MSCI China A Quality Index (USD)

The MSCI China A Quality Index is based on the MSCI China A Index, its parent index, which captures large and mid-cap representation across across China securities listed on the Shanghai and Shenzhen exchanges. The index covers only those securities that are accessible through "Stock Connect". The index is designed for international investors and is calculated using China A Stock Connect listings based on the offshore RMB exchange rate (CNH). The index aims to capture the performance of quality growth stocks by identifying stocks with high quality scores based on three main fundamental variables: high return on equity (ROE), stable year-over-year earnings growth and low financial leverage. The MSCI Quality Indexes complement existing MSCI Factor Indexes and can provide an effective diversification role in a portfolio of factor strategies.

For a complete description of the index methodology, please see Index methodology - MSCI.

CUMULATIVE INDEX PERFORMANCE — GROSS RETURNS (USD) (APR 2009 – APR 2024)

— MSCI China A Quality
— MSCI China A

280.35
168.52

ANNUAL PERFORMANCE (%)

Year	MSCI China A Quality	MSCI China A
2023	-18.87	-13.27
2022	-25.65	-25.74
2021	-6.44	3.36
2020	78.75	43.46
2019	56.85	36.40
2018	-27.37	-30.16
2017	69.10	30.07
2016	-7.05	-15.27
2015	20.78	3.46
2014	10.10	48.79
2013	-1.33	-3.39
2012	4.73	11.62
2011	-15.54	-17.17
2010	-2.07	-12.12

INDEX PERFORMANCE — GROSS RETURNS (%) (APR 30, 2024)

	1 Mo	3 Mo	1 Yr	YTD	3 Yr	5 Yr	10 Yr	Since Nov 25, 2008
					ANNUALIZED			
MSCI China A Quality	0.27	10.18	-17.30	-2.20	-17.66	2.18	10.41	9.23
MSCI China A	2.46	12.56	-12.71	3.18	-11.74	0.49	5.95	5.28

FUNDAMENTALS (APR 30, 2024)

	Div Yld (%)	P/E	P/E Fwd	P/BV
MSCI China A Quality	3.11	17.05	14.54	3.77
MSCI China A	2.39	15.28	11.98	1.60

INDEX RISK AND RETURN CHARACTERISTICS (NOV 25, 2008 – APR 30, 2024)

	Beta	Tracking Error (%)	Turnover (%) [1]	ANNUALIZED STD DEV (%) [2]			SHARPE RATIO [2],[3]				MAXIMUM DRAWDOWN	
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr	Since Nov 25, 2008	(%)	Period YYYY-MM-DD
MSCI China A Quality	0.92	11.46	32.32	25.86	26.14	26.03	-0.73	0.13	0.45	0.43	57.33	2021-02-15—2024-02-02
MSCI China A	1.00	0.00	13.68	21.19	21.24	24.31	-0.61	0.03	0.30	0.29	50.30	2015-06-08—2016-01-28

[1] Last 12 months [2] Based on monthly gross returns data [3] Based on NY FED Overnight SOFR from Sep 1 2021 & on ICE LIBOR 1M prior that date

China A shares are quoted in local currency (Renminbi).

The MSCI China A Quality Index was launched on Sep 27, 2018. 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 A Quality	MSCI China A
Number of Constituents	86	519
	Weight (%)	
Largest	5.81	5.63
Smallest	0.23	0.04
Average	1.16	0.19
Median	0.71	0.11

TOP 10 CONSTITUENTS

	Index Wt. (%)	Parent Index Wt. (%)	Sector
SHANXI XINGHUAC A (HK-C)	5.81	0.84	Cons Staples
SHENZHEN MINDRAY A(HK-C)	5.55	0.97	Health Care
WULIANGYE YIBIN A (HK-C)	5.10	1.54	Cons Staples
KWEICHOW MOUTAI A (HK-C)	5.07	5.63	Cons Staples
LUZHOU LAOJIAO A (HK-C)	4.67	0.72	Cons Staples
CHINA SHENHUA A (HK-C)	3.69	0.69	Energy
SHAANXI COAL IND A(HK-C)	3.36	0.63	Energy
FOSHAN HAITIAN A (HK-C)	2.92	0.48	Cons Staples
NARI TECHNOLOGY A (HK-C)	2.67	0.50	Industrials
SUNGROW POWER A (HK-C)	2.23	0.40	Industrials
Total	41.05	12.40	

FACTORS - KEY EXPOSURES THAT DRIVE RISK AND RETURN

MSCI FACTOR BOX

■ MSCI China A Quality ● MSCI China A
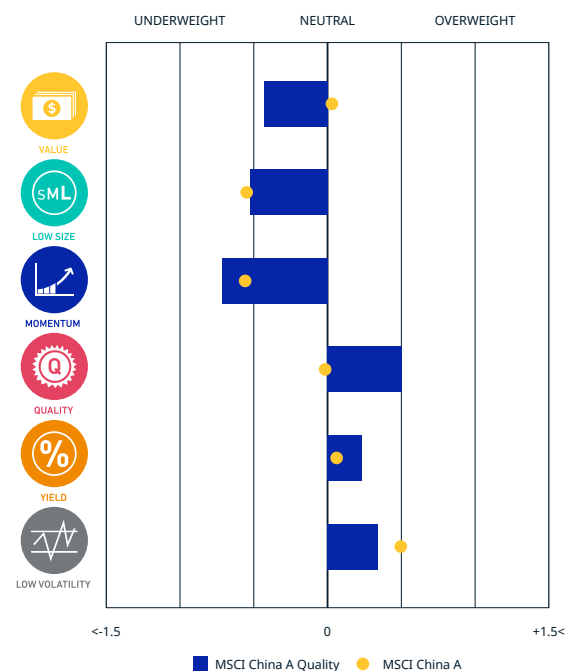
MSCI FaCS

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 Staples 35.64% ● Health Care 16.9% ● Information Technology 14.34%
● Industrials 11.92% ● Energy 10.99% ● Materials 3.55%
● Consumer Discretionary 3.33% ● Communication Services 2.29% ● Financials 1.04%
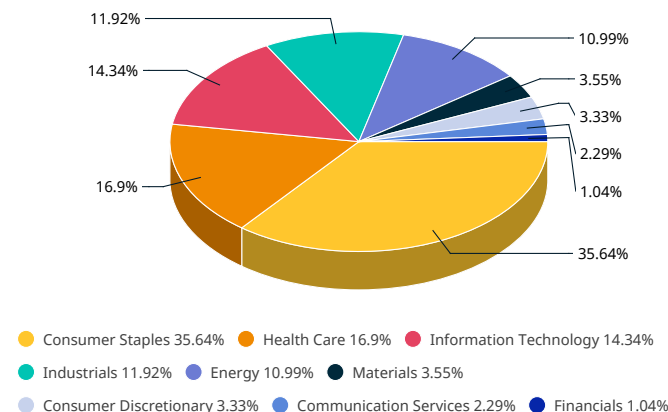
MSCI FACTOR BOX AND FaCS FRAMEWORK (Please refer to complete description of the MSCI FaCS methodology here)

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