

# W.I.S.E. – CSI HK Listed Mainland Consumption Tracker

(Stock Code: 02817)

**This is an important information and requires your immediate attention. Please read in details the Announcement and Notice relating to W.I.S.E. – CSI HK Listed Mainland Consumption Tracker of the Proposed Cessation of Trading, Termination, Voluntary Delisting, Deauthorisation and Waiver from Strict Compliance with Certain Provisions of the Code on Unit Trusts and Mutual Funds dated 7 August 2017. Such Announcement and Notice can be obtained from the Manager’s website. The Manager’s website has not been reviewed by the SFC.**

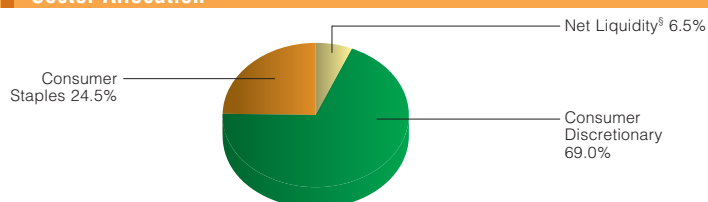
## IMPORTANT NOTES:

- Investment involves risks and W.I.S.E. – CSI HK Listed Mainland Consumption 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, portfolio concentration risk/ sector concentration risk/ consumer discretionary sector risk, emerging market risk/ single country/ region concentration risk, passive investment risk, tracking error risk, trading risks, equity market risk, termination risk and reliance on market maker risks.
- In order to track the CSI Hong Kong Listed Tradable Mainland Consumption Index (the “Underlying Index”), investments made by the Fund may be concentrated in securities that are closely related to the consumer market in the People’s Republic of China (“PRC”) Mainland. The performance of the Fund may therefore be subject to the volatility of the consumer market in the PRC Mainland. Its performance may also be affected by the growth rate of the PRC Mainland economy and consumer spending.
- The performance of the Fund will be affected by the performance of companies active in the consumer discretionary sector and consumer staples sector in the PRC Mainland. The performance of companies in these sectors are correlated to the growth rate of the PRC Mainland consumer market, individual income level and domestic consumer spending. The profitability of companies in consumer staples sector in the PRC Mainland is further influenced by government regulations.
- In tracking the Underlying Index, the Fund will invest in PRC companies listed on the SEHK. Such companies may have substantial exposure to the risks in Hong Kong and/or the PRC Mainland. 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.
- 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 returns, before fees and expenses, that closely correspond to the performance of the Underlying Index. The Fund will adopt a representative sampling strategy and hold a representative sample of the constituent securities of the Underlying Index (“Index Securities”) selected by the Manager using quantitative methods to derive a portfolio sample.

## Sector Allocation



## Fund Data

Fund Manager	BOCI-Prudential Asset Management Limited
Trustee	BOCI-Prudential Trustee Limited
Exchange Listing	SEHK - Main Board
Listing Date	11/1/2011
Base Currency	HKD
Trading Currency	HKD
Ongoing Charges Over a Year ▼	1.02%
Distribution (if any)	Aim to make distributions annually (if any) ♦ (Distribution rate is not guaranteed)
Latest Distribution Record (Amount of Distribution per unit)	HKD 0.14
Trading Board Lot Size	500 Units
Fund Size (Million)	HKD 6.83
NAV per unit	HKD 9.1010
Website	www.boci-pru.com.hk

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

## Manager's Comment ▲

The CSI Hong Kong Listed Tradable Mainland Consumption Index rose in July.

The total retail sales of consumer goods rose 11% from the previous year to RMB2.98 trillion in June. Latest data from the China Association of Automobile Manufacturers (CAAM) showed that the sales of passenger cars in June increased on monthly and yearly basis. Production and sales increased 5.56% and rose 4.60% month-on-month (MoM) respectively, as well as went up by 3.72% and 2.32% year-on-year (YoY). According to the National Bureau of Statistics, the Consumer Price Index went up 1.5% YoY in June; prices grew by 1.7% in cities and 1.0% in rural areas. Food prices went down by 1.2%, and the non-food prices increased by 2.2%.

The China Federation of Logistics and Purchases released that the Purchasing Managers Index (PMI) for manufacturing decreased to 51.4 in July from 51.7 in June. The sub-index measuring new orders dropped to 52.8 from 53.1 in June, while the non-manufacturing PMI decreased to 54.5 in July from 54.9 in June.

As of July 31, the NAV per unit of the Fund was HKD9.1010 and the CSI Hong Kong Listed Tradable Mainland Consumption Total Return Index closed at 1101.1361.

## Top Ten Holdings

1	GEELY AUTOMOBILE HOLDINGS LT	11.9%
2	SUNNY OPTICAL TECH	7.5%
3	BRILLIANCE CHINA AUTOMOTIVE	6.4%
4	HENGAN INTL GROUP CO LTD	5.7%
5	BYD CO LTD-H	5.0%
6	CHINA MENGNIU DAIRY CO	4.6%
7	WANT WANT CHINA HOLDINGS LTD	4.5%
8	GUANGZHOU AUTOMOBILE GROUP-H	4.4%
9	SHENZHOU INTERNATIONAL GROUP	3.8%
10	GREAT WALL MOTOR COMPANY-H	3.6%

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	Cumulative Performance (HKD)						Calendar Year Performance (HKD)				
	3 Months(%)	Year To Date (%)	1 Year (%)	3 Years (%)	5 Years (%)	Since Inception <sup>#</sup> (%)	2012(%)	2013(%)	2014(%)	2015(%)	2016(%)
<b>W.I.S.E. – CSI HK Listed Mainland Consumption Tracker</b>	15.61	36.41	38.32	13.05	32.24	-4.17	3.24	7.48	-14.79	-5.41	-1.33
<b>CSI Hong Kong Listed Tradable Mainland Consumption Total Return Index</b>	16.67	34.41	39.91	14.99	41.41	6.86	10.42	8.48	-14.73	-3.67	0.32

Currently, 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). The CSI Hong Kong Listed Tradable Mainland Consumption Total Return Index is used to calculate index performance (Source: China Securities Index Co., Ltd).

**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 or Eligible Investor may only create or redeem Units in Application Unit sizes\* (as defined in the Prospectus) directly with the Fund;
- There is a risk related to divergence between the market price of the Units and the NAV of the Fund. The trading 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.

▲ 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.

§ "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 and taxes (if applicable).

\* Minimum 750,000 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 500 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, usually in around December, 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 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.