

# China Economy

## Exports softened as global uncertainty rises

China's exports of goods slowed down markedly in Sep as exports to most trading partners deteriorated. Exports of tech products and discretionary goods continued to slow. Imports of goods extended its fall due to the decline of commodity price while rebound of import volume was broad-based, especially the energy goods and agricultural products. China's export may face headwinds as global PMIs showed signs of downturn and re-stocking cycle nearing its end. However, with US elections concluding at the end of 2024 and exports coming under greater pressure in early 2025, we expect this might prompt the rollout of a more aggressive stimulus package in China. Looking ahead, exports growth is expected to decelerate from 4.5% in 2024 to 3.5% in 2025. Imports growth may mildly rise from 2.2% in 2024 to 2.7% in 2025. USD/RMB rate is expected to reach 7.05 at end-2024 and 7.0 at end-2025.

■ **Exports moderated notably due to broad-based decline to major trading partners.** China's exports of goods slowed down markedly to 2.4% (all on a YoY basis unless specified) in Sep compared to 8.7% in Aug, missing market expectation of 5.9%. Exports to largest trading partners including ASEAN, the EU and the US saw moderated growth from 9%, 13.4% and 4.9% in Aug to 5.5%, 1.3% and 2.2%, possibly due to the fading of front-loading effect. Exports to other Asian countries dipped notably including Japan, South Korea and India, dropping to -7.1%, -9.2% and -9.3% in Sep after growing 0.5%, 3.4% and 14%; while exports to Russia rebounded from 10.4% to 16.6% in Sep. Exports to emerging economies including Africa and Latin America also moderated from 4.5% and 19.7% to -0.7% and 3.4% in Sep. Overall, export growth in 3Q24 remained largely consistent with that in 2Q at around 6%, with notable rebound in the US and EU but moderated growth in ASEAN.

■ **Exports of tech products and discretionary goods continued to decline.** Exports of tech products saw moderated growth in Sep. During the month, integrated circuits and personal computer dropped to 6.3% and 4.2%, both slowing down in two consecutive months, while cell phone dipped 5.2% after surging 17% in Aug. Other consumer discretionary goods including textile products, garments and toys dipped 3.4%, 7% and 8% following 4.5%, -2.7% and -8.3% growth in Aug. Property-related products including furniture and lamps further declined by 12.3% and 13.1% compared to 4.5% and 7.6% drop in Aug, while home appliances moderated from 12% to 4.5%. Ship exports remained robust with remarkable 113.8% growth compared to 60.6% in Aug, while vehicle exports slowed down to 25.7% from 32.7%. General equipment dropped to 2.9% in Sep compared to 11.3% in Aug while steel products accelerated to 11.3% from 6.8%.

■ **Imports extended its fall due to drop of commodity price while import volume mostly rebounded.** China's imports of goods continued to moderate to 0.3% in Sep after dipping to 0.5% in Aug, below market expectations of 1.2%. Imports volume of energy products rebounded mildly with volume of crude oil, coal and natural gas rising to -0.6%, 12.9% and 18.1% in Sep from -7%, 3.4% and 8.3%. However, their import value was dragged by the decline of import price with crude oil and coal dropping 10.2% and 3.5% in Aug. For raw materials, import volume of iron ore and copper ore both rebounded to 2.9% and 8.7% respectively from -4.7% and -4.8% in Aug, while their import price dropped to -10.6% and 10.1% in Sep compared to -4.9% and 17.2% in Aug. Intermediate goods including steel products, copper products and rubber recovered mildly to -13.4%, -0.3% and -2.5% in Sep from -20.3%, -11.3% and -4.6% in volume, while plastics in primary form further dipped 12.6% from 7.2%. Imports volume of agricultural products continued to surge notably as grain and soybean increased 24.9% and 59% in Sep.

**Bingnan YE, Ph.D**

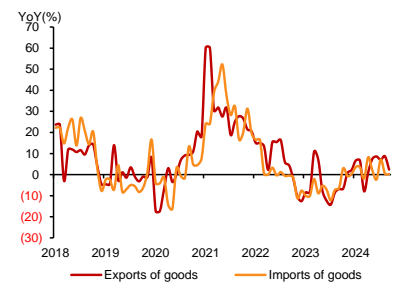
(852) 3761 8967

yingbingnan@cmbi.com.hk

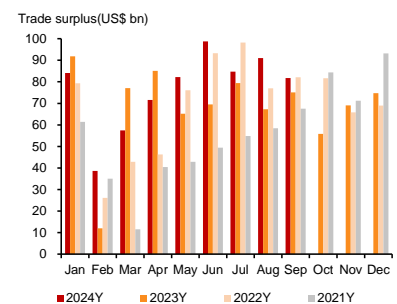
**Frank Liu**

(852) 3761 8957

frankliu@cmbi.com.hk



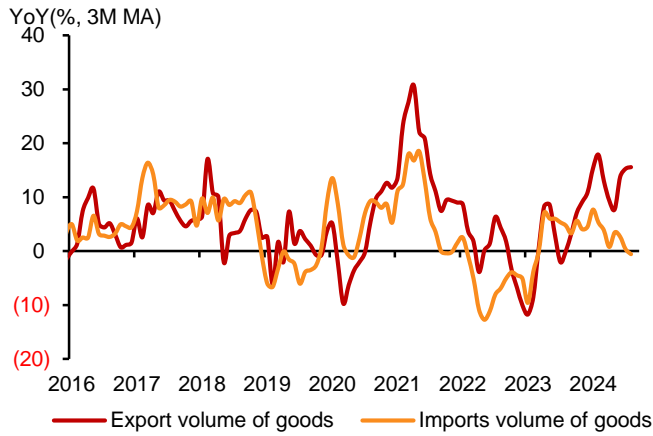
Source: Wind, CMBIGM



Source: Wind, CMBIGM

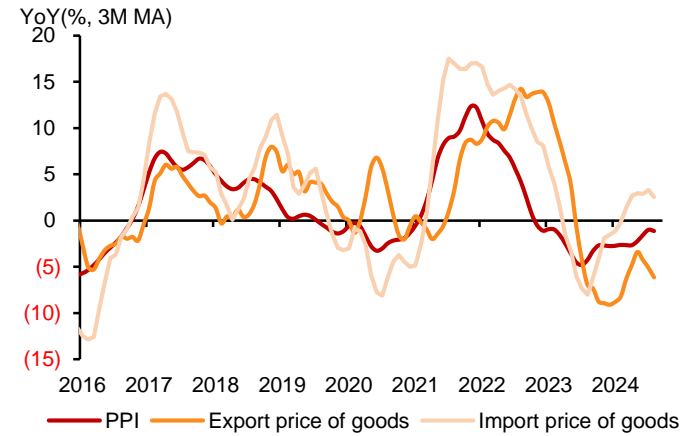
- **China may face headwinds in export as global manufacturing activities showed signs of downturn.** The underperformance this month in export growth may be partly attributed to port distortion caused by extreme weather, but the more significant factor is the softening of external demand. Global PMI has been declining for the fourth month to 58.8 in Sep, the biggest contraction since July 2023. The declining new orders index and rising finished goods inventory index showed the re-stocking cycle since mid-2023 might have run its course. We expect a moderate rebound in exports in Oct due to the weather distortions this month. But exports thereafter may slow down especially in 1H25 as overseas demand for goods gradually softens. However, with the US elections concluding at the end of 2024 and exports coming under greater pressure in early 2025, we expect this might trigger the introduction of a more aggressive stimulus package. Looking forward, exports growth is expected to decelerate from 4.5% in 2024 to 3.5% in 2025. Imports growth may mildly rise from 2.2% in 2024 to 2.7% in 2025. USD/RMB rate is expected to reach 7.05 at end-2024 and 7.0 at end-2025 as the US growth and inflation gradually decline while China's growth and inflation slowly improve.

**Figure 1: Growth of export and import volume**



Source: Wind, CMBIGM

**Figure 2: Growth of export and import prices**



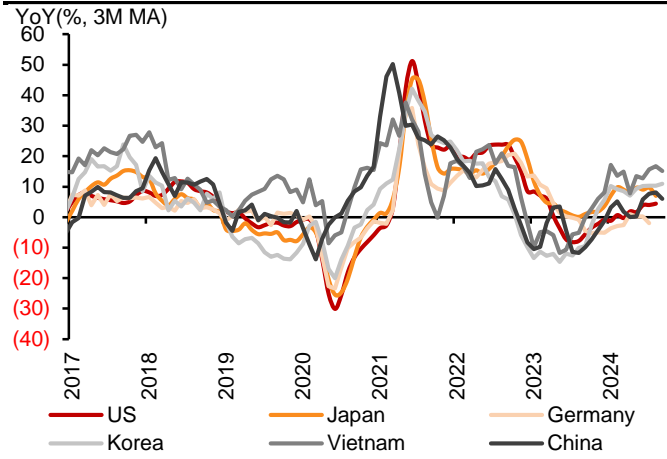
Source: Wind, CMBIGM

**Figure 3: China exports by destination**

	YoY Growth (%)												Share (%)						
	2018	2019	2020	2021	2022	2023	24Q1	24Q2	24Q3	Aug	Sep	2018	2019	2020	2021	2022	2023	2024	
World	9.9	0.5	3.6	29.6	5.6	(4.7)	1.1	5.7	6.0	8.7	2.4	100	100	100	100	100	100	100	
US	11.3	(12.5)	7.9	27.5	1.2	(13.1)	(4.4)	2.5	5.0	4.9	2.2	19.2	16.8	17.4	17.2	16.4	14.8	14.6	
EU	9.8	4.9	6.7	32.6	8.6	(10.2)	(6.9)	(0.2)	7.6	13.4	1.3	16.4	17.2	15.1	15.4	15.9	14.8	14.7	
Japan	7.2	(2.6)	(0.4)	16.3	4.4	(8.4)	(9.5)	(4.1)	(4.4)	0.5	(7.1)	5.9	5.7	5.5	4.9	4.9	4.7	4.3	
ASEAN	14.2	12.7	6.7	26.1	17.7	(5.0)	(2.5)	15.0	8.8	9.0	5.5	12.8	14.4	14.8	14.4	16.0	15.5	16.2	
India	12.7	(2.4)	(10.8)	46.2	21.7	0.8	(0.3)	0.8	3.9	14.0	(9.3)	3.1	3.0	2.6	2.9	3.3	3.5	3.4	
Africa	10.8	7.9	0.9	29.9	11.2	7.5	(0.8)	(9.4)	(1.4)	4.5	(0.7)	4.2	4.5	4.4	4.4	4.6	5.1	4.9	
Latin America	13.7	2.1	(0.8)	52.0	10.6	(2.4)	7.2	12.4	12.4	19.7	3.4	6.0	6.1	5.8	6.8	7.1	7.3	7.9	
Russia	12.0	3.7	1.7	33.8	12.8	46.9	1.5	(4.1)	7.8	10.4	16.6	1.9	2.0	2.0	2.0	2.1	3.3	3.2	
Australia	14.2	1.8	10.9	24.2	19.0	(5.3)	(14.8)	(1.9)	(4.5)	(3.2)	(7.5)	1.9	1.9	2.1	2.0	2.2	2.2	2.0	
UK	(0.3)	10.4	16.3	19.9	(6.1)	(3.4)	(3.5)	1.9	(2.6)	2.1	(7.6)	2.3	2.5	2.8	2.6	2.3	2.3	2.2	
Canada	12.1	5.0	14.0	22.4	4.5	(14.9)	1.0	1.4	1.1	(0.0)	(5.5)	1.4	1.5	1.6	1.5	1.5	1.3	1.3	
South Korea	5.9	2.1	1.4	32.4	9.5	(7.2)	(12.0)	0.3	(1.8)	3.4	(9.2)	4.4	4.4	4.3	4.4	4.6	4.4	4.1	
Saudi Arabia	(5.1)	36.9	17.7	7.9	25.7	14.5	10.3	8.2	-	26.6	-	0.7	1.0	1.1	0.9	1.1	1.3	1.2	
HK China	8.2	(7.6)	(2.3)	28.6	(15.0)	(6.3)	7.0	9.3	8.5	7.9	5.7	12.1	11.2	10.5	10.4	8.4	8.1	8.1	
Chinese Taipei	10.6	13.2	9.1	30.4	4.2	(16.0)	4.7	18.4	8.8	6.8	(1.6)	2.0	2.2	2.3	2.3	2.3	2.0	2.1	

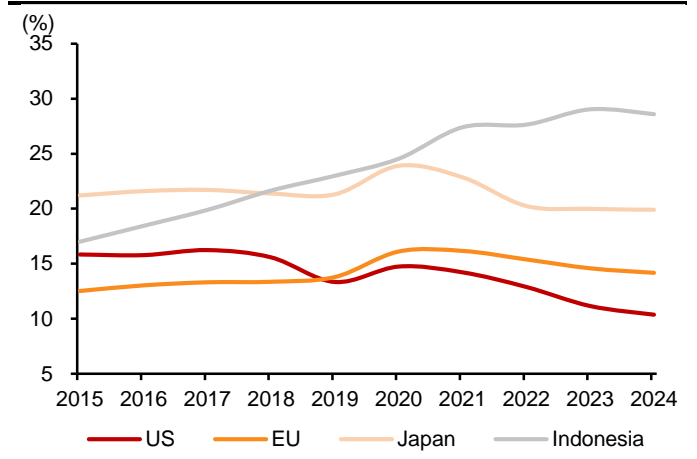
Source: Wind, CMBIGM

**Figure 4: Exports growth in major economies**



Source: Wind, CMBIGM

**Figure 5: China's market share in partners' trade**



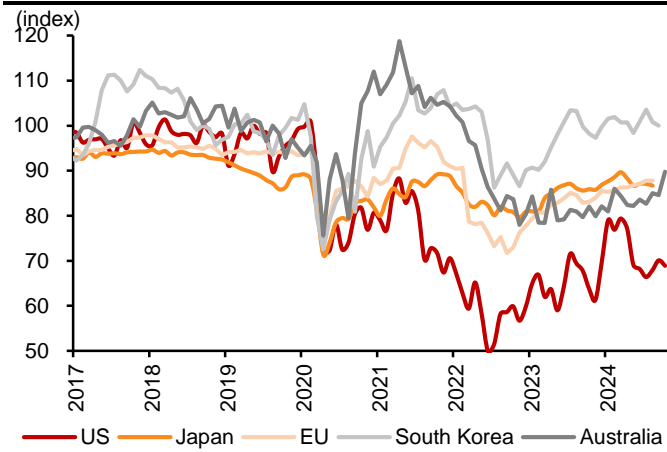
Source: Wind, CMBIGM

**Figure 6: China's exports by product**

	YoY(%)											Share (%)						
	2018	2019	2020	2021	2022	2023	24Q1	24Q2	24Q3	Aug	Sep	2018	2019	2020	2021	2022	2023	2024
Textile Yarn & Related Products	8.1	0.9	29.2	(5.6)	2.0	(8.3)	0.1	2.7	1.5	4.5	(3.4)	4.8	4.8	5.9	4.3	4.2	4.0	4.0
Travel Goods & Bags	1.8	0.5	(24.2)	35.1	28.2	3.9	(3.1)	(5.8)	(12.7)	(10.6)	(15.8)	1.1	1.1	0.8	0.8	1.0	1.1	1.0
Garment & Accessories	0.3	(4.0)	(6.4)	24.0	3.2	(7.8)	(3.8)	(3.6)	(4.6)	(2.7)	(7.0)	6.3	6.1	5.3	5.1	4.9	4.7	4.5
Toy	4.5	24.2	7.5	37.7	5.6	(12.2)	(7.6)	(6.1)	(6.9)	(8.3)	(8.0)	1.0	1.2	1.3	1.4	1.4	1.2	1.1
Furniture & Parts Thereof	7.6	0.8	11.8	26.4	(5.3)	(5.2)	12.0	8.2	(7.5)	(4.5)	(12.3)	2.2	2.2	2.3	2.2	2.0	1.9	1.9
Lamps, Lighting Fixtures & Similar Products	5.6	9.6	14.3	31.2	(6.1)	(4.6)	(0.3)	(4.8)	(9.0)	(7.6)	(13.1)	1.2	1.3	1.5	1.5	1.3	1.2	1.2
Plastic Products	12.2	11.2	19.6	29.1	9.3	(3.9)	2.5	4.3	(1.9)	1.8	(8.5)	1.7	1.9	3.3	2.9	3.0	3.0	3.0
Steel Products	11.2	(11.3)	(15.4)	80.2	18.7	(8.3)	(19.2)	(8.0)	5.3	6.8	11.3	2.4	2.2	1.8	2.4	2.7	2.5	2.4
Unwrought Aluminum	25.8	(7.4)	(14.1)	48.7	33.7	(26.1)	(1.4)	14.8	21.6	24.1	20.1	0.7	0.6	0.5	0.6	0.7	0.6	0.6
Integrated Circuits	26.6	20.0	14.8	32.0	0.3	(10.1)	17.3	23.0	16.6	18.2	6.3	3.4	4.1	4.5	4.6	4.3	4.0	4.5
Ship	4.6	(6.3)	(15.3)	26.2	(0.4)	28.6	105.8	67.6	74.8	60.6	113.8	0.9	0.8	0.7	0.6	0.6	0.8	1.3
Motor Vehicles	12.3	4.1	(3.6)	119.2	74.7	69.0	17.8	19.4	23.9	32.7	25.7	0.6	0.6	0.6	1.0	1.7	3.0	3.3
Auto Parts & Accessories	10.8	(3.6)	(6.2)	33.7	7.4	9.0	6.0	2.3	3.3	6.4	(2.2)	2.2	2.1	2.2	2.3	2.3	2.6	2.6
General Equipment			7.5	26.4	6.1	1.8	13.1	7.6	9.7	11.3	2.9			1.6	1.6	1.6	1.7	1.8
Automatic Data Processing Equipment			11.6	21.0	(7.5)	(20.4)	3.7	8.2	11.2	10.8	4.2			8.1	7.6	6.7	5.5	5.8
Fertilizer	16.2	2.7	(8.3)	73.2	(1.6)	(13.9)	(52.4)	(5.9)	8.8	31.4	(13.4)	0.3	0.3	0.3	0.3	0.3	0.3	0.2
Ceramic products	11.7	16.5	0.0	22.3	6.4	(15.4)	(8.0)	(25.7)	(27.5)	(25.9)	(29.5)	0.9	1.0	1.0	0.9	0.9	0.8	0.6
Rare earth	23.7	(14.4)	(21.9)	90.0	62.8	(28.3)	(39.2)	(47.9)	(33.0)	(36.9)	(42.4)	0.02	0.02	0.01	0.02	0.03	0.02	0.01
Cellphone			0.9	16.6	(2.5)	(2.7)	(13.0)	5.8	2.6	17.0	(5.2)			4.8	4.4	4.0	4.1	3.3
Home appliance			23.5	22.3	(13.3)	3.8	8.6	15.6	11.0	12.0	4.5			2.6	2.9	2.4	2.6	2.9
Medical equipment	13.3	13.3	40.5	11.9	(5.8)	(2.9)	1.5	5.2	3.6	8.6	(4.6)	0.5	0.5	0.7	0.6	0.5	0.5	0.5

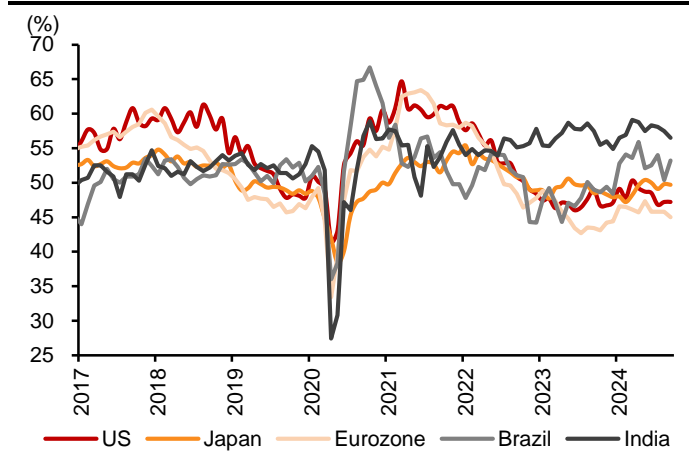
Source: Wind, CMBIGM

**Figure 7: Consumer confidence in major economies**



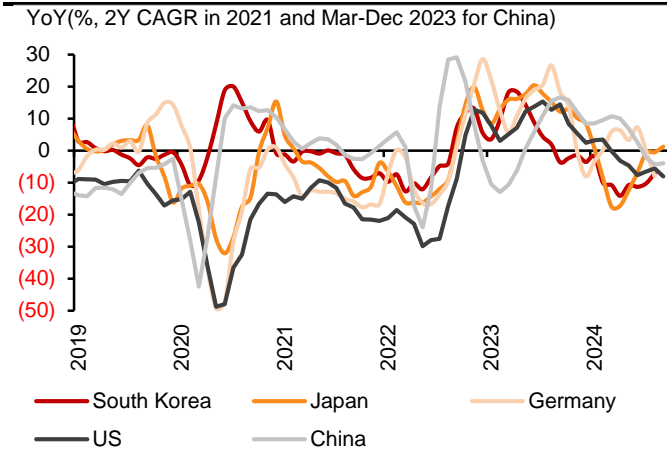
Source: Wind, CMBIGM

**Figure 8: Manufacturing PMI in major economies**



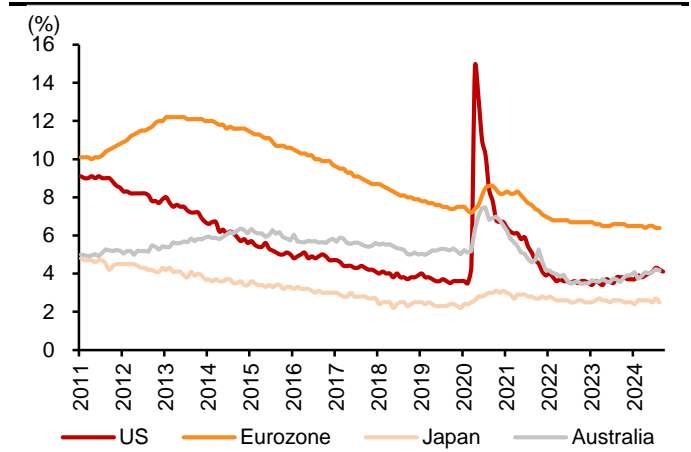
Source: Wind, CMBIGM

**Figure 9: Auto sales in major economies**



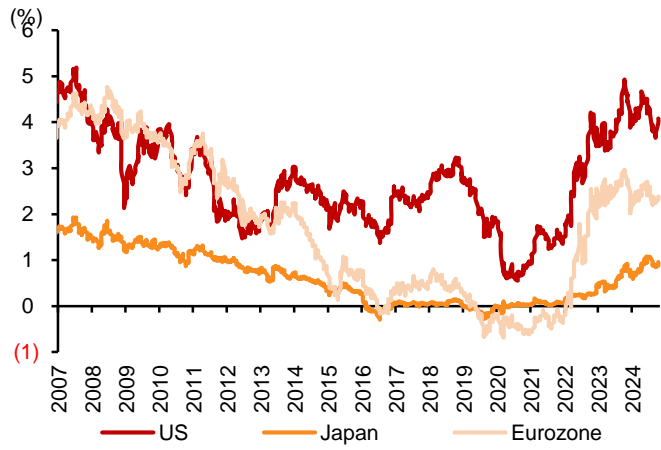
Source: Wind, CMBIGM

**Figure 10: Unemployment rates in major economies**



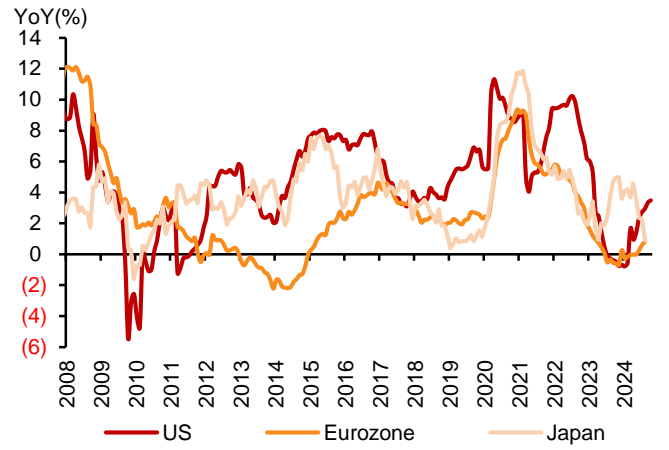
Source: Wind, CMBIGM

**Figure 11: 10Y T-Bond rates in major economies**



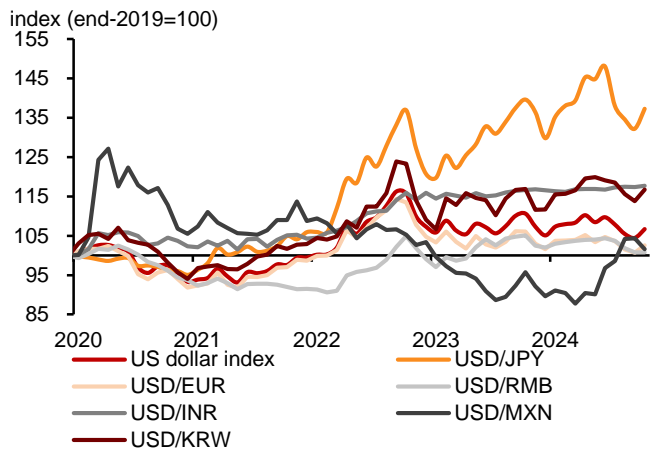
Source: Wind, CMBIGM

**Figure 12: Banks' credit growth in major economies**



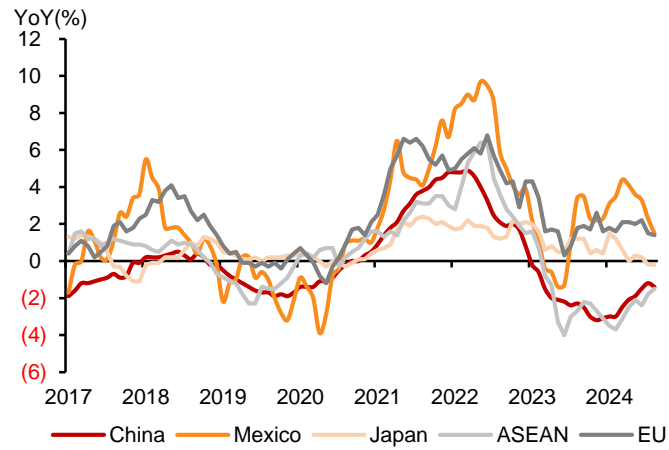
Source: Wind, CMBIGM

**Figure 13: Exchange rates**



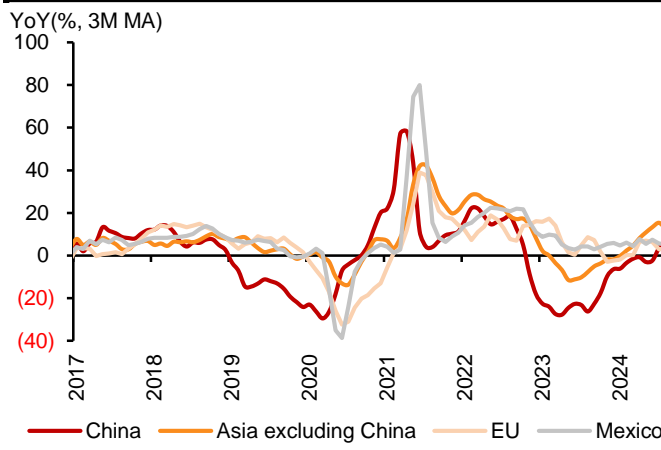
Source: Wind, CMBIGM

**Figure 14: US import price growth by source**



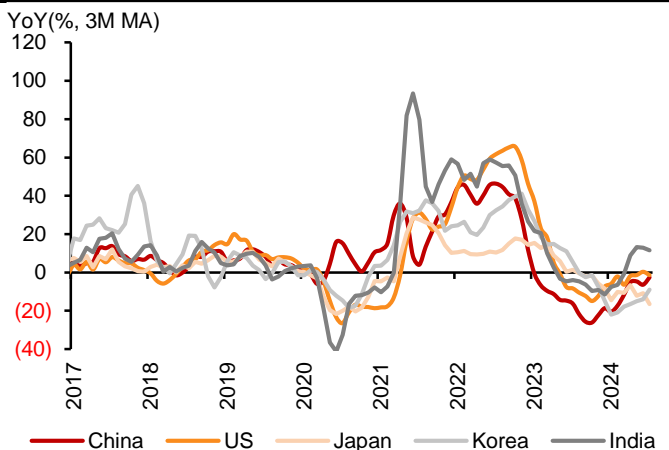
Source: Wind, CMBIGM

**Figure 15: Growth of US imports by source**



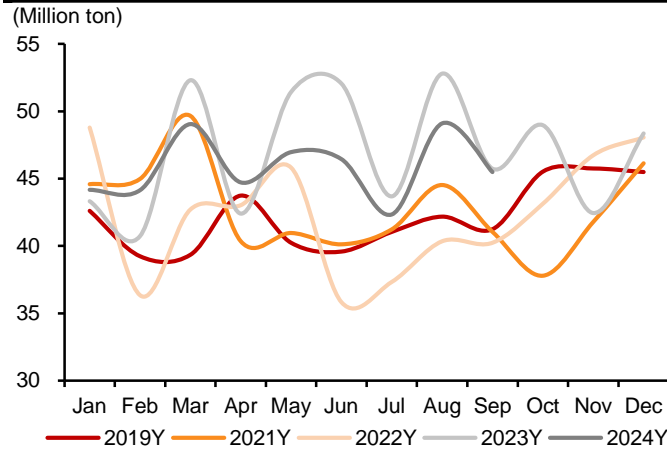
Source: Wind, CMBIGM

**Figure 16: Growth of EU imports by source**



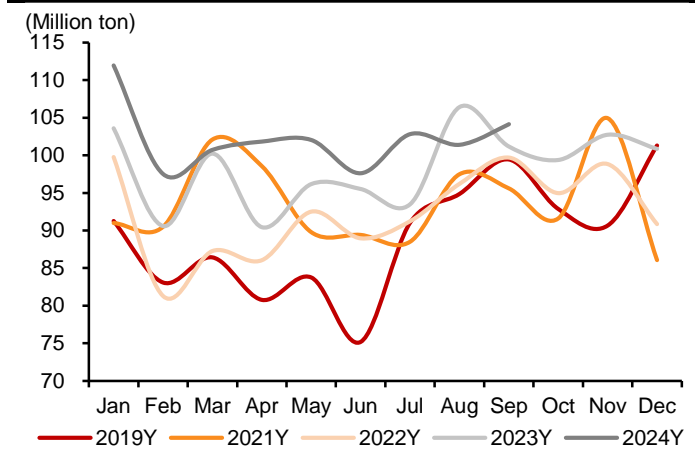
Source: Wind, CMBIGM

**Figure 17: Import volume of crude oil**



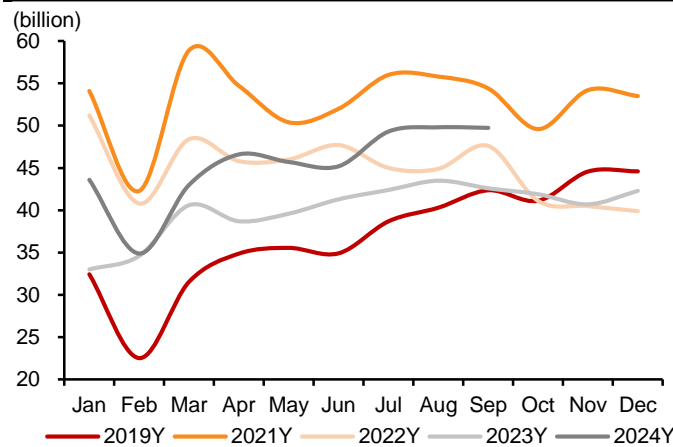
Source: Wind, CMBIGM

**Figure 18: Import volume of iron ore**



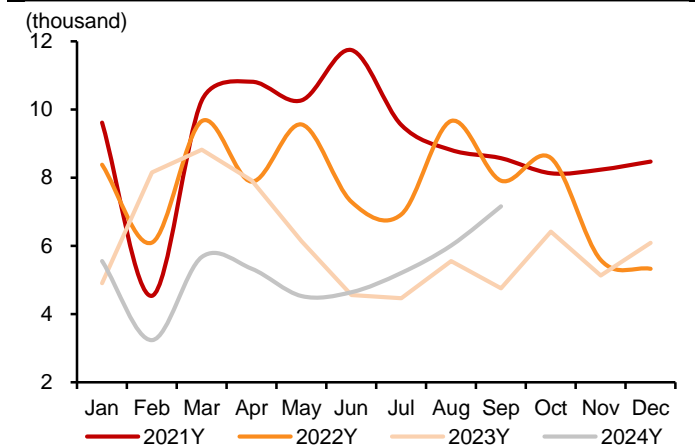
Source: Wind, CMBIGM

**Figure 19: Import volume of integrated circuits**



Source: Wind, CMBIGM

**Figure 20: Import volume of machine tools**



Source: Wind, CMBIGM

**Figure 21: China's import volume & price by product**

	Import volume YoY (%)										Import price YoY(%)									
	2019	2020	2021	2022	2023	24Q1	24Q2	24Q3	Aug	Sep	2019	2020	2021	2022	2023	1Q24	2Q24	3Q24	Aug	Sep
Grain	(3.6)	28.0	18.1	(10.7)	11.7	(0.8)	2.4	14.3	17.6	24.9	(5.1)	(5.4)	26.3	23.7	(9.6)	(22.4)	(19.5)	(9.9)	(9.7)	(5.4)
Soybean	0.0	13.3	(3.8)	(5.6)	11.4	(19.3)	1.2	27.1	29.7	59.0	(7.2)	(1.3)	40.7	21.2	(10.7)	(15.8)	(19.4)	(12.1)	(11.6)	(12.7)
Iron ore	0.5	9.5	(3.9)	(1.5)	6.6	5.3	6.9	2.4	(4.7)	2.9	32.9	7.2	55.4	(28.6)	(1.6)	17.5	(5.1)	(5.0)	(4.9)	(10.6)
Copper ore	11.6	(1.0)	7.6	8.0	9.1	5.0	1.9	3.8	(4.8)	8.7	(4.8)	2.1	44.6	(8.5)	(1.6)	1.1	1.0	14.2	17.2	10.1
Coal	6.3	1.5	6.6	(9.2)	61.8	13.8	11.3	11.1	3.4	12.9	(11.1)	(14.8)	65.9	29.7	(23.3)	(22.0)	(16.3)	0.1	3.8	(3.5)
Crude oil	9.5	7.3	(5.4)	(0.9)	11.0	0.7	(5.3)	(3.7)	(7.0)	(0.6)	(8.3)	(32.2)	52.4	42.7	(16.8)	0.2	9.4	0.8	3.0	(10.2)
Natural gas	6.9	5.3	19.9	(9.9)	9.9	22.6	6.8	10.5	8.3	18.1	1.5	(23.8)	39.8	39.5	(16.4)	(20.0)	(6.0)	3.0	3.6	4.7
Steel products	(6.5)	64.4	(29.5)	(25.9)	(27.6)	(7.9)	2.7	(20.2)	(20.3)	(13.4)	(8.1)	(27.5)	57.9	23.1	2.5	(4.9)	(4.1)	5.9	4.0	2.5
Copper products	(6.0)	34.1	(17.2)	6.2	(6.3)	6.4	6.8	(4.7)	(11.3)	(0.3)	(7.8)	(0.9)	45.5	(2.5)	(6.2)	(1.0)	10.7	12.7	10.7	10.4
Plastics in primary form	12.4	10.1	(16.4)	(10.0)	(3.2)	(2.3)	2.6	(3.6)	(7.2)	(12.6)	(15.9)	(10.6)	39.4	2.0	(16.7)	(6.1)	(2.9)	2.5	3.4	4.8
Rubber	(6.2)	13.6	(9.4)	8.7	8.0	(12.6)	(24.2)	(3.5)	(4.6)	(2.5)	(4.5)	(7.2)	26.4	(1.7)	(16.4)	6.6	15.4	24.4	24.8	26.9
Integrated circuits	6.6	22.1	16.9	(15.3)	(10.8)	12.3	15.0	15.8	14.5	16.7	(8.2)	(6.1)	5.7	13.5	(5.2)	(2.5)	(4.0)	(3.1)	(2.9)	(4.9)
Machine tool	0.0	18.8	(0.7)	(14.4)	(20.5)	(33.9)	(22.1)	24.3	8.2	50.5	0.0	(30.8)	25.8	1.5	14.8	42.4	5.2	(28.5)	(21.6)	(40.3)
Auto	(6.6)	(11.4)	0.6	(6.5)	(8.9)	0.0	(5.6)	(2.4)	14.3	(21.4)	3.6	8.1	14.7	5.7	(3.0)	(17.7)	(4.8)	1.2	(13.3)	3.3
Airplane	(48.6)	(35.4)	29.4	(27.3)	12.2	(12.2)	(23.6)	25.0	71.4	55.6	12.5	(30.0)	12.3	13.5	(4.0)	(15.2)	(19.7)	40.6	26.2	28.9
Medicine	0.0	(0.6)	3.1	28.8	23.6	(7.8)	9.8	20.4	23.1	22.9	0.0	4.1	16.5	(25.7)	(12.8)	(7.1)	(4.4)	(14.0)	(14.2)	(20.0)
Beauty cosmetics	0.0	3.7	5.2	(11.8)	(14.2)	(17.2)	(10.1)	(7.9)	(9.2)	(11.3)	0.0	24.8	17.0	1.8	(6.1)	(4.7)	7.0	1.1	0.1	2.6

Source: Wind, CMBIGM





# Disclosures & Disclaimers

## Analyst Certification

The research analyst who is primary responsible for the content of this research report, in whole or in part, certifies that with respect to the securities or issuer that the analyst covered in this report: (1) all of the views expressed accurately reflect his or her personal views about the subject securities or issuer; and (2) no part of his or her compensation was, is, or will be, directly or indirectly, related to the specific views expressed by that analyst in this report.

Besides, the analyst confirms that neither the analyst nor his/her associates (as defined in the code of conduct issued by The Hong Kong Securities and Futures Commission) (1) have dealt in or traded in the stock(s) covered in this research report within 30 calendar days prior to the date of issue of this report; (2) will deal in or trade in the stock(s) covered in this research report 3 business days after the date of issue of this report; (3) serve as an officer of any of the Hong Kong listed companies covered in this report; and (4) have any financial interests in the Hong Kong listed companies covered in this report.

## CMBIGM Ratings

**BUY** : Stock with potential return of over 15% over next 12 months  
**HOLD** : Stock with potential return of +15% to -10% over next 12 months  
**SELL** : Stock with potential loss of over 10% over next 12 months  
**NOT RATED** : Stock is not rated by CMBIGM

**OUTPERFORM** : Industry expected to outperform the relevant broad market benchmark over next 12 months  
**MARKET-PERFORM** : Industry expected to perform in-line with the relevant broad market benchmark over next 12 months  
**UNDERPERFORM** : Industry expected to underperform the relevant broad market benchmark over next 12 months

## CMB International Global Markets Limited

**Address:** 45/F, Champion Tower, 3 Garden Road, Hong Kong, Tel: (852) 3900 0888 Fax: (852) 3900 0800

**CMB International Global Markets Limited ("CMBIGM") is a wholly owned subsidiary of CMB International Capital Corporation Limited (a wholly owned subsidiary of China Merchants Bank)**

## Important Disclosures

There are risks involved in transacting in any securities. The information contained in this report may not be suitable for the purposes of all investors. CMBIGM does not provide individually tailored investment advice. This report has been prepared without regard to the individual investment objectives, financial position or special requirements. Past performance has no indication of future performance, and actual events may differ materially from that which is contained in the report. The value of, and returns from, any investments are uncertain and are not guaranteed and may fluctuate as a result of their dependence on the performance of underlying assets or other variable market factors. CMBIGM recommends that investors should independently evaluate particular investments and strategies, and encourages investors to consult with a professional financial advisor in order to make their own investment decisions.

This report or any information contained herein, have been prepared by the CMBIGM, solely for the purpose of supplying information to the clients of CMBIGM or its affiliate(s) to whom it is distributed. This report is not and should not be construed as an offer or solicitation to buy or sell any security or any interest in securities or enter into any transaction. Neither CMBIGM nor any of its affiliates, shareholders, agents, consultants, directors, officers or employees shall be liable for any loss, damage or expense whatsoever, whether direct or consequential, incurred in relying on the information contained in this report. Anyone making use of the information contained in this report does so entirely at their own risk.

The information and contents contained in this report are based on the analyses and interpretations of information believed to be publicly available and reliable. CMBIGM has exerted every effort in its capacity to ensure, but not to guarantee, their accuracy, completeness, timeliness or correctness. CMBIGM provides the information, advices and forecasts on an "AS IS" basis. The information and contents are subject to change without notice. CMBIGM may issue other publications having information and/ or conclusions different from this report. These publications reflect different assumption, point-of-view and analytical methods when compiling. CMBIGM may make investment decisions or take proprietary positions that are inconsistent with the recommendations or views in this report.

CMBIGM may have a position, make markets or act as principal or engage in transactions in securities of companies referred to in this report for itself and/or on behalf of its clients from time to time. Investors should assume that CMBIGM does or seeks to have investment banking or other business relationships with the companies in this report. As a result, recipients should be aware that CMBIGM may have a conflict of interest that could affect the objectivity of this report and CMBIGM will not assume any responsibility in respect thereof. This report is for the use of intended recipients only and this publication, may not be reproduced, reprinted, sold, redistributed or published in whole or in part for any purpose without prior written consent of CMBIGM. Additional information on recommended securities is available upon request.

### For recipients of this document in the United Kingdom

This report has been provided only to persons (I) falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended from time to time) ("The Order") or (II) are persons falling within Article 49(2) (a) to (d) ("High Net Worth Companies, Unincorporated Associations, etc.") of the Order, and may not be provided to any other person without the prior written consent of CMBIGM.

### For recipients of this document in the United States

CMBIGM is not a registered broker-dealer in the United States. As a result, CMBIGM is not subject to U.S. rules regarding the preparation of research reports and the independence of research analysts. The research analyst who is primary responsible for the content of this research report is not registered or qualified as a research analyst with the Financial Industry Regulatory Authority ("FINRA"). The analyst is not subject to applicable restrictions under FINRA Rules intended to ensure that the analyst is not affected by potential conflicts of interest that could bear upon the reliability of the research report. This report is intended for distribution in the United States solely to "major US institutional investors", as defined in Rule 15a-6 under the US, Securities Exchange Act of 1934, as amended, and may not be furnished to any other person in the United States. Each major US institutional investor that receives a copy of this report by its acceptance hereof represents and agrees that it shall not distribute or provide this report to any other person. Any U.S. recipient of this report wishing to effect any transaction to buy or sell securities based on the information provided in this report should do so only through a U.S.-registered broker-dealer.

### For recipients of this document in Singapore

This report is distributed in Singapore by CMBI (Singapore) Pte. Limited (CMBISG) (Company Regn. No. 201731928D), an Exempt Financial Adviser as defined in the Financial Advisers Act (Cap. 110) of Singapore and regulated by the Monetary Authority of Singapore. CMBISG may distribute reports produced by its respective foreign entities, affiliates or other foreign research houses pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. Where the report is distributed in Singapore to a person who is not an Accredited Investor, Expert Investor or an Institutional Investor, as defined in the Securities and Futures Act (Cap. 289) of Singapore, CMBISG accepts legal responsibility for the contents of the report to such persons only to the extent required by law. Singapore recipients should contact CMBISG at +65 6350 4400 for matters arising from, or in connection with the report.