

# World Index Shares ETFs Past Performance Information Report

Past Performance over 10 Years (Data and information as at 30/12/2016)

## IMPORTANT NOTES:

- Each sub-fund (the “Sub-Fund”) currently launched under the umbrella fund, World Index Shares ETFs seeks to track the performance of its underlying index.
- The Sub-Funds are different from typical retail investment funds offered to the public in Hong Kong, in particular:
  - a) Units may only be created and redeemed in Application Unit size<sup>^</sup> (as defined in the relevant Prospectus) directly by Participating Dealer(s) or Eligible Investor(s) (if applicable); and
  - b) There is risk related to divergence between the market price of the Units and the Net Asset Value of the relevant Sub-Fund. The market price of the Units traded on the SEHK is determined not only by the Net Asset Value of the relevant Sub-Fund but also by other factors such as the supply of and demand for the Units in the SEHK. The Units in the Sub-Funds may trade at discount or premium to the Net Asset Value of the Units.
- In relation to W.I.S.E. – CSI 300 China Tracker<sup>®\*</sup> (\*This is a synthetic ETF), investors should note that:
  - (i) although the Sub-Fund may invest directly in A Shares via the Manager’s QFII (Qualified Foreign Institutional Investor) investment quota allocated to the Sub-Fund from time to time, or via the Shanghai-Hong Kong Stock Connect, it, at present, primarily invests in A Shares indirectly via investing in A Share access products (“AXPs”). Each AXP is a derivative instrument linked to an A Share or a basket of A Shares. It does not provide the Sub-Fund with any right, legal or equitable interest of any type in the underlying A Shares. There is additional counterparty risk associated with the relevant AXP issuer and/or the relevant collateral provider. In the event of liquidation or default of, or any material adverse change concerning an AXP issuer or collateral provider, dealing of the Units may be suspended. The Sub-Fund may suffer very significant losses and may ultimately be terminated;
  - (ii) given that the issuance of the AXP(s) through the AXP issuer(s) and the Sub-Fund’s investments in A Shares through the Manager depend on the ability of the QFIIs (including the Manager) to buy and sell A Shares, any restrictions or changes in laws and regulations imposed by the PRC government on QFII’s operations may adversely affect the direct investment in A Shares by the Manager using its QFII investment quota and/or issuance of AXP(s) by the AXP issuer(s) and/or cause Units in the Sub-Fund to trade at a discount on the SEHK. The Sub-Fund may not be able to fully implement or pursue its investment objective or strategy, due to the QFII investment restriction, illiquidity of the PRC domestic securities market, and/or delay or disruption in execution or settlement of trades;
  - (iii) the Sub-Fund’s direct investment in A Shares through the Manager’s QFII investment quota and the Shanghai-Hong Kong Stock Connect entails certain associated risks (please refer to the Prospectus for further details); and
  - (iv) investment in the Sub-Fund may be subject to risks associated with changes in the PRC tax laws and such changes may have retrospective effect and may adversely affect the Sub-Fund. Please refer to the Prospectus for further details.
- In relation to W.I.S.E. – SSE 50 China Tracker<sup>®</sup>, investors should note that:
  - (i) the Sub-Fund, at present, invests directly in A Shares via the Shanghai-Hong Kong Stock Connect;
  - (ii) in addition to the risks associated with the China market and risks relating to RMB, it is also subject to the additional risks associated with the Shanghai-Hong Kong Stock Connect. Please refer to the Prospectus for further details; and
  - (iii) investment in the Sub-Fund may be subject to risks associated with changes in the PRC tax laws and such changes may have retrospective effect and may adversely affect the Sub-Fund. Please refer to the Prospectus for further details.
- Investment in emerging markets, such as the PRC involves special risks and considerations, such as, political, tax, economic, foreign exchange liquidity and regulate risks. These factors may have an adverse impact on the performances of the Sub-Funds.
- Investment involves risks and the Sub-Funds may not be suitable for everyone. Investors should carefully read the Prospectus of the relevant Sub-Funds for further details including product features and risk factors, and should consider their own investment objectives and other circumstances before investing in the Sub-Funds.

<sup>^</sup> The Application Unit Size for W.I.S.E. – CSI HK 100 Tracker<sup>™</sup> is 500,000 Units (or multiples thereof) and the Application Unit Size for both W.I.S.E. – CSI 300 China Tracker<sup>®\*</sup> (\*This is a synthetic ETF) and W.I.S.E. – SSE 50 China Tracker<sup>®</sup> is 800,000 Units (or multiples thereof). Investors may buy or sell Units of the Sub-Funds through an intermediary such as a Stockbroker on the SEHK. The Trading Board Lot Size is 200 Units for W.I.S.E. – CSI HK 100 Tracker<sup>™</sup> and W.I.S.E. – CSI 300 China Tracker<sup>®\*</sup> (\*This is a synthetic ETF) and 100 Units for W.I.S.E. – SSE 50 China Tracker<sup>®</sup>.

		Calendar Year Performance										
		2007 (%)	2008 (%)	2009 (%)	2010 (%)	2011 (%)	2012 (%)	2013 (%)	2014 (%)	2015 (%)	2016 (%)	
02825	W.I.S.E. – CSI HK 100 Tracker™ Launch Date: 2008	The Fund			56.7	9.4	-18.8	26.0	4.5	4.4	-6.4	2.1
		The Index <sup>1</sup>			60.2	9.3	-17.6	26.2	6.6	5.3	-5.8	4.4
02827	W.I.S.E. – CSI 300 China Tracker® (This is a synthetic ETF) Launch Date: 2007	The Fund		-62.9	89.1	-10.6	-21.3	7.3	-8.2	40.3	2.1	-17.3
		The Index <sup>2</sup>		-63.4	98.7	-8.3	-20.5	10.8	-2.6	52.0	2.1	-15.4
03024	W.I.S.E. – SSE 50 China Tracker® Launch Date: 2009 <sup>#</sup>	The Fund			-19.5	-22.1	14.3	-12.8	57.6	-11.5	-3.7	
		The Index <sup>3</sup>			-18.6	-12.9	19.2	-9.7	65.2	-8.7	-9.3	

Data source of fund performance: BOCI-Prudential Asset Management Limited

Note:

- Past performance information is not indicative of future performance. Investors may not get back the full amount invested.
- The computation basis of the performance is based on the calendar year end, NAV-to-NAV, with distributions reinvested.
- These figures show by how much the relevant Sub-Fund increased or decreased in value during the calendar year being shown. Performance data of the Sub-Funds have been calculated in HKD including ongoing charges and excluding investors' trading costs on SEHK.
- Where no past performance is shown there was insufficient data available in that year to provide performance.

<sup>1</sup> The CSI Hong Kong 100 Total Return Index is used to calculate index performance (Source: China Securities Index Co., Ltd).

<sup>2</sup> Starting from 1 July 2014, CSI 300 Total Return Index is replaced with CSI 300 Net Total Return Index for index performance calculation. (Source: China Securities Index Co., Ltd.). CSI 300 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 4:00 p.m. Hong Kong time on the corresponding dealing dates.

<sup>3</sup> 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.

<sup>#</sup> The Sub-Fund was launched in 2009. It was a synthetic ETF since launch until 11 May 2015.

**IMPORTANT INFORMATION: Investment involves risks. The Sub-Funds are subject to market fluctuations and to the risks inherent in all investments. Price of Units and the income generated from them may go down as well as up. Investment in emerging markets involves special risks and considerations. Investors should carefully read the Prospectus of the relevant Sub-Funds for further details of all risks involved in investing in the Sub-Funds, including the arrangement in the event that the Sub-Funds are delisted, before making any investment decision.**

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Issuer: BOCI-Prudential Asset Management Limited

For further information, please contact BOCI-Prudential Asset Management:

Address: 27/F, Bank of China Tower, 1 Garden Road, Central

Enquiry Hotline: (852) 2280 8615

Website: www.boci-pru.com.hk