

# MSCI Hong Kong Index (USD)

The MSCI Hong Kong Index is designed to measure the performance of the large and mid cap segments of the Hong Kong market. With 43 constituents, the index covers approximately 85% of the free float-adjusted market capitalization of the Hong Kong equity universe.

## CUMULATIVE INDEX PERFORMANCE – GROSS RETURNS (USD) (APR 2005 – APR 2020)



## ANNUAL PERFORMANCE (%)

Year	MSCI Hong Kong	MSCI World	MSCI ACWI
2019	10.34	28.40	27.30
2018	-7.83	-8.20	-8.93
2017	36.17	23.07	24.62
2016	2.27	8.15	8.48
2015	-0.54	-0.32	-1.84
2014	5.07	5.50	4.71
2013	11.09	27.37	23.44
2012	28.27	16.54	16.80
2011	-16.02	-5.02	-6.86
2010	23.23	12.34	13.21
2009	60.15	30.79	35.41
2008	-51.21	-40.33	-41.85
2007	41.20	9.57	12.18
2006	30.35	20.65	21.53

## INDEX PERFORMANCE – GROSS RETURNS (%) (APR 30, 2020)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since Dec 31, 1987
					3 Yr	5 Yr	10 Yr		
MSCI Hong Kong	7.27	-7.18	-16.29	-11.31	1.66	1.55	6.83	10.67	
MSCI World	10.98	-11.74	-3.46	-12.25	5.58	5.52	8.29	7.55	
MSCI ACWI	10.76	-11.83	-4.43	-12.78	5.03	4.94	7.52	7.47	

## FUNDAMENTALS (APR 30, 2020)

Div Yld (%)	P/E	P/E Fwd	P/BV
3.37	12.75	14.44	1.10
2.37	17.51	17.47	2.25
2.42	16.89	16.62	2.12

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

	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>			Since Dec 31, 1987	MAXIMUM DRAWDOWN	
		3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr		(%)	Period YYYY-MM-DD
MSCI Hong Kong	2.99	16.98	17.34	17.85	0.07	0.10	0.42	na	63.03	2007-10-29–2008-10-27
MSCI World	2.45	16.04	14.34	14.22	0.30	0.36	0.58	na	33.99	2020-02-12–2020-03-23
MSCI ACWI	3.38	16.05	14.41	14.37	0.27	0.32	0.53	0.33	33.69	2020-02-12–2020-03-23

<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 Hong Kong Index was launched on Mar 31, 1986. 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

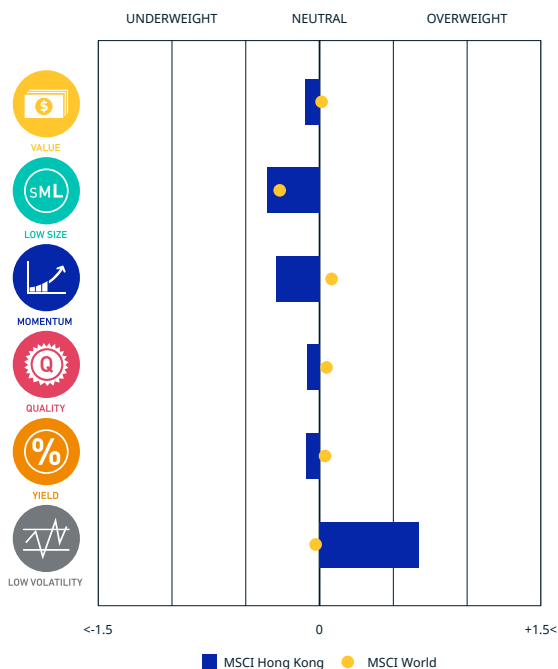
MSCI Hong Kong	
Number of Constituents	43
Mkt Cap (USD Millions)	
Index	457,013.96
Largest	112,196.85
Smallest	1,166.04
Average	10,628.23
Median	5,924.96

### TOP 10 CONSTITUENTS

	Float Adj Mkt Cap (USD Billions)	Index Wt. (%)	Sector
AIA GROUP	112.20	24.55	Financials
HONGKONG EXCH & CLEARING	38.95	8.52	Financials
SUN HUNG KAI PROPERTIES	21.87	4.79	Real Estate
CK HUTCHISON HOLDINGS	19.99	4.37	Industrials
LINK REIT	18.82	4.12	Real Estate
HONGKONG CHINA GAS	18.16	3.97	Utilities
CLP HOLDINGS	17.54	3.84	Utilities
CK ASSET HOLDINGS	16.34	3.58	Real Estate
GALAXY ENTERTAINMENT GRP	14.10	3.08	Cons Discr
HANG SENG BANK	13.47	2.95	Financials
Total	291.43	63.77	

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

#### MSCI FACTOR BOX



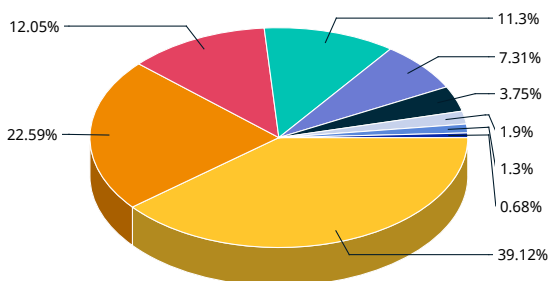
#### MSCI FaCS

- 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



- Financials 39.12%
- Real Estate 22.59%
- Industrials 12.05%
- Utilities 11.3%
- Consumer Discretionary 7.31%
- Consumer Staples 3.75%
- Communication Services 1.9%
- Health Care 1.3%
- Information Technology 0.68%

## 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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