

## IMPORTANT INFORMATION:

Global Strategic Emerging Markets Bond Fund (the "Sub-Fund") is a direct investment fund investing primarily in fixed income securities in emerging markets.

### Key risks:

- The Sub-Fund is an investment fund. There is no guarantee of the repayment of principal. The Sub-Fund focuses on fixed income securities. The market value of such securities may go down and therefore your investment in the Sub-Fund may suffer losses.
- The Sub-Fund will mainly invest in emerging markets. Investing in the emerging markets exposes the Sub-Fund to greater risk of loss than investing in more developed markets due to, among other factors, greater liquidity, volatility, economic, political, social, regulatory, taxation and currency risks.
- The Sub-Fund may invest in securities which are below investment grade or which are unrated. Such securities would generally be considered to have higher credit risk and a greater possibility of default than more highly rated securities. If the issuer of such securities defaults, the Sub-Fund may suffer substantial losses.
- The Sub-Fund's investments may involve substantial credit/counterparty, downgrading, market, currency, volatility, liquidity, regulatory and political risks. Investors may suffer substantial loss of their investments in the Sub-Fund.
- The Sub-Fund may invest in financial derivatives instruments for hedging purpose. Investments in financial derivatives instruments may expose the Sub-Fund to the possibility of a loss exceeding the original amount invested.

You should not make any investment decision solely based on this document. Please read the offering document carefully for further fund details including risk factors.



# GLOBAL STRATEGIC EMERGING MARKETS BOND FUND

- Investing globally with global views and local insights by seasoned experts
- Catching great waves of global capital flow by investing in emerging market bonds
- BOCOM International Asset Management Ltd is a wholly owned subsidiary of BOCOM International Holdings Company Limited.

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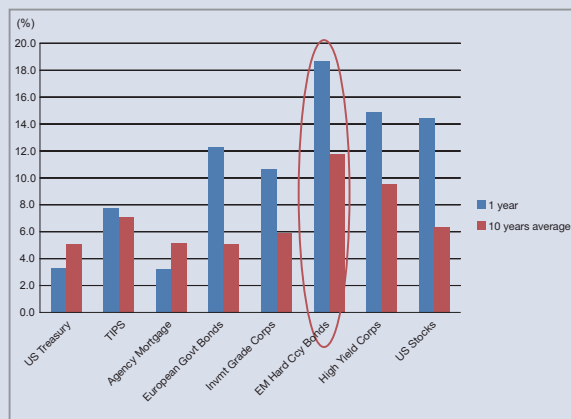
交銀國際資產管理有限公司

BOCOM INTERNATIONAL ASSET MANAGEMENT LIMITED

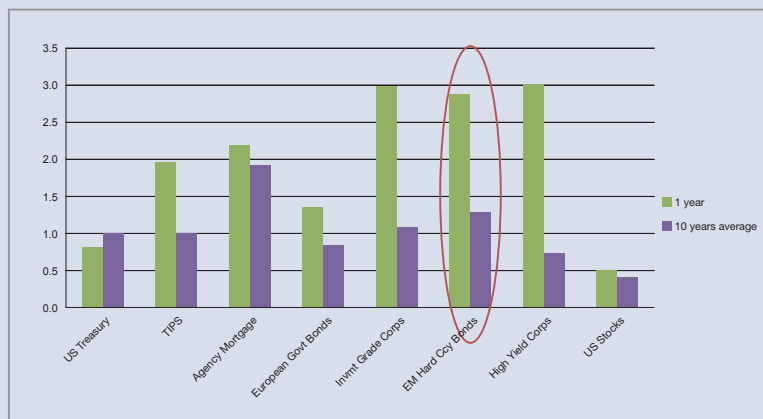


## Why Invest in Emerging Market Bonds - Superior Historical Returns

Comparison of Total Return across Asset Classes



Comparison of Sharpe Ratio across Asset Classes

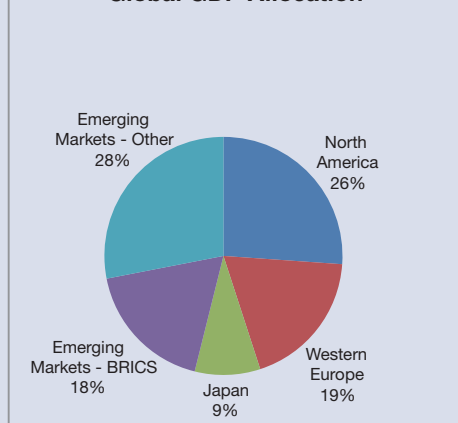


Data Source: Bloomberg, BOCOM International; Data as of 7 December 2012

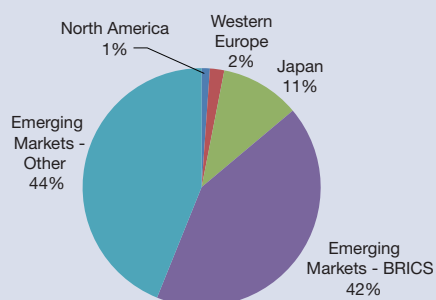
With superior returns among various asset classes in past decades, emerging market bonds also honored one of the highest Sharpe Ratio, which is a gauge of risk adjusted return.

## Why Invest in Emerging Market Bonds - Reshaping of the Global Capital Market Landscape

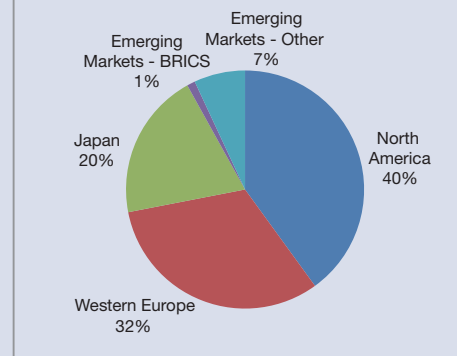
Global GDP Allocation



Global Foreign Exchange Reserve Allocation



Global Fixed Income Investment by Destination



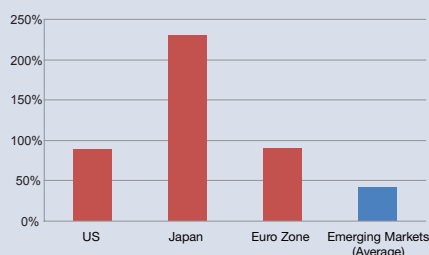
Data Source: Bloomberg, World Bank, BOCOM International; Data as of the end of 2011

Aggregately accounting for 46% of global GDP, emerging market economies also claimed 86% of the global F.X reserve assets. By contrast, only not more than 10% of global aggregate bond investment was allocated to emerging markets. Suffice to say, the global capital rotation towards emerging market bonds will continue.

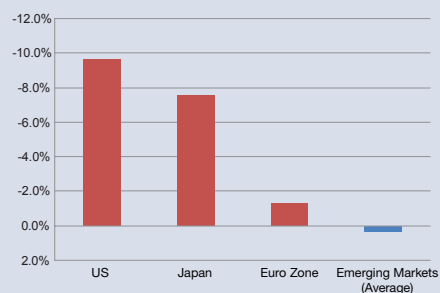
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## Why Invest in Emerging Market Bonds - Sound Fundamentals

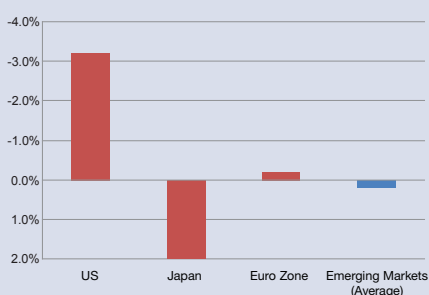
**General Government Debt/GDP**



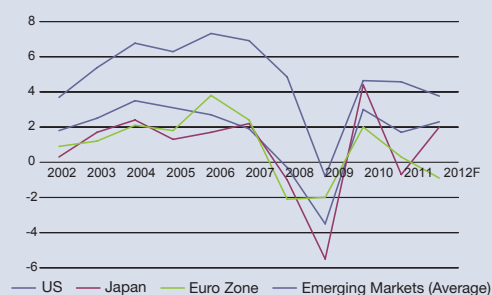
**General Government Primary Balance/GDP**



**Current Account Balance/GDP**



**GDP Growth**



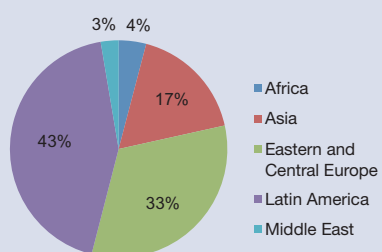
Data Source: Bloomberg, Moody's, BOCOM International; Data as of the end of 2011

Compared to developed countries, emerging market countries, on average, have much less leveraged government balance-sheets and enjoy much higher GDP growth. Moreover, in contrast to the common phenomenon of twin deficits (deficits in both fiscal and current accounts) among developed countries, in average emerging market countries enjoy twin surplus. With much stronger fundamentals, emerging market bonds have more attractive valuation than that of the developed markets.

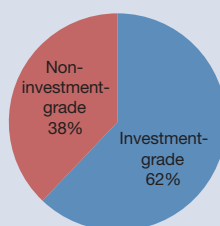
## Investment Benchmark Portfolio<sup>†</sup>

- Average annual total return in the past 10 years: 11.8%
- Total return of past 10 years: 205.0%
- Average Sharpe Ratio in the past 10 years: 1.3
- Weighted average duration: 7.6 years
- Weighted average credit rating: BBB- (S&P), Baa3 (Moody's)
- Total return 2012 YTD: 18.1%

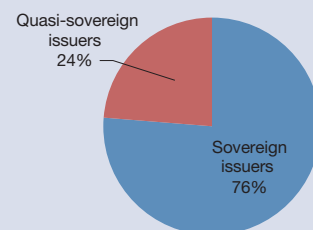
**Investment by Geographic Location**



**Investment by Credit Bucket**



**Investment by Issuer Type**



Data Source: Bloomberg, Moody's, J.P. Morgan, BOCOM International; Data as of 7 December 2012

<sup>†</sup>Investment Benchmark Portfolio: JPM EMBI Global Index

## Investment Philosophy

- Allocate assets and risks based on macro-economic and financial environments, market impact from a changing set-up, and the assets valuations
- Minimize the impact of subjective judgments by facilitating every step of the decision making process with analytical frameworks and quantitative models
- Stabilize excess returns by constructing a portfolio with endogenetic alpha generators through exploiting structural alpha and relative value investment opportunities

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## Our Strengths

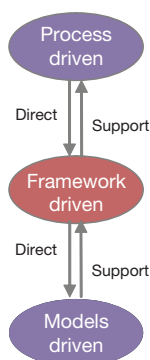
### Investment Team

- Global investment expertise
- Most have overseas education background
- Rich experience in international financial markets
- Solid performance

### Investment Strategy

Top down  
Global view  
Independent thinking  
Structural investment  
Construction focus  
Bottom up

### Investment Features



### Investment Process



## Fund Information

Manager	BOCOM International Asset Management Limited
Investment Objective	The Sub-Fund seeks to achieve long term capital growth by investing in a diversified portfolio of fixed income securities in emerging market countries which may generate a steady flow of income for the Sub-Fund.
Base Currency	US\$

	Classes					
	Class R		Class I		Class A	
	HK\$ Class	US\$ Class	HK\$ Class	US\$ Class	HK\$ Class	US\$ Class
Initial Offer Price (per Unit)	HK\$10	US\$2	HK\$10	US\$2	HK\$10	US\$2
Management Fee (% Net Asset Value of the Sub-Fund)	1.25% p.a.		0.80% p.a.		0.60% p.a.	
Minimum Initial Subscription Amount	HK\$20,000	US\$3,000	HK\$4,000,000	US\$500,000	HK\$78,000,000	US\$10,000,000
Preliminary Charge (% of Issue Price)	Up to 5%		Up to 2%		Nil	
Performance Fee	Nil					
Redemption Charge	Nil					

Please refer to the Explanatory Memorandum for details of fees and charges.

## Investment Objective & Strategy

- The Fund seeks to deliver long-term capital growth through investing principally in equities of companies that are listed on the Hong Kong Stock Exchange, which have considerable interests in the Greater China region (inclusive of Mainland China, Hong Kong, Macau and Taiwan). The Fund invests at least 70% of its net asset value in companies listed on the Hong Kong Stock Exchange. Specifically, the Fund targets to invest 35% to 70% of its net asset value in H-shares and red chips *subject to regular reviews by the Manager based on market conditions, taking into consideration economic indicators, market liquidity or corporate fundamentals for H-shares and red chips*. The remainder of the Fund's equity position (which is expected to be within the range of 30% to 65% of the Fund's latest Net Asset Value) will be allocated to other equities (non H-shares and red-chips) listed on the Hong Kong Stock Exchange.



Investment involves risk. It cannot be guaranteed that the performance of Global Strategic Emerging Markets Bond Fund (the "Fund") will generate a return and there may be circumstances where no return is generated or the amount invested is lost. Before making any investment decision to invest in the Fund, investors should read the offering documents of the Fund for details and the risk factors. Investors should ensure they fully understand the risks associated with the Fund and should also consider their own investment objective and risk tolerance level. Investors are advised to seek independent professional advice before making any investment. The information contained in this document is for information purposes only and does not constitute any recommendation, offer or solicitation to buy, sell or subscribe to any securities or financial instruments in any jurisdiction. References to particular sectors, securities or companies are for general information & illustrative purposes only and are not recommendations to buy or sell a security, or an indication of the issuer's holdings at any one time. Certain information contained in this document is compiled from third party sources. Whilst BOCOM International Asset Management Limited has, to the best of its endeavor, ensured that such information is accurate, complete and up-to-date, and has taken care in accurately reproducing the information, it shall have no responsibility or liability whatsoever for the accuracy of such information or any use or reliance thereof. This material is issued by BOCOM International Asset Management Limited and has not been reviewed by the SFC. The SFC's authorisation of the fund is not a recommendation or endorsement of the product.