

Economic Calendar

Date	Country	Event	Period	Survey*	Prior
10 Jun	EZ	Sentix Investor Confidence	Jun	--	-3.6
	JP	BoP Current Account Balance	Apr	¥1739.9b	¥3398.8b
	JP	Eco Watchers Survey Current/Outlook SA	May	48.6/49.0	47.4/48.5
	JP	GDP SA QoQ	1Q F	-0.5%	-0.5%
11 Jun	JP	Machine Tool Orders YoY	May P	--	-8.9%
12 Jun	US	CPI/Ex Food and Energy YoY	May	3.4%/3.5%	3.4%/3.6%
	US	Real Avg Hourly Earnings YoY	May	--	0.5%
	JP	PPI YoY	May	2.0%	0.9%
	US	FOMC Decision (Lower/Upper Bound)		5.25%/5.50%	5.25%/5.50%
13 Jun	US	Initial Jobless Claims		--	229k
	US	PPI Final Demand/Ex Food and Energy MoM	May	0.1%/0.3%	0.5%/0.5%
	EZ	Industrial Production WDA YoY	Apr	--	-1.0%
	JP	BSI Large All Industry QoQ	2Q	--	0.0%
14 Jun	US	U. of Mich. Sentiment/Expectations	Jun P	73.0/-	69.1/68.8
	US	U. of Mich. 1Y/5-10Y Inflation	Jun P	--	3.3%/3.0%
	JP	BOJ Target Rate (Lower/Upper Bound)		0.00%/0.10%	0.00%/0.10%
	JP	Tertiary Industry Index MoM	Apr	0.4%	-2.4%

Week-in-brief: Of Similarities & Idiosyncrasies

- UST yields fell as a slew of data releases in the past week affirmed softer labour markets. Regardless, growth alone may not be sufficient to tone down Fed hawks at the FOMC next week.
- Point being, it would take a **more material growth deterioration** (ISM services was the bright spot, even as manufacturing disappointed) and softer labour markets.
- **As such, US CPI release merely hours before FOMC implies the need to brace for volatility** and economic projections will be closely watched.
- The Fed is not alone in its preference to hold at elevated rates. While ECB acted in accordance to the well-telegraphed cut with only 1 dissenter, their statement was non-committal on rate paths, with attention geared towards wage growth and an upwardly revised inflation estimate. Meanwhile, Governor Bullock remarked that **RBA will not hesitate to hike if inflation proves sticky, amid a still-tight labour market**. While RBA could still ease on weak growth, the disappointing Q1 GDP print was likely within the board's "quite low" growth expectations.
- Ahead of the upcoming BoJ meeting, USD/JPY slid below 156 on expectations of reduced bond purchases. That said, any policy tightening would likely be viewed with dovish lens and risks derailing the already fragile growth without providing much support to the JPY.
- Over in EM Asia, **IDR was pressured by fiscal woes**, as the 2025 budget deficit cap at 2.8%, similar to the upwardly revised cap for 2024 is a material increase from 2023 budget deficit (1.7% of GDP). Even as the RBI proceeded with their widely expected hold alongside a GDP growth upgrade, **INR underperformed after a tight victory for Modi**, casting worries that diminished political sway could blunt the economic reform momentum; while **PHP** was unchanged as a lower inflation print in May (3.8%) risks increasing BSP's rate cut inclinations.
- Elsewhere, THB was stronger for the week despite news that the Thai government was weighing nominees for BoT Board Chair. Looking ahead, **feeble growth outlook and rising inflation back towards the target band imply a continued hold by BoT (12 Jun) while keeping a keen eye on adverse spillovers of fiscal policy**. Finally, **CBC (13 Jun) is expected to stand pat for now** on contained inflation, although future hikes remain on the table should inflation surge as robust growth and a tight labour market provide policy room.

FOMC: Dilution, Dispersion & Deferment

- At the upcoming FOMC meeting, a hawkish hold is the expectation, with the 'Dot Plot' likely to feature as the barometer of hawkish restraint alongside the rhetoric and economic projections. To be sure, the base message will still be one of "when, not if" with regards to rate cuts ahead.
- But the timing and pace of these becomes a lot more debated and debatable. Needless to say, the post-FOMC press conference is going to be the main conduit to articulate far more nuanced views to complement the coded and constrained statement.
- But a lot more may be made of quantitative guidance from the quarterly revisions to economic projections (SEP) as well as the updated 'Dot Plot'. On the SEP revisions, the bar may be higher for downside in GDP growth and upside in unemployment to offset any upward revisions to inflation (with particular attention to core PCE).
- But arguably the 'Dot Plot' will steal the thunder, given that it is seen as a distillation of economic risks to policy response. And for the 'Dot Plots' three dimensions will feature.
- The first will be the hard-to-ignore, **dilution** in the median rate cuts projected for 2024 vis-a-vis the three rate cuts (75p reduction) priced into the March 'Dot Plot'.
- **Dilution:** Market expects 2024 rate cuts to be diluted down to 2 from 3. So, a lot is baked in, and a measured reduction in 2024 median lone may not be a higher hawkish jolt for UST yields or the USD.
- Instead, the **dispersion** of FOMC projections is set to calibrate market reactions as it provides far more clarity and insight on FOMC thresholds for rate cuts.
- **Dispersion:** In particular, the tendency of the dispersion rate forecasts (how close the mean gets to just one cut instead of two) will have greater sway on hawkish market reactions (for higher yields and USD). In addition, so will the number of more extreme votes for (no cuts in 2024).
- Finally, markets will also pay attention to how rate cuts are **deferred** to arrive at longer-term 2.50% pan out. **Deferment:** Specifically, if diminished rate cuts for 2024 are simply deferred to 2025, thereby bumping up 2025 cuts (vs. March 'Dot Plot'), then the hawkish impact from diminished 2024 rate cuts may be dulled.
- This 3-D 'Dot Plot' focus suggests scope for a wide range of reactions in the context of a higher bar for a hawkish hold. Post-presser volatility could also persist as rhetoric is fitted in with the details of revisions.
* Known as the SEP (summary of economic projections)
** This is a projection of where each member sees the Fed Fund rates as of the end of each year.

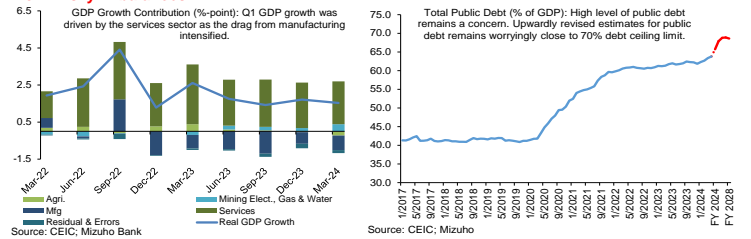
BOJ: The Dovish Hike Risk

- The risk that any BoJ tightening could be disrespected as a dovish hike reinforces our pre-existing fundamental view that the be the BoJ has cause to extend the patient pause in any case. Even if the BoJ wants to convey that the direction of travel is for tightening, the key guiding principle is gradualism. Specifically, **to be absolutely sure that policy accommodation is not removing in such a haste that it ultimately turns out to be deleterious**.
- Fact is, underlying economic confidence is at best fragile if not fraught. And it is certainly underwhelming for household and uneven across small and large businesses.
- Worst of all, if a **hike is once again dismissed as a dovish hike, it would unnecessarily pose economic headwinds whilst depriving any residual JPY/financial market stability**. The policy equivalent of throwing good money after bad. So the risk of being unfairly framed as a dovish hike is an additional reason not to pull the trigger just yet; although it has ample economic justifications for extending the patient pause.
- Especially given that sharp JPY depreciation are likely to have had a significant role in boosting profits (of exporters) and the trickle down wage gains suggests that neither of the income tailwind is sustainable. Worse, could be reversed sharply. And so, over-steering policy aggressively on the vagaries of the JPY and would risk a costly policy folly that also erodes future credibility. Crucially, relying on monetary policy to rein in JPY losses not only sets a dangerous precedent in undermining policy independence/control, but may exacerbate economic and attendant macro stability risks.

*Survey results from Bloomberg, as of 7 June 2024; The lists are not exhaustive and only meant to highlight key data/events

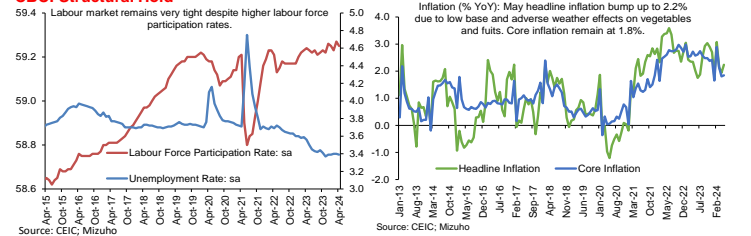
Date	Country	Event	Period	Survey*	Prior
09 Jun	CH	Agg. Financing/New Yuan Loans CNY YTD	May	15030b/11360b	12730b/10190b
10 Jun	MY	Industrial Production YoY	Apr	6.9%	2.4%
11 Jun	CH	FDI YTD YoY CNY	May	--	-27.9%
	KR	BoP Current Account Balance	Apr	--	\$6931.4m
	PH	Exports/Imports YoY	Apr	12.0%/-5.3%	-7.3%/-20.0%
12 Jun	CH	CPI/PPI YoY	May	0.4%/-1.5%	0.3%/-2.5%
	IN	Industrial Production YoY	Apr	4.5%	4.9%
	IN	CPI YoY	May	4.8%	4.8%
	IN	Exports/Imports YoY	May	--	1.1%/10.3%
	KR	Unemployment rate SA	May	2.9%	2.8%
	TH	BoT Benchmark Interest Rate		2.50%	2.50%
13 Jun	AU	Unemployment Rate/Emp. Change	May	4.0%/30k	4.1%/38.5k
	TW	CBC Benchmark Interest Rate		2.00%	2.00%
	TH	Consumer Confidence Economic	May	--	56.0
14 Jun	IN	Wholesale Prices YoY	May	2.8%	1.3%

BoT: Risky Imbalances



- For the upcoming BoT policy meeting (12 June), keeping rates unchanged is a foregone conclusion. Strictly speaking, the focus of monetary policy makers may hardly be on their own policy settings.
- Externally, the implications of the FOMC meeting right after the BoT's decision looms large as the THB remains weak, underperforming regional peers in EM-Asia on a YTD basis.
- The relative weakness though is not without reason as domestic growth remains highly skewed and worries around fiscal imbalances mount. **Q1 GDP printing at 1.5% YoY which was an upside surprise was not much relief considering that the manufacturing sector contracted 3% YoY**.
- The services sector was the main driver of growth contributing 2.3%-points with tourism related accommodation and food services as well as transportation and storage making up half of these gains.
- Furthermore, the **BoT will be worryingly concerned around the revised fiscal medium term framework in late May which showed expanded fiscal deficits and upwardly revised fiscal debt trajectory which falls dangerously close to the debt ceiling limits of 70% of GDP**.
- Given that the increased debt will be used to finance the digital wallet scheme (cash handout) which is goods focused, the **risk of leakages and rising import expenditures may hold back the THB recovery prospects on top of on-going concerns around the efficacy of the household transfer**.
- We remain wary of **warnings of a downgrade in ratings outlook** should the official debt trajectory materialise given the slim buffers (-1.1% of GDP) to the legal ceiling and the relative contrast to regional peers embarking on fiscal consolidation.
- On balance, the **feeble growth outlook and rising inflation back towards the target band (1-3%) imply continued hold to keep while keeping a close watch on adverse spillovers of fiscal policy**.

CBC: Structural Hold



- Having **pre-emptively raised rates** (by 12.5bp at their last meeting in March) to anchor inflation expectations amid the electricity tariff hike in April, the **CBC will keep rates unchanged on 12 June**.
- Despite the electricity hike, inflation remain contained with **core inflation at 1.8% in May**. That said, adverse weather conditions saw a bump up in headline inflation to 2.2% (from 1.9% in April) underscoring the bumpy nature of the dis-inflation path.
- We expect further moderation in both core and headline inflation and end up more durably below the 2%-mark by end 2024. Nonetheless, these estimates remain significantly elevated than the pre-Covid trend (2016-19 avg: 1.0% headline, 0.9% core).
- In addition, amid the semiconductor recovery, growth stayed robust with industrial production levels up 7.1% on average in 2024 thus far (Jan-Apr) also backs the case to keep rates elevated.
- At this juncture, we are **unable to convincingly rule out further hikes should inflation see a resurgence towards 2.5% as real rates remain accommodative rather than restrictive**. (Real policy rate: 0.0% (April 2024); 0.4% (2016-19 avg)).
- As such, even prospects of policy rate normalisation is doubted, barring adverse growth shocks.
- In fact, an **unprecedentedly tight labour market adds to the case that underlying demand and associated price pressures may have structurally shifted for the medium term**.
- Taiwan's labour force participation rates have continued to rise in 2024 and the increase in supply has not induced slack as the unemployment rate remains at record lows. Furthermore, job vacancies in Q1 2024 are higher than pre-pandemic levels.
- Governor Yang's previous allusion to higher neutral rates ought to be given due merit. **Reflecting these views, we only expect a 12.5bps calibration by the end of 2024**.
- As for the TWD, the CBC's continued FX intervention for the tenth month is a reminder of its high beta and telling of the persistent deference to the volatility of the yield differentials with USTs.

Forex Rate

	Close*	Chg^	% Chg^	Week Forecast	
USD/JPY	155.33	-1.770	-1.13%	154.00	~ 158.50
EUR/USD	1.0889	0.0063	0.58%	1.072	~ 1.090
USD/SGD	1.3449	-0.007	-0.55%	1.3400	~ 1.3580
USD/THB	36.417	-0.378	-1.03%	36.20	~ 37.00
USD/MYR	4.695	-0.013	-0.28%	4.630	~ 4.730
USD/IDR	16195	-55	-0.34%	15,900	~ 16,400
JPY/SGD	0.8658	0.005	0.58%	0.849	~ 0.879
AUD/USD	0.6667	0.003	0.45%	0.646	~ 0.670
USD/INR	83.41	0.036	0.04%	82.9	~ 83.6
USD/PHP	58.525	-0.001	0.00%	58.0	~ 59.3

^Weekly change.

FX: Slipping Cuts and Calibration

- This week, the USD slipped against most G10 peers as UST yields declined. The nuances behind the timing of policy rate calibration dictated FX outcomes.
- SEK led gains as the Riksbank Governor re-iterated that the bar is very high for a June cut (27 June) as they stick to their guidance of the two cuts being in H2.
- In the same vein, CHF continued to appreciate as the SNB turned less dovish.
- In contrast, at the other end, amid lower oil prices, the CAD weakened as the Bank of Canada initiated its first rate cut. Further slippages may slow as they cautioned against moving rates lower too quickly.
- While the EUR may have landed in the middle of the pack after the ECB's first rate cut, durable traction above 1.09 was found wanting given that markets had already priced in one cut left in 2024 prior to the meeting

EM-Asia: Suspicious Gains

- Alongside lower UST yields, KRW recovered with an outperformance this week on tailwinds from positive news from Samsung's memory chips being certified by Nvidia.
- That said, final approval is yet to be achieved and domestic CPI disinflation this week may allow dovish tones to seep into KRW.
- With the BoT set to hold their policy rate this week, the THB also outperformed regional peers.
- However, the durability of these THB gains is suspect given reports of the government attempting to influence the BoT via personnel selection and insistence of the digital wallet scheme implementation in Q4.
- In the absence of CNH/CNY gains, EM-Asia FX gains may look shaky heading into FOMC next week.

FX Brief:

- 1) JPY: Looking towards a BoJ hold next week merely affirms the JGB-UST gap to largely buoy above 154 though enlarged volatility surrounding details of potential rate hike and bond buying reduction imply enlarged range of 153-158.
- 2) EUR: ECB's hawkish cut fails to re-take 1.09 this week. Hawkish Fed dot plot may see EUR shallow slips below 1.08. Trading largely rangebound between 1.08-1.09.
- 3) AUD: FOMC Dot Plot affirming 2 cuts alongside soft jobs report in Australia may see the AUD persist below 67 cents next week.
- 4) CNH: CNH unable to latch onto weaker USD trend as PBoC fixing continues to emphasize stability rather than appreciation.
- 5) INR: Slippage last week could reverse as initial knee-jerk reaction to elections dissipates; but caution on broad USD environment.
- 6) SGD: Soft CNH on fizzling optimism on property stimulus could backstop USD/SGD at 1.34 levels.
- 7) IDR: Fiscal woes overhang could risk testing 16,300 levels, especially if dot plot shifts reveal Fed's hawkish sentiments.
- 8) THB: Further gains next week will rest on lower UST yields. Outperformance unlikely as depreciation risks stemmed from prospects of weaker BoT independence and digital wallet plans.
- 9) MYR: Resilience shown in the past few weeks could temper weakness towards 4.75 levels, but conversely, strength below 4.65 could be restrained by soft CNH.
- 10) PHP: Risk of testing 59 levels remains especially with FOMC; and inflation prints plausibly increasing BSP's rate cuts inclinations.
- 11) KRW: Outperformance resembles more of recovery from the previous week's depreciation as UST yields decline and chip woes saw silver lining. Risk of retaking 1375 as FOMC affirms rate plans pushback.
- 12) TWD: Milder gains this week amid the broadly softer USD. Given a CBC hold next week, gains remain at risk from a hawkish Dot Plot.

Bond Yield (%)

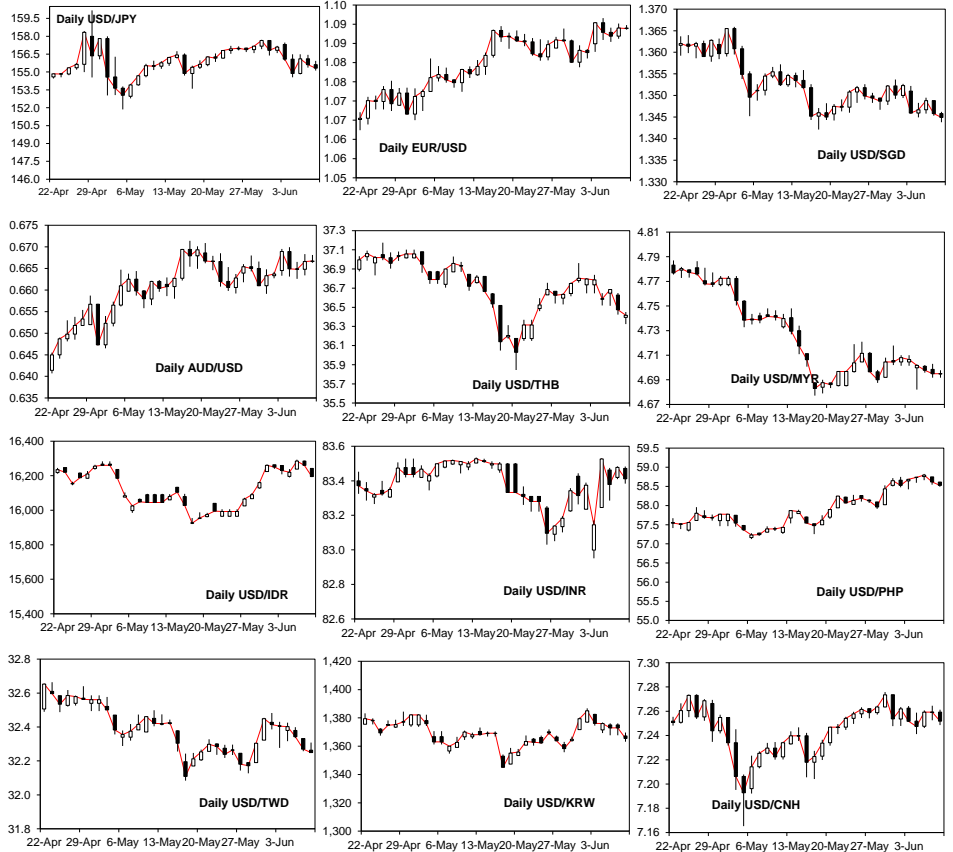
	4-Jun	2-yr	Chg (bp)^	10-yr	Chg (bp)^	Curve
USD	4.734	-13.9	4.291	-20.8		Flattening
GER	3.015	-7.4	2.549	-11.3		Flattening
JPY	0.333	-5.9	0.960	-9.8		Flattening
SGD	3.292	-7.7	3.190	-14.5		Flattening
AUD	3.975	-14.0	4.217	0.1		Steepening
GBP	4.282	-7.7	4.168	-14.8		Flattening

Stock Market

	Close	% Chg
S&P 500 (US)	5,235.48	-1.31
Nikkei (JP)	38,487.90	-0.41
EuroStoxx (EU)	4,983.68	-1.03
FTSE STI (SG)	3,333.65	0.52
JKSE (ID)	6,969.85	-3.50
PSEI (PH)	6,433.10	-2.82
KLCI (MY)	1,600.70	-1.15
SET (TH)	1,345.52	-1.39
SENSEX (IN)	74,071.69	-1.78
ASX (AU)	7,701.74	-0.33

UST: Reverse?

- A strong week for Treasuries as yields plummeted amid soft jobs data, where the UST yield curve flattened.
- Ahead of NFP print tonight, JOLTs job openings saw the lowest openings, ADP employment change fell while initial jobless claims rose; and unit labour costs were revised lower.
- Nonetheless, we expect yields to reverse declines on a hawkish hold at FOMC next week. After all, while softer, the labour market is not in a state which necessitates a shift in the Fed's policy trajectory and overt focus on combating inflation.
- We expect front end yields to move back to trade above 4.8%, although testing 5.0% may be too high a bar.
- Meanwhile, in a curve flattening move, we expect 10Y yields to see a milder climb (to around 4.35-4.50%) amid lower oil prices following OPEC+ flagging plans to start returning supply to the market.



MARKET COMMENTARY DISCLAIMER

THIS DOCUMENT IS NOT A RESEARCH REPORT AND IS NOT INTENDED AS SUCH.

Unless stated otherwise in the country specific distribution information below, this document has not been prepared in accordance with legal requirements in any country or jurisdiction designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of the dissemination of investment research. It is intended for informational purposes only and does not purport to make any investment recommendations.

This document has been prepared solely for the information of the intended recipients. Recipients in any jurisdiction should contact your usual Mizuho contact in relation to any matters arising from, or in connection with, this document.

This document has been prepared by Mizuho Bank, Ltd., Singapore Branch (“MBSG”), a full bank, exempt capital markets services entity and exempt financial adviser regulated by the Monetary Authority of Singapore (“MAS”), Mizuho Bank, Ltd., Hong Kong Branch (“MBHK”), a licensed bank regulated by the Hong Kong Monetary Authority, with business address at 12/F, K11 Atelier, 18 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong, Mizuho Bank, Ltd., Sydney Branch, an authorised deposit-taking institution regulated by the Australian Prudential Regulation Authority and holder of an Australian financial services licence (“MBAU”), Mizuho Securities Asia Limited (“MHSA”), licensed and regulated by the Hong Kong Securities and Futures Commission and/or Mizuho Securities (Singapore) Pte. Ltd. (“MHSS”), a holder of a capital markets services licence and an exempt financial adviser regulated by the MAS, as the case may be.

THIS DOES NOT CONSTITUTE INVESTMENT OR PERSONAL ADVICE.

This document has been prepared solely for the purpose of supplying general market information and/or commentary for general information purposes to clients of MBSG, MBHK, MBAU, MHSA, MHSS and their affiliates (collectively, “Mizuho”) to whom it is distributed, and does not take into account the specific investment objectives, financial situation or particular needs of any client or class of clients and it is not prepared for any client or class of clients.

THIS IS NOT AN OFFER OR SOLICITATION.

This document is not and should not be construed as an offer to buy or sell or solicitation to enter into any transaction or adopt any hedging, trading or investment strategy, in relation to any securities or other financial instruments.

MIZUHO SHALL HAVE NO LIABILITY FOR CONTENTS.

This document has been prepared solely from publicly available information. Information contained herein and the data underlying it have been obtained from, or based upon, sources believed by Mizuho to be reliable, but no assurance can be given that the information, data or any computations based thereon are accurate or complete and Mizuho has not independently verified such information and data. Mizuho is not obliged to update any of the information and data contained in this document.

Mizuho makes no representation or warranty of any kind, express, implied or statutory, regarding, but not limited to, the accuracy of this document or the completeness of any information contained or referred to in this document. Mizuho accepts no liability and will not be liable for any loss or damage arising directly or indirectly (including special, incidental or consequential loss or damage) arising from or in connection with any person's use or reliance of this document or the information contained in this document.

INFORMATION CONTAINED HEREIN IS NO INDICATION OF FUTURE PERFORMANCE.

Some of the statements contained in this document may be considered forward-looking statements which provide current expectations or forecasts of future events. Any opinions, projections, forecasts and estimates expressed in the document are solely those of Mizuho based on factors it considers relevant as at the date of the document and are subject to change without notice. Past performance is not indicative of future performance. Consequently, no expressed or implied warranty can be made regarding the projections and forecasts of future performance stated therein.

THIS MATERIAL IS CONFIDENTIAL.

This document is intended for the exclusive use by the recipients, and is provided with the express understanding that the information contained herein will be regarded and treated as strictly confidential. All recipients may not reproduce or use this document in whole or in part, for any other purpose, nor disclose, furnish nor distribute this document to any other persons without the prior written permission of Mizuho. Any such reproduction, use, delivery or distribution in form or to any jurisdiction may be effected only in accordance with all applicable laws and regulations in the relevant jurisdiction(s).

DISCLOSURE REGARDING POTENTIAL CONFLICTS OF INTEREST.

Mizuho, its connected companies, employees or clients may at any time, to the extent permitted by applicable law and/or regulation, take the other side of any order by you, enter into transactions contrary to any recommendations contained herein or have positions or make markets or act as principal or agent in transactions in any securities mentioned herein or derivative transactions relating thereto or perform or seek financial or advisory services for the issuers of those securities or financial instruments referred therein. Accordingly, Mizuho, its connected companies or employees may have a conflict of interest that could affect the objectivity of this document. This document has been prepared by employees who may interact with Mizuho's trading desks, sales and other related personnel when forming the views and contents contained within.

FINANCIAL INSTRUMENTS MAY NOT BE FOR SALE TO ALL CATEGORIES OF INVESTORS.

There are risks associated with the financial instruments and transactions referred to in this document. Investors should not rely on any contents of this document in making any investment decisions and should consult their own financial, legal, accounting and tax advisors about the risks, the appropriate tools to analyse an investment and the suitability of an investment in their particular circumstances. Mizuho is not responsible for assessing the suitability of any investment. Investment decisions and the responsibility for any investments are the sole responsibility of the investor. Neither Mizuho nor of its directors, employees or agents accepts any liability whatsoever with respect to the use of this document or its contents.

WARNING: THE CONTENTS OF THIS DOCUMENT HAVE NOT BEEN REVIEWED BY ANY REGULATORY AUTHORITY. YOU ARE ADVISED TO EXERCISE CAUTION IN RELATION TO SUCH CONTENTS. THIS DOCUMENT IS NOT INTENDED TO CONSTITUTE ANY INVESTMENT, LEGAL, FINANCIAL, BUSINESS, ACCOUNTING, TAXATION OR OTHER ADVICE. IF YOU ARE IN ANY DOUBT AS TO THE ACTION YOU SHOULD TAKE, YOU SHOULD SEEK PROFESSIONAL ADVICE FROM YOUR RELEVANT ADVISERS ABOUT YOUR PARTICULAR CIRCUMSTANCES. YOU ARE RESPONSIBLE FOR YOUR OWN INVESTMENT CHOICES.

This document is not directed to, or intended for distribution to or use by, any person who is a citizen or resident of, or entity located in, any locality, territory, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to or restricted by law or regulation. Persons or entities into whose possession this document comes should inform themselves about and observe such restrictions.

COUNTRY SPECIFIC DISTRIBUTION INFORMATION

Australia: This document is intended only for persons who are sophisticated or professional investors for the purposes of section 708 of the *Corporation Act 2001* (Cth) of Australia (“**Corporations Act**”), or “wholesale clients” for the purpose of section 761G of the *Corporations Act*. It is not intended for and should not be passed on, directly or indirectly, to other classes of persons/investors in Australia. In Australia, Mizuho Bank, Ltd. Sydney Branch (“**MBSO**”) is an authorised deposit-taking institution regulated by the Australian Prudential Regulation Authority in accordance with the *Banking Act 1959* (Cth), and holds an Australian financial services licence number 231240 (**AFSL**). Mizuho Securities Asia Limited (ABRN 603425912) and Mizuho Securities (Singapore) Pte. Ltd. (ARBN 132105545) are registered foreign companies in Australia and are each exempt from the requirement to hold an AFSL under the *ASIC Corporations (Repeal and Transitional) Instrument 2023/588*. MBSA is licensed by the Hong Kong Securities and Futures Commission under Hong Kong laws and MHSS is licensed by the Monetary Authority of Singapore under Singapore laws, which laws differ from Australian laws respectively.

Costa Rica: Nothing in this document constitutes a representation that any investment strategy or recommendation contained herein is suitable or appropriate to a recipient’s individual circumstances or otherwise constitutes a personal recommendation. This document is published solely for information purposes, it does not constitute an advertisement and is not to be construed as a solicitation or an offer to buy or sell any securities or related financial instruments. In accordance with local laws, it does not constitute a public offering of securities under Regulations for Public Offering of Securities (National Counsel of Financial System Supervision, article 11 of Session Act 57 1-2006), and therefore cannot be understood and interpreted as an implicit or explicit offering that intends to place, issue, negotiate or trade securities transmitted by any means to the public or to certain groups. This document will not be disclosed to groups of more than 50 investors.

Guatemala: This document does not constitute an offering under the rules of the Ley del Mercado de Valores y Mercancías (Stock Exchange Act, Decree 34-96 of the Congress of the Republic of Guatemala), and any of its amendments, including without limitation, Decree 49-2008 of the Congress of the Republic of Guatemala, and its applicable regulation (Governmental Accord 557-97). The document will not be registered for public offering with the Securities Market Registry of Guatemala (Registro del Mercado de Valores y Mercancías), because the products will not be offered or sold: (1) to any person in an open market, directly or indirectly, by means of mass communication; (2) through a third party or intermediary to any individual person or entity that is considered an institutional investor, including entities that are under the supervision of the Guatemalan Superintendency of Banks (Superintendencia de Bancos), the Guatemalan banking regulator, the Guatemalan Social Security Institute (Instituto Guatemalteco de Seguridad Social) and its affiliates; (3) through a third party or intermediary to any entity or vehicle used for purposes of collective investment; or (4) to more than 35 individual persons or entities.

Hong Kong: This document, when distributed in Hong Kong (“**HK**”), is distributed by MBSA or MBHK, depending of the Mizuho entity which you are a client of.

Japan: This document is intended only for certain categories of persons to whom a foreign securities broker is allowed to carry out regulated activities under the relevant articles of the Financial Instruments and Exchange Act (the “**Act**”) and the subordinate legislative instruments (as amended), including but not limited to Financial Services Providers who are engaged in an Investment Management and certain Financial Institutions subject to conditions and limitations in Article 17 -3(i) of the Order for Enforcement of the Act. It is solely for the use of such investors and shall not be distributed, forwarded, passed on or disseminated to any other person. This document is solely for the purpose of supplying general information and shall not constitute any investment or financial advice in relation to any products or services.

Malaysia: These documents shall be distributed solely to existing subscribers or clients of Mizuho Securities, and do not constitute an invitation, offer, or recommendation to subscribe for or purchase any securities mentioned therein. These materials also do not, whether directly or indirectly, refer to a prospectus in respect of securities of a corporation; in the case of a unit trust scheme or prescribed investment scheme, a prospectus in respect of any unit of the unit trust scheme or prescribed investment scheme, as the case may be; an issue, intended issue, offer, intended offer, invitation or intended invitation in respect of securities; or another notice that refers to a prospectus in relation to an issue, intended issue, offer, intended offer, invitation or intended invitation in respect of securities. Whilst there may be statements concerning securities and/or derivatives of a certain corporation or entity in these materials, we wish to highlight that these do not constitute, whether directly or indirectly, any form of advice, recommendation, encouragement, promotion, analysis, report or inducement to take any action, i.e., to buy, sell, or hold any securities and/or derivatives, nor is it a form of inducement for the reader to take any position regarding a particular class, sector, or instrument in relation to the securities and/or derivatives so mentioned.

New Zealand: This document is intended only for persons who are “wholesale investors” and “wholesale clients” under the Financial Markets Conduct Act 2013 (“**FMCA**”), as persons who are an “investment business”, meet relevant investment activity criteria, are “large” or are a “government agency”, in each case within the meaning of clauses 37 to 40 of Schedule 1 of the FMCA. It is not intended for, and should not be reproduced or distributed in any form to any other person in New Zealand. This document is distributed in New Zealand by MBSA or MHSS, which are licensed in their respective jurisdictions but are not registered as overseas companies or financial service providers in New Zealand or licensed under the FMCA. Nothing in this document constitutes or is supplied in connection with a regulated offer nor an offer to the public within the meaning of the FMCA.

Singapore: This document is distributed in Singapore by MBSG or MHSS, a holder of a capital markets services licence and an exempt financial adviser regulated by the MAS. Nothing in this document shall be construed as a recommendation, advertisement or advice to transact in any investment product mentioned herein. Where the materials may contain a recommendation or opinion concerning an investment product, MHSS is exempted from complying with sections 34, 36 and 45 of the Financial Advisers Act 2001 of Singapore. This document is only intended for distribution to “institutional investors”, “accredited investors” or “expert investors”, as defined under the Financial Advisers Regulations, and is solely for the use of such investors. It shall not be distributed, forwarded, passed or disseminated to any other person.

South Korea: This document is distributed in South Korea by Mizuho Securities Asia Limited, Seoul branch solely acting as a broker of debt securities under the Korea Financial Investment Services and Capital Markets Act.

Switzerland: This document is not intended to be relied upon as a forecast, research or investment advice, and is not a recommendation, offer or solicitation to buy or sell any financial instrument or to adopt any investment strategy mentioned in this document. The information contained on this document shall not be construed to be an advertisement for any of the financial instruments or services mentioned herein.

Taiwan: This document distributed via MBSA or MHSS from outside Taiwan shall not be re-distributed within Taiwan and does not constitute recommendation of, and may not be used as a basis for recommendation of, securities within Taiwan. This document may not be distributed to the public media or used by the public media without prior written consent of MBSA or MHSS (as the case may be).

Thailand: This document does not constitute any investment or financial advice or any general advice in relation to any products or services and, when distributed in Thailand, is intended only for “institutional investors”, as defined in the Notification of the Office of the Securities and Exchange Commission No. Gor Thor. 1/2560 Re: Provision of Advice to the Public which is not classified as the undertaking of Investment Advisory Business dated 12 January 2017 (as amended). It is solely for the use of such investors and shall not be distributed, forwarded, passed on or disseminated to any other person. The distribution of this document to such institutional investors in Thailand, is solely for the purpose of supplying general information, without charge. It neither constitutes any intention to conduct, or any engagement in any securities business, service business, investment or financial advisory business, or any other business in Thailand, for which Thai licensing is required, nor marketing, offering, solicitation or sale of any products, securities, or services to customers, potential customers or any person in Thailand.

United Arab Emirates (excluding the Dubai International Financial Centre and the Abu Dhabi Global Market): This document is intended only for persons who qualify as professional investors as defined in the Securities and Commodities Authority (“**SCA**”) Rulebook. It is not intended for or should not be passed on, directly or indirectly, to other classes of persons/investors in the United Arab Emirates. The contents of this document have not been reviewed or approved by, or deposited with, the Central Bank of the United Arab Emirates, SCA or any other regulatory authority in the United Arab Emirates. If you do not understand the contents of this document you should consult an authorised financial adviser.

United Kingdom / Germany / European Economic Area: This document is being distributed in the United Kingdom by Mizuho International plc (“**MHI**”), 30 Old Bailey, London EC4M 7AU. MHI is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority and is a member of the London Stock Exchange. This document may be distributed in the European Economic Area by MHI or Mizuho Securities Europe GmbH (“**MHEU**”), Taunustor 1, 60310 Frankfurt, Germany. MHEU is authorised and regulated by the Bundesanstalt für Finanzdienstleistungsaufsicht (“**BaFin**”). For the avoidance of doubt this report is not intended for persons who are Retail Clients within the meaning of the FCA’s or the BaFin’s rules. Details of organizational and administrative controls for the prevention and avoidance of conflicts of interest can be found at <https://www.mizuhoemea.com>.

United States: This document is being distributed in the United States by Mizuho Securities USA LLC (“**MSUSA**”) and is the responsibility of MSUSA. The content of publications distributed directly to US customers by non-US members of Mizuho Securities is the responsibility of such member of Mizuho Securities which distributed it. US investors must affect any order for a security that is the subject of this document through MSUSA. For more information, or to place an order for a security, please contact your MSUSA representative by telephone at 1-212-209-9300 or by mail at 1271 Avenue of the Americas, New York, NY 10020, USA. MSUSA acts as agent for non-US members of Mizuho Securities for transactions by US investors in foreign sovereign and corporate debt securities and related instruments. MSUSA does not guarantee such transactions or participate in the settlement process.

© Mizuho Bank, Ltd. (“**MHBK**”), MBSA and MHSS. All Rights Reserved. This document may not be altered, reproduced, disclosed or redistributed, or passed on to any other party, in whole or in part, and no commercial use or benefit may be derived from this document without the prior written consent of MHBK, MBSA or MHSS.