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## LION-BANK OF SINGAPORE ASIAN INCOME FUND RAISES US\$126 MILLION IN THE INITIAL OFFER PERIOD AMIDST EXTREME MARKET VOLATILITY

*The Fund leverages Bank of Singapore's strong equity discretionary portfolio capabilities and Lion Global Investors' fixed income expertise*

Singapore, 3 February 2016 - Bank of Singapore and Lion Global Investors today announced the successful launch of the **Lion-Bank of Singapore Asian Income Fund** ("the Fund"). Offered exclusively to Bank of Singapore clients, the Fund offers timely respite to investors looking for steady returns in the midst of market volatility since 2015, which has worsened in the beginning of 2016.

Bank of Singapore raised US\$126 million during the 3-week Initial Offer Period (11 January – 2 February 2016) amidst increasing capital outflows globally. Investors were attracted by the Fund's diversified portfolio of Asian equities and bonds with a covered equity call option strategy and a target distribution 5-6% p.a.

The Fund offers regular income from multiple sources, namely equity dividends, bond coupons and option premium, while still being able to capture growth opportunities and manage risks. The combination of equities and bonds as well as the flexibility to hold cash reduces overall portfolio volatility.

Bank of Singapore is responsible for asset allocation decisions, the equity portfolio construction and implementing the covered call strategy as part of its discretionary portfolio management service, while Lion Global Investors manages the fixed income portfolio.

Mr Marc Van de Walle, Bank of Singapore's Global Head of Products shared, "2016 saw global markets get off to the worst start in the last two decades. This has naturally left investors quite shaken and asking what they should do to grow their wealth and yet manage risks in order not to lose the value of their assets. This prompted us to tap on OCBC's strong wealth platform to generate this investment opportunity in line with our long term investment views."

## **Case for investing in Asia**

The Fund, which invests in Asian equities and fixed income instruments, presents ample opportunities for potential upside, given Asia's relatively stable macroeconomic outlook and attractive valuations. While China's reform and economic transition continues, Asia is comparatively strong among emerging economies, with high levels of foreign exchange reserves, limited external debt, undervalued exchange rates and adequate policy flexibility.

Asian equity markets are looking attractive with MSCI Far East Ex-Japan currently trading at multi-year lows of 11x forward P/E (Source: Bloomberg). There are also ample opportunities for income investing, with 29% of Asia Pacific stocks currently offering a dividend yield of 4% or more. Asian bonds proved to be resilient in the market selloff in January and continue to offer higher yields compared to counterparts in the United States and Europe.

## **Bank of Singapore and Lion Global Investors' investment expertise**

The Fund will benefit from Lion Global Investors' established track record of holistic coverage of Asian fixed income and equities. Lion Global Investors has one of the largest and most experienced fixed income team in the region with fund managers averaging 24 years of financial industry experience, and having managed investment portfolios through different market cycles. As at 31 December 2015, Lion Global Investors managed over S\$26 billion (US\$17.9 billion) fixed income investments, making it one of the largest fixed income managers in the region.

Bank of Singapore's track record and expertise in discretionary portfolio management (DPM) has seen its DPM assets under management (AUM) grow to account for more than 7% of the Bank's total AUM. Over the market cycles in the past 6 years, its mandates have posted compounded returns averaging 5% annually.

Mr Gerard Lee, Chief Executive Officer of Lion Global Investors, said, "It pays to wait in these uncertain market conditions. For investors seeking some stable sources of income, investing in a balanced, Asian focused strategy will enable them to participate in potential market upsides, while receiving payouts in the meantime."

## SOCIAL MEDIA ASSETS

**Official hashtags:** #bankofsingapore #investmentfund #asianincomefund

**Keywords:**

Bank of Singapore, Lion Global Investors, Lion-Bank of Singapore Asian Income Fund, Investment Fund, Asian Income Fund



**Suggested tweet:** Bank of Singapore sees strong interest in fund leveraging its strong DPM capabilities and Lion Global Investors' fixed income expertise. (136 characters)



**Suggested Facebook post:** Bank of Singapore raised US\$126 million in three weeks for Lion-Bank of Singapore Asian Income Fund.

For all other updates on Bank of Singapore, follow 'Bank of Singapore, Asia's global private bank' on LinkedIn, and "like" facebook.com/thebankofsingapore.

### About Bank of Singapore

Bank of Singapore is the dedicated private banking subsidiary of OCBC Bank. It has a strong Aa1 credit rating from Moody's and offers a unique value proposition as a safe Singapore-registered private bank.

Bank of Singapore's open-architecture product platform and strong research capabilities, especially in emerging market research, ensure that its clients have the information to make the right decisions for fixed income, equities and money market investments as well as portfolio management, trust and insurance services.

The complement of investment, business banking solutions and services such as mortgage financing and corporate finance, through its parent company, OCBC Bank, ensure that its clients banking needs are fully met.

Bank of Singapore serves high net worth individuals and wealthy families in our key markets of Southeast Asia, Greater China, Singapore, Philippines, India Sub-Continent and other International markets. Headquartered in Singapore, Bank of Singapore has a branch in Hong Kong as well as representative offices in Manila and Dubai.

Bank of Singapore's strong performance has won it industry recognition. It was named Outstanding Private Bank in South East Asia by Private Banker International in 2014. Since 2010, it has been consecutively named Best Private Wealth Management Bank in Southeast Asia and Singapore by Alpha South East Asia. Asian Private Banker has named it Best Private Bank in Singapore from 2011 to 2014 and Best Private Bank in the Philippines in 2015, for the second consecutive year. Bank of Singapore has also been consistently ranked among the top 3 private banks in Singapore by Asiamoney and FinanceAsia.

OCBC Bank is one of Asia's leading financial services groups and the second largest by assets in Southeast Asia. It is consistently ranked among the world's strongest and safest banks by leading market research firms and publications.

For more information, please visit [www.bankofsingapore.com](http://www.bankofsingapore.com)

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### **About Lion Global Investors**

Lion Global Investors, a member of the Oversea-Chinese Banking Corporation Limited (OCBC) Group, is one of the largest asset management companies in Southeast Asia with group assets under management of S\$36.5 billion (US\$25.8 billion) as at 31 December 2015. Established as an Asian asset specialist since 1986, Lion Global Investors' core competencies are in managing Asian equities and fixed income strategies and funds to both institutional and retail investors. Its large and experienced investment team of more than 40 fund managers and analysts averaging over 15 years of financial industry experience is firmly dedicated to Asian and global equities and fixed income markets.

Lion Global Investors' proven combination of an experienced investment team, long-term focus on business fundamentals and a disciplined investment approach has won the firm more than 130 industry and peer-review awards, including "Best Asset Management Company in Singapore in 2015" by Global Banking and Finance Review.

Lion Global Investors' network of regional offices outside of Singapore includes Malaysia and Brunei.

Lion Global Investors is 70% owned by Great Eastern Holdings Limited, a subsidiary of OCBC Bank and 30% owned by Orient Holdings Private Limited, a wholly-owned subsidiary of OCBC Bank.

For more information, visit [www.lionglobalinvestors.com](http://www.lionglobalinvestors.com).

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