

,QYHVWPHQW 6 WLD MCHLD LQYHV 0RUQLQJVW DU 6XVWDLQDELOLW\  
7KH LQYHVWPHQW VHHNV KLJK FXUUHQW LQFRPH FRQVLVWHQW ZLWK  
SUHVHUYDWLRQ RI FDSLWDO FDSLWDO DSSUHFLDWLRQ LV D VHFRQGDU\  
REMHFWLYH  
8QGHU QRUPDO PDUNHW FRQGLWLRQV WKH IXQG LQYHVWV DW OHDVW  
RI LWV QHW DVVHWV LQ ERQGV %RQGV LQFOXGH GHEW  
VHFXULWLHV RI DQ\ PDWXULW\ VXFK DV ERQGV QRWHV ELOOV DQG  
GHEHQWXUHV 7KH IXQG LQYHVWV SUHGRPLQDQWO\ LQ ERQGV LVVXH  
E\ JRYHUQPHQWV JRYHUQPHQW UHODWHG HQWLWLHV DQG  
JRYHUQPHQW DJHQFLHV ORFDWHG DURXQG WKH ZRUOG %RQGV PD\  
EH GHQRPLQDWHG DQG LVVXH LQ WKH ORFDO FXUUHQF\ RU DQRWKHU  
FXUUHQF\ 7KH IXQG LV QRQ GLYHUVLILHG

0RUQLQJVW DU &DWHJRU\ -\*OREDO %RQG  
\*OREDO ERQG SRUWIROLRV W\SLFDOO\ LQYHVW RU PRUH RI WKHLU  
DVVHWV LQ IL[HG LQFRPH LQVWUXPHQWV LVVXH RXWVLGH RI WKH 8 6  
7KHVH SRUWIROLRV LQYHVW SULPDULO\ LQ LQYHVWPHQW JUDGH UDWHG  
LVVXHV EXW WKHLU VWUDWHJLHV FDQ YDU\ 6RPH IROORZ D  
FRQVHUYDWLYH DSSURDFK VWLFNLQJ ZLWK KLJK TXDOLW\ ERQGV IURP  
GHYHORSHG PDUNHWV 2WKHUV DUH PRUH DGYHQWXURXV RZQLQJ  
VRPH ORZHU TXDOLW\ ERQGV IURP GHYHORSHG RU HPHUJLQJ  
PDUNHWV 6RPH SRUWIROLRV LQYHVW H[FOXVLYHO\ RXWVLGH WKH 8 6  
ZKLOH RWKHUV LQYHVW LQ ERWK 8 6 DQG QRQ 8 6 ERQGV 0DQ\  
FRQVLVWHQWO\ PDLQWDLQ VLJQLILFDQW DOORFDWLRQV WR QRQ 8 6 GROODU  
FXUUHQFLHV ZKLOH RWKHUV KDYH WKH IOH[LELOLW\ WR PDNH VL]HDEOH  
DGMXVWPHQWV EHWZHHQ WKHLU 8 6 GROODU DQG QRQ 8 6 FXUUHQF\  
H[SRVXUHV

)HHV DQG ([SHQVHV  
&ODVV  
3URVSHFWXV 1HW ([SHQVH 5DWLR  
3URVSHFWXV \*URVV ([SHQVH 5DWLR  
&ODVV  
3URVSHFWXV 1HW ([SHQVH 5DWLR  
3URVSHFWXV \*URVV ([SHQVH 5DWLR

:DLYHU 'DWD 7\SH ([S 'DWH  
&ODVV &RQWUDFWXDO  
&ODVV &RQWUDFWXDO



<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 SURGXFWU RU  
YLVW ZZZ 3DFLILF/LIH FRP IRU PRUH LQIRUPDWLRQ

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\WV WZHLR~~ 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 DQV\WV WZHLR~~ 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 KLWWRULFDO ULVN DGMXVWHG SHUIRUPDQFH  
6WDQGDUG ~~GHYLDWLRQV~~ WDLFDO PHDVXUH RI WKH YRODWLWLW\  
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5 ~~VTXDUH~~ HFWV WKH SHUFHQWDJH RI D IXQG V PRYHPHQWV  
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EHQFKPDUN  
5LVN ~~(YDOX~~ ~~DSULRQ~~ ~~QKH~~ ~~LDW~~ JUDSKLF RI WKH WKUHH \HDU  
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DQG 0RUQLQJVWDU &DWHJRU\ 6WDQGDUG GHYLDWLRQ LV D VWDWLWDLFDO  
PHDVXUHPHQW RI GLVSHUVLRQ DERXW DQ DYHUDJH ZKLFK IRU D  
PXWXDO IXQG GHSLFWV KRZ ZLGH\ WKH UHWXUQV YDULHG RYHU D  
FHUWDLQ SHULRG RI WLPH ,QYHVWRUV XVH WKH VWDQGDUG GHYLDWLRQ RI  
KLWWRULFDO 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 WLPH SHULRG \$OO RI WKH PRQWKO\ VWDQGDUG  
GHYLDWLRQV DUH WKHQ DQXDO]HG  
7RWDO 5HWXUQ ~~WZHLR~~ WKH WUDLWLQJ SHUIRUPDQFH RI WKH  
LQYHVWPHQW D FKRVLQ EHQFKPDUN DQG WKH 0RUQLQJVWDU  
&DWHJRU\ IRU WKH WLPH SHULRGV VKRZQ ~  
:HLJKWHG ~~VULFDO~~ 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 VHFUXLWLHV UHVSHFWLYHO\ \$ KLJKHU  
QXPEHU LQGLFDWHV D ELDV WRZDUG SUHPLXPV

0RUQLQJVWDU 5DWLQJØ  
~ ~ 7KH 0RUQLQJVWDU 5DWLQJØ IRU IXQGV RU VWDU UDWLQJ LV  
FDOFXODWHG IRU LQYHVWPHQWV IXQGV DQG VHSUDUDWH DFFRXQWV ZLWK  
DW OHDVW D WKUHH \HDU KLWWRU\ ([FKDQJH WUDGHG IXQGV DQG  
RSHQ HQGHG PXWXDO IXQGV DUH FRQVLGHUHG D VLQJOH SRSXODWLRQ  
IRU FRPSDUDWLYH SXUSRVHV ,W LV FDOFXODWHG EDVHG RQ D  
0RUQLQJVWDU 5LVN \$GMXVWHG 5HWXUQ PHDVXUH WKDW DFFRXQWV IRU  
YDULDWLRQ LQ D PDQDJHG SURGXFW V PRQWKO\ H\FHVU  
SHUIRUPDQFH SODFLQJ PRUH HPSKDVLV RQ GRZQZDUG YDULDWLRQV  
DQG UHZDUGLQJ FRQLVWPHQW SHUIRUPDQFH 7KH 0RUQLQJVWDU  
5DWLQJ GRHV QRW LQFOXGH DQ\ DGMXVWPHQW IRU VDOHV ORDGV 7KH  
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 SRUWIOLRV 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 SRUWIOLRV 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