

BOND INVESTMENT STRATEGY

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Strategy

- Laddering
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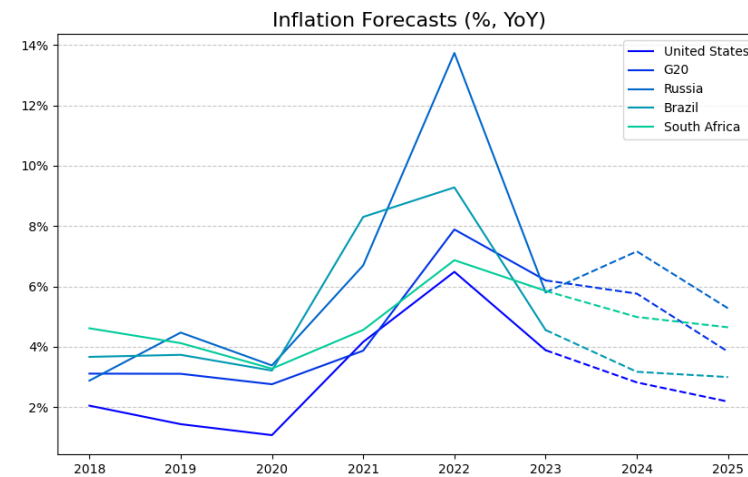
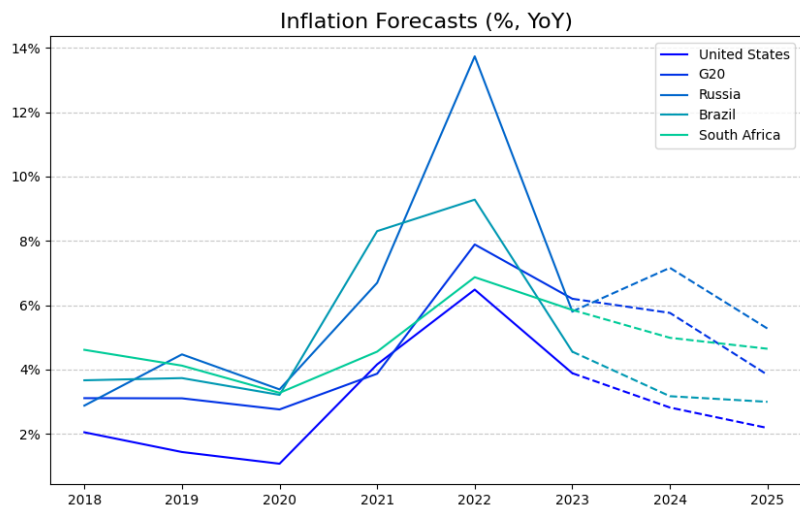
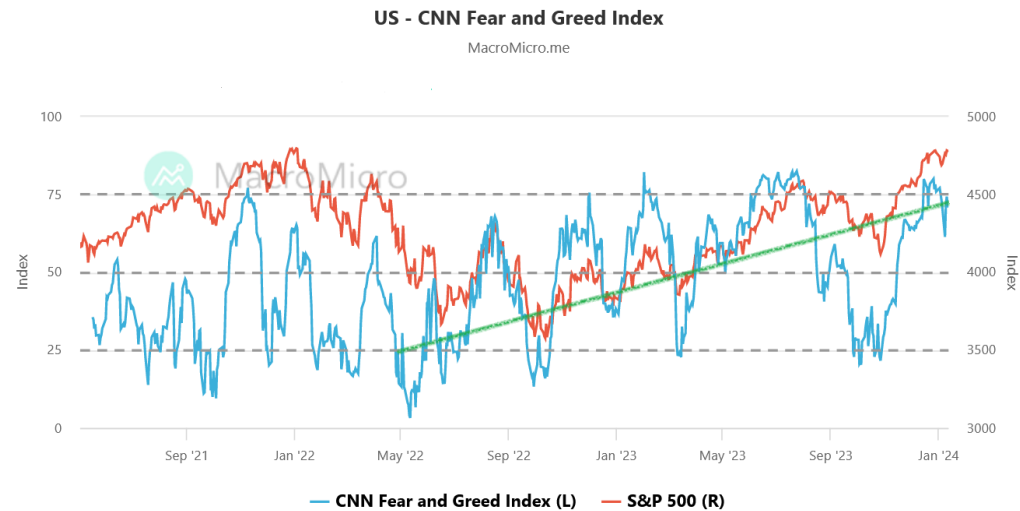
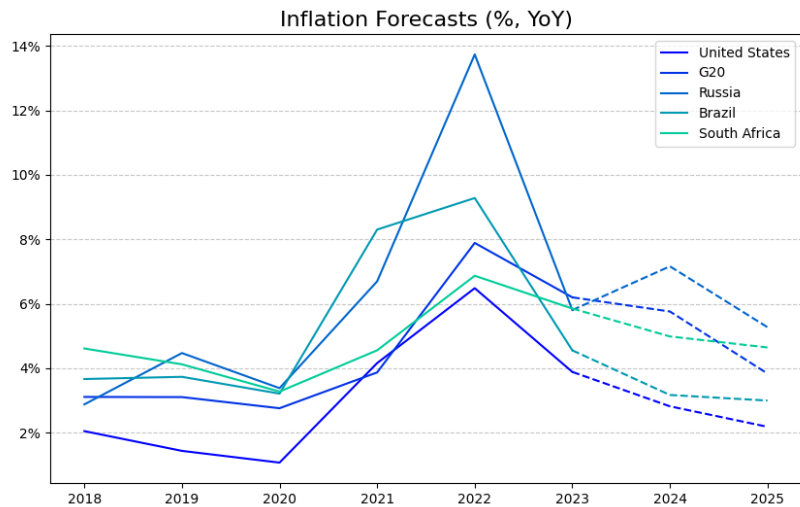
Risk Considerations

- Interest Rate Risk
- Inflation Risk
- Credit Risk
- Inflation Risk
- Geopolitical Risk



PORTFOLIO CONSTRUCTION

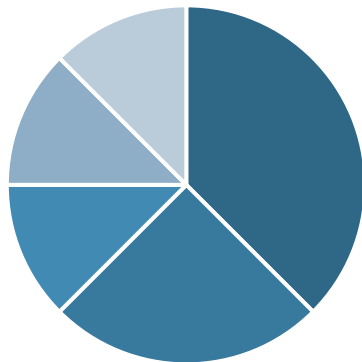
GLOBAL MARKET OUTLOOK



PORTFOLIO DISTRIBUTION

	YTM	Price	Maturity	Cpn	Rating
Bond 1			1		AAA
Bond 2			1		AA
Bond 3			1		AA
Bond 4			2		BBB
Bond 5			2		AAA
Bond 6			5		AA
Bond 7			10		BBB
Bond 8			30		BBB

Maturity Distribution



■ 1 ■ 2 ■ 5 ■ 10 ■ 30

Bond Selection Criteria:

- Geographical Diversification
- Laddering for Risk Aversion
- High Cpn Rate

Summary:

- 60% US Treasuries
- Rating Distribution:
 - AAA : 40%
 - BA : 30%
- Portfolio Duration:
- DV01:



STRATEGY

PLAN FOR PRODUCT LAUNCH

PLANNING	MARKETING	DESIGN	STRATEGY	LAUNCH
Synergize scalable e-commerce	Disseminate standardized metrics	Coordinate e-business applications	Foster holistically superior methodologies	Deploy strategic networks with compelling e-business needs



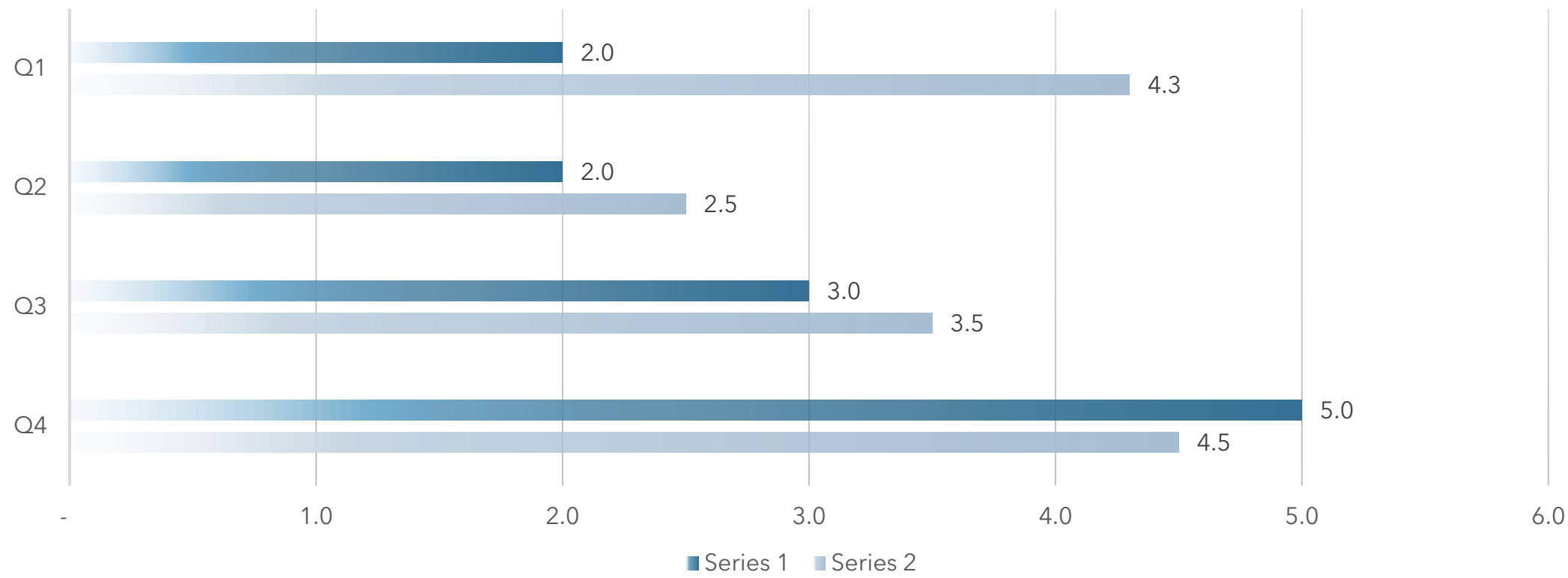
RISK CONSIDERATIONS

INTEREST RATE RISK

- duration, convexity, etc.

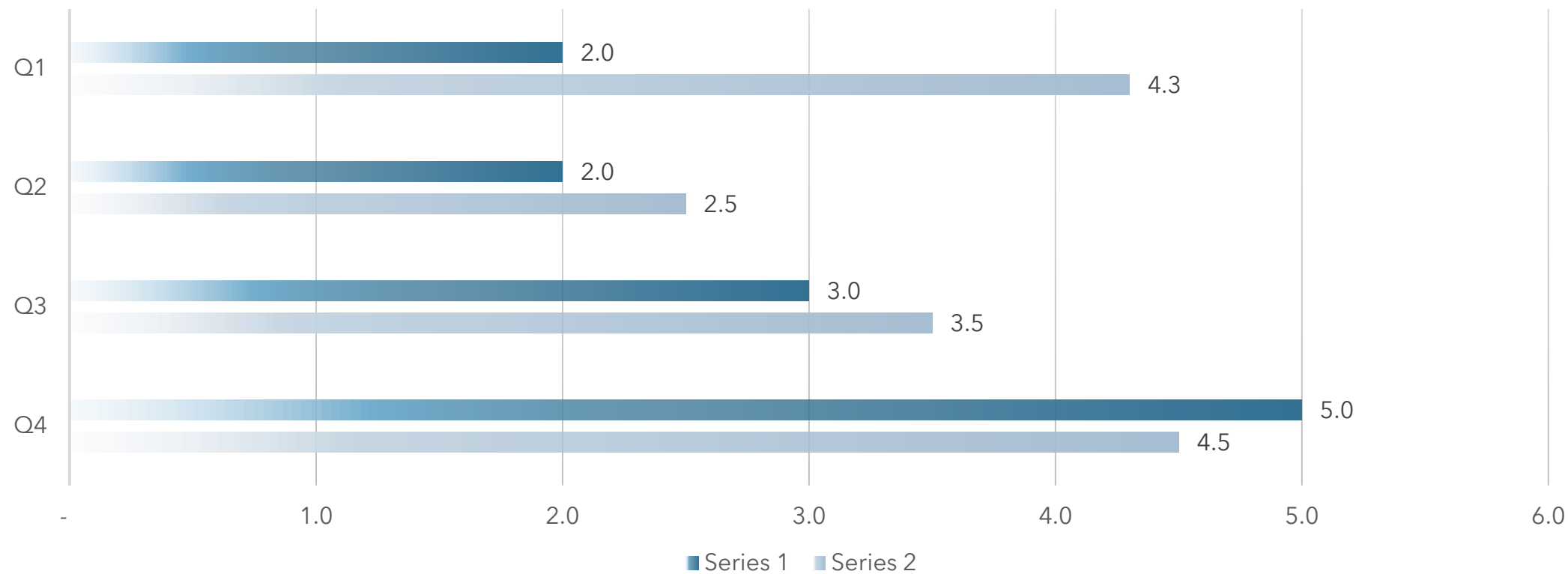
LIQUIDITY RISK

PRODUCT GROWTH



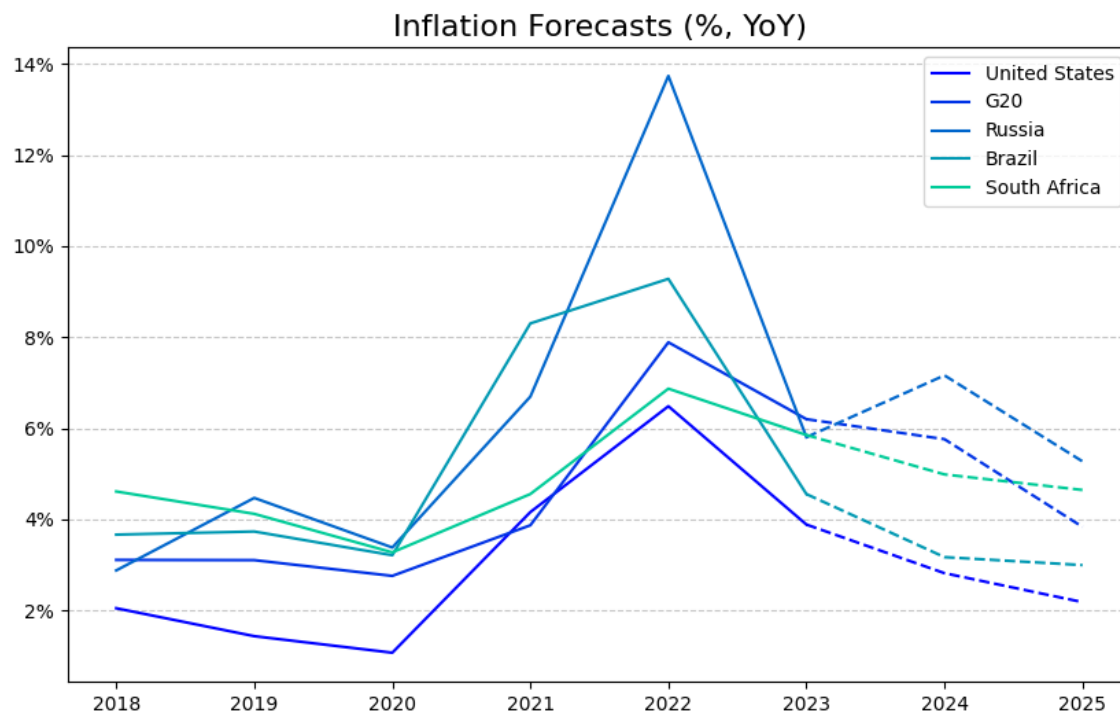
CREDIT RISK

PRODUCT GROWTH



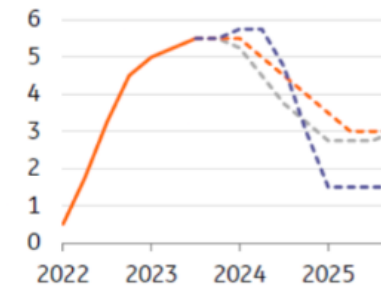
INFLATION RISK

- Even though risks persist, inflation started to cool down
- Starting from 2nd half of 2024, interest rate cuts may start

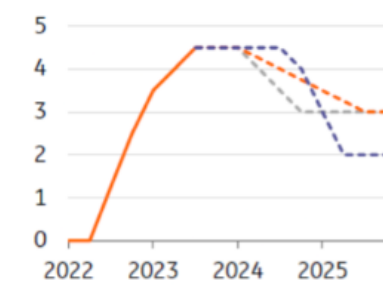


Source: OECD Economic Outlook, November 2023

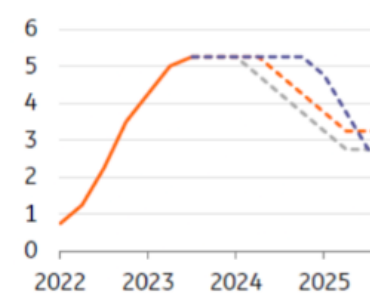
Fed Funds rate – Upper Bound (%)



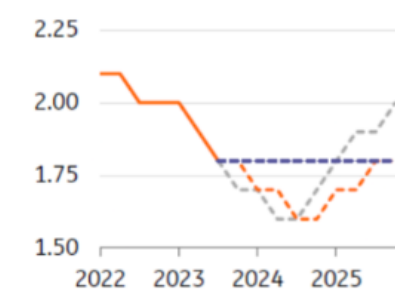
ECB Main Refi Rate (%)



Bank Rate (%)



7-day reverse repo rate (%)



Source: ING Global Outlook 2024, November 2023

GEOPOLITICAL RISK

- Avoid Chinese and Middle East Region bonds
- Rising political and military tensions may eventually lead economic downturn and declining markets

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