



# The Asset Triple A Investment Awards 2011

## Part II: House and Product Awards

### Regional House Awards

Derivatives House of the Year	<b>BNP Paribas</b>
Best Derivatives House – Institutional	<b>Barclays Capital</b>
Best Derivatives House – Corporate	<b>Deutsche Bank</b>
Best Structured Products House	<b>Citi</b>
Best Equity Derivatives House	<b>Credit Suisse</b>
Best Credit Derivatives House	<b>BNP Paribas</b>
Best Rates Derivatives House – Institutional	<b>Barclays Capital</b>
Best Rates Derivatives House – Corporate	<b>Deutsche Bank</b>
Best FX Derivatives House – Institutional	<b>Barclays Capital</b>
Best FX Derivatives House – Corporate	<b>Deutsche Bank</b>
Rising Star FX Derivatives House	<b>DBS Bank</b>
Best Commodities Derivatives House – Institutional	<b>Barclays Capital</b>
Best Commodities Derivatives House – Corporate	<b>Deutsche Bank</b>
Most Innovative Derivatives House	<b>Société Générale</b>
Best ETF House	<b>db X-trackers</b>
Best Index Provider	<b>S&amp;P Indices</b>
Rising Star Index Provider	<b>Markit iBoxx Indices</b>

### Best Derivatives House, By Country

Australia	<b>Citi</b>
China	<b>DBS Bank</b>
Hong Kong	<b>Citi</b>
India	<b>ICICI Bank</b>
Indonesia	<b>Credit Suisse</b>
Japan	<b>Société Générale</b>
Korea	<b>BNP Paribas</b>
Malaysia	<b>CIMB Group</b>
Singapore	<b>DBS Bank</b>
Taiwan	<b>Chinatrust Commercial Bank</b>
Thailand	<b>no winner</b>

## Investment Product Awards

### Best investment product, institutions: Credit

#### **BNP Paribas: Index Basis Linked Notes**

In July 2010, BNP Paribas launched notes structured to capture the index basis: the difference between the market spread of a credit index and its theoretical value based on the market spreads of its CDS components. In theory, the index basis should be around zero but has historically fluctuated below and above zero. Leveraging by a multiple of 25-50 enhances the premium, resulting in a five-year Index Basis Linked Note offering a coupon around US\$ 3 month LIBOR +1-2% per annum and meeting a demand for relatively short tenor credit products structured with both principal and coupon protection.

### Best investment product, institutions: Equity

#### **Credit Suisse: Daiwa Covered Call**

Credit Suisse partnered with Daiwa SB Investments Ltd to launch the DSBI/CS Asia Equity Income Plus Fund, raising JPY33 billion (US\$420 million) in December 2010 and meeting a demand for structured products with low credit exposure. Similar products were popular pre-financial crisis. In this case, DSBI selects a portfolio of non-Japan Asian stocks to comprise the underlying collateralized swap. The strategy targets a stable monthly income of 12% per annum with income enhancement provided by the covered call strategy. In the worst case, monthly income is zero.

### Best investment product, retail: Equity

#### **Citi: MetLife Korea Daily Step Up Variable Life Insurance**

Outside of Japan, Asia's variable annuity market is underdeveloped. As the aged rise as a share of the population in an increasing number of countries, insurance companies are working with financial service providers to address the challenges associated with launching variable annuity products. Investment products with life insurance benefits, the step up element allows participants to lock in a higher benefit when markets rise, in this case offering an 80% guarantee that ratchets up daily. In the first five years of ownership, unit holders invest in equity or commodity-based mutual funds before being allowed to switch into some fixed annuities also. Structured by Citigroup Global Markets Asia, MetLife Korea's distributors sold US\$80 million worth of this product in the first month after launch, eventually capping sales at over US\$500 million.

### Best investment product, retail: FX

#### **Standard Chartered Bank: FX GYM**

Originally launched in November 2006, Standard Chartered's FX global yield model (GYM) has gone from strength to strength. The launch of tranches denominated in a range of G10 and Asian currencies has accompanied an expansion in the investment strategy's client base to include retail investors (US\$100,000 minimum), which now account for half of the US\$1.41 billion assets under management. Offering 100% principal protection net of fees if held for the duration of the five year tenor, the strategy employs regular risk filters to rule out currencies exhibiting negative signals from an initial basket of eight emerging market and the G10 currencies. So long as eight currencies remain, they are ranked in terms of three month implied yield and used to construct a four long/four short portfolio. If not, the strategy will be flat until the next observation of the dynamic risk filters.

**Highly commended investment product, institutional**

**db ETC**

Deutsche Bank's exchange traded commodities platform – db ETC – has emerged as the fastest growing exchange traded product since its launch in March 2010. The first ETC to be listed on multiple exchanges, db ETC is also the first to offer comprehensive exposure to benchmark indices, optimized indices, physical commodities, FX hedged indices and FX hedged physical commodity products and the first to use allocated gold as collateral. Lowering the barriers to investing in individual commodities, the liquid, transparent securities are quoted continuously and available in small notional amounts.

**Highly commended investment product, retail**

**Barclays RMB Bond Fund**

The past 12 months marked the rapid growth of the offshore deliverable renminbi or CNH market, with a wide range of renminbi denominated debt securities issued at yields ranging from 1%-10.5%. Barclays' RMB Bond Fund was the first available to retail investors in Singapore, broadening the market beyond Hong Kong. Issued in RMB, USD, SGD and AUD denominations, the fund is structured in more and less liquid tranches, acknowledging the range of issuers in the market, from high yield to sovereign debt.

**Highly commended investment product, retail**

**Axis Triple Advantage Fund**

Launched in August 2010, this product addresses Indian investor appetites to retain equity exposure while reducing exposure to volatile markets. Benchmarked against a composite comprised of 35% S&P CNX Nifty, 35% CRISIL Composite Bond Fund and 30% to the Indian rupee price of gold the fund has grown to become India's seventh largest balanced fund within one year of launch.

**Highly commended investment product, retail**

**CICC Stable Growth Fund**

Since launching its first publicly offered fund in 2004, CICC has developed its product range, including the CICC Stable Growth Fund. Achieving a 4.85% return between its March 2010 inception to the end of June 2011, against a -5.56% average for hybrid funds. The fund has been 20%-50% invested in equities since launch, contributing to relatively low levels of volatility and stable returns.

**Highly commended investment product, retail**

**CIMB Flexi Select NID-i**

In February 2011, CIMB Islamic Bank launched this product, giving Malaysian investors access to an Islamic principal protected product with an option to switch between a step up variable profit payout option (based on the best of three China, EU and US equity reference underlying indices) and an indicative protected profit payout option every two years, over a 10 year period. Permitting switching between fixed and variable payout options allowed investors to change strategy within the same product. A Shariah compliant structure fitted with the climate of more conservative structuring and no leveraging.