



Investment Glossary

- Alpha

Alpha measures the difference between a fund's actual returns and its expected returns given its risk level as measured by its beta. It can be used to measure active fund manager's performance.

- Annual Management Fee

The amount of a fund pays to its fund manager for the effort of overseeing the fund's holdings. Normally charged daily to the fund and reflected in the fund's net asset value.

- Asset Allocation

The weighting of investments across different asset classes (such as stocks, bonds, real estate and cash) to optimize the trade-off between risk and returns; and meet a specific strategy or goal.

- Asset Class

The basic categories of assets or investments which include equity, fixed income, real estate, etc.

- Benchmark

A quantitative standard against which a fund's performance can be measured, usually in form of a well-known market index or combination of indexes.

- Beta

Beta is a historical measure of a fund's sensitivity when compared to a benchmark. It represents the percentage change in a fund's value for each 1% change in the fund's benchmark. If the beta is more than 1, the investment typically moves (which can be up or down) more than the benchmark. A fund with a Beta close to 1 means that the fund will move generally in line with the benchmark.

- Bid and Offer Spread

The difference between the fund's offer and bid price. Most of investment funds do not have bid and offer spread nowadays.

- Bid Price

The price at which the units of investment fund are sold by the investors.

- Correlation

Measurement of linear relationship between two funds' performance. It is always between -1 and +1. A positive correlation indicates that fund returns and benchmark returns move in the same directions on average while a negative correlation indicates the opposite. A value of zero means that no linear relationship exists.

- Direct Fund Approach

An approach applied by an insurance company for operating its investment options. Under this approach, the investment exposure, fee and charges and investment return of the investment options are in line with the corresponding underlying funds. Currently, Dynasty Assurance Limited is using the direct fund approach.

- Diversification

The process of allocating portfolio funds across different kind of asset classes with a view to reduce the risk of the portfolio. The diversification is effective if the invested asset classes with low correlation.

投資詞彙

- 亞爾法系數

阿爾法系數量化基金在其風險水平(按基金的貝他系數計算)下，實際回報與預期回報的差別。此可用作衡量主動型基金經理的表現。

- 管理年費

基金支付給經理的費用，作為他們管理基金資產的服務費。通常會每日扣除，並反映於基金資產淨值。

- 資產分配

為優化風險及回報之間的取捨以實現特定策略或目標，而對不同資產類別(例如股票、債券、房地產及現金)所持的投資比重。

- 資產類別

資產或投資之基本分類，包括股票、定息、房地產等。

- 指標

用作量化基金表現的標準，通常是與一項知名的市場指數或多項指數的組合。

- 啤打系數

根據過往數據以量化基金與有關基準指標的敏感度，表示基金變動的百分比相對於基準指數每1%的變幅。如啤打系數大過1，表示基金的變幅(可以上升或下跌)會大於基準指數，若接近1，則表示基金的走勢與基準指數大致相同。

- 買賣差價

基金賣價與買價之間的差距。現時大部份的投資基金都沒有買賣差價。

- 買價

投資者賣出投資基金單位的價格。

- 相關系數

相關系數是量化兩個基金表現的相互關係。相關系數在+1.0至-1.0之間；正數表示基金與基準的走勢呈同一方向；負數則表示相反。若系數為0，則表示兩者沒有相互關係。

- 直接基金方式

保險公司運作其投資選擇的一種方式。在此方式下，投資選擇的投資比率、收費及費用和投資回報會與相關的相連基金一致。現時，Dynasty Assurance Limited 正是採用直接基金方式。

- 分散風險

透過把組合投資於不同類別的投資，以減低投資組合的風險。要有效地分散投資，所投資的資產類別之間須有較低的相關系數。

- **Dollar Cost Averaging**

An effective investment strategy helps investors to average out the cost of units over a whole investment period which may mitigate the effect of short-term market fluctuation; and the risk of wrong investment timing.

Through Dollar Cost Averaging strategy, investors have to invest a fixed amount of money at regular intervals, regardless of whether the market is up or down. Investors could buy more units when the price of the asset is low and fewer units when the price of the asset is high with the same amount of money.

- **Equity Fund**

A fund that invests primarily in stocks, usually with the objective of providing long-term capital growth.

- **Fixed Income Fund**

A fund that seeks regular income primarily by investing in bonds.

- **Information Ratio**

The ratio of return and risk. This is a technique to assess a manager to use skill and knowledge to enhance returns. It is calculated by deducting the returns of the fund's benchmark from the fund's overall returns, then dividing the result by its Tracking Error.

- **Mirror fund approach**

An approach applied by an insurance company for operating their investment options. With this approach, the investment exposure, fee and charges and investment return of the investment choices may be different from the corresponding underlying funds.

- **Money Market Fund**

A fund mainly invests in short-term debts and "money-like" securities.

- **Net Asset Value (NAV)**

The market value of a fund's assets minus its liabilities divided by the number of shares outstanding.

- **Offer Price**

The price at which the units of investment option are bought by the investors.

- **Risk tolerance**

An investor's ability to face a negative change in the value of his/her portfolio.

- **R-Squared**

A measure of how much of a portfolio's performance can be explained by the returns from the overall market (or a benchmark index). If a portfolio's total return precisely matched that of the overall market or benchmark, its R-squared would be 100%. If a portfolio's return has no relationship with the market's returns, its R-squared would be 0%.

- **Sharpe ratio**

A measure of risk-adjusted return. To calculate a Sharpe ratio, an asset's excess returns (its return in excess of the return generated by risk-free assets such as Treasury bills) are divided by the asset's standard deviation.

- **Tracking Error**

A statistical measure used to quantify the extent to which a fund's return deviates from its benchmark. The larger the tracking error, the more the portfolio diverges from the market index, indicating an active management style.

- **Volatility**

Standard deviation will be commonly used for measuring the volatility of an investments fund. Standard deviation indicates how widely a range of returns varied from the fund's average return over a particular period. The higher the standard deviation, the higher the volatility and the higher the risk of an investment fund.

- **平均成本法**

一種有效的投資策略，幫助投資者將整個投資期內的單位成本攤分，緩和短期市場波動對投資的影響，同時亦減低錯誤入市的風險。透過「平均成本法」的投資策略，投資者不論市況上升或下跌，都需以固定金額作定期投資。當資產的價格上升時，購入的單位會較少，但當資產價格下降時，同一金額則可購入較多的單位。

- **股票基金**

一種主要投資於股票的基金，通常以提供長線資本增值為目標。

- **定息基金**

一種主要投資於債券的基金，致力取得經常入息。

- **信息比率**

預期回報與風險之比率。這技巧用以衡量投資經理相對基準的表現。計算方式是將基金回報減去基準回報，再除以追蹤誤差。

- **影子基金方式**

保險公司運作其投資選擇的一種方式。在此方式下，投資選擇的投資比率、收費及費用和投資回報或會有別於相關的相連基金。

- **貨幣市場基金**

一種主要投資於短期證券或類同現金的證券的基金。

- **資產淨值**

基金資產的市場總值減去負債，除以未贖回的單位數目。

- **實價**

投資者認購投資選擇單位的價格。

- **風險承受能力**

投資者面對其投資組合價值下跌的能力。

- **R 平方**

衡量投資組合的表現中有多少部份可歸因於整體市場(或基準指數)的回報。若投資組合的總回報準確緊貼整體市場或基準的總回報，則投資組合的 R 平方為 100%。若投資者的回報跟市場的回報無關，則 R 平方為 0%。

- **風險溢價比率**

用以衡量風險調整回報。風險溢價比率的計算方法是將資產的超額回報(超過無風險資產如現金國庫券的回報)除以資產的標準差。

- **追蹤誤差**

用作量化基金回報偏離其基準指標的程度。追蹤誤差愈大，投資組合偏離市場指數的幅度亦愈大，反映基金採取了積極管理的模式。

- **波幅**

標準差是計算基金波幅的常用方法。標準差顯示在某特定時間內，基金回報與其平均回報之間的差異。標準差越大，代表波幅越大及風險越高。