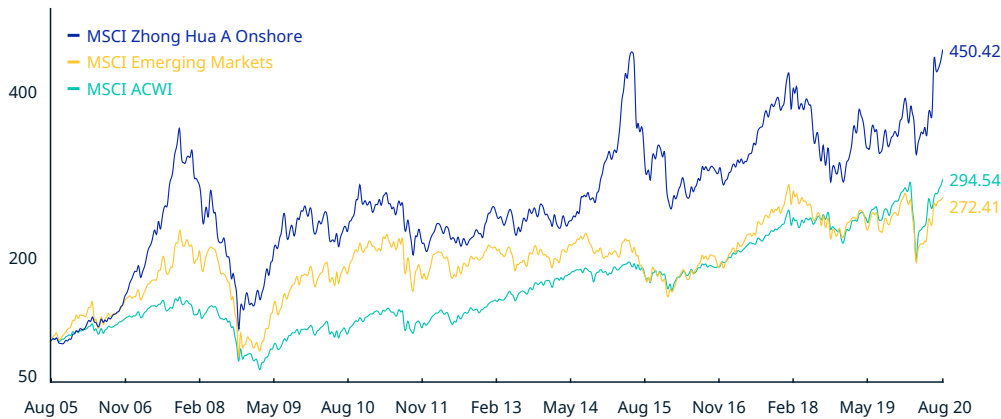


# MSCI Zhong Hua A Onshore Index (USD)

The MSCI Zhong Hua A Onshore Index is a composite index that comprises the MSCI China, MSCI China A Onshore and MSCI Hong Kong Indexes. With 1,464 constituents, the index captures large and mid cap representation across China securities (A shares, B shares, H shares, Red Chips, P Chips and foreign listed shares) that are listed in Hong Kong and China as well as Hong Kong securities listed on the Hong Kong stock exchange.

## CUMULATIVE INDEX PERFORMANCE – GROSS RETURNS (USD) (AUG 2005 – AUG 2020)



## ANNUAL PERFORMANCE (%)

| Year | MSCI Zhong Hua A Onshore | MSCI Emerging Markets | MSCI ACWI |
|------|--------------------------|-----------------------|-----------|
| 2019 | 27.54                    | 18.88                 | 27.30     |
| 2018 | -24.22                   | -14.24                | -8.93     |
| 2017 | 33.91                    | 37.75                 | 24.62     |
| 2016 | -10.70                   | 11.60                 | 8.48      |
| 2015 | 1.22                     | -14.60                | -1.84     |
| 2014 | 24.93                    | -1.82                 | 4.71      |
| 2013 | 3.94                     | -2.27                 | 23.44     |
| 2012 | 17.56                    | 18.63                 | 16.80     |
| 2011 | -20.09                   | -18.17                | -6.86     |
| 2010 | 2.86                     | 19.20                 | 13.21     |
| 2009 | 76.55                    | 79.02                 | 35.41     |
| 2008 | -55.40                   | -53.18                | -41.85    |
| 2007 | 87.90                    | 39.82                 | 12.18     |
| 2006 | 69.93                    | 32.55                 | 21.53     |

## INDEX PERFORMANCE – GROSS RETURNS (%) (AUG 31, 2020)

|                          | 1 Mo | 3 Mo  | 1 Yr  | YTD   | ANNUALIZED |       |       |                    | Since Nov 30, 2004 |
|--------------------------|------|-------|-------|-------|------------|-------|-------|--------------------|--------------------|
|                          |      |       |       |       | 3 Yr       | 5 Yr  | 10 Yr | Since Nov 30, 2004 |                    |
| MSCI Zhong Hua A Onshore | 5.13 | 28.06 | 34.43 | 19.89 | 6.77       | 8.08  | 6.75  | 10.43              |                    |
| MSCI Emerging Markets    | 2.24 | 19.71 | 14.88 | 0.68  | 3.21       | 9.05  | 4.12  | 7.82               |                    |
| MSCI ACWI                | 6.16 | 15.44 | 17.12 | 5.12  | 9.56       | 10.81 | 10.49 | 7.65               |                    |

## FUNDAMENTALS (AUG 31, 2020)

| Div Yld (%) | P/E   | P/E Fwd | P/BV |
|-------------|-------|---------|------|
| 1.69        | 19.20 | 15.68   | 2.10 |
| 2.28        | 18.20 | 14.88   | 1.77 |
| 1.98        | 23.65 | 20.15   | 2.54 |

## INDEX RISK AND RETURN CHARACTERISTICS (AUG 31, 2020)

|                          | Turnover (%) <sup>1</sup> | ANNUALIZED STD DEV (%) <sup>2</sup> |       |       | SHARPE RATIO <sup>2,3</sup> |      |       | Since Nov 30, 2004 | MAXIMUM DRAWDOWN |                       |
|--------------------------|---------------------------|-------------------------------------|-------|-------|-----------------------------|------|-------|--------------------|------------------|-----------------------|
|                          |                           | 3 Yr                                | 5 Yr  | 10 Yr | 3 Yr                        | 5 Yr | 10 Yr |                    | (%)              | Period YYYY-MM-DD     |
| MSCI Zhong Hua A Onshore | 13.61                     | 19.97                               | 20.13 | 20.15 | 0.34                        | 0.42 | 0.39  | 0.48               | 68.14            | 2007-10-31–2008-10-27 |
| MSCI Emerging Markets    | 10.60                     | 18.92                               | 17.43 | 17.90 | 0.17                        | 0.51 | 0.27  | 0.39               | 65.14            | 2007-10-29–2008-10-27 |
| MSCI ACWI                | 3.82                      | 16.73                               | 14.44 | 13.93 | 0.53                        | 0.69 | 0.73  | 0.45               | 33.69            | 2020-02-12–2020-03-23 |

<sup>1</sup> Last 12 months

<sup>2</sup> Based on monthly gross returns data

<sup>3</sup> Based on ICE LIBOR 1M

The MSCI Zhong Hua index is comprised of B, H, Red chip and P chip share classes. B shares are incorporated in China, trade on the Shanghai and Shenzhen exchanges; they are quoted in foreign currencies (Shanghai USD, Shenzhen HKD) and are open to foreign investors. H shares are incorporated in China and trade on the Hong Kong stock exchange. Red chips and P chips are incorporated outside of China and trade on the Hong Kong exchange. Red chips are usually controlled by the state or a province or municipality. For P chip, we have three conditions. Ownership is one of it. Revenue and asset distribution are another two. We pick at least two out of three.

The MSCI Zhong Hua A Onshore Index was launched on Oct 18, 2006. Data prior to the launch date is back-tested data (i.e. calculations of how the index might have performed over that time period had the index existed). There are frequently material differences between back-tested performance and actual results. Past performance – whether actual or back-tested – is no indication or guarantee of future performance.

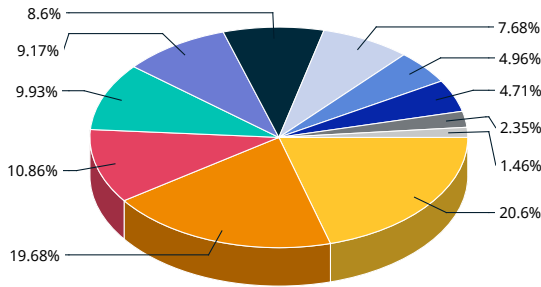
**INDEX CHARACTERISTICS**

| MSCI Zhong Hua A Onshore      |              |
|-------------------------------|--------------|
| <b>Number of Constituents</b> | 1,464        |
| <b>Mkt Cap (USD Millions)</b> |              |
| <b>Index</b>                  | 6,026,778.80 |
| <b>Largest</b>                | 539,222.21   |
| <b>Smallest</b>               | 117.21       |
| <b>Average</b>                | 4,116.65     |
| <b>Median</b>                 | 1,420.36     |

**TOP 10 CONSTITUENTS**

|                          | Country | Float Adj Mkt Cap (USD Billions) | Index Wt. (%) | Sector       |
|--------------------------|---------|----------------------------------|---------------|--------------|
| ALIBABA GROUP HLDG ADR   | CN      | 539.22                           | 8.95          | Cons Discr   |
| TENCENT HOLDINGS LI (CN) | CN      | 392.34                           | 6.51          | Comm Srvc    |
| KWEICHOW MOUTAI A        | CN      | 130.96                           | 2.17          | Cons Staples |
| AIA GROUP                | HK      | 124.47                           | 2.07          | Financials   |
| MEITUAN DIANPING B       | CN      | 117.27                           | 1.95          | Cons Discr   |
| PING AN INSURANCE A      | CN      | 96.87                            | 1.61          | Financials   |
| CHINA CONSTRUCTION BK H  | CN      | 68.12                            | 1.13          | Financials   |
| CHINA MERCHANTS BANK A   | CN      | 68.05                            | 1.13          | Financials   |
| JD.COM ADR               | CN      | 66.87                            | 1.11          | Cons Discr   |
| PING AN INSURANCE H      | CN      | 63.46                            | 1.05          | Financials   |
| <b>Total</b>             |         | <b>1,667.64</b>                  | <b>27.67</b>  |              |

**SECTOR WEIGHTS**



- Consumer Discretionary 20.6%
- Financials 19.68%
- Communication Services 10.86%
- Information Technology 9.93%
- Consumer Staples 9.17%
- Industrials 8.6%
- Health Care 7.68%
- Real Estate 4.96%
- Materials 4.71%
- Utilities 2.35%
- Energy 1.46%

**INDEX METHODOLOGY**

The index is based on the MSCI Global Investable Indexes (GIMI) Methodology—a comprehensive and consistent approach to index construction that allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. This methodology aims to provide exhaustive coverage of the relevant investment opportunity set with a strong emphasis on index liquidity, investability and replicability. The index is reviewed quarterly—in February, May, August and November—with the objective of reflecting change in the underlying equity markets in a timely manner, while limiting undue index turnover. During the May and November semi-annual index reviews, the index is rebalanced and the large and mid capitalization cutoff points are recalculated.

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