

**Vanguard®**

Factsheet | 31 October 2018

Vanguard Total China Index ETF

(HKD: 3169 / RMB: 83169 / USD: 9169)

An exchange-traded fund

IMPORTANT: Investment involves risk, including the loss of principal. Investors are advised to consider their own investment objectives and circumstances in determining the suitability of an investment in the Vanguard Total China Index ETF (the “Fund”). If you are in any doubt, you should seek professional advice. Investors should refer to the fund prospectus for further details, including the product features and risk factors. Investors should not base investment decisions on this marketing material alone. Investors should note:

- The Fund aims to provide investment results that, before fees and expenses, closely correspond to the performance of the FTSE Total China Connect Index (“Underlying Index”).
- The Fund concentrates its investments in Chinese securities and the PRC market may be more volatile than other markets and may be subject to a higher level of risks compared to investing in a more diversified portfolio/strategy. The value of the Fund may also be more susceptible to the adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory events affecting the PRC market.
- The Stock Connect is subject to quota limitations and its relevant rules and regulations are subject to change which may have potential retrospective effect. Where a suspension in the trading through the programme is effected, the Fund’s ability to invest in China A-Shares or access the PRC market through the programme will be adversely affected.
- The units of the Fund are traded on the Stock Exchange of Hong Kong Limited (“SEHK”). Their prices on the SEHK are based on secondary market trading factors, and the Fund’s market prices may deviate significantly from the net asset value.
- The base currency of the Fund is RMB and distributions are made in RMB only. RMB is currently not freely convertible and is subject to exchange controls and restrictions. Non-RMB based investors are exposed to foreign exchange risk. The limited availability of RMB outside the PRC may affect the liquidity and trading price of RMB traded units.
- The market price of units traded in each HKD, RMB and USD counter may deviate from each other significantly. Further, if there is a suspension of the inter-counter transfer of units between the counters and/or any limitation on the level of services by brokers, investors will only be able to trade their units in one counter only.

Key fund facts

Benchmark	FTSE Total China Connect Index
Base currency	RMB
Distribution schedule*	Quarterly
Net assets (RMB)	135 million
Inception date	04 May 2018
Ongoing charges (per annum)**	0.40%
Manager	Vanguard Investments Hong Kong Limited

Investment approach

- The Fund seeks to track the performance of the FTSE Total China Connect Index, before deduction of fees and expenses.
- Employs a passively managed, representative sampling strategy to gain exposure to Chinese stocks listed in or outside the People’s Republic of China (the “PRC”).

About the benchmark

- Derived from the FTSE Global Equity Index Series (GEIS), which covers 98% of the world’s investable market capitalization.
- The Underlying Index is designed to represent the performance of the Chinese companies listed in or outside the PRC (A Shares, B Shares, H Shares, Red Chips, P Chips, S Chips and N Shares).
- The A Share constituents of the Underlying Index are those available for investment through Stock Connect.

Trading information

Stock code	3169
Trading currency	HKD
Listing date	10 May 2018
SEDOL	BF0THF5
ISIN	HK0000415296
Intraday NAV ticker	3169iv.P
Bloomberg ticker	3169 HK
Benchmark ticker	FTCCNTC
Exchange	The Stock Exchange of Hong Kong Limited
Trading lot size	100

Stock code	83169
Trading currency	RMB
Listing date	10 May 2018
SEDOL	BF0THD3
ISIN	HK0000415312
Intraday NAV ticker	83169iv.P
Bloomberg ticker	83169 HK
Benchmark ticker	FTCCNTC
Exchange	The Stock Exchange of Hong Kong Limited
Trading lot size	100

Stock code	9169
Trading currency	USD
Listing date	10 May 2018
SEDOL	BF0THG6
ISIN	HK0000415304
Intraday NAV ticker	9169iv.P
Bloomberg ticker	9169 HK
Benchmark ticker	FTCCNTC
Exchange	The Stock Exchange of Hong Kong Limited
Trading lot size	100

*At the Manager’s absolute discretion and distributions will be made in the base currency only.

**Ongoing charges (per annum) is expressed as a percentage of the average net asset value of the Fund, including Manager’s fee and all costs and expenses connected with the management and operating activities of the Fund. Please refer to the Fund’s prospectus and product key facts statement for details.

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Performance history*

Total returns for period ending 31 October 2018

	3 months†	Year to date†	1 year††	3 years††	5 years††	Since inception†††
Fund	—	—	—	—	—	—
Benchmark	—	—	—	—	—	-14.90%

†Cumulative monthly return.

††Annualised return.

†††Return since fund inception on 04 May 2018.

Fund performance is calculated on NAV to NAV basis in base currency and assumes dividend reinvestment.

Index performance is calculated in RMB based on total return and net of tax basis. The performance of an index is not an exact representation of any particular investment as you cannot invest directly in the Benchmark. The historical performance of the Benchmark is for illustrative purposes only. The historical performance of the Benchmark is not meant to forecast, imply or guarantee the future performance of the Fund. Benchmark performance does not reflect tracking error, charges and expenses associated with the Fund or brokerage commission associated with buying and selling the Fund.

*According to the regulatory requirements, performance of the Fund will be shown 6 months after inception. Performance of the Benchmark is for reference only and does not represent performance of the Fund.

Calendar year returns

	Fund	Benchmark
2013	—	—
2014	—	—
2015	—	—
2016	—	—
2017	—	—

Characteristics

	Fund	Benchmark
Number of stocks	894	1,123
Median market cap	\$201.7B	\$207.9B
Price/earnings ratio	11.1x	11.1x
Price/book ratio	1.5x	1.5x
Return on equity	17.1%	17.1%
Earnings growth rate	15.1%	15.0%
Cash investments	0.0%	—
Turnover rate (as of 30/09/2018)	2%	—
Equity yield (dividend)	2.5%	2.5%

Sector weighting

	Fund	Benchmark
Basic Materials	5.5%	5.4%
Consumer Goods	9.8	9.9
Consumer Services	11.9	11.8
Financials	30.7	30.9
Health Care	4.9	4.9
Industrials	11.8	11.9
Oil & Gas	4.4	4.4
Technology	15.4	15.2
Telecommunications	2.9	2.9
Utilities	2.7	2.7
Total	100.0%	100.0%

Sector categories are based on the Industry Classification Benchmark system ("ICB"), except for the "Other" category (if applicable), which includes securities that have not been provided an ICB classification as of the effective reporting period.

Top 10 holdings

	Fund
Tencent Holdings Ltd.	8.2%
Alibaba Group Holding Ltd.	6.6
Ping An Insurance Group Co. of China Ltd.	3.2
China Construction Bank Corp.	3.1
Industrial & Commercial Bank of China Ltd.	3.0
Baidu Inc.	2.2
China Mobile Ltd.	2.1
Bank of China Ltd.	1.8
China Merchants Bank Co. Ltd.	1.7
Agricultural Bank of China Ltd.	1.5
Total	33.4%

Participating dealers

ABN AMRO Clearing Hong Kong Limited
BNP Paribas Securities Services
China International Capital Corporation Hong Kong Securities Limited
Citigroup Global Markets Asia Limited
Credit Suisse Securities Hong Kong Limited
Deutsche Securities Asia Limited
Goldman Sachs (Asia) Securities Limited
J.P. Morgan Broking (Hong Kong) Limited
Merrill Lynch Far East Limited
The Hongkong And Shanghai Banking Corporation Limited
Haitong International Securities Company Limited

For the latest list of market makers, please visit http://www.hkex.com.hk/Market-Data/Securities-Prices/Exchange-Traded-Products?sc_lang=en

For more information

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Investment involves risk. All ETF products are subject to market risk which may result in possible delays in repayment and loss of income and capital invested. Past performance is not an indication of future performance.

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