



Live more,
Bank less

CEO Observations

August 2, 2018

Agenda

- **Business momentum**
- **Treasury Markets**
- **Macroeconomic view**
- **2018 outlook**

Business momentum (1H18)

Cards

Income

S\$377 m

+29% YoY

Wealth Segment

Income

S\$1.3 bn

+30% YoY

AUM

S\$216 bn

+23% YoY

SME

Income

S\$941 m

+12% YoY

Cash / SFS

Income

S\$746 m

+47% YoY



World's Best Digital Bank



World's Best SME Bank

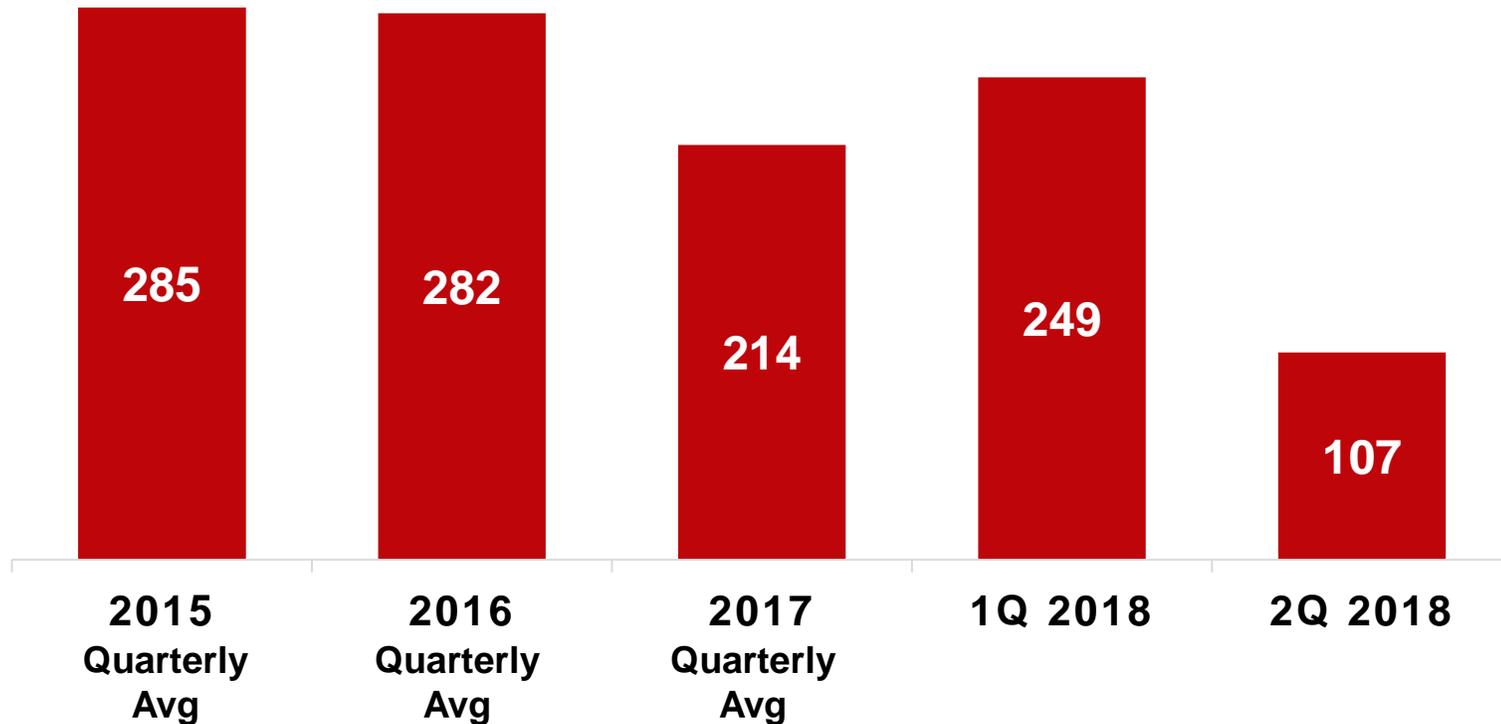


**DBS iWealth
Ranked Top globally**

* Swiss research firm

Treasury Markets

Income (\$m)



- Some structural impact from exchange trading and high frequency
- 2Q impact from
 - Asian credit spreads
 - Flattening yield curve

Heightened macroeconomic uncertainty

- Rising US-China trade tensions
 - While impact of phase 1 benign, phase 2 uncertain
 - Spillover effects concerning
- China deleveraging
- Weakening Asian currencies
- Singapore property – some impact on loan growth with cooling measures
- Strong US economy creates tailwinds

2018 outlook

- **Loan growth:** Reduced from 8% to 6-7% due mostly to trade loans
- **NIM:** 1 to 2bps above previous guidance of 1.85% for full year; on the back of 2 expected rate hikes
- **Income:** Maintained at low double-digit growth
- **Cost-income ratio:** Maintained at 43%
- **Allowances:** Expect to be better than cycle average