



Factsheet | 31 July 2017

# Vanguard FTSE Asia ex Japan Index ETF (2805)

## 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 FTSE Asia ex Japan 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 Asia Pacific ex Japan, Australia and New Zealand Index.
- The Fund invests in securities markets that are considered to be emerging markets which involve a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The Fund invests in financial derivatives instruments ("FDIs"), which are more sensitive to changes in market prices of the underlying assets, and investing in FDIs may expose investors to a higher degree of fluctuation and the Fund may be exposed to credit risk on the counterparties with which it trades FDIs.
- The shares 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.

### Key fund facts

Benchmark	FTSE Asia Pacific ex Japan, Australia and New Zealand Index
Distribution schedule	Quarterly*
Net assets	\$184 million
Inception date	10 May 2013
Listing date	15 May 2013
Total expense ratio	0.20%**
Manager	Vanguard Investments Hong Kong Limited

### Trading information

Stock code	2805
SEDOL	B9SL9D3
ISIN	HK0000146222
Intraday NAV ticker	2805iv.P
Bloomberg ticker	2805 HK
Benchmark ticker	TAPXJANH
Exchange	The Stock Exchange of Hong Kong Limited
Currency	HKD
Trading lot size	100

### Investment approach

- The Fund seeks to track the performance of the FTSE Asia Pacific ex Japan, Australia and New Zealand Index, before deduction of fees and expenses.
- Employs a passively managed, index-sampling strategy to gain exposure to developed and emerging equity markets in Asia (excluding Japan).

### About the benchmark

- Derived from the FTSE Global Equity Index Series (GEIS), which covers 98% of the world's investable market capitalisation.
- Market-capitalisation-weighted index that includes more than 700 constituent stocks of companies located in 11 developed and emerging markets in Asia.
- Excludes common stocks located in Japan, Australia and New Zealand.

\*At the Manager's absolute discretion.

\*\*Reduced from 0.38% to 0.20% effective on 17 October 2016. Total expense ratio includes management fee and all costs and expenses connected with the management and operating activities of the Fund. Please refer to the Fund's prospectus for details.

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### Performance history

Total returns for period ending 31 July 2017

	3 months†	Year to date†	1 year††	3 years††	5 years††	Since inception‡
Fund	10.37%	27.38%	25.39%	5.36%	—	5.83%
Benchmark	10.47%	27.55%	25.69%	5.64%	—	6.39%

†Cumulative monthly return.

††Annualised return.

‡Return since fund inception on 10 May 2013.

Calendar year returns

	Fund	Benchmark
2012	—	—
2013‡	-1.47%	-0.28%
2014	5.20%	5.50%
2015	-9.06%	-8.89%
2016	5.81%	6.27%

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.

### Characteristics

	Fund	Benchmark
Number of stocks	811	856
Median market cap	\$183.6B	\$180.8B
Price/earnings ratio	14.0x	14.0x
Price/book ratio	1.6x	1.6x
Return on equity	15.1%	15.1%
Earnings growth rate	7.7%	7.6%
Cash investments	0.0%	—
Turnover rate (as of 30/6/2017)	1%	—
Equity yield (dividend)	2.5%	2.5%

### Top 10 holdings

	Fund
Samsung Electronics Co. Ltd.	5.7%
Tencent Holdings Ltd.	5.2
Taiwan Semiconductor Manufacturing Co. Ltd.	4.1
AIA Group Ltd.	2.3
China Construction Bank Corp.	1.8
Hon Hai Precision Industry Co. Ltd.	1.4
China Mobile Ltd.	1.4
Industrial & Commercial Bank of China Ltd.	1.3
Housing Development Finance Corp. Ltd.	1.1
Reliance Industries Ltd.	1.0
Total	25.3%

### Market makers

Commerz Securities Hong Kong Ltd.
Credit Suisse Securities (Hong Kong) Limited
Merrill Lynch Far East Limited

### Sector weighting

	Fund	Benchmark
Basic Materials	5.0%	5.0%
Consumer Goods	16.2	16.2
Consumer Services	4.1	4.1
Financials	32.0	32.1
Health Care	2.2	2.2
Industrials	11.9	11.9
Oil & Gas	5.0	4.9
Technology	15.5	15.6
Telecommunications	4.7	4.6
Utilities	3.4	3.4
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.

### Country diversification - Ten largest markets as a % of total assets

	Fund	Benchmark
China	25.7%	25.8%
Korea	18.2	18.2
Taiwan	14.3	14.3
Hong Kong	13.6	13.5
India	12.3	12.3
Singapore	4.7	4.7
Thailand	3.5	3.5
Malaysia	3.3	3.3
Indonesia	2.6	2.6
Philippines	1.7	1.7
Total	99.9%	99.9%

### Participating dealers

Credit Suisse Securities (Hong Kong) Limited
Goldman Sachs (Asia) Securities Limited
KGI Securities (Hong Kong) Limited
Macquarie Bank Limited
Merrill Lynch Far East Limited
ABN AMRO Clearing Hong Kong Limited
UBS Securities Hong Kong Limited
China International Capital Corporation Hong Kong Securities Limited
CIMB Securities Limited

### 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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