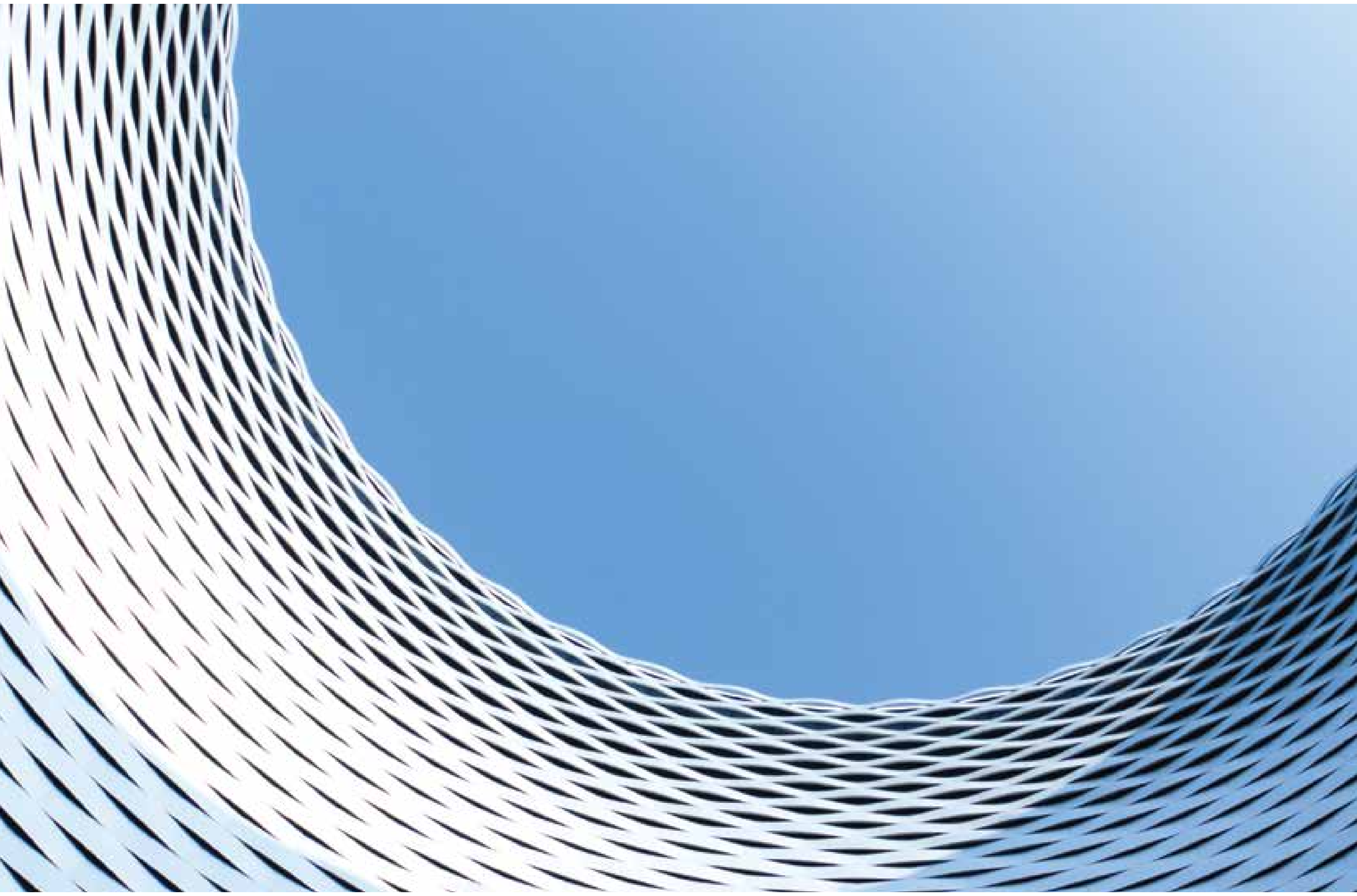
Citigold
Wealth Management

2018 ANNUAL OUTLOOK



NAVIGATING A MATURING BULL MARKET

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NAVIGATING A MATURING BULL MARKET

Financial markets benefitted from a broadening economic expansion and low inflation in 2017. Key regional markets enjoyed synchronized earnings growth for the first time in 7 years. The MSCI World gained 16%, led by the Emerging Markets which rallied 30%. Bond markets rallied along with equity markets with high yields and emerging market bonds gaining 7 and 9% respectively. The US dollar was a stark underperformer. The dollar index fell 9%, weighed down by disappointing US inflation data and uncertainties over the passage of the US tax reform bill.

Citi analysts expect global growth to pick up from 3.2% in 2017 to 3.4% in 2018, the highest since 2010. The recovery in investment spending which started in the second half of 2017, is expected to accelerate and broaden across countries. Increased investment in machinery and equipment is expected to lift trade and industrial activity, potentially extending the business cycle. It is also expected to be supportive of commodities.

In 2018, policy rates are expected to rise gradually across many developed economies with 75 basis points of rate hikes expected in the US. Central bank net asset purchases are also expected to fall, from US$180b/month in mid-2016 to around zero by end-2018. While these developments are expected to take place gradually and be communicated in advance, monetary policy is tightening at a time when financial market valuations have become more expensive. While Citi analysts see selected investment opportunities in 2018 amid healthy economic and earnings growth, they are watchful of the potential risks and note that returns are likely to be more muted compared to 2017.

Political risks are likely to remain elevated in 2018 although geopolitical tensions only had a temporary impact on markets in 2017. Unless they cause a global recession, geopolitical events have historically not caused a synchronized and sustained sell-off in the financial markets. During these periods, attractively priced financial markets can still outperform, allowing investors to reap the benefits of regional diversification.

*Returns in USD as of 5 December

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GROWTH

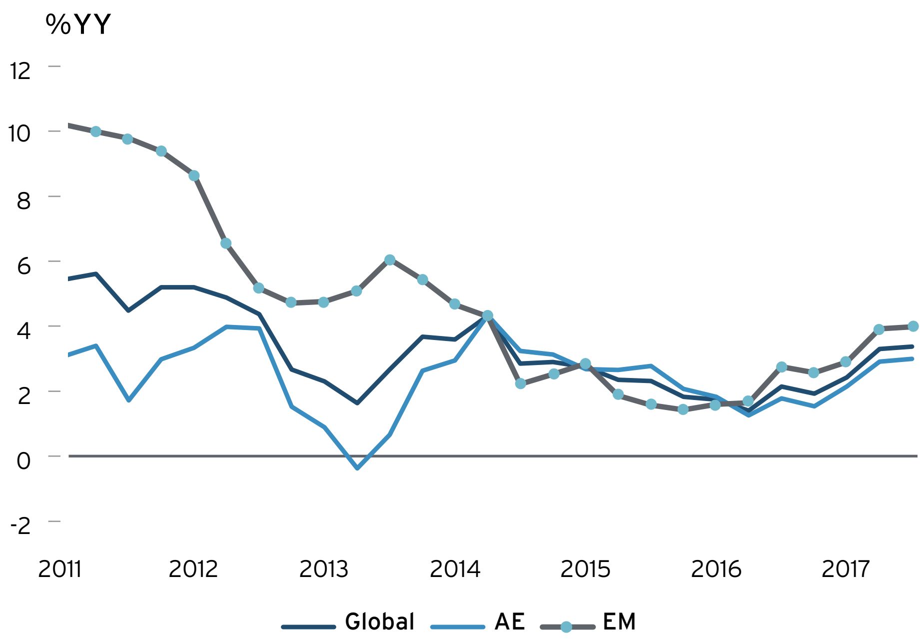
GLOBAL INVESTMENT REBOUNDS

Key Takeaways

- Global growth is expected to remain robust and broad-based across countries. Citi analysts expect the global economy to grow 3.4% in 2018.
- Downside risks include the impact of tightening monetary conditions, disappointing reform outcomes, and an escalation of political, geopolitical and trade tensions.
- Inflation in Developed Markets appears to be bottoming out, while it continues to moderate in the Emerging Markets. Upside risks to inflation include further rises in commodity prices and higher wage growth.

Citi analysts believe that one of the most significant recent developments in the global economy is the broad – based pickup in global investment. This has been driven by easier financial conditions as well as improved economic and earnings growth. The recovery in investment spending is expected to accelerate, lift productivity growth, exports and industrial activity, in turn prolonging the current business cycle.

Global Investment Growth



Source: Citi Research. As of 27 November 2017.

GLOBAL INVESTMENT REBOUNDS / 1

GLOBAL ECONOMY MAY GROW

3.4%

IN 2018, UP FROM

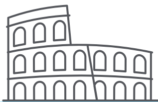
3.2%

IN 2017.

Citi analysts expect the global economy to grow 3.4% in 2018, up from 3.2% in 2017. Across the different regions, growth is expected to be supported by:

US

Consumption growth supported by increases in real incomes and healthy household balance sheets, stimulus from tax cuts and hurricane-related government spending.

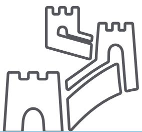


EUROPE

Strong domestic demand, recovering productivity growth and rising corporate profits.

JAPAN

Moderate rise in consumer spending, business investment and exports.



CHINA

Resilient household consumption, regulatory overhaul as Chinese policy makers push forward reforms.

EMERGING MARKETS

Improving export cycle and a resumption of capital flows.

1 / GLOBAL INVESTMENT REBOUNDS

Global growth may peak in 2018, with risks to the outlook coming from:

Larger- or faster-than-expected tightening of financial and monetary conditions.

A slowdown in Chinese activity.

Heightened political risks. (See "6. Politics – Risk Remain Elevated")

Rising skepticism over reform initiatives in the US.

The outlook for inflation is one of the key issues for 2018. Higher than expected inflation can potentially upset Citi's current benign outlook for the global economy and equity markets. For now, Citi analysts believe that inflation in the Developed Markets is bottoming out, while moderating in the Emerging Markets.

Upside risks to inflation include:

Faster-than-expected rises in energy and commodity prices.

Potential pickup in wage growth, as labor market slack is falling.

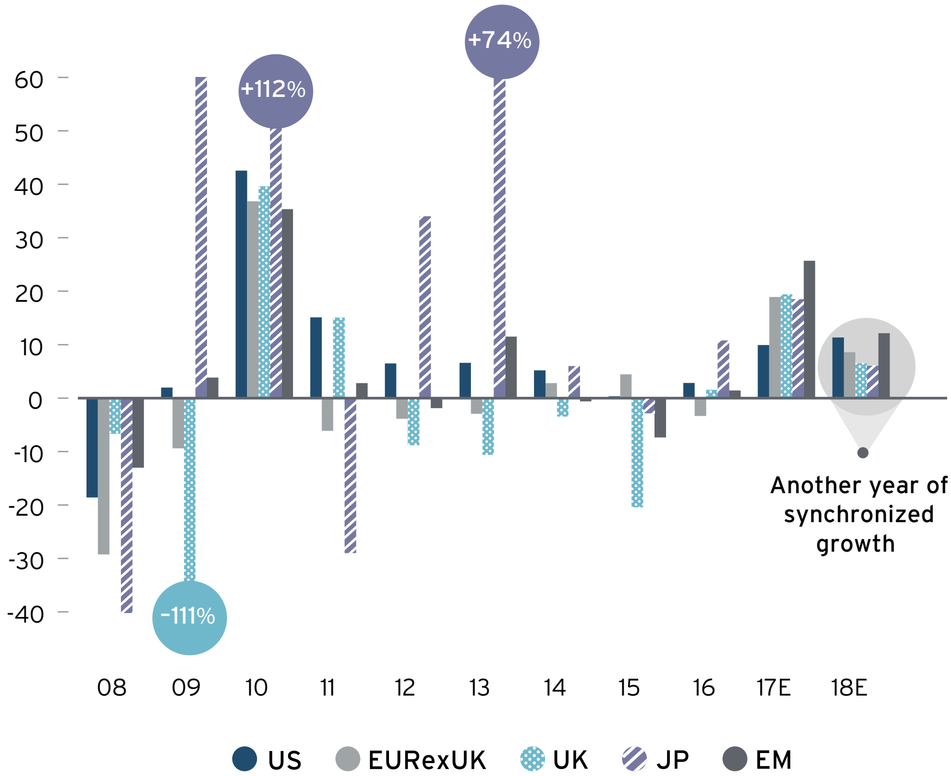
2 EQUITIES
THE YEAR FOR CYCLICALS

Key Takeaways

- Citi analysts expect global earnings growth of 9% in 2018. All major regions are forecast to post healthy earnings gains, suggesting another year of synchronized growth.
- Citi analysts are positive on cyclical stocks - highlighting materials, financials and technology as the sectors to watch.
- Citi analysts expect the more cyclical markets such as Emerging Markets, Europe and Japan to outperform the US in 2018.

Citi analysts expect global earnings growth of 9% in 2018, which underpins their positive outlook on equities. Citi analysts favour Emerging Markets, Continental Europe and Japan.

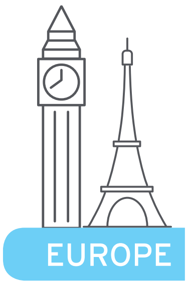
Annual EPS Growth (%)



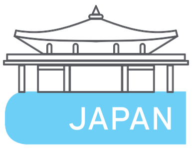
Source: Citi Research. As of 4 October 2017.

As valuations are stretched – more so in US stocks and less in Japan and Emerging Markets – Citi analysts believe this could limit gains in some markets. However, equities are likely to outperform bonds in 2018, in Citi analysts' view.

While valuation are higher, Citi analysts believe that the combination of planned corporate and personal tax cuts, light-handed regulation, a repatriation tax holiday on overseas cash and possible infrastructure spending has buoyed hopes for faster economic activity in 2018.



Citi analysts are positive on European equities which are likely to benefit from an extended period of synchronized growth. Citi analysts expect more share buybacks as the incentive to use low cost debt to buy back shares remains high. Citi analysts also expect M&A activity to rise in Europe. These activities are likely to be supportive of European equities in 2018, although the uncertainty related to the Italian elections may lift volatility.



Citi analysts are moderately positive on Japanese equities and expects earnings to grow 13% with the strongest earnings recovery coming from the export and cyclical sectors. Citi analysts expect growth as a result of stimulus from Prime Minister Shinzo Abe's policies and preparation for the upcoming Olympics.

The positive outlook for Emerging Market equities is supported by a broad-based earnings recovery of 10-14% and structural changes such as lower capital expenditure and higher operating leverage within corporates.
Citi analysts remain overweight on cyclicals. In particular, domestic economic growth appears solid in Asia and low valuations are supportive. Further weakness in the USD would also be helpful.

Sectors to watch

Another year of synchronized global earnings growth is expected to favor more economically sensitive stocks. Citi analysts highlight materials, financials and technology as the sectors to watch.

TECHNOLOGY

Despite the sector trading at a 10% premium to MSCI World, this is partly offset by the strong expected earnings growth of 13% in 2018. Big themes boosting the sector include artificial intelligence, virtual reality and cloud computing. Amongst regions, Emerging Market tech is the cheapest, whereas Japan and the US are more expensive.

FINANCIALS

Citi analysts are positive on the Financials sector – which tends to perform well when yields rise. The sector is attractively valued, trading at a 25% discount versus MSCI World. Citi analysts prefer Europe over US banks, although political risks and regulatory hurdles such as Basel 4 and IFRS 9 remain.

MATERIALS

Citi analysts remain constructive on the metals, mining and steel sector - but remain selective on chemicals. The mining sector is trading at attractive levels given current commodity prices. Large cap miners offer strong cash flows while mid-tier companies are likely to deliver greater growth. In particular, Citi analysts expect the European materials sector to pay out higher dividends in 2018 following strong earnings growth in 2017.

Citi analysts are cautious on the utilities, consumer staples, health care and telecoms sectors.

3 BONDS

NAVIGATING RISING RATES

Key Takeaways

- With a number of central banks in the Developed Markets raising interest rates, Citi analysts believe that bond sectors which offer investors higher yield and strong fundamentals remain attractive.
- Within Asia, Citi analysts see opportunities in local currency India, Indonesia and China debt, given improving growth outlook and reform potential.
- Within US Investment Grades (IG), US banks are expected to benefit from an improving credit outlook and lower regulatory costs. Energy-related sectors remain attractively priced.

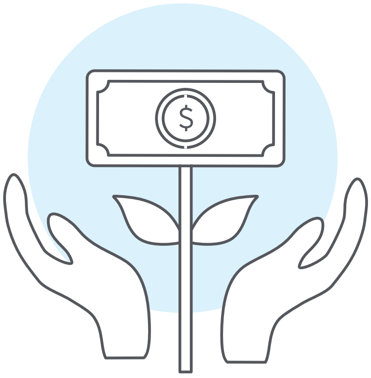
Citi analysts continue to expect gradual tightening by a number of central banks in the Developed Markets, while among Emerging Markets central banks, the outlook is more mixed. In particular:

The US Federal Reserve is expected to hike rates 3 times in 2018.

Citi analysts also expect a number of other central banks to begin hiking policy rates in 2018, including the Reserve Bank of Australia (RBA), Riksbank, and Reserve Bank of New Zealand (RBNZ).

The European Central Bank (ECB) and the Bank of Japan (BoJ) are not expected to raise policy rates until mid-2019.

In Emerging Markets, Citi analysts expect four central banks (Brazil, Colombia, Russia and Ukraine) to lower their policy rates while central banks in China, South Korea, Romania, Czech Republic, Peru, and Turkey are likely to hike rates.



What does this mean for investors?

In this environment of gradually rising interest rates, Citi analysts believe that selected bond sectors which offer investors higher yield and strong fundamentals remain attractive. Given lingering political uncertainties globally (See "6. Politics – Risk Remain Elevated"), high quality bonds continue to remain an important part of investors' portfolios, offering a degree of diversification.

Selective regional markets offer value

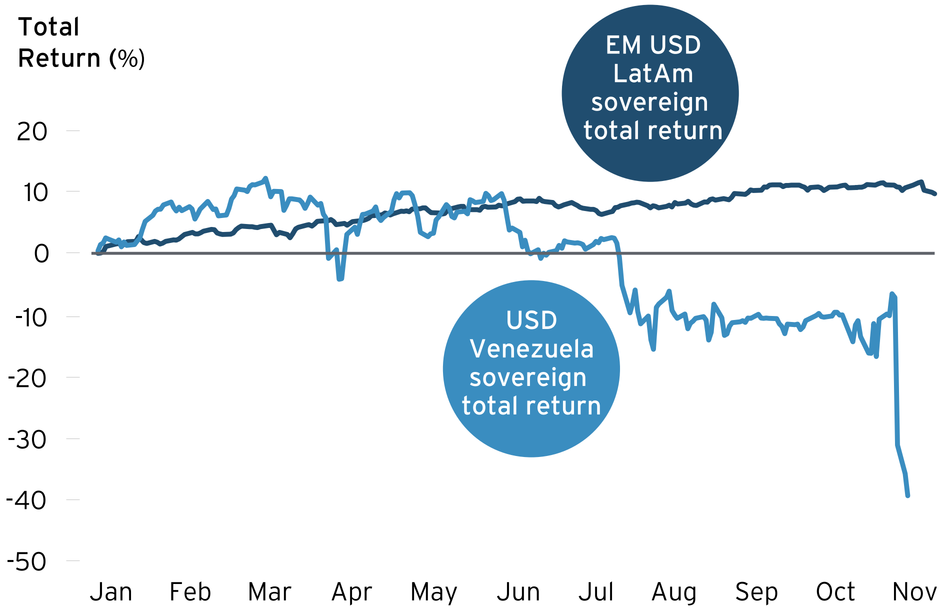
EMERGING MARKET DEBT (EMD)

Higher relative yields, improved economic fundamentals and attractive valuations are likely to be supportive of **Emerging Market Debt (EMD)**.

Within Latin America, Citi analysts continue to favor Argentina USD debt (sovereigns, quasi-sovereigns and corporates), Brazil (both local sovereigns and USD corporates), and Colombia (local and USD). Local Mexico sovereign debt is likely to remain volatile, though yields over 7.0% remain attractive. Still, possible trade conflicts with the US are meaningful and can negatively impact the peso.

Citi analysts view Venezuela's debt restructuring as an isolated event, with little pass-through to the rest of the LatAm region. (See Chart on next page).

Venezuela sell-off has not impacted broader LatAm



Source: Citi Research. As of 10 November 2017.

While EMD is expected to outperform other bond sectors in 2018, the performance is unlikely to match 2017's 9% gains as of 5 December 2017.

Within **Asia**, local currency bond markets offer compelling opportunities. This is especially where growth outlooks are improving, reforms create longer-term optimism and lower inflation trends allow central banks to keep interest rates low. Citi analysts continue to favor local currency India, Indonesia and China debt.

Local currency onshore China bonds have become compelling, as 5-year local yields spiked to 4.0%, its highest level since 2014. The central bank has showed its preference for relatively tight liquidity to rein in leverage, while the economy remains strong. While foreign investors still have little exposure to Chinese bond markets, the launch of the "Bond Connect" – a platform to provide access to local China bond markets – can help open up China's onshore bond market to the world.

INVESTMENT GRADE (IG)

Despite rich valuations, Citi analysts continue to remain overweight US **Investment Grade (IG) corporates**. US IG corporate yields are 3x higher than similar duration euro-denominated credit - 3.3% vs. 1.1% in 7-10 year maturities. The strong demand from non-US investors searching for higher yields is likely to remain supportive of US IG corporates.

Within US IG corporates, Citi analysts continue to favor US banks which are likely to benefit from an improving credit outlook and lower regulatory costs in the quarters ahead. Valuations of the energy-related sector, particularly the midstream/pipelines subsectors appear attractive.

US HY DEFAULT RATES HAVE FALLEN TO

3.1%

FROM

5.1%

IN DECEMBER 2016.

HIGH YIELD (HY)

In **High Yield (HY) bonds**, US HY offers one of the highest yields in the developed world at 5.4%. For comparison, European HY yields are closer to 2.0%. As US interest rates rise, higher yields can provide more buffer compared to other lower yielding fixed income options. Given improving fundamentals and lower default rates, Citi analysts remain modestly overweight US HY. Default rates are currently 3.1%, down from 5.1% in December 2016 and expected to fall further next year. That said, HY performance is expected to be more muted following 2017's 7% gains as of 5 December 2017.

Citi analysts also favor financials within US high yields. While valuations in certain finance companies look relatively rich, these entities have restructured since the global financial crisis, are less concentrated to the auto sector and are well regulated. There is the potential for their credit ratings to be upgraded.

4 COMMODITIES

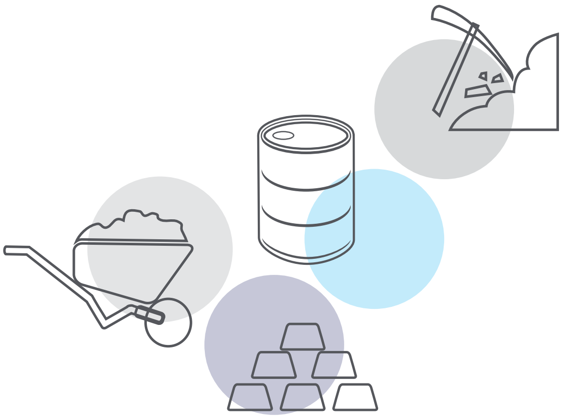
INVESTMENT-LED RECOVERY LENDS SUPPORT

Key Takeaways

- Citi analysts expect strong oil demand growth and OPEC supply restraint to support oil prices in the first half of 2018 but the return of OPEC and Russia supply to weigh on oil prices in the second half of the year.
- Gold prices have peaked and upside seems limited on the back of investor optimism for US tax cuts and markets expecting a more hawkish Federal Reserve.
- Improved demand growth and supply concerns may drive copper prices higher while iron ore supply may struggle to meet the pickup in demand.

The outlook for China remains key for commodities. While China is likely to meet its growth targets, it is uncertain how commodity intensive China's growth will be. Citi analysts' base case is that China-sensitive commodities such as base metals and bulk commodities may enjoy higher demand during 2018, as China seeks both supply-side and environmental reforms.

Historically, while a weaker US dollar (USD) has lifted commodity prices, fundamentals appear to be more important in 2018 as the correlation between commodity prices and the USD weakened marginally throughout 2017, even falling to zero in the quarter ending September.



INVESTMENT-LED RECOVERY LENDS SUPPORT / 4

BRENT OIL PRICES
MAY AVERAGE

US$54/bbl

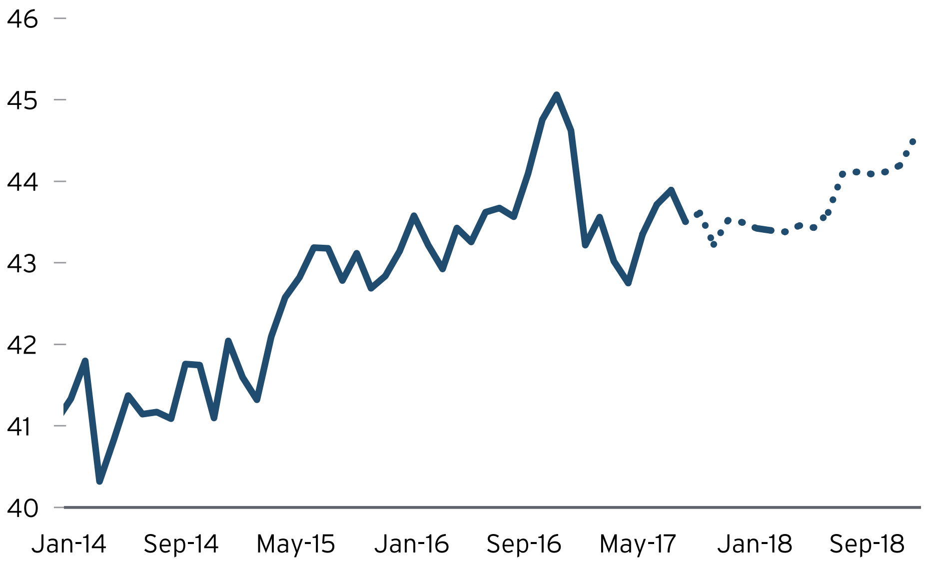
IN 2018.

Oil: From deficit to equilibrium

Oil demand continues to be buoyed by improving global economic growth, rising manufacturing activity and higher exports. Supply is expected to grow stronger, with the US likely to lift supply by 1 million b/d over the previous year. Other non-OPEC producers such as Brazil and Canada may add close to 0.5-m b/d. Citi analysts thus expect oil demand and supply to reach an equilibrium in 2018, transitioning from a supply deficit in 2017.

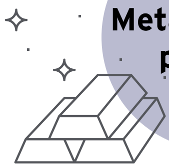
Although OPEC and Russia have agreed to extend production cuts up to the end of 2018, uncertainties remain. For one, OPEC may reconsider its agreement when it meets again in mid-2018. The amount of oil supply from Iraq and other non-OPEC producers, especially the US are also unknowns. Citi analysts also expect momentum in the US shale recovery to continue in 2018. On balance, Citi analysts expect oil prices to be supported by strong oil demand growth and OPEC supply restraint in the first half of 2018, but the return of OPEC and Russia supply to weigh on oil prices in the second half of the year. Hence, Citi analysts forecast Brent oil prices to average US$54/bbl in 2018.

OPEC and Russian Crude Production (m b/d)



Source: Citi Research. As of 3 December 2017.

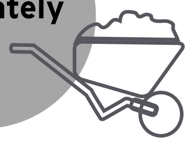
4 / INVESTMENT-LED RECOVERY LENDS SUPPORT



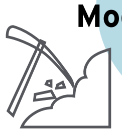
Precious Metals: Gold price has peaked

Citi is slightly bearish gold prices on the back of investor optimism for US tax cuts, market pricing a slightly more hawkish Federal Reserve in 2018 and robust US and global growth expectations in both the developed and emerging economies for the year ahead. However, heightened geopolitical tensions and a weaker USD are likely to help support the yellow metal, with Citi analysts forecasting gold price to average US$1270/oz in 2018.

Base Metals: Moderately bullish copper



Citi analysts are moderately bullish on copper in 2018. Copper prices may trade around US$7,000/t during the first quarter of 2018, before improved demand growth and supply concerns drive prices higher during the second quarter. Changes to China's scrap import policies as well as labor disruptions can drive prices higher although Citi analysts note that copper concentrate and refined inventories appear to be ample.



Bulk Commodities: Modest upside for iron ore

Iron ore prices have fallen to a low US$60/t range in November 2017 from US$85-95/t during the first quarter of 2017. Citi analysts expect prices to rebound to average US$68/t in the first quarter of 2018, before moderating to US$60-62/t in the second half of 2018 and into 2019. This represents an upgrade to their earlier forecasts given a more positive outlook for Chinese steel demand and high-grade iron ore consumption globally. At the same time, iron ore supply may struggle to catch up, given the long lead times needed to build new metals production capacity, and the lack of investment in recent years.

5

CURRENCIES

DOLLAR HAS PEAKED

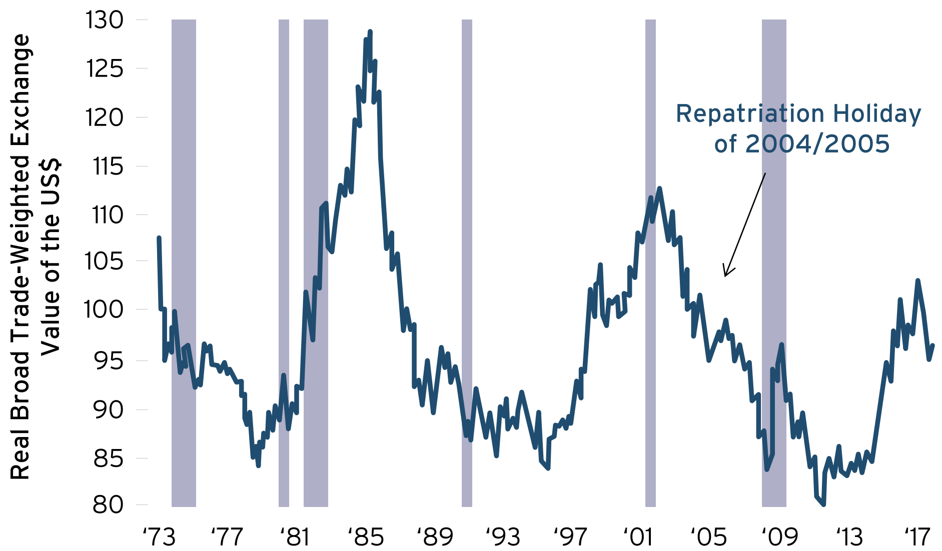
Key Takeaways

- Citi analysts expect the EUR to appreciate over the medium term given a strengthening economy, persistent equity inflows and a high current account surplus.
- The CAD appears well placed to outperform the AUD and NZD as Citi analysts see potential for the Bank of Canada to raise rates further in the first half of 2018.
- Citi analysts expect the CNY to remain broadly stable. This is likely to help anchor the emerging Asian currencies with the MYR likely to outperform.

The US dollar (USD) appears to have peaked. Real growth rates in Europe, Japan and the Emerging Markets are picking up and converging with the US, reducing the cyclical support enjoyed by the US dollar. At the same time, the dollar has rallied for 6 years, the typical length for dollar rallies historically. These tend to be followed by dollar bear markets which last for 10 years. The dollar is also looking less attractive compared to the EUR, as the European Central Bank (ECB) is expected to adopt a less accommodative policy stance in 2018 and beyond.

While US fiscal policy stimulus via tax reform/cuts may support the USD, the net stimulus is likely to be relatively small.

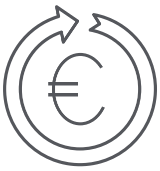
US real Trade-Weighted US Dollar (TWD)



Note: Grey bars represent recessions.
Source: Citi Research. As of 17 November 2017.

JPY: Relative yields still key

The JPY was largely range bound in 2017 with US yields being a key driver. This is likely to continue in 2018 as long as the Bank of Japan (BoJ) continues to cap its 10-yr government bond yield near zero. If the BoJ signals an exit from its quantitative easing policy by lifting the cap on the 10-year government bond yield, the JPY may strengthen given its attractive valuations.



EURO BLOC: A bullish medium term outlook for EUR; GBP tracking Brexit talks

Citi analysts expect the EUR to appreciate over the medium term given a strengthening economy, persistent equity inflows and a high current account surplus. As the ECB reduces bond purchases, the rise in bond yields may slow the bond portfolio outflows from the eurozone, potentially supporting the currency.

The outcome of the Brexit negotiations will drive the Sterling. Slow progress in Brexit talks, turmoil within the Conservative party and the scrutiny on Theresa May's position as Prime Minister are likely to continue to weigh on the sterling.

COMMODITY BLOC: Likely to underperform the EUR and JPY

The AUD is expected to underperform the EUR and JPY as Australia's retail sales and inflation data continue to disappoint. This makes the Reserve Bank of Australia (RBA) unlikely to hike rates in the next 12 months. That said, with the unemployment rate remaining low and absent shock to the labor market, the RBA is also unlikely to cut rates anytime soon.

New Zealand's economic growth remains robust and inflation is a key focus. A higher than expected inflation reading for the last quarter of the year in January 2018 could lead the Reserve Bank of New Zealand to hike rates earlier.

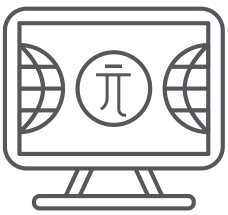
Citi analysts see potential for the Bank of Canada to raise rates further in the first half of 2018. This sees CAD well placed to outperform the AUD and NZD.

ASIA EM: A more stable backdrop for CNY favors the high yielders

Exchange rate stability remains a key priority for the People's Bank of China, above the desire to widen the RMB trading band or reform the exchange rate policy.

With the Chinese Yuan (CNY) expected to provide a more stable anchor to the other emerging Asian currencies, the Malaysian Ringgit (MYR) may perform well given its significant undervaluation, steady energy prices and strong economic growth. Moreover, the requirement for Malaysian corporates to convert 75% of their export proceeds to MYR may also help.

The Thai Baht (THB) is also likely to be better supported given Thailand's large current account surplus, although the Bank of Thailand (BoT) may continue to buy dollars to slow the pace of THB appreciation.



Higher oil prices and the negative impact on India's current account may put pressure on the Indian Rupee (INR). That said, if USD weakness resumes, the INR's high yield is likely to be attractive.

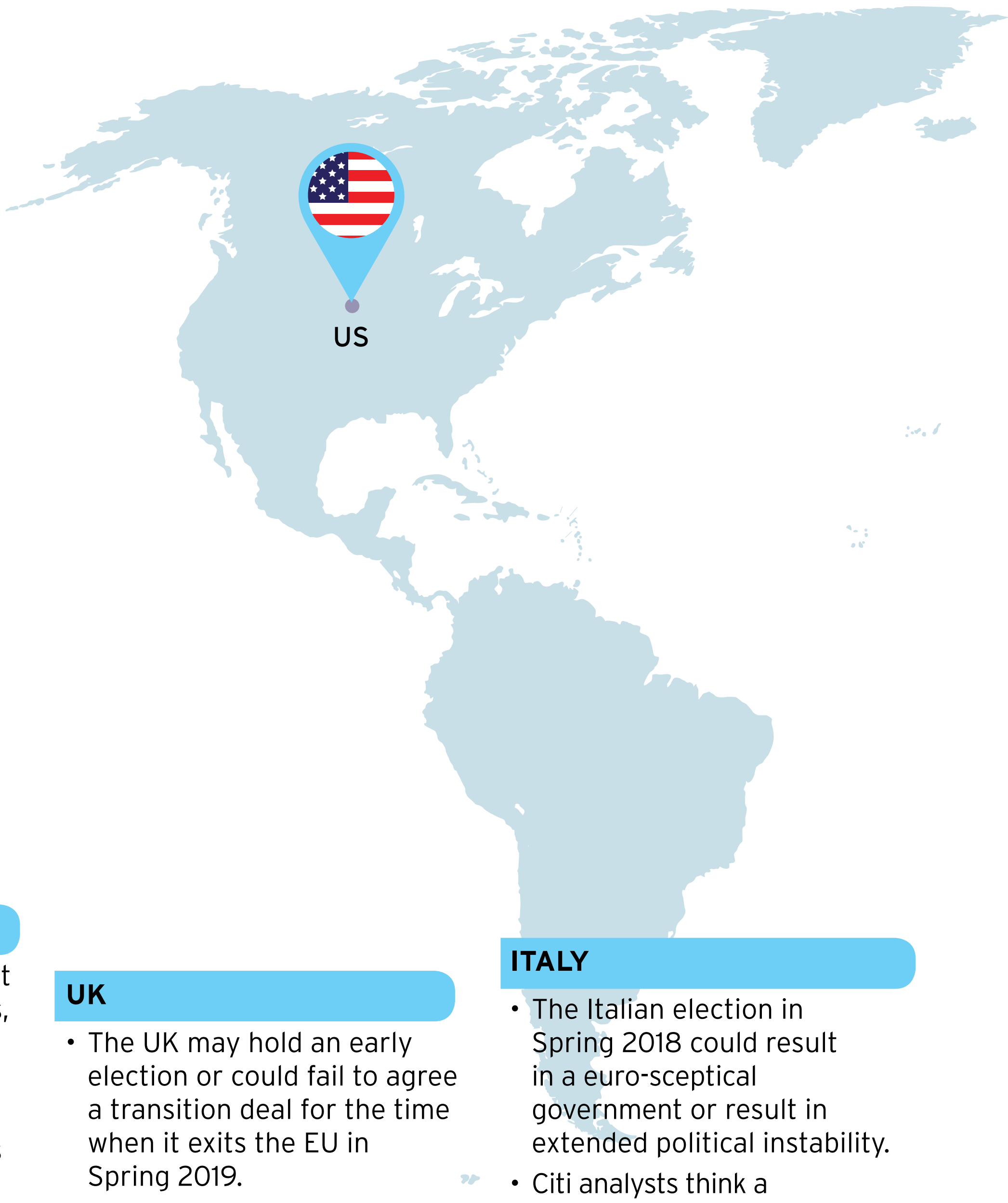
6 POLITICS

RISKS REMAIN ELEVATED

Key Takeaways

- The market's response to political risks was relatively muted in 2017. The disconnect between the political and economic as well as financial markets performance is a potential risk in Citi analysts' view.
- Unless they cause a global recession, geopolitical events have historically not caused a synchronised and sustained sell-off in the financial markets. Attractively priced equity and bond markets can perform well as long as the crisis is not systemic, allowing investors to reap benefits from regional diversification.

Some of the main political signposts and geopolitical risks that could move markets in 2018 include:



US

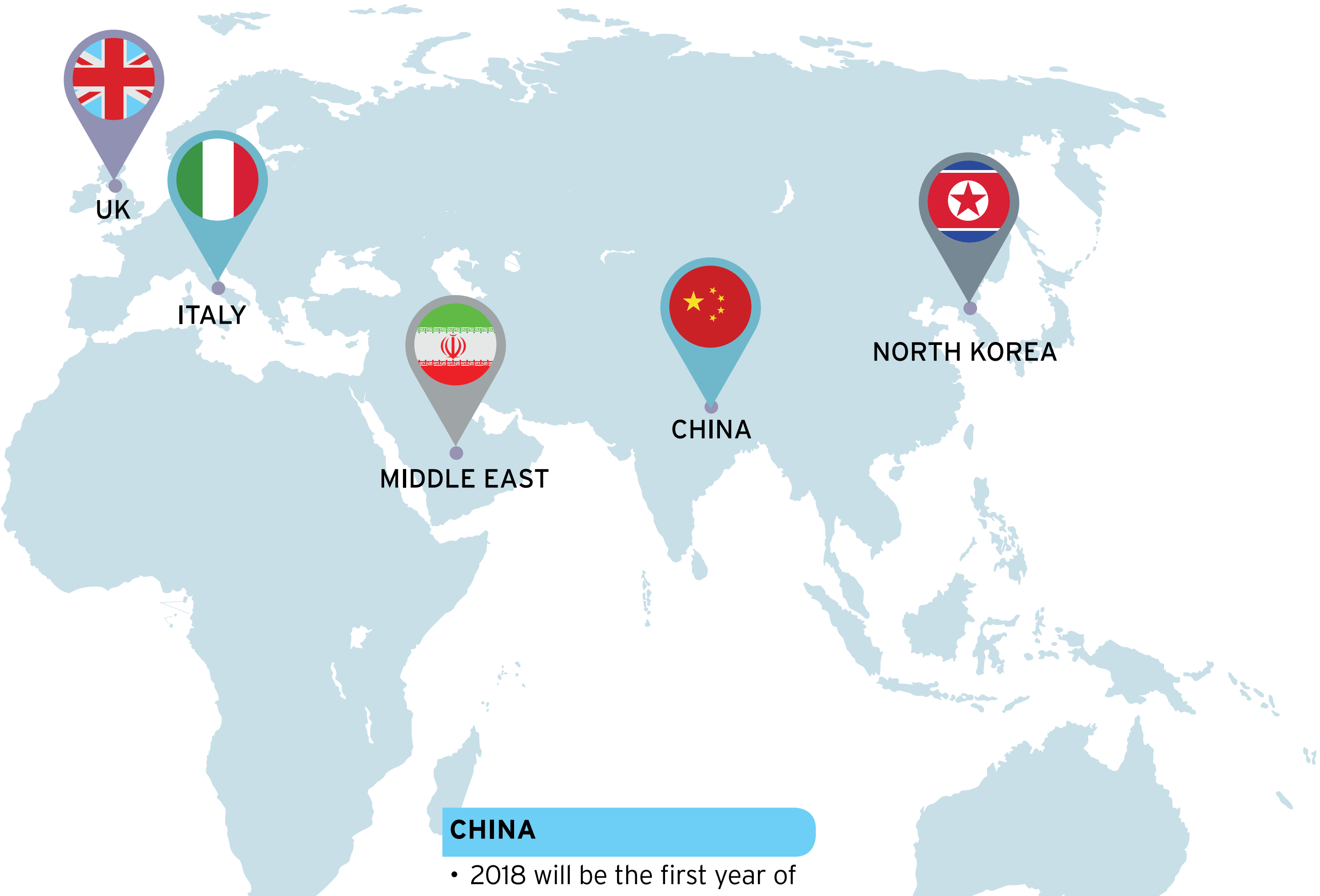
- The US is pursuing significant changes in its trade relations, including NAFTA and with China.
- While not their base case, Citi analysts think trade wars could be a major downside risk for global growth, with countries most affected being those most open and reliant on foreign capital flows as well as external demand such as China, Mexico and Canada.

UK

- The UK may hold an early election or could fail to agree a transition deal for the time when it exits the EU in Spring 2019.
- Citi analysts think signs of a harder Brexit are likely to be concentrated in the UK, hurting business sentiment and weakening the sterling further.

ITALY

- The Italian election in Spring 2018 could result in a euro-sceptical government or result in extended political instability.
- Citi analysts think a center-right victory looks increasingly likely in the 2018 general election, although alternative options featuring one or more populist parties in power are possible.



MIDDLE EAST

- Tensions in Syria, between Turkey and Iraq, Iran and Saudi Arabia, in Egypt, Yemen, or around Israel could escalate.
- Citi analysts believe that if the turmoil includes major oil producers, oil prices could spike. Otherwise, the geopolitical risk premium would rise further, but the initial effects may be fairly localized.

CHINA

- 2018 will be the first year of President Xi Jinping's second term and will also mark the 40th anniversary of China's "Reforms and Opening Up", potentially creating policy uncertainty in China.
- There may also be changes to China's monetary policy. While the current central bank governor may extend his term, he has grown increasingly hawkish. On the other hand, a new governor may bring about an unknown policy bias.

NORTH KOREA

- Geopolitical tensions in North Korea could escalate, including more aggressive missile tests and military confrontation.
- Citi analysts believe global risk aversion could likely rise, hurting financial market sentiment and the global investment climate – particularly if the US was involved and if tensions with China rose.

6 / RISKS REMAIN ELEVATED

While political risks exist in various countries, they are unlikely to cause a synchronized and sustained sell-off in the financial markets as long as a global recession is avoided. History shows that attractively priced equity and bond markets can outperform as long as the crisis is not systemic. See table. This suggests that investors can still reap benefits from regional diversification.

Performance of Equities in Regional Crisis Periods

Regional Crisis		Date	Worst Month Return in Region (%)	Return After One Year(%)
Asian Crisis 1997				
	Asia	Aug '97	-11.2	-28.3
	Global	Aug '97	**-7.0**	**15.0**
Latam Crisis 1998				
	Latam	Aug '98	-34.7	-35.1
	Global	Aug '98	**-14.0**	**22.0**
EU Crisis 2011-2013				
	Europe	May '12	-12.1	-10.5
	Global	May '12	**-8.9**	**-6.9**
Commodity Collapse 2015-date				
	Latam	May '16	-10.8	-30.8
	Global	May '16	**0.2**	**-1.8**

Large regional differences after one year

Source: Citi Research. As of 20 October 2017.

ECONOMIC GROWTH & INFLATION FORECASTS

	GDP			Inflation		
	2017F	2018F	2019F	2017F	2018F	2019F
Global	3.2%	3.4%	3.3%	2.4%	2.4%	2.4%
US	2.3%	2.7%	2.4%	1.7%	1.8%	2.0%
Europe	2.3%	2.4%	2.0%	1.5%	1.4%	1.5%
Japan	1.5%	1.5%	1.1%	0.4%	0.8%	0.9%
Latin America	1.8%	2.6%	2.7%	6.5%	5.6%	5.1%
Emerging Europe	3.9%	3.1%	3.0%	5.3%	4.6%	4.5%
Middle East & North Africa	1.1%	2.8%	2.9%	7.0%	4.6%	4.6%
Asia	6.1%	6.0%	6.0%	2.0%	2.5%	2.5%
China	6.8%	6.5%	6.4%	1.6%	2.1%	2.1%
Hong Kong	3.7%	3.0%	2.8%	1.5%	2.1%	2.0%
India	7.0%	7.6%	8.1%	3.3%	4.1%	4.1%
Malaysia	5.8%	5.4%	5.4%	4.0%	2.8%	2.6%
Philippines	6.8%	7.0%	7.0%	3.1%	3.6%	3.2%
Singapore	3.2%	3.3%	3.2%	0.6%	0.9%	1.5%
South Korea	3.1%	2.9%	2.7%	2.0%	1.9%	2.0%
Taiwan	2.6%	2.4%	2.2%	0.6%	1.3%	1.2%
Thailand	3.9%	3.8%	4.0%	0.7%	1.7%	2.1%
Vietnam	6.7%	6.8%	6.8%	3.5%	5.4%	4.7%

Source: Forecasts from Citi Research. As of 27 November 2017.

EXCHANGE RATE FORECASTS (VS. USD)

	1Q18	2Q18	3Q18	4Q18
Europe	1.21	1.23	1.24	1.24
Japan	112	111	111	110
UK	1.36	1.37	1.38	1.38
Australia	0.77	0.78	0.79	0.80
China	6.69	6.70	6.65	6.53
Hong Kong	7.81	7.82	7.83	7.82
India	65.8	65.6	65.5	65.6
Indonesia	13529	13379	13319	13360
Malaysia	4.08	4.06	4.03	3.98
Philippines	51.2	51.1	51.0	51.0
Singapore	1.33	1.32	1.31	1.30
South Korea	1111	1104	1100	1100
Taiwan	30.0	29.9	29.9	30.1
Thailand	32.8	32.9	33.0	33.2

Source: Forecasts from Citi Research. As of 27 November 2017.

INTEREST RATE FORECASTS

	Current	1Q18	2Q18	3Q18	4Q18
US	1.50%	1.75%	2.00%	2.25%	2.25%
Europe	0.00%	0.00%	0.00%	0.00%	0.00%
Japan	-0.10%	-0.10%	-0.10%	-0.10%	-0.10%
Australia	1.50%	1.50%	1.50%	1.50%	1.75%
UK	0.50%	0.50%	0.50%	0.75%	0.75%

Source: Forecasts from Citi Research. As of 27 November 2017. Current rates as of 15 December 2017.

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