

For Immediate Release

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FSM: Private-Bank Investment Portfolio Service at Affordable Prices

Hong Kong, 10 November 2015—Online fund and bond investment platform Fundsupermart.com (HK) (FSM) announces the launch of FSM Managed Portfolios as a solution to free investors from the headache of making investment decisions.

The ever-changing market and the complexity of investment products can be frustrating, or even daunting, to those who lack the time and professional knowledge to make the right decision. As FSM understands how complex and time-consuming investment can be, it aims to offer investors with a solution to save them time and free them from all the hassle by introducing the FSM Managed Portfolios.

Gathering the expertise of global fund professionals, FSM Managed Portfolios select high-quality fund products with discipline and cautiousness, closely monitoring investors' portfolios in light of dynamic market conditions to help them "buy low and sell high" for more returns with regular rebalancing. Traditional available only in private banks, this type of service usually requires an investment amount of at least several million Hong Kong dollars. However, FSM Managed Portfolios only require a minimum investment amount of HKD 200,000 and feature five portfolios—Aggressive, Moderately Aggressive, Balanced, Moderately Conservative and Conservative—to cater to the different needs and risk appetite of investors. This service is available at just 0.5% subscription fee for each of the portfolios (no subscription fee for the Conservative portfolio) and a 0.125% platform fee per quarter based on each portfolio's value.

With active management, the investment team of FSM Managed Portfolios adopts strategic asset and market allocation to strengthen portfolio returns. In terms of asset class, each portfolio consists of two portions—equity funds and bond funds. For the Aggressive and Moderately Aggressive portfolios, the equity portion is split into "core" and "supplementary". The core part, as its name implies, occupies a larger portion of the two portfolios, investing in funds that are broadly representative of regional markets such as the US, Europe, Japan, Asia ex-Japan and global emerging markets. Such allocation helps diversify risks and capture market returns of different regions in the long run. The supplementary portion, on the other hand, invests in funds that are less regionally diversified like single-country and sector-based funds. These funds may experience higher volatility but deliver higher returns.

In terms of bond funds, the investment team takes into consideration factors like production restriction, credit and regional diversification, downside protection and currency volatility to adopt a top-down process combining macroeconomic analysis and credit research with an in-depth understanding of yield curve and spread analysis as the key to creating consistent long-term performance.

The current investment strategy

Despite the intensive volatility in the Chinese and Hong Kong markets, Will Shum, portfolio manager at FSM, thinks that such temporary market adjustment does not imply an impending Asian financial crisis. "The current low valuation has already reflected a period of profit loss due to the weakening economy, and we therefore do not expect the Asian market to drop to a crisis level, which means a financial crisis will not be triggered in the short run," he said. "In fact, the valuations of emerging markets and more developed Asian markets have become more reasonable."

In terms of the core portion, he favours Japan for its low valuation and higher potential upside reflected by its strong earnings growth, as well as Asia ex-Japan, which shows significant discount

and huge upside potential because of loose monetary policies and a downward spiral of commodity price. For the supplementary portion, Shum is positive on the Chinese H-share market because of attractive valuations and favourable prospect.

He also favours Asian investment-grade and high-yield bonds and, in particular, high-yield Chinese property bonds. With an impending rate hike and monetary policy normalisation by the Fed, short-term yield is expected to climb, and G7's sovereign debts, which have extremely low yield, will lack investment value. Shum is thus underweight in short-term USD bond and global bond funds

Performance of FSM Managed Portfolios Since Inception

Portfolios	Performance since inception
Aggressive	4.64%
Moderately Aggressive	4.11%
Balanced	2.33%
Moderately Conservative	1.38%
Conservative	0.68%

Sources: Bloomberg and Fundsupermart.com compilations.
Performance figures are accumulative. All returns are in NAV terms with subscription fee and platform fee deducted. Data as at 9 November 2015.

DISCLAIMER: Investment involves risks. The price of securities may go down as well as up, and under certain circumstances an investor may sustain a total or substantial loss of investment. Past performance is not necessarily indicative of the future or likely performance of the fund. Investors should read the relevant fund's prospectus for further details including the risk factors before making any investment decision. An Investor should make an appraisal of the risks involved in investing in these products and should consult their own independent and professional advisors, to ensure that any decision made is suitable with regards to their circumstances and financial position.

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About Fundsupermart.com

Fundsupermart.com Hong Kong is the online fund and bond investment arm of iFAST Financial (HK) Ltd. iFAST HK carries the Type 1 license for dealing in securities, the Type 4 license for advising on securities and the Type 9 license for asset management issued by the Securities and Futures Commission (SFC) of Hong Kong with CE No. AMY844.

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In recent years, iFAST Corp has been expanding beyond local shores. It is now the holding company for various iFAST subsidiaries overseas. In 2007, iFAST Corp launched its first overseas business, Fundsupermart.com in Hong Kong, and expanded to Malaysia in 2008 and China in 2014.

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This article is not to be construed as an offer or solicitation for the subscription, purchase or sale of any security. No investment decision should be taken without first viewing a security's prospectus. Any advice herein is made on a general basis and does not take into account the specific investment objectives of the specific person or group of persons.

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