



AI Wealth Manager
of the Future
Robo-advisor

The Shocking Truth

You vs the Super Rich

MPF

4.8%

Buffet

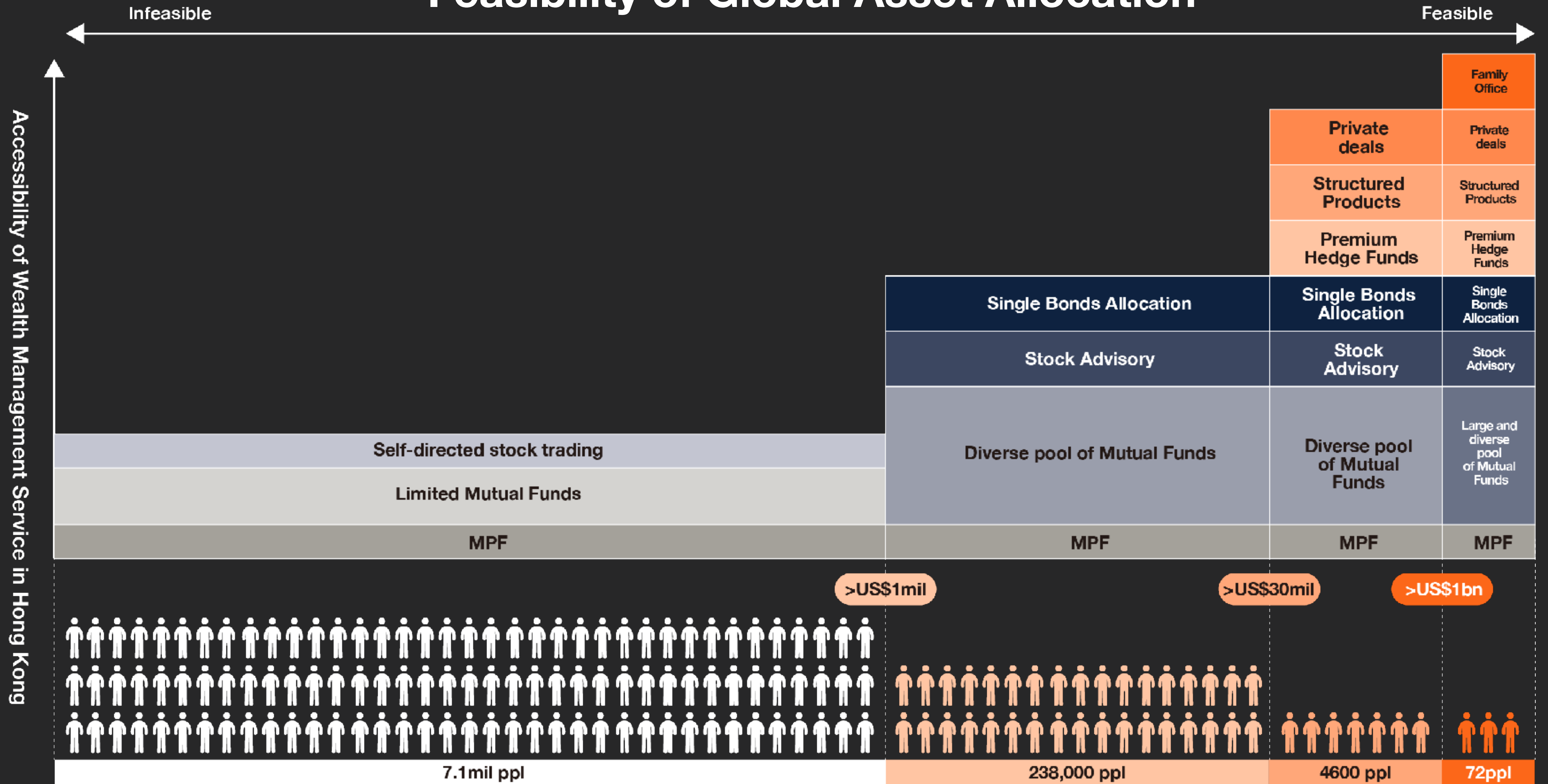
10.6%

Source: mpfa.org.hk; Berkshire Hathaway 2017 annual report; Magnum Research Limited

Note: Annualized return for MPF calculated from 2001 – 2017; Annualized return for Berkshire Hathaway calculated from 2003 – 2017

Past performance is not an indication of future returns.

Feasibility of Global Asset Allocation



Note: Chart is not drawn to scale Source: PWC Hong Kong Private Wealth Management Report 2017.

In the Past...

With the efforts from...

- ☑ Equities Team
- ☑ Commodities Team
- ☑ Fixed Income Team
- ☑ Night Desk
- ☑ Regional Team
- ☑ Quantitative Strategy and Research Team



AQUMON

Global Asset Allocation only available to the SUPER RICH

Major Hurdles

Only 1 in 100 people in Hong Kong have access

	Private Bank
Min. AUM	HKD20,000,000
Fees	1.5% Advisory Fee 1% Fund Sub. Fee 2% Fund Mgmt. Fee >HKD900,000

Bringing the Hurdles Down

	Private Bank	Robo-Advisor
Min. AUM	HKD20,000,000	0.1% - 0.5% of Private's Min.AUM
Fees	1.5% Advisory Fee 1% Fund Sub. Fee 2% Fund Mgmt. Fee >HKD900,000	<1% Advisory Fee ~0.15% ETF Mgmt Fee ~HKD900

Invest More Intelligently

~70% Equity

100% Equity

70% Equity

MPF

Buffet

Robo-Advisor

4.8%

10.6%

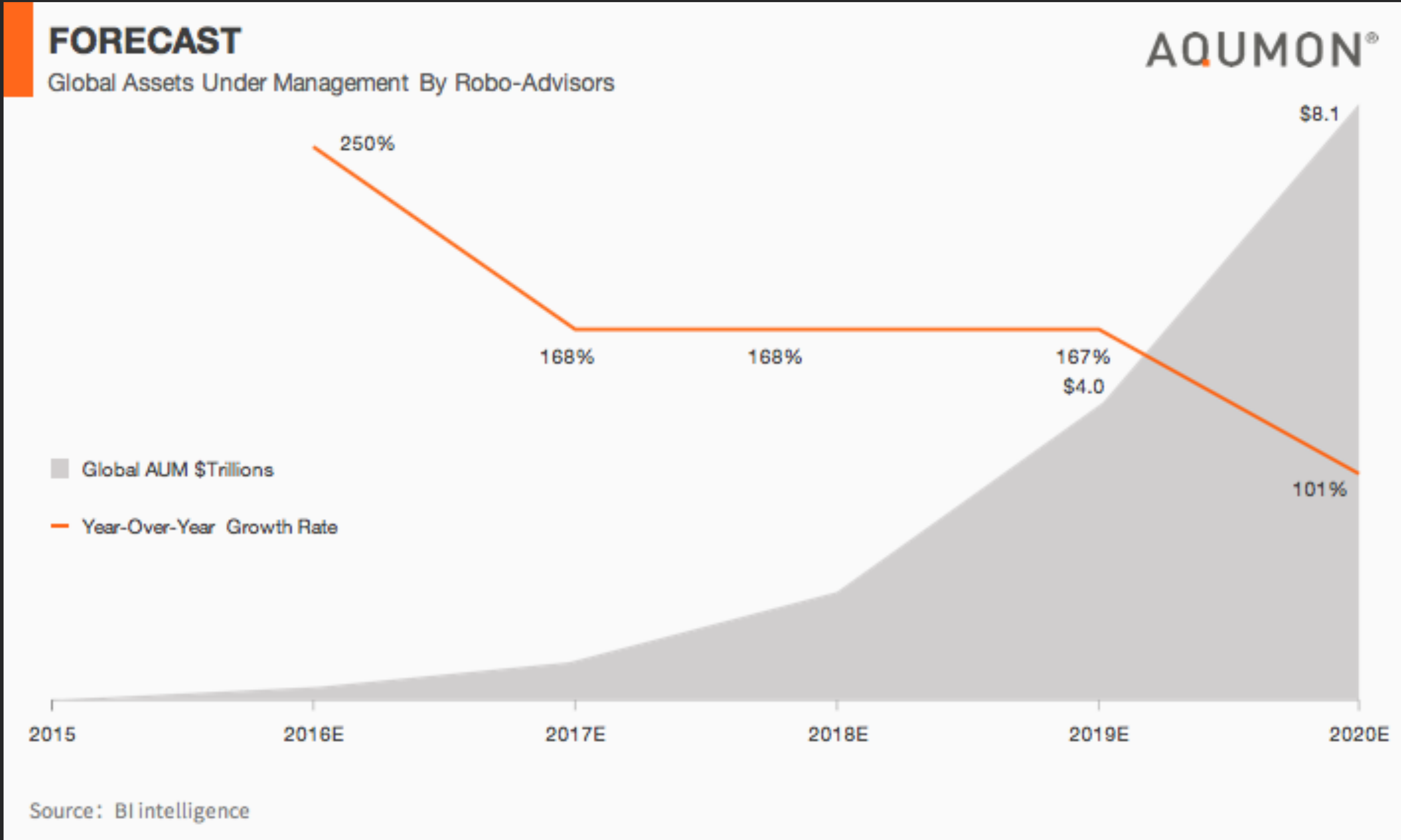
8.2%

Source: mpfa.org.hk; Berkshire Hathaway 2017 annual report; Magnum Research Limited

Note: Annualized return for MPF calculated from 2001 – 2017; Annualized return for Berkshire Hathaway calculated from 2003 – 2017; Annualized return for Robo-advisor : AQUMON 70% portfolio calculated from 2003 – 2017

Past performance is not an indication of future returns.

Robo-advisor already very popular in US



The Winning Formula of Robo-advisor

- ① **In-house Algo**
- ② **In-house IT**
- ③ **Licensed**
- ④ **Track Record**
- ⑤ **R&D DNA**

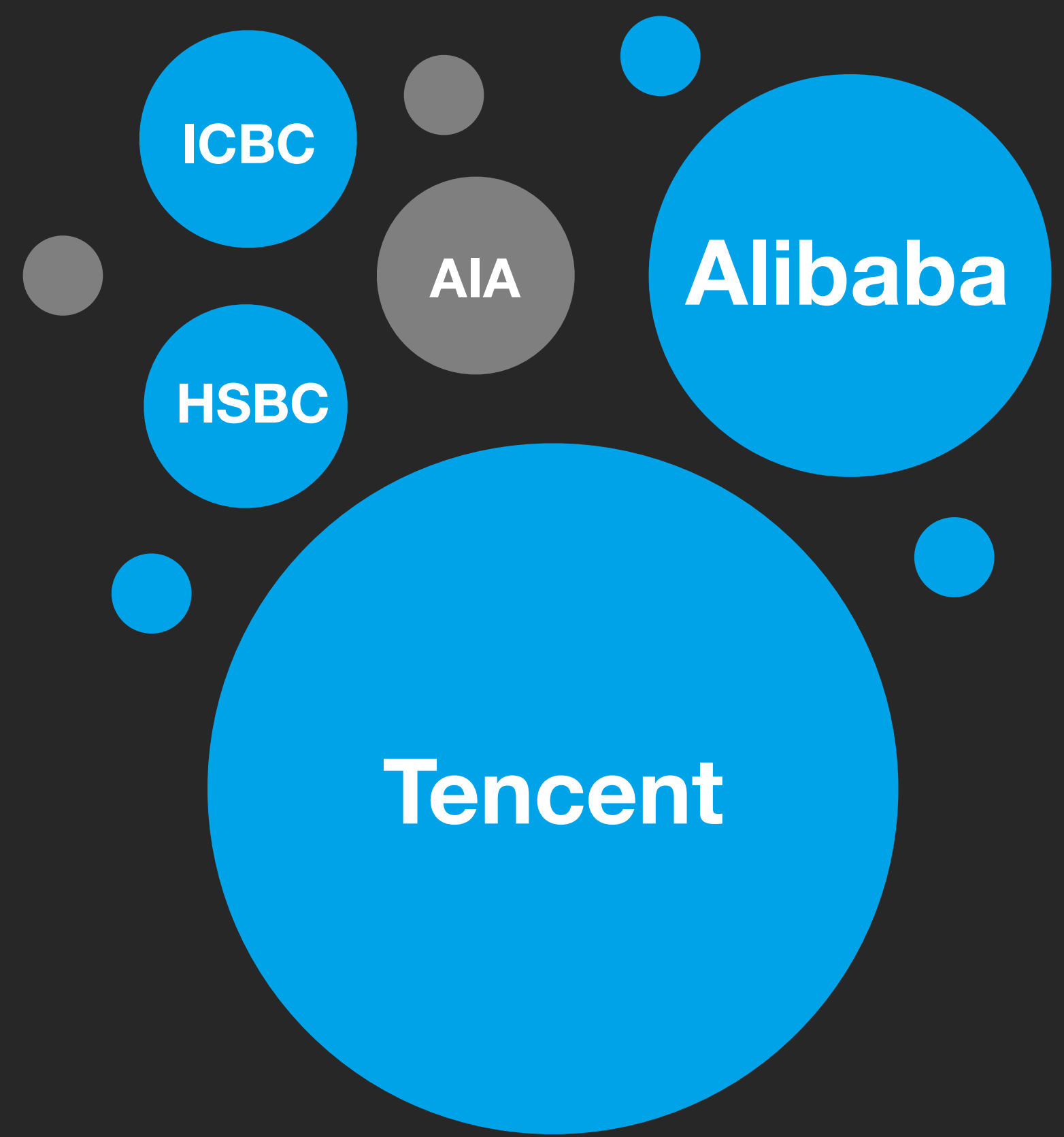
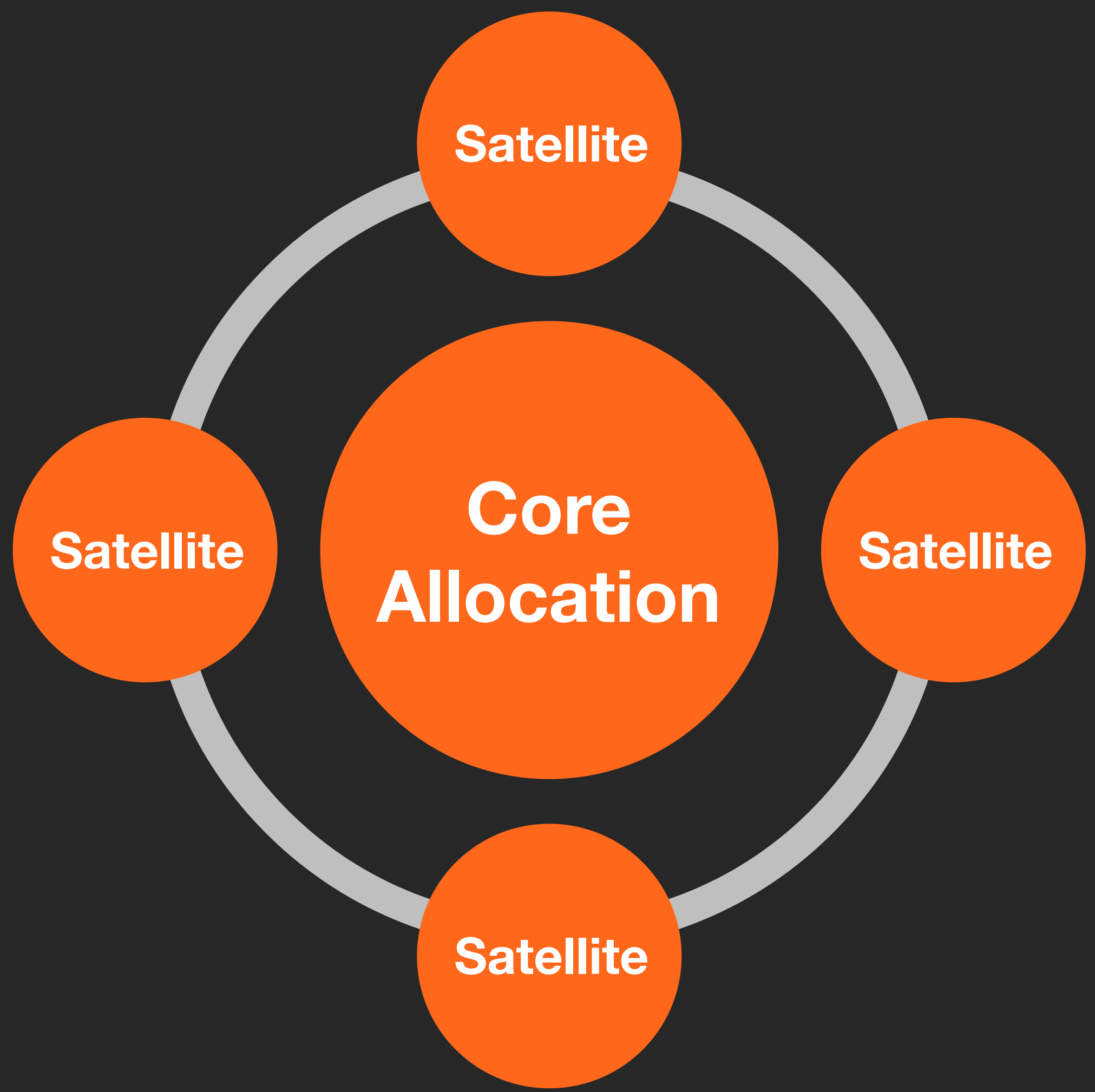


Why I need a diversified portfolio ?



Source: SPAR, FactSet Research Systems Inc.

Core-Satellite vs Random

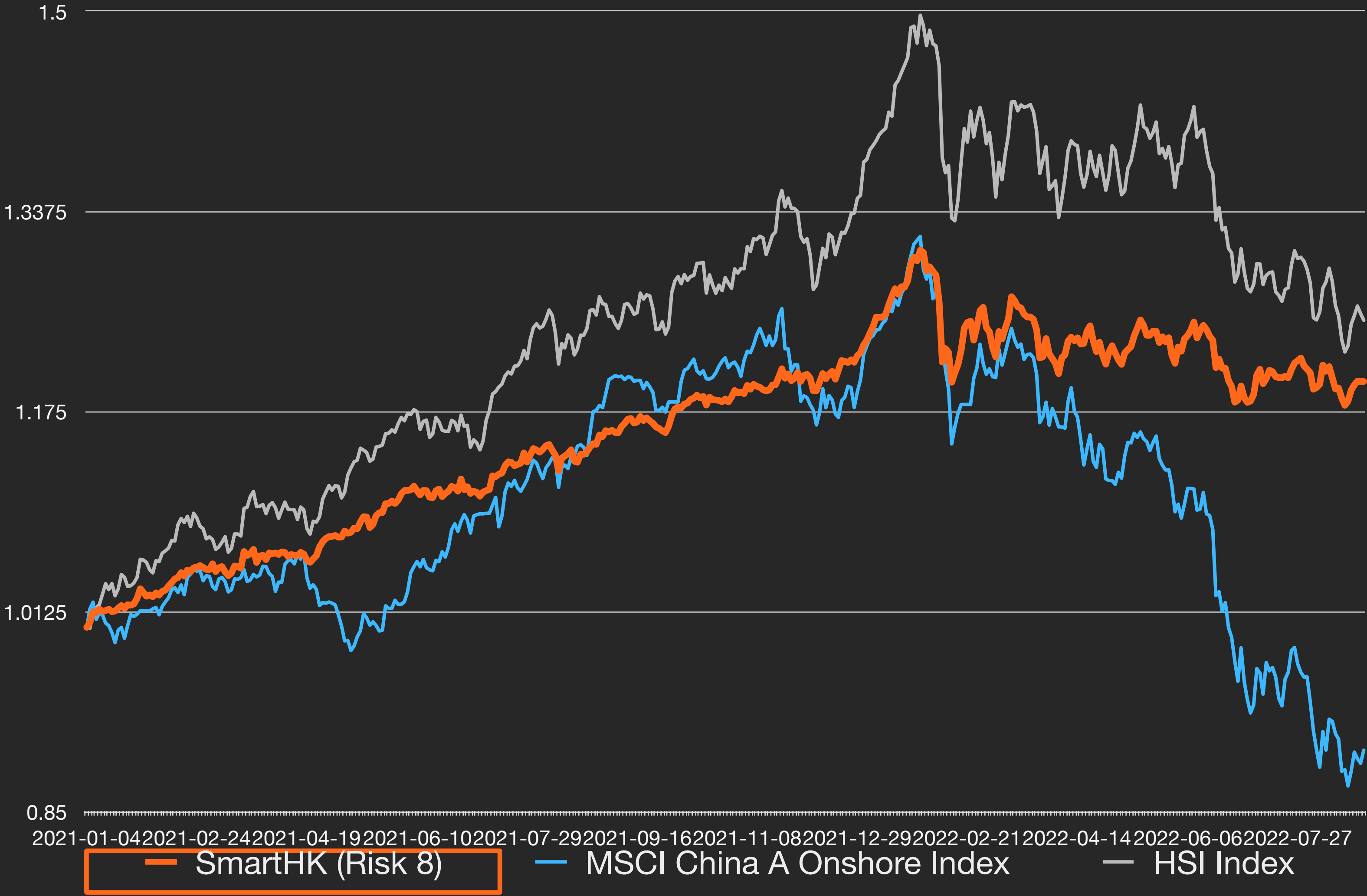


Global Markets

Sector	Index	YTD Performance
China	CSI 300	-18.6%
Hong Kong	Hang Seng Index	-9.3%
Single Stock	Tencent	-15.2%
US	S&P 500	+6.6%
US Tech	Nasdaq	+13.4%
India	Sensex	+13.1%
Oil	WTI	+16.3%

Note: YTD performance as of 24th August 2018. Past performance is not an indication of future returns.

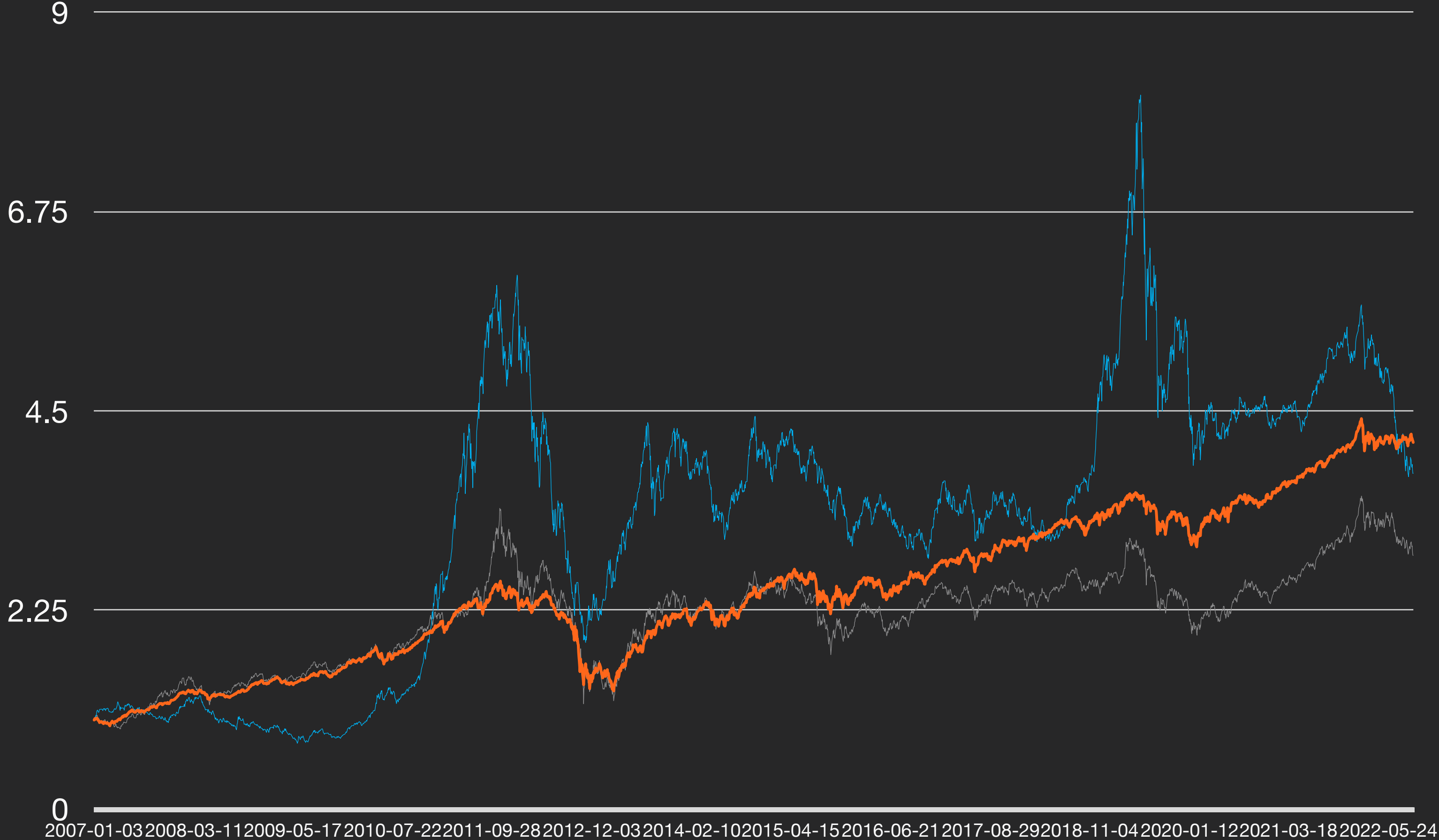
Performance of Major Indices since 2017



	Annualized Return	Annualized Volatility	MDD
■ SmartHK (Risk 8)	11.75%	8.60%	9.64%
■ MSCI China A Onshore Index	-6.21%	16.11%	33.86%
■ HSI Index	14.56%	14.63%	18.26%

Note: The number above is annualized return. The period is from 1st Jan 2017 to 24th Aug 2018. SmartGlobal® (HK) uses Hong Kong listed ETFs as underlying. The SmartGlobal® HK (Risk Score = 8) portfolio has 80% invested in equity ETFs and 20% in fixed income ETFs. AQUMON portfolio performance can be computed based on the performance of the underlying ETFs, subtracting commissions, transaction fees, and AQUMON robo-advisory related fees. The returns are nominal. The results do not suggest, hint or predict portfolio's future performance.

Performance in Financial Cycles



	Annualized Return	Annualized Volatility	MDD
█	9.48%	13.43%	48.32%
█	8.87%	26.72%	68.88%
█	6.93%	22.86%	65.20%

— SmartGlobal-Aggressive

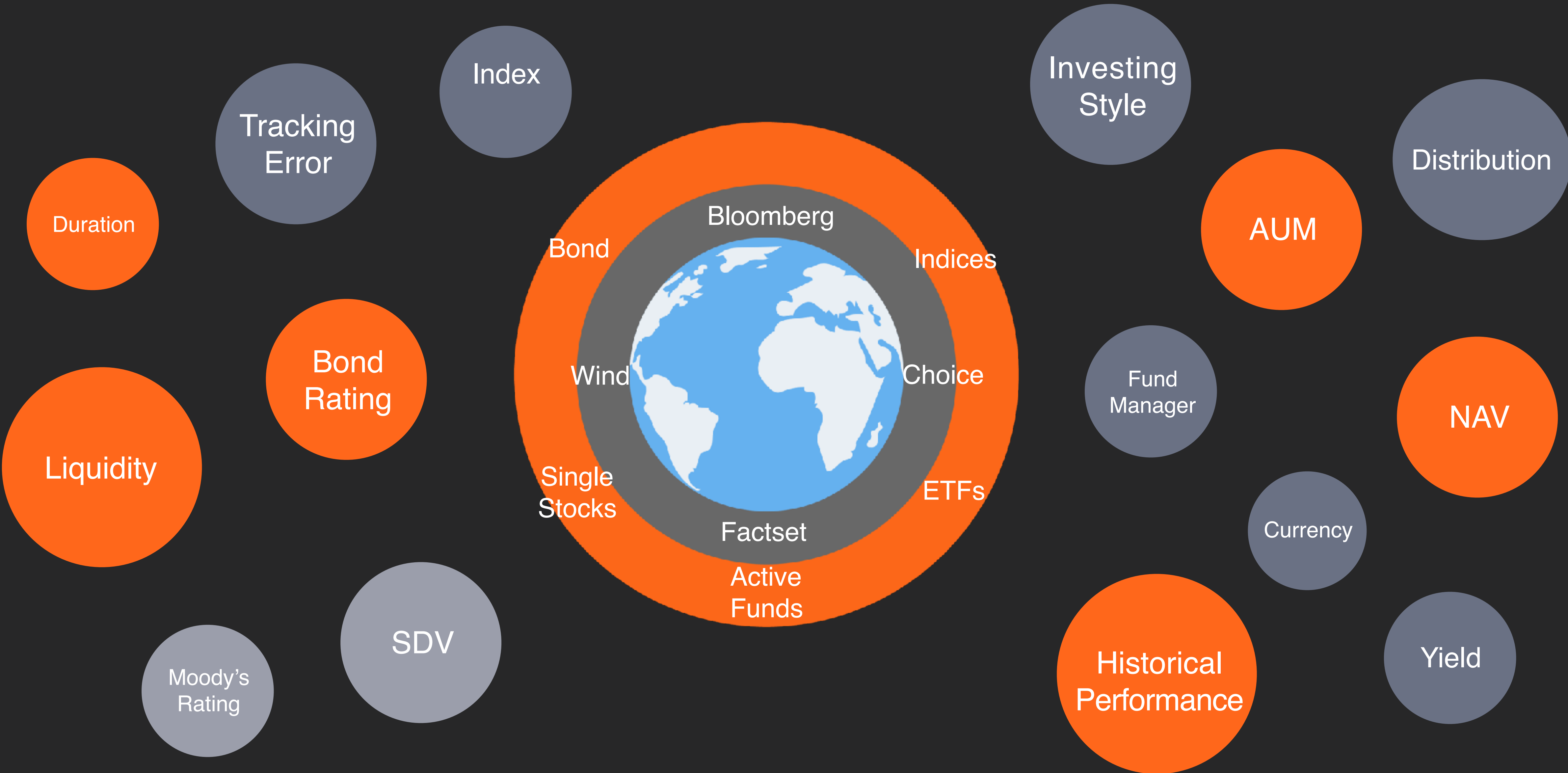
— MSCI China Index

— HSI Index

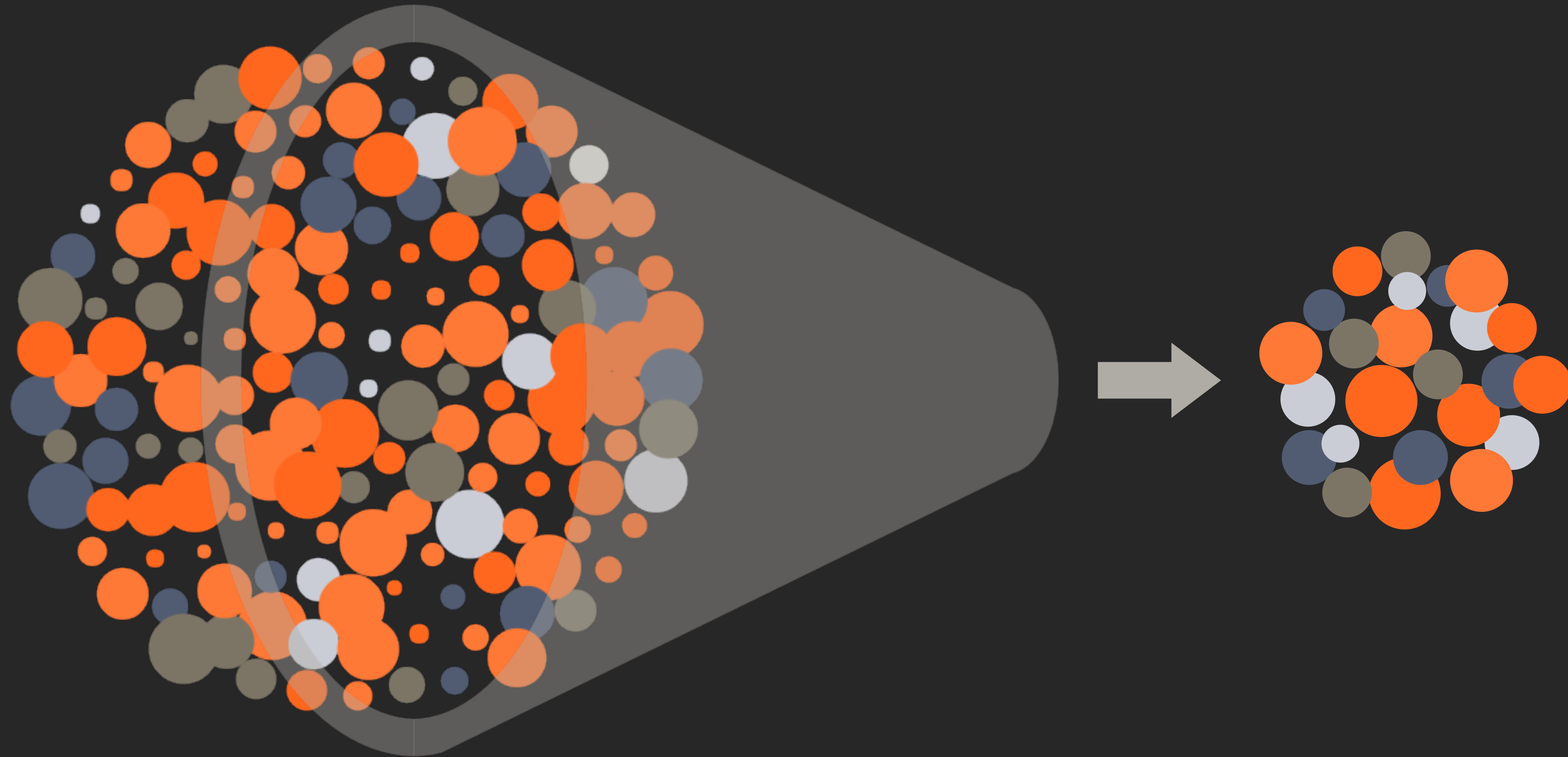
Note: The number above is annualized return. The period is from 2nd Jan 2003 to 24th Aug 2018. SmartGlobal® (US) uses US listed ETFs as underlying. The SmartGlobal®US (Aggressive) portfolio has 80% invested in equity ETFs and 20% in fixed income ETFs. AQUMON portfolio performance can be computed based on the performance of the underlying ETFs, subtracting commissions, transaction fees, and AQUMON robo-advisory related fees. The returns are nominal. The results do not suggest, hint or predict portfolio's future performance.

What **Robo-advisor**
could do for you?

Deal with Financial Data Efficiently



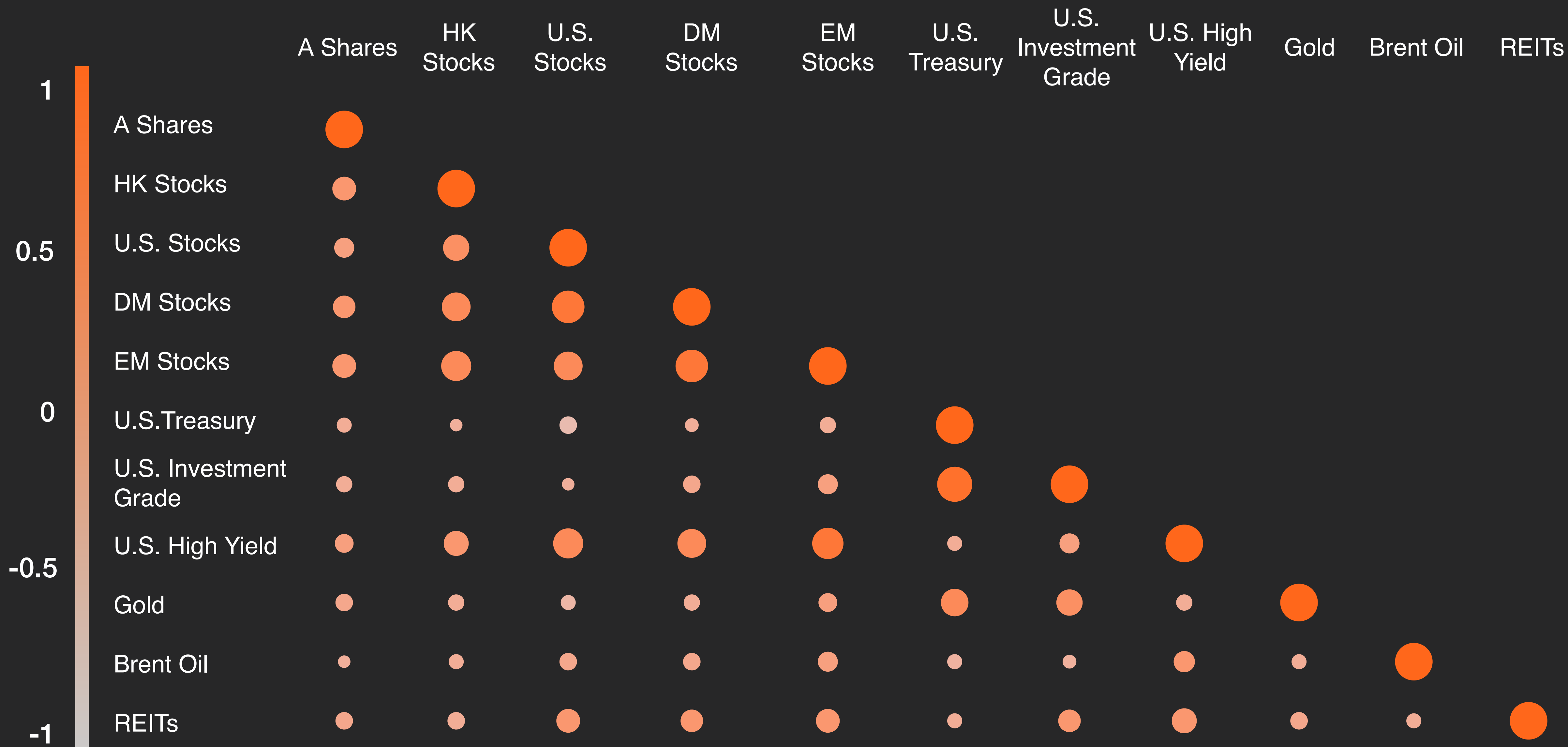
Extracted Underlying Pool



Underlyings in open market

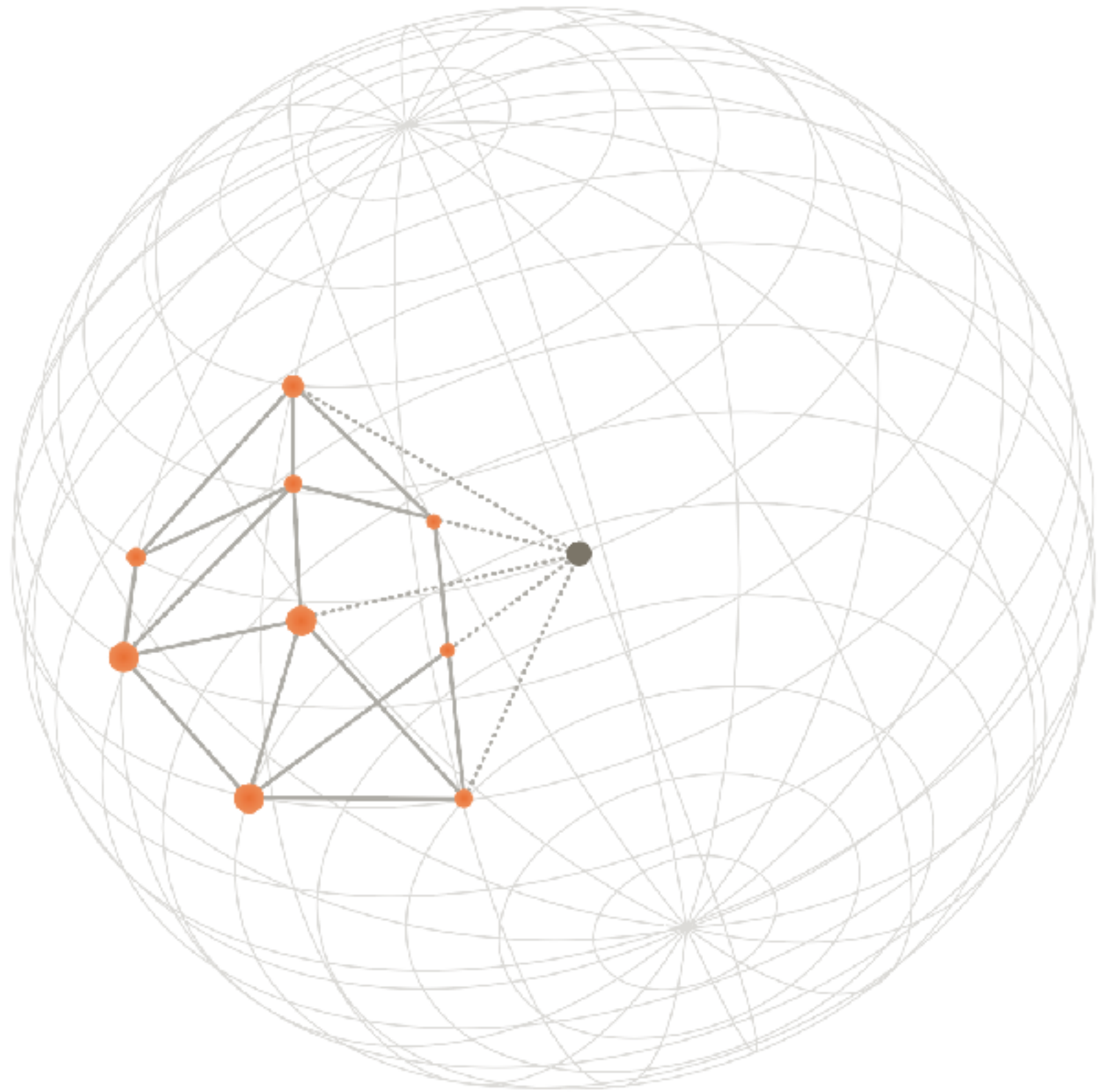
Filtered underlying pool

Correlation Matrix

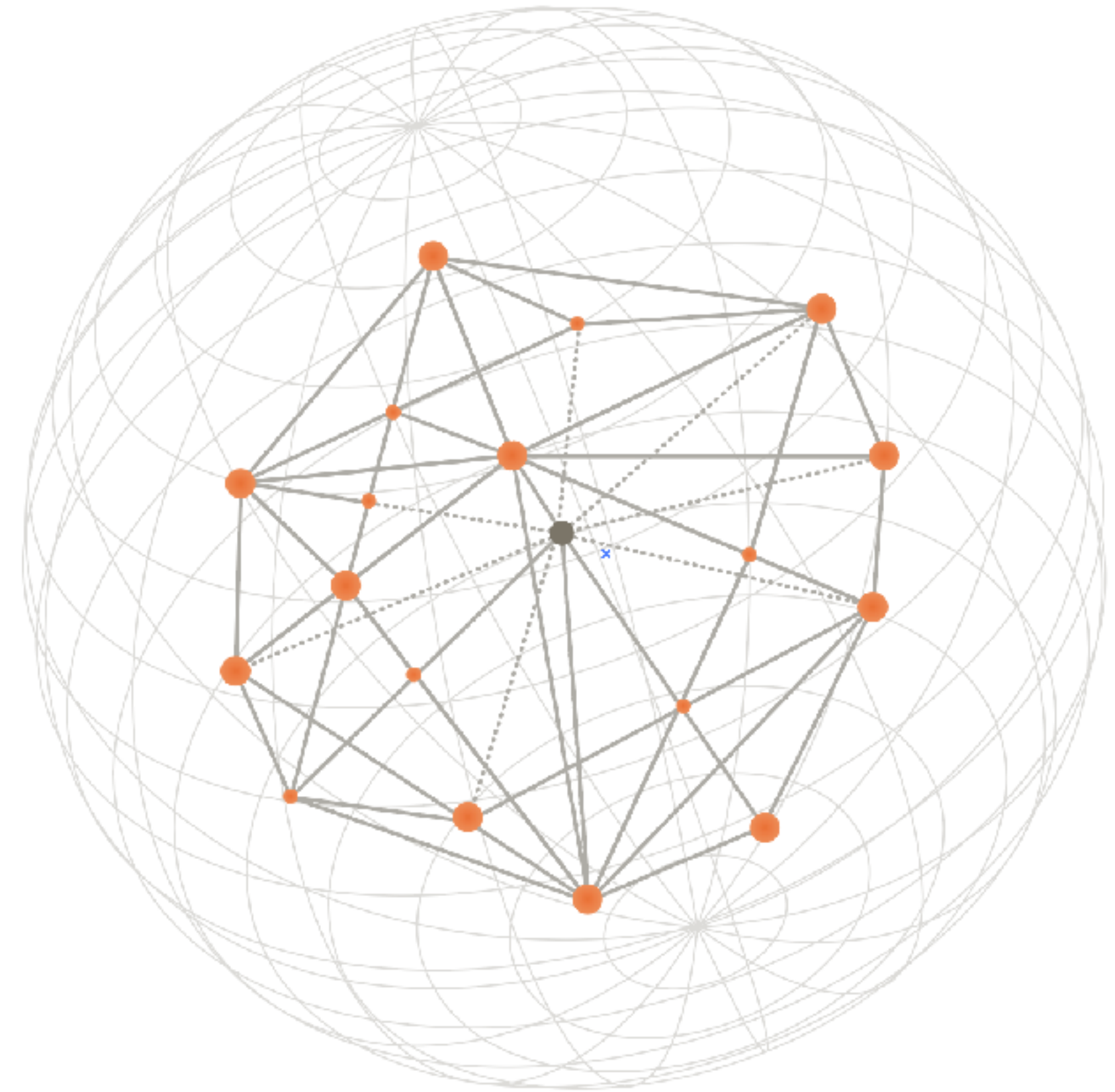


Portfolio Diversification

Individual Investors

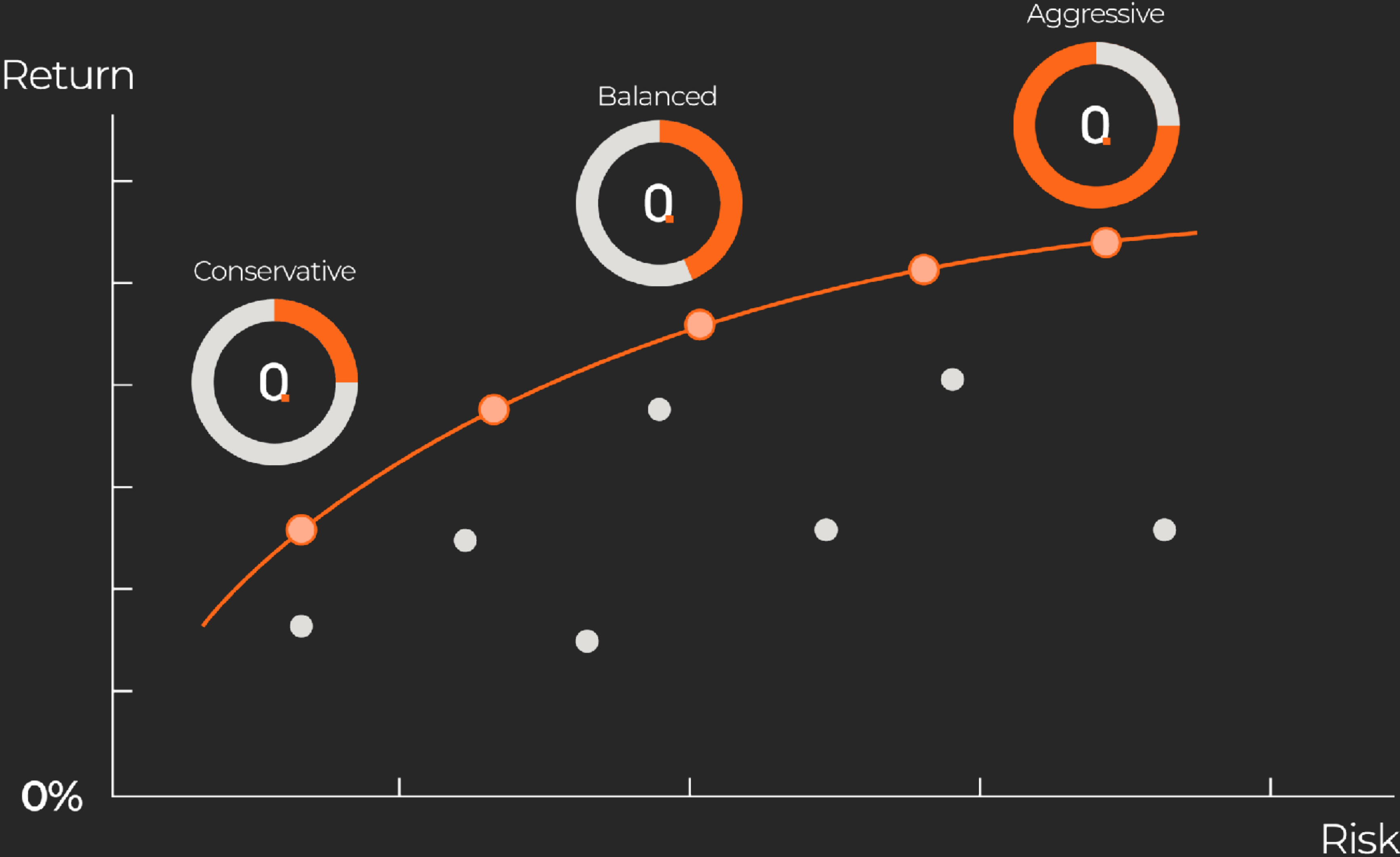


Robo-advisor



Optimized risk-adjusted return

Efficient Frontier

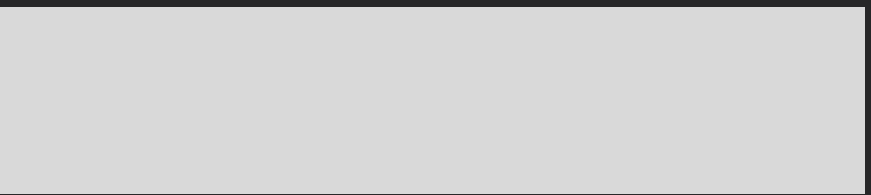


Monitoring

Drift



Your portfolio needs to be rebalanced.



5%

The Face of Robo-Advisor

Invest In Your World

AQUMON