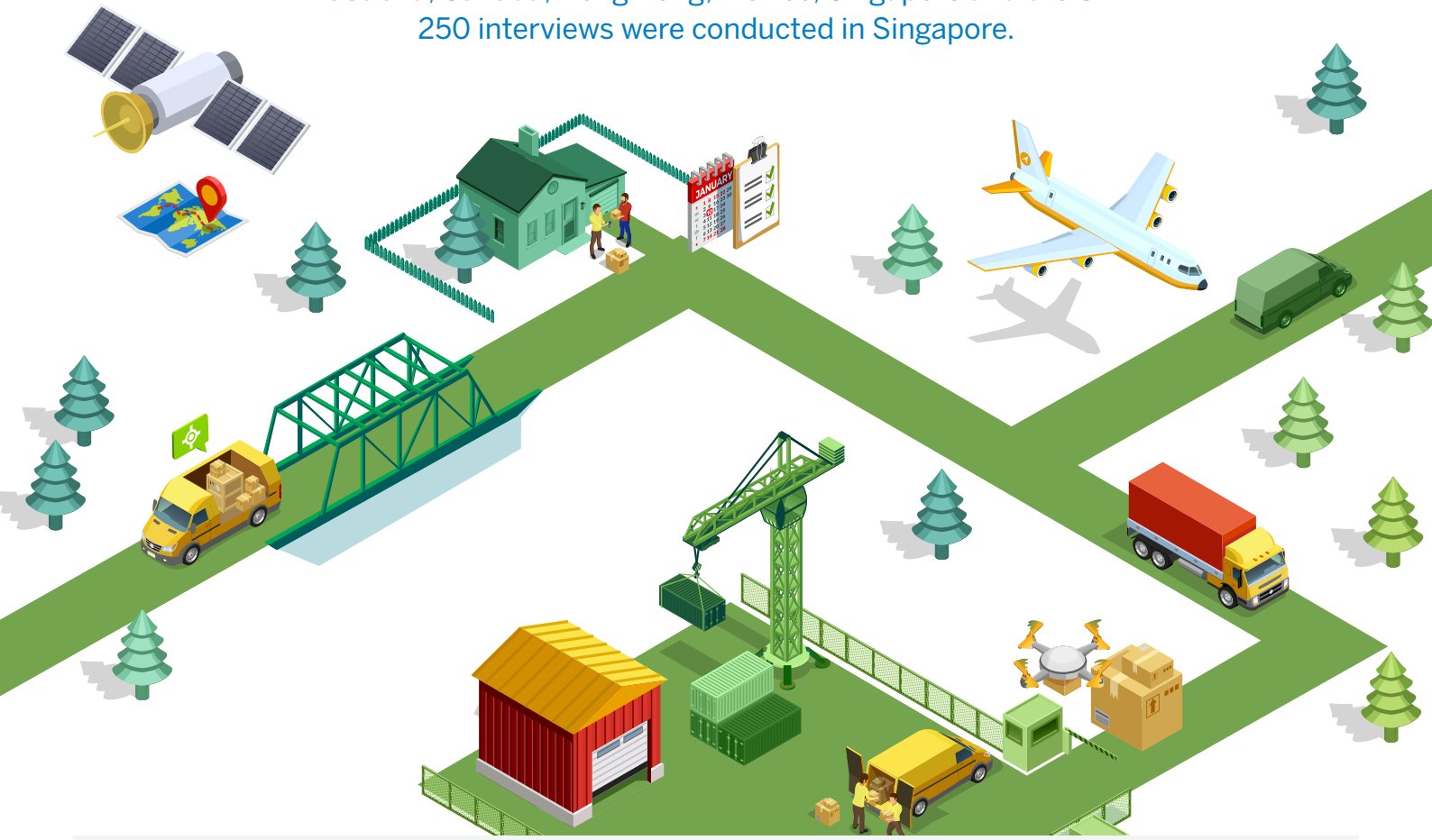


# American Express Fresh Frontiers 2018

American Express commissioned market research agency Vitreous World to conduct 1509 online interviews among financial decision makers within organisations that trade internationally. The research was conducted in 6 key markets in October 2017: Australia, Canada, Hong Kong, Mexico, Singapore and the UK. 250 interviews were conducted in Singapore.



31% of Singapore respondents said international trade will become more challenging in the next 12 months, making Singapore respondents the least optimistic among the 6 countries surveyed.

However, they say imports and exports are important for their organisation's growth.

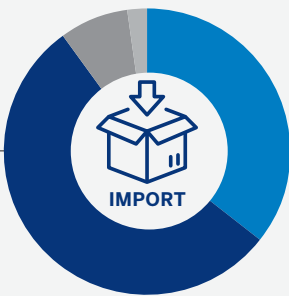
31% said international trade will become more challenging

34% said international trade will become easier

36% said it will remain the same

## IMPORTANCE OF IMPORTS TO GROWTH

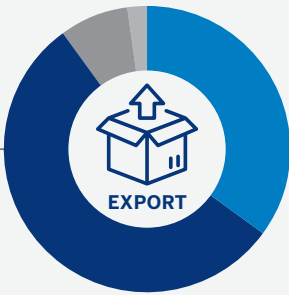
55% said import is a significant factor in their organisation's growth



36% of respondents who import said import is crucial to their organisation's growth

## IMPORTANCE OF EXPORTS TO GROWTH

55% said international export is a significant factor in their organisation's growth

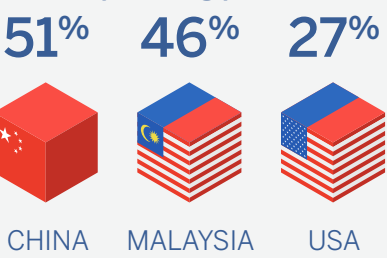


35% of respondents who export said international export is crucial to their organisation's growth

● Crucial ● Significant Factor ● Small Effect ● No Effect

88% are confident of their international trade plans now and 84% are confident of their future plans. More than half are planning to increase trade.

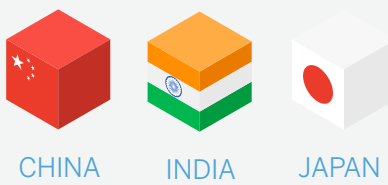
Their top trading partners are:



In the next 12 months, they want to increase trade with:



Beyond that 12 months, they want to increase trade with:



15% stated that "bullish" best described their organisation's approach to international trade.

15% of respondents "Bullish"

49% of respondents "Measured"

20% of respondents "Risk averse"

14% of respondents "Defensive"

The top 3 barriers to future growth of international trade are:

43% Economic changes/fluctuation

35% Currency valuation/exchange rate volatility

31% Political barriers

The top 3 concerns when trading with a new international market in the next 12 months are:

44% Foreign Laws and regulations

40% Political risks

35% Logistics / supply chain security

66% say their organisation's international trade activity is affected by FX volatility "quite a lot" and 21% "a lot". The top 3 solutions are:

### FX FORWARD CONTRACTS

48% currently use

26% don't currently use but plan to in the next 12 months

### NATURAL HEDGES

36% currently use

31% don't currently use but plan to in the next 12 months

### MORE COMPLEX HEDGING SUCH AS FX OPTIONS

28% currently use

35% don't currently use but plan to in the next 12 months

According to respondents, more complex hedging instruments were the most effective.

99% who currently use more complex hedging instruments such as FX Options, said they were effective

98% who currently use FX Forward Contracts, said they were effective

91% who currently use natural hedges, said they had been effective