

Diversify your portfolio for more potential returns.

Important Note:

Structured notes are structured products involving derivatives. The investment decision is yours but you should not purchase such products unless the intermediary who sells it to you has explained to you that the product is suitable for you having regards to your financial situation, investment experience and investment objectives.

Debt Securities Services provide you with various choices of bonds and structured notes to help you diversify your portfolio and achieve your investment goals.

Balance your portfolio with various debt securities investments.



What are bonds?

- Bond is a debt security where the bond issuer issues the bond for purchase by the bondholder. It is also known as a fixed income security, as a bond usually gives the investor a regular or fixed return.
- Typical bond issuers include: sovereign entities, governments/government agencies, banks, non-bank financial institutions and corporations.

What are the bonds features?

Wide Selection

An extensive selection of quality bonds issued by well-known organisations around the world to fulfil your investment needs.

Yield Enhancement

Bond may offer a better potential return than short-term bank deposits.

Coupon Payments

Steady and predictable income from bond coupon interest paid across the bond tenor.

Potential Capital Gain

May benefit from potential capital gain from bond price appreciation.

How do bonds work?

For Illustrative Purposes only

A client would like to invest in Bond A on 1st July 2017 with bond features as below:

Buying Price of Bond A	102%
Face Value	USD100,000
Coupon Rate/ Payout Frequency/ Payout Date	5% p.a./ Once a Year/ 31 December
Bond Tenor/ Bond Maturity Date	4.5 Years/ 31 December 2021

Purchase of Bond at the Bond Price of 102%

Investment Amount and Accrued Interest (6 months) Paid	= USD100,000 x 102% + USD2,500
Total Investment Amount Required	= USD104,500

Case 1: Holding the Bond until Maturity

Bond Face Value upon Maturity and Coupon Payments (5 years)	USD100,000 + USD 25,000 = USD125,000
Total Return	USD125,000 - USD104,500 = USD20,500

Case 2: Sell the Bond on 1st October 2018 (i.e. 1.25 years later) at the Bond Price of 105%


Fund Received from Bond Sell and Accrued Interest (9 months) and Coupon Payment (1 year)	USD105,000 + USD3,750 + USD5,000 = USD113,750
Total Return	USD113,750 - USD104,500 = USD9,250


Case 3: Sell the Bond on 1st October 2018 (i.e. 1.25 years later) at the Bond Price of 94%


Fund Received from Bond Sell and Accrued Interest (9 months) and Coupon Payment (1 year)	USD94,000 + USD3,750 + USD5,000 = USD102,750
Total Return	USD102,750 - USD104,500 = - USD1,750 (Loss)

What are structured notes?

Structured notes provide you with a series of choices that are linked to different underlying assets and with various capital protection levels as well as investment tenures:

	Underlying asset	<ul style="list-style-type: none"> • Local & global equities • Interest rates • Indices • Commodities • Currencies • Hybrid assets
	&	

	Capital protection level	<ul style="list-style-type: none"> • 100% principal protected • Partial principal protected • Non-principal protected
	&	

	Investment tenor	<ul style="list-style-type: none"> • Short term (from 2 months to 1 year) • Medium to long term (more than 1 year) • Early redemption feature
	&	

Risk Disclosure Statement:

- The price of bonds/structured notes can and does fluctuate and the price of any individual bonds/structured notes may experience upward or downward movements and may even become valueless. There is an inherent risk that losses may be incurred rather than profits made as a result of trading bonds/structured notes. Independent assessment of the risk and appropriateness of the transaction in light of your own objectives and circumstances, including the possible risks and benefits of entering into such transaction, should be considered before entering into any transaction.

Note:

- This leaflet does not constitute any offer, invitation or recommendation to any person to enter into any transaction described therein or any similar transaction, nor does it constitute any prediction of likely future price movements. Investors should not make investment decisions based on this leaflet alone. This leaflet has not been reviewed by the Securities and Futures Commission or any regulatory authority in Hong Kong.

分散部署以獲取 潛在回報

重要提示：

結構性票據乃金融衍生工具的結構性產品。投資決定是由閣下自行作出的。除非中介人於銷售該產品時已向閣下解釋並經考慮閣下的財務狀況、投資經驗及目標後而該產品是適合閣下的，否則閣下不應投資在該結構性票據。

我們的債券投資服務提供各種債券及結構性票據，助您的投資組合分散風險及實現目標。



多種債券選擇讓您平均投資組合



何謂債券？

- 債券是債券發行人(借款人)發行予持有人(即貸款人)購買的一種債務證券。它也被視為固定收入證券，因為債券通常給投資者帶來定期或固定的回報。
- 債券發行者包括：主權國家實體、政府/政府機構、銀行、非銀行金融機構及公司。

債券投資有何特點？

選擇繁多

為您搜羅世界各地知名機構所發行的優質債券，以配合您的投資需要。

提高收益

投資債券或可比定期存款提供更高潛在回報。

票息收入

在債券年期內，債券可提供穩定及可預計的票息收入。

潛在資本收益

透過債券價格上漲或可獲取潛在資本增值。

債券如何運作？

只供參考之用

客人計劃於2017年7月1日購買債券A，債券之詳情如下：

債券A買入價	102%
債券面值	100,000美元
票面利率/派息週期/ 派息日	年利率5%/每1年/ 12月31日
債券年期/ 債券到期日	4.5年/ 2021年12月31日

以買入價102%購入債券

金額以買入債券及 支付累計利息(6個月)	100,000美元 x 102% + 2,500美元
投資總額	= 104,500美元

情況1：持有債券至到期日

於到期日之債券面值及 債券票息(5年)	100,000美元 + 25,000美元 = 125,000美元
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總投資回報	125,000美元 - 104,500美元 = 20,500美元
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情況2：於2018年10月1日(1.25年後)以賣出價105%出售債券

出售債券面值之總應收款項及 累計利息(9個月)及 債券票息(1年)	105,000美元 + 3,750美元 + 5,000美元 = 113,750美元
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總投資回報	113,750美元 - 104,500美元 = 9,250美元
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情況3：於2018年10月1日(1.25年後)以賣出價94%出售債券

出售債券面值之總應收款項及 累計利息(9個月)及 債券票息(1年)	94,000美元 + 3,750美元 + 5,000美元 = 102,750美元
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總投資回報	102,750美元 - 104,500美元 = - 1,750美元(損失)
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何謂結構性票據？


結構性票據可為您提供一系列與不同資產掛鉤、具不同資金保障度與投資年期的選擇：

	掛鉤資產	<ul style="list-style-type: none"> • 本地及環球股票 • 利率 • 指數 • 商品 • 貨幣 • 混合資產
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及

	資金保障程度	<ul style="list-style-type: none"> • 100%保本 • 部分保本 • 非保本
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及

	投資年期	<ul style="list-style-type: none"> • 短線(由2個月至1年) • 中長線(多於1年) • 備有提早贖回特色
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投資風險聲明：

- 債券/結構性票據之價格可能會及確實會波動，而個別債券/結構性票據之價格可升亦可跌，甚至變成毫無價值。債券/結構性票據買賣具有其潛在風險，故未必一定能夠賺取利潤，反而可能會招致損失。在決定買賣前，投資者應先瞭解交易的風險及性質，並考慮個人能承受的風險、期望回報、整體要求及其他情況。

註：

- 本單張並不構成對任何人士提出進行上述任何交易或任何類似交易的招攬、邀請或建議，亦不構成對未來價格變動的預測。投資者不應只單憑本單張而作出投資決定。本單張並未經證券及期貨事務監察委員會或香港任何監管機構審閱。