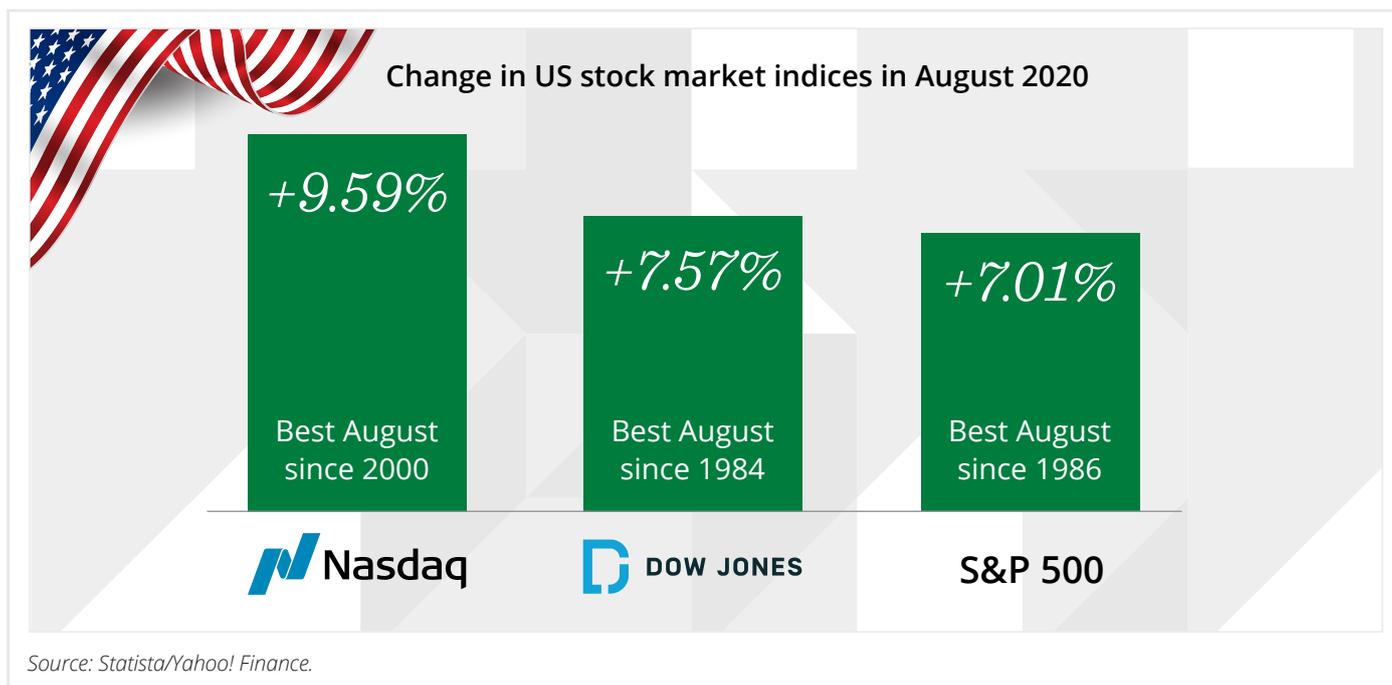


Between the lines

Week
37

Summer heat

Markets didn't take their traditional August vacation this year. In the US, the S&P 500 and Dow Jones indices delivered their best August since the mid-80s thanks to ongoing fiscal and monetary stimulus and the rampant performance of big tech.



Insurers push back against dividend bans

European insurers have called on regulators to be more flexible in the wake of the coronavirus pandemic, urging them not to impose "blanket bans" on dividend payments.

On Monday (7 Sep) Insurance Europe, the European insurance and reinsurance federation, released its response to a consultation on the impact of coronavirus on the industry. It noted the global pandemic had created unprecedented challenges for insurers and stated "a certain level of supervisory flexibility is therefore crucial to enable insurers to adapt their products and services to new market realities".

The organisation said that given the high levels of solvency within the industry "supervisors should refrain from imposing country or regional blanket bans on dividends and instead follow a case-by-case, risk-based approach to any dividend restrictions".

In April, the European Insurance and Occupational Authority (EIOPA) urged all insurers to temporarily suspend all dividend payments and share buybacks, while the UK's Prudential Regulation Authority also placed pressure on insurers to follow the lead of banks and reconsider the distribution of dividends.



Samsung seals Verizon 5G deal

Samsung Electronics has won a \$6.6bn contract to provide wireless network equipment and services for the US telecoms giant Verizon, including its 5G infrastructure.

The deal represents a key milestone in the South Korean firm's attempt to become a major player in the 5G space, where it currently sits behind China's Huawei, Finland's Nokia and Sweden's Ericsson.

Samsung's attempts to capture market share, particularly in the US, have likely been helped by the backlash against Huawei over security concerns, an issue which has also dented Huawei's 5G progress in parts of Europe.

The deal with Verizon is set to run to the end of 2025 and broadly includes network-equipment sales, installation and maintenance services. While details of how much of the contract relates to 5G is unclear, Samsung reported the deal would allow it to "continue to push the boundaries of 5G innovation".

While Samsung's share price moved higher on the news, rival Nokia saw its share price slip as the deal is seen as a blow to the Finnish firm.

Important information

This communication is issued by Quilter Investors Limited ("Quilter Investors"), Millennium Bridge House, 2 Lambeth Hill, London, England, EC4V 4AJ. Quilter Investors is registered in England and Wales (number: 04227837) and is authorised and regulated by the Financial Conduct Authority (FRN: 208543).

This communication is for information purposes only. Nothing in this communication constitutes financial, professional or investment advice or a personal recommendation. This communication should not be construed as a solicitation or an offer to buy or sell any securities or related financial instruments in any jurisdiction. No representation or warranty, either expressed or implied, is provided in relation to the accuracy,

completeness or reliability of the information contained herein, nor is it intended to be a complete statement or summary of the securities, markets or developments referred to in the document.

Any opinions expressed in this document are subject to change without notice and may differ or be contrary to opinions expressed by other business areas or companies within the same group as Quilter Investors as a result of using different assumptions and criteria.

Quilter Investors is not licensed or regulated by the Monetary Authority of Singapore ("MAS") in Singapore. This document has not been reviewed by MAS.

220-1181/SK18218