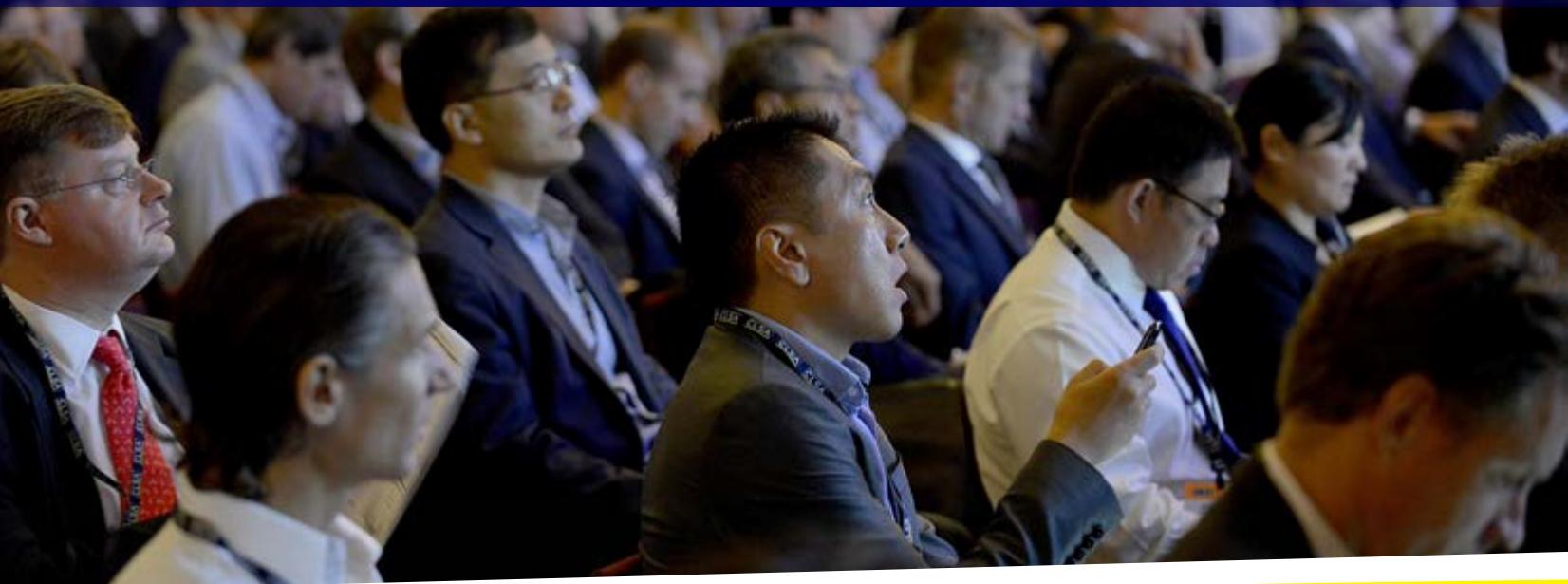




11-15 SEPTEMBER 2017 • HONG KONG



**24th | CLSA
INVESTORS'
FORUM 2017**



Asia's premier investment conference

CLSA

Insights. Liquidity. Capital.

CLSA is one of Asia's leading capital market and investment groups; connecting investors to insights, liquidity and capital to drive their investment strategies.

Award-winning research, an extensive Asia footprint, direct links to China and experienced finance professionals differentiate our range of services in corporate finance, capital markets, securities and asset management.

As the international investment platform of CITIC Securities, China's largest investment bank, CLSA is uniquely positioned to facilitate cross-border capital flows and bridge China to the world and the world to China.

Founded in 1986 and headquartered in Hong Kong, CLSA operates from 20 cities across Asia, Australia, the Americas and Europe.

For further information, please visit www.clsa.com



JOIN US FOR FIVE FANTASTIC DAYS

The annual CLSA Investors' Forum in Hong Kong is one of the most comprehensive events of its kind in Asia, giving you access to senior executives from leading companies that are important to you. The Forum will also deliver the breadth and depth of our award-winning research, host 185 corporate and specialist presentations and more than 60 world-renowned industry experts on a vast array of subjects.

Scores of world leaders have recognised the power of the CLSA audience and used our Forums to present their nations' political and economic messages directly to investors who will make a difference in their markets.

Past participants include Bill Clinton, Alan Greenspan, Al Gore, Jean-Claude Trichet, Sarah Palin, Desmond Tutu, Paul Volcker, Bob Geldof, Craig Venter, Francis Ford Coppola, Arnold Schwarzenegger, George Clooney, David Beckham, Stanley Fischer, Jared Diamond, Paul Krugman, Frank Luntz, Robert Shiller, Carmen Reinhart and Joseph Stiglitz.

Whether its global finance or economics gurus, political or geopolitical experts, technology, health, environment or social-issue specialists, our prominent speakers will challenge and enlighten you over the five days of the Forum.

CLSA offers

- **185 presentations**
- **Award-winning research**
- **Bridge to China and the world**
- **Actionable stock ideas**
- **Diverse trading strategies**

Spoilt for choice





UNRIVALLED CONTENT AND CONNECTIONS

The week's offering will be comprehensive. In addition to seven tracks of presentations, and thousands of hours of multilevel meetings, every day over a working lunch we will showcase a speaker who will challenge you to think outside the box. Collectively, they will make you better understand what the future holds and how what's coming will affect the way you make your investment decisions today.

5 DAYS **7** TRACKS **185** PRESENTATIONS
21 SECTORS **12** MARKETS **&** WORKING LUNCHES

Presenters and attendees

1,300 investors from around the world **700** senior executives from nearly 260 of the region's leading companies
Current and former government leaders **&** Industry specialists and CLSA ranked analysts

FORUM DETAILS

Date

11-15 September 2017

Conference venue

Grand Hyatt Hong Kong

Accommodation

CLSA has special conference rates for the below hotels. Contact your CLSA sales representatives for details.

- **Grand Hyatt, 1 Harbour Road, Wanchai**
- **Renaissance Harbour View, 1 Harbour Road, Wanchai**
- **Conrad, Pacific Place, 88 Queensway, Admiralty**
- **JW Marriott, Pacific Place, 88 Queensway, Admiralty**
- **Novotel Century, 238 Jaffe Road, Wanchai**
- **Mandarin Oriental, 5 Connaught Road, Central**
- **Four Seasons, 8 Finance Street, Central**

Registration

Places are limited so be sure to register early.

- **Contact your CLSA sales representative**



FORUM FACILITIES

IF-Online

All the latest Forum news, commentary and insights will be available on IF-Online, which can be accessed via cls.com. Non-client delegates can gain access through wales.cls.com or the CLSA Mobile app.

CLSA evalu@tor

The CLSA evalu@tor database offers access to our award-winning research as well as tools for screening, comparing and charting more than 1,300 Asian equities. This unique 24-hour online service also retrieves data from analysts' models and global data feeds from leading vendors.

Mobile app

Stay connected to everything going on at the Forum and have the latest schedule at your fingertips. The CLSA Mobile app is free and requires iOS version 8.0 or later. Search for "CLSA" in the Apple App store or Google Play store.

Business centre

The business centre offers a full range of secretarial services, travel assistance and courier facilities.

Library

An extensive array of CLSA publications as well as annual reports and brochures from presenting companies will be available in our onsite CLSA library.

Computer kiosk station

A large bank of computers equipped with Bloomberg software will be available for delegate use. Delegates will also be able to:

- View Forum schedules (personal and general)
- Send intranet email to other forum participants online
- Make bookings for Forum presentations and social activities
- View participating speaker and company information

Courier services

A courier representative, conveniently located outside the CLSA business centre, will get your package overseas as fast as the next day!

Travel desk

A CLSA travel coordinator will be available to assist you with your travel arrangements and onward flight confirmations.

Hospitality

Need to hold an informal meeting? Book a restaurant or a sightseeing tour? Looking for a special gift? Our CLSA hospitality staff will be happy to help you make reservations and answer your enquiries.

Content and connections





SOCIAL ACTIVITIES

It's not all work, though!

Throughout the week there will be a host of extra-curricular activities for you to choose from: there's something for everyone. Invitations will be sent to registered delegates in due course.

Evening events

MONDAY



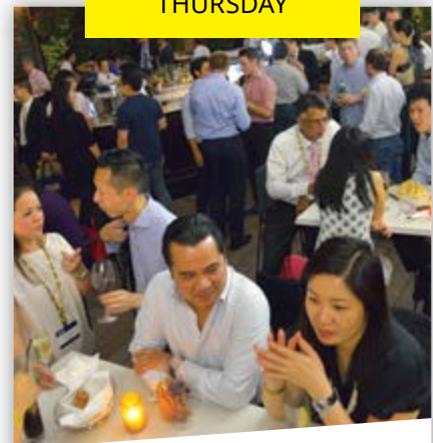
Wind down after the first day of the forum at CLSA's welcome cocktails. A relaxing night of great conversation and music.

TUESDAY



Sample some of the best food Hong Kong has to offer at a selection of the city's most interesting and enticing eateries.

THURSDAY



Party at one of Hong Kong's latest hotspots. Turn up the heat as we bring everyone together for a spectacular evening.



OUR STORY

When CLSA started life in 1986, telling the story of Asia was pretty simple: most global funds saw Japan as the only serious market; the Korea Fund sold at a 100% premium as the only way in and China was a mere blip on the world's economic radar.

Ronald Reagan was in the White House, the Dow Jones Industrial was climbing towards 1,900, Margaret Thatcher was firmly ensconced at Number 10, and China was one of the world's poorest countries with per-capita income of US\$320.

In Hong Kong, still 11 years before the handover back to China, the Hang Seng Index was closing in on 2,000, prime office space was HK\$15-17 per square foot and you could see the hills behind Kowloon from Central. Planes skimmed the near horizon to bank sharply and land at Kai Tak, within view of the city.

In 1990, seven years before reunification, in one of our earliest TV snapshots, *The Vanishing Border*, CLSA was one of the first to identify a paradigm shift that would redefine the global economy as Hong Kong became southern China's financial/service centre and, more importantly, the mainland became a manufacturing powerhouse.

The story of China is not one that can be understood in numbers or cold analysis, but one that needs to be soaked up on a visceral level and be told by professionals who think outside the confines of a typical broker



China's rise has been an incredible and complex epic of profound growth in global trade

Mr & Mrs Asia sit at the intersection of many of our key investment theses: Billion Boomers; Chinormous; Chinese Tourists, e-liftoff, Autocalyspe and Theorality.

One sees all the larger themes that have played out during the past 30 years on the hundreds of colourful research covers we have produced, featuring original artwork: China's rise out of isolation to become a major global power; the boom, bust and then recovery of Asean; the emergence of India; Japan's recovery after 15 years of recession; and the explosion of e-commerce.

We are fast approaching a world in which humans and artificial intelligence are bound together in a constant exchange of information and goals - where people and software will not be much use without the other. We opine that diverse and unrelated industries are going to be fundamentally reshaped.

The Chinese characters for longevity are derived from the symbols for strength, perseverance and leadership - qualities one needs to survive and prosper. CLSA has displayed such attributes, growing in strength from a single office in Hong Kong into an investment powerhouse with over 1,500 dedicated professionals located in 20 cities across Asia, Australia, Europe and the USA.



Xi Jinping's ambitious One Belt, One Road initiative aims to redirect China's domestic overcapacity and capital for regional infrastructure development to improve trade and relations with Asean, Central Asian and European countries. We continue to identify the many ways investors can participate in both A- and H-share markets.

Through our parent company, CITIC Securities, CLSA has unrivalled access to China for corporate finance, capital markets and investment opportunities. We leverage outbound capital flows and assist global investors in navigating China's capital markets. CLSA is now part of the brokerage establishment, committed to a culture of excellence, innovation, integrity, inclusion and celebration.

Today, China is the world's No.2 economy after the USA with GDP of US\$11 trillion, a TV-reality star is in the White House and the Dow Jones Industrial is a shade above 21,000. The Hang Seng Index is up around 25,600 and prime Central office space is a record HK\$150 per square foot.

As we prepare to celebrate the Forum's 24th year, our commitment to bringing clients actionable ideas is stronger than ever.

MARKET FOCUS IN 2017

AUSTRALIA

Surging house prices have created a euphoric wealth effect that is seeing Australians contemplate greater spending. At the same time, disposable incomes are falling, with consumer spending funded out of savings achieved elsewhere. Thus, households' leverage to low interest rates is bumping up against the surface tension of rising underemployment and slowing wage growth.



CHINA

Beijing is more focused on derisking and stability than growth, but it is not leaving much to chance as it clamps down on capital outflows and continues to target robust credit expansion. The economy is being helped by exports and a stronger global outlook, as well as government policy to reshore consumption which is in a cyclical recovery. The internet and consumer sectors continue to do well.



HONG KONG

Runaway property prices are a challenge that the new government appears to have few answers for. Strong liquidity has dampened the impact of rising US interest rates. Property supply is limited and affordability levels are still manageable. Hong Kong will benefit from China's economic recovery. Bank lending has improved and tourist arrivals have returned to positive growth.



INDIA

Housing-construction initiatives and reforms are laying a solid foundation for more sustainable longer-term growth in India. Modi's massive win in state elections implies that he is likely to be the national leader until at least 2024. The ensuing stable policy environment and improving relationship between the state and the central government should be conducive for corporations and investors.



INDONESIA

Fundamentals continue to improve for Indonesia and that includes the banks. Asset quality is stabilising, and growth is returning as the economy continues to recover. Augmented reality has captured the imagination of retailers and advertisers which are looking at innovative ways to increase sales and improve their return on investment. In Indonesia, early adopters are set to grab a bigger piece of the retail pie.



JAPAN

Companies are awash with cash and the penny seems to have dropped on corporate governance, resulting in unprecedented buybacks. Japanese pension funds seem to be dangerously overweight negative yielding bonds, necessitating a continued bond/equity switch, and the Bank of Japan seems intent on more heavy ETF buying. The outlook for equity supply and demand in Japan looks rosy.



KOREA

Over the course of its history, Korea has consistently managed to overcome crises by reinventing itself through wrenching reforms. Moon Jae-in's central economic agenda is chaebol reform. We believe the newly elected president has one of the best opportunities among all previous Korean leaders to make way for one of the best-performing stock markets during his term.



MALAYSIA

We are bullish on Malaysia and urge investors to look at sectors with multiyear revenue improvements including airports, gaming, ports, infrastructure and financial services. The government aims to churn out 4-5% GDP growth and tackle the budget deficit while negotiating populist measures to repair its poor 29% approval rating. We recommend investors stick to quality names.



PHILIPPINES

The Philippines' strong macro backdrop, rising income levels, favourable demographics and early credit and investment cycles present myriad investment opportunities. The comprehensive tax-reform law will help finance the country's much-talked-about infrastructure programme. The charts indicate that falling oil prices generally lead to lower inflation, lower interest rates and higher PCOMP levels.



SINGAPORE

With the market a warrant on global growth, a recovery in world trade and a cyclical upturn in commodity prices are breathing life into the Singapore economy. We favour a Dividend Cocktail portfolio to weather the transitional pains of the government reorienting the country from the old manufacturing economy to the new economy of fintech and e-commerce and see value in property.



TAIWAN

Taiwan remains Asia's high-tech hub and is home to leading global suppliers of semiconductors, optoelectronics, computers and mobile devices. The island's component manufacturers are gearing up for the next iPhone supercycle. Taiwan has one of the most impressive cash-dividend yields among major equity markets, and the highest 12-month forward yield in Asia at 4.1%.



THAILAND

The Thai government continues to execute a long list of transport infrastructure projects and offer incentives to drive private investment. The Eastern Economic Corridor (EEC) is one of the key masterpiece policies to promote private investment. A general election in 2018 will be another positive catalyst. Smooth execution is critical for the country to return to its former growth path.



SECTOR FOCUS IN 2017

Autos

Mass-market driverless cars are a decade away but advanced-driving-assistance systems (Adas) is today's story. Consumer demand and regulatory pressure are speeding up adoption and automakers must choose their paths. Adas is a fresh opportunity in a mature industry.

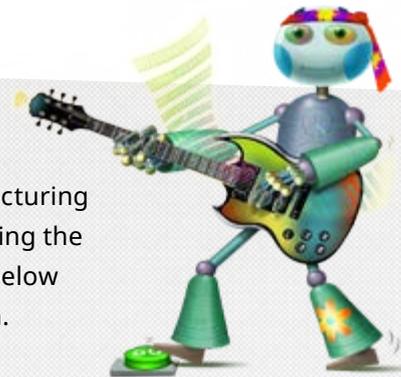


Banks

Seemingly contradictory macro factors continue to dominate the investment outlook for bank equities which creates a degree of volatility. For example, the long-awaited perceived positive earnings impact of reflation versus subdued economic growth; the potential unwind of US quantitative easing versus continuing QE liquidity injections elsewhere; and resolution of "Basel 4" capital, liquidity and funding regimes to improve bank resilience versus the global wave of populist politics which could see bank regulation wound back.

Capital goods

Industrial robots continue their march into new factories and manufacturing facilities around the world. Big data and machine learning are extending the love of industrial-automation solutions. With payback periods often below two years and quantifiable results, we expect rapid industry adoption.



Commodities

The commodity cycle has rolled on and supply has adjusted to the changing demand and pricing environment. We anticipate further differentiation between commodities as prices respond to differing supply-demand dynamics.

Conglomerates

Conglomerates' strong balance sheets have opened the door for more M&A for some and organic growth for others. This in turn will drive NAV growth for the sector. At IF17, we will explain which strategies conglomerates will utilise to sustain investor returns.



Consumer

The rise of e-commerce makes it much easier to distribute products in new markets. This in turn poses risks for more traditional retail models across Asia, but also allows newer markets to leapfrog previous modern retail development and head straight to e-commerce on a faster timeline.



ESG

Environmental, social & governance (ESG) issues have entered the Asian mainstream for investors, driven by a confluence of tighter regulations, focus by regional pension and sovereign wealth funds and rapidly improving data quality. In 2017, we have been focusing on ESG risks and impacts on supply chains, in particular, sourcing risks for battery materials as well as rare earth metals crucial to smartphones and other tech products.

Gaming

Macau gaming is staging a rebound after a two-year reset. Visitors are back and spending, although one can hardly ignore the effects of an improving China macro backdrop that is stimulating consumer confidence.



Healthcare

The incidence of heart disease, cancer and diabetes is increasing in Asia, reflecting changes in lifestyle and diet as well as ageing. According to the WHO, the economic cost from these diseases between 2006 and 2015 totalled US\$3bn. Hence, companies that treat these diseases within the emerging Asian region should see steady volume increases. Businesses that treat the disabled should also see increasing demand.

Oil & Gas

China accounted for 40% of the world's incremental oil demand over the past three years and India is fast catching up. Meanwhile, President Donald Trump's America First Energy Plan favours oil production and low oil prices. Find out where the best opportunities in Asian equities lie from quality oil & gas companies presenting at our Investors' Forum.



Power & Utilities

Raising the share of natural gas in energy consumption will play an important role in reducing air pollution. China targets a share of 10% by 2020 and 15% by 2030. While regulations are still evolving, we believe these levels would allow gas utilities to earn reasonable returns.



Property

Hong Kong developers have been squeezed out of their own market this year, as Chinese developers take market share of land tenders. We will look at how cross-border competition is changing the landscape, and whether the difficulty in reinvesting is a blessing in disguise.

Smidcaps

Smidcaps are where the opportunities to derive alpha lie as they have earnings growth some 2-3x that of large caps, with similar valuations. We focus on those with an improving business franchise, rising EVA[®] and share prices that allow for a potential doubling over three to five years.



Steel

The boom in US steel names on the back of Trump's infrastructure promises has positively impacted Asian names, yet the Trump administration is more about imposing tariffs on imported steel to ensure infrastructure is made with US steel.

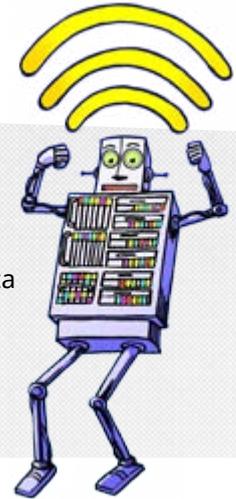
Thematics

How do you disruption-proof your portfolio in such a fast-changing world? We do not pretend to know all the answers, but our *Theorality* thesis will help you make sense of the fundamental shifts that are affecting traditional business models and your stocks' portfolio performance.



Technology

The iPhone 8 cycle is set to drive 20% volume growth, smartphone camera upgrades will continue and deep learning semiconductors are starting to make a dent for foundries. Data centre hardware continues to grow at 20-25% per year and commodity semi components, memory and OLED are reaching new levels of profitability. Our A-share tech coverage focuses on national champions and domestic firms in niche markets.



Telecoms & Internet

4G adoption is driving mobile-internet usage. Millennials are having families and shaping China's e-Grocery shopping while smart logistics boost fulfilment efficiency. Tourism, advertising and gaming are also doing well. Mobile gaming continues its strong momentum. AR/VR games will be the next catalyst.

Unparalleled thematic research

- You will see all the larger themes that have played out across Asia and the world over the past 30 years illustrated in our reports.
- Our research is different; at times irreverent; often humorous - sometimes not; but always thought-provoking and value-adding.

HELPING YOU IN YOUR QUEST FOR VALUE

CLSA UNIVERSITY



Access unfiltered primary sources of information in an executive-education-style setting. CLSA U is also recognised as a CFA Institute approved provider for continuing development, granting participants CFA continuing development credits automatically.

MACROECONOMICS
AND
STRATEGY

GREED & FEAR
EYE ON ASIAN ECONOMIES

Award-winning strategist Christopher Wood and top-rated economist Eric Fishwick kick off the Forum with their views to help set the scene for the hundreds of company, analyst and specialist-speaker presentations throughout the week.

CHINA REALITY RESEARCH



China Reality Research hosts grassroots investor trips all across China. These trips focus on connecting our clients with real people doing real business across a wide range of sectors. There is no better way to get a flavour of what's really happening on the ground.

MICROSTRATEGY



Despite the rise of smart-beta strategies and ETFs, fundamental stock selection remains important, especially with an overlay of investment styles. We employ rigorous screening criteria and backtesting to come up with first-class stock-selection ideas.

TECHNICALS



Our technical indicators recognise the value of history and crowd behaviour, using breadth, momentum, flow, participation and sentiment to assess direction and identify big turning points. We constantly map out trades and investment strategies.



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A nighttime photograph of a city street with light trails from cars and buildings in the background. The scene is dominated by blue and white light trails, with some red trails on the left. The buildings are illuminated with various lights, and the sky is dark blue.

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