

FX Weekly

Trading the Recession-Inflation Risks

The Week Ahead

- **Dollar Index - Fade.** Support at 103.10; Resistance at 109.10
- **USD/SGD - Pullback.** Support at 1.3850; Resistance at 1.4080
- **USD/MYR - Upside Risk.** Support at 4.38; Resistance at 4.45
- **AUD/SGD - Bullish Divergence.** Support at 0.95; Resistance at 1.00
- **SGD/MYR - Signs of Rebound.** Support at 3.1500; Resistance at 3.19

Keeping Watch on Inflation Momentum; Bias to Sell USDJPY

Growth fears remain the key thematic driving FX moves. But we also question if growth fears are overpriced for now. Fed officials Waller and Bullard downplayed recession risks, citing robust labor market and soft landing as a base case scenario. At the same time we see some tentative signs of green shoots of growth in China. Moving on, focus could shift towards inflation momentum. In particular, US CPI (Wed) and PPI (Thu) are due for release next week. We keep a lookout for any moderation in inflation momentum. But before that, US payrolls takes centre stage tonight (830pm SG/MY time). Focus on average hourly earnings. Consensus looks for wage growth to hold steady at +0.3% m/m. Slower pace of wage growth would add to inflation peaking narrative, helping UST yields and USD lower. For NFP, consensus looks for +268k, the smallest job gains in more than a year. A smaller than expected print would add to recession fears but that may also suggest that the Fed may not be as aggressive in tightening. Near term risks for USDMYR remain skewed to the upside with 4.45 in mind. USDSGD resistance at 1.4080 is key to watch - make or break.

Likely a 50bps Hike for RBNZ, BoK; Possibly 75bps Hike For BoC

All 3 central banks convene respectively on coming Wed. We expect RBNZ to maintain its pace of raising rate by 50bps to bring OCR to 2.5% at the next MPC. Key focus of RBNZ is to ensure that current high CPI (1Q at 32y high of 6.9%) does not become embedded into longer-term inflation expectations. Markets' implied still see roughly another 4* 50bps hike for upcoming MPCs for remainder of the year in Jul, Aug, Oct and Nov. For BoK, a larger than typical magnitude of hike (50bps) is not ruled out especially with Jun headline CPI breaching 6%. Governor Rhee did not deny 50bps as an option and reinforced his stance in prioritising the combat against inflation. He is also concerned how real wages will decline and financial instability can widen if inflation expectations broaden. Senior Deputy Governor Lee also weighed in to say that early reining-in of inflation expectations is needed to promote economic stability and the BoK should focus on containing it. For BoC, we expect overnight rate to be raised by 75bps to 2.25%, stepping up the pace from its 50bps hike on 1Jun. Higher inflation (7.7% in May), industrial product price and the elevated level of industrial capacity utilization rate could mean further upside risks to inflation in an environment of strong demand. BoC risks falling behind the curve with a mere 50bps hike.

US, China Activity Data; US, German CPI; SG GDP Next Week

Key data we watch next week include ZEW survey on Tue. For Wed, US, German CPIs; EU IP; NZ food prices; UK GDP, IP, trade, construction output; China trade. For Thu, US PPI; AU labor market report; SG GDP; JP IP. For Fri, US IP, retail sales; NZ mfg PMI; China 2Q GDP, IP, FAI, retail sales. We also keep in view Blinken-Wang Yi meeting tomorrow and Biden's trip to Saudi Arabia next week.

Analysts

Saktiandi Supaat
(65) 6320 1379
saktiandi@maybank.com.sg

Christopher Wong
(65) 6320 1347
wongkl@maybank.com.sg

Fiona Lim
(65) 6320 1374
fionalim@maybank.com.sg

Tan Yanxi
(65) 6320 1378
tanyx@maybank.com.sg

Our in-house model implies that S\$NEER is trading at +1.27% to the implied midpoint of 1.4201, suggesting that it is slightly firmer vs. other trading partner currencies

Bloomberg FX Ranking

3Q 2021












No. 1 for VND
No. 3 for TWD

4Q 2021

No. 4 for TWD
No. 5 for CNY

1Q 2022

No. 2 for TWD
No. 4 for CNY

Currency	Direction	Support/Resistance	Key Data and Events
Dollar Index		S: 103.10; R: 109.10	Mon: - Nil - Tue: NFIB Small business optimism (Jun); Wed: CPI, real average hourly earnings (Jun); Thu: PPI (Jun); Fri: Empire mfg, Uni of Mich sentiment (Jul); Retail sales, IP, import/export price index (Jun)
EURUSD		S: 0.9800; R: 1.0350	Mon: - Nil - Tue: ZEW Survey (Jul); Wed: Industrial production (May); German CPI (Jun); Thu: - Nil - Fri: Trade (May)
AUDUSD		S: 0.6765; R: 0.6980	Mon: - Nil - Tue: Household spending, Business confidence (Jun); Consumer confidence (Jul); Wed: - Nil - Thu: Labor market report (Jun); Consumer inflation expectation (Jul) Fri: - Nil -
NZDUSD		S: 0.59400; R: 0.6370	Mon: Card spending (Jun); Tue: - Nil - Wed: Food prices, REINZ house sales (Jun); RBNZ MPC; Thu: - Nil - Fri: Mfg PMI (Jun)
GBPUSD		S: 1.1875; R: 1.2360	Mon: - Nil - Tue: BRC Sales (Jun); Wed: GDP, IP, Construction output, trade (May); Thu: House price balance (Jun); Fri: - Nil -
USDJPY		S: 131.70; R: 137.00	Mon: Core machine orders (May); Machine tool orders (Jun); Tue: PPI (Jun); Wed: - Nil - Thu: IP, capacity utilization (May); Fri: - Nil -
USDCNH		S: 6.6800; R: 6.7400	Mon: - Nil - Tue: - Nil - Wed: Trade (Jun); Thu: - Nil - Fri: GDP (2Q); IP, FAI, Retail sales, jobless rate, new home prices (Jun)
USDSGD		S: 1.3820; R: 1.4080	Mon: - Nil - Tue: - Nil - Wed: - Nil - Thu: GDP (2Q); Fri: - Nil -
USDMYR		S: 4.3800; R: 4.4500	Mon: - Nil - Tue: - Nil - Wed: - Nil - Thu: - Nil - Fri: - Nil -
USDPHP		S: 55.00; R: 56.50	Mon: - Nil - Tue: Trade (Jun); Wed: - Nil - Thu: - Nil - Fri: - Nil -
USDIDR		S: 14,850; R: 15,250	Mon: - Nil - Tue: - Nil - Wed: - Nil - Thu: - Nil - Fri: Trade (Jun)

Sources: Bloomberg, Maybank FX Research & Strategy

Selected G7 FX Views

Currency	Stories of the Week
DXY Index	<p>Eye on Payrolls and CPI. DXY rose sharply and breached 20-year high this week, in part due to sharp decline in EUR, GBP and in part due to growth fears. Slightly softer US ISM services added to slowing growth momentum seen in PMIs of other regions including Europe and some parts of Asia including Singapore, Indonesia, Philippines, S.Korea and Taiwan. An environment of inflation worries, global growth concerns, and fears of tighter financial conditions should continue to keep a leash on risk appetite. But we also question if growth fears have been overpriced. Fed officials Waller and Bullard downplayed risks of recession, citing robust labor market and soft landing as a base case scenario. At the same time we see some tentative signs of green shoots of growth in China. Some unwinding of fears may provide intermittent relief to risk assets - as seen on Fri morning moves.</p> <p>Focus next on US payrolls tonight. Consensus looks for +268k increase in NFP, the smallest job growth in more than a year but focus is also on average wage earnings. Consensus looks for wage growth to hold steady at +0.3% m/m. Slower pace of wage growth would add to inflation peaking narrative, helping UST yields and USD lower. A case of smaller job gains and slower wage growth should point to lower USDJPY.</p> <p>We also keep in view potential announcement of partial removal of US tariffs on Chinese imports. While tariff removal may provide some support to risk proxies, the action is likely done in the interest of easing US inflation rather than perceived as a reconciliatory move to dial down geopolitical tensions. At the same time, Biden is also expected to announce new probe into industrial subsidies that may lead to more duties in strategic areas like technology. We also pay attention to Blinken-Wang Yi meeting on the sidelines of G20 tomorrow as that may potentially pave the way for Biden-Xi meeting.</p> <p>DXY was last at 107.5 levels. Daily momentum is mild bullish while RSI is near overbought conditions. Interim upside risks but we are biased to lean against strength as inflation momentum is showing further signs of peaking and recession concerns may slow central banks' aggressiveness. Resistance at 109.1. Support at 105.2, 104.9 (21 DMA) and 103.60 (50 DMA).</p> <p><i>Next week brings NFIB Small business optimism (Jun) on Tue; CPI, real average hourly earnings (Jun) on Wed; PPI (Jun) on Thu; Empire mfg, Uni of Mich sentiment (Jul); Retail sales, IP, import/export price index (Jun) on Fri.</i></p>
EUR/USD	<p>Bearish and Oversold. EUR fell further this week, in line with our caution that a break of 1.0350 support could point to parity. Euro-area services and composite PMIs came in lower than prior month while new and foreign orders fell. These reinforced the notion that activity momentum is further slowing in Euro-area. Weaker outlook saw a pare-back in market expectations for ECB tightening. Markets are now only looking for total of 83bps this year (vs. +120bps 3 weeks ago). To add, markets are doubting the effectiveness of ECB's anti-fragmentation tool. Furthermore ECB looking at ways to stop banks from making a windfall profit from ultra-cheap subsidised loans undermined Euro-area banks (negative on European equities).</p> <p>Pair was last at 1.0110 levels. Bearish momentum on daily chart intact while RSI dips into oversold conditions. Support at 1.0070, parity and 0.98. Resistance at 1.0350, 1.0440 (21 DMA).</p> <p><i>Next week brings ZEW Survey (Jul) on Tue; Industrial production (May); German CPI (Jun) on Wed; Trade (May) on Fri.</i></p>
GBP/USD	<p>2-Way Trades. GBP fell this week as markets move quickly to price in political risk premium. We warned in our last FX Monthly that political pressures are picking up and markets have not priced in the risk premium into GBP. Some of these political pressures are risk of EU-UK trade war due to parts of NI protocol being scrapped, Scottish referendum and weaker leadership. In particular on weaker leadership.</p> <p>So to take stock, PM BoJo has confirmed his resignation (this came much earlier than expected as he was still seen saying that he would not resign). To some extent, the political uncertainty was quickly put to a rest for now though we expect political noise to pick up again on who may be the real contenders or if there is deep division within Conservative party. The latter would be a bigger negative risk for GBP. To take stock, more than 50 Ministers, including heavyweights, Chancellor Sunak, Health Secretary Javid have resigned making it impossible for BoJo to run the government. The process of choosing the next</p>

leader will take months and would require successive rounds of voting and finally narrowing the contender list to 2 candidates, whom would then be presented to the broader Conservative party to vote. For a start, there is already long list of candidates but the more prominent ones are Rishi Sunak (ex Chancellor) and Ben Wallace (Defense Minister). The rest include Liz Truss (Foreign Secretary who cut short her attendance at the G20 Summit in Bali), Penny Mordaunt (Minister of State for Trade Policy), Jeremy Hunt (former Health Minister), Nadhim Zahawi (new chancellor) amongst others. The new leader should be unveiled around Oct. Meantime, BoJo will stay as caretaker PM.

GBP was last at 1.1935 levels. Mild bearish momentum on daily chart intact while RSI is near oversold conditions. We still caution for 2-way risks. Support at 1.1910, 1.1875 and 1.1410 levels (2020 low). Resistance at 1.2160 (21 DMA), 1.2360 (50 DMA).

Next week bring BRC Sales (Jun) on Tue; GDP, IP, Construction output, trade (May) on Wed; House price balance (Jun) on Thu.

USDJPY ***Retain Bias to Sell Rallies.*** USDJPY traded range-bound this week. News of former Abe being shot (and subsequently pronounced dead - our deep condolences) saw a wave of risk aversion, JPY demand but that eventually faded. Focus next on US payrolls tonight. Consensus looks for +268k increase in NFP, the smallest job growth in more than a year but focus is also on average wage earnings. Consensus looks for wage growth to hold steady at +0.3% m/m. Slower pace of wage growth would add to inflation peaking narrative, helping UST yields and USD lower. A case of smaller job gains and slower wage growth should point to lower USDJPY.

Pair was last at 135.85 levels. Bearish momentum on daily chart intact while RSI is flat. Retain bias to sell rallies. Support at 135.30 (21 DMA), 134.50 (23.6% fibo retracement of May low to Jun high). Break below these levels can see bearish pressure accelerate towards 132.95 (38.2% fibo), 131.70 levels (50% fibo, 50 DMA). Resistance at 136.20, 137 and 140 levels.

Next week brings Core machine orders (May); Machine tool orders (Jun) on Mon; PPI (Jun) on Tue; IP, capacity utilization (May) on Thu.

AUD/USD ***Technical Rebound.*** AUD traded sideways near recent lows this week as growth fears remain in the background while RBA hiked cash rate by 50bps. Pair was last at 0.6810 levels. Bearish momentum on daily chart shows signs of fading while RSI is flat. Potentially a bullish divergence is also observed on daily MACD and a falling wedge is observed. Technical rebound not ruled out. Resistance at 0.6910 (21 DMA), 0.6980 (23.6% fibo retracement of 2022 high to low). Support at 0.68, 0.6760 levels. Bias to buy dips.






Next week brings Household spending, Business confidence (Jun); Consumer confidence (Jul) on Tue; Labor market report (Jun); Consumer inflation expectation (Jul) on Thu.

NZD/USD ***RBNZ Likely to Hike 50 Bps.*** NZD continued to trade with a heavy bias this week as markets re-price for global growth concerns. Moving on the focus is on RBNZ on Wed. We expect RBNZ to maintain its pace of raising rate by 50bps to bring OCR to 2.5% at the next MPC. Key focus of RBNZ is to ensure that current high CPI (1Q at 32y high of 6.9%) does not become embedded into longer-term inflation expectations. Markets' implied still see roughly another 4* 50bps hike for upcoming MPCs for remainder of the year in Jul, Aug, Oct and Nov.

NZD was last at 0.6160 levels. Mild bearish momentum on daily chart still intact while RSI is near oversold conditions. Further downside not ruled out but bias to buy dips. Elsewhere we keep in view bullish divergence pattern on daily MACD and falling wedge pattern (bullish reversal). Support at 0.61, 0.5940 levels. Resistance at 0.6260 (21 DMA), 0.6370 (50 DMA).

Next week brings Card spending (Jun) on Mon; Food prices, REINZ house sales (Jun); RBNZ MPC on Wed; Mfg PMI (Jun) on Fri.

Technical View: MYR Crosses

MYR Crosses	Direction	Support/Resistance	Stories of the Week
SGD/MYR		S: 3.1500; R: 3.1900	Signs of Rebound. SGDMYR traded sideways this week. Last at 3.1590 levels. Bearish momentum on daily chart intact but shows tentative signs of fading while RSI is turning higher from near oversold condition. We reiterate our caution for risk of snapback. Support at 3.1510 (38.2% fibo retracement of 2022 low to high, 3.1375 (100 DMA). Resistance at 3.17 (21, 50 DMAs), 3.1780 (21 DMA) and 3.19 levels.
AUD/MYR		S: 2.9970; R: 3.0730	Technical Rebound Underway. AUDMYR rebounded this week after hitting low of 2.9930 levels. Cross was last at 3.0290 levels. Bearish momentum on daily chart is fading while RSI rose from near-oversold conditions. Technical rebound play underway. Resistance at 3.04 (61.8% fibo), 3.0730 (50% fibo) and 3.1080 (38.2% fibo retracement of 2022 low to high). Support at 2.9970 (76.4% fibo), 2.97 and 2.9285 levels.
EUR/MYR		S: 4.4800; R: 4.6000	Not Ruling out a Snapback. EURMYR extended decline this week. Cross was last at 4.5230 levels. Bearish momentum on daily chart intact while RSI is showing tentative signs of turn-around from oversold conditions. Bias still to the downside though we caution that risk of snapback is rising. Support at 4.52, 4.47/4.48 levels. Resistance at 4.55, 4.57 and 4.60 levels.
GBP/MYR		S: 5.2450; R: 5.4400	Cautious of Rebound. GBPMYR traded lower this week, in line with our call for downside risks. Cross was last seen at 5.30 levels. Bearish momentum on daily chart intact while RSI is showing tentative signs of fading. Bearish bias intact but cautious of technical rebound. Support here at 5.30, 5.2450 (76.4% fibo). Resistance at 5.3735 levels (61.8% fibo retracement of 2020 low to 2021 high, 5.44 (50 DMA) and 5.4775 (50% fibo).
JPY/MYR		S: 3.2100; R: 3.3250	Bias to Play Long. JPYMYR traded sideways this week. Cross was last at 3.2577 levels. Daily momentum is mild bullish while RSI is flat. Sideways trade like but bias for mild rebound play. Resistance at 3.28, 3.3250 (23.6% fibo retracement of 2022 high to low). Support at 3.2115 levels (double bottom).

Technical Chart Picks:

USDSGD Daily Chart - Interim Pullback; Not Ruling Out Another Push Higher



USDSGD traded a high of 1.4073 this week before backing away off. Last seen at 1.4010 levels.

Bullish momentum on weekly, daily charts intact though daily RSI is coming off. Interim pullback lower likely.

Support at 1.3940, 1.3910 (21 DMA) and 1.3850 (50 DMA). Move below 50DMA will negate bullish view.

Resistance at 1.4080 (61.8% fibo retracement 2020 high to 2021 low), 1.4295 (76.4% fibo)

USDMYR Daily Chart - Near Term Upside Risks



USDMYR continued to drift higher this week. Pair was last at 4.4270 levels.

Daily momentum turned mild bullish while RSI is rising. Risks remain skewed to the upside.

Resistance at 4.4280, 4.4490 (2020 high).

Support at 4.4080 (21 DMA), 4.3890 (50 DMA) and 4.3460 (76.4% fibo retracement of 2020 high to 2021 low).

Note: blue line - 21SMA; red line - 50 SMA; green line - 100 SMA; yellow line - 200 SMA

AUDSGD Daily Chart: Bullish Divergence



AUDSGD consolidated this week.
Cross was last at 0.9575 levels.

Bearish momentum on daily chart shows signs of fading while RSI rose. Potential bullish divergence seen on daily MACD. Rebound risks likely intact.

Resistance at 0.9630 (21 DMA), 0.9710 (23.6% fibo retracement of 2021 high to 2022 double bottom), 0.9870 (38.2% fibo) and parity.

Support at 0.95, 0.9455 (double bottom).

SGDMYR Daily Chart: Signs of Rebound



SGDMYR traded sideways this week. Last at 3.1590 levels.

Bearish momentum on daily chart intact but shows tentative signs of fading while RSI is turning higher from near oversold condition. We reiterate our caution for risk of snapback.

Support at 3.1510 (38.2% fibo retracement of 2022 low to high, 3.1375 (100 DMA).

Resistance at 3.17 (21, 50 DMAs), 3.1780 (21 DMA) and 3.19 levels.

DISCLAIMER

This report is for information purposes only and under no circumstances is it to be considered or intended as an offer to sell or a solicitation of an offer to buy the securities or financial instruments referred to herein, or an offer or solicitation to any person to enter into any transaction or adopt any investment strategy. Investors should note that income from such securities or financial instruments, if any, may fluctuate and that each security's or financial instrument's price or value may rise or fall. Accordingly, investors may receive back less than originally invested. Past performance is not necessarily a guide to future performance. This report is not intended to provide personal investment advice and does not take into account the specific investment objectives, the financial situation and the particular needs of persons who may receive or read this report. Investors should therefore seek financial, legal and other advice regarding the appropriateness of investing in any securities and/or financial instruments or the investment strategies discussed or recommended in this report.

The information contained herein has been obtained from sources believed to be reliable but such sources have not been independently verified by Malayan Banking Berhad and/or its affiliates and related corporations (collectively, "Maybank") and consequently no representation is made as to the accuracy or completeness of this report by Maybank and it should not be relied upon as such. Accordingly, no liability can be accepted for any direct, indirect or consequential losses or damages that may arise from the use or reliance of this report. Maybank and its officers, directors, associates, connected parties and/or employees may from time to time have positions or be materially interested in the securities and/or financial instruments referred to herein and may further act as market maker or have assumed an underwriting commitment or deal with such securities and/or financial instruments and may also perform or seek to perform investment banking, advisory and other services for or relating to those companies whose securities are mentioned in this report. Any information or opinions or recommendations contained herein are subject to change at any time, without prior notice.

This report may contain forward looking statements which are often but not always identified by the use of words such as "anticipate", "believe", "estimate", "intend", "plan", "expect", "forecast", "predict" and "project" and statements that an event or result "may", "will", "can", "should", "could" or "might" occur or be achieved and other similar expressions. Such forward looking statements are based on assumptions made and information currently available to us and are subject to certain risks and uncertainties that could cause the actual results to differ materially from those expressed in any forward looking statements. Readers are cautioned not to place undue relevance on these forward looking statements. Maybank expressly disclaims any obligation to update or revise any such forward looking statements to reflect new information, events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

This report is prepared for the use of Maybank's clients and may not be reproduced, altered in any way, transmitted to, copied or distributed to any other party in whole or in part in any form or manner without the prior express written consent of Maybank. Maybank accepts no liability whatsoever for the actions of third parties in this respect. This report is not directed to or intended for distribution to or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation.

Published by:



Malayan Banking Berhad
(Incorporated in Malaysia)

Saktiandi Supaat
Head, FX Research
saktiandi@maybank.com.sg
(+65) 63201379

Christopher Wong
Senior FX Strategist
wongkl@maybank.com.sg
(+65) 63201347

Fiona Lim
Senior FX Strategist
Fionalim@maybank.com.sg
(+65) 63201374

Yanxi Tan
FX Strategist
tanyx@maybank.com.sg
(+65) 63201378

APPENDIX I: TERMS FOR PROVISION OF REPORT, DISCLAIMERS AND DISCLOSURES

DISCLAIMERS

This research report is prepared for general circulation and for information purposes only and under no circumstances should it be considered or intended as an offer to sell or a solicitation of an offer to buy the securities referred to herein. Investors should note that values of such securities, if any, may fluctuate and that each security's price or value may rise or fall. Opinions or recommendations contained herein are in form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from the relevant jurisdiction's stock exchange in the equity analysis. Accordingly, investors' returns may be less than the original sum invested. Past performance is not necessarily a guide to future performance. This report is not intended to provide personal investment advice and does not take into account the specific investment objectives, the financial situation and the particular needs of persons who may receive or read this report. Investors should therefore seek financial, legal and other advice regarding the appropriateness of investing in any securities or the investment strategies discussed or recommended in this report.

The information contained herein has been obtained from sources believed to be reliable but such sources have not been independently verified by Maybank Investment Bank Berhad, its subsidiary and affiliates (collectively, "Maybank IBG") and consequently no representation is made as to the accuracy or completeness of this report by Maybank IBG and it should not be relied upon as such. Accordingly, Maybank IBG and its officers, directors, associates, connected parties and/or employees (collectively, "Representatives") shall not be liable for any direct, indirect or consequential losses or damages that may arise from the use or reliance of this report. Any information, opinions or recommendations contained herein are subject to change at any time, without prior notice.

This report may contain forward looking statements which are often but not always identified by the use of words such as "anticipate", "believe", "estimate", "intend", "plan", "expect", "forecast", "predict" and "project" and statements that an event or result "may", "will", "can", "should", "could" or "might" occur or be achieved and other similar expressions. Such forward looking statements are based on assumptions made and information currently available to us and are subject to certain risks and uncertainties that could cause the actual results to differ materially from those expressed in any forward looking statements. Readers are cautioned not to place undue relevance on these forward-looking statements. Maybank IBG expressly disclaims any obligation to update or revise any such forward looking statements to reflect new information, events or circumstances after the date of this publication or to reflect the occurrence of unanticipated events.

Maybank IBG and its officers, directors and employees, including persons involved in the preparation or issuance of this report, may, to the extent permitted by law, from time to time participate or invest in financing transactions with the issuer(s) of the securities mentioned in this report, perform services for or solicit business from such issuers, and/or have a position or holding, or other material interest, or effect transactions, in such securities or options thereon, or other investments related thereto. In addition, it may make markets in the securities mentioned in the material presented in this report. One or more directors, officers and/or employees of Maybank IBG may be a director of the issuers of the securities mentioned in this report to the extent permitted by law.

This report is prepared for the use of Maybank IBG's clients and may not be reproduced, altered in any way, transmitted to, copied or distributed to any other party in whole or in part in any form or manner without the prior express written consent of Maybank IBG and Maybank IBG and its Representatives accepts no liability whatsoever for the actions of third parties in this respect.

This report is not directed to or intended for distribution to or use by any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation. This report is for distribution only under such circumstances as may be permitted by applicable law. The securities described herein may not be eligible for sale in all jurisdictions or to certain categories of investors. Without prejudice to the foregoing, the reader is to note that additional disclaimers, warnings or qualifications may apply based on geographical location of the person or entity receiving this report.

Malaysia

Opinions or recommendations contained herein are in the form of technical ratings and fundamental ratings. Technical ratings may differ from fundamental ratings as technical valuations apply different methodologies and are purely based on price and volume-related information extracted from Bursa Malaysia Securities Berhad in the equity analysis.

Singapore

This report has been produced as of the date hereof and the information herein may be subject to change. Maybank Research Pte. Ltd. ("MRPL") in Singapore has no obligation to update such information for any recipient. For distribution in Singapore, recipients of this report are to contact MRPL in Singapore in respect of any matters arising from, or in connection with, this report. If the recipient of this report is not an accredited investor, expert investor or institutional investor (as defined under Section 4A of the Singapore Securities and Futures Act), MRPL shall be legally liable for the contents of this report, with such liability being limited to the extent (if any) as permitted by law.

Thailand

Except as specifically permitted, no part of this presentation may be reproduced or distributed in any manner without the prior written permission of Maybank Securities (Thailand) Public Company Limited. Maybank Securities (Thailand) Public Company Limited ("MST") accepts no liability whatsoever for the actions of third parties in this respect.

Due to different characteristics, objectives and strategies of institutional and retail investors, the research products of MST Institutional and Retail Research departments may differ in either recommendation or target price, or both. MST reserves the rights to disseminate MST Retail Research reports to institutional investors who have requested to receive it. If you are an authorised recipient, you hereby tacitly acknowledge that the research reports from MST Retail Research are first produced in Thai and there is a time lag in the release of the translated English version.

The disclosure of the survey result of the Thai Institute of Directors Association ("IOD") regarding corporate governance is made pursuant to the policy of the Office of the Securities and Exchange Commission. The survey of the IOD is based on the information of a company listed on the Stock Exchange of Thailand and the market for Alternative Investment disclosed to the public and able to be accessed by a general public investor. The result, therefore, is from the perspective of a third party. It is not an evaluation of operation and is not based on inside information. The survey result is as of the date appearing in the Corporate Governance Report of Thai Listed Companies. As a result, the survey may be changed after that date. MST does not confirm nor certify the accuracy of such survey result.

The disclosure of the Anti-Corruption Progress Indicators of a listed company on the Stock Exchange of Thailand, which is assessed by Thaipat Institute, is made in order to comply with the policy and sustainable development plan for the listed companies of the Office of the Securities and Exchange Commission. Thaipat Institute made this assessment based on the information received from the listed company, as stipulated in the form for the assessment of Anti-corruption which refers to the Annual Registration Statement (Form 56-1), Annual Report (Form 56-2), or other relevant documents or reports of such listed company. The assessment result is therefore made from the perspective of Thaipat Institute that is a third party. It is not an assessment of operation and is not based on any inside information. Since this assessment is only the assessment result as of the date appearing in the assessment result, it may be changed after that date or when there is any change to the relevant information. Nevertheless, MST does not confirm, verify, or certify the accuracy and completeness of the assessment result.

US

This third-party research report is distributed in the United States ("US") to Major US Institutional Investors (as defined in Rule 15a-6 under the Securities Exchange Act of 1934, as amended) only by Maybank Securities USA Inc ("MSUS"), a broker-dealer registered in the US (registered under Section 15 of the Securities Exchange Act of 1934, as amended). All responsibility for the distribution of this report by MSUS in the US shall be borne by MSUS. This report is not directed at you if Maybank IBG is prohibited or restricted by any legislation or regulation in any jurisdiction from making it available to you. You should satisfy yourself before reading it that MSUS is permitted to provide research material concerning investments to you under relevant legislation and regulations. All U.S. persons receiving and/or accessing this report and wishing to effect transactions in any security mentioned within must do so with: Maybank Securities USA Inc, 400 Park Avenue, 11th Floor, New York, New York 10022, 1-(212) 688-8886 and not with, the issuer of this report.

UK

This document is being distributed by Maybank Securities (London) Ltd ("MSUK") which is authorized and regulated, by the Financial Conduct Authority and is for Informational Purposes only. This document is not intended for distribution to anyone defined as a Retail Client under the Financial Services and Markets Act 2000 within the UK. Any inclusion of a third party link is for the recipients convenience only, and that the firm does not take any responsibility for its comments or accuracy, and that access to such links is at the individuals own risk. Nothing in this report should be considered as constituting legal, accounting or tax advice, and that for accurate guidance recipients should consult with their own independent tax advisers.

DISCLOSURES

Legal Entities Disclosures

Malaysia: This report is issued and distributed in Malaysia by Maybank Investment Bank Berhad (15938-H) which is a Participating Organization of Bursa Malaysia Berhad and a holder of Capital Markets and Services License issued by the Securities Commission in Malaysia. **Singapore:** This report is distributed in Singapore by MRPL (Co. Reg No 198700034E) which is regulated by the Monetary Authority of Singapore. **Indonesia:** PT Maybank Sekuritas Indonesia ("PTMSI") (Reg. No. KEP-251/PM/1992) is a member of the Indonesia Stock Exchange and is regulated by the Financial Services Authority (Indonesia). **Thailand:** MST (Reg. No.0107545000314) is a member of the Stock Exchange of Thailand and is regulated by the Ministry of Finance and the Securities and Exchange Commission. **Philippines:** Maybank Securities Inc (Reg. No.01-2004-00019) is a member of the Philippines Stock Exchange and is regulated by the Securities and Exchange Commission. **Vietnam:** Maybank Securities Limited (License Number: 117/GP-UBCK) is licensed under the State Securities Commission of Vietnam. **Hong Kong:** MIB Securities (Hong Kong) Limited (Central Entity No AAD284) is regulated by the Securities and Futures Commission. **India:** MIB Securities India Private Limited ("MIBSI") is a participant of the National Stock Exchange of India Limited and the Bombay Stock Exchange and is regulated by Securities and Exchange Board of India ("SEBI") (Reg. No. INZ000010538). MIBSI is also registered with SEBI as Category 1 Merchant Banker (Reg. No. INM 000011708) and as Research Analyst (Reg No: INH000000057) **US:** Maybank Securities USA Inc is a member of/and is authorized and regulated by the FINRA - Broker ID 27861. **UK:** Maybank Securities (London) Ltd (Reg No 2377538) is authorized and regulated by the Financial Conduct Authority.

Disclosure of Interest

Malaysia: Maybank IBG and its Representatives may from time to time have positions or be materially interested in the securities referred to herein and may further act as market maker or may have assumed an underwriting commitment or deal with such securities and may also perform or seek to perform investment banking services, advisory and other services for or relating to those companies.

Singapore: As of 8 July 2022, Maybank Research Pte. Ltd. and the covering analyst do not have any interest in any companies recommended in this research report.

Thailand: MST may have a business relationship with or may possibly be an issuer of derivative warrants on the securities /companies mentioned in the research report. Therefore, Investors should exercise their own judgment before making any investment decisions. MST, its associates, directors, connected parties and/or employees may from time to time have interests and/or underwriting commitments in the securities mentioned in this report.

Hong Kong: As of 8 July 2022, MIB Securities (Hong Kong) Limited and the authoring analyst do not have any interest in any companies recommended in this research report.

India: As of 8 July 2022, and at the end of the month immediately preceding the date of publication of the research report, MIBSI, authoring analyst or their associate / relative does not hold any financial interest or any actual or beneficial ownership in any shares or having any conflict of interest in the subject companies except as otherwise disclosed in the research report. In the past twelve months MIBSI and authoring analyst or their associate did not receive any compensation or other benefits from the subject companies or third party in connection with the research report on any account what so ever except as otherwise disclosed in the research report.

Maybank IBG may have, within the last three years, served as manager or co-manager of a public offering of securities for, or currently may make a primary market in issues of, any or all of the entities mentioned in this report or may be providing, or have provided within the previous 12 months, significant advice or investment services in relation to the investment concerned or a related investment and may receive compensation for the services provided from the companies covered in this report.

OTHERS

Analyst Certification of Independence

The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

Reminder

Structured securities are complex instruments, typically involve a high degree of risk and are intended for sale only to sophisticated investors who are capable of understanding and assuming the risks involved. The market value of any structured security may be affected by changes in economic, financial and political factors (including, but not limited to, spot and forward interest and exchange rates), time to maturity, market conditions and volatility and the credit quality of any issuer or reference issuer. Any investor interested in purchasing a structured product should conduct its own analysis of the product and consult with its own professional advisers as to the risks involved in making such a purchase.

No part of this material may be copied, photocopied or duplicated in any form by any means or redistributed without the prior consent of Maybank IBG.