

NIKKOAM-ICBCSG CHINA BOND ETF

October 2020

Fund Information

ISIN

RMB Class Units: <To be confirmed>

SGD Class Units: <To be confirmed>

SGX Trading Name

RMB Class Units:

Primary Currency (RMB): NikkoAM-ICBCSG CNB CNY

Secondary Currency (USD): NikkoAM-ICBCSG CNB US\$

SGD Class Units:

Primary Currency (SGD): NikkoAM-ICBCSG CNB S\$

Bloomberg Ticker

RMB Class Units:

Primary Currency (RMB): ZHY SP

Secondary Currency (USD): ZHD SP

SGD Class Units:

Primary Currency (SGD): ZHS SP

Share Class Currency

RMB Class Units: RMB, USD

SGD Class Units: SGD

SGX Stock Code

RMB Class Units:

Primary Currency (RMB): ZHY

Secondary Currency (USD): ZHD

SGD Class Units:

Primary Currency (SGD): ZHS

Valuation Frequency

Daily

Fund Methodology

Representative Sampling

Investment Objective

The investment objective of the Fund is to achieve long term capital growth by replicating the returns of the ChinaBond ICBC 1-10 Year Treasury and Policy Bank Bond Index (the "Index").

ChinaBond ICBC 1-10 Year Treasury and Policy Bank Bond Index

The ChinaBond ICBC 1 – 10 Year Treasury and Policy Bank Bond Index invests into China government bonds and bonds issued by policy banks (Agricultural Development Bank of China, China Development Bank, Export-Import Bank of China) traded on the China Interbank Bond Market. The 3 policy banks in China are state-owned entities and viewed effectively as quasi-government entities. These banks are responsible for financing economic and trade development and state-invested projects and support government-directed spending functions. The 3 policy banks have the same international credit rating as the Chinese government.

Index Characteristics:

- The Index consists of 216 bonds with 4 issuers
- Minimum outstanding: RMB 24.0 trillion
- Average credit rating: Moody's (A1); Standard & Poor's and Fitch Ratings (A+)
- Yield to maturity: 3.23% p.a.
- Duration: 4.10 years

Source: Nikko Asset Management Asia, China Bond Pricing Center, as of 30 September 2020

Dividend Distribution Frequency*

RMB Class Units: Nil.

SGD Class Units: Semi-annual distributions around January and July of each year.

Management Fee^

0.15% p.a.

Trustee Fee^

0.02% p.a.

Total Expense Ratio#

0.30% p.a.

Benchmark

ChinaBond ICBC 1-10 Year Treasury and Policy Bank Bond Index

Listing Date

24 November 2020

Listing

Singapore Exchange

* Distributions are not guaranteed and are at the absolute discretion of the Manager. Any distribution is expected to result in an immediate reduction of Fund’s NAV. Distributions may be paid out of capital which will result in capital erosion and reduction in the Fund’s NAV, which will be reflected in the redemption price of the Units.

^ Usual brokerage and handling charges to apply. Please refer to the Fund Prospectus for complete information on the Fund, relevant disclosures and fees payable.

The total expense ratio will be capped at 0.30% p.a. for the first 12 months from inception. Management Fee and Trustee Fee are included in the calculation of Total Expense Ratio.

Constituents of the Index

Issuers	Weight
China Ministry of Finance	42.6%
China Development Bank	29.1%
Agricultural Development Bank of China	17.1%
Export-Import Bank of China	11.2%

Source: Nikko Asset Management Asia, China Bond Pricing Center, as of 30 September 2020

Credit Rating*

	Moody's	S&P	Fitch
China Government	A1	A+	A+
China Development Bank	A1	A+	A+
Agricultural Development Bank of China 0%	A1	A+	A+
Export-Import Bank of China	A1	A+	A+

*Note: Credit ratings are based on issuer ratings by global rating agencies.

Reference to any particular securities, sectors or countries is purely for illustrative purposes only and does not constitute a recommendation to buy, sell or hold any securities, sectors or countries, or to be relied upon as financial advice in any way.

Index Historical Yield-to-Maturity



Source: ChinaBond Indices, August 2020

Past performance is not necessarily indicative of future performance.

Annualised Index Returns (%)

1 year returns of the ChinaBond ICBC 1-10 Year Treasury and Policy Bank Bond Index is 2.96%, 6.52%, and 7.91% in CNY, SGD, and USD terms respectively.

As 30 Sep 2020	CNY	SGD	USD
Year-to-date	1.53	5.43	3.85
1-Year	2.96	6.52	7.91
2-Year (annualised)	4.37	4.85	4.90
3-Year (annualised)	4.55	3.87	3.69

Note: Official Index returns are in CNY. WMR 4pm London fx rates are used for conversion to other currencies.

Source: Nikko Asset Management Asia, China Bond Pricing Center as of 30 September 2020.

Performance of the index presented here is not exactly the same as that of the corresponding or related ETFs. Index performance does not factor in any management fee, transaction costs or fund expenses of an ETF. Past performance is not necessarily indicative of the future performance.

Contact Us

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Important Information

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