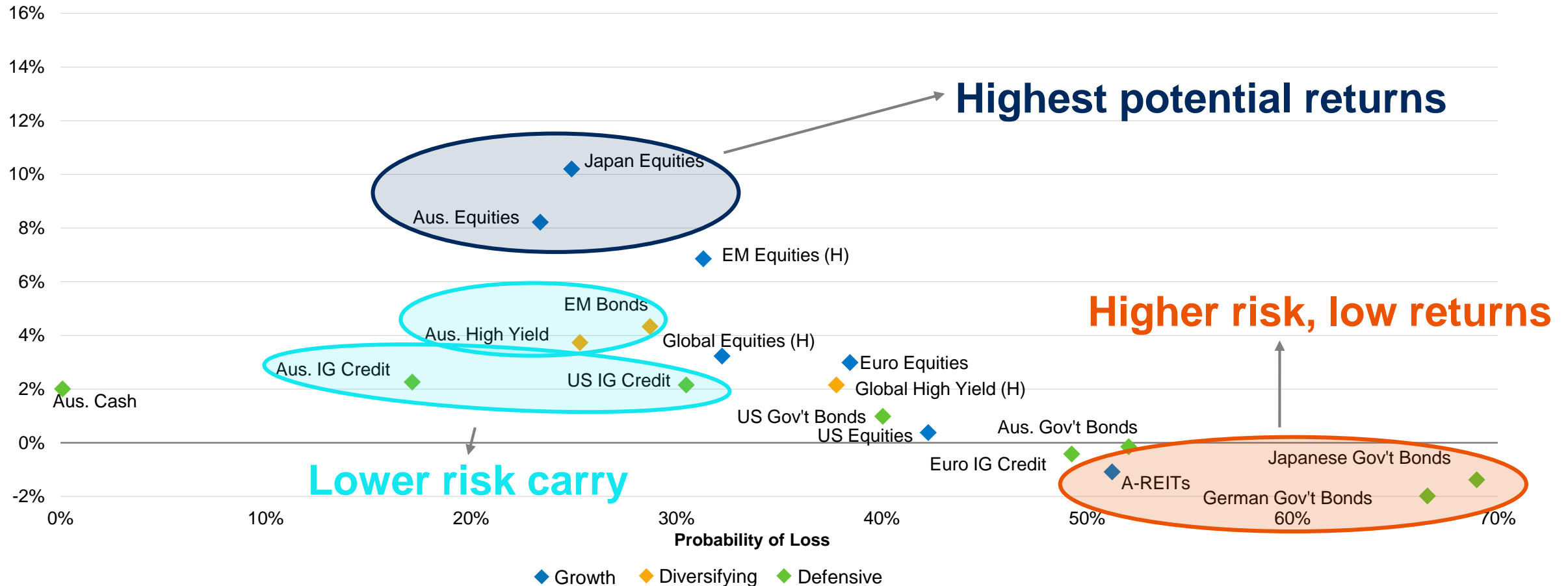


# Investment forecasts process

## Expected return vs probability of loss – March 2019

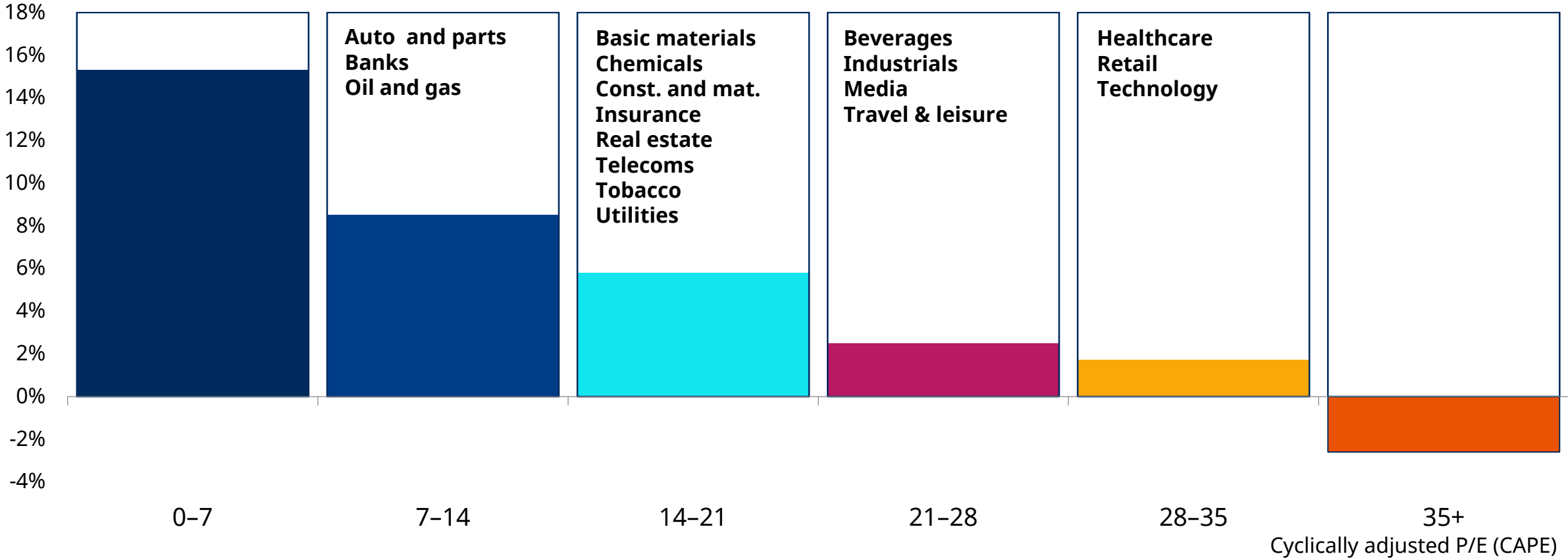
Expected Return p.a. over 3 years



Source: Schroders as at 31 March 2019. Countries, stocks and sector weightings and returns are mentioned for illustrative purposes only and should not be viewed as a recommendation to buy/sell

# Certain areas of the market represent compelling value

Global sectors grouped by cyclically adjusted P/E (CAPE)



Source: Schroders, Thomson DataStream as at 31 December 2018.  
The sectors above are shown for illustrative purposes only and are not a recommendation to buy or sell.