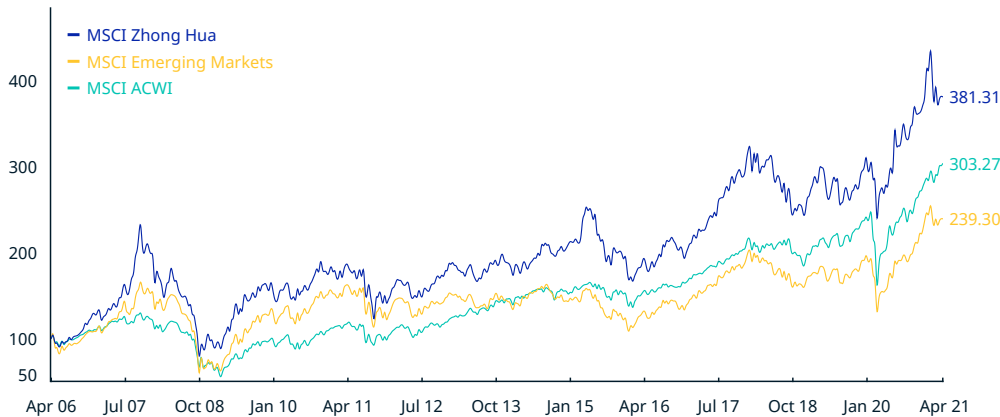


# MSCI Zhong Hua Index (USD)

The MSCI Zhong Hua Index is a composite index that comprises the MSCI China and MSCI Hong Kong Index. The index captures large and mid cap representation across all China securities (B shares, H shares, Red Chips, P Chips and foreign listed shares) as well as Hong Kong securities. Currently, the index also includes A stock connect large cap shares.

## CUMULATIVE INDEX PERFORMANCE – GROSS RETURNS (USD) (APR 2006 – APR 2021)



## ANNUAL PERFORMANCE (%)

Year	MSCI Zhong Hua	MSCI Emerging Markets	MSCI ACWI
2020	25.13	18.69	16.82
2019	20.71	18.88	27.30
2018	-16.25	-14.24	-8.93
2017	49.35	37.75	24.62
2016	1.52	11.60	8.48
2015	-5.58	-14.60	-1.84
2014	7.27	-1.82	4.71
2013	6.26	-2.27	23.44
2012	24.72	18.63	16.80
2011	-17.54	-18.17	-6.86
2010	10.03	19.20	13.21
2009	62.05	79.02	35.41
2008	-50.86	-53.18	-41.85
2007	55.29	39.82	12.18

## INDEX PERFORMANCE – GROSS RETURNS (%) (APR 30, 2021)

	ANNUALIZED								FUNDAMENTALS (APR 30, 2021)			
	1 Mo	3 Mo	1 Yr	YTD	3 Yr	5 Yr	10 Yr	Since Dec 31, 1992	Div Yld (%)	P/E	P/E Fwd	P/BV
MSCI Zhong Hua	1.65	-3.98	36.03	2.34	8.34	15.24	7.67	9.63	1.53	20.20	16.03	2.07
MSCI Emerging Markets	2.50	1.76	49.21	4.90	7.91	12.91	3.96	7.92	1.84	21.55	14.70	2.09
MSCI ACWI	4.41	9.77	46.40	9.30	13.91	14.45	9.76	8.75	1.70	29.70	19.58	3.00

## INDEX RISK AND RETURN CHARACTERISTICS (APR 30, 2021)

	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO 2,3			Since Dec 31, 1992	MAXIMUM DRAWDOWN	
		3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr		(%)	Period YYYY-MM-DD
MSCI Zhong Hua	9.17	19.33	17.11	19.35	0.43	0.84	0.44	0.39	69.84	2007-10-30–2008-10-27
MSCI Emerging Markets	9.14	19.19	16.44	17.69	0.42	0.74	0.27	0.34	65.14	2007-10-29–2008-10-27
MSCI ACWI	3.92	17.99	14.54	14.08	0.73	0.91	0.68	0.46	58.06	2007-10-31–2009-03-09

<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.

### INDEX CHARACTERISTICS

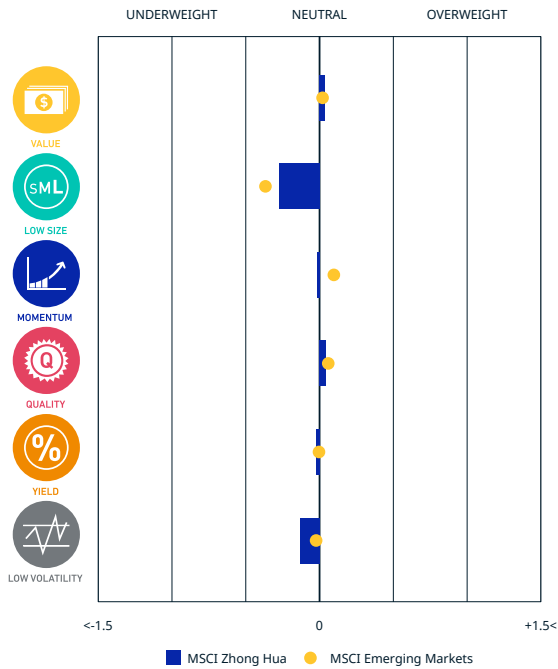
MSCI Zhong Hua	
Number of Constituents	746
<b>Mkt Cap (USD Millions)</b>	
Index	3,655,257.55
Largest	461,290.12
Smallest	110.46
Average	4,899.81
Median	921.03

### TOP 10 CONSTITUENTS

	Country	Float Adj Mkt Cap (USD Billions)	Index Wt. (%)	Sector
TENCENT HOLDINGS LI (CN)	CN	461.29	12.62	Comm Svcs
ALIBABA GROUP HLDG ADR	CN	437.41	11.97	Cons Discr
AIA GROUP	HK	154.00	4.21	Financials
MEITUAN B	CN	138.25	3.78	Cons Discr
CHINA CONSTRUCTION BK H	CN	76.15	2.08	Financials
HONGKONG EXCH & CLEARING	HK	72.89	1.99	Financials
JD.COM ADR	CN	66.86	1.83	Cons Discr
PING AN INSURANCE H	CN	65.17	1.78	Financials
BAIDU ADR	CN	56.70	1.55	Comm Svcs
PINDUODUO ADR A	CN	52.67	1.44	Cons Discr
Total		1,581.37	43.26	

### FACTORS - KEY EXPOSURES THAT DRIVE RISK AND RETURN

#### MSCI FACTOR BOX



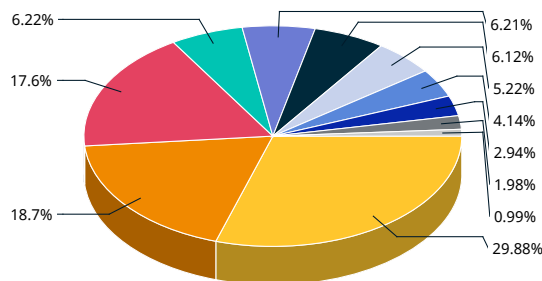
#### MSCI FaCS

- VALUE**  
Relatively Inexpensive Stocks
- LOW SIZE**  
Smaller Companies
- MOMENTUM**  
Rising Stocks
- QUALITY**  
Sound Balance Sheet Stocks
- YIELD**  
Cash Flow Paid Out
- LOW VOLATILITY**  
Lower Risk Stocks

MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

Neutral factor exposure (FaCS = 0) represents MSCI ACWI IMI.

### SECTOR WEIGHTS



- Consumer Discretionary 29.88%
- Financials 18.7%
- Communication Services 17.6%
- Health Care 6.22%
- Real Estate 6.21%
- Industrials 6.12%
- Information Technology 5.22%
- Consumer Staples 4.14%
- Utilities 2.94%
- Materials 1.98%
- Energy 0.99%

## 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.

## FACTOR BOX AND FaCS METHODOLOGY

MSCI FaCS is a standard method ([MSCI FaCS Methodology](#)) for evaluating and reporting the Factor characteristics of equity portfolios. MSCI FaCS consists of Factor Groups (e.g. Value, Size, Momentum, Quality, Yield, and Volatility) that have been extensively documented in academic literature and validated by MSCI Research as key drivers of risk and return in equity portfolios. These Factor Groups are constructed by aggregating 16 factors (e.g. Book-to-Price, Earnings/Dividend Yields, LT Reversal, Leverage, Earnings Variability/Quality, Beta) from the latest Barra global equity factor risk model, GEMLT, designed to make fund comparisons transparent and intuitive for use. The MSCI Factor Box, which is powered by MSCI FaCS, provides a visualization designed to easily compare absolute exposures of funds/indexes and their benchmarks along 6 Factor Groups that have historically demonstrated excess market returns over the long run.

## ABOUT MSCI

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