

# ING Financial Planning

## Optimising Portfolio Service

# OPS Defender

Customer Services Hotline  
 **2850 3499**

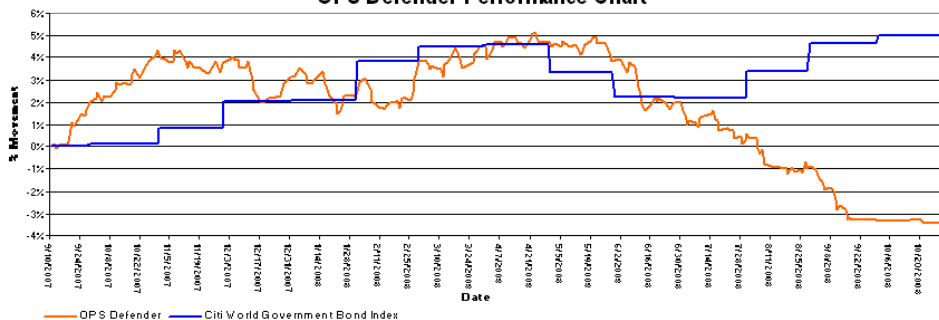
As of 31 Oct 2008

### 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

OPS Defender Performance Chart



### Investment Manager's Comment

October proved to be one of the worst months in history for the equity markets as deleveraging and a lack of liquidity in the global financial system drove all liquid assets down. Bonds, equities, commodities and high yielding currencies felt the full force of the sell off as investors lost confidence in all asset classes. The flight to cash saw only the US dollar, Japanese Yen and US Government bonds perform, benefiting from the unwinding of the carry trade and, in the case of US Government Bonds, their perceived safe haven status. Our decision to go into money market funds in September meant that the OPS Defender portfolio managed to avoid the malaise out there remaining largely unchanged for the month. This compared to a 2% decline in the Citi World Government Bond Index in US dollar terms for the month, although in local currency terms it managed to eke out a modest return of 0.5% for the month.

The sell-off in October looked as it was climactic selling which would suggest that we are getting towards the end of the bear market. It will take time to repair the damage to investors' psychology, but with Government's globally doing whatever they can to stabilize their economies and the global financial system as a whole, we should start seeing signs of some sort of base forming in the markets in the near future. Trillions of dollars have been pledged to provide much needed liquidity into the markets in order to get the banks to start lending to each other again which will eventually provide the foundations from which the financial system can rebuild itself. The lack of trust amongst the institutions, the lack of confidence from investors and the new found belief in cash all contributed to the remarkable selling pressure of October but as November rolls in concerted global interest rate cuts, nationalization of western banks and heavy government spending should allow for stabilization of the asset markets and a base from which they can start their recoveries. With the fixed income markets looking very oversold after being caught up in the unwinding process, we believe that there are a number of attractive options in the market but will wait for the trends to start turning higher before we start looking to go back in.

### 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%	-0.10%			-6.26%
Citi WGBI	2008	1.74%	0.60%	0.08%	-1.15%	-1.13%	-0.03%	1.22%	1.20%	0.32%	0.46%			3.32%

#### Disclaimer

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### Information

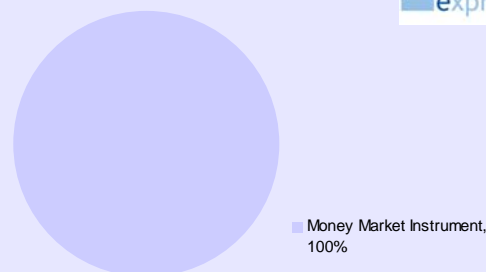
Launch Date September 10, 2007  
 Minimum Investment HK\$ 250,000

### Cumulative Performance

	OPS Defender	Benchmark (Citi WGBI)
YTD	-6.26%	3.32%
Since Launch	-3.41%	5.47%

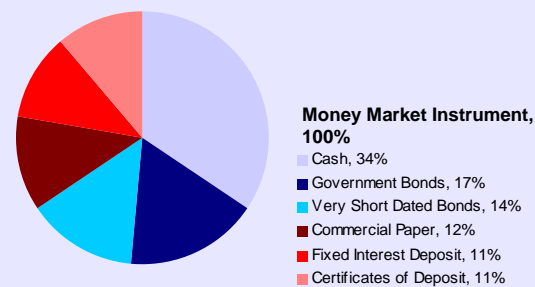
### Portfolio Analysis

#### Region Allocations



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#### Asset Allocations



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