

Guotai Asset Management & Omgeo

Operational Excellence Drives Innovative Fund Management

Founded in March 1998, Shanghai-based fund manager Guotai Asset Management Co. Ltd (Guotai AMC) was the first asset management company to be officially established in mainland China. Guotai AMC launched its first overseas investment fund in 2010. The rapid growth of this fund prompted Guotai AMC to restructure operations, enabling it to provide clients with more diversified investment options while maintaining its core business. The partnership between Guotai AMC and Omgeo represents a first for both companies; Guotai AMC managing its first index-based international fund and Omgeo processing the first index-based fund for a mainland China client.

David Pang, Chief Operating Officer of Guotai AMC discusses the implementation of Omgeo Central Trade ManagerSM (Omgeo CTMSM) and Omgeo ALERTSM on the occasion of Guotai Asset's 15th anniversary celebrations.



Based in Shanghai, China's financial hub, Guotai AMC's business expertise extends to a range of investment services including management of public and social security funds, corporate annuities and client specific asset management services. Guotai AMC is also approved as both a Qualified Domestic Institutional Investor (QDII) and a Qualified Foreign Institutional Investor (QFII)* with assets under management of RMB 73 Billion (USD 11.6 Billion) as at December 2012.

In April 2010 Guotai AMC launched its first QDII fund, The Guotai Nasdaq 100 Index Fund, which tracks the US Nasdaq Index. This was the first index-based QDII fund launched in China. Since then, the Guotai Nasdaq100 Index Fund has ranked as China's top performing domestic QDII fund, and the only fund to generate dividends for the past three consecutive years**. In the last 3 years, dividends from the Nasdaq 100 Fund amount to RMB 25.47 million.

Guotai AMC launched its second QDII fund in May 2012. This new fund, the Guotai Commodity Allocation Index, was the first fund in China to invest in overseas commodities and focused mainly on US and European markets.

All of Guotai AMC's international investment brokers are members of Omgeo's global community of 6500 clients in 52 countries. Collaboration with Omgeo has enabled Guotai AMC to automate the matching of trade data, making it easier to process transactions more efficiently and accurately while at the same time saving manpower and resources. With these automated post-trade processes in place, Guotai AMC can now focus on growing and securing its overseas business, laying a solid foundation for future growth.

"Omgeo solutions have increased the processing capacity of our QDII fund and made us more competitive"

David Pang, COO, Guotai AMC

www.omgeo.com

ALERT

Benchmarks

Central Trade Manager

Connect

OASYS

OASYS-TradeMatch

ProtoColl

TradeHub

TradeSuite ID



Omgeo is the global standard for post trade efficiency. Many companies in China, and Guotai AMC's partners, are already utilizing Omgeo solutions. Guotai AMC chose to adopt Omgeo CTM and ALERT to further develop its partnerships with this well-established global community.

Improving Efficiency

Omgeo CTM is a central matching platform that has enabled Guotai AMC to process international transactions more efficiently, thereby ensuring that exceptions are identified early and resolved quickly. Equipped with a clear and comprehensive trade overview, Guotai AMC can now easily identify and manage transactions that require attention, ensuring that international trades are processed effectively and on time. Guotai AMC also utilizes Omgeo ALERT, the world's largest electronic database of standard settlement instructions, to automatically upload settlement instructions, saving considerable time and allowing staff to concentrate on other tasks.

Even during peak periods when trade volumes are high, trade processing takes place smoothly. Adopting Omgeo CTM and ALERT has improved efficiency and accuracy, lowered operational risk and enabled Guotai AMC to manage the challenges stemming from working across multiple time zones. Staff at Guotai AMC also benefit as they no longer have to work late into the night to communicate with international brokers.

“Adopting Omgeo CTM and Omgeo ALERT has addressed many of the concerns that we experienced when we first began trading in international markets and has helped us to reduce risk, creating a more stable environment for operations.”

David Pang, COO, Guotai AMC

Omgeo solutions have provided Guotai AMC with a greater level of confidence in processing international transactions.

Supporting Sustainable Growth

In April 2013, Guotai AMC launched the Guotai Asset Nasdaq 100 Index ETF Fund, the first cross border international ETF in China. This new fund is expected to significantly increase daily trade volumes. Omgeo CTM and ALERT have helped Guotai AMC to resolve its own stability and security concerns, ensuring sound practices that meet the highest international standards. This will further ensure the effectiveness and accuracy of Guotai AMC's ETF services.

As the benefits of global QDII funds become increasingly self-evident, investor interest in overseas markets is growing. Guotai AMC has established a strong brand image through its considerable experience in the QDII market and the clear success of its NASDAQ 100 Index. Future Guotai AMC funds will continue with this global development strategy, providing diversified investment channels for Chinese investors. Guotai AMC is currently preparing to launch several QDII public funds and SMAs, signaling breakthroughs in terms of product offerings and market types.

About Guotai Asset Management Limited

Founded in March 1998, Guotai AMC is the first official established asset management company in China. After 15 years of defining experience and stable development, the company is now entering a new phase of development following the purchasing of a portion of its shares by the Italian insurance group Generali in 2010. Guotai AMC is now one of the few asset management companies to have expanded in several fields with expertise in managing public and social security funds, corporate annuities and client-specific assets. The company is also Qualified Foreign Institutional Investor (QFII) and Qualified Domestic Institutional Investor (QDII) approved. Guotai AMC manages a total of 36 mutual funds, segregated accounts, enterprise annuity, social security and advisory funds, 60 individual portfolios, providing SMA, annuity, social security, QFII and investment consulting services.

Guotai AMC has established a product base that covers diverse asset management needs providing multi-strategy and market portfolios the enable Guotai AMC to meet the wide range of risk profiles of its clients. Over the past 15 years, Guotai AMC has seen accumulated dividends of nearly RMB 20 billion while maintaining a principle of long-term, stable wealth accumulation for investors by ensuring the highest levels of professionalism and diligence.

About Omgeo

At Omgeo, we are the operations experts, automating trade lifecycle events between investment managers, broker/dealers and custodian banks. We enable 6,500 clients and 80 technology partners in 52 countries around the world to seamlessly connect and interoperate. By automating and streamlining post-trade operations, we enable clients to accelerate the clearing and settlement of trades, and better manage and reduce their counterparty and credit risk. Our strength lies with our global community and our ability to adapt our solutions to enable clients to realize clear returns on their investment strategies, while responding to changing market and regulatory conditions.

Across borders, asset classes, and trade lifecycles, Omgeo is the global standard for operational efficiency across the investment industry. Formed in 2001, Omgeo is jointly owned by the DTCC and Thomson Reuters.

For more information about Omgeo, please visit www.omgeo.com.

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**Ranking by Morning Star

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