

# CitiFirst Funds



## **NAB** Market Select Fund

### **A simpler way to invest**

The NAB Market Select Fund ("Fund") is a simple and transparent Fund providing investors with the flexibility to choose from one or more of the following investment opportunities:

- Australian Equities
- Greater China Equities
- Commodities

**Offer Period from 11 April 2011 to 24 June 2011**

[www.citifirst.com.au](http://www.citifirst.com.au)



# A simpler way to invest

The NAB Market Select Fund ("Fund") is a simple and transparent Fund providing investors with the opportunity to invest with two leading financial services firms, the safety of Capital Protection\* and the flexibility to choose from one or more of the following investment opportunities:

**Australian  
Equities**

**Greater China  
Equities**

**Commodities**

## Why these underlying asset classes?

### Australian Equities

With above average domestic levels of GDP, corporate earnings on the rise and low unemployment rates, now is the time to make the most of what is generally regarded as an undervalued stock market.

### Greater China Equities

Chinese equities are currently underrepresented in global equities portfolios. An investment in the Greater China Equity Class provides an easy way to access this exposure.

"The growth story for China remains intact with GDP expected to be 2 to 3 times that of global GDP over the medium term"

(Minggao Shen - China Analyst, Citigroup).

### Commodities

The outlook for commodities remains positive on the back of commodity consumption in emerging markets, and supply shocks throughout 2010, particularly in agriculture.

An investment in the Commodities Class provides investors with an easy way to diversify their investment.

Source: Citi Investment Research & Analysis

## Key Benefits of the Fund

- **Diversification** - designed with asset allocation and capital preservation in mind.
- **Simplicity and Flexibility** - an easy way to obtain exposure to the Reference Asset for your Class<sup>^</sup>.
- **Safety** - the benefit of Capital Protection\*.
- **Efficiency** - an efficient way to invest in the Reference Asset for your Class.
- **Medium term exposure** - 4 years.
- **Ability to Borrow** money using a NAB Investment Loan to purchase Units (to approved investors).

## Key Risks of the Fund

- **Market Risks** - The return of the Fund may be lower than a return generated from other investments or a direct investment in the Reference Assets for your Class.
- **Credit Risk** - The Fund is exposed to credit risk on Citigroup Global Markets Australia Pty Limited ("CGMA"), Citigroup Inc. and NAB.
- **Early Redemption Risk** - If you redeem your Units before the Maturity Date, you may receive less than \$1 per Unit. Also, although the Responsible Entity intends to provide monthly liquidity, the right to refuse redemptions is retained.

\*NAB Provides the NAB Deposit, which is designed to ensure that the net asset value per Unit of each Class is \$1 at Maturity.

<sup>^</sup>Returns of the Greater China Class and the Commodities Class are subject to the Minimum Cap Levels

# Investment Overview and Key Features

Term	Description	More information in PDS
Responsible Entity	Citigroup Global Markets Australia Financial Products Limited	Refer to Section 7
Swap counterparty	Citigroup Global Markets Australia Pty Limited	Refer to Section 7, 11
Capital Protection Provider	National Australia Bank Ltd ("NAB", ABN; 39 089 703 855 AFSL No. 230686)	Refer to Section 11
Investment objective	The Fund seeks to return, at a minimum, the Issue Price per Unit plus an income payment linked to the performance of the Reference Assets	
Offer Opens	11 April 2011	
Offer Close	24 June 2011. The Registrar will keep any interest earned on application monies on or prior to the Issue Date	
Issue Date	08 July 2011 [10 Business Days following the Offer Close date]	
Maturity Date	The Maturity Date for all Classes is 8 July 2015	
Issue Price per Unit	\$1.00 per Unit	
Denomination	Australian dollars (AUD)	
Minimum Application Amount	\$10,000 (with a minimum Application Amount for each Class of \$5,000). Minimum increments are \$1,000	Refer to Section 13
Fees and Costs	Each Class will be charged: <ul style="list-style-type: none"> <li>■ A Management Fee of 0.55% p.a. of the Deposit Amount for the Class;</li> <li>■ A Capital Protection Fee of 0.25% p.a. of the Deposit Amount for the Class</li> <li>■ Early Redemption Fees and Adviser Fees may also apply. For further information please refer to the relevant PDS</li> </ul>	Refer to Section 6
Early Redemptions	The Responsible Entity intends to consider Unitholders request to redeem Units each month ("Redemption Date"). If you redeem your Units before the Maturity Date, Capital Protection will not apply and your redemption proceeds may be less than \$1 per Unit. An Early Redemption Fee will apply if you redeem in the first two years of the Term	Refer to Section 5

Unit Class	Reference Asset	Term	Minimum Cap Level	Observation Dates	Denomination	Maturity Date
Australian Equities Class	S&P/ASX 200 Price Index	4 yrs	Uncapped	At Maturity	AUD	8 July 2015
Greater China Equities Class	Equally weighted basket of the following indices: <ul style="list-style-type: none"> <li>■ the Hang Seng China Enterprises Index</li> <li>■ the Hang Seng Index</li> <li>■ the MSCI Singapore Free Index</li> <li>■ the MSCI Taiwan Index</li> </ul>	4 yrs	80%	Monthly, over last 12 months	AUD	8 July 2015
Commodities Class	Dow Jones UBS Commodities Index ("DJ-UBSCI")	4 yrs	70%	Monthly, over last 12 months	AUD	8 July 2015

# How to invest

To obtain a copy of the Product Disclosure Statement call **1300 30 70 70**, visit [www.citifirst.com.au](http://www.citifirst.com.au) or speak to your financial adviser.

## Information about NAB

National Australia Bank is one of the top Australian banks and largest listed institutions.

NAB's operations in Asia, Australia, New Zealand, the United Kingdom and the United States, give over 10 million banking and wealth management clients access to international financial markets and a range of specialised funding, investment solutions, asset services and risk management.

## Information about Citi

Citi, the leading global financial services company, has approximately 200 million customer accounts and does business in more than 140 countries. Through Citicorp and Citi Holdings, Citi provides consumers, corporations, governments and institutions with a broad range of financial products and services, including consumer banking and credit, corporate and investment banking, securities brokerage, transaction services, and wealth management.

## Visit NAB Market Select Fund at [www.citifirst.com.au](http://www.citifirst.com.au)

Investors should read the Product Disclosure Statement which details all of the risks of investing in Fund Units and seek their own independent financial, legal and taxation advice based on their own circumstances before making any investment decision. To obtain a copy of the Product Disclosure Document or the Research report referenced please contact the Citi Sales Desk on 1300 30 70 70 or go to [www.citifirst.com.au](http://www.citifirst.com.au).

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This material does not purport to identify the nature of the specific market or other risks associated with a particular transaction. Before entering into a derivative transaction, you should ensure that you fully understand the terms of the transaction, relevant risk factors, the nature and extent of your risk of loss and the nature of the contractual relationship into which you are entering. You should also carefully evaluate whether the transaction is appropriate for you in light of your experience, objectives, financial resources, and other relevant circumstances and whether you have the operational resources in place to monitor the associated risks and contractual obligations over the term of the transaction.

The ultimate decision to proceed with any transaction rests solely with you. We are not acting as your advisor or agent. Therefore prior to entering into the proposed transaction you should determine, without reliance upon us or our affiliates, the economic risks and merits, as well as the legal, tax and accounting characterizations and consequences of the transaction, and independently determine that you are able to assume these risks. In this regard, by acceptance of these materials, you acknowledge that you have been advised that (a) we are not in the business of providing legal, tax or accounting advice, (b) you understand that there may be legal, tax or accounting risks associated with the transaction, (c) you should receive legal tax and accounting advice from advisors with appropriate expertise to assess relevant risks, and (d) you should apprise senior management in your organization as to the legal, tax and accounting advice (and, if acceptable, risks) associated with this transaction and our disclaimers as to these matters. If you are acting as a financial adviser or agent, you should evaluate these considerations in light of the circumstances applicable to your principal and the scope of your authority. If you believe you need assistance in evaluating and understanding the terms or risks of a particular derivative transaction, you should consult appropriate advisers before entering into the transaction.

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