financial markets, countries have taken it upon themselves to safeguard their self-interest rather than collaborate. This poses significant challenges to policymakers, both in the East and West.

MACRO OVERVIEW

- President Obama announces USD 447 billion package to invigorate US labour markets
- “Enormous level of uncertainty” is weighing on Euro zone growth according to the ECB
- Asian central banks leave policy rates on hold citing external risks to growth
- QE3 may prove even more challenging to EM policymakers compared to QE2
- Euro zone sovereign debt crisis could worsen given lack of consensus

EQUITIES

- We would advocate a defensive approach given the current market environment
- We continue to recommend investors to take a larger exposure to gold and silver equities

FIXED INCOME

- Our two favoured areas remain Asian hard currency and local currency debt markets.

COMMODITIES

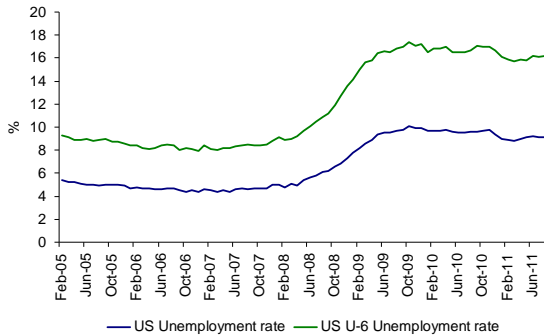
- Though we continue to favour gold, we also find value in silver

CURRENCIES

- Implications of the recent action by the SNB are far-reaching
- The G7 communiqué over the weekend will be critical to determine the level of currency tensions.

Macro overview

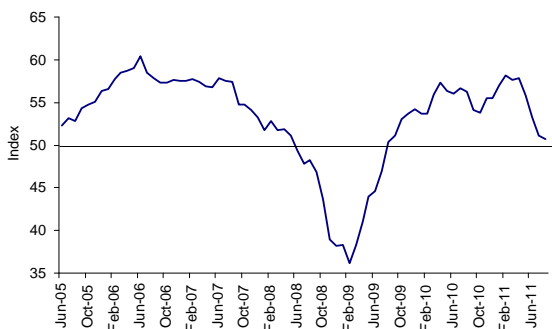
US labour market continues to disappoint



Source: Bloomberg, Standard Chartered

Euro zone getting closer to contracting

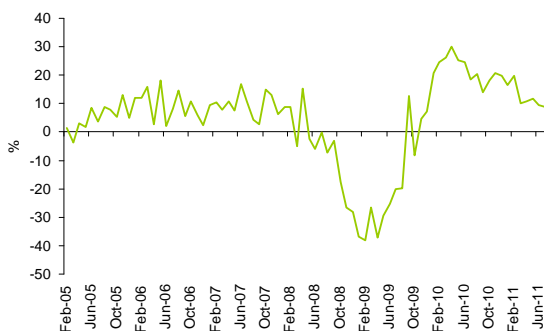
Euro zone PMI Composite



Source: Bloomberg, Standard Chartered

Germany showing signs of moderating

German Factory Orders yoy



Source: Bloomberg, Standard Chartered

We continue to focus on the three major themes that we have highlighted as being critical to the investment outlook. The themes are:

- 1) Global economic growth outlook
- 2) US Federal Reserve and quantitative easing (QE3)
- 3) European sovereign debt crisis and its impact on the banking sector

1. Stagflation getting more likely

The global growth outlook remains bleak. Signs are emerging that Asian economies are beginning to feel the pinch.

Labour market weakness **in the US** remains the main burden to the US economy as the unemployment rate stayed stubbornly high at 9.1% in August. In the much awaited post-labour day speech, President Barack Obama's called on the US Congress to pass a USD 447 billion package to reinvigorate the US labour market through payroll-tax cuts and infrastructure spending. In order for this plan to bear fruit, it will have to:

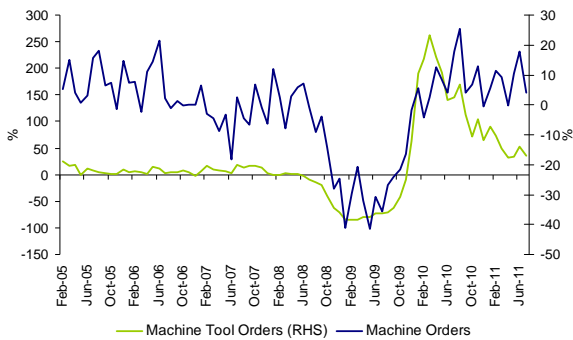
1. Garner bi-partisan Congressional support
2. Restore confidence so as to stimulate "confident spending" rather than "precautionary saving".

After strong than expected ISM non-manufacturing data (Aug: 53.3 versus 52.7 in July and 51.0 expected), the focus will shift to regional business confidence surveys, consumer sentiment and retail sales data in the coming week.

In Europe, some leading economic indicators – such as the Purchasing Managers Index (PMI) Composite (Aug: +50.7, July: +51.1), the Sentix Investor Confidence (Aug: -15.4, July: -13.5) and Germany's factory orders (Aug: +8.7% yoy, July: +9.4%) – supplemented previous economic indicators highlighting weaker growth. The ECB held its key policy rate on hold at 1.5% while ECB President Jean-Claude Trichet said that there was an "enormous level of uncertainty" going forward. Markets are currently expecting a reversal of the last two rate hikes in the next 6-9 months.

Risks to trend growth in **Asian economies** may be coming under significant threat for two reasons; weaker external demand and a

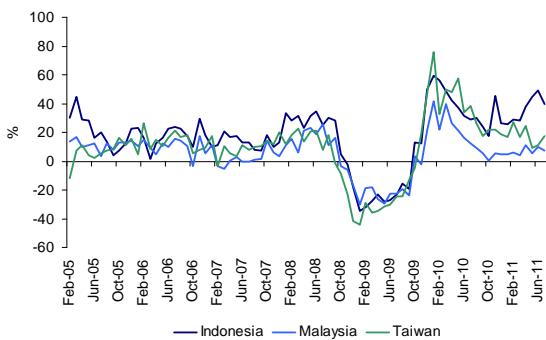
Japans recovery could be losing steam



Source: Bloomberg, Standard Chartered

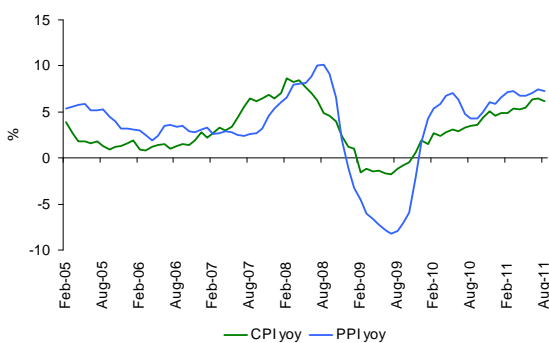
Asian economies feeling the pinch

Export growth yoy



Source: Bloomberg, Standard Chartered

Inflation in China slowing



Source: Bloomberg, Standard Chartered

possibly slower recovery in Japan. Export growth in Indonesia (Aug: +39.5, July: +49.1), Malaysia (Aug: +7.1%, July: +9.6%) and Taiwan (Aug: +7.2%, July: +17.6%) have moderated while in Japan, Machine Orders (Aug: +4%, July: +17.9%) and Machine Tool Orders (Aug: +7.2%, July: +17.6%) look worrying. However, Chinese economic data (industrial production and retail sales) remained robust in August.

Four Asian central banks (Korea, Malaysia, Philippines and Indonesia) left their key policy rates unchanged last week, despite inflation levels surpassing their targets and hovering at the higher end of their forecasts. Bank Indonesia had actually widened the lower band of the interest rate corridor for monetary operations from 100bps to 150bps below the policy rate of 6.75%. In all of the monetary policy statements, risks to growth from the external side were noted as the primary concern. However, it was also highlighted that domestic growth drivers were expected to cushion any negative impact to the economy.

China CPI reinforced our view that inflation is peaking which gives the PBoC scope to ease policy in need. Fiscal and monetary policy flexibility of Asian economies continues to be its key strength to weather any rough environment ahead.

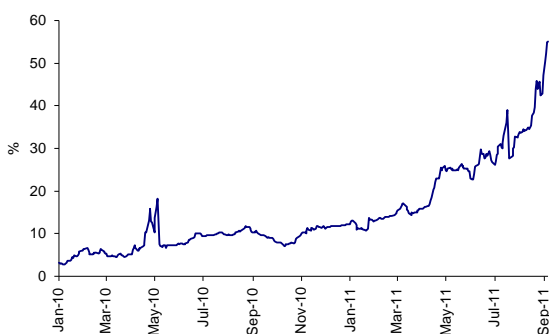
To sum up, global growth is most likely to slow further going forward. A recession is not an immediate certainty, but we should not be surprised if it comes.

2. Challenges of QE3

As with the Jackson Hole speech two weeks ago, the Federal Reserve Chairman Ben Bernanke's speech on the outlook of the US economy on Thursday disappointed investors looking for a QE3 boost. Bernanke quite simply reiterated his previous speech, placing focus on the outcome of the Federal Open Market Committee (FOMC) meeting on September 20-21.

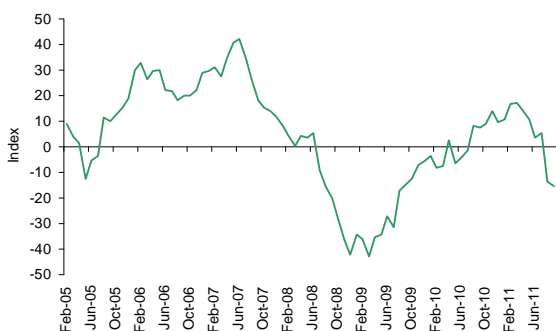
Policymakers, in Asia especially, fear that the situation faced during the implementation of QE2 in H2 2010 may be much more challenging this time around as the burden of stabilising inflation and sustaining growth swells. In 2010, growth was recovering and inflation was contained whereas in 2011, growth is moderating and inflation remains elevated. The risk of uncoordinated and competing policies being pursued by different countries is increasing.

Greece showing signs of default
Greece 2 yr government bond yield



Source: Bloomberg, Standard Chartered

Lack of coordination in Euro zone weighing on investors
Sentix Investor Confidence



Source: Bloomberg, Standard Chartered

We expect QE3 to be implemented in Q1 2012. However, there is a possibility that if President Obama's USD 447 billion fiscal stimulus passes through Congress, there may be less inclination for the Fed to implement QE3 – in his recent Jackson Hole speech, Bernanke called for the government to play a more active role in addressing the crisis of confidence rather than adding to it.

3. EU political disconnect

The apparent lack of consensus in finding a resolution to the Euro zone debt crisis continues to be a drag on the overall efforts for a viable recovery in the region. The political disconnect this week was clearly seen in three cases:

- Unhappiness among Germans that they may be playing too large a role in the bailouts saw Chancellor Merkel's party lose an election in her hometown.
- Italy's lack of commitment and initiative to implement sufficient austerity measures fast enough upset the EU and pushed the Italian 10 yr bond yield sharply higher.
- Finland's approach to safe-guard its self-interest by seeking a special bi-lateral agreement to secure collateral against funds loaned for the bailout of Greece, threatened to undermine bailout efforts thus far and create even greater complications for negotiations going forward.

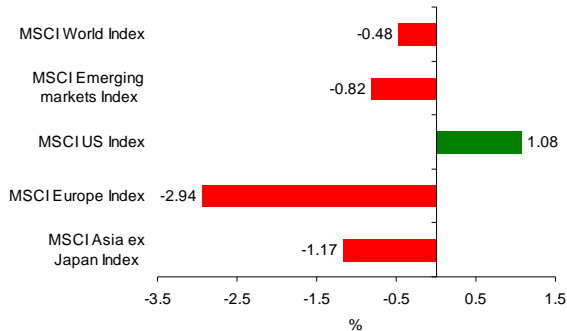
Even though the favourable ruling by Germany's constitutional court on the legality of the Euro zone bailouts provided by Germany so far raised much optimism, it constrains the ability of the German government to play a big role in the future.

Having Switzerland act unilaterally in its decision to impose a ceiling floor of CHF1.20 against the EUR has provoked debate, especially in the case of Germany, whether one would be better off in solidarity than being part of a collective.

The Euro zone debt crisis is expected to worsen. Our colleagues at Standard Chartered Global Research expect Greece to default in 2012 if Greece does not receive new funding. In the meantime, money market stress continues to avail.

Equity - QE3 euphoria on hold

Selected equity market performances over the last week (USD)*



*week of Sept 2 to Sep 8
Source: Bloomberg, Standard Chartered

For equity, the euphoria of QE3 seems to have taken a pause, until September 20 at least, as markets this week returned to the volatile conditions we saw a few weeks ago. Whilst we continue to recommend investors to take a larger exposure to gold and silver equities, we would advocate a defensive approach for the rest of the portfolio given the current market environment.

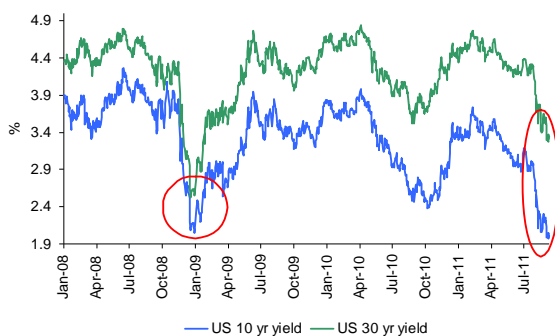
We continue to prefer

- Markets with strong domestic growth and high earnings visibility
- Markets least levered to developed market growth
- Markets with little correlation to the developed markets
- Equities that will outperform at a time of uncertainty. i.e. defensive in nature

Conclusion: We remain 12 month Neutral on equities. Our preference in Equities:

- **Gold/Silver-related equities on the back of our view on precious metals**
- **Japan equities because of attractive valuations, pick up in growth and expected economic stimulus post the March earthquake**
- **South East Asian equities relative to North East Asian equities because of the low correlation with developed markets and a better domestic growth outlook**
- **Emerging markets relative to developed markets due to better fiscal position, domestic growth and more exposure to commodities**
- **Companies that have high and sustainable dividend yields, regardless of the economic environment**

Caution when interpreting yields

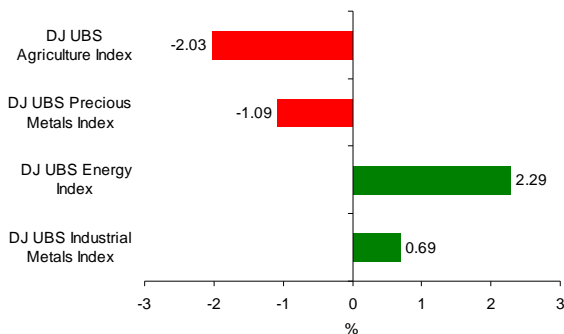


Source: Bloomberg, Standard Chartered

Bonds – Watch 30 yr not 10 yr

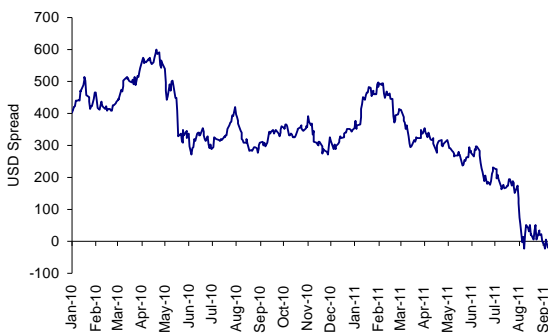
One possible interpretation of recent bond market movements is that it is implying a similar economic downturn to 2008. The 10yr yield is already trading around the 2008 global financial crisis lows. Of course, QE1 and QE2 have significantly changed the supply-demand equation for US Treasuries, and therefore the signaling impact of the 10 yr yield may be hugely reduced. This less bearish interpretation for the economy is reinforced by the fact that while

Commodities sub-sector performances over the last week (USD)*



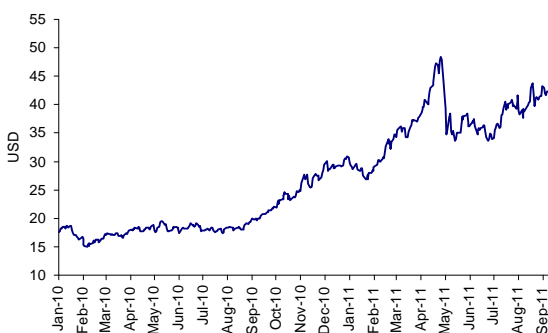
*week of Sept 2 to Sep 8
Source: Bloomberg, Standard Chartered

Gold-Silver spreads have turned negative



Source: Bloomberg, Standard Chartered

Silver prices on the rise



Source: Bloomberg, Standard Chartered

the 30yr yield has fallen below the 2010 low, it is still a long way from 2008 levels. However, it has to be seen whether President Obama's stimulus package can lift sentiment and arrest the decline in yields.

We struggle to recommend anything other than an underweight stance on US Treasuries. Within the fixed income universe, our two favoured areas remain Asian hard currency and local currency debt.

- We have seen Asian credit spreads stabilize against US Treasuries in the past couple of weeks. Given the vulnerability of the equity market in the near-term, there is still the risk that spreads will widen further, but we believe further spread widening would provide an opportunity to average down.
- Asian local currency yields have been biased lower in recent times on the back of the slowdown in the global economy and reduced fears of interest rate hikes. Asian currencies, however, have generally weakened over the past 7 days. We see this as temporary and see the trend for Asian currency appreciation remaining intact and reiterate our bias for Asian local currency debt within the context of a balanced portfolio.

Conclusion: We remain 12 month Underweight on bonds at the asset class level with a preference for Asian debt.

Commodities – Silver to shine

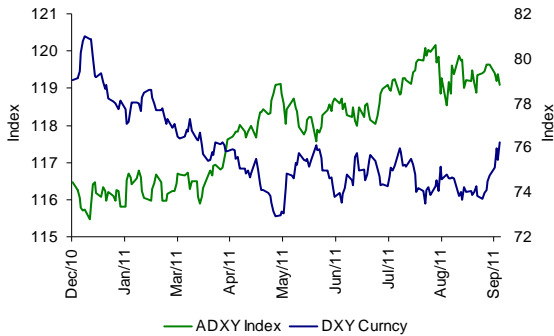
Demand for gold is likely to remain robust given the risks of global currency debasement as highlighted by the recent pegging of the CHF to the EUR (which has recently experienced further quantitative easing measures). Though we continue to favour gold, we are also very much attracted to silver for five reasons.

- There is less silver than gold above ground.
- Silver is largely a by product of industrial metals mining – so a global slowdown will cut output.
- Industrial usage is for electronic sector which are not price sensitive – silver a very small component of overall cost.
- The silver content within electronic products is largely not recycled.
- Silver is poor man's gold and has been a currency for as long as gold.

Conclusion: We remain 12 month Overweight on precious metals.

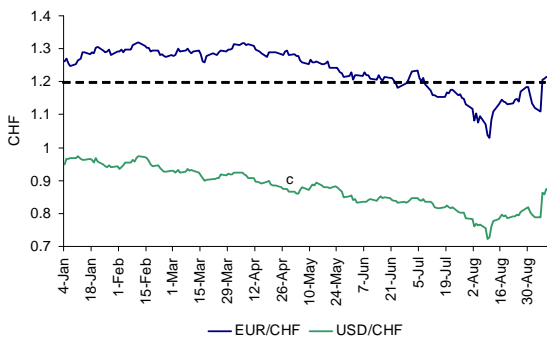
Currencies – Risk of currency wars

Uncertainty supporting USD



Source: Bloomberg, Standard Chartered

CHF responds to latest SNB initiative



Source: Bloomberg, Standard Chartered

Intervention in JPY likely after G7



Source: Bloomberg, Standard Chartered

The imposition of the floor limit of CHF1.20 per EUR by the Swiss National Bank (SNB) on September 6 has had the desirable effect with the CHF depreciating against the USD and EUR by 8.7% and 8% respectively. However, the implications of the recent action by the SNB may be more far-reaching:

- **Quest for alternatives** – Although the new limit does not restrict the purchase of CHF, the limited upside to the currency may raise demand for alternative safe-havens such as the JPY, Swedish Krona (SEK), Norwegian Krone (NOK) and gold.
- **Revival of “currency wars”** – The SNB’s action may trigger a chain reaction by other countries also seeking to protect their economies from a sharp currency appreciation in order to remain competitive. Given greater confidence of QE3 in the coming quarters, many countries, especially in Asia, are expected to see significant inflow of funds. The G7 meeting on September 9 – 10 (by which time this publication would have already gone to print) will be critical to determine the level of currency tensions.

In the short-term, we expect EUR/CHF to range trade with significantly reduced volatility. As for the JPY, measures much stronger than earlier implemented, will have to be enforced in order to have the desired impact. However, given the tone of the previous communiqué of the G7, it is difficult to expect a strong response.

Conclusion: Demand for alternative safe-haven currencies such as the SEK and the NOK will most likely increase given the current environment. The G7 need to significantly increase their commitment to a weaker JPY to avoid the USD/JPY rate hitting new lows.

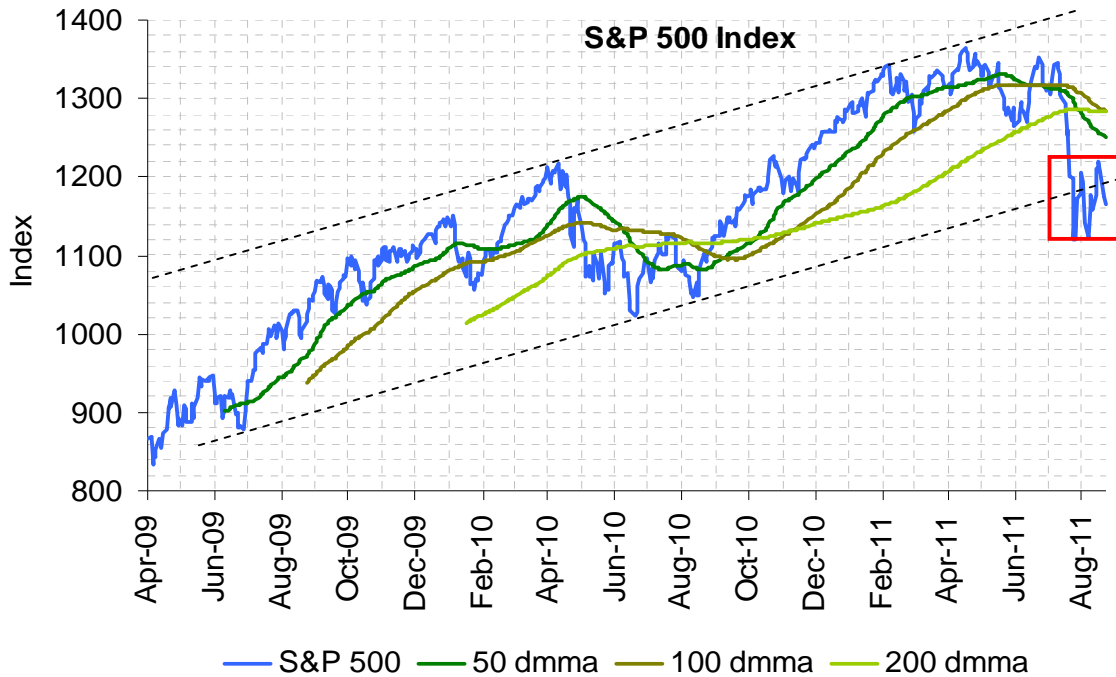
Conclusion

We remain concerned about the immediate outlook for growth, the European crisis and QE3. Therefore, we continue to remain defensive in nature while still preferring gold and equity to developed market sovereign bonds.

Technical Analysis

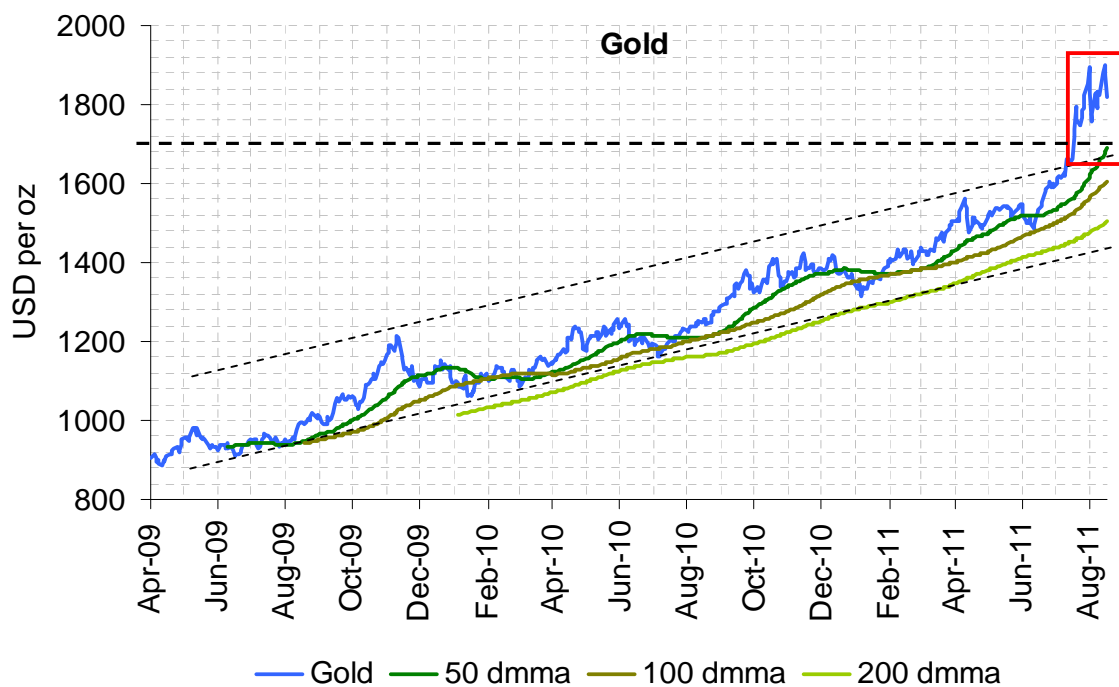
9 September 2011

- The daily chart of the S&P 500 is an up-and-down puzzle with no resolution yet. This means the S&P 500 is still gyrating within its trading range of 1100 to 1220. More importantly, we still see a dead-cross (DC) in the picture and reaction rallies lack volume.



Source: Bloomberg, Standard Chartered

- Gold has formed a double-top at \$1912 and \$1920. Neckline is at \$1700, which is also the trendline support. If violated, the next key support level is at \$1606 (100 DMA) and \$1503 (200DMA). So far gold's uptrend remains intact. But expect further pullbacks in the near-term.



Source: Bloomberg, Standard Chartered

Economic & Market Calendar

9 September 2011

Next Week: Sept 12 - Sept 16					This Week: Sept 5 - Sept 9				
	Event	Period	Expected	Prior		Event	Period	Actual	Prior
MON	IN Industrial Production YoY	JUL	6.20%	8.80%	UK	Lloyds Employment Confidence	AUG	-66	-53
					EC	PMI Composite	AUG F	50.7	51.1
					EC	Sentix Investor Confidence	SEP	-15.4	-13.5
					EC	Euro-Zone Retail Sales (YoY)	JUL	-0.20%	-0.70%
					ID	Inflation (YoY)	AUG	4.79%	4.61%
					ID	Core Inflation (YoY)	AUG	5.15%	4.55%
					ID	Exports (YoY)	JUL	39.50%	49.10%
					TA	CPI YoY%	AUG	1.34%	1.33%
					SI	Electronics Sector Index	AUG	48	49.5
					SI	Purchasing Managers Index	AUG	49.4	49.3
TUE	UK Total Trade Balance (GBP/Mln)	JUL	--	£4496	EC	Euro-Zone GDP s.a. (YoY)	2Q P	1.60%	1.60%
	UK CPI (YoY)	AUG	--	4.40%	EC	Euro-Zone Household Cons (QoQ)	2Q P	-0.20%	0.20%
	UK Core CPI YOY	AUG	--	3.10%	GE	Factory Orders YoY (nsa)	JUL	8.70%	9.40%
	UK Retail Price Index	AUG	--	234.7	US	ISM Non-Manf. Composite	AUG	53.3	52.7
	UK RPI (YoY)	AUG	--	5.00%	SK	GDP at Constant Price (YoY)	2Q F	3.40%	3.40%
	UK RPI Ex Mort Int. Payments (YoY)	AUG	--	5.00%	PH	Consumer Price Index (YoY)	AUG	4.70%	5.10%
	US NFIB Small Business Optimism	AUG	--	89.9	PH	Consumer Price Index NSA (MoM)	AUG	0.10%	0.10%
	US Import Price Index (YoY)	AUG	--	14.00%	PH	Core CPI (YoY) 2000=100	AUG	3.40%	3.70%
	PH Total Exports (YoY)	JUL	--	-9.40%					
WED	US Monthly Budget Statement	AUG	--	--	JN	BOJ Target Rate	Sep-07	0.10%	0.10%
	JN Industrial Production YOY%	JUL F	--	-2.80%	JN	Leading Index CI	JUL P	106	103.3
	JN Machine Tool Orders (YoY)	AUG F	--	15.30%	UK	Industrial Production (YoY)	JUL	-0.70%	-0.30%
	UK ILO Unemployment Rate (3mths)	JUL	--	7.90%	UK	Manufacturing Production (YoY)	JUL	1.90%	2.20%
	EC Euro-Zone Ind. Prod. wda (YoY)	JUL	--	2.70%	GE	Industrial Prod. YoY (nsa wda)	JUL	10.10%	6.60%
	CA Capacity Utilization Rate	2Q	--	79.00%	US	MBA Mortgage Applications	Sep-02	-4.90%	-9.60%
	US Producer Price Index (YoY)	AUG	6.40%	7.20%	US	JOLTs Job Openings	JUL	3228	3169
	US PPI Ex Food & Energy (YoY)	AUG	2.40%	2.50%					
	US Advance Retail Sales	AUG	0.20%	0.50%					
	US Business Inventories	JUL	0.50%	0.30%					
THUR	EC Euro-Zone CPI - Core (YoY)	AUG	--	1.20%	US	Fed's Beige Book			
	EC Euro-Zone CPI (YoY)	AUG	--	--	JN	Current Account Total	JUL	¥990.2B	¥526.9B
	EC Eurozone Employment (YoY)	2Q	--	0.10%	JN	Machine Orders YOY%	JUL	4.00%	17.90%
	US Consumer Price Index (YoY)	AUG	--	3.60%	JN	Tokyo Avg Office Vacancies (%)	AUG	8.65	8.76
	US CPI Ex Food & Energy (YoY)	AUG	--	1.80%	JN	Bankruptcies (YoY)	AUG	-3.60%	1.40%
	US Empire Manufacturing	SEP	-2.95	-7.72	JN	Machine Tool Orders (YoY)	AUG P	15.30%	34.80%
	US Initial Jobless Claims	Sep-09	--	--	UK	BOE ANNOUNCES RATES	Sep-08	--	0.50%
	US Industrial Production	AUG	0.10%	0.90%	EC	ECB Announces Interest Rates	Sep-08	--	1.50%
	US Capacity Utilization	AUG	77.50%	77.50%	US	Trade Balance	JUL	--	-\$53.1B
	US Philadelphia Fed.	SEP	-16.4	-30.7	US	Initial Jobless Claims	Sep-03	--	409K
SI Unemployment Rate (sa)	2Q F	--	2.10%	SK	South Korea 7-Day Repo Rate	Sep-08	3.25%	3.25%	
				MA	Overnight Rate	Sep-08	3.00%	3.00%	
FRI	EC Euro-Zone Labour Costs (YoY)	2Q	--	2.60%	US	Consumer Credit	JUL	--	\$15.532B
	EC Euro-Zone Trade Balance	JUL	--	0.9B	JN	GDP Annualized	2Q F	--	-1.30%
	US Total Net TIC Flows	JUL	--	-\$29.5B	UK	PPI Input NSA (YoY)	AUG	--	18.50%
	US U. of Michigan Confidence	SEP P	56.9	55.7	UK	PPI Output n.s.a. (YoY)	AUG	--	5.90%
	UK Nationwide Consumer Confidence	AUG	--	49	UK	PPI Output Core NSA (YoY)	AUG	--	3.30%
					CA	Unemployment Rate	AUG	--	7.20%
				US	Wholesale Inventories	JUL	--	0.60%	
				CH	Consumer Price Index (YoY)	AUG	6.20%	6.50%	
				CH	Producer Price Index (YoY)	AUG	7.20%	7.50%	
				CH	Industrial Production YTD YoY	AUG	14.20%	14.30%	
Previous data are for the preceding period unless otherwise indicated					Data are % change on previous period unless otherwise indicated				
Data are % change on previous period unless otherwise indicated					Data are % change on previous period unless otherwise indicated				
p- preliminary data, f- final data, sa - seasonally adjusted					p- preliminary data, f- final data, sa - seasonally adjusted				
YoY - year on year, MoM - month-on-month					YoY - year on year, MoM - month-on-month				

Source: Bloomberg

3 -12 Month Market Outlook

9 September 2011

Central bank policy rates					
	Spot	Q3 2011	Q4 2011	Q1 2012	Q2 2012
US	0.25	0-0.25	0-0.25	0-0.25	0-0.25
Europe	1.50	1.50	1.75	2.00	2.25
UK	0.50	0.50	0.50	0.50	0.50
Australia	4.75	4.75	5.00	5.00	5.25
China	6.56	6.56	6.56	6.56	6.56
Malaysia	3.00	3.00	3.25	3.25	3.50
Indonesia	6.75	6.75	6.75	7.25	7.25
South Korea	3.25	3.50	3.50	3.75	4.00
India	8.00	8.25	8.50	8.50	8.50
Thailand	3.50	3.50	3.50	3.50	3.50

Forex					
	Spot	Q3 2011	Q4 2011	Q1 2012	Q2 2012
EUR/USD	1.39	1.42	1.45	1.45	1.42
GBP/USD	1.60	1.60	1.65	1.66	1.65
USD/JPY	77.59	77.00	76.00	80.00	85.00
USD/CAD	0.99	0.96	0.92	0.93	0.94
USD/CHF	0.88	0.83	0.81	0.83	0.86
AUD/USD	1.06	1.08	1.13	1.09	1.06
NZD/USD	0.83	0.86	0.93	0.94	0.89
USD/CNY	6.39	6.39	6.31	6.24	6.18
USD/SGD	1.22	1.19	1.17	1.15	1.18
USD/MYR	3.00	2.93	2.88	2.83	2.90
USD/IDR	8576.00	8500	8300	8200	8300
USD/KRW	1077.30	1045	1020	995	975
USD/INR	46.44	44.00	43.50	43.00	43.00
USD/THB	30.04	29.50	29.00	28.50	29.00

Commodities					
	Spot	Q3 2011	Q4 2011	Q1 2012	Q2 2012
Gold	1874.88	1725	1950	1900	1800
Silver	42.38	38	45	44	42
WTI Crude oil	89.16	90	95	97	102
Copper	9115.00	9300	9000	9750	10000
Aluminium	2420.00	2550	2450	2500	2550
Corn	738.00	700	750	775	735
Soybeans	1427.00	1375	1380	1375	1308
Wheat	741.00	715	775	785	750

Source: Bloomberg, Standard Chartered Global Research

* Period averages for each quarter.

Disclosure Appendix

Global disclaimer:

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

Standard Chartered Bank is incorporated in England and Wales with limited liability by Royal Charter 1853, Reference number ZC 18. The Principal Office of the Company is situated in England at 1 Aldermanbury Square London EC2V 7SB. Standard Chartered Bank is authorised and regulated by the Financial Services Authority under FSA register number 114276.

In Dubai International Financial Centre (“DIFC”), the attached material is circulated by Standard Chartered Bank DIFC on behalf of the product and/or Issuer. Standard Chartered Bank DIFC is regulated by the Dubai Financial Services Authority (DFSA) and is authorised to provide financial products and services to persons who meet the qualifying criteria of a Professional Client under the DFSA rules. The protection and compensation rights that may generally be available to retail customers in the DIFC or other jurisdictions will not be afforded to Professional Clients in the DIFC.

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, 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, particular needs of any particular person or class of persons and it has not been prepared for any particular person or class of persons.

Opinions, projections and estimates are solely those of SCB at the date of this document and subject to change without notice. Past performance is not indicative of future results and no representation or warranty is made regarding future performance. Any forecast contained herein as to likely future movements in rates or prices or likely future events or occurrences constitutes an opinion only and is not indicative of actual future movements in rates or prices or actual future events or occurrences (as the case may be).

This document has not and will not be registered as a prospectus in any jurisdiction and it is not authorised by any regulatory authority under any regulations.

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

SCB, and/or a connected company, may at any time, to the extent permitted by applicable law and/or regulation, be long or short any securities, currencies or financial instruments referred to on this document or have a material interest in any such securities or related investment, or may be the only market maker in relation to such investments, or provide, or have provided advice, investment banking or other services, to issuers of such investments. Accordingly, SCB, its affiliates and/or subsidiaries may have a conflict of interest that could affect the objectivity of this document.

This document must not be forwarded or otherwise made available to any other person without the express written consent of SCB.

Copyright: Standard Chartered Bank 2011. 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 2011.

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