



# World Index Shares ETFs

## W.I.S.E. – SSE 50 China Tracker®

(Stock Code: 03024)

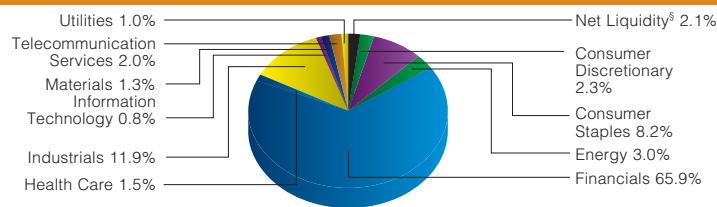
### IMPORTANT NOTES:

- Investment involves risks and W.I.S.E. – SSE 50 China Tracker® (the "Fund") may not be suitable for everyone. Past performance is not indicative of future performance. The Fund is subject to market and exchange rate fluctuations and to the risks inherent in all investments. Price of Units and the income (if any) generated from the Fund may go down as well as up. Investors could face no returns and/or suffer significant loss related to the investments. There is no guarantee in respect of repayment of principal.
- The key risks to which the Fund is subject to include: general investment risk, the People's Republic of China ("PRC") market/ emerging market risk/ single country concentration risk, passive investment risk, tracking error risk, trading risks, trading differences risks, risks associated with the Shanghai-Hong Kong Stock Connect, equity market risk, foreign exchange and RMB currency and conversion risks, legal and regulatory risk, PRC tax risk, termination risk and reliance on market maker risk.
- The Fund invests in an emerging market, such as the PRC, which may involve increased risks and special considerations not typically associated with investment in more developed markets.
- The relevant rules and regulations on Shanghai-Hong Kong Stock Connect are subject to change which may have potential retrospective effect. Shanghai-Hong Kong Stock Connect is subject to a set of Daily Quota, which does not belong to the Fund and can only be utilized on a first-come-first serve basis. Where a suspension in the trading through the programme is effected, the Fund's ability to invest in A Shares or access the PRC market through the programme will be adversely affected. In such event, the Fund's ability to achieve its investment objective could be negatively affected.
- Based on professional and independent tax advice, the Fund currently will not make the following tax provision (i.e. 10% withholding income tax provision on realised and/or unrealised capital gains from trading of A Shares by the Fund via Shanghai-Hong Kong Stock Connect). There are risks and uncertainties associated with the current PRC tax laws, regulations and practice in respect of capital gains realised via Shanghai-Hong Kong Stock Connect on the Fund's investments in the PRC. Any future changes in the taxation policies will impact on the Fund's returns.
- Please refer to the offering document of the Fund for further details including investment objectives and policies, charges and expenses, risk factors and the arrangement in the event that the Fund is delisted, before making any investment decision.

### Investment Objectives and Policies

The Fund is an index-tracking exchange traded fund which seeks to provide investment performance (before taxes) that tracks the performance of the SSE 50 Index (the "Underlying Index"). In order to achieve the investment objective of the Fund, the Manager will adopt a representative sampling strategy for the Fund. The Fund, at present, invests directly in A Shares via the Shanghai-Hong Kong Stock Connect.

### Sector Allocation



### Fund Data

Fund Manager	BOCI-Prudential Asset Management Limited
Trustee and Custodian	BOCI-Prudential Trustee Limited
Exchange Listing	SEHK - Main Board
Stock Code	03024
Listing Date	15/4/2009
Base Currency	HKD
Trading Currency	HKD
Ongoing Charges Over a Year ▼	0.91%
Distribution (if any)	Aim to make distributions annually (if any) ♦ (Distribution rate is not guaranteed)
Latest Distribution Record (Amount of Distribution per unit)	–
Trading Board Lot Size	100 Units
Fund Size (Million)	HKD 98.21
NAV per unit	HKD 24.5537
Website	www.boci-pru.com.hk

Please refer to the Prospectus for details of other fees and charges.

### Manager's Comment ▲

In July, Shanghai Composite Index increased by 2.52% to close at 3273.03. SSE 50 Index was up by 3.46% to close at 2638.13.

People's Bank of China (PBoC) announced that China's foreign exchange reserves increased by US \$3 billion to \$3.057 trillion in June 2017 from \$3.054 trillion in May. On July 23rd, International Monetary Fund (IMF) remained China's 2017 GDP growth forecast to 6.7%, same as the prediction in June. IMF believes that China, with growth rate forecast above 6 percent, already contributes more to global growth on a purchasing power parity basis, and predicts its growing influence over next decade. In the national conference held on July 14th and 15th, President Xi Jinping announced the setup of committee for the management and prevention of systemic risk; as well as the supervision and accountability of departments on financial regulations.

RMB appreciated against USD during the month from 6.7809 at the previous month end and eventually closed at 6.7266. In June, Consumer Price Index (CPI) rose by 1.5% year-on-year (YoY), same as the increment in May. Food prices, which were the main contributors to the CPI, went down by 1.2% YoY. The Producer Price Index (PPI) for manufactured goods rose by 5.5% YoY in June, same as the increment in the previous month.

The China Federation of Logistics and Purchases released the Purchasing Managers Index (PMI) for manufacturing, which was 51.4 in July (51.7 in June and 51.2 in May).

As of July 31, the NAV per unit of the Fund was HKD24.5537.

### Top Ten Holdings

1	PING AN INSURANCE GROUP CO-A	12.1%
2	KWEICHOW MOUTAI CO LTD-A	5.4%
3	CHINA MERCHANTS BANK-A	5.3%
4	INDUSTRIAL BANK CO LTD-A	5.2%
5	CHINA MINSHENG BANKING-A	4.2%
6	BANK OF COMMUNICATIONS CO-A	3.8%
7	SHANGHAI PUDONG DEVEL BANK-A	3.3%
8	CHINA STATE CONSTRUCTION-A	3.2%
9	CITIC SECURITIES CO-A	3.2%
10	AGRICULTURAL BANK OF CHINA-A	3.1%

### Cumulative Performance (HKD)\*

	3 Months(%)	Year To Date (%)	1 Year (%)	3 Years (%)	5 Years (%)	Since Inception* (%)
<b>Fund</b>	16.87	20.66	21.77	58.22	61.67	32.93
<b>Index</b>	17.89	22.39	24.84	60.86	76.79	78.84

### Calendar Year Performance (HKD)\*

	2012(%)	2013(%)	2014(%)	2015(%)	2016(%)
<b>Fund</b>	14.33	-12.84	57.60	-11.48	-3.66
<b>Index</b>	19.19	-9.75	65.23	-8.73	-9.35

The fund performance is calculated in fund's base currency on NAV-to-NAV basis with gross distribution reinvested (Source: BOCI-Prudential Asset Management Limited). Starting from 1 July 2014, SSE 50 Total Return Index is replaced with SSE 50 Net Total Return Index for index performance calculation. (Source: Shanghai Stock Exchange). SSE 50 Net Total Return Index is denominated in RMB. For the purpose of performance comparison, index performance is presented in HKD and calculated by referring to the foreign exchange rates for RMB/HKD quoted by Bloomberg – Bloomberg RMB(CNY) rate (Tokyo Composite) at 3:00 p.m. Hong Kong time on the corresponding dealing dates.

**IMPORTANT INFORMATION:** Investors should note that the Fund is different from a typical retail investment fund offered to the public in Hong Kong, in particular:

- A Participating Dealer may only create or redeem Units in Application Unit Size+ (as defined in the Prospectus) directly with the Fund;
  - There is risk related to divergence between the market price of the Units and the NAV of the Fund. The market price of the Units traded on the SEHK is determined not only by the NAV of the Fund but also by other factors such as the supply of and demand for the Units in the SEHK;
  - The Units may trade at a substantial premium or discount to the Fund's NAV.
- § "Net Liquidity" was formerly named as "Cash".
- ▼ The ongoing charges figure is based on expenses for the period ended 31 December 2016. This figure may vary from year to year. The expenses include (without limitation) management fee and charges and payments deducted from the assets of the Fund on a periodic basis but do not include certain items such as payments to third parties regarding costs incurred in relation to the acquisition or disposal of any assets of the Fund, withholding tax and capital gains tax (if applicable).
- + Minimum 800,000 Units (or multiples thereof). Investors may buy or sell Units of the Fund through an intermediary such as a Stockbroker on the SEHK. The Trading Board Lot Size is 100 Units.
- # Starting from Issue Aug 2013, the word "Listing" was replaced by "Inception".
- ♦ The Manager may in its discretion make distributions to Unitholders in each financial year as the Manager considers appropriate, having regard to the net income of the Fund. Distributions are not guaranteed and the Manager may in its sole and absolute discretion decide not to make any distributions in a financial year.
- ▲ The manager's comment above solely reflects the opinion, view and interpretation of the fund managers as of the date of issuance of this document. Investors should not solely rely on such information to make any investment decision.
- \* The Fund was launched in 2009. It was a synthetic ETF since launch until 11 May 2015.

The information herein is based on sources believed to be reliable and the opinions contained herein are for reference only. BOCI-Prudential Asset Management Limited makes no representation, warranty or undertaking, whether express or implied, in relation to the information, projections or opinions in this document or the basis upon which any such projections or opinions have been based. All such information, projections and opinions are subject to change without notice. The document and the Manager's website have not been reviewed by the SFC.

For further information, please call our enquiry hotline at 2280 8697.