

**For Immediate Release**

## **Phillip Capital Management launches the Leveraged & Inverse exchange-traded Products for Singapore Equities Traders**

- The Phillip L&I Products to provide more efficient tools to increase leveraged or hedging exposure to Singapore's equities market
- Traders focus on their trading strategies, leaving the handling of margins to the Fund Manager
- The L&I Products can offer inferences about the market depth of the Singapore market, reflecting near-term bullishness or bearishness

**Singapore, 01 December 2021** – Award-winning Asian fund management company, Phillip Capital Management (S) Ltd today announced the launch of two exchange-traded products, namely Phillip MSCI Singapore Daily (2X) Leveraged Product and Phillip MSCI Singapore Daily (-1X) Inverse Product (“together as Phillip L&I Products”). Units of the products will commence trading on 01 December 2021.

The products would seek to achieve a constant daily leveraged or inverse exposure, to the MSCI Singapore Index which covers about 85% of free-float market capitalization in the Singapore Exchange universe.

“With the Phillip L&I Products, investors and traders can now take up positions depending on their short-term view of the market. Traders who are bullish can ride on the Leveraged product, while bearish investors can use the Inverse product to take advantage of market weakness or hedge their portfolio effectively,” said Mr. Linus Lim, Director and Chief Executive Officer of Phillip Capital Management.

Mr. Linus Lim added, “the products also take away the monitoring and handling of margins for traders, allowing them to focus their energy on implementing their trading strategies. Ultimately, this would benefit them by freeing up both time and capital.”

Being listed on the exchange, the Phillip L&I Products would also serve as meaningful indicators about the broader market.

“Since the products reflect investors’ near-term “bullishness” or “bearishness”, their trading volume would act as meaningful gauges for market sentiments and volatility in the local exchange,” said Mr. Tan Teck Leng, Senior Fund Manager at Phillip Capital Management.

Phillip Capital Management has appointed HSBC Institutional Trust Services (Singapore) as the Trustee, Custodian and Fund Administrator for Phillip L&I Products.

Noor Adhami, Managing Director, Head of Securities Services, HSBC Singapore said: "The Phillip L&I products will widen options for investors navigating Singapore's ETF market. Marking the first of their kind in Singapore, we will draw on HSBC's deep expertise in trustee, custodian and fund administration from across the region to support Phillip Capital with the ongoing servicing of their new offering."

**- End of Press Release -**

## About Phillip Capital Management (S) Ltd

Incorporated in 1999, Phillip Capital Management (PCM) is a fund management company with network across the region including Singapore, Australia, Hong Kong, Indonesia, Thailand, and United Kingdom. PCM's products and asset classes include unit trusts and segregated discretionary portfolios investing in equities, bonds, money market and private equity. PCM serves clients including private banks, insurance companies, tertiary institutions, sovereign wealth funds and Singapore government agencies and has approximately SGD 2.8 billion (Oct 2021, unaudited) of assets under management.

A member of PhillipCapital, PCM has an established track record managing funds investing in the Asia Pacific region and globally, having won fund awards from Standard & Poor's and Lipper since 2003.

The funds managed by the Company include the following: Phillip SGX APAC Dividend Leaders REIT ETF (2016 Most innovative ETF by SGX), Phillip SING Income ETF, Phillip SGD Money Market ETF, Phillip Singapore Real Estate Income Fund, Phillip Global Opportunities Fund, Phillip Global Quality Fund, Phillip Global Rising Yield Innovators Fund, Phillip Money Market Fund, as well as Phillip US Dollar Money Market Fund. The Phillip Money Market Fund is the largest retail Singapore Dollar money market fund today.

For more information, please visit <http://www.phillipfunds.com>

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## Important Information

This publication and the information herein is provided by Phillip Capital Management (S) Ltd ("PCM"), the Manager, for general information only and does not constitute a recommendation, an offer to sell, or a solicitation of any offer to invest in the Phillip MSCI Singapore Daily (2X) Leveraged Product ("Leveraged Product") and the Phillip MSCI Singapore Daily (-1X) Inverse Product ("Inverse Product") mentioned herein (the "L&I Products") that are structured as listed collective investment schemes. It does not have any regard to your specific investment objectives, financial situation and any of your particular needs. You should read the Prospectus and the accompanying Product Highlights Sheet ("PHS") for important information of the Products and obtain advice from a financial adviser ("FA") before making a commitment to invest in the Products. A copy of the Prospectuses and PHSs of the Products are available from PCM or any of its Participating Dealers ("PDs"). The Leveraged Product tracks the performance of a leveraged position of the MSCI Singapore Index ("Index") on a daily basis whereas the Inverse Product tracks the performance of a short position of the Index on a daily basis. The Leveraged & Inverse ("L&I") Products are only suitable for sophisticated trading-oriented investors who constantly monitor the performance of their holding on a daily basis, and are in a financial position to assume the risks from investing in futures. The L&I Products may not be suitable for all investors. The L&I Products are designed to be used as short-term trading tools for market timing or hedging purposes and are not appropriate for long term (longer than one day) investment. The performance of the L&I Products, when held overnight, may deviate from the leveraged performance or inverse performance of the Index due to the effect of "path dependency" and compounding of the daily returns of the Index. The Inverse Product will completely use futures-based synthetic replication strategy to move in the opposite direction from daily performance of the Index. The Leveraged Product uses a combination of direct investments into the underlying securities of the Index, and invest in SGX MSCI Singapore Free Index Futures ("SiMSCI Futures") as synthetic replication strategy for the purpose of optimizing returns and efficient portfolio management. The 2X leverage exposure of the Leveraged Product and the -1X inverse exposure of the Inverse Product will be reset at the end of each trading day, thus the positive or negative returns will be compounded daily. When held more than one day, the cumulative performance of the Leveraged Product may deviate from 2X while the Inverse Product may deviate from -1X of the Index's cumulative performance. When the value of the Index decrease, 2X leverage exposure will trigger an accelerated decrease in the net assets value ("NAV") of the Leveraged Product as compared to the Index. Investing in the L&I Products may suffer substantial losses during periods of high volatility or you may still suffer a loss on your investment even if the value of the Index increases or is flat. Investments are subject to investment risks. It is possible that entire value of your investment could be lost. In the extreme scenario where the Index falls 50% for the Leveraged Product or rises 100% for the Inverse Product in a given day, maximum loss for the L&I Products may exceed principal amount invested. The value of the units and the income accruing to the units may fall or rise. Past performance is not necessarily indicative of the future performance. There can be no assurance that investment objectives will be achieved. PCM does not intend to hedge any foreign currency exposure that the L&I Products may have and may engage in securities lending or repurchase transactions for the Leveraged Product. Any regular dividend distributions, either out of income and/or capital, are not guaranteed and subject to PCM's discretion. Past payout yields and payments do not represent future payout yields and payments. Such dividend distributions will reduce the available capital for reinvestment and may result in an immediate decrease in the NAV of the Leveraged Product. Upon launch of the Leveraged Product, please refer to [www.phillipfunds.com](http://www.phillipfunds.com) for more information in relation to the dividend distributions. MSCI had announced that foreign listings will become eligible for the MSCI Singapore Index. As Index constituents listed on foreign exchanges have different trading hours, this may lead to an increase in the tracking error and imperfect correlation between the value of the Index and the L&I Products' performance. Exchange-traded L&I Products are not like typical unit trusts as the units of the exchange-traded L&I Products (the "Units") will be listed and traded like any share on the Singapore Exchange Securities Trading Limited ("SGX-ST"). Listing on the SGX-ST does not guarantee a liquid market for the Units which may be traded at prices above or below its NAV or may be suspended or delisted. Investors may buy or sell the Units on SGX-ST when it is listed. Investors cannot create or redeem Units directly with PCM and have no rights to request PCM to redeem or purchase their Units. Creation and redemption of Units are through PDs if investors are clients of the PDs, who have no obligation to agree to create or redeem Units on behalf of any investor and may impose terms and conditions in connection with such creation or redemption orders. Please refer to the Prospectuses of the L&I Products for more details. The L&I Products are classified as Specified Investment Products and Capital Markets Products Other Than Prescribed Capital Markets Products. The information herein is not for any person in any jurisdiction or country where such distribution or availability for use would contravene any applicable law or regulation or would subject PCM to any registration or licensing requirement in such jurisdiction or country. The L&I Products are not offered to U.S. Persons. PhillipCapital Group of Companies, including PCM, their affiliates and/or their officers, directors and/or employees may own or have positions in the L&I Products or related thereto. The L&I Products may invest in ETFs or unlisted funds managed by the Manager. This publication has not been reviewed by the Monetary Authority of Singapore.