

Morgan Stanley

NSE Investor Clinic

February 2012

Michael Anekwe, Head of Nigeria Coverage, Morgan Stanley Private Wealth Management

Topics to be covered

- Investing in a Bearish Market
 - Example Discretionary Portfolios
- Optimizing Asset Allocation

Session One

Investing in a Bearish Market

Morgan Stanley

Introduction

Stay the course, cautious for now

Market Outlook

Although most risky assets have gained ground over the past few months we remain cautious with our investment outlook. Economic data suggests Europe is already in recession and the US could head the same way within the next year. Despite challenges in the developed markets, we expect continued growth in emerging markets driven by domestic demand.

Developed market equities started 2012 strongly with investors reacting to positive news by adding risk to their portfolios aggressively. This positive sentiment could continue to drive equities higher but we are not at the start of a multi-year bull market yet. We believe it makes sense to have exposure to equities but investors should be ready to turn more bearish if risks to the rally increase.

Recent macroeconomic data suggests the US economy is continuing to improve slightly and that the risks of a recession owing to economic problems in other parts of the world have receded further. Europe's economy is likely to contract in 2012 owing to the deleveraging process in its banking system and further austerity measures throughout the region.

Introduction (cont'd)

Stay the course, cautious for now

Investment Opportunities

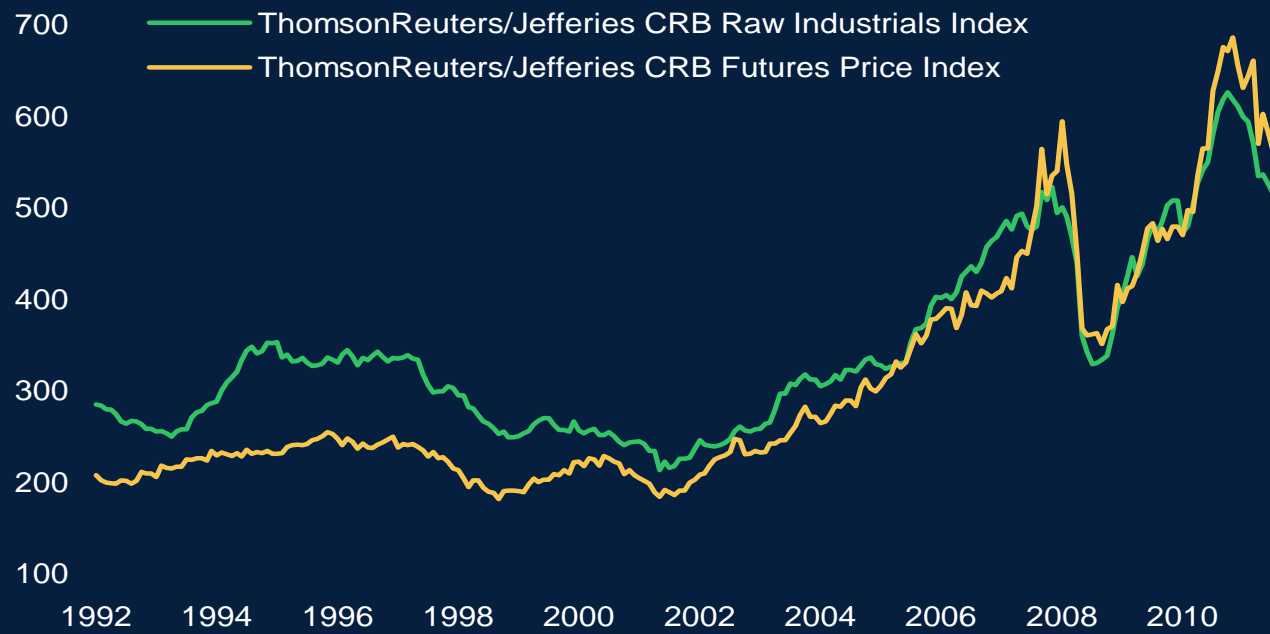
- Given current valuations we believe **investment grade credit** will outperform cash and government bonds in 2012
- A combination of tight fiscal and loose monetary policy is likely to keep the **euro under pressure**
- **Commodity-related currencies** are best placed to benefit from the pro-growth policies in China and the US
- We continue to **overweight global macro strategies** because owing to the uncertain outlook for the global economy
- With interest rates at low levels around the world, we favour stocks of companies with both large share buybacks and **high dividend yields**

Introduction (cont'd)

Stay the course, cautious for now

Commodities and Inflation

Inflation is less of a concern with commodity prices falling



Asset Class Level

Catalysts

Bearish Factors

- Progress on Eurozone integration is too slow
- Deleveraging is disorderly
- Fiscal tightening slows US growth
- EM impaired by deleveraging
- China policy constraint

Bullish Factors

- ECB more aggressive at supporting sovereigns and banks
 - Coordinated global monetary policy
 - Increased stimulus and long- term budget cuts in US

Source: Source: Morgan Stanley Research

Asset Class Level (cont'd)

Our Current Asset Allocation

Safe havens would have less vulnerability in the likely challenging economic period ahead. At a high level, our asset allocation models **overweight global cash, market-weight global bonds and alternative/absolute return investments, and underweight global equities.**

Source: Global Investment Committee, Morgan Stanley Smith Barney

Asset Class Level (cont'd)

Global Investment Committee

Overweights

- **Short Duration:** given risk of recession, we favour this safe-haven asset class
- **Investment-Grade Corporates:** these offer relative safety and quality; above average yield spreads vs. Treasuries
- **U.S. Equities:** favour large-cap stocks and growth stocks
- **Emerging Markets Equities:** favourable fundamental factors, government balance sheets and policy support
- **Managed Futures:** perform well during extended periods of adverse equity market conditions

Underweights

- **Government Bonds:** historical low yields and elevated perceived risks of default
- **High Yield Bonds:** yield spreads likely to widen in recessionary environments
- **Developed Market ex US Equities:** underweight Europe and Japan; market-weight Canada and Asia Pacific
- **REITs:** due to lack of relative-valuation advantage and a recessionary backdrop
- **Commodities:** demand will be negatively affected in a recessionary environment
- **Inflation-Linked Securities:** see better valuation elsewhere as peak in inflation expectations has likely passed

Source: Global Investment Committee, Morgan Stanley Smith Barney

Investment Ideas for 2012

Maintain our current defensive positioning

Long APxJ Over DM Equities

Similar PE to DM, but a higher ROE.
Face less of a European deleveraging drag than CEE and LatAm.

Long 'Global Gorillas'

Capture growth from large DM companies with outsized EM exposures.

Long Short-Duration Bonds

Favourable yields relative to cash.
Reduces volatility in diversified portfolios during turbulent periods.

Invest in Water

Declining supply and rising demand.
Economic constraint due to freshwater scarcity, most acute in Africa and western Asia.

Long USD, JPY / Short EUR

US\$ and JP¥ should show strength on slower global growth and deleveraging stress.
Bearish EUR outlook on more dovish ECB.

Long 'Dividend Aristocrats'

High-quality dividend paying stocks should outperform in 2012.
These tend to generate higher returns.

Long Investment Grade Credit

Better withstand slowdown in economic growth due to stronger balance sheets.
Historically wide yield advantage.

Long Managed Futures

Low correlations of returns with stocks, bonds, and other alternative asset classes.
Performed well during adverse equity markets.

Long Real Rates

Inflation expectations should rise on back of QE3.
Real rates likely to fall more in the back end.

Short Commodities

Slowing global growth will weigh on industrial metals, whereas increased supply and falling demand will weigh on oil.

Source: Global Investment Committee, Morgan Stanley Smith Barney; Morgan Stanley Research

Investment Ideas for 2012 (cont'd)

Maintain our current defensive positioning

Tactical Asset Class Views

Asset Class View (3–6 Months View)

	-								+
JPY									
USD									
Gold									
US Credit									
Europe Credit									
EM Equities									
German Bunds									
EM rates									
EM Currencies									
US Treasuries									
Europe Equities									
EM Credit									
Oil									
Commodities									
US Equities									
Japan Equities									
EUR									
GBP									

STEP US Dividend Portfolio

Portfolio Characteristics

- **Objective:** Aim for long term capital appreciation through a portfolio of high quality US equities with above average yield. Seek to outperform the S&P 500 Index on a total and risk adjusted basis over a 12-month time horizon.
- **Benchmark:** S&P 500 Index
- **Holdings:** Max 20
- **Tracking Error:** 5.2%*
- **Annual Turnover:** expected range 30–50% (2011: 48%)
- **Standard Deviation:**
Portfolio: 15.6%; Benchmark: 18.7%*
- **Example Holdings**
 - Microsoft
 - Chevron
 - General Electric
 - McDonalds
 - Pfizer

Key Features

- Investment in high quality US equities with above average yield
- The **current average 3.4% yield** is 54% above the S&P 500 yield of 2.2%*
- Relative **outperformance in 2011 of 4.4%** (net of fees) with lower volatility
- The strategy may benefit from increased demand for high yielding equities as populations age and fixed income yields remain near to historic lows

Source: Morgan Stanley, as of 31 December 2011 *3 year rolling statistics as of 31 December 2011 *As of 31 December 2011. This information does not constitute an offer, solution or recommendation for the purchase or sale of securities or other financial instruments, nor does the information constitute advice or an expression of our view as to whether a particular security or financial instrument is appropriate. Past performance is no guide to future performance and the value of investments and income from them can fall as well as rise. Clients of PWM and Global Investment Solutions only have a relationship with Morgan Stanley Private Wealth Management Limited. The investment managers to this portfolio will be the London based GIS managers, Chris Wood and Wouter Volckaert

STEP US Dividend Portfolio (cont'd)

Process

The Strategic Equity Portfolio Team starts with three primary “hard and fast” criteria:

- **Overweight and Equal-weight rated stocks** by Morgan Stanley & Co. Inc’s North American Research team
- A **minimum dividend yield** equal to the lesser of the S&P 500 Index average dividend yield or the stock’s average Sector yield
- **S&P Investment grade credit rating of “A”** or better for the portfolio, with a maximum of 10% of the portfolio below investment grade

In addition, other key metrics are considered such as dividend history, free cash flow and EPS (Earnings Per Share) growth, ROE (Return on Equity), stable financial leverage, operating efficiency and the company’s overall ability to grow the dividend over time. The team then monitors the STEP model portfolios on an ongoing basis

“Triple Screen”

Analyst Level

- Close Interaction with industry analysts
- 750+ equities under coverage
- High correlation with Analysts Top Picks



Strategy Level

- Directional consistency with strategy / macro themes and sector preferences
- Use quantitative screens and MS & Co.’s Modelware
- Technical analysis



Step Team

- Final decision making responsibility
- Real-World analysis (with MS & Co.’s perspective)

Source: Morgan Stanley, as of 31 December 2011 *3 year rolling statistics as of 31 December 2011 *As of 31 December 2011. This information does not constitute an offer, solution or recommendation for the purchase or sale of securities or other financial instruments, nor does the information constitute advice or an expression of our view as to whether a particular security or financial instrument is appropriate. Past performance is no guide to future performance and the value of investments and income from them can fall as well as rise. Clients of PWM and Global Investment Solutions only have a relationship with Morgan Stanley Private Wealth Management Limited. The investment managers to this portfolio will be the London based GIS managers, Chris Wood and Wouter Volckaert

STEP US Dividend Portfolio (cont'd)

Performance

	2011	2010	2009	2008	2007	2006	2005*	S.I (Ann.)	S.I (Cum.)
Portfolio (Net)	6.5%	12.5%	18.4%	-33.1%	10.4%	20.5%	1.1%	3.9%	27.7%
Benchmark	2.1%	15.1%	26.5%	-37.0%	5.5%	15.8%	3.3%	2.6%	18.1%
<i>Relative</i>	4.4%	-2.6%	-8.0%	3.9%	4.9%	4.7%	-2.2%	1.2%	9.6%

Inception: 11 July 2005
Index: S&P 500 Index in USD

Source: Morgan Stanley, as of 31 December 2011 *3 year rolling statistics as of 31 December 2011 *As of 31 December 2011. This information does not constitute an offer, solution or recommendation for the purchase or sale of securities or other financial instruments, nor does the information constitute advice or an expression of our view as to whether a particular security or financial instrument is appropriate. Past performance is no guide to future performance and the value of investments and income from them can fall as well as rise. Clients of PWM and Global Investment Solutions only have a relationship with Morgan Stanley Private Wealth Management Limited. The investment managers to this portfolio will be the London based GIS managers, Chris Wood and Wouter Volckaert

GIS Fixed Income Portfolios

Investment Philosophy and Approach

Each fixed income portfolio is a bespoke creation, tailored to suit each clients preferences and circumstances. Nonetheless the investment process remains the same, with a focus on generating alpha whilst maintaining **disciplined risk management**.

The investment managers seek to **maximise performance through taking positions** that play their views across a **variety of sources**, including:

interest rate/credit carry/duration/swap spreads/curve shape

To **capture alpha** through disciplined **fundamental analysis on credit names**, the team:

- Analyse company and peer group balance sheets
- Evaluate a range of internal and external research
- Discuss companies with rating agencies, trading desks and the internal equity team

Each portfolio is professionally tailored to meet a variety of client specific considerations, including

- Return / Yield targets
- Fund inclusion guidelines
- Exposure to Emerging Markets
- Allocation to High Yield
- Duration targets
- Credit rating limits
- Strategic asset allocation
- Issuer concentration
- Sector restrictions
- Currency & Hedging

GIS Fixed Income Portfolios (cont'd)

Performance

As each portfolio is bespoke, the strategy performance composites are shown below for reference, which provide an indication of the investment ability of **Marco Antonioli** (highlighted in blue), who has been managing these strategies since 2009.

Total Return Strategy €

	YTD	2011	2010	2009	2008	2007*	2006	2005	S.I (Ann.)	S.I (Cum.)
Portfolio	2.2%	0.7%	1.4%	7.3%	-2.4%	0.4%			1.8%	7.4%
Benchmark	0.2%	1.8%	0.6%	1.3%	4.5%	0.3%			2.1%	8.7%
Relative	2.0%	-1.1%	0.8%	6.1%	-6.9%	0.1%			-0.3%	-1.3%

*Inception: 30 November 2007
Index: ML Euro Government Bonds

Corporate Bond €

	YTD	2011	2010	2009	2008	2007	2006	2005	S.I (Ann.)	S.I (Cum.)
Portfolio	2.9%	0.2%	7.0%	22.7%	-19.1%	-4.9%	2.5%	1.7%	2.0%	20.5%
Benchmark	2.6%	1.9%	4.8%	14.6%	3.2%	0.3%	1.0%	2.9%	4.2%	48.1%
Relative	0.3%	-1.7%	2.2%	8.1%	-15.9%	-5.4%	1.4%	-1.2%	-2.2%	-27.7%

*Inception: 30 June 2002
Index: ML EMU Corporate 1-10 Yr

YTD data until 31 January 2012. Past performance is no guide to future performance and the value of investments and income from them can fall as well as rise. Allocations mentioned are for illustrative purposes only and does not necessarily represent the current portfolio. The allocation is subject to change without notice.

The 'Onyx' Strategy (New for 2012)

Strategy Characteristics

- Specifically selected 9 leading indicators believed to collectively provide the greater predictability in forecasting the direction of equity market movements
- 5 economic and 4 market indicators, undergo monthly dynamic analysis
- Sophisticated qualitative indicator assessments combined with rigorous proprietary quantitative modelling
- Offers combination of long-term equity growth with protective management to mitigate downside
- High accuracy of downside protection during back-testing
- Tested by specialists from London School of Economics

The 'Onyx' Strategy (New for 2012) (cont'd)

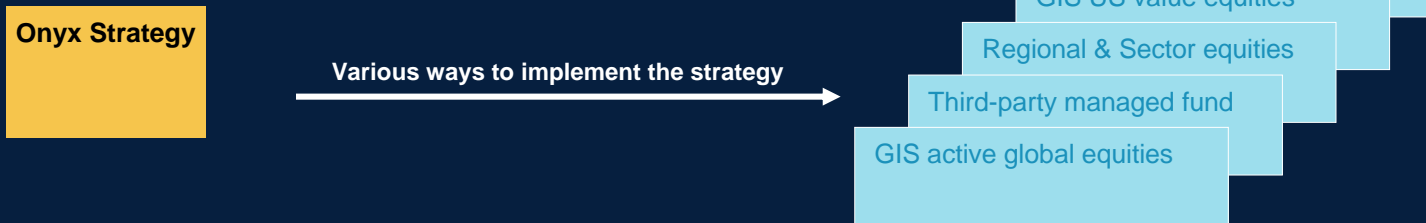
Objective

Aims for capital appreciation during rising equity market and capital protection during falling equity market

The Onyx strategy aggressively tactically allocates between cash and equities according to the outcome of specially selected leading indicators

Principles and Methodology

- The **major driver of equity market returns** is the corporate earnings cycle, which is heavily influenced by the global economic cycle
- We analysed 32 leading indicators against global equity market returns, from which we **identified 9 indicators**
- The strategy provides a **forecast in the last week of the month for equity market returns** in the following month. A negative strategy result implies “hold cash”, a positive strategy result implies “hold equities”



Source: Morgan Stanley Private Wealth Management

The allocation above is for illustrative purposes only and does not necessarily represent the current portfolio. The allocation is subject to change without notice. The information above does not constitute an offer, solicitation or recommendation for the purchase or sale of securities or other financial instruments nor does the information constitute advice or an expression of our view as to whether a particular security or financial instrument is appropriate. Past performance is no guide to future performance and the value of investments and income from them can fall as well as rise.

Session Two

Optimizing Asset Allocation

Morgan Stanley

Asset Class Performance

The Case for Diversification

The performance of each asset class varies according to a number of factors ranging from central bank policy, to investor sentiment. An asset class when held alone, can potentially create a very volatile portfolio.

By combining a financial security with other financial instruments that do not perform in exactly the same way (have a correlation of less than one), investors can seek to reduce the risk associated with a given return.

Source: Global Investment Solutions, Bloomberg

Notes

1. Commodities: DJ UBS Commodities Index
2. Real Estate: GPR 250 Property Index
3. Bonds: JP Morgan 1-10 Global Government Bond Index
4. Hedge Funds: HFRI Fund of Funds Index
5. Equities: MSCI World Index

Asset Class Performance (cont'd)

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
6% Bonds	26% Commodities	31% Real Estate	33% Real Estate	22% Real Estate	37% Real Estate	16% Commodities	9% Bonds	29% Real Estate	19% Real Estate	6% Bonds
4% Real Estate	9% Bonds	25% Equities	11% Equities	21% Commodities	16% Equities	10% Hedge Funds	-20% Hedge Funds	26% Equities	17% Commodities	-5% Hedge Funds
3% Hedge Funds	1% Real Estate	24% Commodities	9% Commodities	16% Equities	10% Hedge Funds	5% Equities	-36% Commodities	19% Commodities	10% Equities	-6% Equities
-14% Equities	1% Hedge Funds	12% Hedge Funds	6% Hedge Funds	8% Hedge Funds	2% Commodities	3% Bonds	-39% Equities	12% Hedge Funds	6% Hedge Funds	-7% Real Estate
-20% Commodities	-24% Equities	4% Bonds	6% Bonds	4% Bonds	1% Bonds	-12% Real Estate	-45% Real Estate	5.9% Bonds	5.2% Bonds	-12% Commodities

Source: Global Investment Solutions, Bloomberg

Notes

1. Commodities: DJ UBS Commodities Index
2. Real Estate: GPR 250 Property Index
3. Bonds: JP Morgan 1-10 Global Government Bond Index
4. Hedge Funds: HFRI Fund of Funds Index
5. Equities: MSCI World Index

Asset Class Performance (cont'd)

Diversification

Managing risk is at the heart of the multi asset class portfolio construction process within GIS.

Each portfolio is diversified across

- Asset class
- Region
- Sector
- Investment managers (through internal asset class specialists and best in class external funds)

Global Investment Solutions (GIS) is the investment management arm of Morgan Stanley Smith Barney (MSSB) Consulting Group. GIS provides best in class actively managed solutions with strong performance.

Source: Global Investment Solutions, Bloomberg

Notes

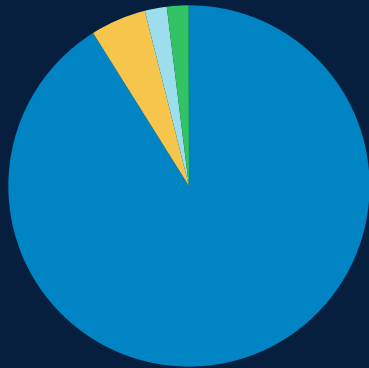
1. Commodities: DJ UBS Commodities Index
2. Real Estate: GPR 250 Property Index
3. Bonds: JP Morgan 1-10 Global Government Bond Index
4. Hedge Funds: HFRI Fund of Funds Index
5. Equities: MSCI World Index

Long Term Asset Allocation

Strategic Asset Allocation (SAA)

Strategic Asset Allocation is the process of identifying the **optimal mix** of broad asset classes to suit the client's **long-term investment objectives**

Variation of Portfolio Returns by Factor



Asset Allocation	91%
Security Selection	5%
Market Timing	2%
Other Factors	2%

Source: Brinson, Beebower and Hood – Determinants of Portfolio Performance, FAJ 1995

Long Term Asset Allocation (cont'd)

Strategic Asset Allocation

- In a multi-asset class portfolio, **91% of the variation is due to the asset allocation**
- Strategic asset allocation is therefore an essential part of the investment process. At Morgan Stanley, we devote significant resources towards establishing, and continually revising our strategic asset allocation process

Source: Brinson, Beebower and Hood – Determinants of Portfolio Performance, FAJ 1995

The Efficient Frontier

Diversification

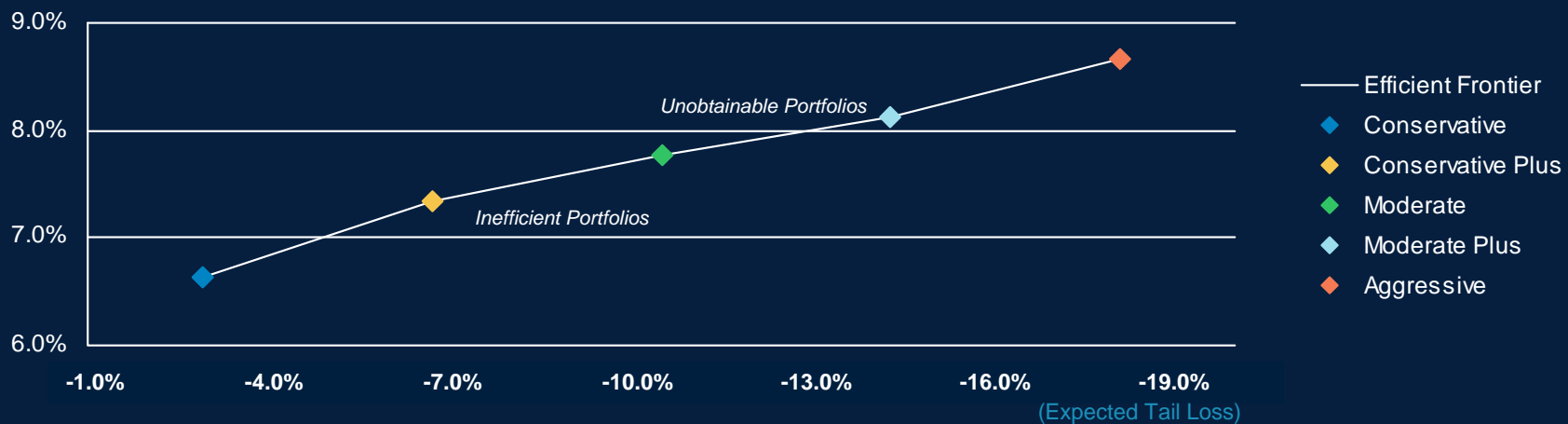
The efficient frontier is **the collection of asset allocations that offer the highest possible return for each level of risk.**

The closer a portfolio lies to the efficient frontier, the better optimized it is given the level of risk.

We offer a range of portfolios (represented by diamond shapes on the graph) to suit different investor risk appetites

The Efficient Frontier with Multi Asset Class Portfolios

(Expected Mean Returns)



Source: Morgan Stanley PWM

All data for illustrative purposes only. Past performance is no guide to future performance and the value of investments and income from them can fall as well as rise. Allocations mentioned are for illustrative purposes only and do not necessarily represent your current portfolio or our current views. Allocations are subject to change without notice. The modeling does not, and cannot, provide a projection of future returns which are of course unknown. However, we believe it provides a valuable basis for constructing a strategic allocation.

MSSB Strategic Asset Allocation Modelling

The Proprietary MSSB Strategic Asset Allocation System

- Provides the **optimal investment allocation** over the long run
- Uses a ‘building block’ approach to estimated asset class returns, for example real cash rates are primarily determined by three components:
 - I. Productivity growth
 - II. Labour-force growth
 - III. Long-term inflation
- Has been reviewed by academics from the Financial Markets Group of the London School of Economics, and deemed **“robust, coherent and intuitive”**
- Contains a number of innovations on Markowitz portfolio theory, for example the model **reflects non normal return distributions**, meaning that it accounts for the reality that tail events (e.g. a 20%+ fall in the equity market in a month) occur once in every 13 years, not once in 540 years

Source: Morgan Stanley Smith Barney, Morgan Stanley Research

For further details on the SAA tool please contact your investment advisor.

All data for illustrative purposes only. Past performance is no guide to future performance and the value of investments and income from them can fall as well as rise. Allocations mentioned are for illustrative purposes only and do not necessarily represent your current portfolio or our current views.

Allocations are subject to change without notice. The modeling does not, and cannot, provide a projection of future returns which are of course unknown. However, we believe it provides a valuable basis for constructing a strategic allocation.

Figures shown are gross figures of fees and taxes

MSSB Tactical Asset Allocation

Capitalise on short-term market opportunities and manage short term risks.

The MSSB **Global Investment Committee (GIC)** meets regularly to **survey the economic landscape** to update their base-case outlook, **discuss the bullish and bearish scenarios** thereof and to develop a **tactical investment strategy to capitalize on short-term opportunities**.



Moderate Multi-Asset Class Portfolio

Example As at 31 January 2011

Four Layers of Alpha Capture

I. Strategic Asset Allocation

To maximise long run risk adjusted returns

II. Tactical Asset Allocation

Seize near term opportunities as they present themselves

III. Implementation

Select the most compelling investment mechanism (e.g. the GIC is overweight high yield, in GIS this is implemented through a US high yield fund, given the strength of US company balance sheets)

IV. Portfolio Management

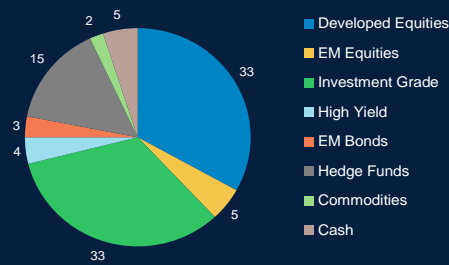
Active management of the segregated component combined with selecting satellites to maximise returns

Moderate Multi-Asset Class Portfolio (cont'd)

Example As at 31 January 2011

Strategic Asset Allocation Benchmark

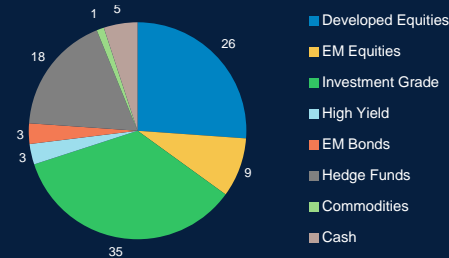
Composition by asset class (%)



Source: Morgan Stanley Private Wealth Management

Strategic Asset Allocation Benchmark

Composition by asset class (%)



Source: Morgan Stanley Private Wealth Management

Implementation

Investments in the multi-asset class portfolio (%)

	Investment Vehicle	Weights
Equity 35.0		
Segregated Equity	In-house managed	13.0
Aberdeen Global – World Equity	Third-party active	5.0
Morgan Stanley Global Brands	Third-party active	4.0
Overstone Global Equities	Third-party active	3.0
Capital Allocation Model	In-house managed	3.5
Aberdeen Global EM	Third-party passive	1.5
DB Emerging Mkts	Third-party passive	2.5
Global Emerging Opportunities	In-house managed	2.5
Fixed Income 41.0		
Segregated Bonds	In-house managed	20.0
Corporate Bonds	In-house managed	7.0
Bluebay Inv Grade Funds	Third-party active	4.0
Neuberger High Yield Fund	Third-party active	3.0
Total Return Bonds	In-house managed	4.0
Pictet EM Debt Funds	Third-party active	3.0
Hedge Funds 18.0		
Lyxor Focus	Third-party active	4.6
Bluecrest All Blue	Third-party active	5.0
ACL Fund	Third-party active	2.3
Brevar Howard Global	Third-party active	3.6
Brevar Howard Macro	Third-party active	1.5
DB Systematic Alpha Fund	Third-party active	1.0
Commodities 1.0		
Cash 5.0		
Total		100.0

Note: The data are for illustrative purposes only. Past performance is no guide to future performance and the value of investments and income from them can fall as well as rise. The allocation above is for illustrative purposes only and does not necessarily represent the current portfolio. The information above does not constitute an offer, solicitation or recommendation for the purchase or sale of securities or other financial instruments nor does the information constitute advice or an expression of our view as to whether a particular security or financial instrument is appropriate.

Global Investment Committee Asset Class Barometer

Key GIC Investment Views

Investment grade corporate bonds

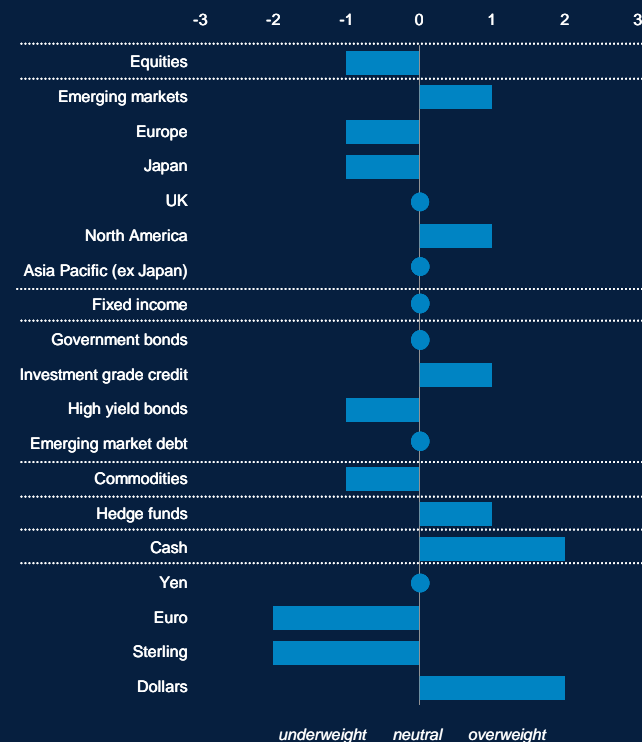
- These bonds add yield to the portfolio but at the same time offer relative safety and quality. In the US, yield spreads versus Treasuries are above average

Emerging market equity

- Fundamental factors such as economic and earnings growth, government balance sheets and indebtedness remain relatively favourable. Policymakers' focus is shifting away from containing inflation and toward supporting growth, and there is more scope for policy support than in the developed economies.

US equities

- We have a defensive stance that favours large-cap stocks at the capitalization level and growth stocks at the style level. Relative-valuation readings also support this positioning



Source: Morgan Stanley

Notes:

1. Currency positions in individual portfolios may vary depending on base currency

This information is for illustrative purposes only. Past performance is no guide to future performance and the value of investments and income from them can fall as well as rise. Allocation above is for illustrative purposes only and does not necessarily represent the current portfolio. Allocation is subject to change without notice.

Important Information

This presentation was prepared by Morgan Stanley Private Wealth Management Limited, authorised and regulated in the United Kingdom by the Financial Services Authority. This presentation is a marketing communication. It does not constitute investment research and is not a product of Morgan Stanley and /or its affiliates' Research Department(s) and you should not regard it as a research report. This presentation has been prepared solely for informational purposes and is not an offer to buy or sell any financial instrument or participate in any trading strategy.

Past performance is no guide to future performance and the value of investments and income from them can fall as well as rise. You should note that high performance targets can only be achieved through accepting higher risk to the portfolio. Where included, benchmark and index data included in this document are provided for illustrative purposes only. The portfolio and / or services mentioned do not formally track any such benchmarks or indices and no representation is made as to relative future performance or tracking deviation. You should note that investing in financial instruments carries with it the possibility of losses and that a focus on above market returns exposes the portfolio to above average risk. Performance aspirations are not guaranteed and are subject to market conditions. High yield investments can produce income at the expense of capital growth or the capital value of the investment. High volatility investments may be subject to sudden and large falls in value, and there could be a large loss on realisation which could be equal to the amount invested. The investments discussed in this report may not be suitable for all investors. In some circumstances it may be difficult for the investor to sell or realise such investments or obtain reliable information about their value. Where an investment is denominated in a currency other than the investor's currency, changes in rates of exchange may have an adverse effect on the value, price of, or income derived from the investment. This presentation should not be construed as legal, tax or accounting advice. Morgan Stanley Private Wealth Management Limited does not provide legal, tax or accounting advice – investors should consult their own tax advisers for guidance on such matters. The bases and levels of taxation can change, and are subject to individual client's circumstances. Terms and definitions in this presentation will be explained by your Investment Advisor. Should you wish to receive further explanation or clarification on any of the content of this presentation please do not hesitate to ask your Investment Advisor.

Morgan Stanley Private Wealth Management Limited and/or its affiliates and employees have or may have a long or short position or holding in the securities, options on securities, or other related investments of issuers mentioned herein and may be providing or may have provided significant advice or investment services, including investment banking services, for any company mentioned in this report.