China in 2020

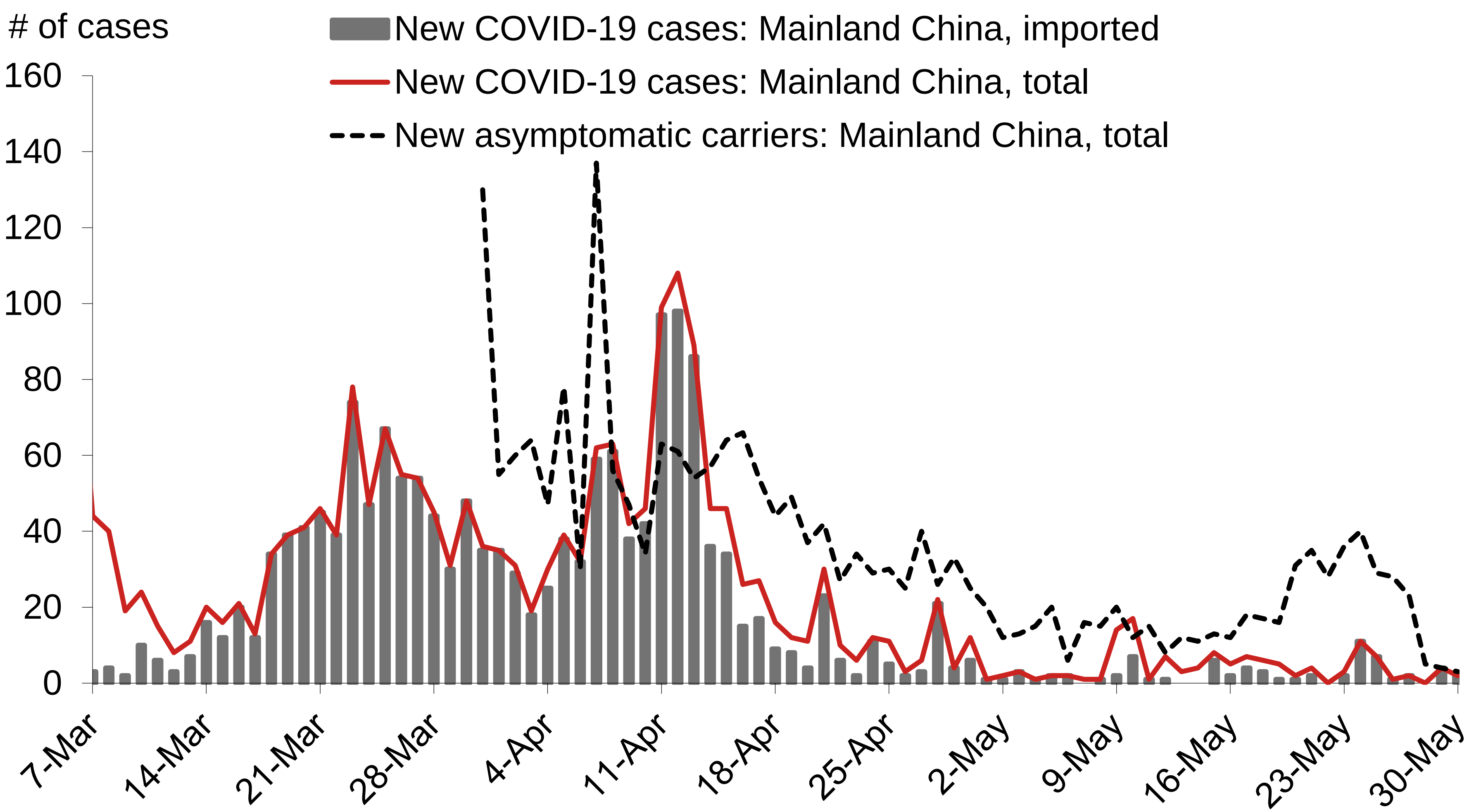
Ting Lu
Chief China Economist
+852 2252 1306
ting.lu@nomura.com

June 2020

Table of contents

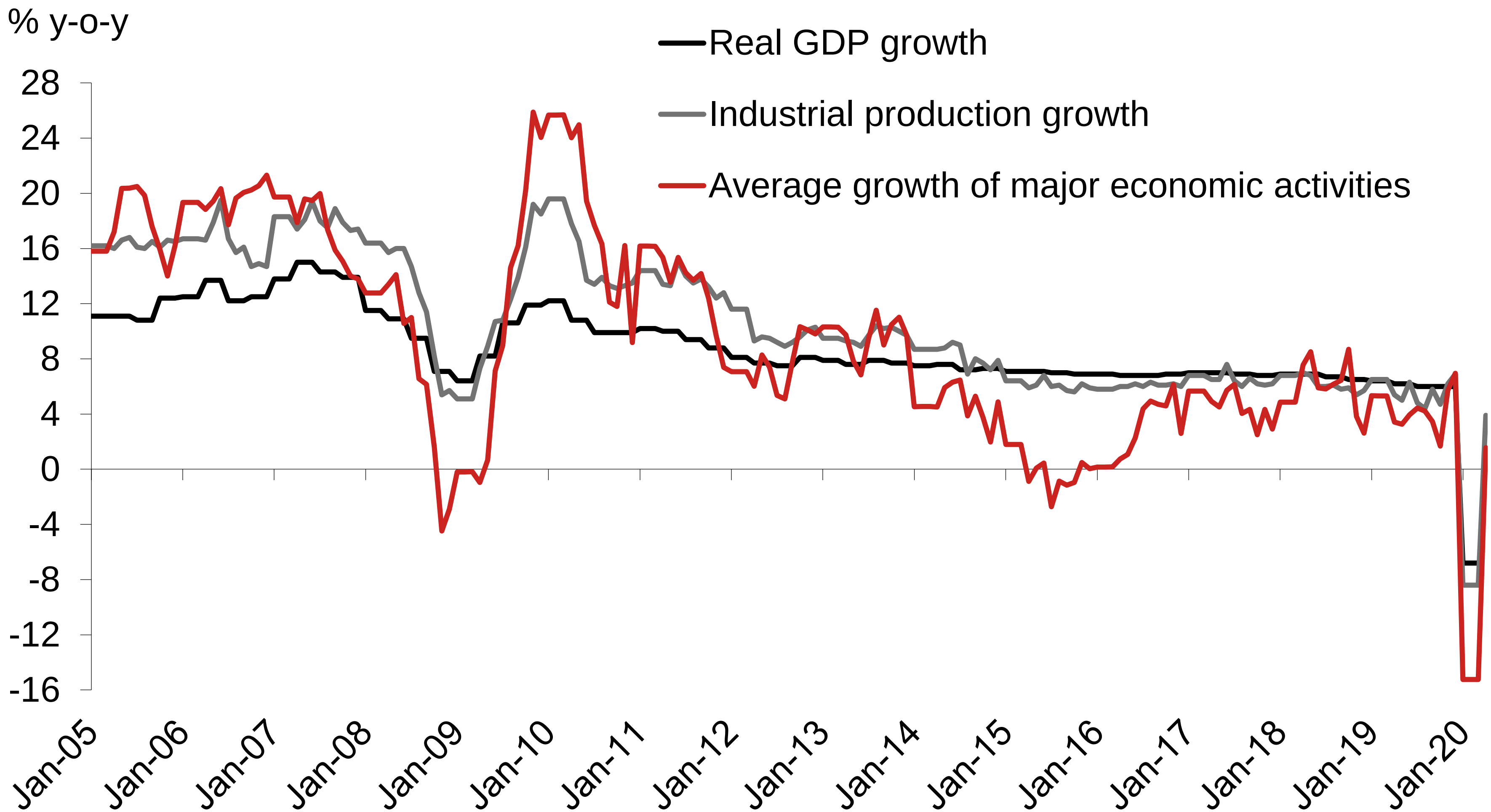
- ❑ The Chinese economy is surely recovering, with mixed performance for different sectors.
- ❑ Beijing’s policy package: Light on financial relief, heavy on infrastructure, and restraint on property.
- ❑ Strong headwinds are still there, big uncertainties still remain, and some new risks are on the rise.

COVID-19 largely under control in China



Source: WIND and Nomura Global Economics.

China's growth may be more volatile than official data suggest

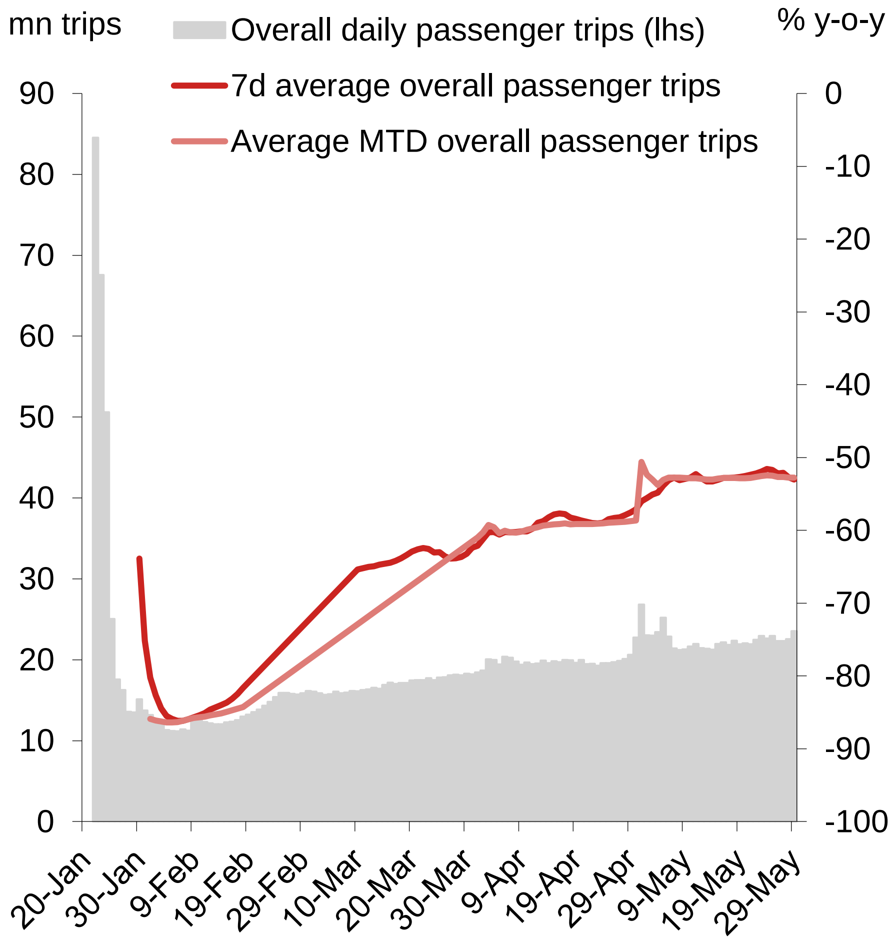


Note: "Average growth of major economic activities" refers to the average growth of steel product, cement, electricity and auto production, volume of freight, and real export, with time-varying weightings based on changes in the economic structure.

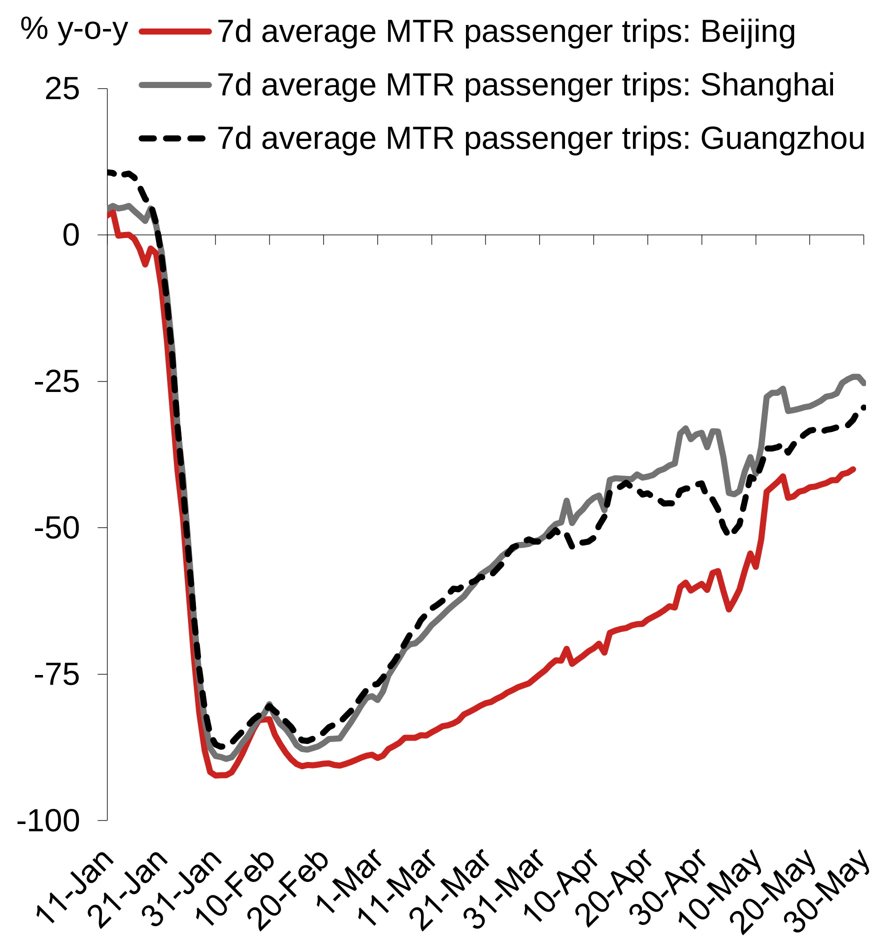
Source: WIND and Nomura Global Economics.

Slow recovery in passenger travel

Overall passenger trips nationwide



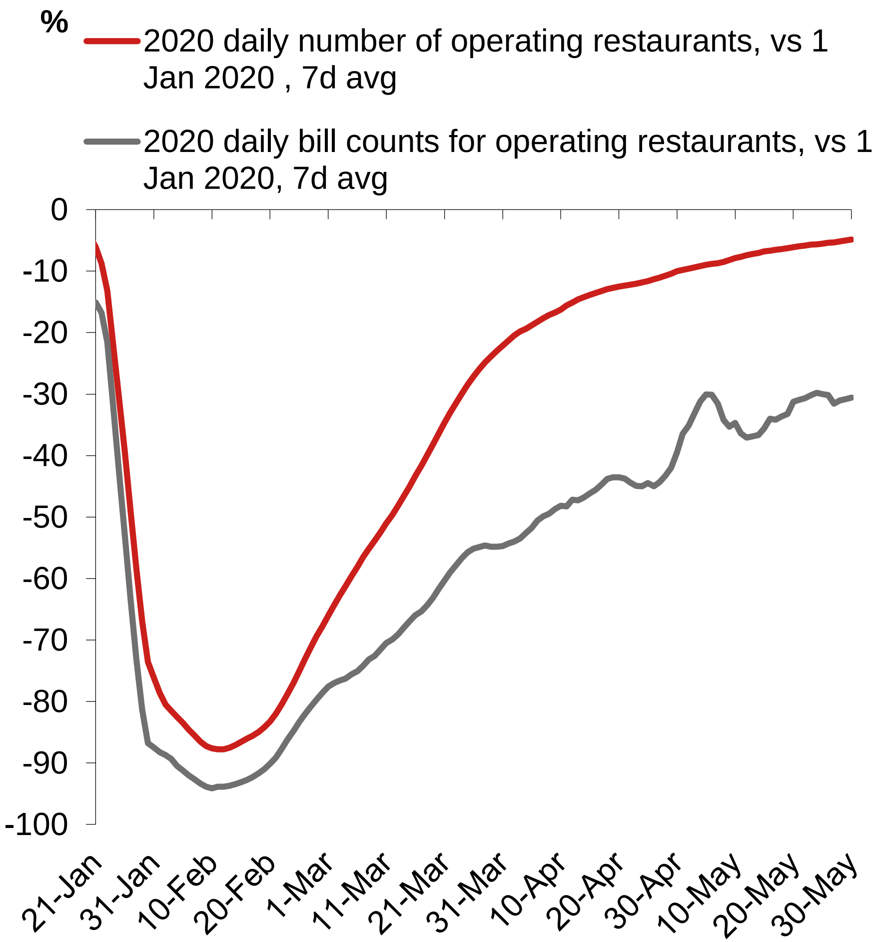
Passenger trips on MTR Lines in big cities



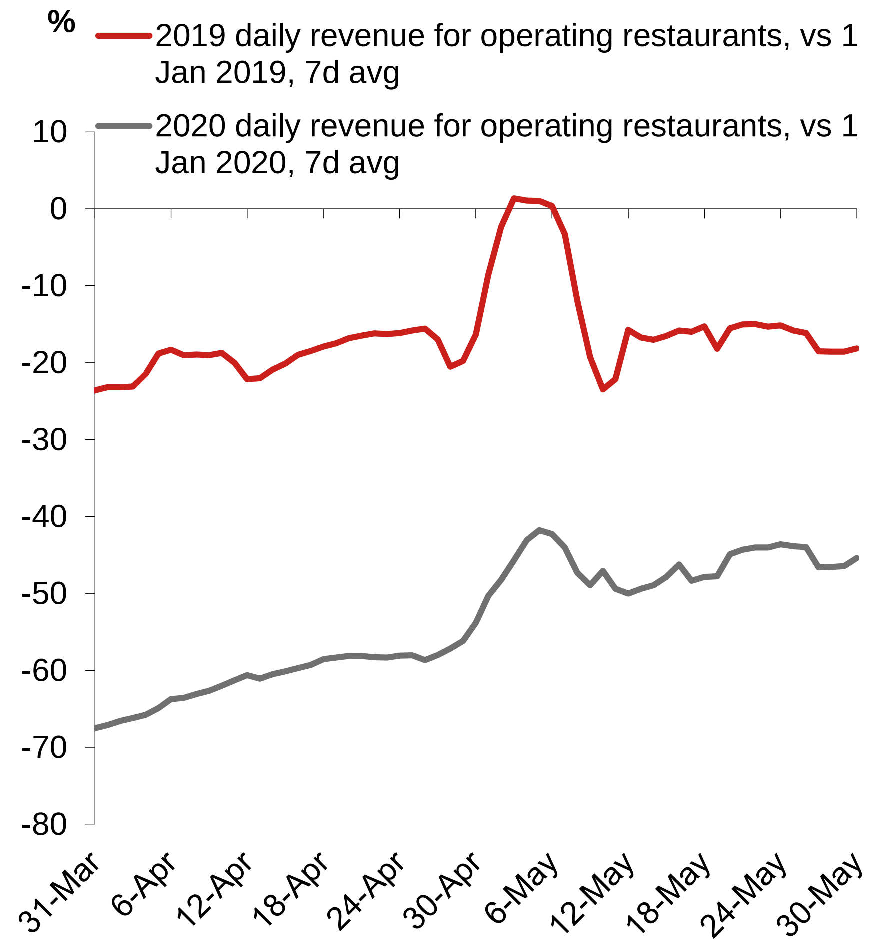
Source: Local metro authorities, Ministry of Transport, WIND and Nomura Global Economics.

Catering: Recovery constrained by social distancing

The number of surveyed operating restaurants



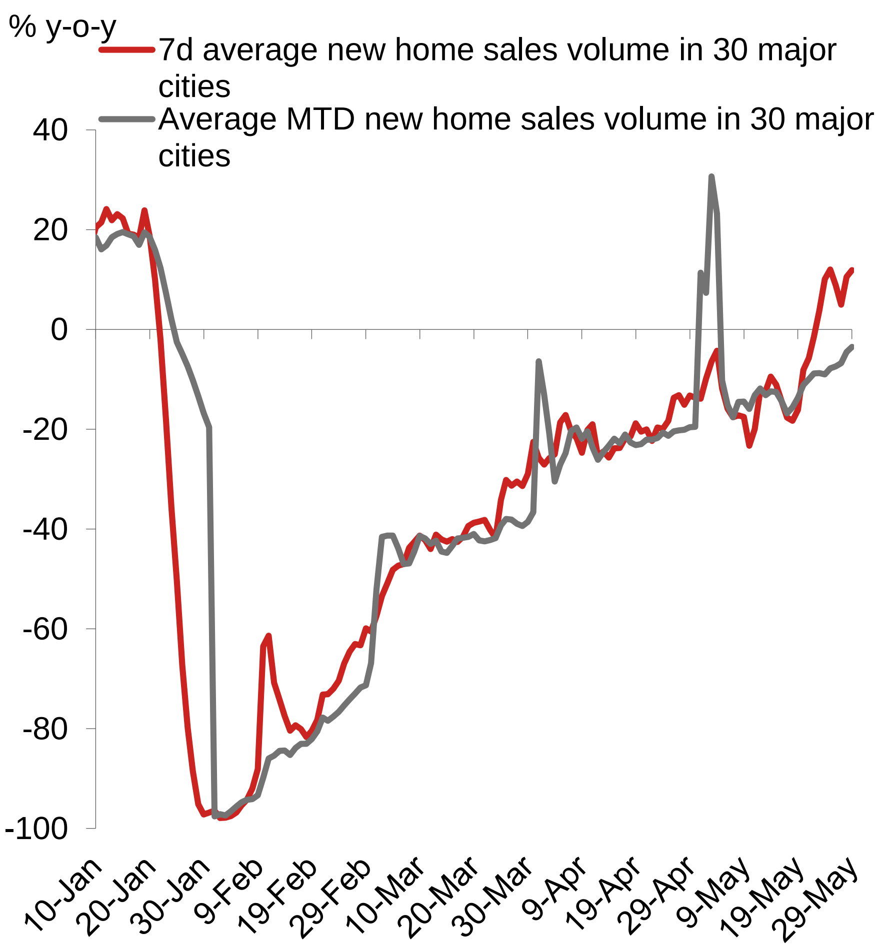
Revenue for surveyed operating restaurants



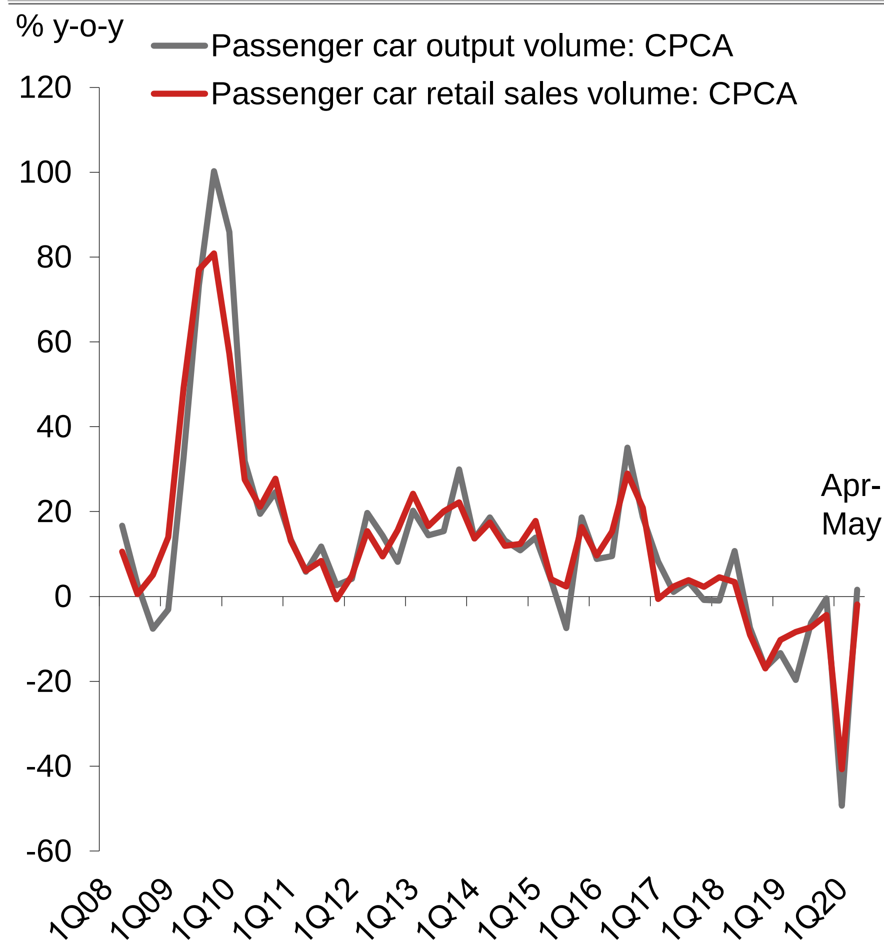
Source: Duolaidian, WIND and Nomura Global Economics.

Property sector recovery is still weak

New home sales volume in 30 major cities



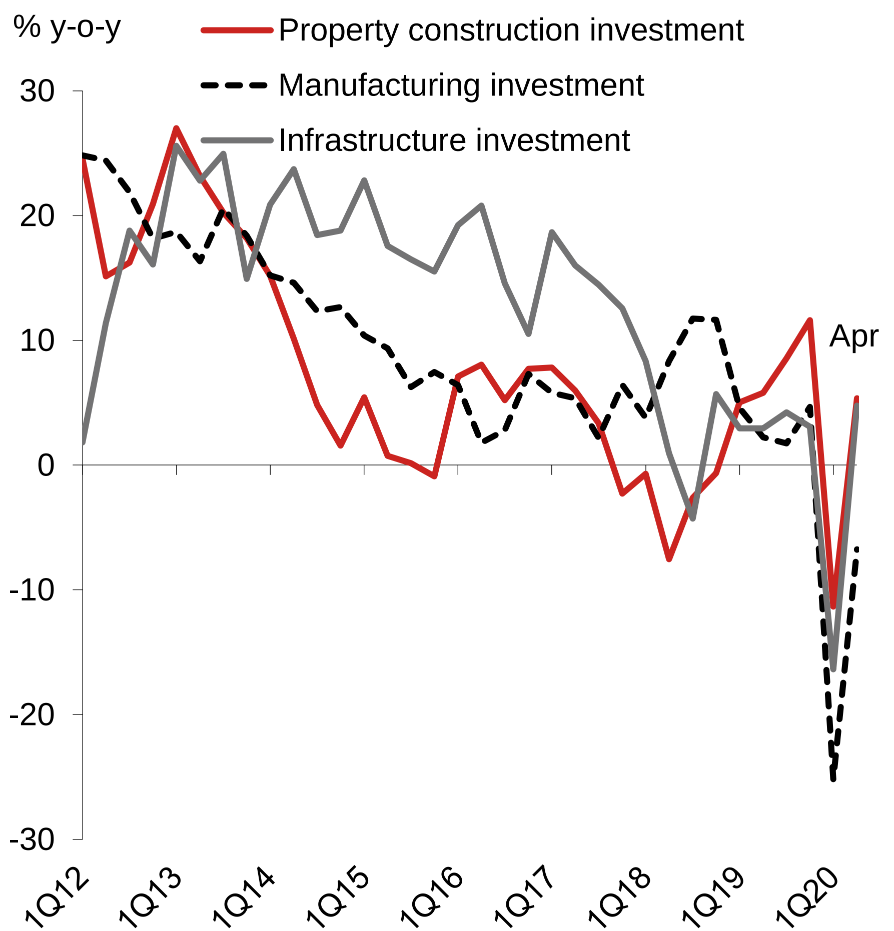
CPCA passenger cars: retail sales and output volume



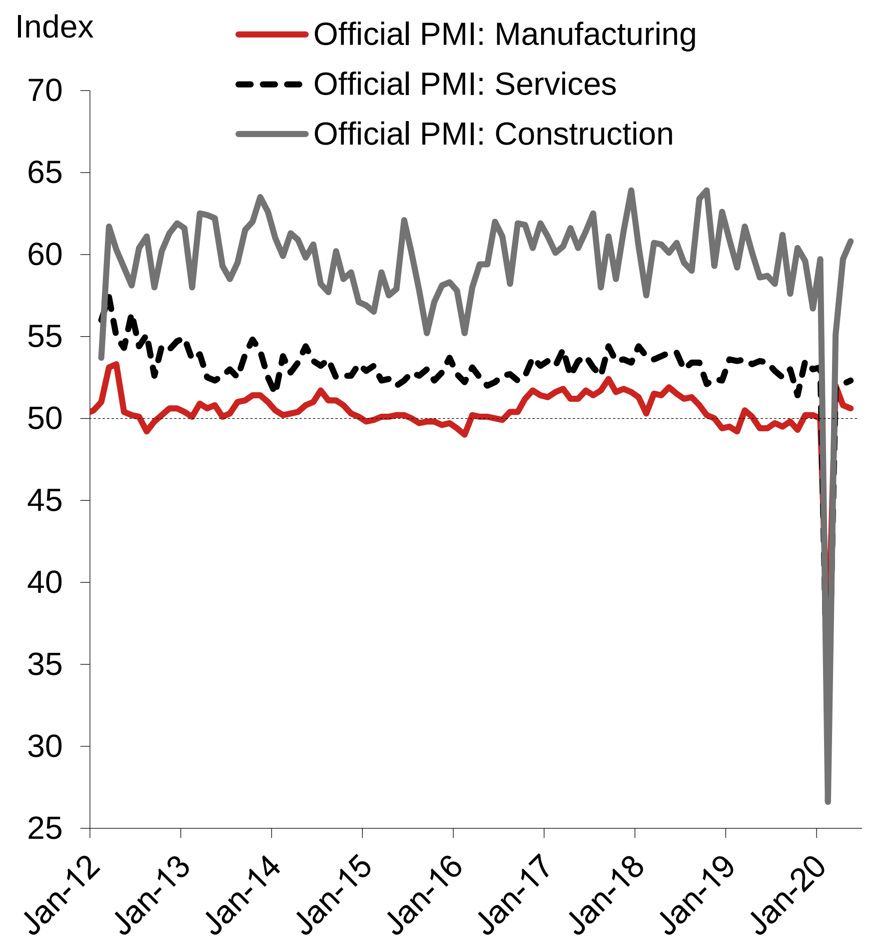
Source: WIND and Nomura Global Economics.

Construction taking the lead

Decent recovery in infrastructure investment



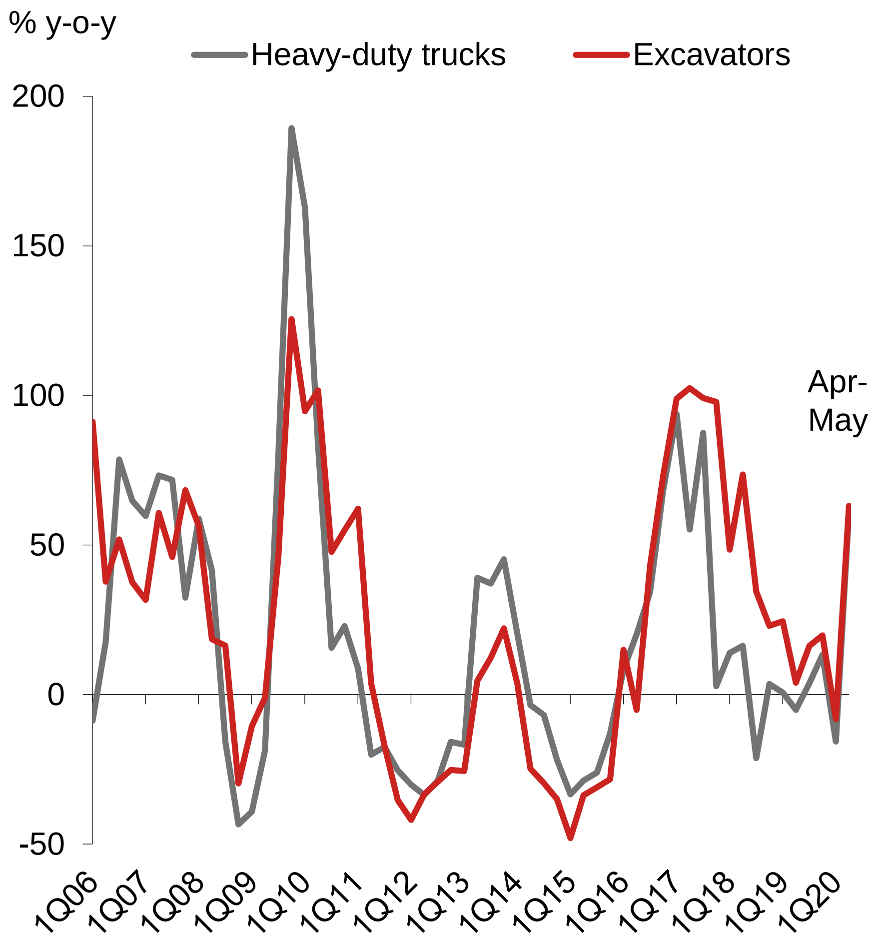
Divergence among official PMIs



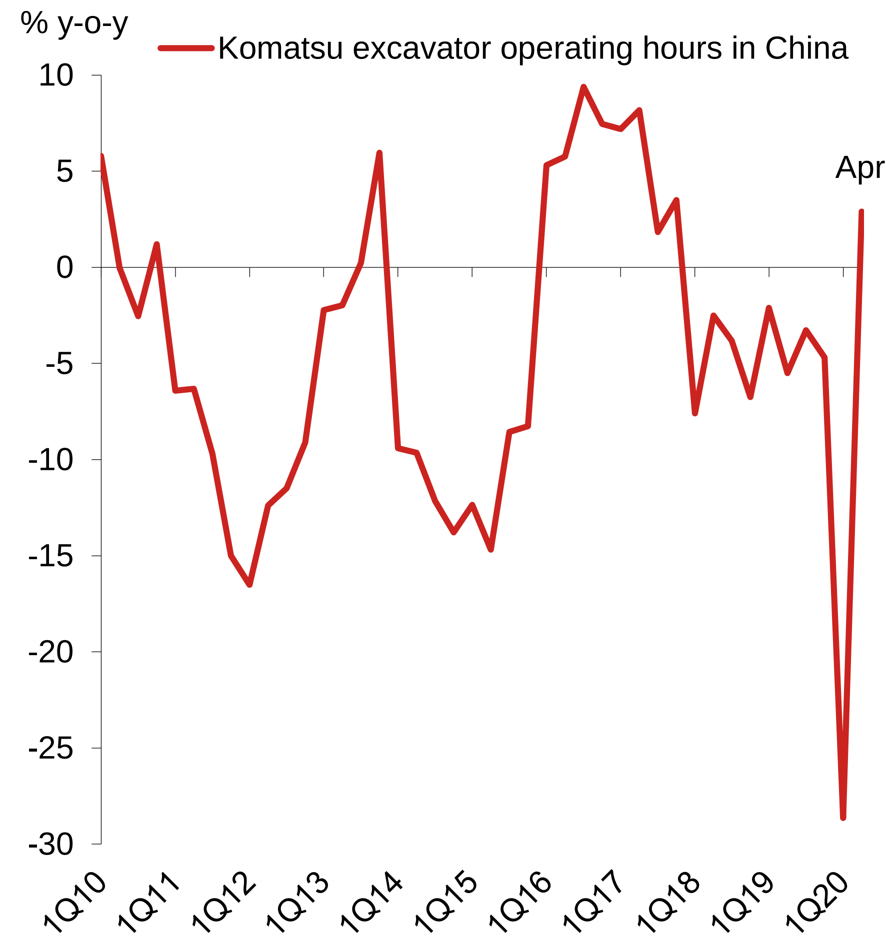
Source: WIND and Nomura Global Economics.

Solid recovery in construction activity

Sales volume of excavators and heavy-duty trucks



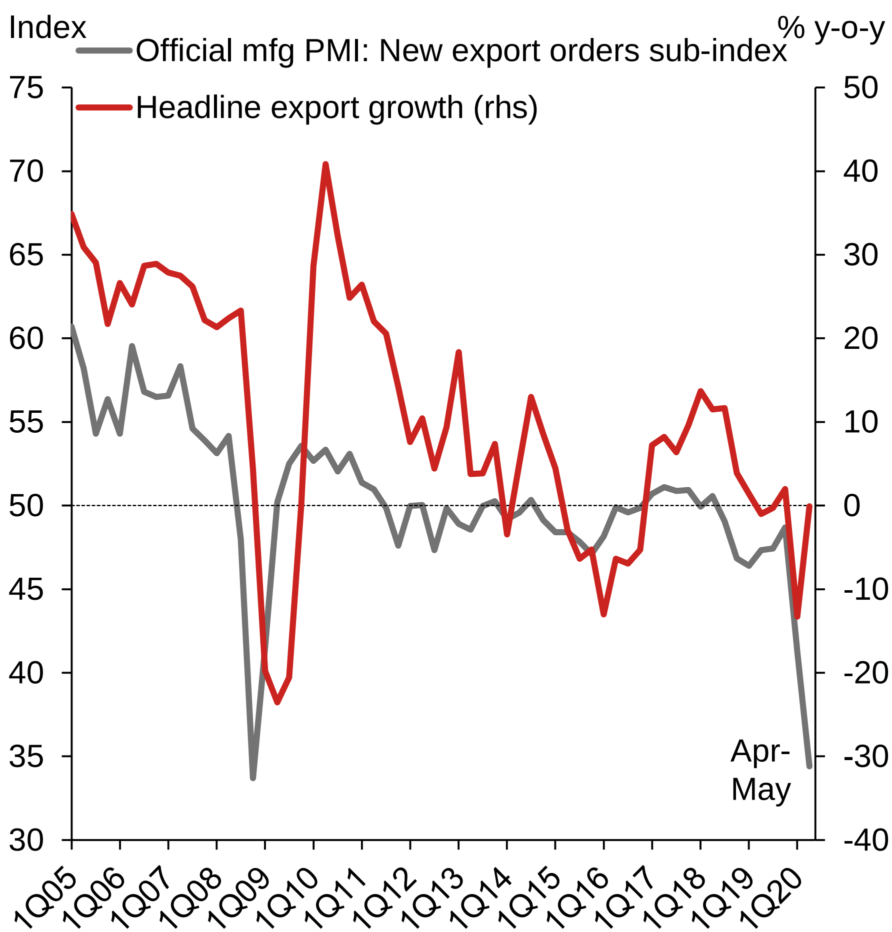
Excavators operating hours



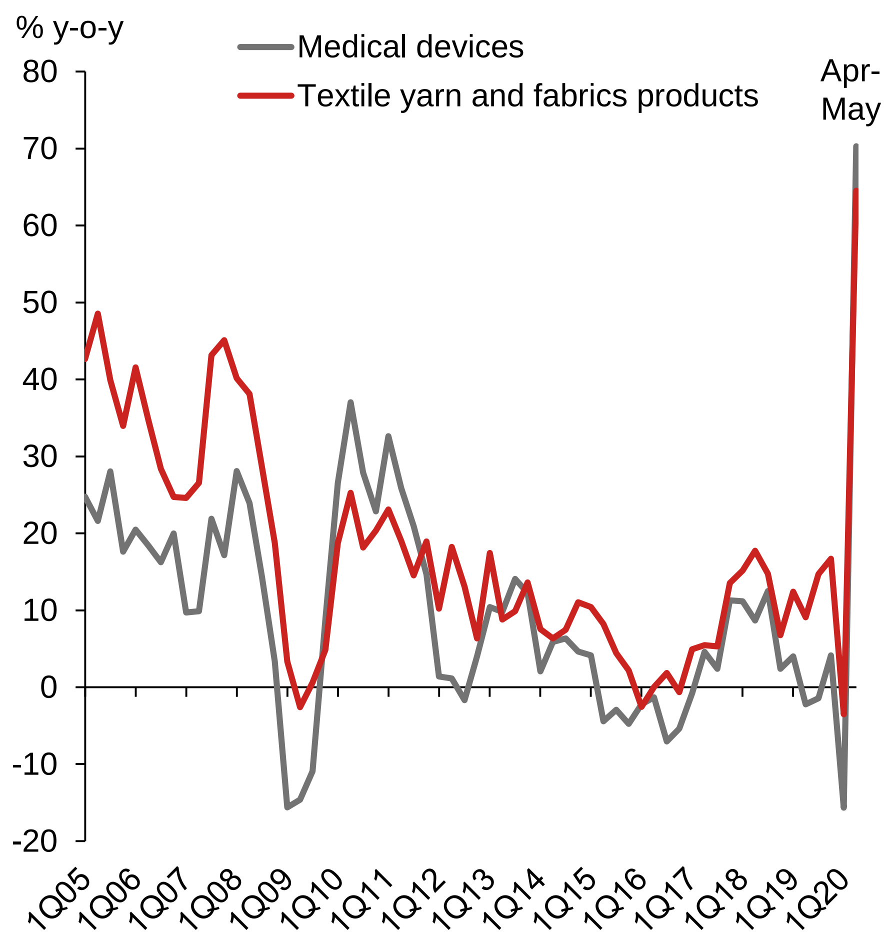
Source: Komatsu, WIND and Nomura Global Economics.

The slump in external demand will take its toll

Export growth and new export orders



Surge in exports of antivirus medical products: short-lived

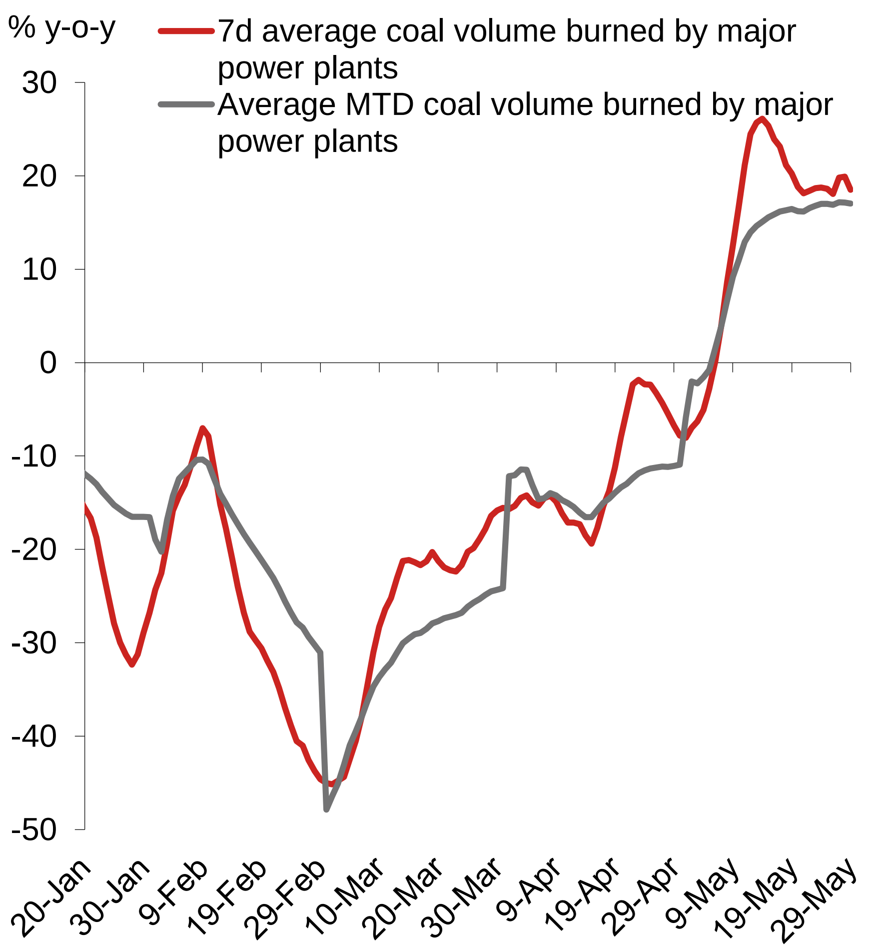


Source: WIND and Nomura Global Economics.

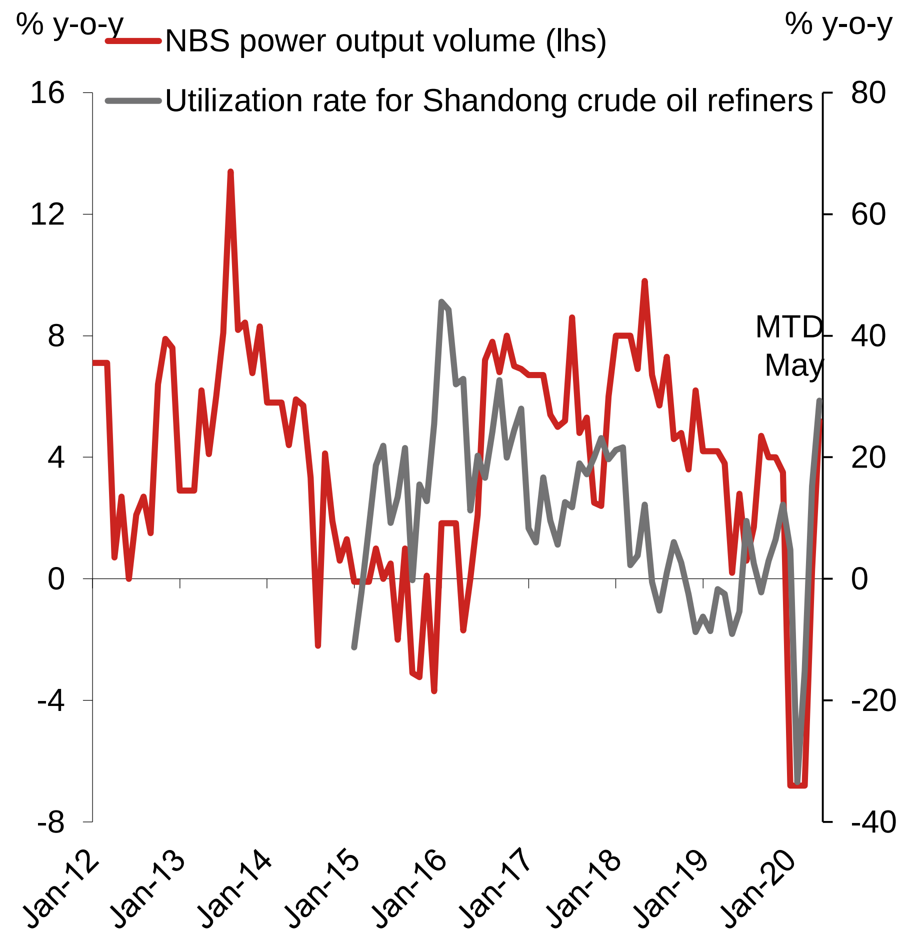
Strong power production in May could be unsustainable

Refiners have been rushing to raise utilization rates to consume up high-cost crude inventories, otherwise they have to book crude inventory revaluation losses.

Daily coal volume burned by major power plants



Surging utilization rate for crude oil refiners



Note: MTD May of NBS power output volume refers to the time period of 1-20 May, while MTD May of utilization rate for Shandong crude oil refiners refers to the period of 1-27 May.
Source: NDRC, WIND and Nomura Global Economics.

Table of contents

- ❑ The Chinese economy is surely recovering, with mixed performance for different sectors.

- ❑ Beijing’s policy package: Light on financial relief, heavy on infrastructure, and restraint on property.

- ❑ Strong headwinds are still there, big uncertainties still remain, and some new risks are on the rise.

China's monetary and credit easing is underway

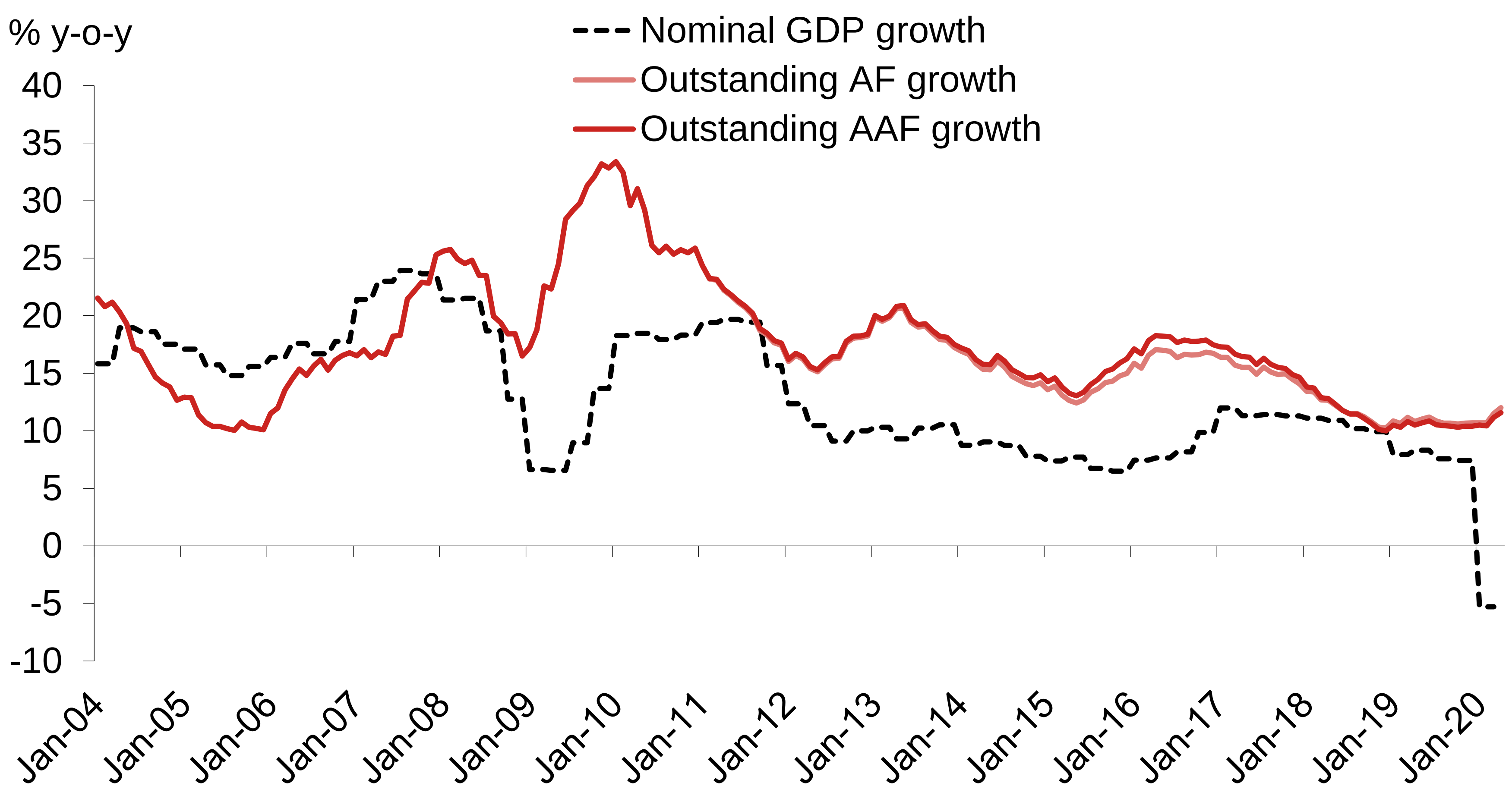
The PBoC has stepped up its liquidity injection via various channels this year.

Major liquidity injection channels		Liquidity injection (RMB bn)					
		2015	2016	2017	2018	2019	Jan-May 2020
RRR cut (including targeted RRR cut)	Liquidity injected	3400	700	0	3650	2930	1750
	Change in benchmark RRR (bp)	250	50	0	250	150	50
MLF (including TMLF)		21	2792	1064	410	-419	172
PSL		698	972	635	692	158	8
Relending and re-discounting		-3	90	202	322	164	1800
Total from above-mentioned major channels		4116	4553	1901	5074	2833	3729

Note: On 1 June, the PBoC announced another RMB440bn lending quota for eligible small banks to increase their SME lending.
Source: WIND, PBoC, and Nomura Global Economics.

China's monetary and credit easing is underway

Credit growth ticked higher on monetary and credit easing.

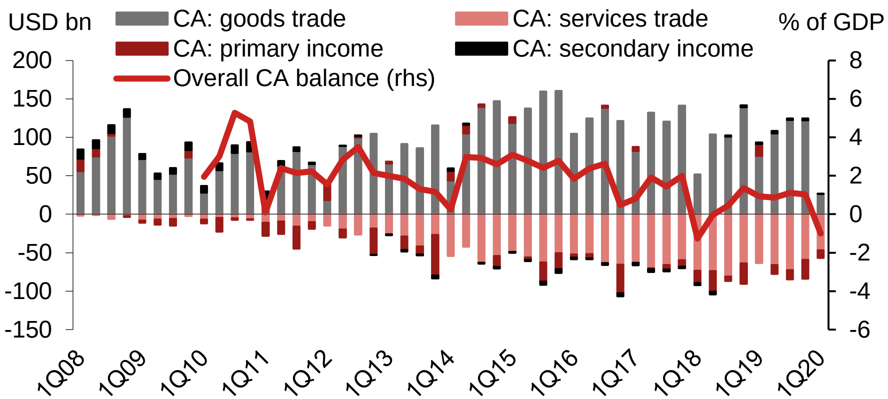


Nota: AF growth refers to the AF based on the PBoC's new definition including all government bonds, while AAF refers to our augmented AF metric, measured by the PBoC's AF plus other obscure financing channels, e.g., special construction bonds, offshore dollar bonds, share pledge financing, P2P loans.
Source: WIND, Bloomberg, SSE, SZSE and Nomura Global Economics.

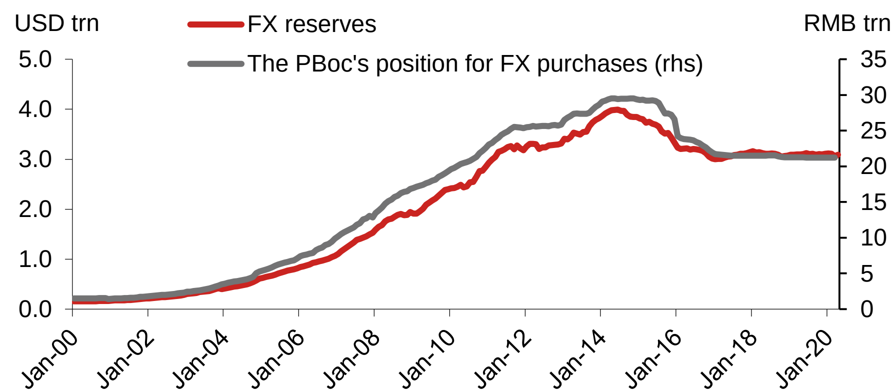
Beijing has more limited policy space than before

A top-down approach: shrinking current account surplus, falling FX reserves, RMB depreciation, rising debts (including foreign debts), and falling return on capital.

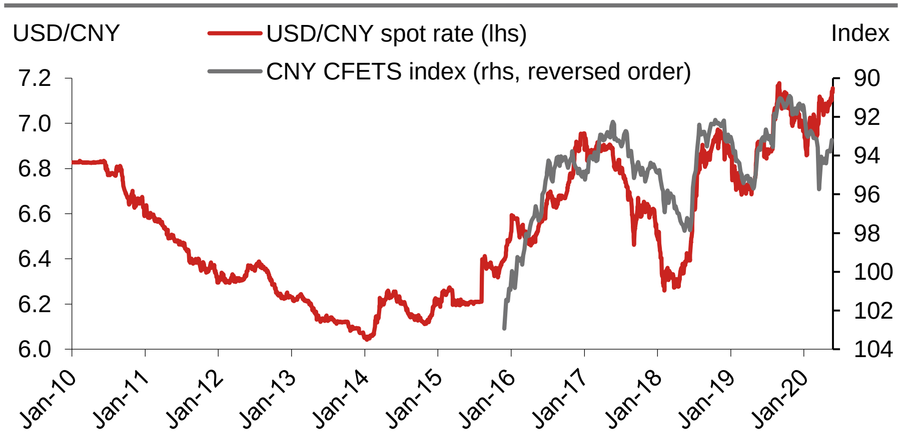
Shrinking current account surplus



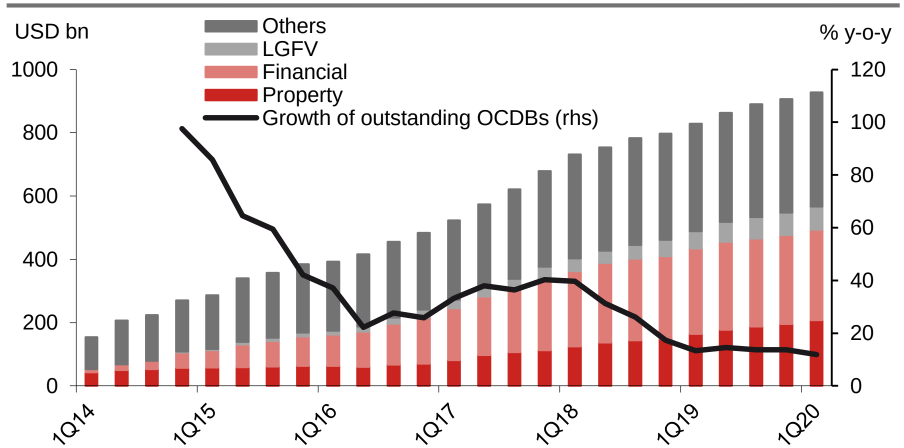
Lower FX reserves



RMB facing more downward pressure ahead



Outstanding OCDB reached ~USD900bn as of Q1 2020

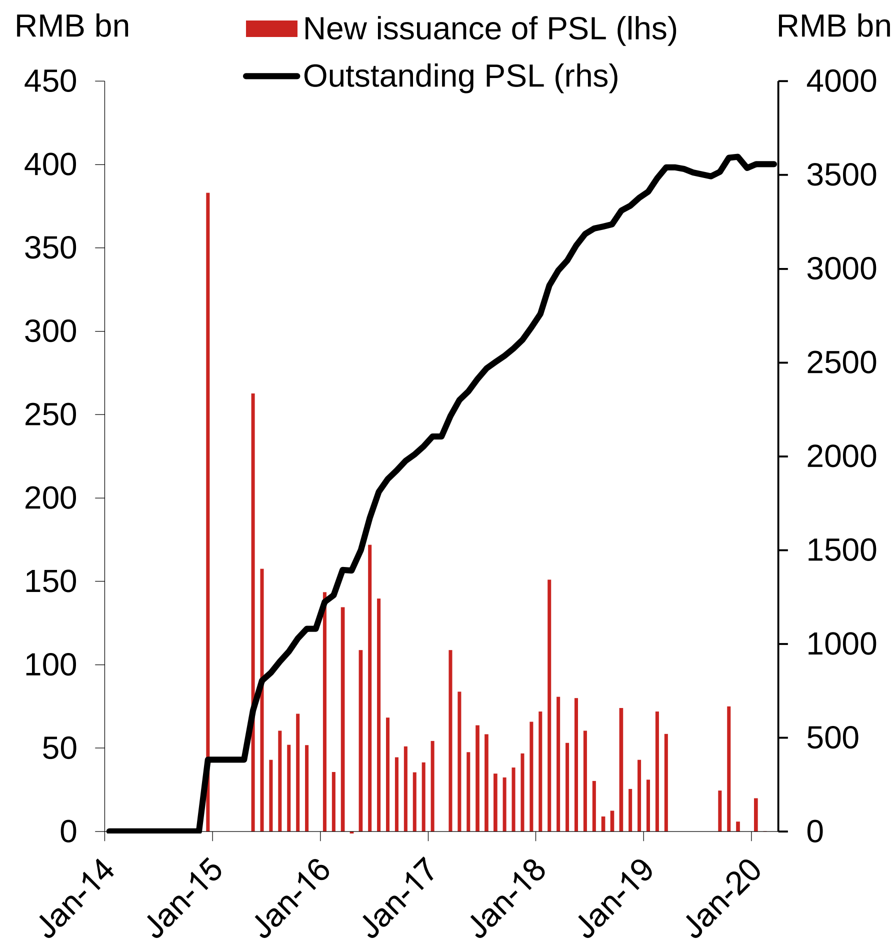


Source: WIND, Bloomberg, and Nomura Global Economics.

Beijing's cautious stance on the property sector

Financing to the property sector is restrained

PSL is done



Source: WIND and Nomura Global Economics.

Table of contents

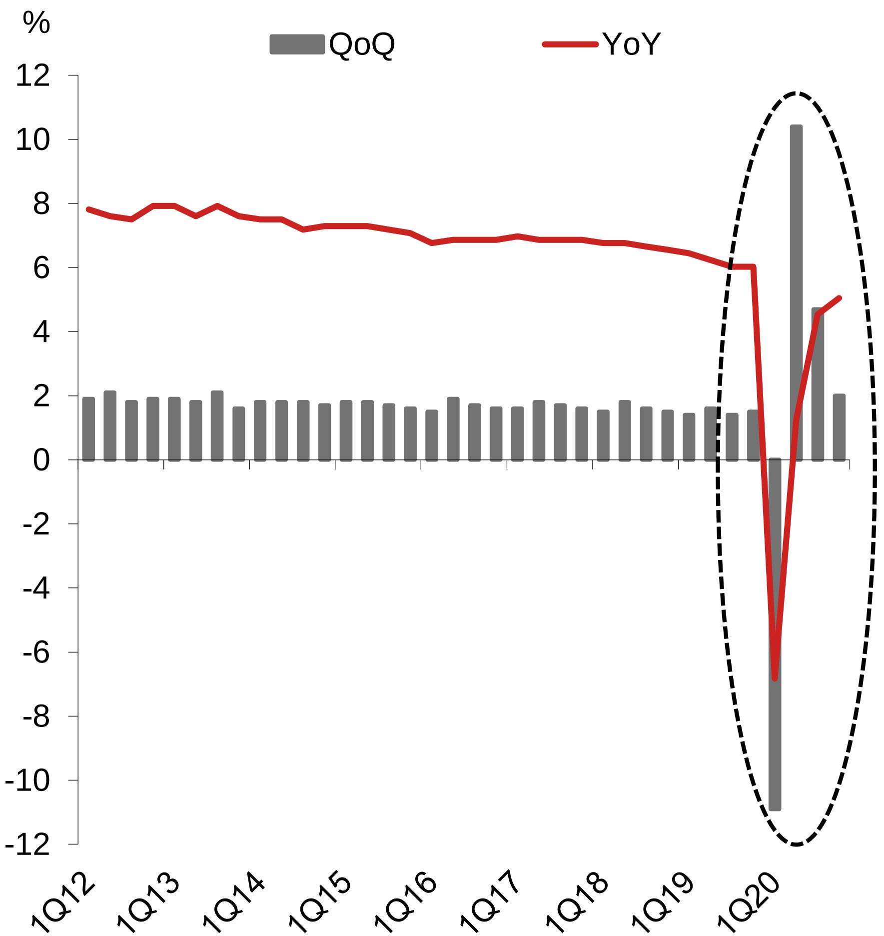
- ❑ The Chinese economy is surely recovering, with mixed performance for different sectors.

- ❑ Beijing’s policy package: Light on financial relief, heavy on infrastructure, and restraint on property.

- ❑ Strong headwinds are still there, big uncertainties still remain, and some new risks are on the rise.

A complicated picture of China’s recovery

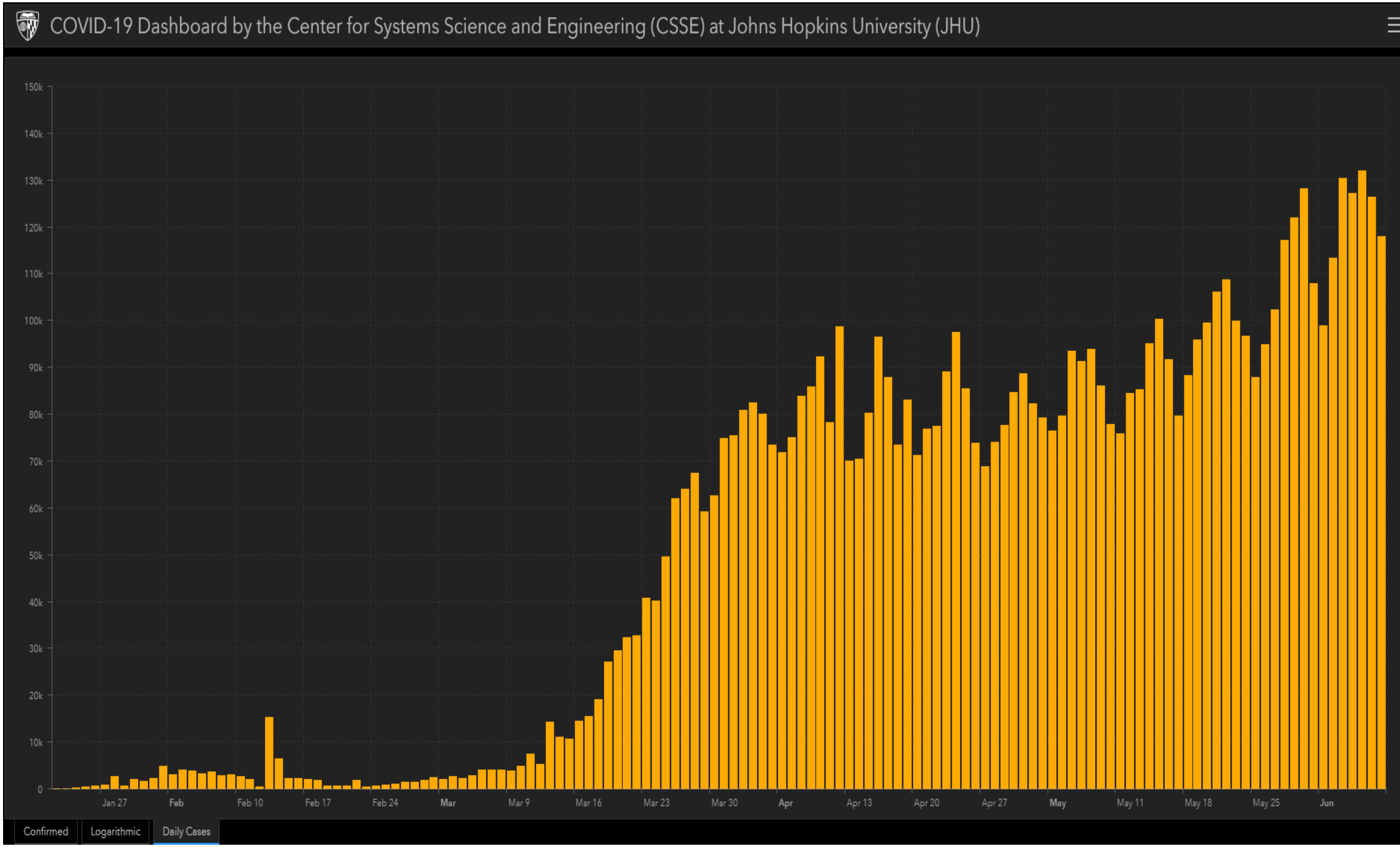
Our forecasts of sequential and y-o-y GDP growth



Expectations and realities

- Q2 recovery is decent, but with large divergences among sectors;
  - Construction is the driver, led by infrastructure;
  - Some exports benefit from China’s early recovery from COVID-19 such as medical products and refrigerator.
  - Pent-up demand to make up for loss in Q1;
  - Pent-up demand for capital goods;
  - Many social distancing rules are still in place, impacting the service sector.
- We believe markets are a bit too optimistic on the recovery in Q3 and Q4. Entering Q3, the pent-up demand will naturally lose some steam,
  - Some social distancing measures could extend well into H2 as the pandemic spreads to a wider range of countries.
  - Infrastructure related construction is still the major driver, but Beijing has no intention to stimulate the property sector.
  - Exports could drop much further when the medical exports peak and slumping new exports orders finally dent production.
  - The worsening US-China relationship could impact China’s exports and export-related manufacturing investment.

Global daily new Covid-19 cases

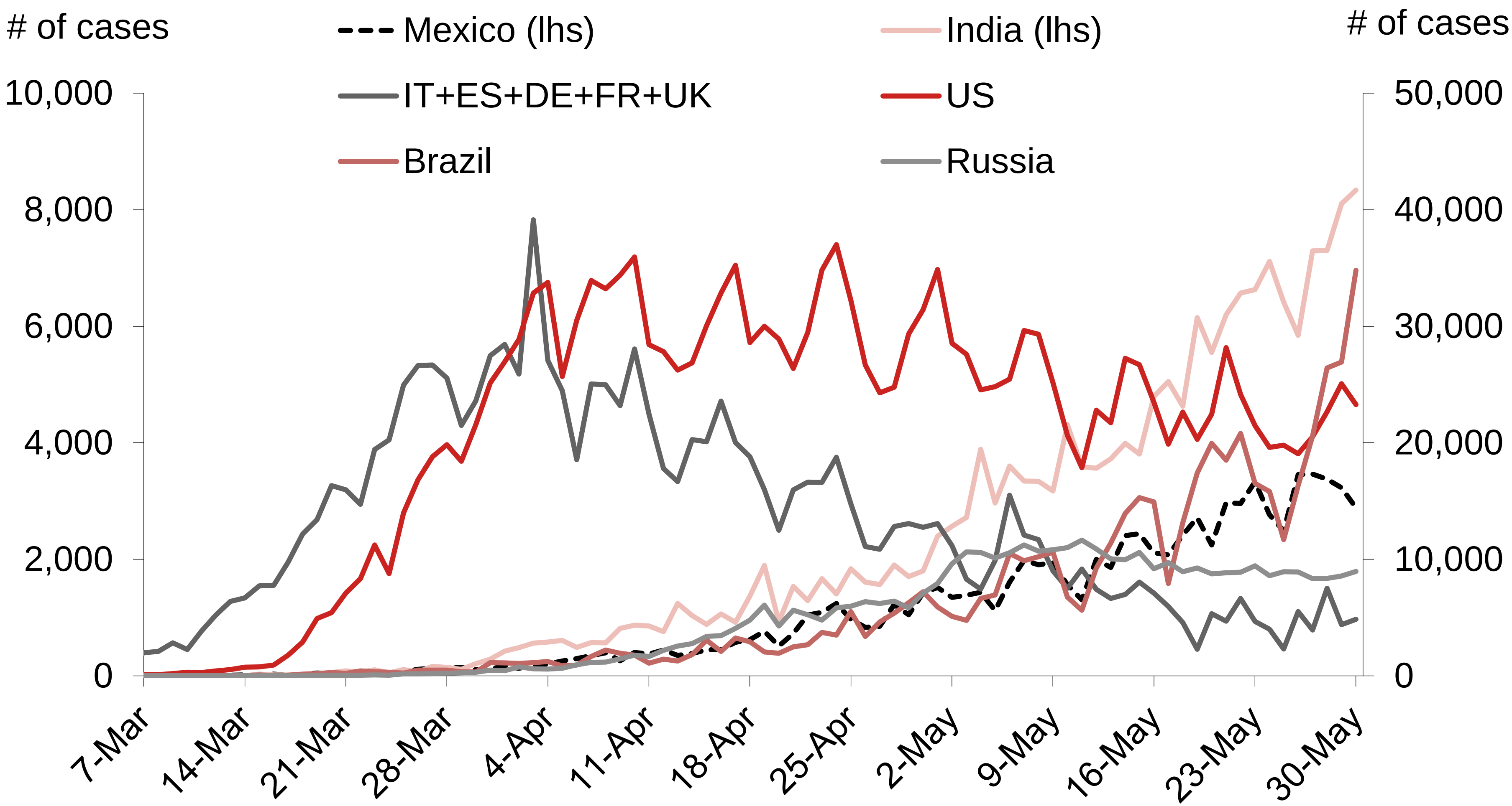


Source: JHU and Nomura Global Economics.

NOMURA
Connecting Markets East & West

Some EM countries become the new center of COVID-19

Nomura Investment Forum Asia 2020



Source: WIND and Nomura Global Economics.

This special policy mix may have strong and unique implications

- China's recovery will likely take place ahead of other countries. One main reason could be that stimulating demand could prove more effective in boosting economic growth than in providing financial relief, similar to what occurred during the 2008-09 global financial crisis. Thus, China could again lead the world in generating a recovery.
- Since Beijing is likely to exclude the property sector in its demand stimulus package and as the economy continues to deal with the dual challenges of plummeting exports and the remnants of COVID-19, the recovery could be much weaker than markets expect.
- Because the property sector is excluded from the current stimulus package, the widely expected rebound of demand from China for key raw materials is unlikely to be as strong as during previous easing cycles; thus, any spillover to other economies could be limited.
- Credit, which is dominated by bank loans, could be further biased towards local governments, their financing vehicles (LGFVs) and state-owned enterprises (SOEs). Although Beijing may improve investment returns on infrastructure spending by favoring big cities, a rush to boost infrastructure spending could nonetheless lead to lower investment returns.
- The PBoC may find itself increasingly exposed to commercial bank lending risks in two ways: its ever rising direct lending to banks, and its obligation to rescue/take over troubled banks.
- By being relatively frugal with dispensing financial relief, Beijing's special policy mix could further widen income and wealth inequality among the population. While millions of migrant workers and small business owners have lost their sources of income, infrastructure spending in city clusters and spillover effects from the rapid rise in credit growth could benefit select social groups much more than others.

Appendix A-1

Analyst Certification

I, Ting Lu, hereby certify (1) that the views expressed in this Research report accurately reflect my personal views about any or all of the subject securities or issuers referred to in this Research report, (2) no part of my compensation was, is or will be directly or indirectly related to the specific recommendations or views expressed in this Research report and (3) no part of my compensation is tied to any specific investment banking transactions performed by Nomura Securities International, Inc., Nomura International plc or any other Nomura Group company.

Important Disclosures

Online availability of research and conflict-of-interest disclosures

Nomura Group research is available on www.nomuranow.com/research, Bloomberg, Capital IQ, Factset, Reuters and ThomsonOne.
Important disclosures may be read at http://go.nomuranow.com/research/globalresearchportal/pages/disclosures/disclosures.aspx or requested from Nomura Securities International, Inc., or Instinet, LLC on 1-877-865-5752. If you have any difficulties with the website, please email grpsupport@nomura.com for help.

The analysts responsible for preparing this report have received compensation based upon various factors including the firm's total revenues, a portion of which is generated by Investment Banking activities. Unless otherwise noted, the non-US analysts listed at the front of this report are not registered/qualified as research analysts under FINRA rules, may not be associated persons of NSI or ILLC, and may not be subject to FINRA Rule 2241 restrictions on communications with covered companies, public appearances, and trading securities held by a research analyst account.

Nomura Global Financial Products Inc. (“NGFP”) Nomura Derivative Products Inc. (“NDPI”) and Nomura International plc. (“NIplc”) are registered with the Commodities Futures Trading Commission and the National Futures Association (NFA) as swap dealers. NGFP, NDPI, and NIplc are generally engaged in the trading of swaps and other derivative products, any of which may be the subject of this report.

Disclaimers

This publication contains material that has been prepared by the Nomura Group entity identified on page 1 and, if applicable, with the contributions of one or more Nomura Group entities whose employees and their respective affiliations are specified on page 1 or identified elsewhere in this publication. The term "Nomura Group" used herein refers to Nomura Holdings, Inc. and its affiliates and subsidiaries including: (a) Nomura Securities Co., Ltd. ('NSC') Tokyo, Japan, (b) Nomura Financial Products Europe GmbH (‘NFPE’), Germany, (c) Nomura International plc ('NIplc'), UK, (d) Nomura Securities International, Inc. ('NSI'), New York, US, (e) Instinet, LLC ('ILLC'), (f) Nomura International (Hong Kong) Ltd. (‘NIHK’), Hong Kong, (g) Nomura Financial Investment (Korea) Co., Ltd. (‘NFIK’), Korea (Information on Nomura analysts registered with the Korea Financial Investment Association ('KOFIA') can be found on the KOFIA Intranet at http://dis.kofia.or.kr, (h) Nomura Singapore Ltd. (‘NSL’), Singapore (Registration number 197201440E, regulated by the Monetary Authority of Singapore) (i) Nomura Australia Ltd. (‘NAL’), Australia (ABN 48 003 032 513), regulated by the Australian Securities and Investment Commission ('ASIC') and holder of an Australian financial services licence number 246412, (j) Nomura Securities Malaysia Sdn. Bhd. (‘NSM’), Malaysia, (k) NIHK, Taipei Branch (‘NITB’), Taiwan, (l) Nomura Financial Advisory and Securities (India) Private Limited (‘NFASL’), Mumbai, India (Registered Address: Ceejay House, Level 11, Plot F, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai- 400 018, India; Tel: +91 22 4037 4037, Fax: +91 22 4037 4111; CIN No: U74140MH2007PTC169116, SEBI Registration No. for Stock Broking activities : INZ000255633; SEBI Registration No. for Merchant Banking : INM000011419; SEBI Registration No. for Research: INH000001014. ‘CNS Thailand’ next to an analyst’s name on the front page of a research report indicates that the analyst is employed by Capital Nomura Securities Public Company Limited (‘CNS’) to provide research assistance services to NSL under an agreement between CNS and NSL. ‘NSFSPL’ next to an employee’s name on the front page of a research report indicates that the individual is employed by Nomura Structured Finance Services Private Limited to provide assistance to certain Nomura entities under inter-company agreements. The "BDO-NS" (which stands for "BDO Nomura Securities, Inc.") placed next to an analyst’s name on the front page of a research report indicates that the analyst is employed by BDO Unibank Inc. ("BDO Unibank") who has been seconded to BDO-NS, to provide research assistance services to NSL under an agreement between BDO Unibank, NSL and BDO-NS. BDO-NS is a Philippines securities dealer, which is a joint venture between BDO Unibank and the Nomura Group. 'Verdhana' next to an individual's name on the front page of a research report indicates that the individual is employed by PT Verdhana Sekuritas Indonesia ('Verdhana') to provide research assistance to NIHK under a research partnership agreement and neither Verdhana nor such individual is licensed outside of Indonesia.

THIS MATERIAL IS: (I) FOR YOUR PRIVATE INFORMATION, AND WE ARE NOT SOLICITING ANY ACTION BASED UPON IT; (II) NOT TO BE CONSTRUED AS AN OFFER TO SELL OR A SOLICITATION OF AN OFFER TO BUY ANY SECURITIES IN ANY JURISDICTION WHERE SUCH OFFER OR SOLICITATION WOULD BE ILLEGAL; AND (III) OTHER THAN DISCLOSURES RELATING TO THE NOMURA GROUP, BASED UPON INFORMATION FROM SOURCES THAT WE CONSIDER RELIABLE, BUT HAS NOT BEEN INDEPENDENTLY VERIFIED BY NOMURA GROUP.

Other than disclosures relating to the Nomura Group, the Nomura Group does not warrant, represent or undertake, express or implied, that the document is fair, accurate, complete, correct, reliable or fit for any particular purpose or merchantable, and to the maximum extent permissible by law and/or regulation, does not accept liability (in negligence or otherwise, and in whole or in part) for any act (or decision not to act) resulting from use of this document and related data. To the maximum extent permissible by law and/or regulation, all warranties and other assurances by the Nomura Group are hereby excluded and the Nomura Group shall have no liability (in negligence or otherwise, and in whole or in part) for any loss howsoever arising from the use, misuse, or distribution of this material or the information contained in this material or otherwise arising in connection therewith.

Opinions or estimates expressed are current opinions as of the original publication date appearing on this material and the information, including the opinions and estimates contained herein, are subject to change without notice. The Nomura Group, however, expressly disclaims any obligation, and therefore is under no duty, to update or revise this document. Any comments or statements made herein are those of the author(s) and may differ from views held by other parties within Nomura Group. Clients should consider whether any advice or recommendation in this report is suitable for their particular circumstances and, if appropriate, seek professional advice, including tax advice. The Nomura Group does not provide tax advice.

The Nomura Group, and/or its officers, directors, employees and affiliates, may, to the extent permitted by applicable law and/or regulation, deal as principal, agent, or otherwise, or have long or short positions in, or buy or sell, the securities, commodities or instruments, or options or other derivative instruments based thereon, of issuers or securities mentioned herein. The Nomura Group companies may also act as market maker or liquidity provider (within the meaning of applicable regulations in the UK) in the financial instruments of the issuer. Where the activity of market maker is carried out in accordance with the definition given to it by specific laws and regulations of the US or other jurisdictions, this will be separately disclosed within the specific issuer disclosures.

This document may contain information obtained from third parties, including, but not limited to, ratings from credit ratings agencies such as Standard & Poor's. The Nomura Group hereby expressly disclaims all representations, warranties or undertakings of originality, fairness, accuracy, completeness, correctness, merchantability or fitness for a particular purpose with respect to any of the information obtained from third parties contained in this material or otherwise arising in connection therewith, and shall not be liable (in negligence or otherwise, and in whole or in part) for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including lost income or profits and opportunity costs) in connection with any use or misuse of any of the information obtained from third parties contained in this material or otherwise arising in connection therewith. Reproduction and distribution of third-party content in any form is prohibited except with the prior written permission of the related third-party. Third-party content providers do not, express or implied, guarantee the fairness, accuracy, completeness, correctness, timeliness or availability of any information, including ratings, and are not in any way responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use or misuse of such content. Third-party content providers give no express or implied warranties, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use. Third-party content providers shall not be liable (in negligence or otherwise, and in whole or in part) for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including lost income or profits and opportunity costs) in connection with any use or misuse of their content, including ratings. Credit ratings are statements of opinions and are not statements of fact or recommendations to purchase hold or sell securities. They do not address the suitability of securities or the suitability of securities for investment purposes, and should not be relied on as investment advice.

Any MSCI sourced information in this document is the exclusive property of MSCI Inc. ('MSCI'). Without prior written permission of MSCI, this information and any other MSCI intellectual property may not be duplicated, reproduced, re-disseminated, redistributed or used, in whole or in part, for any purpose whatsoever, including creating any financial products and any indices. This information is provided on an "as is" basis. The user assumes the entire risk of any use made of this information. MSCI, its affiliates and any third party involved in, or related to, computing or compiling the information hereby expressly disclaim all representations, warranties or undertakings of originality, fairness, accuracy, completeness, correctness, merchantability or fitness for a particular purpose with respect to any of this material or the information contained in this material or otherwise arising in connection therewith. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in, or related to, computing or compiling the information have any liability (in negligence or otherwise, and in whole or in part) for any damages of any kind. MSCI and the MSCI indexes are services marks of MSCI and its affiliates.

The intellectual property rights and any other rights, in Russell/Nomura Japan Equity Index belong to Nomura Securities Co., Ltd. ("Nomura") and Frank Russell Company ("Russell"). Nomura and Russell do not guarantee fairness, accuracy, completeness, correctness, reliability, usefulness, marketability, merchantability or fitness of the Index, and do not account for business activities or services that any index user and/or its affiliates undertakes with the use of the Index.

Investors should consider this document as only a single factor in making their investment decision and, as such, the report should not be viewed as identifying or suggesting all risks, direct or indirect, that may be associated with any investment decision. Nomura Group produces a number of different types of research product including, among others, fundamental analysis and quantitative analysis; recommendations contained in one type of research product may differ from recommendations contained in other types of research product, whether as a result of differing time horizons, methodologies or otherwise. The Nomura Group publishes research product in a number of different ways including the posting of product on the Nomura Group portals and/or distribution directly to clients. Different groups of clients may receive different products and services from the research department depending on their individual requirements.

Figures presented herein may refer to past performance or simulations based on past performance which are not reliable indicators of future or likely performance. Where the information contains an expectation, projection or indication of future performance and business prospects, such forecasts may not be a reliable indicator of future or likely performance. Moreover, simulations are based on models and simplifying assumptions which may oversimplify and not reflect the future distribution of returns. Any figure, strategy or index created and published for illustrative purposes within this document is not intended for “use” as a “benchmark” as defined by the European Benchmark Regulation.

Certain securities are subject to fluctuations in exchange rates that could have an adverse effect on the value or price of, or income derived from, the investment.

With respect to Fixed Income Research: Recommendations fall into two categories: tactical, which typically last up to three months; or strategic, which typically last from 6-12 months. However, trade recommendations may be reviewed at any time as circumstances change. ‘Stop loss’ levels for trades are also provided; which, if hit, closes the trade recommendation automatically. Prices and yields shown in recommendations are taken at the time of submission for publication and are based on either indicative Bloomberg, Reuters or Nomura prices and yields at that time. The prices and yields shown are not necessarily those at which the trade recommendation can be implemented.

The securities described herein may not have been registered under the US Securities Act of 1933 (the ‘1933 Act’), and, in such case, may not be offered or sold in the US or to US persons unless they have been registered under the 1933 Act, or except in compliance with an exemption from the registration requirements of the 1933 Act. Unless governing law permits otherwise, any transaction should be executed via a Nomura entity in your home jurisdiction.

This document has been approved for distribution in the UK as investment research by NIplc. NIplc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority. NIplc is a member of the London Stock Exchange. This document does not constitute a personal recommendation within the meaning of applicable regulations in the UK, or take into account the particular investment objectives, financial situations, or needs of individual investors. This document is intended only for investors who are 'eligible counterparties' or 'professional clients' for the purposes of applicable regulations in the UK, and may not, therefore, be redistributed to persons who are 'retail clients' for such purposes.

This document has been approved for distribution in the European Economic Area as investment research by Nomura Financial Products Europe GmbH (“NFPE”). NFPE is a company organized as a limited liability company under German law registered in the Commercial Register of the Court of Frankfurt/Main under HRB 110223. NFPE is authorized and regulated by the German Federal Financial Supervisory Authority (BaFin).

This document has been approved by NIHK, which is regulated by the Hong Kong Securities and Futures Commission, for distribution in Hong Kong by NIHK. This document is intended only for investors who are 'professional investors' for the purposes of applicable regulations in Hong Kong and may not, therefore, be redistributed to persons who are not 'professional investors' for such purposes.

This document has been approved for distribution in Australia by NAL, which is authorized and regulated in Australia by the ASIC.

This document has also been approved for distribution in Malaysia by NSM.

In Singapore, this document has been distributed by NSL, an exempt financial adviser as defined under the Financial Advisers Act (Chapter 110), among other things, and regulated by the Monetary Authority of Singapore. NSL may distribute this document produced by its foreign affiliates pursuant to an arrangement under Regulation 32C of the Financial Advisers Regulations. Where the recipient of this document is not an accredited, expert or institutional investor as defined by the Securities and Futures Act (Chapter 289), NSL accepts legal responsibility for the contents of this document in respect of such recipient only to the extent required by law. Recipients of this document in Singapore should contact NSL in respect of matters arising from, or in connection with, this document. THIS DOCUMENT IS INTENDED FOR GENERAL CIRCULATION. IT DOES NOT TAKE INTO ACCOUNT THE SPECIFIC INVESTMENT OBJECTIVES, FINANCIAL SITUATION OR PARTICULAR NEEDS OF ANY PARTICULAR PERSON. RECIPIENTS SHOULD TAKE INTO ACCOUNT THEIR SPECIFIC INVESTMENT OBJECTIVES, FINANCIAL SITUATION OR PARTICULAR NEEDS BEFORE MAKING A COMMITMENT TO PURCHASE ANY SECURITIES, INCLUDING SEEKING ADVICE FROM AN INDEPENDENT FINANCIAL ADVISER REGARDING THE SUITABILITY OF THE INVESTMENT, UNDER A SEPARATE ENGAGEMENT, AS THE RECIPIENT DEEMS FIT.

Unless prohibited by the provisions of Regulation S of the 1933 Act, this material is distributed in the US, by NSI, a US-registered broker-dealer, which accepts responsibility for its contents in accordance with the provisions of Rule 15a-6, under the US Securities Exchange Act of 1934. The entity that prepared this document permits its separately operated affiliates within the Nomura Group to make copies of such documents available to their clients.

This document has not been approved for distribution to persons other than ‘Authorised Persons’, ‘Exempt Persons’ or ‘Institutions’ (as defined by the Capital Markets Authority) in the Kingdom of Saudi Arabia (‘Saudi Arabia’) or a ’Market Counterparty’ or a 'Professional Client' (as defined by the Dubai Financial Services Authority) in the United Arab Emirates (‘UAE’) or a ‘Market Counterparty’ or a ‘Business Customer’ (as defined by the Qatar Financial Centre Regulatory Authority) in the State of Qatar (‘Qatar’) by Nomura Saudi Arabia, NIplc or any other member of the Nomura Group, as the case may be. Neither this document nor any copy thereof may be taken or transmitted or distributed, directly or indirectly, by any person other than those authorised to do so into Saudi Arabia or in the UAE or in Qatar or to any person other than ‘Authorised Persons’, ‘Exempt Persons’ or ‘Institutions’ located in Saudi Arabia or a ’Market Counterparty’ or a 'Professional Client' in the UAE or a ‘Market Counterparty’ or a ‘Business Customer’ in Qatar. Any failure to comply with these restrictions may constitute a violation of the laws of the UAE or Saudi Arabia or Qatar.

For Canadian Investors: This research report was approved for distribution to Canadian investors by Instinet Canada Limited ("ICL"), member of the Investment Industry Regulatory

The Nomura Group manages conflicts with respect to the production of research through its compliance policies and procedures (including, but not limited to, Conflicts of Interest, Chinese Wall and Confidentiality policies) as well as through the maintenance of Chinese Walls and employee training.
Additional information regarding the methodologies or models used in the production of any investment recommendations contained within this document is available upon request by contacting the Research Analysts of Nomura listed on the front page. Disclosures information is available upon request and disclosure information is available at the Nomura Disclosure web page: http://go.nomuranow.com/research/globalresearchportal/pages/disclosures/disclosures.aspx

Disclosures as of 01-Jun-2020.