

# HANG SENG INDEX ETF

(SEHK STOCK CODE : 2833 – HKD Counter /82833 – RMB Counter)

www.hangsenginvestment.com

## IMPORTANT RISK WARNINGS / FUND INFORMATION FOR HONG KONG INVESTORS

- Hang Seng Index ETF (the "HSI ETF") is an index-tracking fund which aims to match, before expenses, as closely as practicable the performance of the Hang Seng Index (the "Index"). The HSI ETF invests primarily in the constituent stocks of the Index.
- The HSI ETF is different from a typical unit trust as it is listed on The Stock Exchange of Hong Kong Limited, and like other listed stocks, carry similar risks such as liquidity risk and risk of trading suspension. The market price per Unit could be significantly higher or lower than its Net Asset Value per Unit due to market demand and supply, liquidity and scale of trading spread in the secondary market and will fluctuate during the trading day.
- The HSI ETF is subject to tracking error risks, risks associated with passive investments, risks of concentration of investments in a single market/several constituent stocks of the Index and risks associated with investments in mainland China (an emerging market).
- The HSI ETF is also subject to dual counter risks, RMB trading and settlement risks, RMB currency and foreign exchange risks and reliance on market maker risks.
- The Manager may, at its discretion, pay dividend out of capital. The Manager may also, at its discretion, pay dividend out of gross income while all or part of the fees and expenses of the HSI ETF are charged to/paid out of the capital of the HSI ETF, resulting in an increase in distributable income for the payment of dividends by the HSI ETF may effectively pay dividend out of capital. Payment of dividends out of capital or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of the capital of the HSI ETF or effectively out of the capital of the HSI ETF may result in an immediate reduction of the Net Asset Value per Unit of the HSI ETF.
- Investment involves risks and investors may lose substantial part of their investment in the HSI ETF.
- Investors should not only base on this factsheet alone to make investment decisions, but should read the HSI ETF's offering documents (including the full text of the risk factors stated therein) in detail.

## INVESTMENT OBJECTIVE

HSI ETF is an index-tracking fund that seeks to provide investment returns for investors that match the performance of the Index as closely as practicable.

## FACTS

Exchange Listing	The Stock Exchange of Hong Kong – Main Board
Establishment Date	13 September 2004
Stock Code	2833 – HKD Counter 82833 – RMB Counter
Tracked Index	Hang Seng Index
Trading Board Lot Size	100 Units – HKD Counter 100 Units – RMB Counter
Trading Currency	HKD – HKD Counter RMB – RMB Counter
Base Currency	HKD
Short Sell	Allowed (uptick rule exempted)
Dividend Payout Frequency	Quarterly (if any) <sup>(1)</sup>
Web Site	www.hangsenginvestment.com
Manager	Hang Seng Investment Management Limited
Trustee	AIA Company (Trustee) Limited
In-kind/Cash Creation or Redemption <sup>(2)</sup>	Minimum 300,000 Units (or multiples thereof) through Participating Dealers Only

- (1) With effect from 29 May 2017, the Manager intends to make declaration of distribution quarterly in March, June, September and December (instead of semi-annually in June and November) of each year.
- (2) With effect from 1 Dec 2017, Participating Dealers may, in addition to in-kind creations or in-kind redemptions, apply for cash creations or cash redemptions; and the Application Unit size (i.e. the minimum size for creation or redemption of Units by the Participating Dealers of the HSI ETF) is increased from 50,000 Units to 300,000 Units.

## KEY FIGURES

Market Closing Price <sup>(3)</sup>	HKD 25.6000 – HKD Counter RMB 22.6500 – RMB Counter
Net Asset Value (NAV) <sup>(3)</sup>	HKD 25.5026 per Unit
Total Asset Value	HKD 46,210.04 Million
Issued Units <sup>(3)</sup>	1,811,974,225
Average Daily Turnover (Oct 18)	HKD 3.363 Million – HKD Counter RMB 0.005 Million – RMB Counter
Number of Stocks held	50
Current Management Fee	0.05% p.a.
Current Trustee Fee	0.05% per annum on the first HKD600 million of the Net Asset Value; and 0.03% per annum on Net Asset Value in excess of HKD600 million

- (3) On 1 Dec 2017, there is a subdivision of each Unit in the HSI ETF into 10 subdivided Units and with effect from the same date, the Issue Price and the Redemption Price of Units in the HSI ETF are calculated to the nearest four decimal places instead of two decimal places. As such, the "Market Closing Price" and "Net Asset Value (NAV)" are calculated to the nearest four decimal places instead of two decimal places.

## TOP HOLDINGS

HSBC Holdings	10.45%
Tencent Holdings	8.80%
AIA Group	8.69%
China Construction Bank	8.16%
China Mobile	5.46%
Ping An Insurance	5.00%
Industrial and Commercial Bank of China	4.74%
Bank of China	3.22%
Hong Kong Exchanges & Clearing	2.99%
CNOOC	2.92%

## PERFORMANCE

### Performance in Price Return \*

	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs	L-T-D
HSI ETF - HKD Counter	-13.00%	-18.73%	-11.67%	9.56%	7.93%	93.55%
Hang Seng Index	-12.61%	-18.92%	-11.56%	10.33%	7.64%	90.11%

	Y-T-D	2017	2016	2015	2014	2013
HSI ETF - HKD Counter	-16.15%	36.10%	0.35%	-7.10%	1.77%	3.18%
Hang Seng Index	-16.51%	35.99%	0.39%	-7.16%	1.28%	2.87%

### Performance in Total Return #

	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs	L-T-D
HSI ETF - HKD Counter	-11.83%	-16.63%	-8.61%	21.96%	27.37%	198.38%
Hang Seng Index	-11.85%	-16.69%	-8.58%	22.73%	28.57%	205.81%

	Y-T-D	2017	2016	2015	2014	2013
HSI ETF - HKD Counter	-13.76%	40.46%	3.86%	-4.06%	5.03%	6.15%
Hang Seng Index	-13.79%	41.04%	4.13%	-4.06%	5.30%	6.36%

\* HSI ETF: Unit price-to-Unit price return, with no dividend reinvested. (Source: Unit Prices are provided by HSBC Provident Fund Trustee (Hong Kong) Limited. The performance information of the HSI ETF is provided by the Manager.) The performance information presented is for reference only.

# Index: Price return with no dividend reinvested. Source: Hang Seng Indexes Company Limited.  
 # HSI ETF: Unit price-to-Unit price return, total return with dividend (if any) reinvested. (Source: Unit Prices are provided by HSBC Provident Fund Trustee (Hong Kong) Limited. The performance information of the HSI ETF is provided by the Manager.) Please note that the Units of the HSI ETF currently available are income units only. The performance information presented is calculated based on the assumption that there were no distributions to Unitholders, and is for reference only. Index: Total return with dividend reinvested, net of PRC withholding tax. Source: Hang Seng Indexes Company Limited.

## DIVIDEND HISTORY (1), (3)

Start Date to 19 Jun 2017 (total 26 distributions)	HKD 81.90 aggregated dividend per unit	
Ex. Dividend Date	20 Sep 2017	HKD3.00 per unit
	18 Dec 2017	HKD0.18 per unit
	20 Apr 2018	HKD0.08 per unit
	26 Jun 2018	HKD0.36 per unit
	19 Sep 2018	HKD0.38 per unit

(Source: HSBC Provident Fund Trustee (Hong Kong) Limited. All information as at 31 October 2018.)

Please read the disclaimer in relation to the Index in the HSI ETF's Hong Kong Offering Document. The HSI ETF has been authorized by the Securities and Futures Commission in Hong Kong ("SFC"). (SFC authorisation is not a recommendation or endorsement of the HSI ETF nor does it guarantee the commercial merits of the HSI ETF or its performance. It does not mean the HSI ETF is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors.) Certain information contained in this factsheet is obtained and prepared from sources which Hang Seng Investment Management Limited ("HSIM") reasonably believes to be reliable. For information sourced externally (as disclosed), HSIM has reasonable belief that such information is accurate and complete. This factsheet is for your information and reference only, and does not constitute any offer, solicitation or recommendation to buy or sell Units in the HSI ETF. Investors should note that investment involves risks and not all investment risks are predictable. Prices of fund units may go up as well as down and past performance information presented is not indicative of future performance. Before making any investment decisions, investors should read the Hong Kong Offering Document of the HSI ETF (including the full text of the risk factors stated therein (such as the arrangement in the event that the HSI ETF is delisted)) in detail and obtain appropriate professional advice where necessary. This factsheet has not been reviewed by the SFC.

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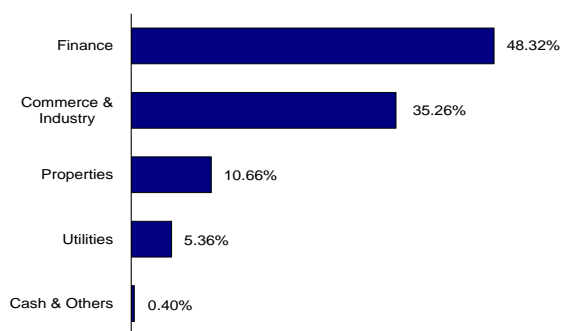
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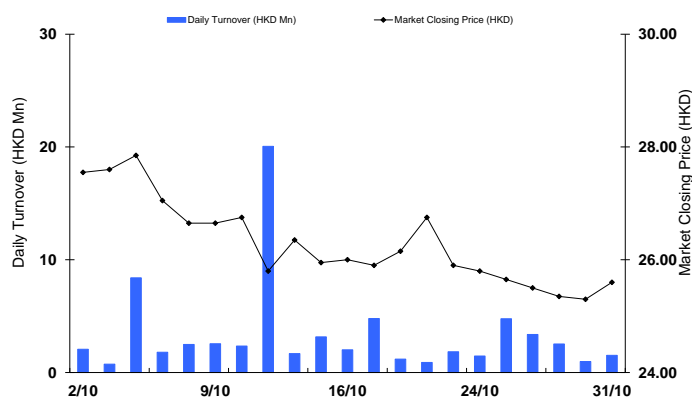
## ASSET ALLOCATION



(Source: HSBC Provident Fund Trustee (Hong Kong) Limited. All information as at 31 October 2018.)

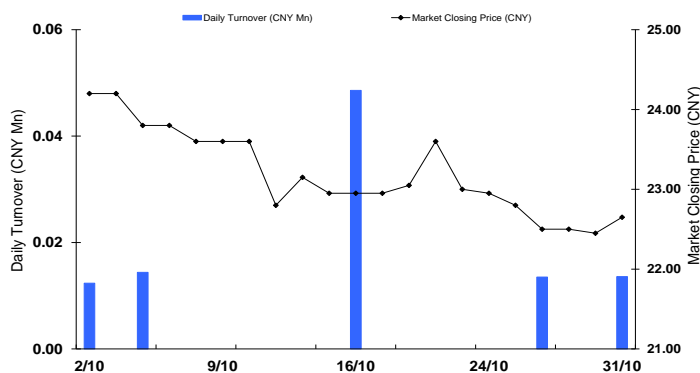
## DAILY TURNOVER & MARKET CLOSING PRICE

### HKD Counter



Source : HKEx

### RMB Counter



Source : HKEx

## LIST OF PARTICIPATING DEALERS \*

ABN AMRO Clearing Hong Kong Limited  
 BNP Paribas Securities Services  
 BOCI Securities Limited  
 China Merchants Securities (HK) Co., Ltd.  
 Credit Suisse Securities (Hong Kong) Limited  
 DBS Vickers (Hong Kong) Limited  
 Deutsche Securities Asia Limited  
 Goldman Sachs (Asia) Securities Limited  
 Haitong International Securities Company Limited  
 Hang Seng Securities Limited  
 Merrill Lynch Far East Limited  
 Morgan Stanley Hong Kong Securities Limited  
 Nomura International (Hong Kong) Limited  
 Phillip Securities (Hong Kong) Limited  
 SG Securities (HK) Limited

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## LIST OF MARKET MAKERS \*

### HKD Counter

Bluefin HK Ltd.  
 Commerz Securities Hong Kong Ltd  
 Deutsche Securities Asia Ltd.  
 Flow Traders Hong Kong Limited  
 IMC Asia Pacific Ltd.  
 Merrill Lynch Far East Ltd.  
 Phillip Securities (HK) Ltd.

### RMB Counter

China Merchants Securities (HK) Co., Ltd  
 Commerz Securities Hong Kong Ltd  
 Flow Traders Hong Kong Limited  
 Merrill Lynch Far East Limited

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