

HIGHLIGHTS

- TR/HKEX RXY Global CNH index moved to 95.20 with a 0.02% decrease while People's Bank of China (PBOC) USD/CNY Fixing moved to 6.6805 with a 0.07% decrease during the last week.
- The largest contributor to the performance of the TR/HKEX RXY Global CNH Index was JPY, which appreciated 5.23 per cent during the same period of time.
- PBOC data showed that China's foreign exchange reserves rose USD13.4 billion in June to USD3.21 trillion, recovering from a five-year low in May 2016 and beating market expectation of a further fall of around USD20 billion. This is also the biggest rise in 14 months.

Weekly Return/Risk Statistics

Indices	Return			Risk				
	2016/7/11 - 2016/7/15 (Week)	2016/7/4 - 2016/7/8 (Week)	Chg	30-Day Realized Volatility (as of 2016/7/15)	30-Day Realized Volatility (as of 2016/7/8)	Chg	Correlation with China Foreign Exchange Trade System (CFETS) RMB Index	Beta ⁽¹⁾ vs CFETS RMB Index
TR/HKEX RXY Global CNH (RXYH)	-0.02%	-0.30%	↑	3.11%	3.03%	↑	0.98	0.64
TR/HKEX RXY Global CNY (RXYC)	0.23%	-0.52%	↑	3.21%	3.26%	↓	0.99	0.63
TR/HKEX RXY Reference CNH (RXYRH)	-0.07%	-0.34%	↑	3.56%	3.86%	↓	0.98	0.63
TR/HKEX RXY Reference CNY (RXYRY)	0.29%	-0.48%	↑	2.96%	2.55%	↑	0.99	0.64

KEY DATA

Fig 1: Performance: TR/HKEX RXY Global CNH vs CFETS RMB Index vs USD/CNH

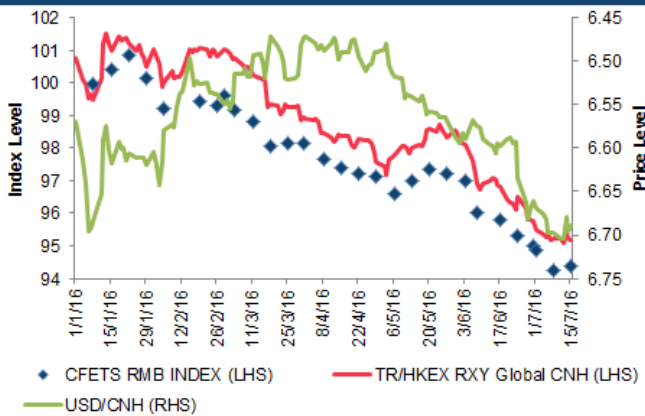


Fig 2: Weekly Performance Contribution Breakdown⁽²⁾: TR/HKEX RXY Global CNH

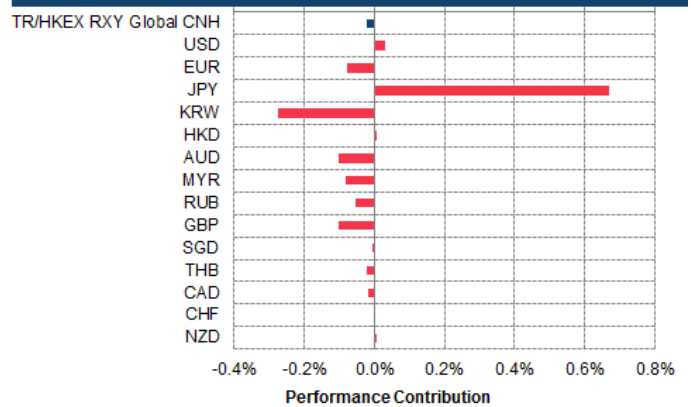


Fig 3: 30-Day Realized Volatility of TR/HKEX RXY Reference CNY and PBOC USD/CNY Fixing

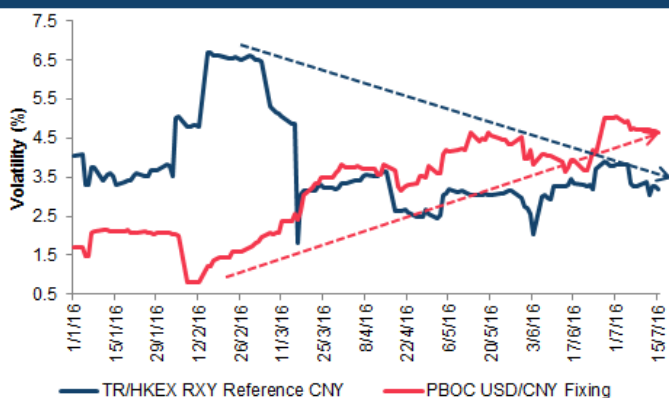
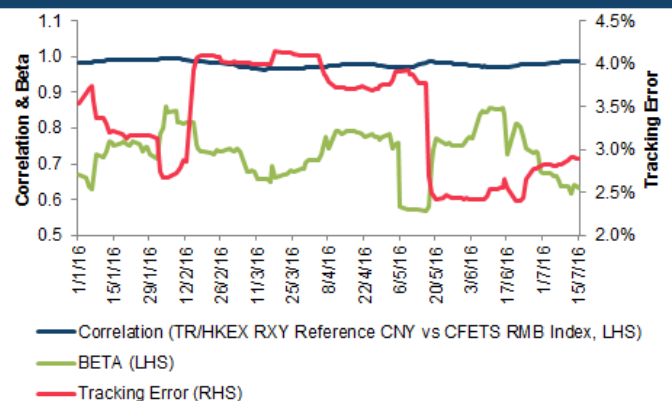


Fig 4: Correlation, Beta and Tracking Error⁽³⁾: TR/HKEX RXY Reference CNY vs CFETS RMB Index



Definitions:

- (1) Beta is a measure of currency index sensitivity to a benchmark. We calculate beta by comparing currency index excess return over Shanghai Interbank Offered Rate (SHIBOR) to CFETS RMB index excess return over SHIBOR based on the prior 3 month daily data. Beta of 0.66 shows that the currency index performs 33% worse than the benchmark index in up markets for the benchmark index and 33% better in down markets for the benchmark index, assuming all other factors remain constant.
- (2) Contribution (weighted return) of each constituent to RXYH performance. For the constituent weights, please refer to information on page 2
- (3) Tracking error is a measure of volatility of the difference in returns between a currency index and its benchmark. We calculate tracking error as a standard deviation of the returns differences of the currency index and the CFETS RMB index based on the prior 3 month daily data.

TR/HKEX RMB CURRENCY INDICES (RXY)

PRODUCT HIGHLIGHTS

- The RXY indices offer independent, transparent and timely benchmarks for RMB against Mainland China's most important trade partners' currencies.
- The indices are calculated based on WM/Reuters foreign exchange rates (WM/Reuters FX Rates) and managed in accordance with the IOSCO (International Organisation of Securities Commissions) principles for financial benchmarks.
- The RXY indices are designed to be the basis for investment and trading products such as futures, options and exchange traded funds.

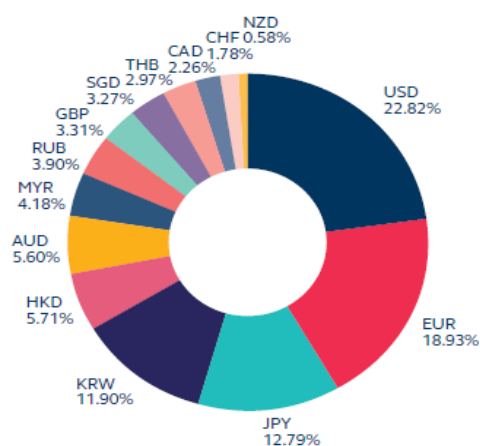
METHODOLOGY

Calculation Method:	Geometric Average
Weighting Method:	Bilateral trade weighted with adjustment for Hong Kong re-exports
Trade Data Source:	UN Comtrade, Hong Kong Census and Statistics Department
Weighting Rebalance:	Annual review. Announcement in June, Implementation first business day of Q4
Calculation Frequency:	Hourly
FX Rate Data Source:	WM/Reuters FX Rates
Base Date:	100 as of 31 December 2014

For more details, a complete methodology document is available at: financial.thomsonreuters.com/fxindices

PRIMARY INDEX: TR/HKEX RXY GLOBAL CNH CURRENCY INDEX

Index Weights: Valid Until 30 September 2016



Index Weights

Currency	RXY Global Currency Indices	RXY Reference Currency Indices	CFETS RMB Index
USD	22.81%	25.89%	26.40%
EUR	18.93%	21.49%	21.39%
JPY	12.79%	14.52%	14.68%
KRW	11.90%	0.00%	0.00%
HKD	5.71%	6.48%	6.55%
AUD	5.60%	6.36%	6.27%
MYR	4.18%	4.74%	4.67%
RUB	3.90%	4.43%	4.36%
GBP	3.31%	3.75%	3.86%
SGD	3.27%	3.71%	3.82%
THB	2.97%	3.38%	3.33%
CAD	2.26%	2.57%	2.53%
CHF	1.78%	2.02%	1.51%
NZD	0.58%	0.66%	0.65%

For more information about RXY Indices,

please visit: <http://www.hkex.com.hk/eng/prod/drprod/rmb/rxy.htm>

If you have any questions, please contact us at:

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