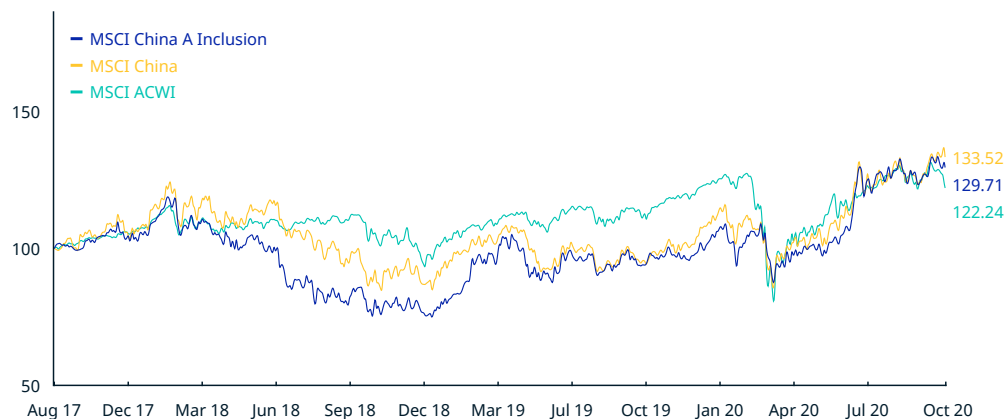


# MSCI China A Inclusion Index (USD)

The MSCI China A Inclusion Index is designed to track the progressive partial inclusion of A shares in the MSCI Emerging Markets Index over time. The index is designed for global investors accessing the A shares market using the Stock Connect framework and is calculated using China A Stock Connect listings based on the offshore RMB exchange rate (CNH).

## CUMULATIVE INDEX PERFORMANCE – NET RETURNS (USD) (AUG 2017 – OCT 2020)



## ANNUAL PERFORMANCE (%)

Year	MSCI China A Inclusion	MSCI China	MSCI ACWI
2019	36.17	23.46	26.60
2018	-28.26	-18.88	-9.41

## INDEX PERFORMANCE – NET RETURNS (%) (OCT 30, 2020)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since Aug 31, 2017	FUNDAMENTALS (OCT 30, 2020)			
					3 Yr	5 Yr	10 Yr	Div Yld (%)		P/E	P/E Fwd	P/BV	
MSCI China A Inclusion	3.28	3.54	33.91	25.11	7.47	na	na	8.56	1.67	20.09	15.68	2.28	
MSCI China	5.29	8.22	35.19	22.61	8.32	na	na	9.56	1.59	18.86	15.10	2.09	
MSCI ACWI	-2.43	0.20	4.89	-1.09	5.52	na	na	6.55	2.09	23.52	18.32	2.41	

## INDEX RISK AND RETURN CHARACTERISTICS (OCT 30, 2020)

	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>			Since Aug 31, 2017	MAXIMUM DRAWDOWN	
		3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr		(%)	Period YYYY-MM-DD
MSCI China A Inclusion	26.99	22.02	na	na	0.36	na	na	0.41	36.89	2018-01-25–2019-01-03
MSCI China	13.10	21.08	na	na	0.40	na	na	0.46	31.82	2018-01-26–2018-10-30
MSCI ACWI	3.77	16.96	na	na	0.30	na	na	0.37	33.74	2020-02-12–2020-03-23

<sup>1</sup> Last 12 months

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

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

The MSCI China A Inclusion Index was launched on Oct 23, 2017. 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

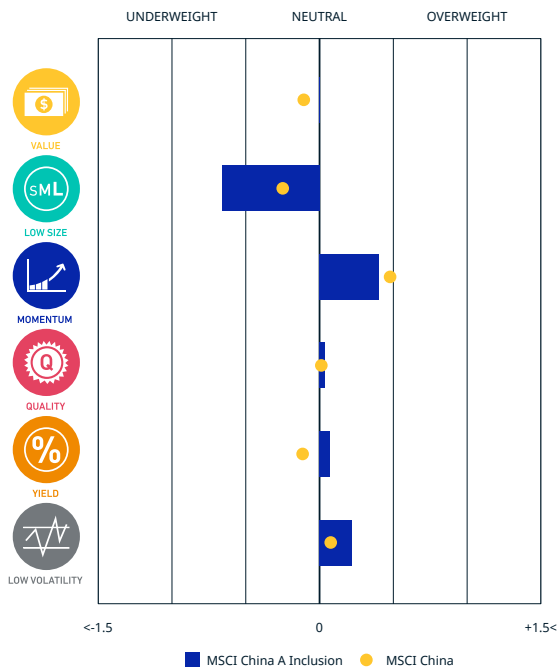
MSCI China A Inclusion	
Number of Constituents	475
Mkt Cap (USD Millions)	
Index	1,623,282.49
Largest	93,987.33
Smallest	537.55
Average	3,417.44
Median	1,790.63

### TOP 10 CONSTITUENTS

	Float Adj Mkt Cap (USD Billions)	Index Wt. (%)	Sector
KWEICHOW MOUTAI A (HK-C)	93.99	5.79	Cons Staples
WULIANGYE YIBIN A (HK-C)	42.49	2.62	Cons Staples
PING AN INS A (HK-C)	37.77	2.33	Financials
CHINA MERCH BK A (HK-C)	36.79	2.27	Financials
CONTEMPORARY AMP A(HK-C)	25.80	1.59	Industrials
JIANGSU HENGRUI A (HK-C)	21.12	1.30	Health Care
FOSHAN HAITIAN A (HK-C)	19.38	1.19	Cons Staples
HANGZHOU HIKVIS A (HK-C)	18.80	1.16	Info Tech
CHINA YANGTZE A (HK-C)	18.69	1.15	Utilities
SHENZHEN MINDRAY A(HK-C)	17.56	1.08	Health Care
Total	332.39	20.48	

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

#### MSCI FACTOR BOX



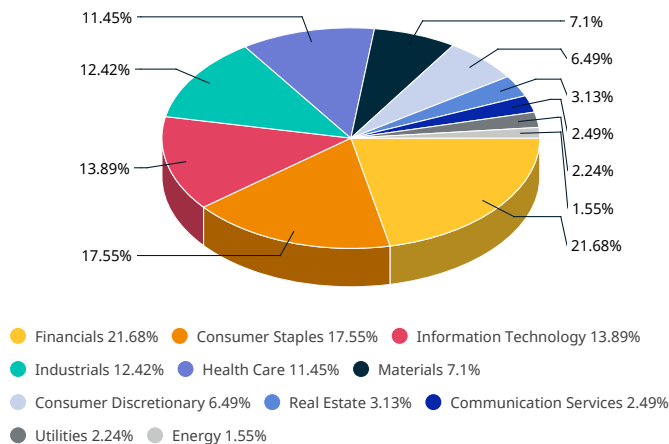
#### MSCI FaCS

- 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



## INDEX METHODOLOGY

The index is based on the MSCI Global Investable Market 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

MSCI is a leading provider of critical decision support tools and services for the global investment community. With over 45 years of expertise in research, data and technology, we power better investment decisions by enabling clients to understand and analyze key drivers of risk and return and confidently build more effective portfolios. We create industry-leading research-enhanced solutions that clients use to gain insight into and improve transparency across the investment process. To learn more, please visit [www.msci.com](http://www.msci.com).

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