



# World Index Shares ETFs

## W.I.S.E. – SSE 50 China Tracker<sup>®</sup>

(Stock Code: 03024)

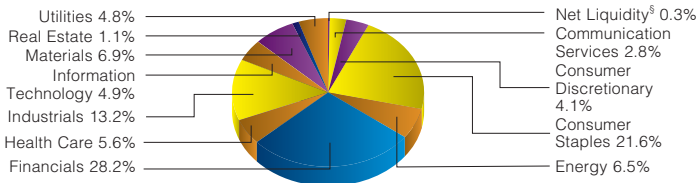
### IMPORTANT NOTES:

- Investment involves risks and W.I.S.E. – SSE 50 China Tracker<sup>®</sup> (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, reliance on market maker risks and risk in relation to distribution.
- 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.
- The Manager will normally make distributions out of net income received or receivable by the Fund. However, in the event that the net income is insufficient to pay the distributions that it declares, the Manager may also, in its absolute discretion, determine that distributions be paid out of the capital of the Fund, or the Manager may, in its discretion, pay distributions out of its gross income while charging/paying all or part of its fees and expenses to/out of the capital of the Fund, resulting in an increase in distributable income for the payment of distributions by the Fund and therefore, the Fund may effectively pay distributions out of capital. This may reduce the capital that the Fund has available for investment in future and may constrain capital growth.
- Investors should be aware that in circumstances where distributions are paid out of capital or effectively out of capital, this amounts to a return or withdrawal of part of the amount investors originally invested or from any capital gains attributable to that original investment. Any distributions involving payment of distributions out of capital or payment of distributions effectively out of capital (as the case may be) may result in an immediate decrease in the Net Asset Value per Unit.
- 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<sup>^</sup>



### Manager's Comment <sup>^</sup>

- In February, the SSE 50 Index rose by 7.05%.
- China's equity market had a soft rebound on hopes of improving travel data and official supports. The travel and spending boom during Spring Festival holiday showed improved sentiment among Chinese consumers and fully illuminated the vitality and vast potential of China's consumption market. The total domestic tourism spending jumped by 47.3% year-on-year (YoY) to about CNY 632.69 billion. The PBoC cut 5-year loan prime rate (LPR) to 3.95% from 4.20% and left the one-year LPR unchanged at 3.45%.
- China's official manufacturing purchasing managers' index (PMI) fell to 49.1 in February from 49.2 in January.
- USD appreciated against CNY from 7.1689 at the end of January to 7.1886 at the end of February. The Producer Price Index (PPI) for manufactured goods fell by 2.5% (YoY) in January, compared with a 2.7% YoY drop in the previous month.
- In January, the Consumer Price Index (CPI) decreased by 0.8% year-on-year (YoY), compared with a 0.3% drop in the previous month. Food prices, the main contributors to the CPI, dropped by 5.9% YoY.

### Fund Data

Fund Manager	BOCI-Prudential Asset Management Limited
Trustee and Custodian	Cititrust Limited
Exchange Listing	SEHK - Main Board
Listing Date	15/4/2009
Base Currency	HKD
Trading Currency	HKD
Ongoing Charges Over a Year <sup>▼</sup>	0.89%
Distribution (if any)	Annually (if any) at the discretion of the Manager <sup>♦</sup> (Distribution rate is not guaranteed; distribution may be paid out of capital. Please note points 6 & 7 of Important Notes)
Trading Board Lot Size	100 Units
Fund Size (Million)	HKD 9.12
NAV per unit	HKD 22.8005
Website	www.boci-pru.com.hk

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

### Top Ten Holdings

1	KWEICHOW MOUTAI CO LTD-A	16.1%
2	PING AN INSURANCE GROUP CO-A	6.9%
3	CHINA MERCHANTS BANK-A	6.2%
4	INDUSTRIAL BANK CO LTD-A	3.9%
5	CHINA YANGTZE POWER CO LTD-A	3.8%
6	ZIJIN MINING GROUP CO LTD-A	3.4%
7	CITIC SECURITIES CO-A	3.4%
8	IND & COMM BK OF CHINA-A	3.1%
9	JIANGSU HENGRUI PHARMACEUT-A	2.7%
10	INNER MONGOLIA YILI INDUS-A	2.7%

### Recent 12 Months Distribution<sup>♦</sup> History

Record Date	Distribution Per Unit	Fund Price on Record Date
-	-	-

### Cumulative Performance (HKD)<sup>\*</sup>

	3 Months(%)	Year To Date (%)	1 Year (%)	3 Years (%)	5 Years (%)	Since Inception <sup>#</sup> (%)	Calendar Year Performance (HKD) <sup>*</sup>				
							2019(%)	2020(%)	2021(%)	2022(%)	2023(%)
<b>Fund</b>	1.15	2.04	-13.30	-39.13	-13.04	24.57	32.17	28.06	-7.10	-24.94	-11.27
<b>Underlying Index</b>	1.54	2.44	-12.54	-37.07	-7.67	78.94	33.90	29.19	-5.47	-24.17	-10.55

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.

<sup>^</sup> With effect from 13 December 2021, the CSI Industry Classification Standard has been updated. Accordingly, the sector allocation has been adjusted and the sector named "Financials" was split into two sectors as "Financials" and "Real Estate", while the sector named "Telecommunication Services" was renamed to "Communication Services".

<sup>§</sup> "Net Liquidity" was formerly named as "Cash".

<sup>▼</sup> The ongoing charges figure is based on expenses for the period ended 30 June 2023. 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).

<sup>+</sup> Minimum 200,000 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.

<sup>#</sup> Starting from Issue Aug 2013, the word "Listing" was replaced by "Inception".

<sup>♦</sup> Before 13 July 2018, 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. With effect from 13 July 2018, the distribution policy of the Fund has been revised so that although distributions will normally be paid out of net income, in the event that net income is insufficient to pay distributions, the Manager may determine in its absolute discretion that distributions be paid out of capital. The Manager has discretion as to whether or not to make any distributions for the Fund, the frequency of distributions, the dates and the amount of distributions. The Manager also has the discretion to determine if and to what extent distributions will be paid out of capital of the Fund. Please refer to the "Notice to Unitholders" dated 13 June 2018 for details. Please also refer to the Manager's website for the composition of the latest distribution (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital).

<sup>▲</sup> 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.

<sup>\*</sup> 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.

Fund Manager, Data Source & Issuer: BOCI-Prudential Asset Management Limited

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



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