UOB House View 1Q 2025

Thursday, 09 January 2025

The Team
Global Economics & Markets Research
Private Bank

Global Macro

The outlook for 2025 will be heavily shaped by the return of President Trump and his myriad of policies and their implications for US and the rest of the world. Bottom-line, the impact of Trump's various policies is likely to be inflationary with mixed effect on growth. And of great interest and potentially the most impactful to the rest of the world is Trump's trade tariff policies, which we assume staggered implementation of tariffs from as early as 2Q 2025 and fully completed by 1H 2026.

Asset Allocation

We remain overweight on Equities in our asset allocation due to supportive earnings against a backdrop of falling interest rates. We maintain neutral on Fixed Income with an eye on buy-on-dip opportunities. We stay overweight on Alternatives as less correlated alternatives offer diversification benefits. Cash remains an underweight as the benign macro backdrop remains supportive for risk assets.

Equities

We upgrade the US equities to Neutral from Underweight with growth driven by good fundamentals, cyclical tailwinds, and policy shifts. We keep European equities at Neutral as the stagnation reflects persistent domestic and external headwinds. We maintain our overweight on Japan, characterized by economic normalization, wage growth, and corporate reforms. We downgrade EM Asia equities to Neutral from Overweight on a mixed but cautiously optimistic outlook amid structural challenges.

Fixed Income

For Developed Markets (DM), we stay overweight on DM IG as quality premia remains a key focus and favour lower beta issuers with strong credit profiles. We stay underweight on DM USD HY and remain wary of credit pitfalls. We stay overweight Emerging Markets (EM) IG, preferring select ASEAN champions, strategic quasi-sovereigns and defensive consumer names.

Commodities

We keep our positive view for gold as long-term safe haven demand needs will likely stay strong amidst further rise in geopolitical risks and economic risks from Trump 2.0 policies. We forecast gold price to reach USD 3,000 / oz by 4Q25. In comparison, we acknowledge the further downside risk from negative impact from Trump 2.0 tariffs on China and global energy demand, and we adopt a negative outlook for Brent crude oil forecasting USD 75 / bbl for 1H25 and USD 70 / bbl for 2H25.

FX & Interest Rates

We expect USD to strengthen further against most Major FX peers in 1H25 as tariff uncertainties dominate. In 2H25, USD strength may start to moderate and as most of the repricing for Trump's tariffs (base case) may have already been done and our downward trajectory in US rates could start to exert downward pressure on the USD. In terms of front-end rates, we forecast the 3M compounded in arrears Sofr and Sora drifting lower across 2025 to 3.61% and 2.27% by 4Q25 respectively, in tune with our expectations of a further 75bps rate cuts from the Fed by 3Q25.

Global Macro & Markets Strategy

Waiting for Trump and his incoming trade tariffs

The Tariff Man returns and more…

After 4 years of absence, Donald Trump is back in the hot seat as the president of the most powerful nation in the world. And with the Republican clean sweep of the control of the US Senate and House of Representatives, this means it will be easier to implement policies for Trump. Our economic outlook for 2025 will now need to put a heavy dose of consideration for the myriad of policies that Trump has planned for US and their implications for the rest of the world. We admit a lot of the Trump policy measures (announcements, threats and/or projections) are highly speculative and unpredictable at this juncture and will be subject to significant changes once Trump officially comes into office on his 20 Jan (2025) inauguration.

We broadly highlight a few categories of policy measures Trump campaigned for during the run-up to the Presidential election which, in our view, will have material macro-economic impact to the US and globally, including tax cuts, deregulation, tariffs, immigration (with mass deportation of undocumented migrants & border security), the independence of the US Federal Reserve (Fed), green policy (rollbacks) and foreign policy. Bottomline, the impact of Trump's various policies are likely to be inflationary with mixed effect on growth.

The extension of current tax cuts and introduction of new cuts, coupled with the deregulation drive will likely reignite animal spirits, boost business confidence and investment sentiment for US economy and therefore positive for US growth and productivity, but is likely to add to inflationary pressures and worsen the federal fiscal deficit. That said, fiscal policy issues are likely to take some time and probably be debated in the US Congress only in 2H 2025. Trumps' tough immigration policy proposals are another area of concern and may come sooner than fiscal policy issues with the expected negative implications for US GDP growth. The inflationary impact is less clear, as large-scale deportation may lower the workforce numbers and drive demand for the remaining workers and thus lead to higher wages and inflation. But at the same time, the reduced workforce could also lead to lower domestic consumption in the US and create deflationary effects.

On green policies, it is expected that Trump will follow his past actions, such as withdrawing from the Paris Agreement, repealing Inflation Reduction Act which supports clean energy projects and electric vehicles, relaxing environmental regulations and enacting policies that favour conventional fossil fuel extraction. This will potentially see higher US output for crude oil & gas, while missing its carbon neutral pledges. On foreign policy, if Trump does see through his promise to end all wars, then one of the impacts could well be lower prices of commodities (excluding gold) for 2025.

Potential impact of Trump's policies

Impact on each of the indicators	Taxes	Tariff	Immigration	US Fed	Green policy	Foreign policy
Real GDP	+	--	---	+/-	+	+
Inflation	+	+++	+/-	+	-	-
Fed funds	+	+++	--	--	-	-
Other impacts	Worsen fiscal deficit	Subject to retaliation from China & others	Negative for domestic spending	Upside risks to UST yields, capital outflow	Greater output for US oil and gas	Lower commodity prices

Source: UOB Global Economics & Markets Research

+/- mild impact
++/-- moderate impact
+++/--- major impact

Scenarios for Trump's trade tariff 2.0 – Base case: 25% tariff rate on China, 10% tariff on selected countries that benefited from China's trade diversion, no blanket tariffs

Trump 2.0
Scenarios for tariff in 2025

Scenarios	Optimistic	Base case	Pessimistic
Probability	5%	55%	40%
Trump 1.0 trade tariff	• Imposed additional tariffs of up to 25% on about US$370 bn of Chinese imports in 2018-19		
Trump 2.0 proposed tariff policies	• Baseline 10%-20% tariffs on all imports, and as much as 60% on imports from China • 25% or even 100% on Mexican-made goods and 200% or 500% on autos imports from Mexico • 100% tariffs on countries that want to shift away from using US dollar • 25% "anti-drug" tariff on all imports from Mexico & Canada, 10% "anti-drug" tariff (additional) on all imports from China • Trade diversion from China to ASEAN to bypass tariffs could be pursued by Trump, although details are lacking at this stage		
Tariff measures that may be implemented under different scenarios	10% "anti-drug" tariff on all imports from China scrapped if China commits to significantly increase fixed amount of purchases from the US and to clamp down on drugs. Prospect of targeted tariff increases on strategic industries in China which affect a smaller amount of US imports	Additional tariffs imposed on China (25% instead of 60% after investigation) and 10% tariffs on economies that increased in trade surplus with US due to trade diversion from China. Tightened measures related to technology transfer and on high tech industries in China. No blanket tariff (of 10%) imposed on all imports. Assume China retaliates by imposing similar tariffs on US goods but limited retaliatory responses from other economies.	"Anti-drug" tariff - 10% on all imports from China and 25% on all imports from Mexico & Canada. 200% tariff on auto imports from Mexico. Subsequently, 10-20% tariffs on all imports, and 60% on China imports. Higher tariffs (20%) on imports from economies (including ASEAN) deemed to have benefitted via trade diversion from China.Tightened measures related to technology transfer & on high tech industries to China. Assumes tit-for-tat (retaliatory) responses from China and other affected economies.
Tariff implementation timeline	As early as 2Q25	Staggered implementation from 2Q25. Likely to start with List 4b (mostly consumer goods). Investigations could take 6 months to 1 year. Full implementation by 1H26.	To begin "anti-drug" 10% tariff on all imports from China as early as Jan 2025, further tariffs in 2Q25 on half of Chinese goods including List 4b and 4a. Intermediate and capital goods likely to reach additional 60% tariff rate first while taking longer for consumer goods. Full implementation by 1H26. Trump may bring forward the implementation.
Global economy outlook	Reduce trade tensions as US reviews progress of its new trade deals. Growth is more positive than previous projection, with trade seeing a robust rebound.	Growth still positive but moderates slightly on the measures imposed. Uneven recovery, differences in sectoral outcomes caused by different tariff changes and differentiated between economies. Moderate rise in US inflation.	Sub-par global growth for full year, re-emergence of some supply chain disruption and demand destruction. One-time US inflation spike in 2H25 – 1H26.
2025 Growth			
Global economy	3.5%	3.1%	2.5%
US	2.2%	1.8%	1.3%
China	4.6%	4.3%	3.5%
Fed funds rate	• Dec 24 - 25bps • 2025 - 100bps • 1Q26 - 25bps (terminal rate of 3.25%)	• Dec 24 - 25bps • 2025 - 75bps (terminal rate of 3.75% by 3Q25)	• Dec 24 - 25bps • Early 2025 - 25bps • rate cuts to resume in 2026 on growth concerns but limited to just two 25bps cuts due to one-time inflation spike & higher inflation expectations (terminal rate of 4% by 1Q26)
Rates view	10Y UST to settle at around 3.80% at the end of Fed easing cycle. Term risk premiums unwind see modest upside.	10Y UST to settle at around 4.10% (potentially 4.50% if term premiums repricing is front loaded) at the end of Fed easing cycle. Term risk premium see moderate upside from higher uncertainty over Fed path and upside inflation risk.	10Y UST to settle at around 4.50% (potentially 4.90% if term premiums repricing is front loaded) at the end of Fed easing cycle. Term risk premium see pronounced upside risk from Fed path uncertainty and bond buyers strike.
Currency view	USD weakens anew as markets unwind tariff-related premium and refocus back to Fed's rate-cut plan.	USD to strengthen against most G-10 peers in 1H25 before moderating in 2H25. DXY to rise to 111.1 by mid-2025 before easing off to 107.6 by end-2025. Asia FX to weaken for the first three quarters of 2025 before rebounding in 4Q25.USD/CNY to test key 7.35 level in 1Q25 and trade to as high as 7.60 in 3Q25. USD/SGD to rise modestly to 1.38 in 3Q25 before pulling back to 1.36 in 4Q25.	USD to appreciate sharply against most G-10 peers.DXY to potentially test 2022's high near 115. Asia FX to depreciate sharply against the USD due to potential portfolio outflows. USD/CNY to potentially test the psychological 8.00 level though countercyclical policies to prevent one-sided speculative moves can be expected. USD/SGD to potentially trade above 1.40.

Source: UOB Global Economics & Markets Research

Here comes the tariff man (again). To be fair, the Biden administration did not shy away from tariffs as they kept the tariffs imposed during the first Trump administration and added a few targeted tariffs of their own. The stark difference is perhaps Trump's sensational way of delivering news/threats of trade tariffs. Trump brandished his tariff man credentials again on 26 Nov when he pledged to impose 25% tariff on all imports from Canada and Mexico, and 10% tariffs (on top of additional tariffs) on all imports from China in an executive order on his first day in office (20 Jan) for drugs (fentanyl) and border security issues.

Using Section 232 or the International Emergency Powers Act (signed into law in 1977), Trump can exercise executive power to impose these tariffs on the basis of an "unusual and extraordinary threat" to national security, foreign policy or the US economy. And he did use this power and threatened countries (including Mexico) during his first term in office. But equally important, he never invoked that power to enact tariffs once countries acceded to his terms.

So what can we expect on US trade policy in 2025? The short answer is more tariffs and frictions. That said, it is difficult to say at this point what tariffs will be enacted, to whom, and what will the amount be. The reason is that Trump has floated various tariff proposals since he officially started his bid for the White House in Sep 2023, from baseline 10%-20% tariff rates on all imports, and as much as 60% on imports from China, to 25% or even as much as 100% on Mexican-made goods, to 100% tariffs on countries that want to shift away from using US dollar. Trump has named credible nominees for his economic team (US Treasury secretary, NEC director), which now included Jamieson Greer for the US Trade Representative (as of 27 Nov, subject to Senate confirmation). Greer previously served as the chief of staff for Robert Lighthizer, who was Trump's Trade Representative for the full 4-year term and oversaw the imposition of billions in tariffs. Long seen as a protégé of Lighthizer, Greer will be tasked with "reining in the Country's massive Trade Deficit, defending American Manufacturing, Agriculture, and Services, and opening up Export Markets everywhere." We also believe that Trump will use tariff threats as a bargaining chip or negotiation ploy to eventually gain concessions from China and key trade partners, rather than being laid out as an immediate policy action.

Regarding Trump's tariff implementation, we foresee three scenarios based on the tariff proposals touted so far, and our estimated implementation timelines. These will have their respective impact on the macroeconomic outlook for the US, China and the world's economy and translate into different outlook for the FX and Interest Rates spaces.

Our Base Case scenario, which we ascribe a 55% probability, calls for more measured imposition of tariffs (Additional 25% tariff on China, instead of the claimed 60%, 10% tariffs on economies that recorded increase in trade surplus with US due to trade diversion from China, and no blanket tariff on all US imports), with a staggered implementation pace from as early as 2Q 2025 and fully completed by 1H 2026. Ahead of the tariff implementation, there is a consensus view that growth (especially for exporter economies) may be lifted as US importers may frontload purchases in early 2025. That early lift is expected to be short-lived and the global economy will eventually see a slight growth moderation to 3.1% in 2025 (versus IMF forecast of 3.2%), albeit with an uneven recovery differentiated across sectors and countries that are targeted by the tariffs. The rise in tariffs could weigh on US GDP growth which is expected to be lower at 1.8% for 2025 (versus a projected 2.7% for 2024) while tariffs are also likely to push US inflation higher above the Fed's 2% target in 2025 and 2026.

A revised Fed policy trajectory: lesser cuts in 2025 with a higher terminal rate

With the Dec rate cut coming to pass, we now expect a pause in the Jan FOMC as the Fed exits the "re-calibration phase" and takes stock of the inflation and growth outlook under the new Trump administration. That said, we continue to hold the view the Fed will reduce the FFTR into 2025. We had earlier revised our 2025 rate cut trajectory lower to a total 75 bps of cuts (i.e. three 25-bps cuts, one in each quarter of 1Q, 2Q and 3Q 2025) from 100 bps previously, and end the rate cycle to bring the terminal rate to 3.75% (upper bound of FFTR). The reduced number of cuts reflect the higher inflation pressures from the projected tariff implementation during the latter part of 2025. We have highlighted that the risk in 2025 is for less cuts due to the uncertainty of tariffs. However. we think it remains premature to shift our projections for now, so we will hold on to the current three-cut view for 2025 until we get better clarity of President Trump's policies in early 2025.

It should be noted that for our pessimistic scenario which we ascribe a significant probability of 40%, reflects our view that the risk for US trade policy this time round is tilted towards a more negative outcome of higher tariffs (60% tariff rate for China as claimed), coupled with the imposition of a blanket tariff for all US imports (10-20%) and an earlier and shorter implementation timeline, starting on Trump's Day 1 (20 Jan) and fully implemented by 1H 2026. The impact of this scenario will be weaker growth outlook accompanied by higher inflation outturns, which implies even fewer Fed rate cuts in 2025.Though we include an optimistic scenario (with an ascribed 5% probability), we see a very low likelihood of such a benign outcome where Trump will change his mind, and decide to only impose targeted tariffs and result in a significant de-risking of the trade friction between US and China.

How would China respond? Similar to the 2018 episode, China is unlikely to take pre-emptive actions against US before actual tariffs are implemented. At the same time, China could retaliate with corresponding measures, potentially escalating trade tensions as seen in the earlier trade war (2018). We also note that since the trade war of 2018, US exports to China has risen significantly (23% increase to US$ 148 bn in 2023 from US$ 120.3 bn). This increase in dependence implies that more US industries may be vulnerable to Chinese retaliation in the event of a tit-for-tat trade conflict.

China – Stimulus measures insufficient for meaningful turnaround while Trump adds downside challenges to growth
One key difference for China when comparing the 2018 trade war (Trump 1.0) and upcoming Trump 2.0, was that China was coming into Trump 1.0 from a position of strength. However, China is now facing significant domestic headwinds and weak domestic demand.

Looking back at September 2024, the stimulus measures announced by Chinese authorities involved minimal "new and actual spending", and mostly through monetary measures such as interest rate reductions, loosening of home purchase restrictions, and swap of local government debt, among others. While the announced quantum appears substantial, it is relatively small, amounting to about 10% of GDP (consisting mainly the CNY10 tn debt swaps) compared to the 2008 stimulus package which, amounted to the 12.5% of GDP at that time. Notably, there has been no fresh direct stimulus spending aimed at boosting consumption, while the amount earmarked to resolve the local government debt looked woefully inadequate.

Housing market in China remains a big challenge and the current stock of housing inventory will likely take some years to clear. The missing growth contribution from real estate activities, will likely cap China's GDP growth to well below 5% in the next few years. (Moody's estimated real estate activities contributed about 25% of China's GDP in 2022, and the direct contribution could languish at around 18% by 2030). While the developed economies have brought inflation back under control, China faces the opposite problem as deflation remains a key threat as consumer and business confidence has remained weak. Based on the above, we have lowered China's GDP growth forecast to 4.3% for 2025 (previous: 4.6%) on the extra burden imposed by Trump's tariffs on top of the soft domestic fundamentals.

China's Politburo announced in early Dec a shift in the monetary policy stance to "moderately loose" from "prudent". This implies that the PBOC will continue to cut both the benchmark interest rates and banks' reserve requirement ratio (RRR) this year to cushion the economy. As such, we expect an additional 50-100 bps reduction to the RRR and 30 bps cut to the benchmark 7-day reverse repo rate (with loan prime rates to fall by 30 bps) in 2025. Near-term focus could stay on monetary policy easing via RRR cuts with CNY under increasing depreciation pressure.

Relating to the incoming trade tariffs under Trump 2.0, there are increasing concerns as well for our region in ASEAN that trade tariffs may well be imposed on various economies that run significant trade surpluses against the US. As a baseline, ASEAN export outlook is likely to weaken across 2025 and potentially repeat the softening across the Trump 1.0 years of 2018 and 2019 when the trade tariffs were first imposed against China. Crossing into 2025, under various metrics, ASEAN economies such as Vietnam, Thailand and Malaysia appear to run elevated trade surpluses against the US and seemed to have benefited the most from the diversion of trade from China under the "China + 1" realignment of supply chains since the first Trump administration (i.e. Trump 1.0). For more details on the analysis of these risks, kindly refer to Macro Note: "Singapore: Jan 2025 MPS Preview – Tariff risks under Trump 2.0" dated 30 Dec 2024.

Lest we worry too much about the negative impact on ASEAN trade and export from the incoming tariffs, there are many other positives for our region as well that bear highlighting. Firstly, China's on-going economic slowdown can be seen in a positive light for ASEAN economies. This will reinforce and intensify global FDI inflows into our region. Chinese firms will also need to invest more in our region as they look for new growth opportunities away from China's slowing domestic economy.

Secondly, ASEAN is firmly and clearly the safe haven economic region amidst a more uncertain world. ASEAN has strong substantial intra-regional trade that is growing in prominence compared to inter-regional trade outside of the region. ASEAN is also a key tourism hub and has robust domestic spending. Unlike the European Union's rather limited options, ASEAN's fiscal and monetary policy options are relatively more abundant should trade tariffs come in fast and hard and trigger an economic slowdown. Key countries in ASEAN, like Malaysia and Singapore, will also see positive spillovers into 2025 from the strong GDP growth trajectory in the second half of 2024. Finally, ASEAN's FX reserves are now back to post-

Covid highs as well, lending an important buffer to the risk of further domestic currency weakness in the face of slowing trade and the stronger US Dollar backdrop.

FX Strategy: USD to build on strong gains and strengthen further in 2025

With the US Dollar Index (DXY) trading at two-year highs near 109, markets have priced in some form of trade tariffs will be imposed on US trade partners across 2025. We reiterate our Base Case - at 55% probability – of seeing additional 25% tariffs imposed on China and 10% universal tariffs imposed on economies that have increase in trade surplus with US due to trade diversion from China.

Across 2025, compared to the US Federal Reserve (Fed), we see more rate cuts from the European Central Bank (ECB), Reserve Bank of Australia (RBA) and the Reserve Bank of New Zealand (RBNZ). As such, this widening rate differential acts in favor of the USD and is likely to anchor further USD strength in the first half of 2025.

In 2H25, USD strength may start to moderate as most of the repricing for Trump's tariffs may have already taken place and our anticipated downward trajectory in US rates could start to exert downward pressure on the USD. In short, we expect the DXY to rise to 111.9 by mid-2025 before easing off to 107.90 by end-2025. We also expect FX volatility to stay elevated as investors digest incoming tariff headlines and the ensuing Fed response.

Against the Majors, we see potentially a peak in USD strength by middle of 2025, with EUR/USD, GBP/USD, AUD/USD and NZD/USD dropping to lows of 0.99, 1.20, 0.59 and 0.53 respectively by 2Q25. Concurrently, USD/JPY may well test 160 across the same time frame, but a potential further hike by the Bank of Japan (BOJ) at the Mar or Apr MPM may temper further JPY weakness.

We reiterate the view that most Asia FX are likely to weaken alongside the CNY for the first three quarters of 2025 before rebounding only in 4Q25. If our Pessimistic Case scenario comes to pass where 60% (instead of 25% in base case) tariffs are imposed on Chinese goods export to the US, the fallout on Asia FX is likely to be considerably more intense compared to the Base Case.

Under our Base Case analysis, we see a potential high by 3Q25 for USD/CNY, USD/KRW, USD/THB, USD/MYR, USD/IDR, USD/VND and USD/SGD at 7.65, 1,530, 35.40, 4.65, 16,800, 26,200 and 1.40 respectively. Under our Pessimistic Case scenario, USD/CNY could potentially test the psychological 8.00 level although countercyclical policies to prevent one-sided speculative moves can be expected. USD/SGD can trade above 1.40 as well.

Rates Strategy: Easing cycle extends into 2025

While a gradual decline in US interest rates is expected in 2025, significant uncertainties could alter this forecast, impacting both the level of rates and the shape of the yield curve. These uncertainties arise from interconnected macroeconomic factors and policy decisions. The path is fraught with enough uncertainties to give even the most seasoned analyst an acute touch of heartburn.

Even as our rates outlook is premised upon monetary policy easing broadly expected to continue into 2025, the balance of risk leans towards possibility of less cuts for the US. A litany of known unknowns awaits resolution which will have an impact on monetary policy decisions. We forecast the 3M compounded in arrears Sofr drifting lower across 2025 to 3.61% by 4Q25, in tune with our expectations of a further 75bps rate cuts from the Fed by 3Q25. Similarly, 3M compounded in arrears Sora could drop to 2.27% by 4Q25.

Similarly, for our Base Case forecast for 10Y UST yield, we see a gradual drift lower from 4.30% in 1Q25 to 4.10% in 4Q25. While the current outlook suggests a measured decline in 10Y UST yield for 2025, certain scenarios could disrupt this trajectory and propel the rate towards the 5% mark. As it stands, the distribution of outcomes from analysts' consensus has not factored in a Fed re-pivot towards rate hikes. If this were to change because of a combination of inflation stickiness, surprise growth surge, or fiscal policy tailwinds then a 5% yield on 10-year US Treasuries in 2025 is certainly within the realm of possibility.

Commodities Strategy: Safe haven demand for gold to stay strong amidst Trump 2.0 economic uncertainties

Gold: Positive safe haven drivers remain intact ahead of Trump 2.0. From a longer-term perspective, the positive drivers from on-going Emerging Market (EM) and Asian central bank allocation into gold, as well as strong physical gold and jewellery demand from the retail sector remain intact. It is important to note the common thread between both positive long-term demand from central banks and retail sector alike. Both are driven by safe haven needs to diversify away from rising geopolitical concerns and uncertainties around the US Dollar ahead of disruptive trade and fiscal policies from Trump 2.0. Specifically, the strong retail sector demand for gold is driven by on-going substantial depreciation of domestic currencies like INR, CNH and VND, which amplify the gains in gold prices in local currency terms. Overall, we keep our positive view for gold as long-term safe haven demand needs will likely stay strong amidst further rise in geopolitical risks and economic risks from Trump 2.0 policies. Our forecasts for 2025 are USD 2,700 / oz for 1Q25, USD 2,800 / oz for 2Q25, USD 2,900 / oz for 3Q25 and USD 3,000 / oz for 4Q25.

Brent: Trump 2.0 tariffs will likely keep oil prices pressured around USD 70 / bbl. One major worry overhanging oil price is the much uncertainty over the global growth outlook as well as China's economic recovery after the possible large tariff hikes from Trump 2.0 across 2025. This risk of further growth slowdown from renewed tariffs in 2025 appears to be nullifying any rise in geopolitical risk from the on-going Russia-Ukraine war. In short, while most of the negative factors like global demand downgrade are now apparent, we acknowledge the further downside risk from negative impact from Trump 2.0 tariffs on China and global energy demand. As such, we now adopt a negative outlook for Brent crude oil forecasting USD 75 / bbl for 1H25 and USD 70 / bbl for 2H25. If global trade conflict worsens, the risk of further sell-off below USD 70 / bbl cannot be ruled out later in 2025.

LME Copper: Downgrading Copper outlook further to negative as Trump 2.0 tariffs loom. Over the longer run, the risk of further supply disruption from aging copper mines remains a key concern. However, this supply risk is now completely overtaken by more immediate concerns of the risk of global trade contraction and manufacturing slowdown due to the incoming Trump 2.0 tariffs later in 2025. As a result of risks from Trump 2.0 tariffs, our macroeconomic team has downgraded the base case estimate of China's economic growth in 2025 to 4.3%. Depending on the intensity and pacing of the incoming Trump 2.0 tariffs, it is likely that China, Asia as well as the rest of the world will suffer yet another round of trade and export contraction across 2025 and further into 2026. This will likely weigh down on LME Copper prices. As a result of immediate risks to global trade and production from incoming Trump 2.0 tariffs, we downgrade LME Copper outlook further from neutral to negative. Updated forecasts are USD 8,000 / MT for 1H25 and USD 7,500 / MT for 2H25.

Asset Allocation

Asset Class Summary 1Q 2025

The asset class summary below is based on a "Balanced" risk profile.

Asset Classes	U/W	N	O/W	Comments
Equities			●	**Remain Overweight on supportive earnings against a backdrop of falling interest rates.**
United States	○	●		Upgrade to Neutral from Underweight. Growth is supported by strong fundamentals, cyclical tailwinds and policy shifts.
Europe		●		Remain Neutral. Region is faced with slowing growth and geopolitical uncertainties.
Japan			●	Remain Overweight. Medium-term story underpinned by corporate reforms remains compelling despite Yen headwinds.
EM Asia		●	○	Downgrade to Neutral from Overweight. Incremental demand support from the Chinese government has been conservative.
Fixed Income		●		**Remain Neutral with an eye for buy-on-dip opportunities.**
DM IG			●	Remain Overweight. Quality premia remains a key focus.
DM HY	●			Remain Underweight. Risk-reward is asymmetric. Credit spread widening to be main risk.
EM IG			●	Remain Overweight. Stay defensive.
EM HY		●		Remain Neutral. Selectivity is key in avoiding credit pitfalls.
Alternatives			●	**Remain Overweight as less correlated alternatives offer diversification benefits.**
Hedge Funds			●	Remain Overweight. Selected hedge funds can outperform the public markets.
Private Markets		●		Remain Neutral. Selected private-market funds have well-established track records.
Crude Oil		●		Remain Neutral. Crude oil prices could trade in a range in the near term.
Base Metals	●			Remain Underweight. Unfavorable demand supply dynamics and potential global trade contraction could weigh on prices.
Precious Metals			●	Remain Overweight. Gold has performed well with declining rates, and central banks' buying will continue to be a support.
Money Market	●			**Remain Underweight as a benign macro backdrop is supportive of risk assets.**

Underweight Neutral Overweight ● Current quarter's position ○ Previous quarter's position

Notes:
The asset class summary above is based on a "Balanced" risk profile.
In the headers, "U/W" represents "Underweight", "N" represents "Neutral", and "O/W" represents "Overweight".
Each black dot indicates current quarter's position. If any, each empty dot indicates previous quarter's position.

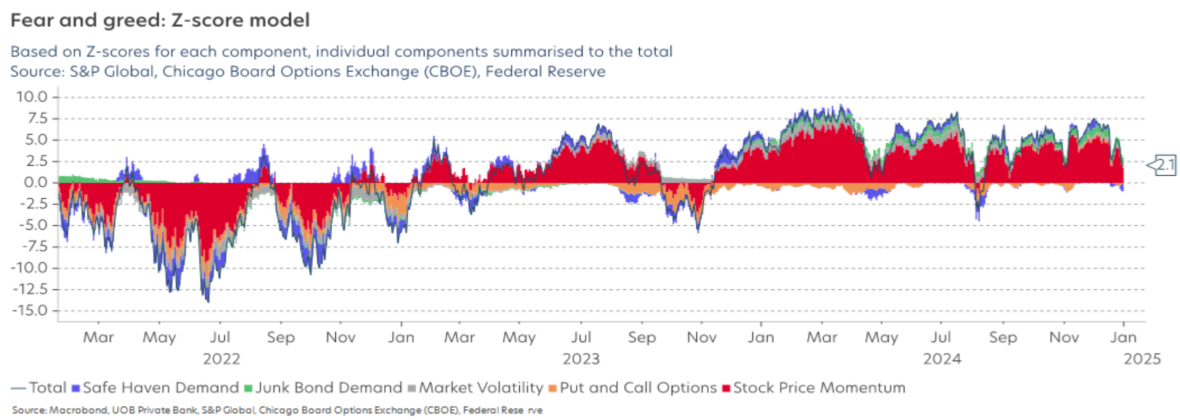
Asset Classes	Very Conservative			Conservative			Balanced			Growth			Aggressive			Comments
	Now	VS	Chg.	Now	VS	Chg.	Now	VS	Chg.	Now	VS	Chg.	Now	VS	Chg.	
Equities				**30.0%**			**50.0%**			**70.0%**			**80.0%**			
United States				18.6%	3.6%		31.0%	6.0%		43.4%	8.4%		49.6%	9.6%		
Europe				4.5%			7.5%			10.5%			12.0%			
Japan				3.0%			5.0%			7.0%			8.0%			
EM (Asia)				3.9%	-3.6%		6.5%	-6.0%		9.1%	-8.4%		10.4%	-9.6%		
Fixed Income	**90.0%**			**60.0%**			**35.0%**			**10.0%**						
DM IG	45.0%			25.5%			14.9%			4.3%						**Avg. duration:** 4 to 5 years
DM HY				4.5%			2.6%			0.8%						
EM IG	45.0%			24.0%			14.0%			4.0%						
EM HY				6.0%			3.5%			1.0%						
Alternatives				**10.0%**			**15.0%**			**20.0%**			**20.0%**			
Money Market	**10.0%**			**0.0%**			**0.0%**			**0.0%**			**0.0%**			

Notes:
"Chg." means changes in asset allocation relative to last quarter. If any, these changes will be reflected accordingly (plus weighting in green, minus weighting in red).
Figures might not add up due to rounding off to 1 decimal place.

Overall, we expect that markets would likely stay supported in 2025. However, investors should be prepared for periods of volatility given policy uncertainties against the backdrop of relatively expensive valuations and stretched investor positioning. While returns for broad market indices should rise, the returns potential is unlikely to repeat at the same strong levels that were experienced in the past two years. Moreover, we expect more dispersion in stock returns, but this may also mean opportunities for superior returns for investors. While the risk of a short-term correction is rising, the market remains one that investors should be buying into weakness.

Real estate, high-dividend yield and small-cap names are rate-cut beneficiaries that can perform - Market is short-term overbought

Source: Bloomberg, UOB Private Bank



Equities

US Equities: Optimistic Outlook - Expect stock returns dispersion and episodic volatility
The US equity outlook for 2025 remains reasonably optimistic, with growth driven by good fundamentals, cyclical tailwinds, and policy shifts. The consensus projection is for the S&P 500 to edge towards 6,500 to 7,000 levels, buoyed by resilient earnings growth, margin expansion, and monetary easing.

While markets are likely to remain supported in 2025, investors should brace for periods of volatility given policy uncertainties against a backdrop of relatively demanding valuations. Potential for returns is unlikely to repeat what was seen in 2023 and 2024. The key drivers for the US equity outlook include:

Earnings Growth: Consensus expects S&P 500 earnings to grow ~10-12% in 2025, supported by an expanding US business cycle, AI-driven capital expenditures, and easing inflation. Looking ahead, Trump 2.0 and a Republican sweep could culminate in continued US outperformance against the rest of the world. Investors already invested in mega-cap tech names could consider opportunities outside of these stocks for better returns; their valuations are less demanding, and they are more sensitive to cyclical improvements. Recent earnings revisions outside of the Magnificent Seven (Mag-7) stocks are also being revised higher.

Policy Dynamics: The potential for renewed tax cuts, deregulation, and tariffs under Trump 2.0 is a double-edged sword. Deregulation and a lower corporate tax rate could accelerate domestic growth, particularly for US manufacturers and industrials, while broader trade tariffs pose risks to inflation and global trade.

AI and Productivity: The AI boom remains a central theme, driving massive investments across data centers, semiconductors, and energy infrastructure. Looking ahead, the focus will likely shift towards monetisation and application-layer opportunities. Sectors which are key to the multi-year built-up in physical infrastructure build such as industrials and utilities will enjoy also strong sales.

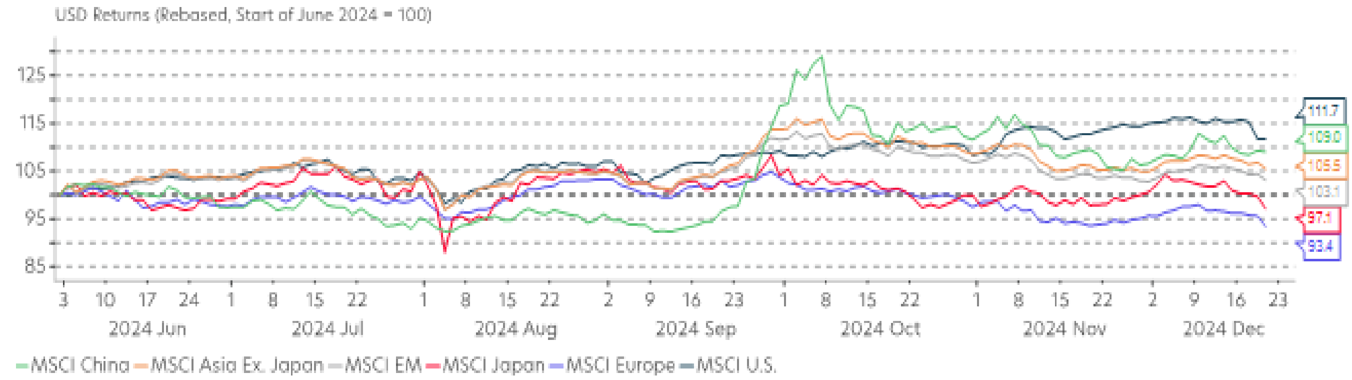
Monetary Easing: Based on current Fed Funds pricing (as of 9 Jan 2025), the Fed is expected to cut rates by 25-50 bps to 4.00% by end-2025, fostering a favorable liquidity backdrop. While lower rates will spur capital markets activity, slower or fewer Fed rate cuts could bring about episodic market volatility.

Risks: Geopolitical tensions, trade conflicts, and policy uncertainties are set to introduce bouts of market volatility. Having said that, the US is likely to remain the global equity leader given its standout economic strength and limited substitutes. Overall, investors should consider positioning for broadening market breadth, in particular opportunities outside of the Mag-7 names.

CIO's recommendation: We upgrade the US equities to Neutral from Underweight. Investors already with exposure to mega-cap stocks can consider the S&P 500 equal-weighted index which has higher domestic exposures, as well as sectors like industrials, utilities and financials.

Equity Performances

Source: Macrobond, UOB Private Bank



Europe Equities: Challenging Outlook – Stay defensive and selective amid the growth headwinds

European equities may deliver modestly negative total returns by the end of 2025. This stagnation reflects persistent domestic and external headwinds, which result in weaker earnings growth and narrowing margins. Earnings could decline by single-digits YoY, while valuations are expected to remain stable.

It is noteworthy that earnings dispersion among sectors could persist. Defensive sectors like utilities, renewables, and consumer staples are likely to outperform cyclicals such as energy and luxury goods. Meanwhile, stocks riding on structural growth trends like AI, electrification and defence may continue to outperform. The key drivers for European equity outlook include:

Geopolitics: The continuation of protectionist policies under Trump 2.0 introduces risks of increased tariffs and trade disruptions. This environment may impact European exporters and cyclicals like banks and industrials. Beyond the war in Ukraine, pressures by the "Trump 2.0" administration will likely continue to bolster defense spending, benefiting longer-cycle European defense stocks.

China's economic slowdown: Europe's significant trade exposure to China, particularly in sectors like luxury goods, automotive, and industrials, presents great vulnerabilities. Continued deceleration in China's growth and competitive pressures are expected to weigh on these sectors.

Monetary and Fiscal Policies: The European Central Bank (ECB) is projected to cut interest rates from current 3.15% to 2% by the end of 2025, fostering slight economic acceleration. However, fiscal consolidation across major economies like France and Italy could act as a drag on overall growth.

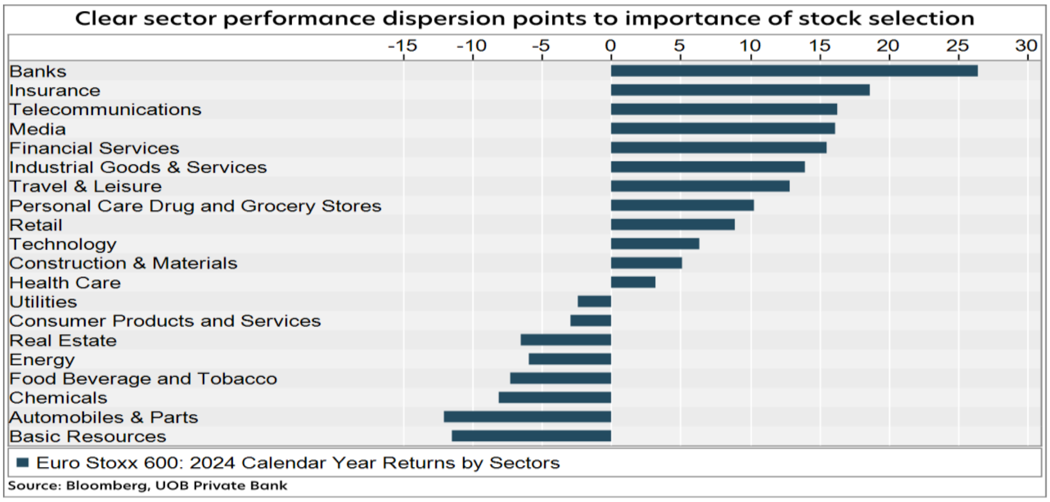
Opportunities and risks: An acceleration in structural reforms or policy shifts in Europe could unlock growth, while a rebound in consumer spending due to falling interest rates may provide tailwinds. On the flipside, prolonged geopolitical tensions, tighter fiscal policies, and weaker-than-expected global growth could exacerbate market pressures.
Overall, investors should stay cautious with sectors heavily dependent on China and sensitive to US policy shifts, including automotive and luxury goods. Investors should also be selective in exposure to advanced semiconductor, given the potential for further export restrictions to China.

Looking ahead, European equities face a testing year in 2025, characterized by slowing growth, geopolitical uncertainties, and sectoral divergence. Defensive positioning and selective exposure to structural growth themes will be crucial.

CIO's recommendation: We keep European equities at Neutral. Investors should favor defensive stocks like utilities, as well as quality growth stocks in AI, renewables and defence over the cyclicals.

Sector performance dispersion

Source: Macrobond, UOB Private Bank



Right By You

Emerging Asia: Mixed Outlook – valuations offer buffer amid near-term headwinds
Emerging Asia equity outlook presents a mixed but cautiously optimistic outlook amid structural challenges, China's forthcoming stimulus measures, and market recalibration. While Chinese share prices may continue to consolidate amid near-term headwinds, several key factors offer downside protection and potential for improvement in 2025. We continue to like India and ASEAN, which investors can consider gaining diversified exposure to via funds and/or ETFs.

Near-Term Challenges and Headwinds: China's equity market faces challenges from geopolitical uncertainties, a slowing global economy, concerns about the property sector, all resulting in weak consumer sentiment. Increased US tariffs, uncertain political developments, and weaker external demand are key risks. In this regard, sectors heavily reliant on exports, such as machinery, tech hardware, and automotive components, could be highly susceptible.

Policy and Economic Support: Despite these headwinds, the Chinese government's fiscal policies and structural reforms are expected to mitigate some risks. There are signs of stabilization in property markets, with property price declines easing and fiscal impulses improving at the margin. Meanwhile, earnings are poised to improve from a depressed base amid capital discipline; profit margins for Chinese firms should see some mild uplift going forward.

Valuation and Market Sentiment: Chinese equity valuation is relatively undemanding, reflecting depressed investor sentiments. Meanwhile, it is noteworthy that selected large-cap companies are increasing shareholder returns through buybacks and dividends. With forthcoming Chinese fiscal stimulus presenting some upside risks as well as increased market participation, selected Chinese stocks are still compelling from a risk-reward perspective.

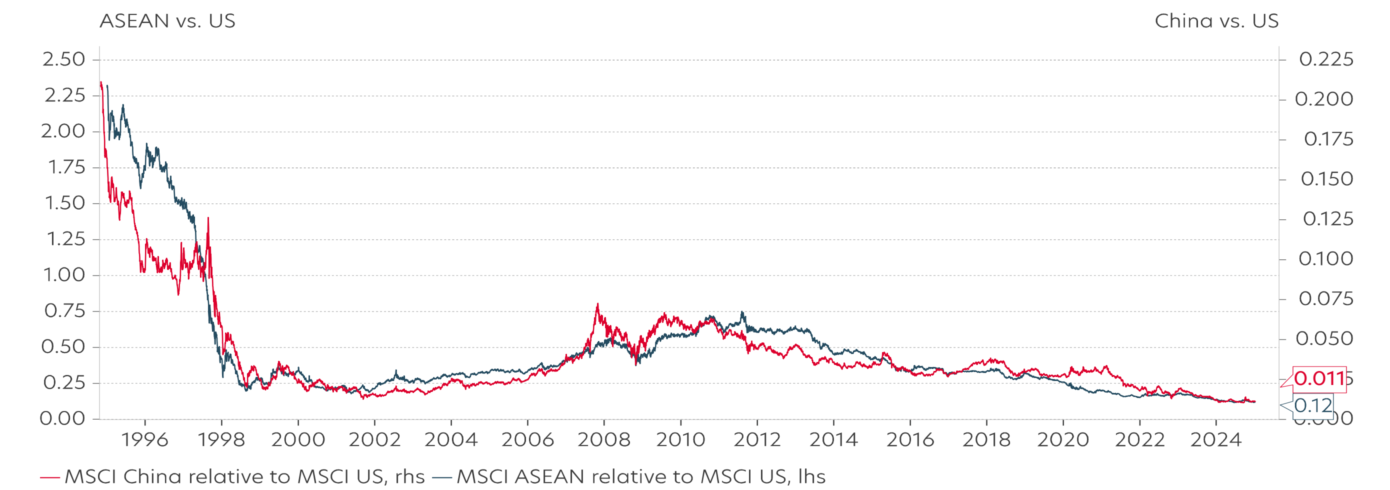
Macro projections: For China, we project a relatively low GDP growth of 4.3% on expectations for staggered increase in additional tariffs to 25% on Chinese goods starting 2Q 2025. Geopolitical risks, including the possibility of additional tariffs from the US, remain a key uncertainty. Despite these challenges, we think the worst is behind us for Chinese equities, with selective opportunities driven by policy support and sector-specific factors.

Overall, the key investment themes for China include domestic consumption recovery, digital transformation, and companies benefiting from China's fiscal stimulus. Selected tech companies could also outperform amid innovation-driven growth. Investors should focus on sectors which are strategically aligned with domestic growth and government policy support, less cyclical, and characterized by high capital returns.

CIO's recommendation: We downgrade EM Asia equities to Neutral from Overweight. To navigate geopolitical uncertainties, investors could consider sectors which are strategic to the Chinese government, less cyclical, and characterised by high dividends. Plays on ASEAN remain focused on quality banks with high yield.

Emerging Asia: To range-bound with episodes of relief rallies

Source: Bloomberg, UOB Private Bank



Japan: Positive outlook – Look to beneficiaries of corporate reforms and AI-led growth
The 2025 outlook for Japan's equities is modestly positive, characterized by economic reinvigoration, structural reforms, and evolving global conditions. We can expect moderate economic growth, driven by wage increases, domestic demand, and corporate governance reforms. Sectors including industrials, technology and consumer staples are likely to benefit from these trends.

Japan's economy is emerging from decades of stagnation, with expected nominal GDP growth between 2% and 3%. Wage growth moving above 3% is a positive signal, though structural challenges such as demographic decline and high government debt remain. We forecast real GDP growth to come in at 1.0% for 2025, supported by fiscal policies and resilient domestic consumption. Key drivers for Japan's equity outlook include:

Wage hikes and inflation: Wage hikes and inflationary pressures are expected to drive consumer spending. It is worth noting that Japan's consumer confidence has steadily risen since the start of 2023. A reflationary environment also bodes well for higher domestic capex, fostering a positive feedback loop of production and spending which supports the country's GDP growth.

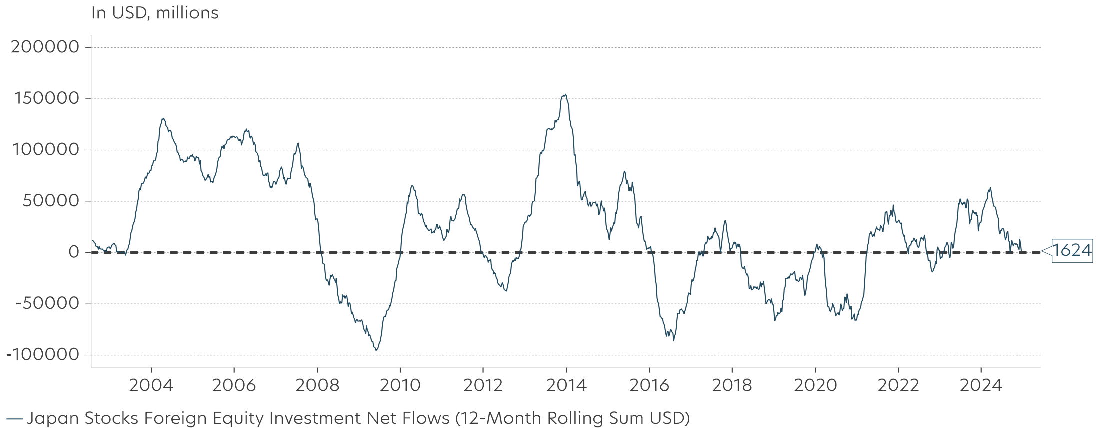
Corporate reforms: Business restructuring and capital efficiency improvements are key themes for the equity market. Improvements in corporate governance, including share buybacks and dividend increases, are set to enhance shareholder value. In this regard, opportunities can be found in companies undertaking strategic shareholding unwinds and restructuring to improve profitability. Companies aligning with ESG trends and demonstrating operational efficiency are also likely to outperform. Corporate reforms will help to narrow the performance gap between Japan's firms and the global peers.

Risk and challenges: Japan faces risks from global economic uncertainties, particularly US trade policies and potential tariffs. Political instability within Japan could hamper reforms and economic growth. In addition, any currency pressures due to Bank of Japan's (BoJ) less-hawkish-than-expected policy stance could lead to diminished FX-adjusted returns. We expect BoJ to conduct one 25bp rate hike to a terminal rate of 0.50% in 1Q 2025.
Overall, Japan's equity outlook is characterized by economic normalization, wage growth, and corporate reforms. While global uncertainties pose risks, domestic demand and structural reforms provide a solid foundation for equities to do well. Investors could consider sectors benefiting from governance improvements that target ROEs and shareholder returns. The tech sector, driven by AI transformation, is still a critical growth area.

CIO's recommendation: We remain Overweight on Japan's equities. Investors should favor beneficiaries of Japan's corporate reforms and the AI-driven transformation. Industrials, technology and consumer staples can perform well, along with rate sensitive sectors.

Malaysia & Vietnam in APAC Trade Groups

Source: UOB Private Bank



Right By You

Fixed Income

Developed Markets Investment Grade: Quality premia remains a key focus

Developed Markets Investment Grade (DM IG), proxied by the US Corporate IG Index (Bloomberg US Corporate Bond Index), delivered a total return of about +2.1% in YTD 2024 (as of 20-Dec-24). 2024 was a year characterized by credit spreads reaching decade tights, but all-in-yields remains high. This is caused by elevated US treasury yields (UST) exerting pressures on bond prices.

Our UOB Global Economics & Markets Research team expects the Fed Reserve to cut rates three times in 2025 (25bps cut each quarter); bringing the US terminal rate to 3.75%. Given the risk of a slower and shallower easing cycle by the Fed, we see potential divergence in macroeconomic paths between the US and the Rest of the World. A change in fiscal policy trajectory from the incoming Trump administration further cements our view. We see 2025 as a year where excess returns will be dictated by credit pitfall avoidance. As such, we remain focused on positioning in high quality and durable businesses to withstand economic uncertainties.

Given credit spreads are currently trading at decade tights, we do not envisage significant credit compression in 2025 as a source of returns. Correspondingly, we see carry return and demand driven flows (from investors seeking to lock-in yields over a longer horizon) as factors that will anchor the return profile for IG bonds in 2025.
In summary, we continue to find all-in-yields to be attractive. However, we stress a bottom-up approach in credit selection and duration discipline. Securing income over a longer horizon through robust credit selection will prove paramount.

Our sector preference is skew towards financials with strong fundamentals and a proven operational track record.

Overall, **we remain Overweight on DM USD IG** and favour lower beta issuers with strong credit profiles.

Fixed Income Year-to-date Performances - IG bond yields remain relatively attractive

Source: Bloomberg, Macrobond, UOB Private Bank

Developed Markets High Yield: Asymmetric risk-reward; credit spread widening to be main risk

The consensus base case of the global macro view assumes relatively resilient growth and sticky inflation in 2025, which may lead to a shallower Fed easing cycle. Further tax cuts, combined with more deregulation drive, will likely boost business confidence & investment sentiment for the US economy, but may lead to inflationary pressure & worsen budget deficit. These will potentially limit the magnitude of policy easing and keep rates somewhat elevated, which may impact high yield (HY) credits' capital market access more so than their investment grade (IG) counterparts. This, combined with tight valuations, have led to an Underweight call on DM HY.

We also see credit spread widening to be a notable risk for HY credits in 2025, given current tight levels. The lagged effects from higher borrowing costs & dampened access to financing channels may adversely impact the financial flexibility of weaker companies, while funding conditions & liquidity positions could also be challenged. We are of the view that credit selection is paramount to avoiding major credit pitfalls within the HY space. Investors should dial down on credit risk and seek shelter in higher-rated & more established 'BB' credits over lower-rated ones within the HY complex for better credit defensiveness.

Overall, we remain Underweight on DM USD HY and remain wary of credit pitfalls.

Spreads have tightened significantly

Source: Bloomberg, Macrobond, UOB Private Bank

Emerging Markets Investment Grade: Staying defensive

Emerging Markets Asia Investment-Grade (EM Asia IG), benchmarked by the Bloomberg EM Asia USD Credit Index, delivered a respectable total return of about +5.09% in 2024 (as of 20-Dec-24).

EM Asia IG credit spreads narrowed further in 2024 relative to both its own historical range and other credit markets. Similar to our DM IG views, we see diminished room for significant spread compression in 2025. Concurrently, we expect carry to be an increasing focus for income investing.

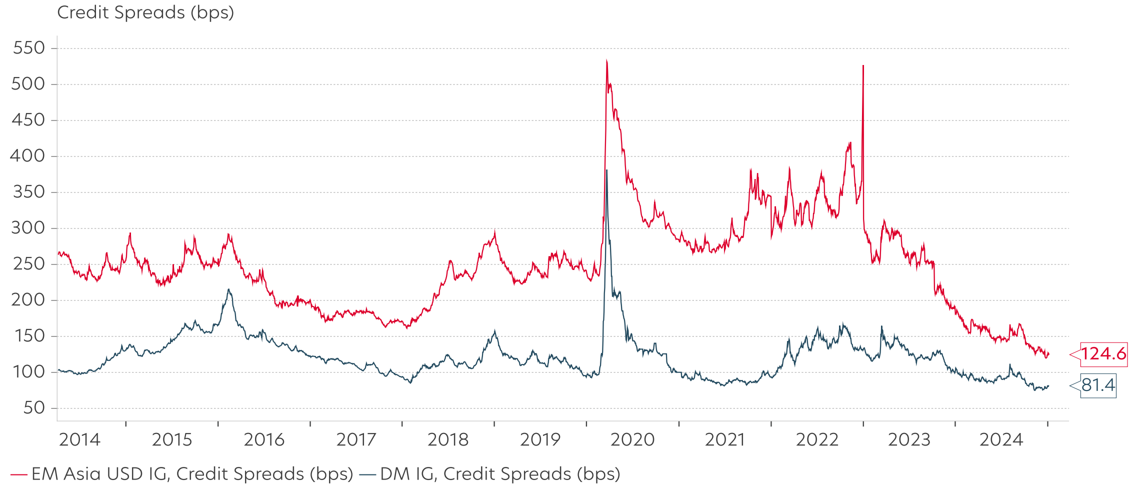
Geopolitical risks are heightened heading into 2025 with the US presidential transition posing the most obvious risk to the global economy. US exceptionalism will introduce macro risk factors, which had been largely benign in 2024, into the EM universe. The possibility of US increasing tariffs on Chinese imports looms large and could weigh on China's growth despite its ongoings stimulus. Slower growth in China will as a result affect other Asian countries due to their close economic linkages.

Hence, macroeconomic and idiosyncratic shocks could put pressure on EM Asia IG's already-tight credit spreads. Nevertheless, we expect any spread widening to be modest and manageable given EM Asia IG credits are starting from a slightly stronger fundamental position, in general. We also expect net issuance supply to remain sensitive to US interest rates and can be well-absorbed by robust demand within the region.
Within EM Asia IG, we prefer Asia financials, select Asia-focused insurers, quasi-sovereigns, strategic state-owned enterprises, and defensive consumer names. We also emphasize the importance of managing a diversified portfolio with disciplined duration management.

Overall, we remain Overweight on EM Asia IG. Within the space, we prefer select ASEAN champions, strategic quasi-sovereigns and defensive consumer names.

Credit spreads are at historic tight levels

Source: Macrobond, UOB Private Bank



FX, Interest Rate & Commodities Forecasts

FX	02 Jan	1Q25F	2Q25F	3Q25F	4Q25F
USD/JPY	157	159	160	157	154
EUR/USD	1.03	1.01	0.99	1.01	1.03
GBP/USD	1.24	1.22	1.20	1.23	1.25
AUD/USD	0.62	0.61	0.59	0.61	0.63
NZD/USD	0.56	0.55	0.53	0.55	0.57
DXY	109.2	110.3	111.9	109.9	107.9
USD/CNY	7.30	7.40	7.55	7.65	7.50
USD/HKD	7.78	7.80	7.80	7.80	7.80
USD/TWD	32.89	33.20	33.60	34.00	33.50
USD/KRW	1,466	1,490	1,510	1,530	1,510
USD/PHP	58.18	59.50	60.00	60.50	60.00
USD/MYR	4.49	4.53	4.60	4.65	4.55
USD/IDR	16,223	16,400	16,600	16,800	16,500
USD/THB	34.43	34.80	35.20	35.40	35.00
USD/VND	25,457	25,800	26,000	26,200	26,000
USD/INR	85.76	86.50	87.00	87.50	87.00
USD/SGD	1.37	1.38	1.39	1.40	1.38
EUR/SGD	1.40	1.39	1.38	1.41	1.42
GBP/SGD	1.69	1.68	1.67	1.72	1.73
AUD/SGD	0.85	0.84	0.82	0.85	0.87
SGD/MYR	3.28	3.28	3.31	3.32	3.30
SGD/CNY	5.34	5.36	5.43	5.46	5.43
JPY/SGDx100	0.87	0.87	0.87	0.89	0.90

POLICY RATES	02 Jan	1Q25F	2Q25F	3Q25F	4Q25F
US Fed Funds Rate	4.50	4.25	4.00	3.75	3.75
JPY Policy Rate	0.25	0.50	0.50	0.50	0.50
EUR Refinancing Rate	3.15	2.65	2.15	2.15	2.15
GBP Repo Rate	4.75	4.50	4.25	4.00	3.75
AUD Official Cash Rate	4.35	4.00	3.75	3.50	3.25
NZD Official Cash Rate	4.25	4.00	3.50	3.00	3.00
CNY 1Y Loan Prime Rate	3.10	2.90	2.80	2.80	2.80
HKD Base Rate	4.75	4.50	4.25	4.00	4.00
TWD Official Discount Rate	2.00	2.00	2.00	2.00	2.00
KRW Base Rate	3.00	2.75	2.50	2.50	2.50
PHP O/N Reverse Repo	5.75	5.50	5.00	5.00	5.00
MYR O/N Policy Rate	3.00	3.00	3.00	3.00	3.00
IDR 7D Reverse Repo	6.00	6.00	6.00	5.75	5.50
THB 1D Repo	2.25	2.00	2.00	2.00	2.00
VND Refinancing Rate	4.50	4.50	4.50	4.50	4.50
INR Repo Rate	6.50	6.25	5.75	5.75	5.75

INTEREST RATES	02 Jan	1Q25F	2Q25F	3Q25F	4Q25F
USD 3M SOFR (compounded)	4.68	4.34	3.99	3.74	3.61
SGD 3M SORA (compounded)	3.02	2.71	2.51	2.34	2.27
10Y US Treasuries Yield	4.56	4.30	4.20	4.10	4.10
SGD 10Y SGS	2.87	2.90	2.80	2.70	2.70

COMMODITIES	02 Jan	1Q25F	2Q25F	3Q25F	4Q25F
Gold (USD/oz)	2,659	2,700	2,800	2,900	3,000
Brent Crude Oil (USD/bbl)	76	75	75	70	70
Copper (USD/mt)	8,803	8,000	8,000	7,500	7,500

Updated on 3 January 2025
* Forecasts updated as compared to previous report on 20 September 2024
Source: UOB Global Economics & Markets Research

Disclaimer

This publication is strictly for informational purposes only and shall not be transmitted, disclosed, copied or relied upon by any person for whatever purpose, and is also not intended for distribution to, or use by, any person in any country where such distribution or use would be contrary to its laws or regulations. This publication is not an offer, recommendation, solicitation or advice to buy or sell any investment product/securities/instruments. Nothing in this publication constitutes accounting, legal, regulatory, tax, financial or other advice. Please consult your own professional advisors about the suitability of any investment product/securities/ instruments for your investment objectives, financial situation and particular needs.

The information contained in this publication is based on certain assumptions and analysis of publicly available information and reflects prevailing conditions as of the date of the publication. Any opinions, projections and other forward-looking statements regarding future events or performance of, including but not limited to, countries, markets or companies are not necessarily indicative of, and may differ from actual events or results. The views expressed within this publication are solely those of the author's and are independent of the actual trading positions of United Overseas Bank Limited, its subsidiaries, affiliates, directors, officers and employees ("UOB Group"). Views expressed reflect the author's judgment as at the date of this publication and are subject to change.

UOB Group may have positions or other interests in, and may effect transactions in the securities/instruments mentioned in the publication. UOB Group may have also issued other reports, publications or documents expressing views which are different from those stated in this publication. Although every reasonable care has been taken to ensure the accuracy, completeness and objectivity of the information contained in this publication, UOB Group makes no representation or warranty, whether express or implied, as to its accuracy, completeness and objectivity and accept no responsibility or liability relating to any losses or damages howsoever suffered by any person arising from any reliance on the views expressed or information in this publication.