

ING Financial Planning Optimising Portfolio Service OPS Defender

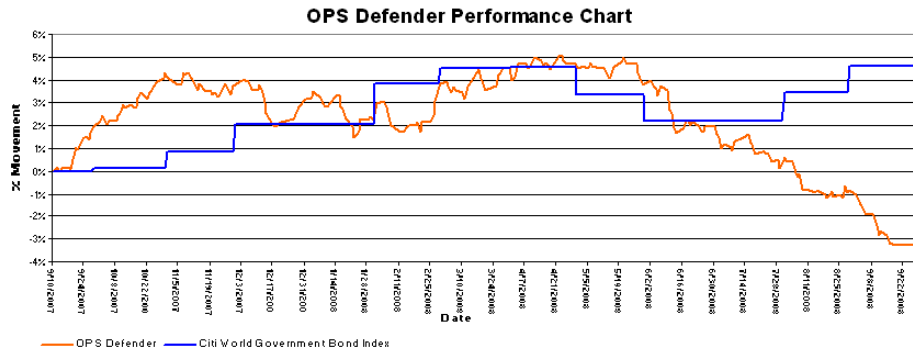
Customer Services Hotline
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As of 30 Sep 2008

Portfolio Objectives

The OPS Defender is a low-risk portfolio permitted to hold a maximum of 12.5% in equities, with no restrictions in holdings in bonds or cash. No leverage is used.

Performance Chart



Investment Manager's Comment

Equity markets came out of the summer and promptly went into freefall as the credit markets dried up. The lack of liquidity in the credit markets panicked the equity markets as global corporations found it tough to generate any liquidity for continuing their regular business operations. This was particularly prevalent amongst the financial corporations as they were the largest users of the credit markets. In order to free up some capital, these financial companies were forced to sell down a number of their most liquid positions including their high yield and corporate bond positions in a flight to safety. A need for liquidity accelerated the selling as the credit markets dried up completely. As the sell-off gathered pace we recommended switching out the entire portfolio into money market funds in order to protect capital, although we still ended the month 2.5% lower.

Despite investors hoping for some respite, the flight to safety has seen the selling pressure accelerate in early October causing a number of emerging markets to halt trading during their normal trading days as they hit their limit downs. Although this is not a pleasant experience, there are signs that this could be the final capitulation stage that typically signals the end of a bear market. This may last for a few weeks whilst it may take a few more months for some sort of confidence to come back into the markets, but with valuations across the board being cheap and panic selling going on we do feel that we are now fast approaching the bottom. We anticipate that as liquidity returns to the credit markets, the high yield and corporate bond sectors should also start seeing strong rebounds. This will provide great opportunities at the back end of 2008 and the whole of 2009 giving us confidence that we recover the losses we have made during this year.

Monthly Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total	
OPS Defender	2007									1.98%	2.15%	-0.39%	-0.59%	3.16%
Citi WGBI	2007									0.13%	0.67%	1.26%	0.02%	2.08%
OPS Defender	2008	-0.64%	1.44%	0.66%	0.07%	-0.71%	-1.80%	-1.39%	-1.42%	-2.49%			-6.16%	
Citi WGBI	2008	1.74%	0.60%	0.08%	-1.15%	-1.13%	-0.03%	1.22%	1.20%	0.32%			2.85%	

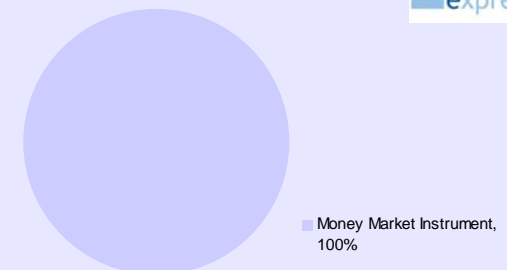
Information

Launch Date: September 10, 2007
Minimum Investment: HK\$ 250,000

Cumulative Performance

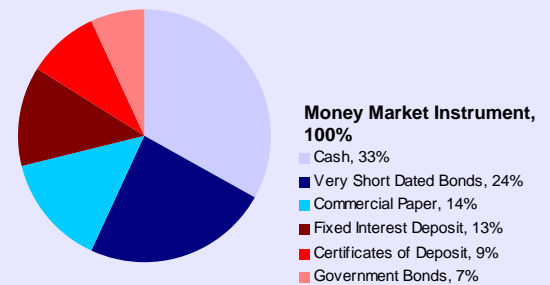
	OPS Defender	Benchmark (Citi WGBI)
YTD	-6.16%	2.85%
Since Launch	-3.31%	4.49%

Portfolio Analysis Region Allocations



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Asset Allocations



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