



Factsheet | 31 August 2017

# Vanguard S&P 500 Index ETF (3140)

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 S&P 500 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 S&P 500 Index.
- The Fund concentrates its investment in the U.S. securities market which may be more volatile than other securities markets and may be subject to a higher level of risks compared to investing in a more diversified portfolio/ strategy. Investment in the U.S. securities market may involve a greater risk of loss than investing in other markets and may result in a higher risk of loss to the Fund. Changes in financial regulations, tax regulations or governmental regulations on trade, decreasing imports or exports, terrorist acts, political movements and/or an economic crisis or recession in the U.S. may have a significant adverse effect on the U.S. economy. Such changes may have a negative impact on the securities held by the Fund.
- 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	S&P 500 Index
Distribution schedule	Quarterly*
Net assets	\$240 million
Inception date	18 May 2015
Listing date	21 May 2015
Total expense ratio	0.18%**
Manager	Vanguard Investments Hong Kong Limited

## Trading information

Stock code	3140
SEDOL	BX8ZST2
ISIN	HK0000248903
Intraday NAV ticker	3140iv.P
Bloomberg ticker	3140 HK
Benchmark ticker	SPXHKDN
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 S&P 500 Index, before deduction of fees and expenses.
- Employs a passively managed, full-replication strategy to gain exposure to the large-cap equity market in the U.S.

## About the benchmark

- The index is a widely recognized benchmark of U.S. stock market performance that is dominated by the stocks of large U.S. companies.
- The index includes approximately 500 leading companies in leading industries of the U.S. economy.

\*At the Manager's absolute discretion.

\*\*Reduced from 0.25% to 0.18% 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.

# Vanguard S&P 500 Index ETF (3140)

## An exchange-traded fund

### Performance history

Total returns for period ending 31 August 2017

	3 months†	Year to date†	1 year††	3 year††	5 year††	Since inception‡
Fund	3.25%	12.35%	16.31%	—	—	8.55%
Benchmark#	3.30%	12.52%	16.55%	—	—	8.81%

†Cumulative monthly return.

††Annualised return.

‡Return since fund inception on 18 May 2015.

#Performance data is shown in HKD, based on the S&P 500 Index (HKD) which was inceptioned in January 2013.

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	507	505
Median market cap	\$688.3B	\$688.3B
Price/earnings ratio	21.9x	22.0x
Price/book ratio	3.0x	3.0x
Return on equity	16.0%	16.0%
Earnings growth rate	9.2%	9.2%
Cash investments	0.0%	—
Turnover rate (as of 30/6/2017)	1%	—
Equity yield (dividend)	1.9%	1.9%

### Top 10 holdings

	Fund
Apple Inc.	4.0%
Microsoft Corp.	2.7
Alphabet Inc.	2.6
Facebook Inc.	1.9
Amazon.com Inc.	1.8
Johnson & Johnson	1.7
Berkshire Hathaway Inc.	1.6
Exxon Mobil Corp.	1.5
JPMorgan Chase & Co.	1.5
Bank of America Corp.	1.1
Total	20.4%

### Calendar year returns

	Fund	Benchmark
2012	—	—
2013	—	—
2014	—	—
2015‡	-3.25%	-3.11%
2016	10.99%	11.27%

### Sector weighting

	Fund	Benchmark
Consumer Discretionary	12.0%	12.0%
Consumer Staples	8.5	8.5
Energy	5.7	5.7
Financials	14.2	14.2
Health Care	14.6	14.7
Industrials	10.1	10.1
Information Technology	23.5	23.5
Materials	2.9	2.9
Real Estate	3.1	3.0
Telecommunication Services	2.1	2.1
Utilities	3.3	3.3
Total	100.0%	100.0%

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

### Participating dealers

ABN AMRO Clearing Hong Kong Limited
Merrill Lynch Far East Limited
SG Securities (HK) Limited
UBS Securities Hong Kong Limited
China International Capital Corporation Hong Kong Securities Limited
Goldman Sachs (Asia) Securities Limited

### Market makers

Commerz Securities Hong Kong Ltd.
Merrill Lynch Far East Limited
SG Securities (HK) Limited

### For more information

Web: [vanguard.com.hk](http://vanguard.com.hk)

Email: [sales@vanguard.com.hk](mailto:sales@vanguard.com.hk)

**Risk Disclosure Statement:** This factsheet is provided for information only and has been compiled by Vanguard from sources believed to be reliable. Nothing contained in this factsheet constitutes investment advice or should be relied on as such. This factsheet has not been reviewed by the Securities and Futures Commission of Hong Kong. SFC authorisation is not an official recommendation of the ETF.

**General Advice Warning:** Vanguard Investments Hong Kong Limited. (CE No.: AYT820) is the product issuer. We have not taken your circumstances into account when preparing the information contained in this factsheet, so it may not be applicable to your circumstances. You should consider your circumstances and our ETFs' Prospectus and the Product Key Fact Statement (KFS) before making any investment decision.

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.

SEDOL and SEDOL Masterfile® are registered trademarks of the London Stock Exchange Group PLC.

SEDOL Data has been provided from the London Stock Exchange's SEDOL Masterfile®.

The S&P 500 Index is a product of S&P Dow Jones Indices LLC ("SPDJI"), and has been licensed for use by Vanguard. Standard & Poor's®, S&P® and S&P 500® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P"); Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC ("Dow Jones"); and these trademarks have been licensed for use by SPDJI and sublicensed for certain purposes by Vanguard. Vanguard's fund(s) is not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates, and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability for any errors, omissions, or interruptions of the S&P 500 Index.

Source: The Vanguard Group, Inc.