

HONG KONG INVESTMENT FUNDS ASSOCIATION

Retail Sales & Redemptions by Hong Kong Investors¹
May-2010

TYPE OF FUND	(US\$ MILLION)		
	GROSS SALES	GROSS REDEMPTIONS	NET SALES/ (NET REDEMPTIONS)
A. Equity Funds			
Asia Regional (excl. Japan)	88.11	86.07	2.04
Asia Regional (incl. Japan)	8.65	8.96	-0.31
Greater China Region ²	335.10	185.07	150.03
Japan	2.82	4.82	-2.00
Hong Kong	39.27	11.71	27.56
Asian Single Market ³ (non Japan/ non HK)	119.00	93.48	25.52
International	20.65	19.23	1.42
European Regional Market ⁴	7.34	17.55	-10.21
European Single Market	27.60	15.73	11.87
North America	10.89	6.17	4.72
Emerging Markets ⁵	203.05	117.38	85.67
Sector Funds ⁶	167.23	92.97	74.26
REITs-related Funds ⁷	2.14	4.92	-2.78
<i>Sub-total</i>	<i>1,031.85</i>	<i>664.06</i>	<i>367.79</i>
B. Balanced/Managed Funds	44.86	42.03	2.83
C. Bond Funds			
Global	488.92	191.94	296.98
US	42.13	36.64	5.49
Europe	14.76	14.80	-0.04
Asia	168.42	84.13	84.29
Emerging Markets	134.07	137.11	-3.04
<i>Sub-total</i>	<i>848.30</i>	<i>464.62</i>	<i>383.68</i>
D. Money Market Funds/liquidity Funds	61.43	80.19	-18.76
E. Guaranteed Funds⁸	2.10	11.27	-9.17
F. Equity Index Funds⁹	25.83	8.68	17.15
G. Fund of Funds (Traditional Long-only)¹⁰	3.09	14.34	-11.25
H. Hedge Funds	0.96	0.43	0.53
I. Warrants, Futures and Options Funds¹¹	5.28	11.82	-6.54
J. Other Funds¹²	30.52	12.18	18.34
Grand total	2,054.22	1,309.62	744.60

Notes:

- 1) This report covers transactions that are conducted through one of the following channels:
 - (a) Retail banks (ultimate investors are HK residents, even if registrations are made under a nominee company with an overseas address.)
 - (b) IFAs, insurance companies - cover both lump sum investment and unit-linked products based on end clients.
 - (c) Direct clients with a HK registered address.
 Non-Retail (institutional) funds are EXCLUDED from the report as the report aims to capture retail transactions only. For instance, sales derived from APIFs for ORSO/MPF schemes' investment are excluded.
- 2) Greater China Region - this includes funds that are investing in China and funds that are investing in any 2 of the following markets: (a) China, (b) HK & (c) Taiwan.
- 3) Asian Single Market - non Japan, non China and non Hong Kong - includes Australia, Korea, India, Indonesia, Malaysia, Philippines, Singapore, Taiwan and Thailand.
- 4) European Regional Market - excluding Eastern Europe which is classified under the Emerging Markets category.
- 5) Emerging Markets - including BRIC, Latin America, Eastern Europe and Global Emerging Markets. A fund invests in BRIC (i.e. any two or more of the four countries - Brazil, Russia, India and China), it is categorized under "Emerging Markets". However, funds that only invest in Asia Emerging markets would be grouped under the Asian categories. For example, if a fund invests in China and India, it is categorized under "Asia Regional excl. Japan"; if a fund invests in India, it is categorized under "Asian single Market".
- 6) Sector Funds - includes global sector and country sector Funds (e.g. Global Technology Fund and Japan Technology Fund).
- 7) REITs-related funds - including funds which are authorised under the "SFC Code on Unit Trusts and Mutual Funds", but NOT for those which are authorised under the "SFC Code on REITs". The "reits-related funds" category has been added to the report since July 2005.
- 8) Redemptions of guaranteed funds include both redemptions on maturity and early redemptions.
- 9) Equity Index Funds - includes index funds such as "china index fund", "hang seng index fund", or "europe index fund", etc.
- 10) Fund of Funds - the key criterion to categorise a fund under "fund of funds" is the fund's structure. For example, if a global bond fund or a global balanced fund is structured as a fund of funds, it will be categorised under "fund of funds" and not under "global bond funds" or "balanced/managed funds".
- 11) The "Warrants, Futures and Options Funds" category has been added to the report since January 2008. Before that, warrants, futures and options funds were grouped under "Other Funds".
- 12) Others - including leveraged funds.