HOUSE VIEWS

DECEMBER 2021

FAVOURABLE OUTLOOK FOR 2022

Strong recovery to continue in advanced economies. Growth will probably lower after this year's rebound but should remain pretty dynamic. Company and household finances look strong and built-up savings should keep consumption ticking over. Monetary and financial conditions are also helpful, with real interest rates still clearly negative. Prices remain under upward pressure from production and supply chain tensions, but these should gradually decline allowing inflation to ease back over the year, though it is likely to top central bank targets for some months yet. Another COVID wave could pose a threat to mobility, particularly in Europe just now, but greater vaccine take-up and new treatments should limit its reach.

A higher-growth environment will bring higher inflation – albeit mostly short-lived – prompting central banks in several countries to shift monetary policy back toward normal. The Fed will likely continue tapering its asset purchase programme and could start hiking rates in 2022. The ECB, meanwhile, will likely stick to its highly accommodative policy as euro zone inflation is more modest.

We went to an Overweight allocation to equities. Indeed, even if the uncertainties (concerning COVID and economic recovery) could generate some volatility, the context will remain globally favorable for risky assets. We raised our exposure to the US market, where the earnings outlook remains bullish. We also went to Overweight on emerging Asian equities. China faces some serious short-term risks, but its equity prices are looking particularly tempting for an economy that can still offer strong mid-term growth. Other emerging markets look less attractive, facing the threat of embedded stagflation (meagre growth and high inflation). On the other hand, we are cutting exposure to US high-yield corporate debt and hedge funds, now less appealing in relative terms.

Unless otherwise specified, all statistics and figures in this report were taken from Bloomberg and Datastream on 26/11/2021

SOCIETE GENERALE
Private Banking

OUR STRONGEST CONVICTIONS

Continued dynamic recovery in 2022 in developed economies

Economic growth is expected to remain sustained in the coming quarters, particularly in the developed economies, thanks to normalizing labor markets and still very accommodative monetary and financial conditions. However, growth is likely to be uneven across the world's regions and subject to various risks that could affect its strength.

A mainly transitory inflation

The recent price pressures reflect mostly transitory factors. Inflation is expected to return to levels more comfortable for central banks in developed economies by the end of 2022.

An allocation that favours equities

We have opted for an overall Overweight allocation to the equity markets, particularly to the United States and the Eurozone for the developed economies, and to Asia for the emerging markets.

Rebalancing in favor of cyclical and value stocks

We continue to favor a balanced mix of cyclical sectors such as materials, industrials, financials, consumer cyclicals and energy, and value stocks.

An overweight of the dollar against the euro

The dollar will continue to appreciate against the euro as a result of faster tightening by the Federal Reserve relative to the ECB. The dollar also offer a position of "safe haven" currency in the event of proven financial market turbulence.

Gold and hedge funds: assets to consider for diversification

Against a backdrop of volatility and inflation fears, gold and hedge funds will continue to play a valuable decorrelation role.

OUR ASSET ALLOCATION

The table below presents the latest conclusions of our Global Investment Committee (GIC)

			Summary house views					
			Strong U/W	U/W	N	O/W	Strong O/W	Change since last GIC
EQUITY		GLOBAL EQUITY				■		+
		United States				■		+
		Eurozone				■		
		United Kingdom			■			-
		Japan			■			
		Emerging				■		+
FIXED INCOME	SOVEREIGN	GLOBAL RATES		■				
		U.S. Treasuries	■					
		Bunds	■					
		Gilts	■					
		EM Govies ($)			■			
	CORPORATE	U.S. IG		■				
		U.S. HY		■				-
		EMU IG		■				
		EMU HY			■			
		UK IG		■				
		UK HY		■				
FOREX		EUR against USD		■				
		USD against JPY			■			
		GBP againt USD			■			
		EUR against CHF			■			
		Emerging FX against USD			■			
ALTERNATIVES		Brent			■			
		Gold				■		
		Hedge funds			■			-

ECONOMIC OUTLOOK

Advanced economies continue their recovery

Recovery should continue at a healthy pace in 2022 across the advanced economies, albeit slower than during the 2021 post-COVID rebound. Inflation will ease back over the year but is likely to top central bank targets for some months yet. All of which gives the Fed good reason to start to normalise its monetary policy, while the ECB will stick to its accommodative tone. Emerging economies outside Asia face the threat of embedded stagflation (meagre growth and high inflation).

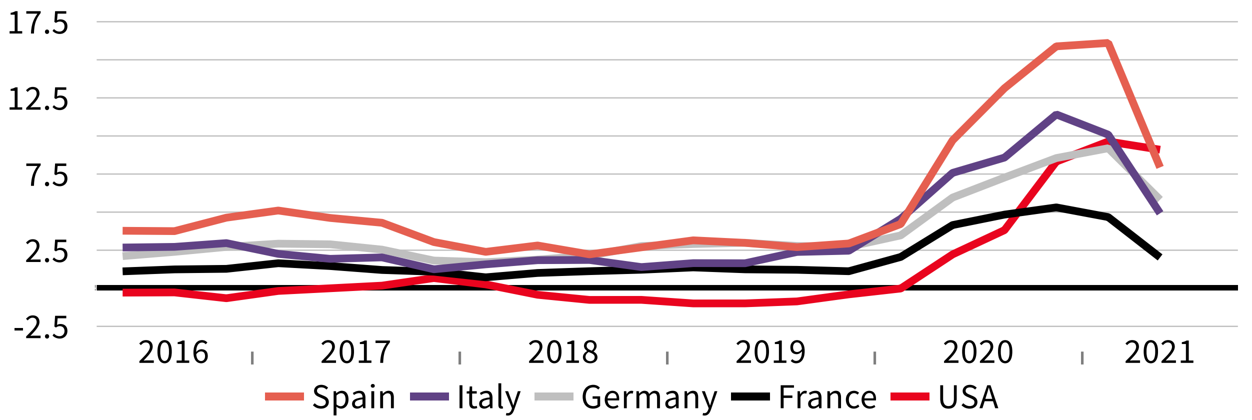
Different factors buoy activity in developed economies. Company and household finances (overall) look strong and built-up savings should keep consumption ticking over. Normalising labour markets and still favourable monetary and financial conditions are other ongoing positives. Note that another COVID wave could pose a threat to mobility, particularly in Europe just now, but greater vaccine take-up and new treatments should limit its reach.

Uncertainty remains as to fiscal policy. After weighing in with strong support for their economies at the peak of the COVID crisis, governments are now looking to move policy gradually back to normal. How fast they do this will be a matter of delicate political negotiation on both sides of the Atlantic and represents a risk to our economic outlook.

Inflationary risks need close watching, particularly in the United States. Strong demand and constraints on supply are generating severe pressures on production chains and pushing up input prices. These pressures should gradually ease over the course of the year, allowing inflation to fall back to levels more comfortable for central banks, who will then be able to take a gradual approach to normalising policy. But there is a real risk these pressures will persist, particularly in the United States, meaning monetary policies could tighten faster and further than expected. In the euro zone, price pressures are mainly due to external factors and the threat is more of weaker economic activity than of lastingly higher inflation. The ECB will thus leave monetary policy unchanged.

Emerging economies at risk of stagflation. Many emerging economies are confronting stagflation, as inflation rises while growth stagnates. Their central banks are also tending to tighten policy more than expected. One exception is China, where inflation remains under control. But the ongoing policy of retuning its economic growth engines is likely to dampen growth again in 2022.

Households : Accumulated Savings
(measured by changes in demand deposits in GDP points)



Sources: SGPB, Macrobond, Fed, BEA, Banque de France, INSEE, BUBA, DESTATIS, Bank of Italy, Istat, BDE, INE, 10/2021

FIXED INCOME

Still limited appeal

The current environment with its ongoing recovery is tough for bonds. We remain strongly Underweight sovereign debt. We are lightly Underweight US HY corporates on grounds of Federal Reserve tapering and an expected hike in the Funds rate in H2 2022. We are Neutral on local currency emerging bonds, with a strong preference for Asian markets.

Sovereigns

US. The yield of the 10-year T-Note continued to trend upward in November, breaking 1.5%. This gradual rise reflects strong inflation and expectations the Federal Reserve will start hiking rates in summer 2022. The Fed already announced its plans for tapering, cutting net securities purchases by USD 15 billion a month (USD 10 billion of Treasuries and USD 5 billion of mortgage-backed securities) which will stabilise its balance sheet by June. But it also said sums could vary higher or lower depending on the economy. We still see the economy growing strongly in coming quarters with inflation easing back in H2 2022. So, we expect the Fed to begin a gradual cycle of Funds rate hikes in H2 2022 as 10-year yields continue to rise. As a result, we remain heavily Underweight US sovereign bonds.

Euro zone. Sovereign yields dipped slightly last month as the health picture took a turn for the worse. Yields on the 10-year Bund slid back toward -0.3% and on the OAT toward 0.05%. The ECB is likely to sustain security purchases in 2022, with inflation set to drop back toward 2% and economic recovery easing back in some member states. We therefore remain strongly Underweight euro zone sovereign bonds.

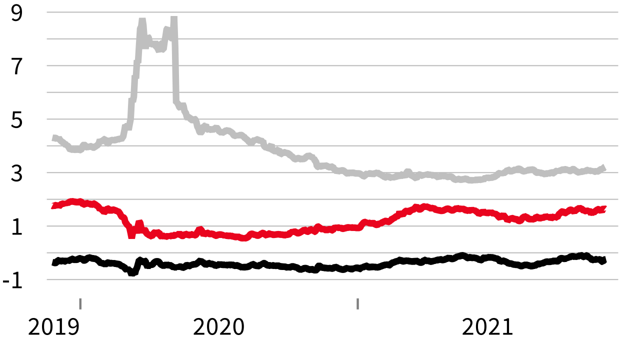
UK. Having touched 0.85% the 10-year Gilt bounced back to 1% in the last two weeks on the prospect the Bank of England may start tightening policy. The Bank looks poised to start raising its policy rate (to 0.25%) and trimming its asset buying at its December meeting. We therefore remain strongly Underweight the sovereign bond.

Credit

US and euro zone credit. We went slightly Underweight US high-yield corporate bonds on expectations of Fed monetary policy tightening and recent spread widening vs. sovereign yields. We remain Neutral on European HY corporate bonds as the ECB's accommodative policy should permit HY yield spreads over sovereigns to tighten further.

Emerging markets. We remain Neutral on EM dollar sovereign debt. The benchmark yield rose from 4.6% to 4.85% over the month against the global backdrop of a strong dollar and financial pressure in Turkey. That said, we reckon the Asian bond market should continue to do well, helped by sustained strong growth and still solid economic fundamentals.

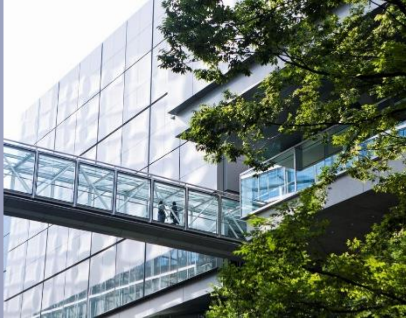
Sovereign bonds yields (%)



Sources: SGPB, Bloomberg, 25/11/2021

EQUITIES

Equities still have upside



We are now Overweighting equities. Indeed, even if the uncertainties (concerning COVID and economic recovery) could generate some volatility, the context will remain globally favorable for risky assets. We are increasing our exposure to the United States and emerging markets in Asia. We remain Overweight on Eurozone markets but are now Neutral on the United Kingdom. Sector-wise, we are still seeking to balance quality growth and underpriced cyclical sectors.

United States. We think the environment will continue to favour US equity markets in 2022. Stocks may look expensive but will continue to draw support from further earnings growth in 2022 in a still dynamic economy. Financial conditions remain generally helpful. Real interest rates are still clearly negative, allowing markets to shrug off the expected monetary tightening by the Federal Reserve. We continue to balance our portfolio between "growth" and "value" stocks in cyclically sensitive sectors, while favouring companies insensitive to rising input costs or with the pricing power to pass them on.

Euro zone. Attractively priced and with some of the best earnings outlooks of the main developed markets, euro zone equities continue to offer interesting upside. The latest wave of COVID cases has led some states to clamp down in the run-up to Christmas, but we think higher vaccination rates and new treatments will limit the wave's reach. We therefore remain at Overweight on this market, preferring cyclical sectors and companies that can mitigate input price pressures.

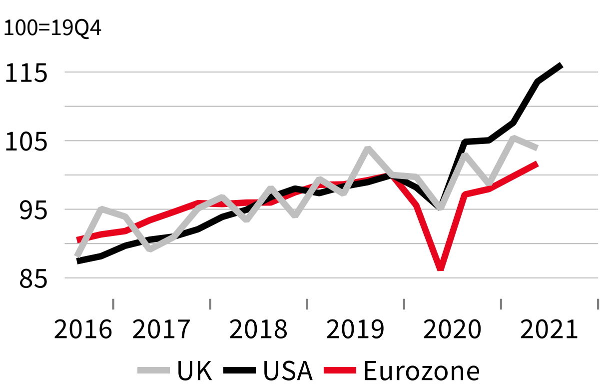
United Kingdom. Surging inflation will push the Bank of England to tighten monetary policy faster than expected, dampening economic growth. Labour shortages and supply bottlenecks could further tarnish companies' prospects. We therefore moved to Neutral on British equities, even though the market remains very cheap in value terms.

Switzerland. Analysts still expect earnings growth to outstrip other developed countries. Also, the market remains dominated by quality defensive stocks, less prone to sharp rebounds but less vulnerable to a market downturn.

Japan. We remain at Neutral on the Japanese market. Corporate earnings growth may be helped by the stronger economic recovery that finally seems to be taking hold, but will likely be held back by still paltry structural growth potential.

Emerging markets. Chinese stocks slumped in 2021 on fears of a sharp growth slowdown, tighter tech regulation and the troubles of Chinese property developer Evergrande, which raised fears of a steeper slowdown in the real estate market. While China's economy will likely continue its slowdown in 2022, the authorities look to have the fire-power to avoid any brutal crash. On this reading, stocks now look attractive given the still healthy medium-term growth outlook for China and wider Asia. For this reason, we have gone to Overweight these markets. Other emerging markets look less attractive, facing the threat of embedded stagflation (meagre growth and high inflation).

Gross operating surplus



Sources: SGPB, Macrobond, Eurostat, BEA, ONS, 10/2021

CURRENCIES

Fair winds for the dollar

We remain Overweight the dollar vs. the euro, first because the Fed is set to raise rates faster than the ECB and second because it counts as a safe haven in case of market turbulence.

Dollar index (USD). The dollar strengthened 3.6% against a representative basket of the other leading currencies in November. Prospects of faster monetary tightening in the United States drove up the greenback against other developed market currencies. And rising political risks gave it an extra boost versus emerging market currencies.

Euro against USD. The euro lost a substantial 4.1% versus the dollar last month, to 1.12 EUR/USD, on the worsening health situation in Europe and prospects of a more hawkish Fed monetary tightening. Overall, we reckon the US's more advanced phase of policy tightening and growth gap compared to the euro zone should tip the scales toward a strengthening dollar. The dollar is also a valuable safe-haven currency in the current high-risk environment. We therefore remain Underweight the euro.

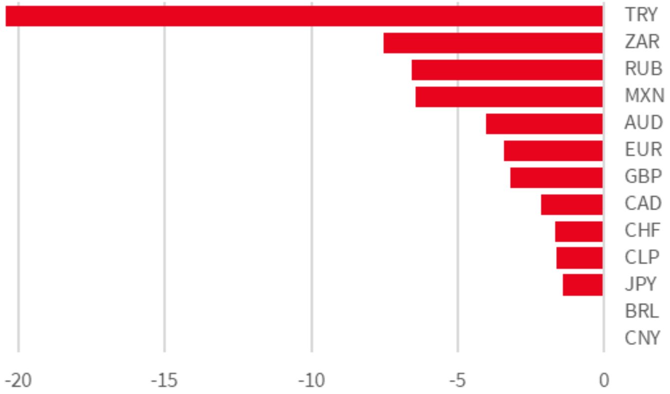
British pound against USD. Sterling followed the general trend against the dollar, weakening nearly 3%. We nonetheless remain Neutral on the GBP as the Bank of England looks likely to keep pace with the Fed's monetary tightening.

USD against Japanese Yen. The JPY ended the month at 115 JPY/USD, down 1.5% on the month and 11% since the start of the year. This weakness by the yen reflects the country's weak economic growth, hampered by health measures, and various economic uncertainties. That said, we remain Neutral on the JPY. The yen is still a safe haven currency and inflationary pressures remain low (0.1% underlying inflation in October).

Euro against Swiss franc. The Swiss franc continues to strengthen against the euro, gaining 1.6% in a month on the back of high inflation and fears of a worsening health situation in the zone. In these circumstances, the CHF is seen as a safe haven and, since Swiss inflationary pressures remain slight, a hedge against inflation. We remain Neutral on the CHF. The Swiss National Bank continues to intervene in currency markets to cap any rise in the CHF and a likely easing of inflationary pressures in 2022 and ongoing economic recovery in the zone should tend to limit upward pressure on the CHF.

Emerging forex against USD. Emerging market currencies weakened sharply against the dollar, the hardest hit being the Turkish lira, which shed 20% during the month as the CRBT cut policy rates despite inflation running at over 20%. Globally, the prospect of Fed monetary tightening, a slowing Chinese economy and rising political risks look like a bad combination for emerging market currencies.

Currencies variation over 1 month against USD (%)



Sources: SGPB, Macrobond, 25/11/2021

ALTERNATIVES

Diversification is still key

We remain Overweight on gold for its hedging properties in the event of a market downturn. Hedge funds are looking less appealing from a portfolio balancing point of view, but still offer good protection against turbulence, so we have switched from Overweight to Neutral. Pressure on commodities should ease back to normal in 2022, so we are staying at Neutral on oil.

Commodities

Oil. The recent rise in the dollar, up 7% versus its currency basket year to date and 2.5% in just two weeks, has halted the spike in the oil price. On top of this, the US and China have agreed a coordinated release of strategic oil reserves to try and drive prices down. Japan, India, South Korea and the United Kingdom have done a deal to follow suit in coming weeks. We therefore still think this is a blip and Brent should trade at $60-70 next year.

Gold. Everyone wants gold in the current environment, worried about a recent peak in inflation. In our view, gold prices should continue to rise as high inflation figures persist for some months, until these return to normal. We also view gold as a good diversification play against a market downturn. We therefore remain at Overweight.

Hedge Funds

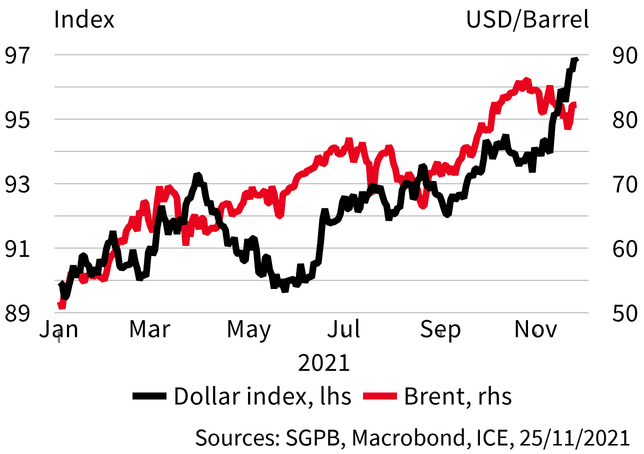
Long/Short Equity. Equity funds (L/S Market) are playing a particularly strong "performance protection" role as they are able to manage dispersion, particularly high in the current phase of sector rotation on equity markets.

Event Driven. Merger managers will continue to benefit from heavy M&A activity, led by companies that are cash-rich and/or eager to take advantage of still cheap credit in the short term.

Fixed Income Arbitrage. We remain cautious on funds taking positions in sovereign debt, given our scenario of a gradual rise in interest rates We prefer funds positioned on the credit side, which stand to profit from this market where conditions are particularly tight. Such funds also offer protection against rate widening.

Global Macro / CTA. Commodity Trading Advisors (CTAs) offer traditional protection against market volatility, which looks set to persist. As for Global Macro funds, managers will have to pick particularly carefully amid ongoing uncertainty about the economic recovery.

The recent rise in the dollar has slowed the rise in oil prices



Sources: SGPB, Macrobond, ICE, 25/11/2021

GLOBAL ECONOMIC FORECASTS

Year on Year (%)	GDP growth, volume 2020	2021f	2022f	2023f	Inflation 2020	2021f	2022f	2023f
World (USD)	-3.2	5.5	4.0	3.3	2.5	3.7	3.4	2.8
World (PPA)	-3.1	5.6	4.2	3.7	3.4	4.3	3.8	3.2
Developed markets (PPP)	-4.5	5.0	3.8	2.5	0.7	2.9	2.7	1.9
Emerging markets (PPP)	-2.0	6.1	4.5	4.5	5.5	5.3	4.6	4.2
Developed markets								
US	-3.4	5.5	3.4	2.8	1.2	4.4	3.7	2.5
Euro area	-6.5	5.1	4.2	2.3	0.3	2.5	2.3	1.1
Germany	-4.9	2.8	4.4	2.0	0.4	3.1	2.0	1.6
France	-8.0	6.7	3.6	2.2	0.5	2.0	1.8	1.0
Italy	-9.0	6.4	4.3	1.7	-0.2	1.8	1.8	0.8
Spain	-10.8	4.5	4.9	3.9	-0.3	3.0	3.1	0.4
United Kingdom	-9.7	7.1	5.3	1.9	0.9	2.4	3.6	2.3
Switzerland	-2.5	3.4	3.3	1.8	-0.7	0.4	0.6	0.8
Czech Republic	-5.8	1.9	3.5	4.0	3.2	3.6	4.8	2.8
Japan	-4.7	2.2	3.3	1.4	0.0	-0.2	0.8	0.8
Emerging markets								
China	-3.2	5.5	4.0	3.3	2.5	3.7	3.4	2.8
India	-3.1	5.6	4.2	3.7	3.4	4.3	3.8	3.2
Russia	-4.5	5.0	3.8	2.5	0.7	2.9	2.7	1.9
Brazil	-2.0	6.1	4.5	4.5	5.5	5.3	4.6	4.2

*f: forecast

** (USD): weighted at current prices

*** (PPA): weighted at parity purchase power

Source: SG cross asset research, Nov 2021

MARKET PERFORMANCES & FORECASTS

Main Central Bank rate	déc.-20	nov.-21	Dec-21	+3M	+12M
US (high range)	0.25	0.25	0.25	0.25	0.50
Euro area (deposit rate)	-0.50	-0.50	-0.50	-0.50	-0.50
UK	0.10	0.10	0.15	0.25	0.50

10Y Sovereign rates	YTD	-1M	Nov-21	+3M	+12M
US	0.96	1.63	1.64	1.75	2.35
Germany	-0.6	-0.14	-0.24	-0.10	0.15
France	-0.34	0.22	0.12	0.20	0.45
UK	0.21	1.11	0.97	1.25	1.60

Exchange rates	YTD	-1M	Nov-21	+3M	+12M
EUR/USD	1.23	1.16	1.12	1.14	1.12
EUR/CHF	1.08	1.07	1.05	1.07	1.07
GBP/USD	1.36	1.38	1.33	1.35	1.28
USD/JPY	102.8	114.2	115.4	115	113

Commodities	YTD (%, ch)	-1M (%, ch)	nov.-21	+3M (%, ch)	+12M (%, ch)
Brent	53.7%	-4.5%	82.24	-3.0%	-9.2%
Gold	-8.3%	-0.2%	1788.5	4.7%	-9.0%

Equities (MSCI tot return, EUR)	Début année (%, var)	-1M (%, var)	nov.-21	+3M (%, var)	+12M (%, var)
US	38.7%	6.2%	5 151	3.2%	6.4%
Euro area	24.1%	1.6%	2 958	1.0%	5.6%
UK	23.2%	0.3%	1 419	2.0%	4.0%
Japan	14.9%	4.1%	1 960	1.5%	5.0%

Souces: Bloomberg, Macrobond, SGPB

IMPORTANT INFORMATION – PLEASE READ

Societe Generale Private Banking is a division of the Societe Generale Group operating through its head office within Societe Generale S.A. and its network (subsidiaries, branches or departments of Societe Generale S.A.) located in the countries mentioned hereafter which use the “Societe Generale Private Banking” and “Kleinwort Hambros” brands, and which distribute this document.

Subject of the document

This document has been prepared by experts of the Societe Generale Group, and more particularly of Societe Generale Private Banking division, to provide you with information relating to certain financial and economic data. The names and functions of the people who prepared this document are indicated on the first pages of the document.

This document is a marketing communication that has not been prepared in accordance with legal requirements designed to promote the independence of investment research and the investment service provider is not subject to any prohibition on dealing ahead of the dissemination of investment research.

In order to read and understand the financial and economic information included in this document, you will need to have knowledge and experience of financial markets. If this is not the case, please contact your advisor so that you no longer receive the document. Unless you do this, we shall consider that you have the necessary skills to understand this document.

Please note that this document only aims to provide simple information to help you in your investment or disinvestment decisions, and that it does not constitute a personalised recommendation. You remain responsible for any liabilities that arise. You remain responsible for the management of your assets, and you take your investment decisions freely. Moreover, the document may mention asset classes that are not authorised/marketed in certain countries, and/or which might be reserved for certain categories of investors. Therefore, should you wish to make an investment, as the case may be and according to the applicable laws, your advisor within the Societe Generale Private Banking entity of which you are a client will check your eligibility for this investment and whether it corresponds to your investment profile.

Should you not wish to receive this document, please inform your private banker in writing, and he/she will take the appropriate measures.

Conflicts of interest

This document contains the views of Societe Generale Private Banking’s experts. Societe Generale Private Banking trading desks may trade, or have traded, as principal on the basis of the expert(s) views and reports. In addition, Societe Generale Private Banking’s experts receive compensation based, in part, on the quality and accuracy of their analysis, client feedback, revenues of their entity of the Societe Generale Group and competitive factors.

As a general matter, entities within the Societe Generale Group may make a market or act as a principal trader in securities referred to in this report and can provide banking services to the companies mentioned in that document, and to their subsidiary. Entities within the Societe Generale Group may from time to time deal in, profit from trading on, hold on a principal basis, or act advisers or brokers or bankers in relation to securities, or derivatives thereof, or asset class(es) mentioned in this document.

Entities within the Societe Generale Group may be represented on the supervisory board or on the executive board of such persons, firms or entities.

Employees of the Societe Generale Group, or persons/entities connected to them, may from time to time have positions in or hold any of the investment products/ asset class(es) mentioned in this document.

Entities within the Societe Generale Group may acquire orliquidate from time to time positions in the securities and/or underlying assets (including derivatives thereof) referred to herein, if any, or in any other asset, and therefore any return to prospective investor(s) may directly or indirectly be affected.

Entities within the Societe Generale Group are under no obligation to disclose or take into account this document when advising or dealing with or on behalf of customers.

IMPORTANT INFORMATION – PLEASE READ

In addition, Societe Generale Private Banking may issue other reports that are inconsistent with and reach different conclusions from the information presented in this report and are under no obligation to ensure that such other reports are brought to the attention of any recipient of this report.

Societe Generale Group maintains and operates effective organisational and administrative arrangements taking all reasonable steps to identify, monitor and manage conflicts of interest. To help the Societe Generale Private Banking Entities to do this, they have put in place a management of conflicts of interest policy designed to prevent conflicts of interest giving rise to a material risk of damage to the interests of Societe Generale Private Banking's clients. For further information, Societe Generale Private Banking's clients can refer to the management of conflicts of interests policy, which was provided to them by the Societe Generale Private Banking entity of which they are clients.

General Warning

This document, which is subject to modifications, is provided for information purposes only and has no legal value.

This material has been prepared for information purposes only and is not intended to provide investment advice nor any other investment service. The document does not constitute and under no circumstances should it be considered in whole or in part as an offer, a personal recommendation or advice from any of the Societe Generale Private Banking entities, regarding investment in the asset classes mentioned therein.

Some products and services might not be available in all Société Générale Private Banking entities. Their availability in your jurisdiction may be restricted depending on local laws and tax regulations. In addition, they have to comply with Societe Generale Group Tax Code of Conduct. You should be aware that the investment to which this material relates may involve numerous risks. The amount of risk may vary but can expose you to a significant risk of losing all of your capital, including a potential unlimited loss. Accordingly these products or services may be reserved only for a certain category of eligible investors such as those who are sophisticated and familiar with these types of investment and who understand the risks involved. Furthermore, accessing some of these products, services and solutions might be subject to other conditions, amongst which is eligibility. Your private banker is available to discuss these products, services and solutions with you and to check if they can respond to your needs and are suitable for your investor profile. Accordingly, before making an investment decision, a potential investor, as the case may be and according to the applicable laws, will be questioned by his or her advisor within the Societe Generale Private Banking entity, of which the investor is a client, regarding his eligibility for the envisaged investment, and the compatibility of this investment with his investment profile and objectives.

Before any investment, the potential investor should also consult his own independent financial, legal and tax advisers in order to obtain all the financial, legal and tax information which will allow him to appraise the characteristics and the risks of the envisaged investment and the pertinence of the strategies discussed in this document, as well as the tax treatment of the investment, in the light of his own circumstances.

Prior to any investment, a potential investor must be aware of, understand and sign the related contractual and informative information, including documentation relating to risks. The potential investor has to remember that he should not base any investment decision and/or instructions solely on the basis of this document. Any financial services and investments may have tax consequences and it is important to bear in mind that the Societe Generale Private Banking entities, do not provide tax advice. The level of taxation depends on individual circumstances and such levels and bases of taxation can change. In addition, this document is not intended to provide, and should not be relied on for, accounting, tax or legal purposes and independent advice should be sought where appropriate.

Investment in some of the asset classes described in this document may not be authorised in certain countries, or may be restricted to certain categories of investors. It is the responsibility of any person in possession of this document to be aware of and to observe all applicable laws and regulations of relevant jurisdictions. This document is not intended to be distributed to people or in jurisdictions where such distribution is restricted or illegal. It is not to be published or distributed in the United States of America and cannot be made available directly or indirectly in the United States of America or to any U.S. person.

The price and value of investments and the income derived from them can go down as well as up. Changes in inflation, interest rates and exchange rates may have adverse effects on the value, price and income of investments issued in a different currency from that of the client. The simulations and examples included in this document are provided for informational and illustration purposes alone. The present information may change with market fluctuations, and the information and views reflected in this document may change. The Societe Generale Private Banking entities disclaim any responsibility for the updating or revising of this document. The document's only aim is to offer information to investors, who will take their investment decisions without relying solely on this document. The Societe Generale Private Banking entities disclaim all responsibility for direct or indirect losses related to any use of this document or its content. The Societe Generale Private Banking entities do not offer no implicit or explicit guarantees as to the accuracy or exhaustivity of the information or as to the profitability or performance of the asset classes, countries and markets concerned.

IMPORTANT INFORMATION – PLEASE READ

Societe Generale Private Banking entities disclaim all responsibility for direct or indirect losses related to any use of this document or its content. The Societe Generale Private Banking entities do not offer no implicit or explicit guarantees as to the accuracy or exhaustivity of the information or as to the profitability or performance of the asset classes, countries and markets concerned.

The historical data, information and opinions provided herein have been obtained from, or are based upon, external sources that the Societe Generale Private Banking entities believe to be reliable, but which have not been independently verified. The Societe Generale Private Banking entities shall not be liable for the accuracy, relevance or exhaustiveness of this information. Information about past performance is not a guide to future performance and may not be repeated. Investment value is not guaranteed and the value of investments may fluctuate. Estimates of future performance are based on assumptions that may not be realised.

This document is confidential. It is intended exclusively for the person to whom it is given, and may not be communicated or notified to any third party (with the exception of external advisors, on the condition they themselves respect this confidentiality undertaking). It may not be copied in whole or in part without the prior written consent of the relevant Societe Generale Private Banking entity.

Specific warnings per jurisdiction

France: Unless otherwise expressly indicated, this document has been issued and distributed by Societe Generale, a French bank authorised and supervised by the Autorité de Contrôle Prudentiel et de Résolution, located at 4, Place de Budapest, CS 92459, 75436 Paris Cedex 09, under the prudential supervision of the European Central Bank ("ECB"), and under the control of the Autorité des Marchés Financiers ("AMF"). Societe Generale is also registered at ORIAS as an insurance intermediary under the number 07 022 493 orias.fr. Societe generale is a French Société Anonyme with its registered address at 29 boulevard Haussman, 75009 Paris, with a capital of EUR 1,066,714, 367.50 on 1st August 2019 and unique identification number 552 120 222 R.C.S. Paris. Further details are available on request or can be found at www. http://www.privatebanking.societegenerale.fr/.

Luxembourg: This document has been distributed in Luxembourg by Societe Generale Bank & Trust ("SGBT"), a credit institution which is authorised and regulated by the Commission de Surveillance du Secteur Financier ("CSSF") under the prudential supervision of the European Central Bank ("ECB"), and whose head office is located at 11 avenue Emile Reuter – L 2420 Luxembourg. Further details are available on request or can be found at www.sgbt.lu. No investment decision whatsoever may result from solely reading this document. SGBT accepts no responsibility for the accuracy or otherwise of information contained in this document. SGBT accepts no liability or otherwise in respect of actions taken by recipients on the basis of this document only and SGBT does not hold itself out as providing any advice, particularly in relation to investment services. The opinions, views and forecasts expressed in this document (including any attachments thereto) reflect the personal views of the author(s) and do not reflect the views of any other person or SGBT unless otherwise mentioned. SGBT has neither verified nor independently analysed the information contained in this document. The CSSF has neither verified nor analysed the information contained in this document.

Monaco: The present document has been distributed in Monaco by Société Générale Private Banking (Monaco) S.A.M., located 13, 15 Bd des Moulins, 98000 Monaco, Principality of Monaco, governed by the Autorité de Contrôle Prudentiel et de Résolution and the Commission de Contrôle des Activités Financières. The Financial products marketed in Monaco can be reserved for qualified investors in accordance with Law No. 1339 of 07/09/2007 and Sovereign Ordinance No 1.285 of 10/09/2007. Further details are available upon request or on www.privatebanking.societegenerale.mc.

Switzerland: This document has been communicated in Switzerland by Société Générale Private Banking (Suisse) SA (« SGPBS »), whose head office is located at rue du Rhône 8,, CH-1204 Geneva. SGPBS is a bank authorized by the Swiss Financial Market Supervisory Authority ("FINMA"). Further details are available on request or can be found at www.privatebanking.societegenerale.ch.

This document (i) does not provide any opinion or recommendation about a company or a security, or (ii) has been prepared outside of Switzerland for the « Private banking ». Therefore, the Directives of the Swiss Bankers Association (SBA) on the Independence of Financial Research do not apply to this document.

This document has not been prepared by SGPBS. SGPBS has neither verified nor independently analyzed the information contained in this document. SGPBS accepts no responsibility for the accuracy or otherwise of information contained in this document. The opinions, views and forecasts expressed in this document reflect the personal views of the relevant author(s) and shall not engage SGPBS' liability.

This document is not a prospectus within the meaning of articles 652a and 1156 of the Swiss Code of Obligations.

IMPORTANT INFORMATION – PLEASE READ

This document is issued by the following companies in the Kleinwort Hambros Group under the brand name Kleinwort Hambros:

United Kingdom: SG Kleinwort Hambros Bank Limited is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. The firm reference number is 119250. The company is incorporated in England and Wales company registration under number 964058 and its registered address is 5th Floor, 8 St James's Square, London, England, SW1Y 4JU.

Channel Islands: Kleinwort Hambros is the brand name of SG Kleinwort Hambros Bank (CI) Limited, which is regulated by the Jersey Financial Services Commission for banking, investment, money services and fund services business. The company is incorporated in Jersey under company registration number company registration 2693 and its registered address is PO Box 78, SG Hambros House, 18 Esplanade, St Helier, Jersey JE4 8PR.

SG Kleinwort Hambros Bank (CI) Limited – Guernsey Branch is regulated by the Guernsey Financial Services Commission for banking, investment and money services business. Its address is PO Box 6, Hambro House, St Julian's Avenue, St Peter Port, Guernsey, GY1 3AE.

The company (including the branch) is also authorised and regulated by the UK Financial Conduct Authority in respect of UK regulated mortgage business and its firm reference number is 310344. The Company (including the branch) is not authorised or regulated by the UK Financial Conduct Authority for accepting UK bank deposits nor is it permitted to hold deposits in the UK.

Kleinwort Hambros is the brand name of SG Kleinwort Hambros Trust Company (CI) Limited, which is regulated by the Jersey Financial Services Commission in the conduct of trust company business and fund services business and by the Guernsey Financial Services Commission in the conduct of fiduciary services business. The company is incorporated in Jersey under company registration number 4345 and its registered address is SG Hambros House, PO BOX 197, 18 Esplanade, St Helier, Jersey, JE4 8RT. Its address in Guernsey is PO Box 86, Hambro House, St Julian's Avenue, St Peter Port, Guernsey, GY1 3ED.

This document has not been authorized or reviewed by the JFSC or FCA.

Gibraltar: SG Kleinwort Hambros Bank (Gibraltar) Limited is authorised and regulated by the Gibraltar Financial Services Commission for the conduct of banking, investment and insurance mediation business and its firm reference is 419436. The company is incorporated in Gibraltar under company registration number 01294 and its registered address is 32 Line Wall Road, Gibraltar.

Kleinwort Hambros is part of Societe Generale Private Banking, which is part of the wealth management arm of the Societe Generale Group. Societe Generale is a French Bank authorised in France by the Autorité de Contrôle Prudentiel et de Resolution, located at 4, Place de Budapest, CS 92459, 75436 Paris Cedex 09 and under the prudential supervision of the European Central Bank. It is also authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

Further information on the Kleinwort Hambros Group including additional legal and regulatory details can be found at: www.kleinworthambros.com

http://www.privatebanking.societegenerale.com