

Gauging investor confidence

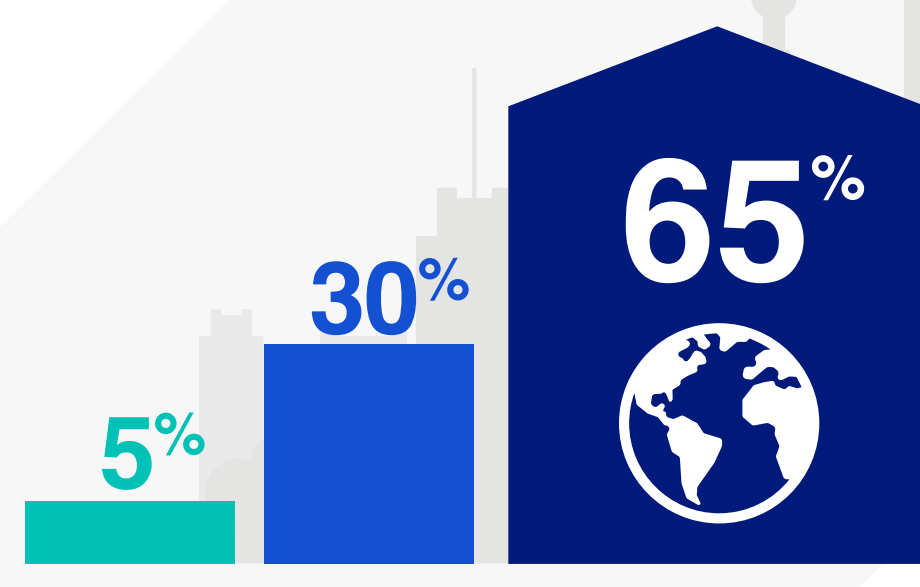
The China position



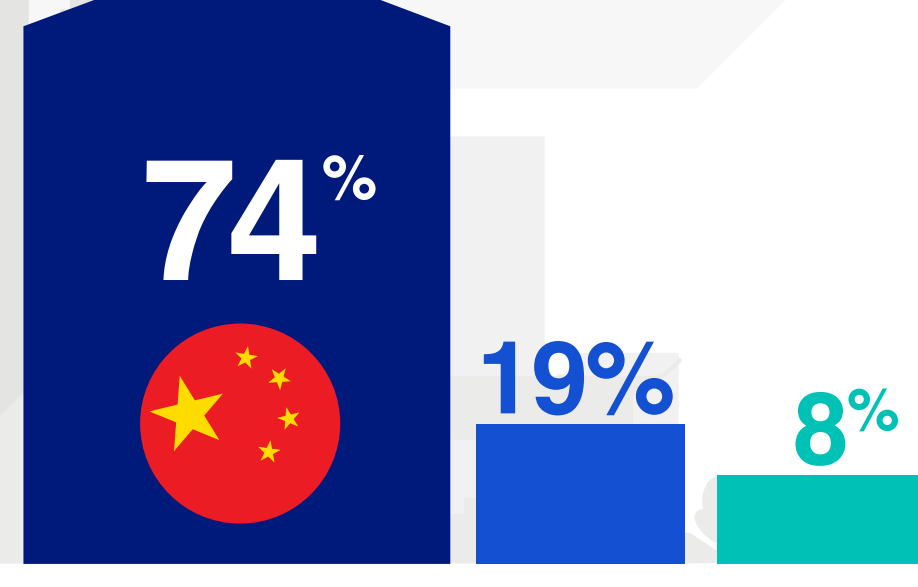
It's no secret that China's economy is growing. And where growth arises, investment follows. But how confident are the world's largest, market-making firms feeling about China? An Economist Intelligence Unit study conducted over the summer of 2019 finds asset owner and institutional investor organisations are increasing their China exposure.

Global investors are more confident in China's economy over the next 12 months than in global economic conditions

What are your expectations of global economic conditions over the next 12 months?



What are your expectations of economic conditions in China over the next 12 months?

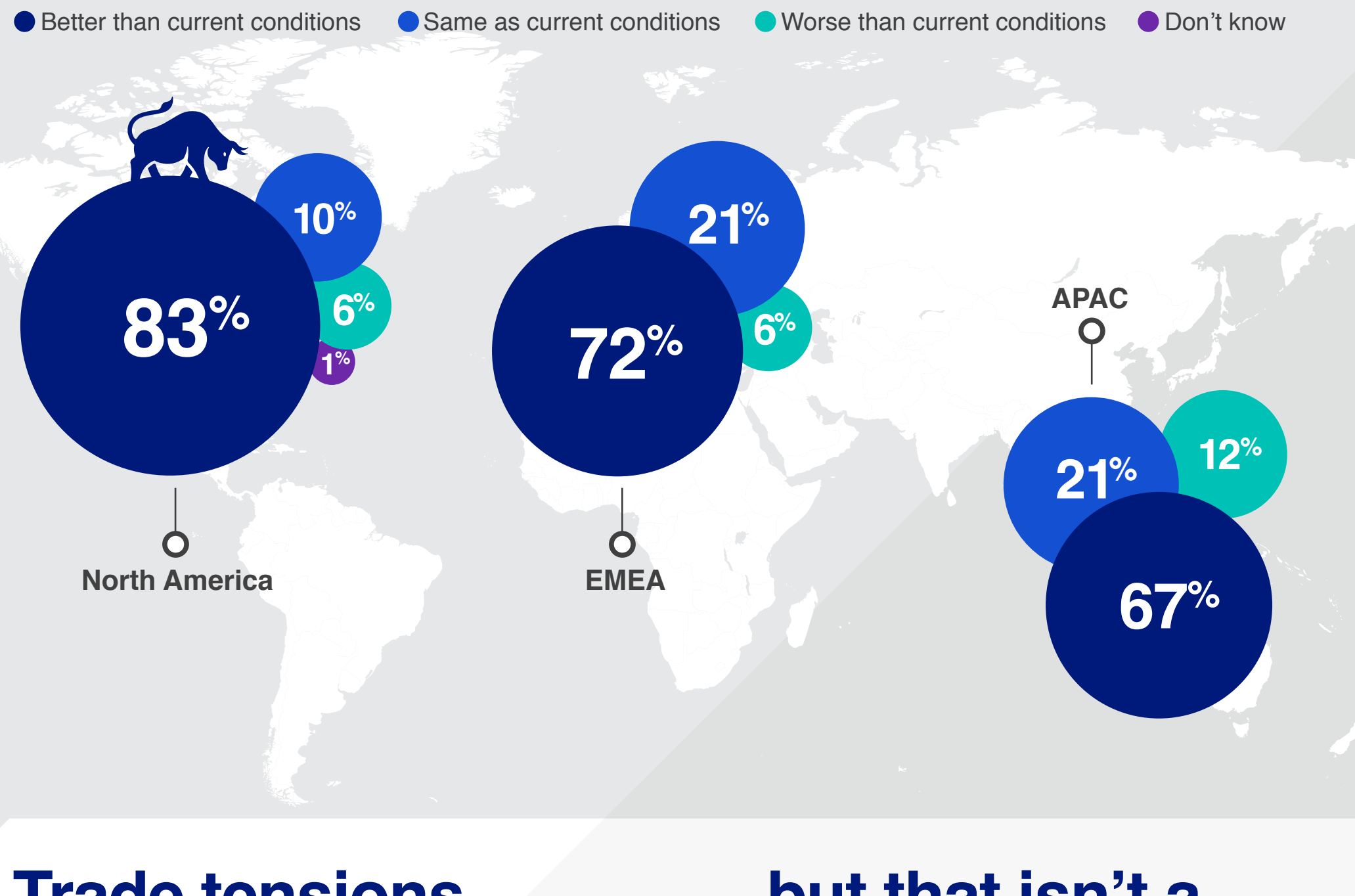


● Better than current conditions ● Same as current conditions ● Worse than current conditions

North American organisations most bullish

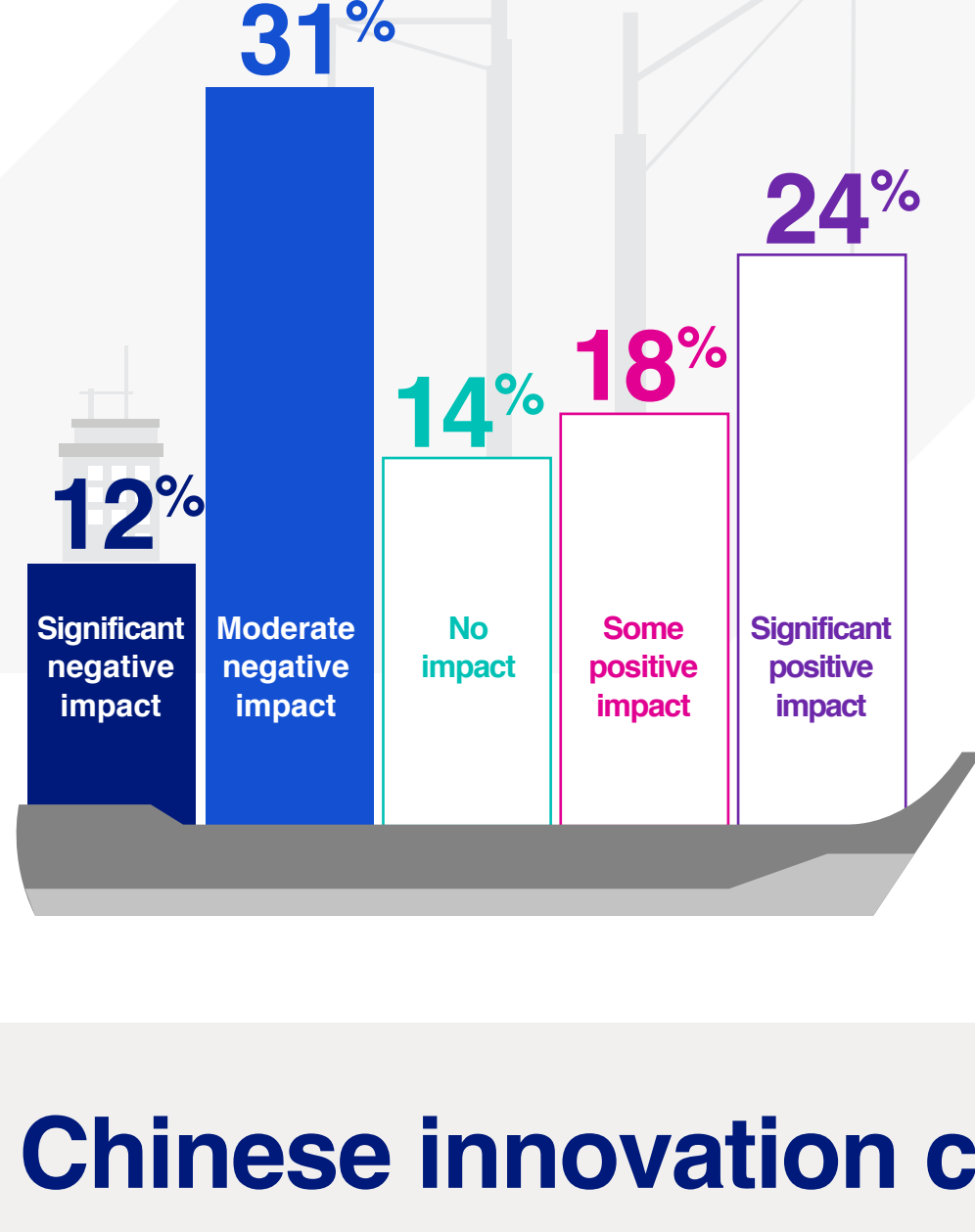
What are your expectations of economic conditions in China over the next 12 months?

● Better than current conditions ● Same as current conditions ● Worse than current conditions ● Don't know



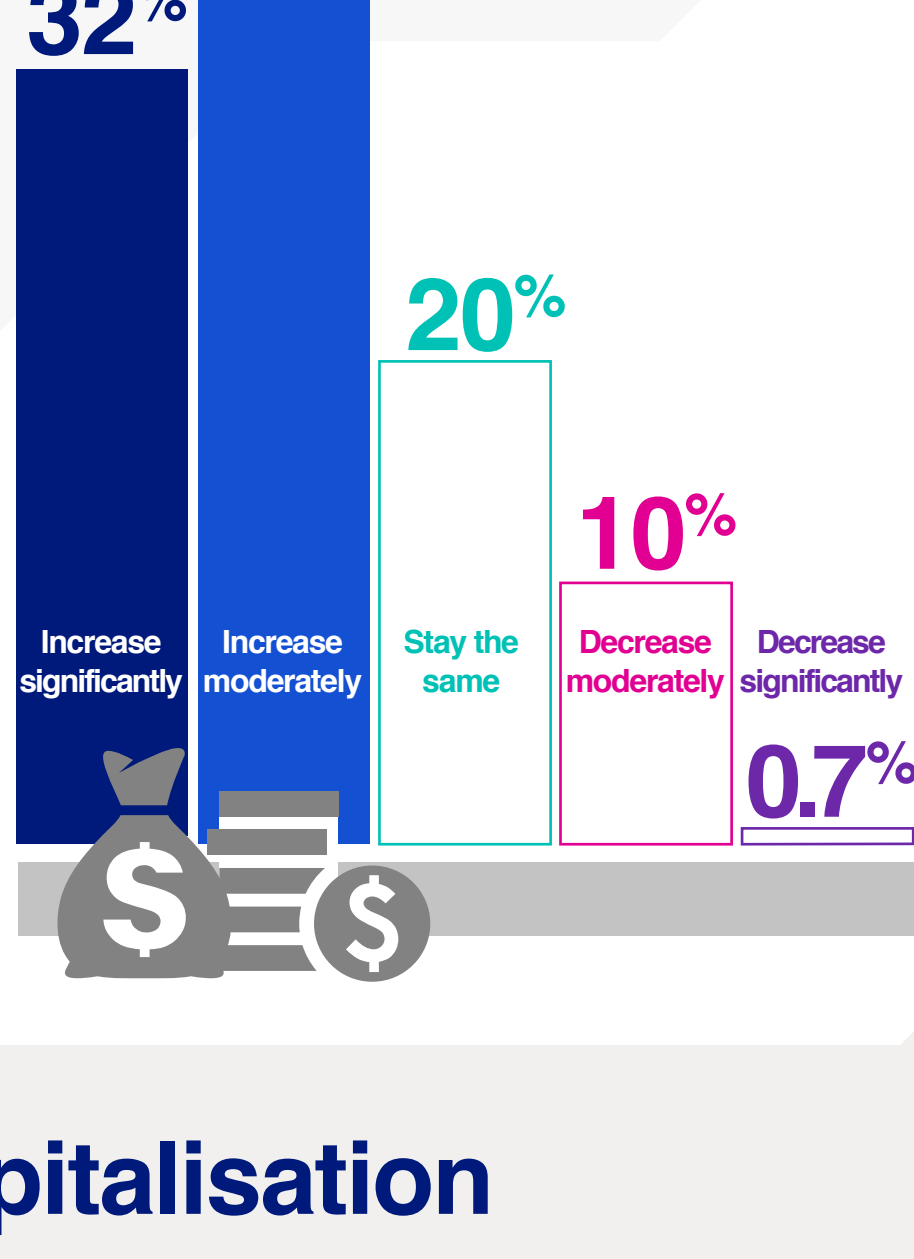
Trade tensions cause uncertainty...

What impact does your organisation expect the US-China trade tensions to have on investment decisions in the next 12 months?



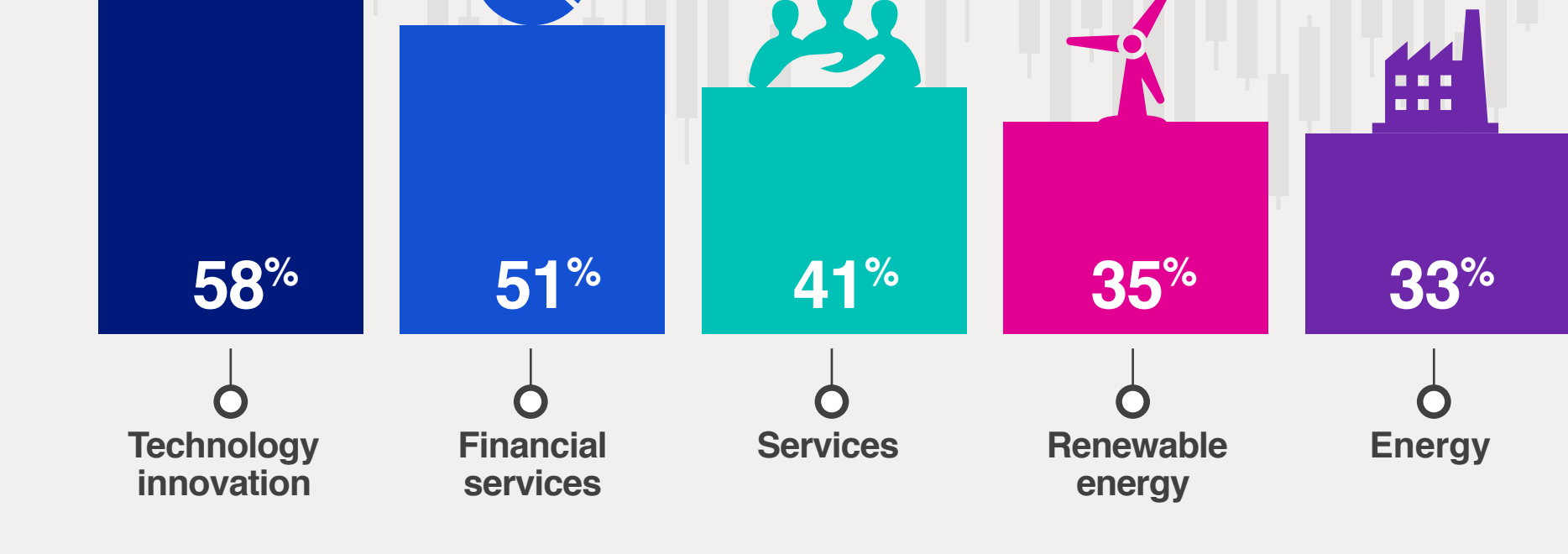
...but that isn't a deterrent for global investors

Given your organisation's own forecast on trade tensions, what results do you expect from this outlook in terms of your organisation's own investment levels in China?



Chinese innovation capitalisation

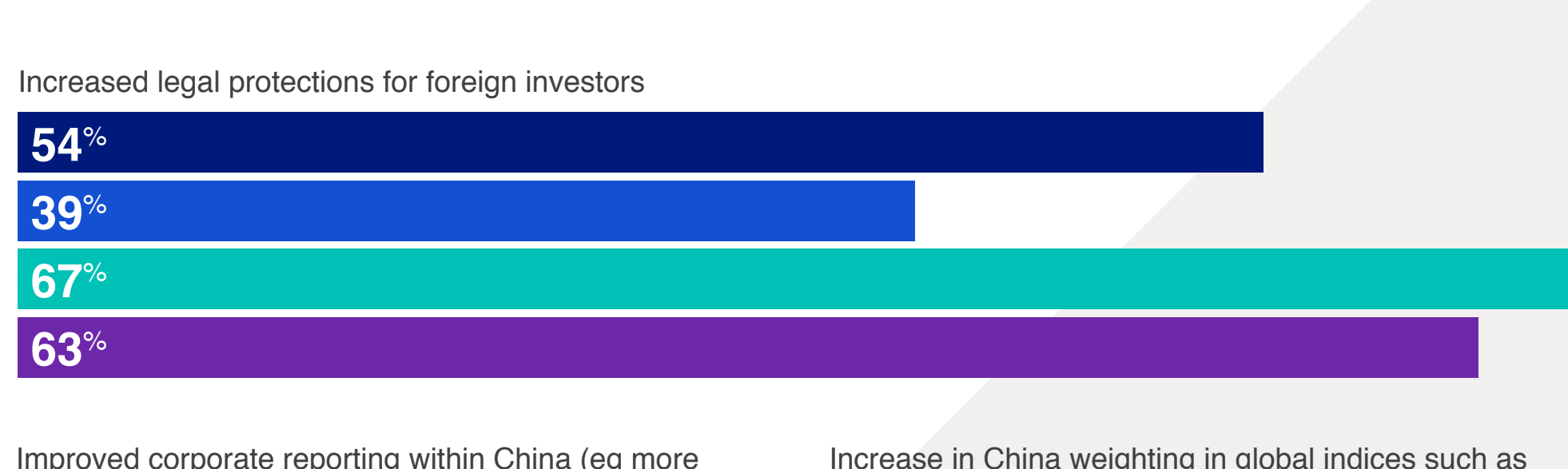
Over the next 12 months, which of the following themes or trends do you believe are most likely to attract investment from your organisation into China?



Some organisations still hold back

What would be a catalyst for considering a dedicated investment exposure to China?*

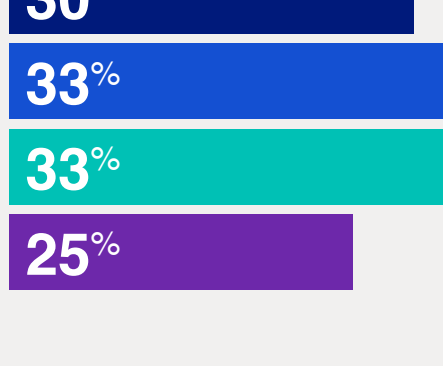
● Total ● EMEA ● APAC ● North America



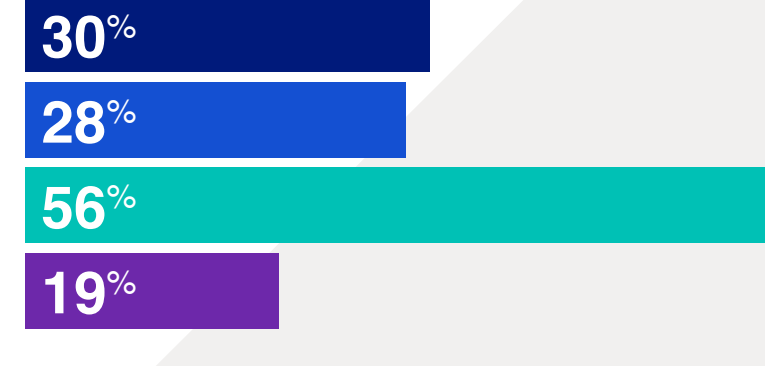
Improved corporate reporting within China (eg more transparency, consistency with international standards)



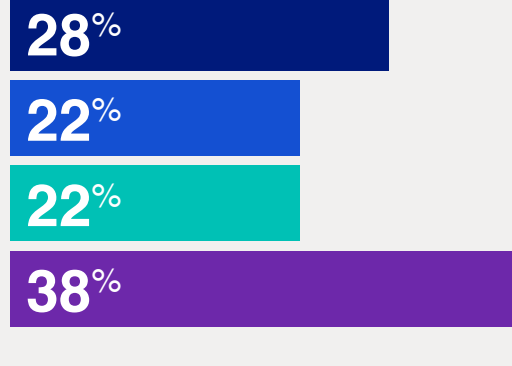
Increase in China weighting in global indices such as MSCI or FTSE



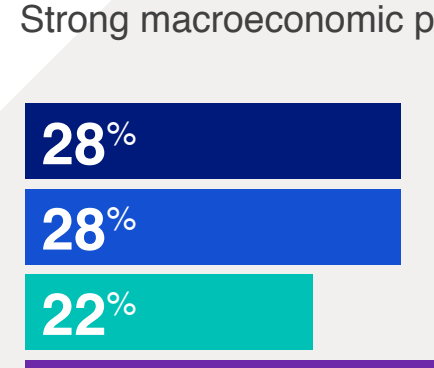
Improvement of financial intermediaries in China (eg rating agencies, law firms)



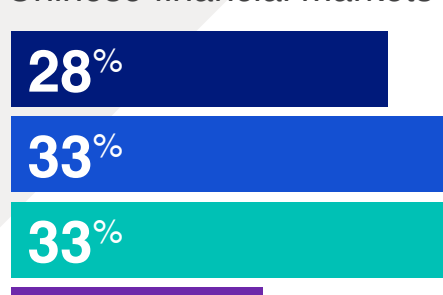
Improvements to my organisation's China expertise (eg financial markets, assets, listed companies)



Strong macroeconomic performance in China

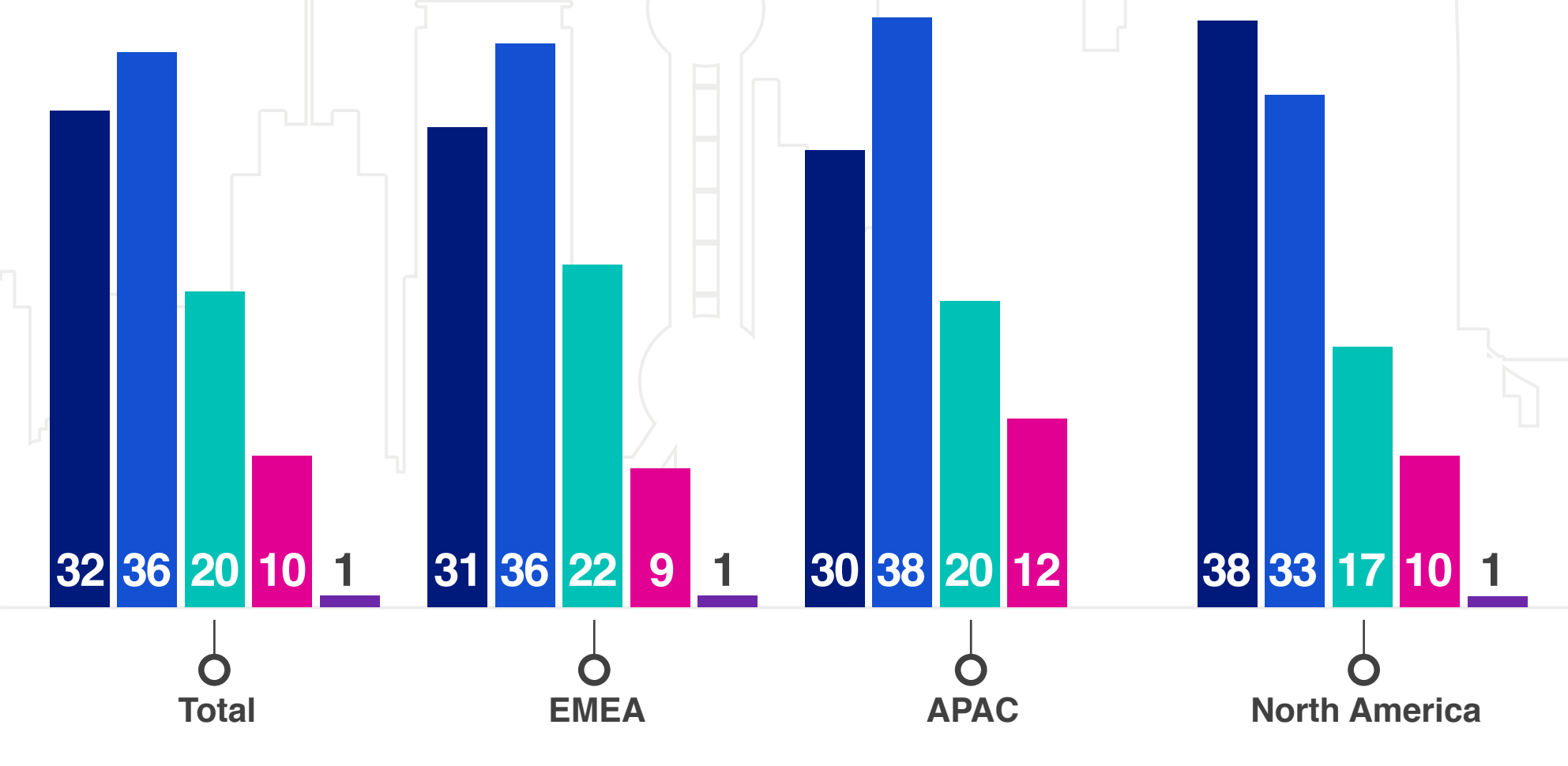


Reduction of legal restrictions for investing in Chinese financial markets or institutions



Global China exposure set to reach new heights

Over the next 12 months, to what extent do you expect your organisation's exposure allocations to China to change? (%)



*From the full survey of 411 investors, 43 claimed no dedicated investment exposure to China currently; these responses from that survey subset. Figures are percentages and have been rounded to one significant figure. Results from a survey of 411 asset and wealth management firms, commercial banks, endowment funds, family offices, government agencies, hedge funds, insurance and reinsurance companies, pension funds and sovereign wealth funds. Respondent seniority ranged from vice-president to C-suite management. Respondents generally described their organisation's China exposure as above average when compared to industry peers. The survey was conducted from August to September 2019.

Investment Risks:
The value of investments and any income will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested.

Important information
This document has been prepared only for those persons to whom Invesco has provided it for informational purposes only. This document is not an offering of a financial product and is not intended for and should not be distributed to retail clients who are resident in jurisdiction where its distribution is not authorized or is unlawful. Circulation, disclosure, or dissemination of all or any part of this document to any person without the consent of Invesco is prohibited.

This document may contain statements that are not purely historical in nature but are "forward-looking statements," which are based on certain assumptions of future events. Forward-looking statements are based on information available on the date hereof, and Invesco does not assume any duty to update any forward-looking statement. Actual events may differ from those assumed. There can be no assurance that forward-looking statements, including any projected returns, will materialize or that actual market conditions and/or performance results will not be materially different or worse than those presented.

The information in this document has been prepared without taking into account any investor's investment objectives, financial situation or particular needs. Before acting on the information the investor should consider its appropriateness having regard to their investment objectives, financial situation and needs.

You should note that this information:

- may contain references to amounts which are not in local currencies;
- may contain financial information which is not prepared in accordance with the laws or practices of your country of residence;
- may not address risks associated with investment in foreign currency denominated investments; and
- does not address local tax issues.

All material presented is compiled from sources believed to be reliable and current, but accuracy cannot be guaranteed. Investment involves risk. Please review all financial material carefully before investing. The opinions expressed are based on current market conditions and are subject to change without notice. These opinions may differ from those of other Invesco investment professionals.

The distribution and offering of this document in certain jurisdictions may be restricted by law. Persons into whose possession this marketing material may come are required to inform themselves about and to comply with any relevant restrictions. This does not constitute an offer or solicitation by anyone in any jurisdiction in which such an offer is not authorised or to any person to whom it is unlawful to make such an offer or solicitation.