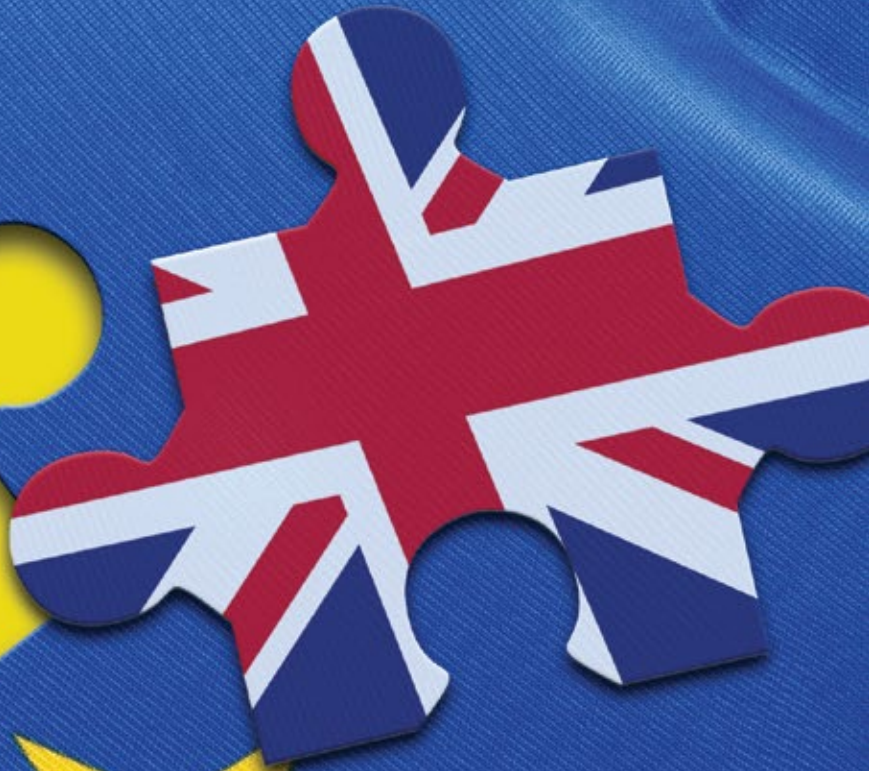




# THIS IS TAKING CONTROL OF CURRENCY EXPOSURE BEFORE THE EU REFERENDUM

B U S I N E S S

Your guide to BREXIT and the currency markets

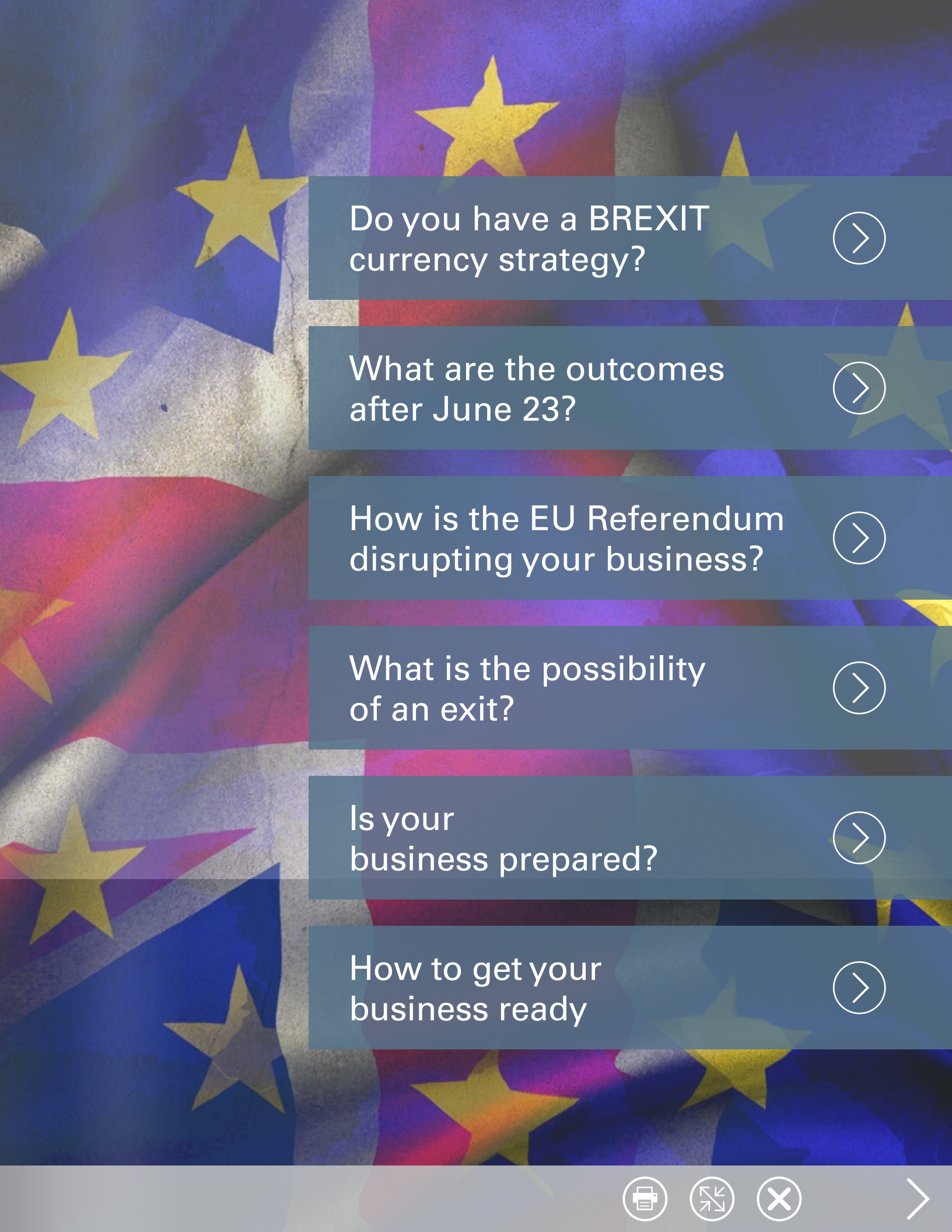


moving money for better

RISK MANAGEMENT







Do you have a BREXIT  
currency strategy?



What are the outcomes  
after June 23?



How is the EU Referendum  
disrupting your business?



What is the possibility  
of an exit?






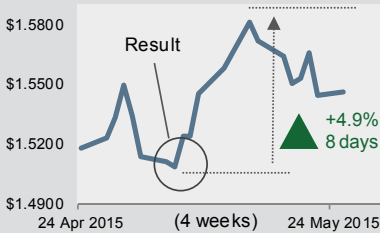
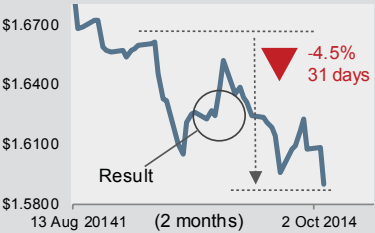
Is your  
business prepared?



How to get your  
business ready



# How is the EU Referendum disrupting your business?

 <b>IN – UK VOTES TO REMAIN IN EU</b>		
<b>Potential scenarios on June 24</b>	<b>Phase 1</b> Immediate reaction	<b>Phase 2</b> Medium-term assessment
<b>Expected impact on markets</b>	BREXIT risk premium removed, triggering GBP relief rally	Re-calibration of comparative UK interest rate expectations
<b>Subsequent estimated FX shift</b>	<ul style="list-style-type: none"> <li>+4 to 6% GBP appreciation</li> </ul> 	<ul style="list-style-type: none"> <li>GBP depreciation if no marked hawkish UK interest rate adjustment</li> </ul> 
<b>Our 'initial' anticipated FX target ranges</b>	<ul style="list-style-type: none"> <li>GBP/USD \$1.48-\$1.51</li> <li>GBP/EUR €1.32-€1.35</li> <li>EUR/USD \$1.13-\$1.16</li> </ul>	<ul style="list-style-type: none"> <li>GBP/USD \$1.43-\$1.47</li> <li>GBP/EUR \$1.28-€1.31</li> <li>EUR/USD \$1.10-€1.13</li> </ul>
<b>Considerations that will impact these forecasts</b>	GBP market positioning ahead of the vote.	US interest rate announcement, June 15
<b>HISTORICAL COMPARISON</b>		
<b>Historical examples to validate each forecast</b>	UK Election - 2015	Scottish Referendum - 2014
<b>How currencies reacted during or after these historical events</b>	 <ul style="list-style-type: none"> <li>GBP/USD soared by almost 5% on the surprise result.</li> <li>The 8 day rally saw GBP/USD appreciate by over 700 points.</li> </ul>	 <ul style="list-style-type: none"> <li>The GBP/USD relief rally on the result faded very quickly.</li> <li>Two months later GBP/USD was trading near 1-year lows.</li> </ul>

