

# MSCI China Free Index (USD)

The MSCI China Free Index includes large and mid-cap Chinese companies. Index constituents include B shares, H shares, Red chips, P chips\* and foreign listed shares. Currently, the index includes Large Cap A and Mid Cap A shares represented at 20% of their free float adjusted market capitalization.

For a complete description of the index methodology, please see [Index methodology - MSCI](#).

## CUMULATIVE INDEX PERFORMANCE – PRICE RETURNS (USD) (MAR 2009 – MAR 2024)



## ANNUAL PERFORMANCE (%)

Year	MSCI China Free	MSCI China	MSCI Emerging Markets
2023	-13.26	-13.26	7.04
2022	-23.60	-23.60	-22.37
2021	-22.79	-22.79	-4.59
2020	27.32	27.32	15.84
2019	20.94	20.94	15.42
2018	-20.43	-20.43	-16.63
2017	51.27	51.10	34.35
2016	-1.28	-1.43	8.58
2015	-9.99	-10.04	-16.96
2014	4.67	4.65	-4.63
2013	0.66	0.40	-4.98
2012	18.92	18.97	15.15
2011	-20.13	-20.33	-20.41
2010	1.98	2.32	16.36

## INDEX PERFORMANCE – PRICE RETURNS (%) (MAR 29, 2024)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since Dec 31, 1992
					3 Yr	5 Yr	10 Yr		
MSCI China Free	0.91	-2.24	-19.01	-2.24	-20.50	-8.13	-0.88	-1.87	
MSCI China	0.91	-2.24	-19.01	-2.24	-20.50	-8.13	-0.91	-1.94	
MSCI Emerging Markets	2.18	1.90	5.34	1.90	-7.46	-0.28	0.48	3.91	

## FUNDAMENTALS (MAR 29, 2024)

Div Yld (%)	P/E	P/E Fwd	P/BV
2.87	11.69	9.05	1.22
2.87	11.69	9.05	1.22
2.83	15.61	12.13	1.71

## INDEX RISK AND RETURN CHARACTERISTICS (MAR 29, 2024)

	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>			Since Dec 31, 1992	MAXIMUM DRAWDOWN	
		3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr		(%)	Period YYYY-MM-DD
MSCI China Free	7.17	29.99	26.61	23.76	-0.71	-0.26	0.02	0.01	90.63	1993-12-13–2001-09-12
MSCI China	7.17	29.99	26.61	23.76	-0.71	-0.26	0.02	0.01	90.63	1993-12-13–2001-09-12
MSCI Emerging Markets	6.15	17.72	18.99	17.14	-0.50	-0.03	0.03	0.17	66.05	2007-10-29–2008-10-27

<sup>1</sup> Last 12 months

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

<sup>3</sup> Based on NY FED Overnight SOFR from Sep 1 2021 & on ICE LIBOR 1M prior that date

The China equity market is comprised of A, B, H, Red chip, P chip share classes and foreign listed shares. A shares are incorporated in China and trade on the Shanghai and Shenzhen exchanges; they are quoted in local renminbi and entail foreign investment regulations (QFII). B shares are incorporated in China, and 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 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. P chips are Non state-owned Chinese companies incorporated outside the mainland and traded in Hong Kong. China also have companies listed overseas, including ADRs listed in the US. A shares and B shares are included starting from June 1, 2018. Currently, Large Cap A and Mid Cap A shares are included and are represented at 20% of their free float adjusted market capitalization. From June 1, 2018 onwards the constituents of the MSCI China Free Index is same as MSCI China Index.

The MSCI China Free Index was launched on Oct 31, 1995. Data prior to the launch date is back-tested test (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**

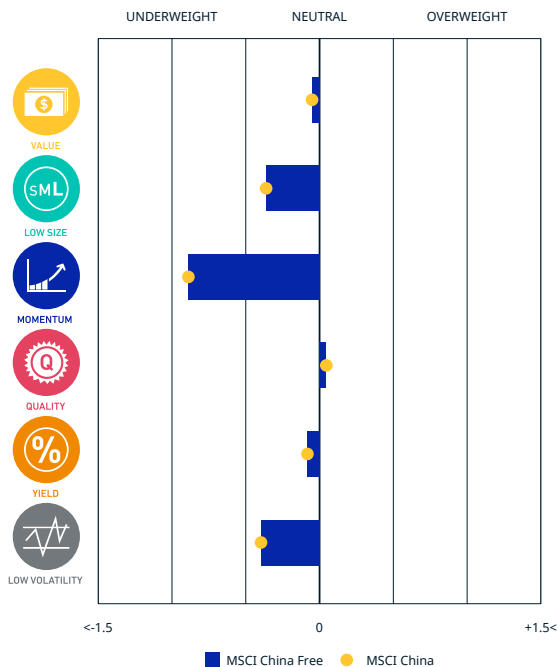
MSCI China Free	
<b>Number of Constituents</b>	704
Mkt Cap (USD Millions)	
<b>Index</b>	1,809,877.26
<b>Largest</b>	256,840.07
<b>Smallest</b>	108.44
<b>Average</b>	2,570.85
<b>Median</b>	483.22

**TOP 10 CONSTITUENTS**

	Float Adj Mkt Cap (USD Billions)	Index Wt. (%)	Sector
TENCENT HOLDINGS LI (CN)	256.84	14.19	Comm Svcs
ALIBABA GRP HLDG (HK)	146.11	8.07	Cons Discr
PDD HOLDINGS A ADR	69.50	3.84	Cons Discr
MEITUAN B	62.78	3.47	Cons Discr
CHINA CONSTRUCTION BK H	58.00	3.20	Financials
NETEASE	40.25	2.22	Comm Svcs
BANK OF CHINA H	32.79	1.81	Financials
ICBC H	32.77	1.81	Financials
JD.COM (HK)	32.30	1.78	Cons Discr
BAIDU (HK)	29.60	1.64	Comm Svcs
<b>Total</b>	<b>760.93</b>	<b>42.04</b>	

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

**MSCI FACTOR BOX**



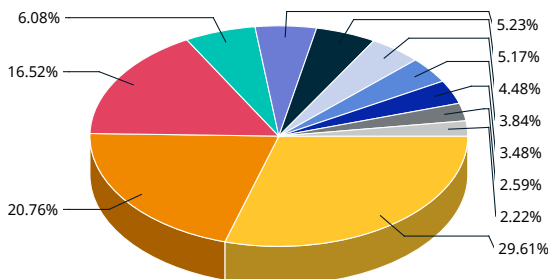
**MSCI FaCS**

- 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 29.61%
- Communication Services 20.76%
- Financials 16.52%
- Information Technology 6.08%
- Consumer Staples 5.23%
- Industrials 5.17%
- Health Care 4.48%
- Energy 3.84%
- Materials 3.48%
- Utilities 2.59%
- Real Estate 2.22%

**MSCI FACTOR BOX AND FaCS FRAMEWORK (Please refer to complete description of the MSCI FaCS methodology [here](#))**

MSCI FaCS is a standard method 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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