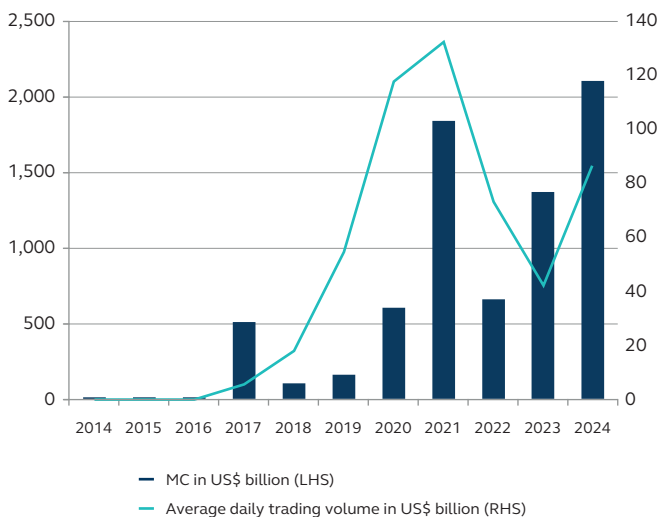


The rise of virtual assets is transforming the investment landscape, and ETFs are gaining popularity as an investment vehicle for accessing these assets. This virtual asset ETF factsheet provides the essentials for investors looking to diversify their portfolios with this emerging asset class.

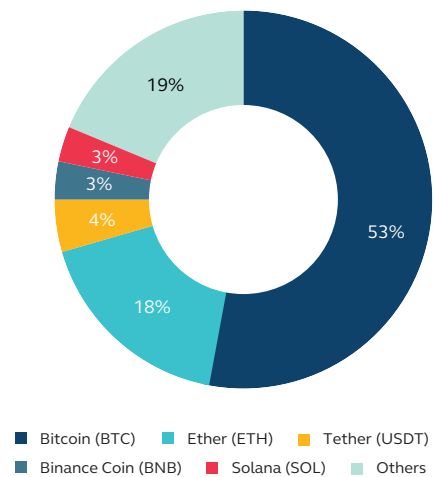
The rise of virtual assets

In under a decade, the virtual asset market, dominated by cryptocurrencies, has grown to US\$2.5 trillion¹ globally. The number of cryptocurrencies has also surged, from just seven in April 2013 to more than 13,000 in March 2024², accompanied by a significant growth in trading value.

Market capitalisation (MC) of virtual assets, 2014-2024³



Cryptocurrency market share by MC, 2024⁴



Navigating virtual assets through ETFs

ETFs offer investors a regulated, liquid, and low-cost investment option.

	ETF	Direct Ownership
Investment process	Streamlined investment process through broker accounts, similar to trading stocks	Procedures for account opening and cashing out may involve service charges
Transaction fees	Similar to other ETFs	Dependent on the fee structure of virtual asset trading platforms (VATPs)
Technical aspects	Investors need not be concerned by the technical aspects of managing digital assets	Investors are responsible for buying, storing, and securing digital assets

1 Source: CoinMarketCap.com. Data as of 31 May 2024.
2 Source: CoinGecko. Data as of 31 March 2024.
3,4 Source: CoinMarketCap.com. Data as of 31 May 2024.

Futures-based VA ETFs vs. Spot VA ETFs

Both futures-based and spot virtual asset (VA) ETFs offer ease of trading and low entry costs. However, they differ in several aspects:

	Future-based VA ETFs	Spot VA ETFs
Underlying assets	Gain exposure to VAs primarily through futures contracts	Invest directly in VAs
Price tracking	May not track VA prices as closely due to the nature of futures contracts	Generally track VAs prices more closely
Fees at fund manager level	Involve futures transaction fees and rolling costs	Involve transaction fees at VATPs

Potential benefits of Hong Kong-listed VA ETFs

Transacted in multiple currencies, including HKD, RMB, and USD

Robust liquidity supported by an extensive network of ETF market makers in Hong Kong

Comprehensive regulated ETF ecosystem

Asian trading hours allows investors to capitalise on market movements real-time within the region

Product list

For individual investors looking to tap the potential of virtual assets, the Hong Kong ETF market offers spot VA ETFs and VA futures ETFs that provide exposure to Bitcoin and Ether. Learn more about these innovative products at www.hkex.com.hk/etf.

Stock code	Product name	Benchmark
3008 9008	Bosera HashKey Bitcoin ETF	CME CF Bitcoin Reference Rate - Asia Pacific Variant
3009 9009	Bosera HashKey Ether ETF	CME CF Ether-Dollar Reference Rate - Asia Pacific Variant
3042 9042 83042	ChinaAMC Bitcoin ETF	CME CF Bitcoin Reference Rate - Asia Pacific Variant
3046 9046 83046	ChinaAMC Ether ETF	CME CF Ether-Dollar Reference Rate - Asia Pacific Variant
3066	CSOP Bitcoin Futures ETF	-
3068	CSOP Ether Futures ETF	-
3439 9439	Harvest Bitcoin Spot ETF	CME CF Bitcoin Reference Rate - APAC Variant for the Bitcoin-USD trading pair
3179 9179	Harvest Ether Spot ETF	CME CF Ether-Dollar Reference Rate - Asia Pacific Variant
3135	Samsung Bitcoin Futures Active ETF	-

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