

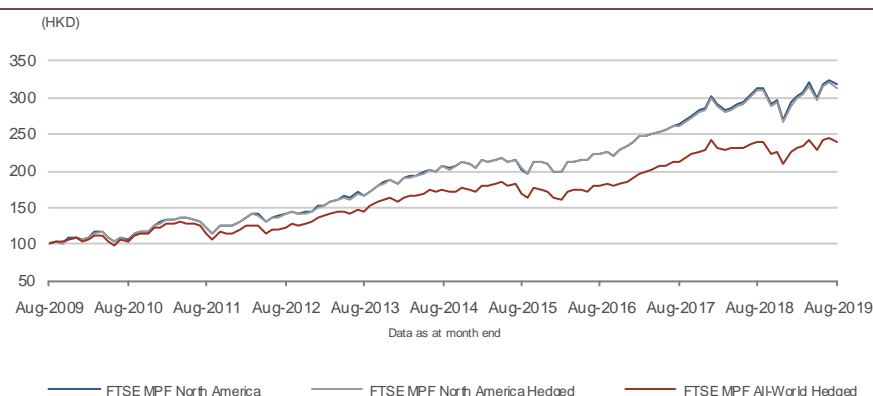
# FTSE MPF North America Index

Data as at: 30 August 2019

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 North America Index consists of eligible U.S. and Canadian large and mid cap companies 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 North America	6.4	5.2	17.8	1.6	41.6	53.8	12.3	9.0	16.2	11.8	12.0
FTSE MPF North America Hedged	6.3	5.1	17.5	1.4	40.1	52.5	11.9	8.8	16.2	11.8	12.0
FTSE MPF All-World Hedged	4.3	2.9	13.9	-0.4	32.2	36.1	9.7	6.4	12.2	10.5	11.4

\* 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)	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
FTSE MPF North America	28.2	15.1	-0.4	14.7	30.8	11.6	-1.2	12.0	22.5	-5.5
FTSE MPF North America Hedged	27.5	14.7	-0.4	14.7	30.9	11.8	-0.8	11.8	21.6	-5.7
FTSE MPF All-World Hedged	32.3	11.7	-6.8	16.0	24.8	5.9	-0.9	8.4	23.6	-8.8

## 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 authorised by Hong Kong's Securities and Futures Commission (SFC), 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 FTSE MPF North America index will hedge non-Hong Kong dollar currency exposure in the indexes 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 North America	0.1	1.0	0.7	1.0	-19.9	-19.9	-19.9	-19.9
FTSE MPF North America Hedged	0.1	1.0	0.7	1.0	-19.8	-19.8	-19.8	-19.8
FTSE MPF All-World Hedged	-0.1	0.9	0.6	0.7	-17.0	-18.4	-18.6	-21.7

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 %
Microsoft Corp	USA	Technology	8,162,044	4.05
Apple Inc.	USA	Technology	7,521,504	3.73
Amazon.Com	USA	Consumer Services	5,750,555	2.85
Facebook Class A	USA	Technology	3,473,227	1.72
Alphabet Class C	USA	Technology	2,826,615	1.40
Alphabet Class A	USA	Technology	2,790,200	1.38
JPMorgan Chase & Co	USA	Financials	2,773,589	1.38
Johnson & Johnson	USA	Health Care	2,669,050	1.32
Visa	USA	Financials	2,462,276	1.22
Procter & Gamble	USA	Consumer Goods	2,326,219	1.15
<b>Totals</b>			<b>40,755,279</b>	<b>20.23</b>

## Country Breakdown

Country	No. of Cons	Net MCap (HKDm)	Wgt %
Canada	56	10,020,263	4.97
USA	578	191,488,731	95.03
<b>Totals</b>	<b>634</b>	<b>201,508,995</b>	<b>100.00</b>

## ICB Industry Breakdown

ICB Code	ICB Industry	No. of Cons	Net MCap (HKDm)	Wgt %
0001	Oil & Gas	43	10,483,209	5.20
1000	Basic Materials	30	4,911,204	2.44
2000	Industrials	104	25,724,907	12.77
3000	Consumer Goods	75	16,500,976	8.19
4000	Health Care	59	24,738,529	12.28
5000	Consumer Services	97	28,592,192	14.19
6000	Telecommunications	8	4,523,845	2.24
7000	Utilities	34	6,968,919	3.46
8000	Financials	111	34,244,615	16.99
9000	Technology	73	44,820,600	22.24
<b>Totals</b>		<b>634</b>	<b>201,508,995</b>	<b>100.00</b>

## Index Characteristics

Attributes	FTSE MPF North America
Number of constituents	634
Net MCap (HKDm)	201,508,995
Dividend Yield %	1.40
Constituent Sizes (Net MCap HKDm)	
Average	317,838
Largest	8,162,044
Smallest	10,372
Median	130,942
Weight of Largest Constituent (%)	4.05
Top 10 Holdings (% Index MCap)	20.23

## INFORMATION

## Index Universe

FTSE MPF All-World Index

## Index Launch

1 January 2005

## Base Date

30 November 2000

## Base Value

5000

## 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

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Data definitions available from  
[info@ftserussell.com](mailto:info@ftserussell.com)

To learn more, visit [www.ftserussell.com](http://www.ftserussell.com);  
 email [info@ftserussell.com](mailto:info@ftserussell.com); or  
 call your regional Client Services Team office:

#### EMEA

+44 (0) 20 7866 1810

#### North America

+1 877 503 6437

#### Asia-Pacific

Hong Kong +852 2164 3333

Tokyo +81 3 4563 6346

Sydney +61 (0) 2 8823 3521