

The **MSCI Taiwan 25/50 Index** is designed to measure the performance of the large and mid-cap segments of the Taiwanese market. It applies certain investment limits that are imposed on regulated investment companies, or RICs, under the current US Internal Revenue Code. With 87 constituents, the index covers approximately 85% of the free float-adjusted market capitalisation in Taiwan.

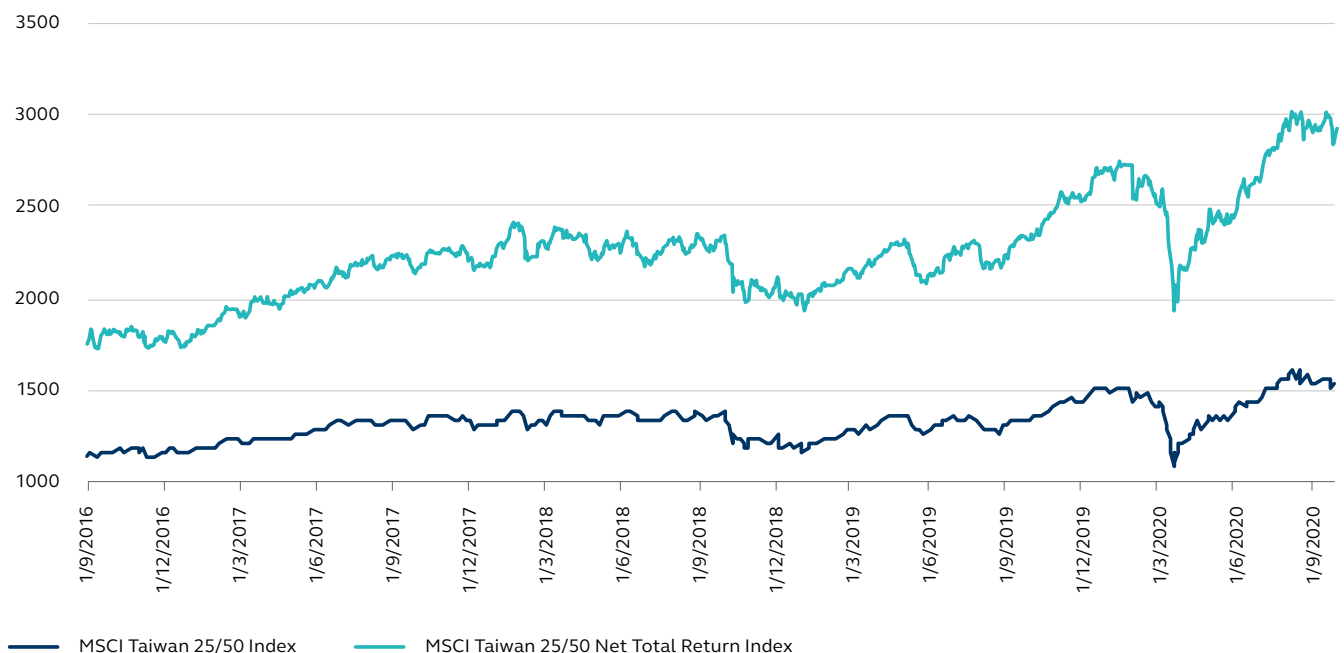
The **MSCI Taiwan 25/50 Net Total Return Index** captures Taiwanese market performance in a net total return form (i.e. reinvestment of net dividend payout into the index portfolio) denominated in USD.

CFTC Certified

Features

The introduction of the MSCI Taiwan 25/50 (USD) Index Futures and the MSCI Taiwan 25/50 Net Total Return (USD) Index Futures provides a tool for investors to trade and hedge their exposure in the equity market of Taiwan based on an international benchmark. The futures contracts are USD-denominated and can be traded both in Asian time zone (day trading session) and Europe/US time zone (after-hours trading session).

Index Performance (September 2016 – September 2020)*



*Source: Bloomberg, as at 30 September 2020

Top 10 Constituents^{^#}

Stock	Sector	Float Adjusted Market Capitalisation (USD Billions)	Index Weight
Taiwan Semiconductor	Information Technology	188.12	23.33%
Hon Hai Precision	Information Technology	37.20	4.61%
Mediatek	Information Technology	35.69	4.43%
Chunghwa Telecom	Communication Services	15.99	1.98%
Delta Electronics	Information Technology	15.54	1.93%
United Microelectronics	Information Technology	14.47	1.79%
Largan Precision	Information Technology	13.46	1.67%
CTBC Financial Holding	Financials	13.26	1.64%
Formosa Plastic	Materials	12.85	1.59%
Cathay Financial Holding	Financials	12.75	1.58%
Total		359.34	44.56%

[^]Source: MSCI, as of 30 September 2020

[#]The constituent list and vendor codes can be found on the MSCI websites <https://www.msci.com/constituents> and <https://www.msci.com/ticker-codes> respectively.

Information Vendor Access Code

Index

	Bloomberg L.P.	Refinitiv
MSCI Taiwan 25/50 Index	MXTW25P Index	.MITW00002PTW
MSCI Taiwan 25/50 Net Total Return Index	M1CXBICR Index	.MITW00002NUS

Futures

	AAStocks	ACTIV Financial	Bloomberg L.P.	Colt Tech	East Money
MSCI Taiwan 25/50 (USD) Index Futures	221715	TWP/<yy><m>.HF (Note 1)	HRCA Index	TWPmy	TWP
MSCI Taiwan 25/50 Net Total Return (USD) Index Futures	221720	TWN/<yy><m>.HF (Note 1)	HRDA Index	TWNmy	TWN

	ESunny	Infocast Limited	N2N-AFE (Hong Kong) Limited	Refinitiv	Shanghai DZH	Telequote
MSCI Taiwan 25/50 (USD) Index Futures	TWP	TWP	870976	0#HTWP:	TWP	TWPmy
MSCI Taiwan 25/50 Net Total Return (USD) Index Futures	TWN	TWN	870977	0#HTWN:	TWN	TWNmy

Note 1: <yy>=year number, <m>=month code



MSCI Taiwan 25/50 (USD) Index Futures Contract Specifications

Items	Key Contract Terms
Underlying Index	MSCI Taiwan 25/50 Index
HKATS Code	TWP
Trading Currency	USD
Index Currency	TWD
Contract Multiplier	USD 50 per index point
Minimum Fluctuations	0.10 Index point
Contract Months	Spot month, the next calendar month and the next four calendar quarter months (i.e. quarterly months are March, June, September and December)
Holiday Trading	This contract can be traded on Hong Kong public holidays (except for the holiday of New Year's Day)
Pre-Market Opening Period (Hong Kong Time)	8:30 a.m. – 8:45 a.m.
Trading Hours (Hong Kong Time)	8:45 a.m. – 1:45 p.m. (day trading session) 2:30 p.m. – 3:00 a.m. (after-hours trading session) (Expiring contract months closes at 1:45 p.m. on the last trading day)
Last Trading Day	The second last trading day of the contract month. If the last trading day falls on a Taiwan public holiday, the last trading day will be the preceding trading day which is also a business day in Taiwan
Exchange Fee	USD 1.0 per contract per side
Cash Settlement Fee	USD 1.0 per contract per side on final settlement
Commission Levy [^]	USD 0.07 per contract
Position Limit	13,000 net contracts long or short for all contract months combined
Large Open Position	500 open contracts, in any one contract month
Block Trade Minimum Volume Threshold	50 Contracts
CFTC	Certified

[^]The USD equivalent of HKD 0.54 per contract at the exchange rate determined by the HKFE from time to time



MSCI Taiwan 25/50 Net Total Return (USD) Index Futures Contract Specifications

Items	Key Contract Terms
Underlying Index	MSCI Taiwan 25/50 Net Total Return Index
HKATS Code	TWN
Trading Currency	USD
Index Currency	USD
Contract Multiplier	USD 10 per index point
Minimum Fluctuations	0.01 Index point
Contract Months	Spot month, the next calendar month and the next four calendar quarter months (i.e. quarterly months are March, June, September and December)
Holiday Trading	This contract can be traded on Hong Kong public holidays (except for the holiday of New Year's Day)
Pre-Market Opening Period (Hong Kong Time)	8:30 a.m. – 8:45 a.m.
Trading Hours (Hong Kong Time)	8:45 a.m. – 4:30 p.m. (day trading session) 5:15 p.m. – 3:00 a.m. (after-hours trading session) (Expiring contract months closes at 4:30 p.m. on the last trading day)
Last Trading Day	The third Friday of the contract month and if it is not a trading day, the last trading day shall be the preceding trading day
Exchange Fee	USD 0.6 per contract per side
Cash Settlement Fee	USD 0.6 per contract per side on final settlement
Commission Levy [^]	USD 0.07 per contract
Position Limit	29,000 net contracts long or short for all contract months combined
Large Open Position	500 open contracts, in any one contract month
Block Trade Minimum Volume Threshold	25 Contracts
CFTC	Certified

[^]The USD equivalent of HKD 0.54 per contract at the exchange rate determined by the HKFE from time to time



***Index Methodology**

1. The MSCI 25/50 Indexes are designed to serve as benchmarks for Regulated Investment Company (RIC) compliant funds in the United States. The two key requirements that RICs need to meet at the end of each quarter of a tax year are:
 - (i) No more than 25% of the value of the fund's assets may be invested in a single issuer;
 - (ii) The sum of the weights of all issuers representing more than 5% of the fund should not exceed 50% of the fund's total assets.
2. The MSCI 25/50 Indexes are constructed by applying the weight constraints set forth to the non-constrained, freefloat adjusted market capitalization weighted MSCI Equity Indexes ("Parent Indexes").
3. The MSCI 25/50 Index has the following constraints:
 - (i) No single issuer exceeds 25% of the index weight.
 - (ii) Sum of all the issuers with weights above 5% does not exceed 50% of the index weight.
4. Minimizing the tracking error between the MSCI 25/50 Indexes and the Parent Indexes, while keeping index turnover to a reasonable level is an important. This is achieved by rebalancing the MSCI 25/50 Indexes using an optimization process that aims to minimize the constituent weight differences between the MSCI 25/50 Indexes and the Parent Indexes.
5. The MSCI 25/50 Indexes aim to comply with the 25/50 constraints through the quarterly index reviews at the end of February, May, August and November.

Source: MSCI, as at 30 June 2020

HKEX Disclaimer

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Hong Kong Exchanges and Clearing Limited 8/F, Two Exchange Square, 8 Connaught Place, Central, Hong Kong
info@hkex.com.hk (t) +852 2522 1122 | (f) +852 2295 3106 hkexgroup.com | hkex.com.hk

