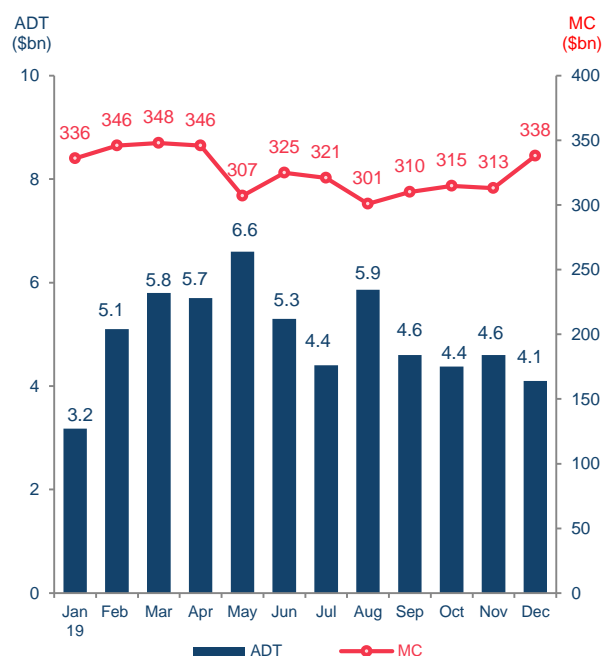


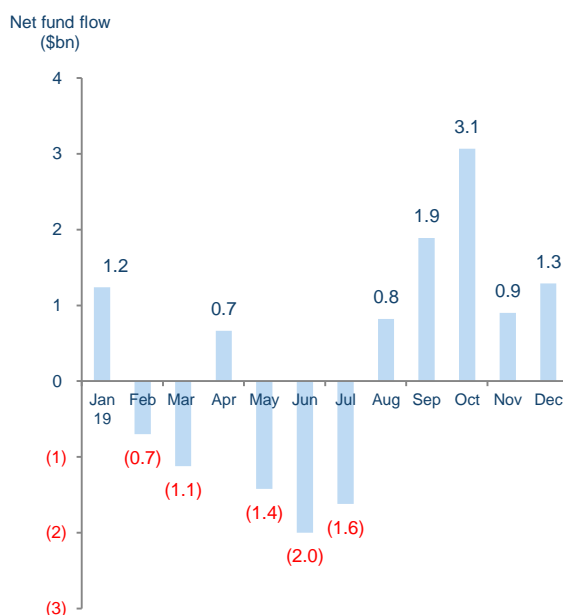
MONTHLY HIGHLIGHTS

- Average daily turnover of ETFs and L&I Products in December 2019 was \$4.1 billion, down 9% from November 2019.
- Market capitalisation of ETFs and L&I Products at the end of December 2019 was \$338 billion, up 8% from November 2019.

Average Daily Turnover (ADT) & Market Capitalisation (MC)

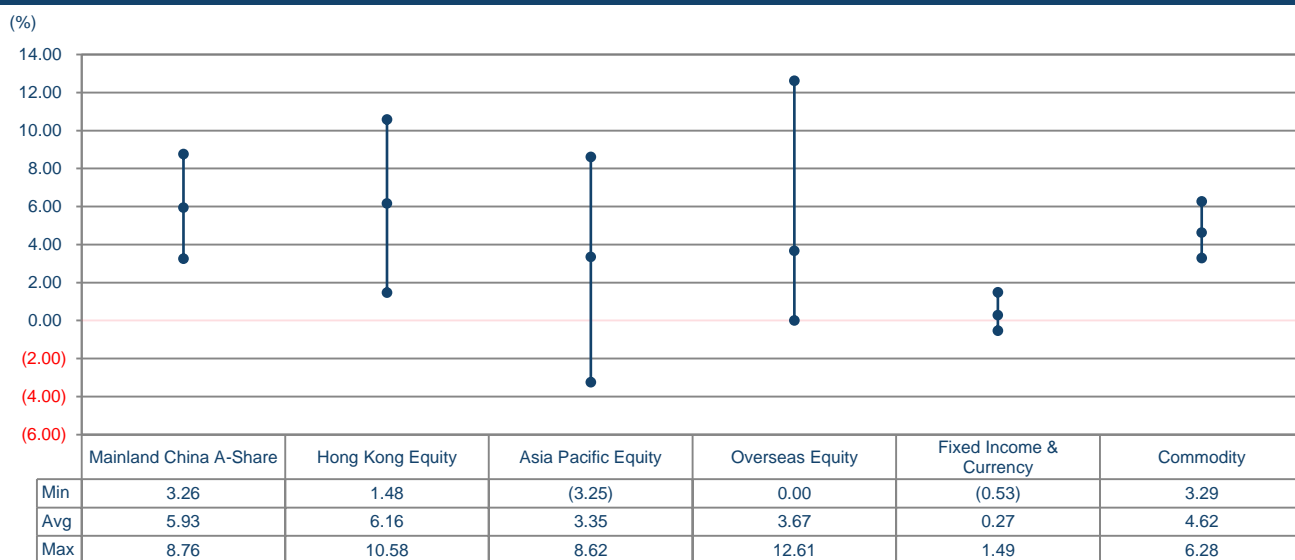


Monthly Net Fund Flow of ETFs and L&I Products Tracking the Hang Seng Index



ASSET CLASS COMPARISON

ETF Price Return for the month of December 2019 (By Asset Class)



- Hong Kong Equity ETFs achieved the best investment returns on average as the city's benchmark Hang Seng Index climbed more than 7% in December and was among the best performing major indexes globally. In particular, an ETF investing in the property sectors of Hong Kong and Mainland China ranked top in the category.
- On the contrary, two ETFs investing in Vietnamese equities were the biggest laggards as the Vietnam market retreated during the month.

ETFs OF THE MONTH The three best-performing ETFs in December 2019

1 Xtrackers MSCI Brazil UCITS ETF (3048)

Investment objective

The ETF aims to reflect the performance of the MSCI Total Return Net Brazil Index, which tracks the performance of the large and mid cap segments of the Brazilian market and covers about 85% of the Brazilian equity universe.

Key information

Issuer	DWS Investment S.A.
Fund size as of end-Dec	US\$7.93M (fund total)
Listing Date	24 Feb 2010
Benchmark	MSCI Total Return Net Brazil Index
Trading currency	HKD
NAV as of end-Dec	HK\$44.90
Closing price as of end-Dec	HK\$44.65
Lot size	50
Ongoing charges figure	0.65%

2 Lippo Select HK & Mainland Property ETF (2824)

Investment objective

The ETF aims to track the Lippo Select HK & Mainland Property Index by investing in a basket of Hong Kong and Mainland China property stocks including property developers, property investors as well as REITs.

Key information

Issuer	Lippo Investments Management Limited
Fund size as of end-Dec	HK\$156.50M
Listing Date	26 Sep 2012
Benchmark	Lippo Select HK & Mainland Property Index
Trading currency	HKD
NAV as of end-Dec	HK\$88.17
Closing price as of end-Dec	HK\$88.85
Lot size	100
Ongoing charges figure	0.68%

3 Ping An MSCI China Quality Factor ETF (3166)

Investment objective

The ETF tracks the MSCI China Quality Index, which aims to capture the performance of quality growth stocks based on three main fundamental variables: high return on equity (ROE), stable year-over-year earnings growth and low financial leverage.

Key information

Issuer	Ping An of China Asset Management (Hong Kong) Company Limited
Fund size as of end-Dec	HK\$32.81M
Listing Date	30 Nov 2018
Benchmark	MSCI China Quality Index
Trading currency	HKD
NAV as of end-Dec	HK\$36.45
Closing price as of end-Dec	HK\$35.40
Lot size	100
Ongoing charges figure	1.09%

ETF PERFORMANCE

10 Best Performing ETFs in December 2019			
	Stock Code	Name	Monthly Return (%)
1	3048	Xtrackers MSCI Brazil UCITS ETF	12.61
2	2824	Lippo Select HK & Mainland Property ETF	10.58
3	3166	Ping An MSCI China Quality Factor ETF	8.76
4	2828	Hang Seng China Enterprises Index ETF	8.72
5	2848	Xtrackers MSCI Korea UCITS ETF	8.62
6	2838	Hang Seng FTSE China 50 Index ETF	8.51
7	3007	Xtrackers FTSE China 50 UCITS ETF	8.41
8	3027	Xtrackers MSCI Russia Capped Swap UCITS ETF	8.27
9	3055	Xtrackers MSCI China UCITS ETF	8.25
10	3163	Ping An MSCI China Multi-Factor ETF	8.17

10 Worst Performing ETFs in December 2019			
	Stock Code	Name	Monthly Return (%)
1	2804	Premia MSCI Vietnam ETF	-3.25
2	3087	Xtrackers FTSE Vietnam Swap UCITS ETF	-2.85
3	3122	CSOP RMB Money Market ETF	-0.53
4	3077	Premia US Treasury Floating Rate ETF	-0.44
5	3011	ICBC CICC USD Money Market ETF	-0.40
6	3092	Xtrackers MSCI Thailand UCITS ETF	-0.38
7	3126	Vanguard FTSE Japan Index ETF	-0.38
8	3096	CSOP US Dollar Money Market ETF	-0.32
9	3080	Ping An of China CSI 5-10Y CGB ETF	-0.16
10	2847	iShares FTSE 100 Index ETF	0.00

L&I PRODUCT PERFORMANCE

3 Best Single-Day Returns in L&I Products in December 2019				
	Stock Code	Name	Date	Single-Day % Change
1	7242	E Fund Yuanta HSI Daily (2x) Leveraged Product	13/12/2019	5.26%
2	7200	CSOP HSI Daily (2x) Leveraged Product	13/12/2019	5.12%
3	7231	Global X HSI Daily (2x) Leveraged Product	13/12/2019	5.10%

3 Worst Single-Day Returns in L&I Products in December 2019				
	Stock Code	Name	Date	Single-Day % Change
1	7500	CSOP HSI Daily (-2x) Inverse Product	13/12/2019	-5.27%
2	7588	CSOP HSCEI Daily (-2x) Inverse Product	13/12/2019	-4.16%
3	7588	CSOP HSCEI Daily (-2x) Inverse Product	17/12/2019	-3.04%

What are L&I Products?

Leveraged and Inverse Products (L&I Products) are structured like ETFs. A Leveraged Product amplifies the daily return of an index (by two times at max. in Hong Kong) while an Inverse Product delivers the opposite return of its benchmark on a daily basis.

L&I Products are constructed with derivatives, typically swaps or futures.

As L&I Products are tailored for day trading, their returns may deviate from the stated product objective if the holding period is longer than one day.

Number of ETFs / L&I Products, ADT & MC in December 2019

Product Type	Underlying Market	Number of Products	ADT			MC		
			\$m	Market Share (%)	% Change	\$m	Market Share (%)	% Change
ETF	Mainland China A-Share	23	1,366	33.0	-6	65,554	19.4	14
	Hong Kong Equity	17	2,171	52.5	0	183,288	54.3	9
	Asia Pacific Equity	25	9	0.2	-39	12,952	3.8	3
	Overseas Equity	21	14	0.3	-41	28,257	8.4	6
	Fixed Income & Currency	13	8	0.2	-48	38,955	11.5	2
	Commodity	5	37	0.9	-32	1,249	0.4	-5
	ETF Total	104	3,606	87.2	-4	330,255	97.8	8
L&I Product	Hong Kong Equity	19	523	12.6	-35	6,944	2.1	-6
	Overseas Equity	5	8	0.2	-18	599	0.2	-5
	L&I Total	24	531	12.8	-35	7,543	2.2	-6
Total		128	4,137	100	-9	337,798	100	8

Note 1: Financial figures are expressed in Hong Kong dollars. L&I stands for Leveraged and Inverse.

Note 2: ETF and L&I Product Market Perspective covers ETFs and L&I Products listed and traded on HKEX's securities market. Multiple counters of an ETF / L&I Product are counted as one ETF / L&I Product. Market capitalisation statistics exclude SPDR Gold Trust. Performance statistics cover listed and traded ETFs only and are based on the closing prices. For ETFs with multiple counters, only the performance of the Hong Kong dollar counter is included. All data are as of month end.

Note 3: Past performance is not an indicator for future performance.

Note 4: Due to rounding, numbers presented in this document may not add up precisely to the totals provided.

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