

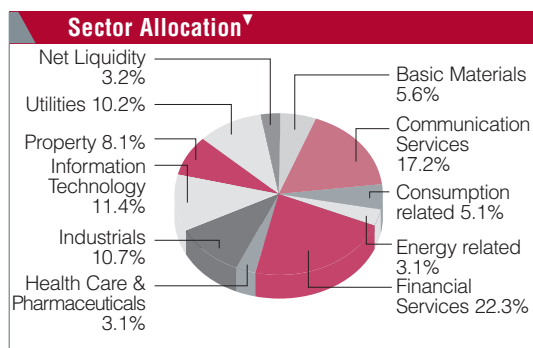
BOCIP Hong Kong Low Volatility Equity Fund[◆]

Important Notes:

- Investment involves risks and the BOCIP Hong Kong Low Volatility Equity Fund (the "Sub-Fund") may not be suitable for everyone. Past performance is not indicative of future performance. The Sub-Fund is subject to market and exchange rate fluctuations and to the risks inherent in all investments. Price of Units and the income (if any) generated from the Sub-Fund may go down as well as up. Investors could face no returns and/or suffer significant loss related to the investments. There is no guarantee in respect of repayment of principal.
- The key risks to which the Sub-Fund is subject to include: general investment risk, currency risk, risk in connection with the investment strategy, equity market risk, risks relating to investment in exchange traded funds ("ETFs"), real estate investment trusts "REITs" risks, liquidity risk, concentration risk, specific risks associated with investments in H shares and red-chip companies listed on the SEHK and other Hong Kong-listed stocks, derivative instruments risk and potential conflicts of interest.
- The Sub-Fund is subject to the risk in connection with the investment strategy. There is a possibility that the Manager's internal selection process may not effectively achieve a reduced level of volatility and the Sub-Fund's value may be adversely affected. Investors should note that lower volatility does not necessarily mean lower risk.
- Please refer to the offering document of the Sub-Fund for further details including investment objectives and policies, charges and expenses, and risk factors, before making any investment decision.

	Cumulative Performance in HKD [Gross Distribution Reinvested] ^{ΔΔ}						Calendar Year Performance in HKD ^{ΔΔ}				
Class A	3 Months	Year to date	1 Year	3 Years	5 Years	Since Inception	2015 [#]	2016	2017	2018	2019
	0.91%	-14.69%	-11.33%	-6.30%	—	27.84%	3.40%	7.16%	38.33%	-9.40%	7.91%

Top 10 Holdings	
1	TENCENT HOLDINGS LTD 8.0%
2	CHINA MOBILE LTD 7.2%
3	KINGBOARD HOLDINGS LTD 6.3%
4	ANHUI CONCH CEMENT CO LTD-H 5.6%
5	IND & COMM BK OF CHINA-H 5.4%
6	LINK REIT 5.1%
7	XIAOMI CORP-CLASS B 5.1%
8	CHINA LIFE INSURANCE CO-H 4.8%
9	CHINA POWER INTERNATIONAL 4.6%
10	AGRICULTURAL BANK OF CHINA-H 4.0%



Fund Data (Class A)	
Investment Manager	BOCI-Prudential Asset Management Limited
Fund Size (Million)	HKD 14.10
Inception Date	21 August 2015
Base Currency	HKD
Management Fee (p.a.)	1.5% of the net asset value, up to a maximum of 2%*
Initial Charge	Up to 5% of issue price
Switching Fee	1% [▲] or Nil ^{▲▲}
NAV per Unit	HKD 12.7840
12 months NAV ^{††}	Highest: HKD 14.9845 Lowest: HKD 12.1051
Risk Level [◆]	High
Morningstar Overall Rating ^{™††}	★★
Standard Deviation	15.21%
Bloomberg Ticker	BHKLVEF HK EQUITY
ISIN Code	HK0000265436

The value of the investment products managed by BOCI-Prudential Asset Management Limited represents 0.0% of the Sub-Fund's fund size.

◆ The Sub-Fund is approved as "Eligible Collective Investment Scheme" under "Capital Investment Entrant Scheme" ("CIES") of Hong Kong Special Administrative Region ("HKSAR"). The HKSAR Government has announced that the CIES has been suspended with effect from 15 January 2015 until further notice. The Immigration Department of HKSAR ("Immigration Department") will continue to process applications received on or before 14 January 2015, whether already approved (including approval-in-principle and formal approval) or still being processed. For further details and the related Frequently Asked Questions, please visit the website of the Immigration Department at http://www.immd.gov.hk/eng/services/visas/capital_investment_entrant_scheme.html.

The manager's comment above solely reflects the opinion, view and interpretation of the fund managers as of the date of issuance of this document. Investors should not solely rely on such information to make any investment decision.

ΔΔ Past performance is not indicative of future performance. Price of Units and the income (if any) generated from the Sub-Fund may go down as well as up. Fund performance is calculated in sub-fund's base currency on NAV-to-NAV basis with gross distribution reinvested. The data for "Standard Deviation" and "Morningstar Overall Rating" will not be shown for sub-funds with less than 3-year history. "Standard Deviation", a risk measurement, is based on the sub-fund's monthly return over the past 3 years in sub-fund's base currency.

The calendar year performances for 2015 of the Sub-Fund corresponds to the period since inception (21 August 2015) to end-2015.

† With effect from 17 December 2018, sector classification methodology for the Sub-Fund has been updated slightly. Accordingly, the sector allocation has been restructured and the sector named "Telecom" has been replaced by "Communication Services".

* The Manager may increase the rate of management fee, up to a specified permitted maximum, by giving Unitholders at least three (3) months' prior notice.

▲ For switching into units of a sub-fund which is not a Money Market Sub-Fund as defined in the offering document.

▲▲ For switching into units of a Money Market Sub-Fund.

†† 12 Months Highest/Lowest NAV per Unit was calculated by reference to the NAV per Unit on each month's last dealing day.

† Data Source – © 2020 Morningstar, Inc. All Rights Reserved.

◆ Risk levels are categorized into low, low to medium, medium, medium to high and high. The risk levels are determined by BOCI-Prudential Asset Management Limited based on the investment mix of each Sub-Fund and/or its underlying investments, and represent only the views of BOCI-Prudential Asset Management Limited in respect of the relevant Sub-Fund. Such risk levels are for reference only and should not be regarded as investment advice. You should not rely on the risk levels only when making any investment decision. The risk level is determined based on data as at 31 December 2019 and will be reviewed and (if appropriate) updated at least annually without prior notice, taking into account the prevailing market circumstances. If you are in doubt about the information of risk level, you should seek independent financial and professional advice. This document is issued by BOCI-Prudential Asset Management Limited and has not been reviewed by the SFC.

INVESTMENT OBJECTIVES AND POLICIES

The BOCIP Hong Kong Low Volatility Equity Fund seeks to provide investors with medium-term capital growth by investing primarily in equity securities listed or to be listed on the Stock Exchange of Hong Kong Limited ("SEHK"), including H shares, red-chip companies, exchange traded funds ("ETFs") (including ETFs managed by the Manager) and real estate investment trusts ("REITs"). The Manager will invest at least 70% of the Sub-Fund's non-cash assets in equity securities, ETF and REITs so as to achieve the investment objectives of the Sub-Fund. Cash or deposits may be considered when appropriate. The Sub-Fund seeks to achieve a reduced level of volatility against the broad market. Stock selection is based on identifying stocks with lower volatility and other characteristics based on the Manager's internal selection process.

MANAGER'S COMMENT^{##}

On Market

In June, total exports and imports registered a year-on-year (YoY) decrease of 1.3% and 7.1% respectively. Total exports to Asia grew by 2.1% YoY as a whole. In particular, exports to Taiwan surged while exports to India, the Philippines and Thailand shrank significantly. Retail sales of Hong Kong in June dropped by 24.8% YoY. In particular, the sales of luxury goods tumbled by 56.5% YoY. The seasonally adjusted unemployment rate edged up further by 0.3 percentage point to 6.2% in April – July. Especially, the rate of the consumption- and tourism-related segments edged up to 10.7%, the highest since August – October 2003.

As to China's economy, the consumer price index (CPI) in June rose by 2.5% over a year earlier while the producer price index decreased by 3.0%. In particular, the prices of food, tobacco and liquor, one of the main components in CPI, rose by 8.8% year-on-year (YoY). Pork prices surged by 81.6% YoY. Retail sales of consumer goods in June dropped by 1.8% YoY. Year-to-date (YTD) online sales of physical goods in June, which weighed around 25.2% of retail sales, grew by 14.3% YoY. The manufacturing purchasing managers index (PMI) for July edged up to 51.1, and stayed above the threshold of 50 for five months. Three out of the five sub-indices, such as Production index, New Orders index and Supplier Delivery Time index stayed in expansion territory.

On Portfolio

The Sub-Fund posted a positive return in July. The gain was mainly attributed to Information Technology and Communication Services sectors. As of the end of July, the Sub-Fund's volatility was kept significantly below market volatility.



中銀國際
BOCI INTERNATIONAL



PRUDENTIAL
英國保誠

中銀保誠資產管理
BOCI-Prudential Asset Management