

**Important Information:**

1. BOCHK All Weather China Income Fund (the “Fund”) is a Sub-Fund of BOCHK Wealth Creation Series.
2. The Fund aims to provide income and capital growth over the medium to longer term by investing primarily in fixed income securities issued by any Asia Pacific governments, government agencies, supra-nationals, banks or companies which derive substantial revenue from or have significant business or economic activities in Asia Pacific or are denominated in any Asia Pacific currency.
3. Investment involves risks. The Fund involves significant risks including but not limited to market risk, concentration risk –investments in Asia Pacific markets, emerging markets risk, currency risk, risks relating to debt securities, equity investment / volatility risk, risks of investing in other collective investment schemes, risks of investing in convertible bonds, risks of investing in exchange –traded funds (ETFs), risks of investing in real estate investment trusts (REITs), risks of investing in American Depositary Receipts (ADRs), RMB hedged class risk and RMB risk, risks relating to hedging and the hedged classes, risks associated with distribution out of capital etc. Past Performance is not indicative of future performance. Investors may not get back the full amount of capital invested.
4. The Manager may at its discretion pay distribution out of, or effectively out of, capital of the Fund. Investors should note that the payment of distributions out of, or effective out of, capital represents a return or withdrawal of part of the amount the investors originally invested or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of, or effectively out of, capital of the Fund may result in an immediate reduction of the net asset value of the relevant classes of Units.
5. Investors should not solely rely on this press release to make any investment decision. Please refer to the Explanatory Memorandum and the relevant appendix in detail (including the full text of risk factors stated therein) about the Fund.

17 August 2017

## **BOCHK Asset Management Launches BOCHK All Weather China Income Fund**

BOCHK Asset Management Limited (“BOCHK Asset Management”), a wholly-owned subsidiary of BOC Hong Kong (Holdings) Limited (“the Company”), announced the launch of BOCHK All Weather China Income Fund (the “Fund”). The investment objective of the Fund is to provide income and capital growth over the medium and longer term primarily through active asset allocation in a portfolio of fixed income securities and equity securities in the Mainland of China, Hong Kong and Macau markets. The Fund aims to pay dividend on a monthly basis (Dividends are not guaranteed and may be paid out of capital <sup>Refer to important information 4</sup>).

**Mr Shen Hua**, Chief Executive Officer at BOCHK Asset Management, said, “BOCHK Asset Management is committed to looking for investment opportunities for customers. We understand the Chinese economy and corporates, and are also familiar with Chinese equity and bond markets. This new Fund can not only allow dynamic allocation between equities and bonds, but also leverage our strengths to invest in onshore bond markets via the Bond Connect scheme.”

**Mr Han Jian Chiu**, Chief Investment Officer at BOCHK Asset Management, said, “It is expected that the US rate hike will remain slow with a limited scale, which is positive to global equity and bond markets. Meanwhile, the economy in the Mainland continues to develop at a stable pace. Looking ahead to the second half of 2017, it is expected that the People’s Bank of China will continue its moderate monetary policy and infrastructure investment will be strongly supported by the government to achieve the goal of steady economic growth. In addition, in the context of global interest rate hike, limited room to raise interest rate in the Mainland and increased risk appetite in the market, the price-to-earning (P/E) ratio of China-related stocks still has room for growth. Consequently, the new Fund is expected to focus on equity investment in the initial stage.”

**Mr Carson Lam**, Deputy Head of Equity at BOCHK Asset Management, said, “During the stock selection process, we will give priority consideration to corporates which are industry leaders and less affected by economic cycles, with high barriers to entry and steady cash flows.”

With regard to bond investments, **Mr Ben Yuen**, Chief Investment Officer, Fixed Income at BOCHK Asset Management, said that the sector allocation in the Chinese US dollar bonds market is more diversified. The market still shows strong demand for US dollar assets, especially US dollar high yield bonds. In terms of onshore Renminbi (“RMB”) bond market, the yield of China Government Bond remains uptrend year-to-date. Such interest rate differential is relatively attractive as compared with US Treasury, and also provides potential investment opportunity for investors.

The Fund is available in HKD, USD and RMB (hedged) classes with minimum initial subscription amounts of HKD10,000, USD1,000 and RMB10,000 respectively. Initial offer period starts from 21 August 2017 to 8 September 2017.

Note: This press release is issued by BOCHK Asset Management Limited. This press release has not been reviewed by the Securities and Futures Commission (“SFC”) of Hong Kong. This press release is for informational purposes only and does not constitute any offer or recommendation to anyone to invest in the Fund. Investors should not solely rely on this press release to make any investment decision or any other decision. Any investment decision should be based on appropriate professional advice specific to the investors’ needs. The Fund does not have any guarantees. Investors may not get back the full amount of money they invest. Investment involves risk. Past performance is not indicative of future performance. Please refer to offering documents (including the Explanatory Memorandum) for further details including but not limited to the full text of risk factors stated therein (in particular those associated with investments in emerging markets).

- End -

### **About BOC Hong Kong (Holdings) Limited**

BOC Hong Kong (Holdings) Limited (“the Company”) holds the entire equity interest of Bank of China (Hong Kong) Limited (“BOCHK”), its principal operating subsidiary. Bank of China Limited (stock code “3988” and “4601” (Preference Shares)) holds approximately 66.06% of the equity interest in the Company through BOC Hong Kong (BVI) Limited, an indirect wholly-owned subsidiary of Bank of China Limited (“BOC”). The Company began trading on the main board of the Stock Exchange of Hong Kong on 25 July 2002 and is one of the largest listed companies and commercial banking groups in Hong Kong, with stock code “2388” and ADR OTC Symbol: “BHKLY”.

BOCHK has strong market positions in all major businesses. We have the most extensive local branch network and diverse service platforms, including 197 branches, efficient e-channels of over 1,000 self-service machines, as well as Internet and Mobile Banking services. We offer a comprehensive range of financial, investment and wealth management services to personal, corporate and institutional customers. In accordance with the strategic plan of BOC Group, we have been driving our regional development through the acquisitions of BOC’s institutions in Southeast Asia and the establishment of a Brunei Branch. We are actively expanding our business in Southeast Asia and transforming BOCHK into an internationalised regional bank.

BOCHK is one of the three note-issuing banks and the sole clearing bank for Renminbi (“RMB”) business in Hong Kong. With our strong RMB franchise, we are the first choice of customers in this business. Through the deep collaboration with our parent bank, BOC, we provide a full range of high quality cross-border services to multinationals, cross-border customers, Mainland enterprises going global, central banks and super-sovereign organisations.

### **About BOCHK Asset Management Limited**

Established in 2010, BOCHK Asset Management Limited (“BOCHK AM”) is a wholly-owned subsidiary of BOC Hong Kong (Holdings) Limited. BOCHK AM is committed to providing retail and institutional investors with a wide array of Bond, Equity and Alternative Investments products such as private equity and real estate investments, as well as comprehensive investment solutions tailored to their risk/return profile. In addition, the company also manages investment funds for clients and customizes discretionary investment portfolios to maximize the potential returns.

Since its establishment, BOCHK AM has received numerous industry awards<sup>#</sup> in recognition of its outstanding performance. In 2017, the company garnered the “Best China Fund House” and “Best RMB Manager” in Hong Kong awards by Asia Asset Management, and was also named the “Best-in-Class, Manager of the Year Award - High Yield Fixed Income” and “Outstanding Achiever, High Yield Fixed Income” by BENCHMARK.

<sup>#</sup> Source: Asia Asset Management, the awards given by Asia Asset Management Best of the BEST Award are based on the performance as at 30 September 2016. For awards details, please visit [www.asiaasset.com](http://www.asiaasset.com).

Source: BENCHMARK, the awards given by BENCHMARK Fund of the Year Awards 2016 are based on the performance as at 30 September, 2016. awards details, please visit [www.fundawards.asia](http://www.fundawards.asia).