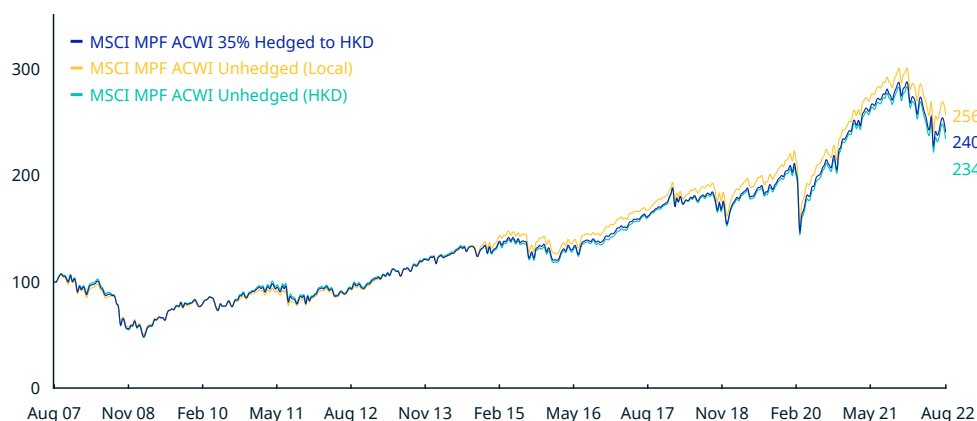


# MSCI MPF ACWI 35% Hedged to HKD Index (HKD)

The MSCI MPF ACWI 35% Hedged to HKD Index is designed to comply with the Hong Kong MPF Investment Guidelines that are relevant for Hong Kong MPF investors. It represents a close estimation of the performance that can be achieved by hedging the currency exposures of its parent index, the redefined ACWI universe based on MPF rules, to the HKD, the "home" currency for the hedged index. The index is 35% hedged to the HKD by selling each foreign currency forward at the one-month Forward weight.

## CUMULATIVE INDEX PERFORMANCE – GROSS RETURNS (HKD) (AUG 2007 – AUG 2022)



## ANNUAL PERFORMANCE (%)

Year	MSCI MPF ACWI 35% Hedged to HKD	MSCI MPF ACWI Unhedged (Local)	MSCI MPF ACWI Unhedged (HKD)
2021	20.31	21.44	19.73
2020	16.47	15.05	16.63
2019	27.07	27.18	26.87
2018	-8.37	-7.35	-8.81
2017	23.44	20.25	25.43
2016	8.76	9.57	8.43
2015	-0.51	1.89	-1.66
2014	6.58	9.88	5.03
2013	25.00	26.85	24.33
2012	16.37	16.56	16.45
2011	-6.55	-5.84	-6.70
2010	12.40	10.83	13.31
2009	33.02	29.56	34.80
2008	-40.85	-38.96	-41.79

## INDEX PERFORMANCE – GROSS RETURNS (%) (AUG 31, 2022)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED			
					3 Yr	5 Yr	10 Yr	Since Nov 30, 2000
MSCI MPF ACWI 35% Hedged to HKD	-3.47	-4.91	-13.50	-15.95	9.27	8.13	9.97	6.00
MSCI MPF ACWI Unhedged (Local)	-2.97	-3.70	-11.39	-14.25	9.78	8.76	10.83	5.95
MSCI MPF ACWI Unhedged (HKD)	-3.71	-5.49	-14.58	-16.82	8.79	7.71	9.56	6.15

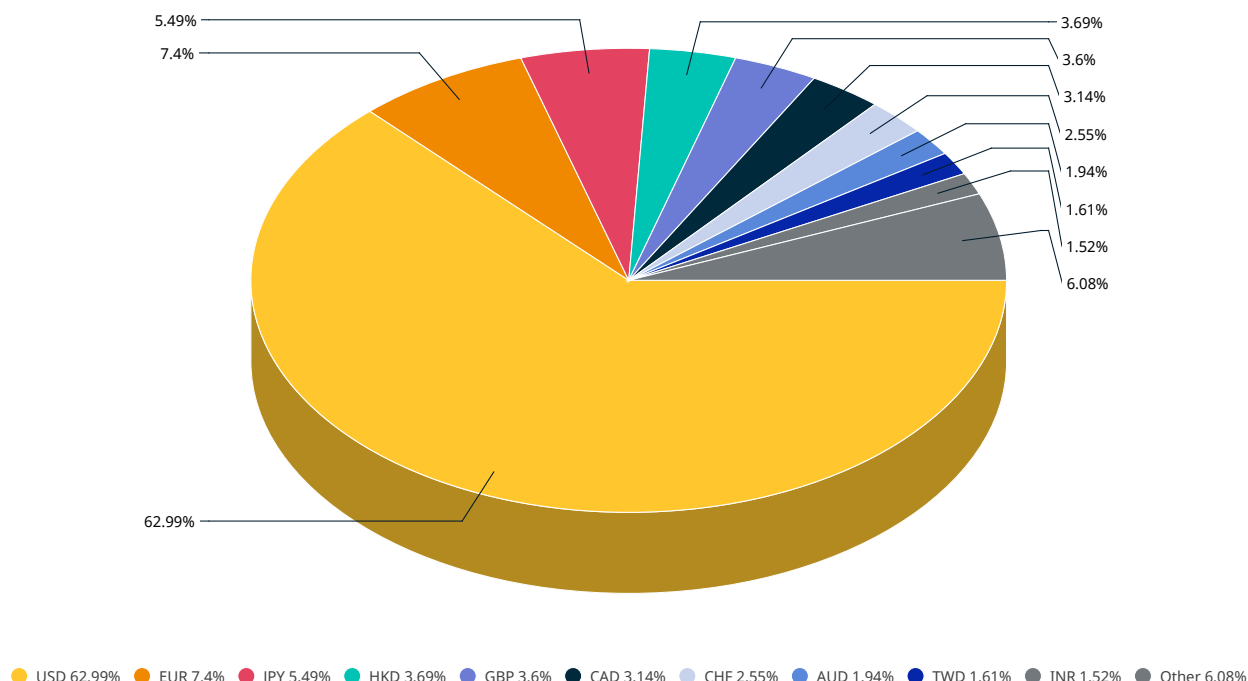
## INDEX RISK AND RETURN CHARACTERISTICS (NOV 30, 2000 – AUG 31, 2022)

	ANNUALIZED STD DEV (%) <sup>1</sup>			MAXIMUM DRAWDOWN	
	3 Yr	5 Yr	10 Yr	(%)	Period YYYY-MM-DD
MSCI MPF ACWI 35% Hedged to HKD	17.99	16.10	13.17	56.57	2007-10-31–2009-03-09
MSCI MPF ACWI Unhedged (Local)	17.15	15.43	12.58	54.13	2007-10-12–2009-03-09
MSCI MPF ACWI Unhedged (HKD)	18.49	16.52	13.56	57.84	2007-10-31–2009-03-09

<sup>1</sup> Based on monthly gross returns data

\* DM countries include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the UK and the US. EM countries include: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Kuwait, Malaysia, Mexico, Peru, Philippines, Poland, Qatar, Saudi Arabia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

The MSCI MPF ACWI 35% Hedged to HKD Index was launched on Sep 30, 2013. 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.

**CURRENCY WEIGHTS ( AUG 31, 2022 )****INDEX FRAMEWORK**

Constructed based on the widely followed MSCI Global Investable Market Indexes (GIMI) framework, the MSCI Hong Kong MPF Indexes are designed to comply with the Hong Kong MPFA investment restrictions and at the same time comprehensively reflect the investment opportunity set of Hong Kong MPF investors. In order to comply with the requirement of at least 30% HKD currency exposure, exposure to currency movements relative to the HKD is partially hedged on a monthly basis based on the MSCI Hedged Indexes methodology. Specifically, the home currency is set to be HKD and the hedged weight for each foreign currency is set to be 35% of its respective weight in the index on a monthly basis. The MSCI Hedged Indexes hedge each foreign currency in the parent index back to a "home" currency by selling each foreign currency forward at the one-month Forward rate. The amount of forwards sold on the last business day of the month corresponds to the market cap weight of the securities in the parent index that are quoted in each currency as of the close of two business days before the first calendar day of the following month. The amount hedged is kept constant over the whole month. There are two components to a MSCI Hedged Index return: 1) the performance of the unhedged index in the home currency; and, 2) the Hedge Impact (aimed to represent the gain or loss on the Forward contracts) in the home currency. For example, if a US-based investor were to invest in the MSCI EAFE Index, the calculation would combine the unhedged MSCI EAFE index return in US dollars (USD) with the performance impact of hedging the currency exposure of the 12 other foreign currencies of the MSCI EAFE Index relative to the USD.

This summary is provided for illustrative purposes only and does not include all material elements of the index or its methodology. For a complete description of the index methodology, please see [Index methodology - MSCI](#).

**ABOUT MSCI**

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