

LION-OCBC SECURITIES  
HANG SENG TECH ETF

The future of technology  
Seize the opportunity.



## Quarterly Newsletter

Q3 2022

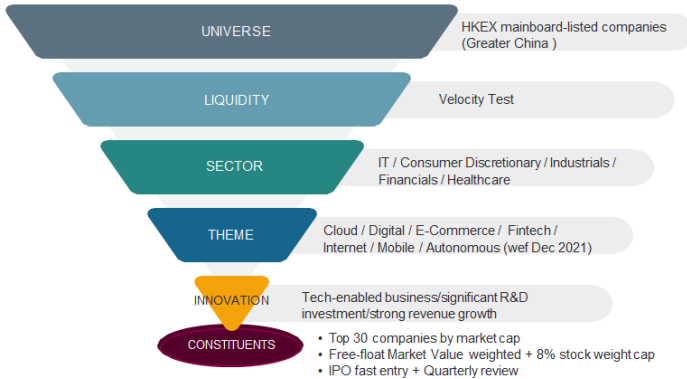
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## INTRODUCTION

The Lion-OCBC Securities Hang Seng TECH ETF was launched in the Singapore stock market on 10 December 2020. Since listing, the ETF has crossed many milestones. The size of the ETF has grown rapidly to an AUM (assets under management) of S\$271 million as of 30 September 2022.

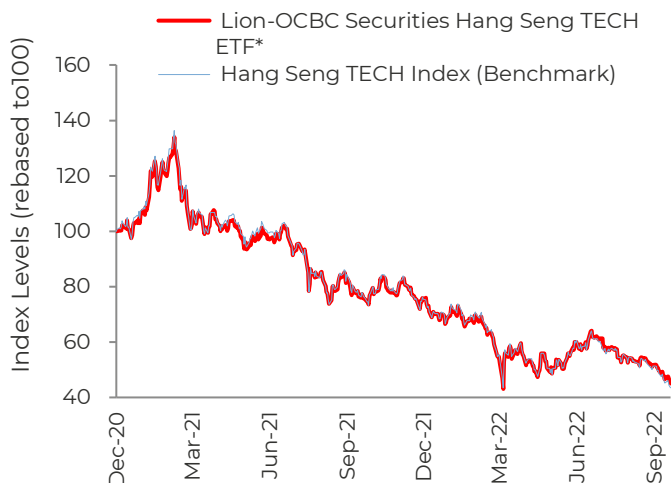
## INDEX CONSTRUCTION METHODOLOGY<sup>2</sup>



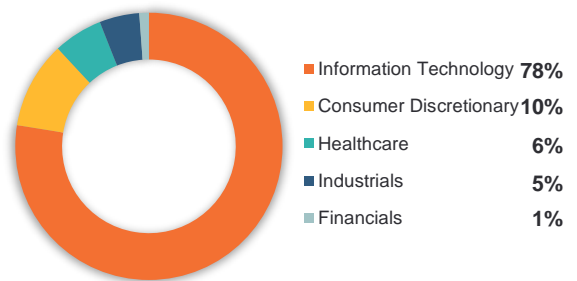
## KEY FACTS

- 30 largest TECH-themed companies listed on HKEX<sup>1</sup>
- Full replication of the Hang Seng TECH Index
- Each constituent capped at 8% weightage during rebalancing
- Rebalanced on a quarterly basis (Mar, Jun, Sep and Dec)
- Dual Trading Currencies: SGD and USD
- Total AUM: SGD 272 million as of 30 September 2022
- Management Fee: 0.45% p.a.
- Bloomberg ticker: HST SP (S\$ counter), HSS SP (US\$ counter)

## LION-OCBC SECURITIES HANG SENG TECH ETF PERFORMANCE<sup>3</sup>



## COMPOSITION



Source: Lion Global Investors, 30 September 2022

\*Returns are based on NAV-NAV basis in HKD and assuming all dividends are reinvested net of all charges payable upon reinvestment. Performance is calculated in the base currency of the Fund. The Lion-OCBC Securities Hang Seng TECH ETF was listed on 10 December 2020. Past performance, as well as any prediction, projection, or forecast are not necessarily indicative of future or likely performance.

<sup>1</sup> Refers to the underlying Index Securities of the Hang Seng TECH Index

<sup>2,3</sup> Source: Bloomberg, Lion Global Investors, Hang Seng Indexes Company, 30 September 2022

For explanation of additional technical terms, please visit [www.lionglobalinvestors.com](http://www.lionglobalinvestors.com)

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## Q3 2022 REVIEW



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### GALVANISING THE PLATFORM ECONOMY

In Q3 2022, we saw the Chinese government strengthening economic stimulus to support growth.

During the State Council meeting<sup>4</sup> chaired by Premier Li Keqiang on 7 September 2022, China's cabinet pledged to support the platform economy in keeping employment stable. Specifically, financial institutions will also be guided to extend special loan support to key platform companies.

To promote new forms of foreign trade, China's cabinet also undertook<sup>5</sup> to establish new integrated pilot zones for cross-border e-commerce without delay on 13 September 2022. Greater support was specifically highlighted for building overseas warehouses. All these are expected to build the long-term foundation for the Chinese tech sector after emerging from the Covid-19 restrictions and market volatility.

Besides supporting the platform economy, China also further eased Covid-19 restrictions in Q3 2022. For instance, Hong Kong removed mandatory hotel quarantine requirements<sup>6</sup> for overseas arrivals effective 26 September 2022.

<sup>4</sup> Source: China State Council, September 2022

<sup>5</sup> Source: China State Council, September 2022

<sup>6</sup> Source: OCBC Treasury, September 2022

<sup>7</sup> Source: The Business Times, August 2022

<sup>8</sup> Source: China State Council, September 2022

**“ China will step up policy support for employment and business startups to broaden the space of employment, help market entities emerge and grow, and foster new drivers of growth ”**

**- Li Keqiang<sup>8</sup>, Premier of the People's Republic of China**

In addition to domestic measures, the US Public Company Accounting Oversight Board (PCAOB) and China Securities Regulatory Commission (CSRC) jointly signed a landmark agreement<sup>7</sup> on 26 August 2022 to resolve the audit dispute on Holding Foreign Companies Accountable Act (HFCAA). This facilitates PCAOB's inspection and investigation of registered accounting firms in China and Hong Kong, being expected to smoothen volatility.

All these actions align closely with the Chinese Communist Party's top priority of continuing economic development, as highlighted in our previous newsletters. These are concrete actions taken to support growth.

By providing exposure to the 30 largest TECH-themed companies listed in Hong Kong, the Lion-OCBC Securities Hang Seng TECH ETF is well positioned to capitalize on the long-term growth story of the Chinese tech sector.

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