

# BMO MSCI Europe Quality Hedged to USD ETF

3165 HK

Data as of May 31, 2018

**IMPORTANT:** BMO MSCI Europe Quality Hedged to USD ETF is established under BMO ETF, an umbrella unit trust. Commissions, management fees and expenses all may be associated with this Sub-Fund. It may not be suitable for all investors and investors should not invest based on this marketing material alone. Investors should exercise caution before investing and read the BMO ETF prospectus (available at [www.bmo.hk/etfs](http://www.bmo.hk/etfs)) for further details, including product features and risk factors. ETFs are not guaranteed and past performance is not indicative of future performance. Investment involves risks. The value of investments and the income from them can go down as well as up as a result of stock market and currency movements, and investors may not get back the original amount invested.

- BMO MSCI Europe Quality Hedged to USD ETF aims to provide investment results that, before fees and expenses, closely correspond to the performance of the MSCI Europe Quality 100% Hedged to USD Index.
- This Sub-Fund concentrates its investment in European securities and is subject to concentration risk as a result of tracking the performance of a single geographical region (Europe). It is likely to be more volatile than a broad-based fund as it is more susceptible to fluctuations in value resulting from adverse conditions in Europe.
- This Sub-Fund invests in currency forward contracts for hedging purposes. While this approach is designed to minimise the impact of currency fluctuations on the Sub-Fund's returns, there are associated risks involved including costs of hedging, derivative and OTC transactions risks.
- The value of securities in the Sub-Fund's portfolio may change on days when investors will not be able to purchase or sell units of the Sub-Fund as European stock exchanges will be open when units of the Sub-Fund are not priced.
- The units of the Sub-Fund may trade at a substantial premium or discount to their NAV.
- The Sub-Fund is subject to tracking error risks due to factors such as fees and expenses, cost of hedging and the representative sampling strategy that may be adopted by the Manager.

## FUND DETAILS

Manager	BMO Global Asset Management (Asia) Limited
Trustee	Cititrust Limited
Listing Date	February 18, 2016
Exchange	Stock Exchange of Hong Kong
Index	MSCI Europe Quality 100% Hedged to USD Index
Bloomberg Ticker	3165.HK
Index Ticker	M1CXBMEQ
ISIN	HK0000281003
Net Asset (HKD)	102,591,965
Trading Lot Size	200
Ongoing Charges	0.50%
Trading Currency	HKD
Distribution Frequency	Semi-annually

## FUND CHARACTERISTICS

Number of Securities	124
Index Market Cap (US\$B)	2,903
Price/Earnings Ratio	20.43
Price/Book Ratio	4.48
Dividend Yield (%)	2.93

## INVESTMENT OBJECTIVE

The investment objective of the BMO MSCI Europe Quality Hedged to USD ETF is to provide investment results that, before fees and expenses, closely correspond to the performance of the MSCI Europe Quality 100% Hedged to USD Index.

## BENEFITS FOR INVESTORS

FIRST USD hedged European equity ETF in Hong Kong, offering investors:

- Access to a portfolio of high quality, blue-chip European companies with over 120 stocks across 14 European markets
- "Smart beta" investment approach identifies high quality companies with stable earnings growth, low financial leverage and high profitability
- Diversification across a spectrum of sectors, with a focus on consumer and industrials
- Allows investors to gain exposure to European equities without the impact of European currency fluctuations

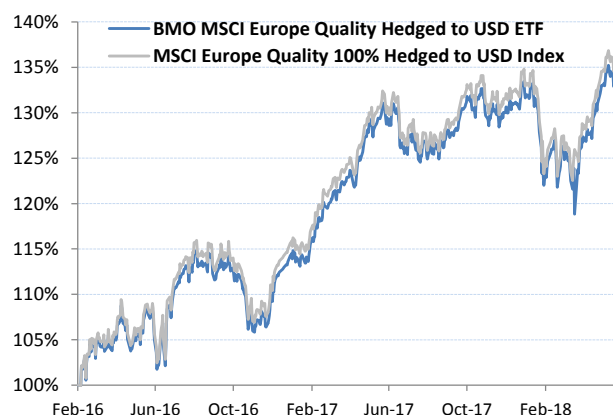
## INDEX INFORMATION

The Index is a float adjusted modified market capitalisation weighted index which aims to represent the impact of currency hedging on the performance of the MSCI Europe Quality Index, using one-month forwards in the currency market.

The Index invests in large- and mid-capitalisation stocks across the developed market countries in Europe. It is designed to capture the performance of quality growth stocks based on three main fundamental variables: (1) high return on equity ("ROE"), (2) stable year-over-year earnings growth and (3) low financial leverage.

The Index was launched on May 15, 2015 and is denominated in USD. The Index is rebalanced monthly on the last day of the month. The Fund invests in the constituents of the MSCI Europe Quality Index and hedge the foreign currency exposure using one-month currency forward contracts.

## CUMULATIVE RETURNS



## PERFORMANCE (Cumulative Returns %)

	1 Month	3 Months	6 Months	1 Year	YTD <sup>^</sup>	Since Inception <sup>*</sup>
Fund	1.87%	5.82%	2.57%	2.32%	1.35%	32.79%
Index	1.98%	5.77%	2.50%	2.31%	1.30%	34.06%

## CALENDAR YEAR RETURNS (%)

	YTD <sup>^</sup>	2017	2016 <sup>*</sup>
Fund	1.35%	15.97%	12.98%
Index	1.30%	15.77%	14.31%

Note: The computation basis of the performance is based on the calendar year end, NAV-To-NAV, with dividend reinvested. These figures shown represent how much the fund increased or decreased in value during the calendar year. Performance data has been calculated in HKD, including ongoing charges.

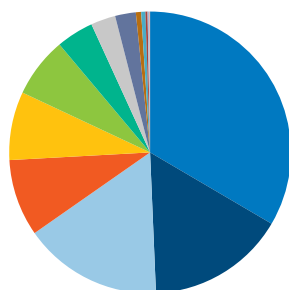
<sup>^</sup> Performance up to May 31, 2018    <sup>\*</sup> The Fund's inception date was February 12, 2016.

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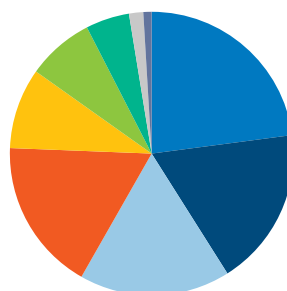
Data as of May 31, 2018

## GEOGRAPHIC ALLOCATION (%)



United Kingdom	32.21
Switzerland	15.37
Germany	15.30
France	8.51
Netherlands	7.56
Denmark	6.65
Sweden	4.13
Spain	2.73
Finland	2.29
Ireland	0.58
Italy	0.47
Belgium	0.23
Portugal	0.18
Norway	0.09

## SECTOR ALLOCATION (%)



Consumer Staples	22.07
Health Care	17.45
Industrials	16.73
Consumer Discretionary	16.58
Materials	8.87
Information Technology	7.35
Financials	4.79
Telecommunication Services	1.57
Utilities	0.90

## TOP 10 HOLDINGS (%)

Novo Nordisk A/S	4.35
Nestle SA	4.32
Roche Holding AG	4.27
AstraZeneca PLC	3.79
Unilever NV	3.69
SAP SE	3.26
Diageo PLC	3.20
LVMH Moet Hennessy Louis Vuitton	3.04
Unilever PLC	2.85
Bayer AG	2.79

## PARTICIPATING DEALERS

BNP Paribas Securities Services
Goldman Sachs (Asia) Securities Limited
Haitong International Securities Company Limited
Macquarie Bank Limited
SG Securities (HK) Limited

## MARKET MAKERS

BNP Paribas Securities (Asia) Limited
Commerz Securities Hong Kong Limited

## Excellence gets rewarded

ETF Provider of the Year	BENCHMARK Fund of the Year Awards 2017 Hong Kong
House Award, Most Innovative ETF	BENCHMARK Fund of the Year Awards 2017 Hong Kong
Most Innovative ETF Provider (Best-in-Class)	BENCHMARK Fund of the Year Awards 2016 Hong Kong
ETF Manager of the Year, Hong Kong	Asia Asset Management 2016 Best of the Best Awards
Best ETF Provider for Hong Kong	The Asset Triple A ETF Awards 2016
Best ETF Provider 2016 - Asia	Wealth & Finance 2016 Fund Awards
Best ETF Provider, Hong Kong - Rising Star	The Asset Triple A ETF Awards 2015

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