

,QYHVWPHQW 6 WLDWHLJ LQYHV 0RUQLQJVWVWU 6XVWDLQDELOLW\
7KH LQYHVWPHQW VHHNV ORQJ WHUP JURZWK RI FDSLWDO
7KH IXQG LQYHVWV SULPDULO\ LQ HTXLW\ VHFUXULWLHV RI IRUHLJQ
LVVXHUV 7KH SULQFLSDO W\SHV RI HTXLW\ VHFUXULWLHV LQ ZKLFK WKH
IXQG LQYHVWV DUH FRPPRQ DQG SUHIHUHG VWRFN 7KH IXQG PD\
DOVR LQYHVW XS WR WLPHV WKH DPRXQW RI WKH H[SRVXUH WR
HPHUUJLQJ PDUNHWV FRXQWULHV LQ WKH 06&, \$&:, H[86\$\$
,QGH[,W LQYHVWV SULPDULO\ LQ VHFUXULWLHV RI LVVXHUV WKDW DUH
FRQVLGHUHG E\ WKH IXQG V SRUWIROLR PDQDJHUV WR KDYH SRWHQWLDO
IRU HDUQLQJV RU UHYHQXH JURZWK

0RUQLQJVWVWU &DWHJRU\ -)RUHLJQ /DUJH *URZWK
)RUHLJQ ODUJH JURZWK SRUWIROLRV IRFXV RQ KLJK SULFHG JURZWK
VWRFNV PDLQO\ RXWVLGH RI WKH 8QLWHG 6WDWHV 0RVW RI WKHVH
SRUWIROLRV GLYLGH WKHLU DVVHWV DPRQJ D GR]HQ RU PRUH
GHYHORSHG PDUNHWV LQFOXGLQJ -DSDQ %ULWDLQ)UDQFH DQG
*HUPDQ\ 7KHVH SRUWIROLRV SULPDULO\ LQYHVW LQ VWRFNV WKDW KDYH
PDUNHW FDSV LQ WKH WRS RI HDFK HFRQRPLFDOO\ LQWHJUDWHG
PDUNHW VXFK DV (XURSH RU \$VLD H[-DSDQ *URZWK LV GHILQH
EDVHG RQ IDVW JURZWK KLJK JURZWK UDWHV IRU HDUQLQJV VDOHV
ERRN YDOXH DQG FDK IORZ DQG KLJK YDOXDWLRQV KLJK SULFH
UDWLRV DQG ORZ GLYLGHQG \LHOGV 7KHVH SRUWIROLRV W\SLFDOO\ ZLOO
KDYH OHVV WKDQ RI DVVHWV LQYHVWHG LQ 8 6 VWRFNV

)HHV DQG ([SHQVHV
6HULHV ,
3URVSHFWXV 1HW ([SHQVH 5DWLR
3URVSHFWXV *URVV ([SHQVH 5DWLR
6HULHV ,,
3URVSHFWXV 1HW ([SHQVH 5DWLR
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:DLYHU 'DWD 7\SH ([S 'DWH
6HULHV ,
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2SHUDWLRQV

6W\OH 2ULHQDWLRQ

(TXLW\ 6W\OH 2ZQ#UUVKLS =RQH

<RX VKRXOG FDUHIXOO\ FRQVLGHU WKH ULVNV FKDUJHV
OLPLWDWLRQV DQG H[SHQVHV DVVRFLDWHG ZLWK D YDULDEOH
OLIH LQVXUDQFH SROLF\ DV ZHOO DV WKH ULVNV FKDUJHV
H[SHQVHV DQG LQYHVWPHQW JRDOV REMHFWLYHV RI WKH
XQGHUO\LQJ LQYHVWPHQW RSWLRQV 7KLV IDFW VKHHW LV
DXWKRUL]HG IRU GLVWULEXWLRQ RQO\ ZKHQ SUHFHGHG RU
DFFRPSDQLHG E\ WKH YDULDEOH OLIH LQVXUDQFH SURGXFW
SURVSHFWXV &RQWDFW \RXU OLIH LQVXUDQFH SURGXFHU RU
YLVLVW ZZZ 3DFLILF/LIH FRP IRU PRUH LQIRUPDWLRQ
LQFOXGLQJ SURGXFW DQG XQGHUO\LQJ IXQG SURVSHFWXVHV
WKDW FRQDLQ PRUH FRPSOHWH LQIRUPDWLRQ DERXW 3DFLILF
/LIH DQG D YDULDEOH XQLYHUVDO OLIH LQVXUDQFH SROLF\ 5HDG
WKHP FDUHIXOO\ EHIRUH LQYHVWLQJ RU VHQGLQJ PRQH\
→ → →9DULDEOH 8QLYHUVDO /LIH ,QVXUDQFH JHQHUDOO\ UHTXLUHV
DGGLWLRQDO SUHPLXP SD\PHQWV DIWHU WKH LQLWLDO SUHPLXP ,I
HLWKHU QR SUHPLXPV DUH SDLG RU VXEVTXHQQ SUHPLXPV DUH
LQVXIIILFHQW WR FRQLQXH FRYHUDJH ODUH

ZHLJKWHG DYHUDJH RI WKH SULFH FDVK IORZ UDWLRV RI WKH VWRFNV
LQ D IXQG V SRUWIROLR 3ULFH FDVK IORZ UHSUHVHQWV WKH DPRXQW
DQ LQYHVWRU LV ZLOOLQJ WR SD\ IRU D GROODU JHQHUDWHG IURP D
SDUWLFXODU FRPSDQ\ V RSHUDWLRQV 3ULFH FDVK IORZ VKRZV WKH
DELWLW\ RI D EXVLQHVV WR JHQHUDWH FDVK DQG DFWV DV D JDXJH RI
OLTXLGLW\ DQG VROYHQF\
3ULFH SURVSHFWLYH ~~WKH DQV\W DZHLR~~ KWHG
DYHUDJH RI WKH SURVSHFWLYH HDUQLQJV \LHOGV RI DOO WKH GRPHVWLF
VWRFNV LQ WKH IXQG V SRUWIROLR DV RI WKH GDWH RI WKH SRUWIROLR ~ \$
VWRFN V SURVSHFWLYH HDUQLQJV \LHOG LV FDOFXODWHG E\ GLYLGQJ WKH
FRPSDQ\ V HVWLPDWHG HDUQLQJV SHU VKDUH IRU WKH FXUUHQW ILVFDQ
\HDU E\ WKH FRPSDQ\ V PRQW HQG VKDUH SULFH DV RI WKH
SRUWIROLR GDWH
3ULFH SURVSHFWLYH ~~WKH DZHLR 5DMMR~~ DYHUDJH RI
WKH SULFH VDOHV UDWLRV RI WKH VWRFNV LQ D SRUWIROLR 3ULFH VDOHV
UHSUHVHQWV WKH DPRXQW DQ LQYHVWRU LV ZLOOLQJ WR SD\ IRU D GROODU
JHQHUDWHG IURP D SDUWLFXODU FRPSDQ\ V RSHUDWLRQV
6KDUSH ~~LD D LRLVN~~ DGMXVWHG PHDVXUH GHYHORSHG E\
1REHO \DXUHDWH :LOOLDP 6KDUSH ,W LV FDOFXODWHG E\ XVLQJ
VWDQGDUG GHYLDWLRQ DQG H\FHVU UHWXUQ WR GHWHUPLQH UHZDUG
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IXQG V KLVRULFDQ ULVN DGMXVWHG SHUIRUPDQFH
6WDQGDUG ~~GHYLDWLRQV~~ PHDVXUH RI WKH YRODWLWLW\
RI WKH IXQG V UHWXUQV
5 ~~VTXDUMR~~ HFWV WKH SHUFHQWDJH RI D IXQG V PRYHPHQWV
WKDW DUH H[SODLQH E\ PRYHPHQWV LQ LWV EHQFKPDUN LQGH[\
VKRZLQJ WKH GHJUHH RI FRUUDODWLRQ EHWZHHQ WKH IXQG DQG WKH
EHQFKPDUN
5LVN (YDOX ~~DSULRQ~~ ~~GHYLDWLRQ~~ UDWSKLF RI WKH WKUHH \HDU
VWDQGDUG GHYLDWLRQ RI IXQG UHWXUQV FRPSDUHG WR LWV EHQFKPDUN
DQG 0RUQLQJVWDU &DWHJRU\ 6WDQGDUG GHYLDWLRQ LV D VWDWLWVLFDO
PHDVXUHPHQW RI GLVSHUVLRQ DERXW DQ DYHUDJH ZKLFK IRU D
PXWXDO IXQG GHSLFWV KRZ ZLGH\ WKH UHWXUQV YDULHG RYHU D
FHUWDLQ SHULRG RI WLP ,QYHVWRUV XVH WKH VWDQGDUG GHYLDWLRQ RI
KLVRULFDQ SHUIRUPDQFH WR WU\ WR SUHGLFW WKH UDQJH RI UHWXUQV
WKDW DUH PRVW OLNHO\ IRU D JLYHQ IXQG :KHQ D IXQG KDV D KLJK
VWDQGDUG GHYLDWLRQ WKH SUHGLFWHG UDQJH RI SHUIRUPDQFH LV
ZLGH LPSO\LQJ JUHDWHU YRODWLWLW\ 0RUQLQJVWDU FRPSXWHV
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WKH DSSURSULDWH WLP SHULRG \$OO RI WKH PRQWKO\ VWDQGDUG
GHYLDWLRQV DUH WKHQ DQXDO]HG
7RWDO 5HWXUQ ~~WUDLQJ~~ WKH WUDLQJ SHUIRUPDQFH RI WKH
LQYHVWPHQW D FKRVLQ EHQFKPDUN DQG WKH 0RUQLQJVWDU
&DWHJRU\ IRU WKH WLP SHULRGV VKRZQ ~
:HLJKWHG ~~VULFDQ~~ FDOFXODWHG E\ ZHLJKWLQJ WKH SULFH RI HDFK
ERQG E\ LWV UHODWLYH VL]H LQ WKH SRUWIROLR 7KLV QXPEHU UHYHDOV LI
WKH IXQG IDYRUV ERQGV VHOOLQJ DW SULFH DERYH RU EHORZ IDFH
YDOXH SUHPLXP RU GLVFRXQW VHFULWLHV UHVSHFWLYHO\ \$ KLJKHU
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0RUQLQJVWDU 5DWLQJ
~ ~ 7KH 0RUQLQJVWDU 5DWLQJ IRU IXQGV RU VWDU UDWLQJ LV
FDOFXODWHG IRU LQYHVWPHQWV IXQGV DQG VHSUDWH DFFRXQW ZLWK
DW OHDV D WKUHH \HDU KLVRU\ ([FKDQJH WUDGHG IXQGV DQG
RSHQ HQGHG PXWXDO IXQGV DUH FRQVLGHUHG D VLQJOH SRSXODWLRQ
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0RUQLQJVWDU 5LVN \$GMXVWHG 5HWXUQ PHDVXUH WKDW DFFRXQWV IRU
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WRS RI SURGXFWV LQ HDFK SURGXFW FDWHJRU\ UHFHLYH VWDUV
WKH QH[W UHFHLYH VWDUV WKH QH[W UHFHLYH VWDUV

´/LPLWHGµ FDWHJRU\ ZLOO EH DVVLJQHG WR SRUWIROLRV ZKRVH
DYHUDJH HIIHFWLYH GXUDWLRQ LV EHWZHHQ WR RI 0%,
DYHUDJH HIIHFWLYH GXUDWLRQ ZKHUH WKH DYHUDJH HIIHFWLYH
GXUDWLRQ LV EHWZHHQ WR RI WKH 0%, WKH SRUWIOLR
ZLOO EH FODVVLILHG DV ´ORGHUDWHµ DQG WKRUVH SRUWIROLRV ZLWK DQ

3,0&2 ,QYHVWPHQWV //& 5R\FH)XQG 6HUYLEFHV ,QF 6WDWH
6WUHHW *OREDO \$GYLVRUV)XQGV 'LVWULEXWRUV //& 7 5RZH 3ULFH
,QYHVWPHQW 6HUYLEFHV ,QF 9DQ (FN 6HFXULWLHV &RUSRUDWLRQ