

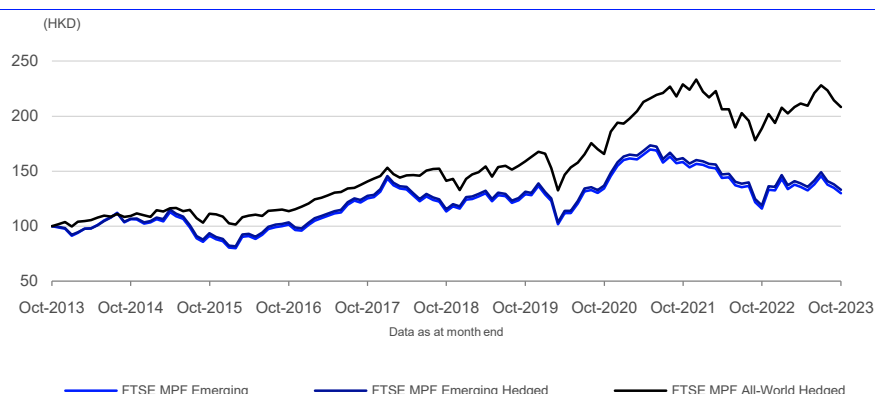
# FTSE MPF Emerging Index

Data as at: 31 October 2023

The FTSE Mandatory Provident Fund (MPF) Index Series was launched in 2001 by FTSE Russell in collaboration with Willis Towers Watson (WTW) and Hong Kong Investment Funds Association (HKIFA). The MPF Index Series is based on the FTSE All-World Index Series and provides a range of country and regional indexes, with both unhedged and hedged indexes to provide choices for investors. The series provides the most precise benchmarks for the Hong Kong market by accurately reflecting regulatory requirements, permitted investment markets and asset classes as well as accounting for any dividend withholding tax rates and investment restrictions applied to the MPF system.

The FTSE MPF Emerging Index consists of eligible large cap and mid cap emerging market companies in the FTSE MPF All-World Index which are listed on the stock exchanges approved by the Mandatory Provident Fund Schemes Authority (MPFA). Both unhedged and hedged indexes in price return and total return are available for this index.

## 10-Year Performance - Total Return



## Performance and Volatility - Total Return

Index (HKD)	Return %						Return pa %*		Volatility %**		
	3M	6M	YTD	12M	3YR	5YR	3YR	5YR	1YR	3YR	5YR
FTSE MPF Emerging	-10.9	-4.3	-2.0	12.1	-3.4	14.5	-1.1	2.7	14.7	16.6	18.8
FTSE MPF Emerging Hedged	-10.8	-4.2	-2.0	11.9	-2.8	15.3	-1.0	2.9	14.5	16.5	18.6
FTSE MPF All-World Hedged	-8.7	-1.5	7.5	10.3	25.6	47.3	7.9	8.1	12.2	15.0	17.4

\* Compound annual returns measured over 3 and 5 years respectively

\*\* Volatility – 1YR based on 12 months daily data. 3YR based on weekly data (Wednesday to Wednesday). 5YR based on monthly data

## Year-on-Year Performance - Total Return

Index % (HKD)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
FTSE MPF Emerging	-2.2	4.6	-15.4	11.1	36.8	-11.7	17.7	13.4	1.2	-15.5
FTSE MPF Emerging Hedged	-0.6	5.4	-14.6	10.9	36.3	-11.7	17.7	13.9	1.1	-15.2
FTSE MPF All-World Hedged	24.8	5.9	-0.9	8.4	23.6	-8.8	26.3	15.6	20.3	-17.0

## FEATURES

### Objective

The index has been designed for the creation of index tracker funds and ETFs, and as a tool to enable performance comparisons with the many MPF funds currently available in Hong Kong.

### Investability

Stocks in the underlying universe are screened for liquidity and are free float adjusted to ensure the index is tradable.

### Tax adjusted

The total return indexes are calculated using the actual withholding tax rates applicable to MPF funds. The tax rates are available from FTSE Russell.

### Capping

The indexes are subject to a 9 per cent limit on the size of constituents included in an index on a monthly basis.

### Eligible Securities

The indexes only include eligible securities listed on stock exchanges approved by the MPFA. Securities which are not fully permissible under the MPFA Guidelines, such as Stapled securities, REITs which are not approved by MPFA, Unit Trusts, Receipts or Certificates with unlisted underlying shares etc., are not eligible for inclusion.

### Currency Hedging

The MPF regulations stipulate that at least 30 per cent of a fund's exposure must be to Hong Kong dollar risk assets. The index will hedge non-Hong Kong dollar currency exposure in excess of 65 per cent to ensure they stay well within the regulations. An unhedged index is also available.

Return/Risk Ratio and Drawdown - Total Return

Index (HKD)	Return/Risk Ratio				Drawdown (%)			
	1YR	3YR	5YR	10YR	1YR	3YR	5YR	10YR
FTSE MPF Emerging	0.8	-0.1	0.1	0.2	-11.4	-34.0	-34.2	-37.2
FTSE MPF Emerging Hedged	0.8	-0.1	0.2	0.2	-11.3	-33.7	-34.0	-37.0
FTSE MPF All-World Hedged	0.8	0.4	0.5	0.5	-9.8	-24.4	-33.1	-33.1

Return/Risk Ratio – based on compound annual returns and volatility in Performance and Volatility table  
Drawdown - based on daily data

Top 10 Constituents

Constituent	Country	ICB Industry	Net MCap (HKDm)	Wgt %
Taiwan Semiconductor Manufacturing	Taiwan	Technology	3,062,842	7.71
Tencent Holdings (P Chip)	China	Technology	1,805,853	4.54
Alibaba Group Holding (P Chip)	China	Consumer Discretionary	1,360,030	3.42
Reliance Industries	India	Energy	722,379	1.82
Meituan Dianping (P Chip)	China	Technology	591,284	1.49
HDFC Bank	India	Financials	531,972	1.34
Infosys	India	Technology	450,543	1.13
China Construction Bank (H)	China	Financials	414,475	1.04
Vale SA	Brazil	Basic Materials	405,878	1.02
Tata Consultancy Services	India	Technology	323,068	0.81
Totals			9,668,323	24.33

Country Breakdown

Country	No. of Cons	Net MCap (HKDm)	Wgt %
Brazil	77	2,849,565	7.17
China	1217	14,211,943	35.76
Greece	25	263,746	0.66
India	210	9,014,762	22.69
Indonesia	40	1,016,065	2.56
Malaysia	39	855,971	2.15
Mexico	30	1,069,349	2.69
Philippines	26	355,659	0.90
South Africa	39	1,528,740	3.85
Taiwan	109	7,489,969	18.85
Thailand	49	1,081,480	2.72
Totals	1861	39,737,249	100.00

ICB Industry Breakdown

ICB Code	ICB Industry	No. of Cons	Net MCap (HKDm)	Wgt %
10	Technology	207	9,845,967	24.78
15	Telecommunications	62	1,465,931	3.69
20	Health Care	164	1,696,955	4.27
30	Financials	251	8,188,392	20.61
35	Real Estate	74	671,251	1.69
40	Consumer Discretionary	248	5,560,420	13.99
45	Consumer Staples	146	2,610,979	6.57
50	Industrials	310	3,312,146	8.34
55	Basic Materials	204	2,481,193	6.24
60	Energy	89	2,632,763	6.63
65	Utilities	106	1,271,253	3.20
Totals		1861	39,737,249	100.00

INFORMATION

Index Universe

FTSE MPF All-World Index

Index Launch

9 October 2020

Base Date

30 December 2008

Base Value

1000

Index Calculation

End-of-Day indexes available

End-of-Day Distribution

The Index is available on the next day at 11:00 Hong Kong local time (03:00 London Time) via FTP and email

Currency

HKD, USD

Review Dates

Semi-annually in March and September

Index Characteristics

Attributes	FTSE MPF Emerging
Number of constituents	1861
Net MCap (HKDm)	39,737,249
Dividend Yield %	2.86
Constituent Sizes (Net MCap HKDm)	
Average	21,353
Largest	3,062,842
Smallest	158
Median	4,664
Weight of Largest Constituent (%)	7.71
Top 10 Holdings (% Index MCap)	24.33

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