

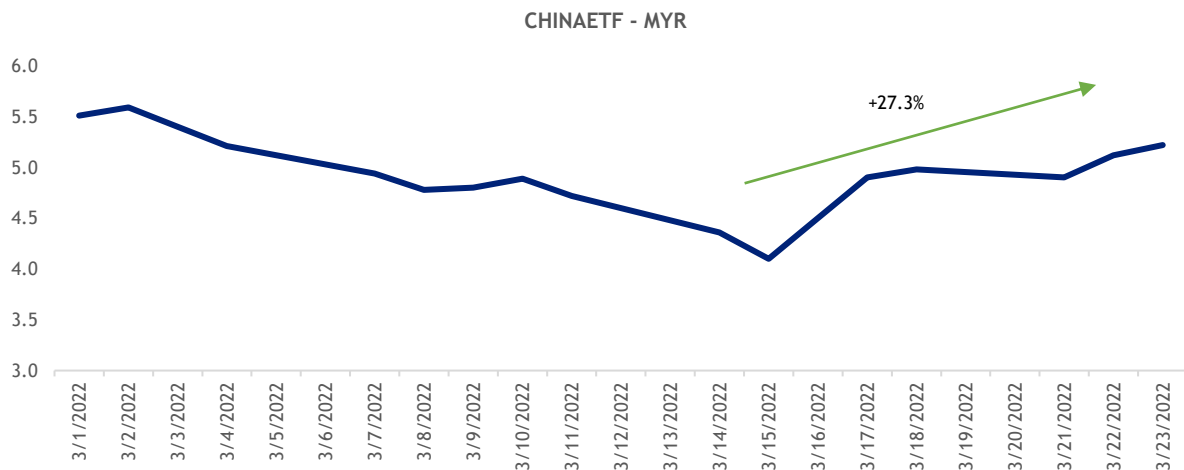
The China crackdown and its Covid-zero policy lockdown have created fears among the investing community and resulted in the sell-down of China shares and Bursa Malaysia’s listed China ETFs. However, recent development such as the easing of import tariffs imposed on China goods could lift the overall sentiment on the Chinese ETFs.

Bursa Malaysia has four listed China ETFs, namely

1. Principal FTSE China 50 ETF (stock name: PAM-C50; stock code: 0823EA)
2. Tradeplus S&P New China Tracker - MYR (stock name: CHINAETF-MYR; stock code: 0829EA)
3. Tradeplus S&P New China Tracker - USD (stock name: CHINAETF-USD ; stock code: 0829EB)
4. VP-DJ Shariah China A-Shares 100 ETF (stock name: CHINA100; stock code: 0838EA)

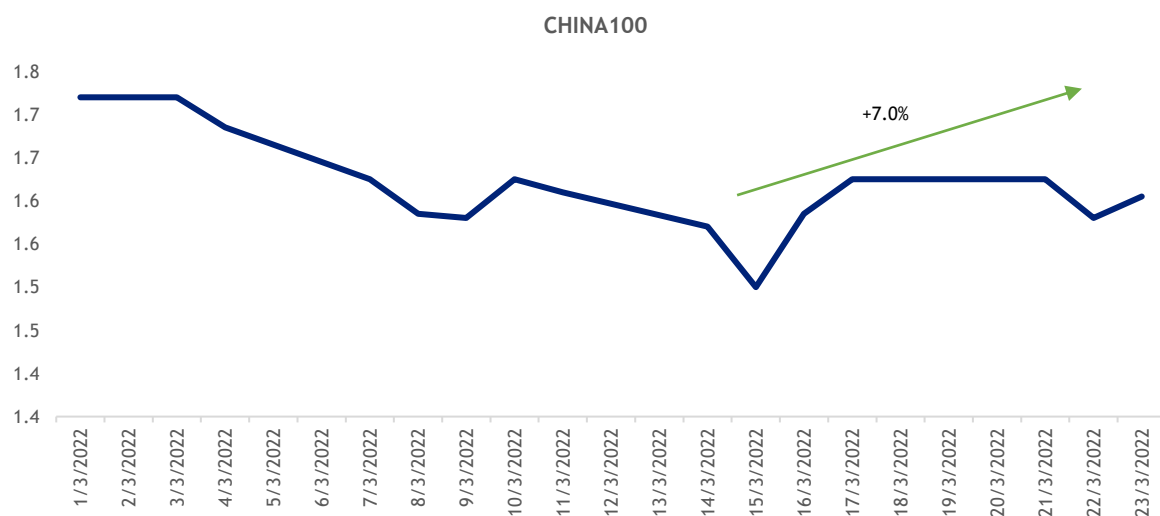
Our observations show that prices for the Chinese ETFs have started to recover in March. During the month, Tradeplus S&P New China Tracker-MYR rebounded by 27.3% from the bottom of RM4.10. VP-DJ Shariah China A-Shares 100 ETF rebounded by 7% from RM1.50 and Principal FTSE China 50 ETF rebounded by 6.6% from RM1.22 on 16 March 2022.

Figure 1: Prices of Tradeplus S&P New China Tracker (RM)



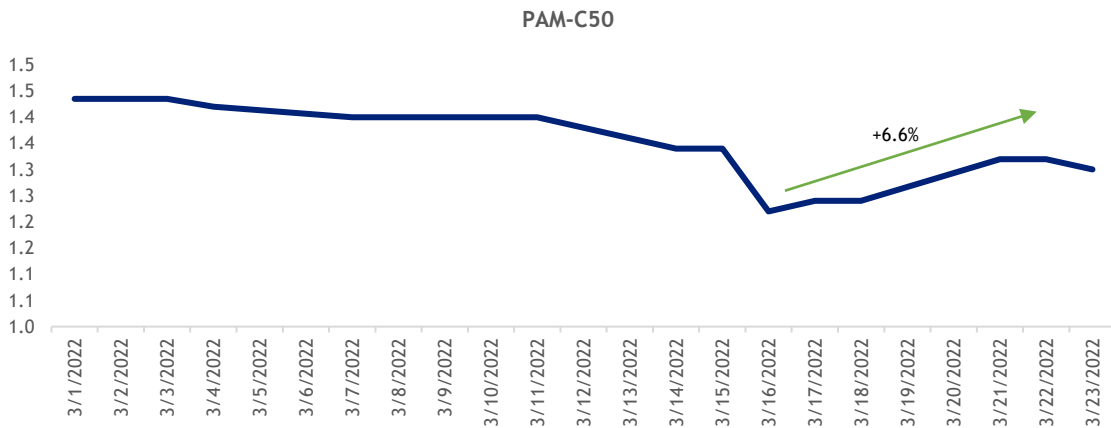
Source: Bursa Malaysia

Figure 2: Prices of VP-DJ Shariah China A-Shares 100 ETF (RM)



Source: Bursa Malaysia

Figure 3: Prices of Principal FTSE China 50 ETF (RM)

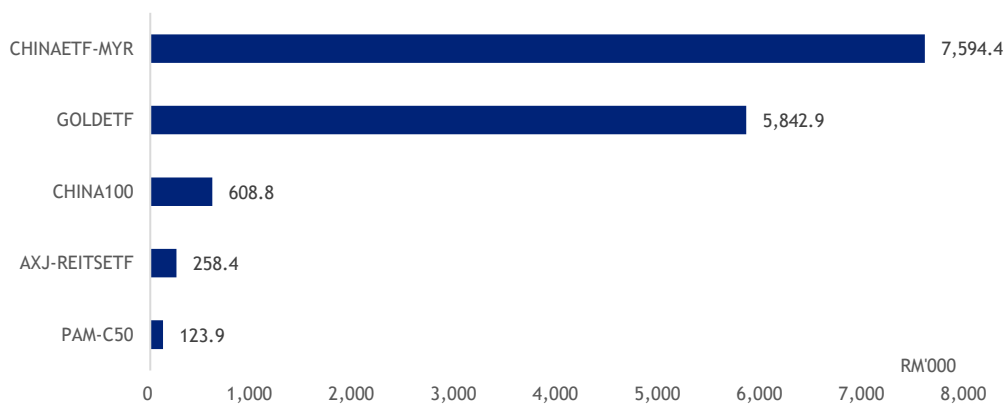


Source: Bursa Malaysia

From 1 March 2022 to 23 March 2022, the Chinese ETFs have topped the chart with three ETFs in the top five most active by traded value list. The total traded value for the three ETFs accounted 56.2% of the total traded value of all the listed ETFs during the period, signalling an increased interest in the ETFs.

In the same period, the TradePlus S&P New China Tracker ETF recorded a total of RM7.6 million, which is more than double of its cumulative trading value of RM3.5 million in January and February, and taking over the GOLDETF as the most actively traded ETF.

Figure 4: Top Five Most Actively Traded ETF by Value, 1 - 23 March 2022



Traded value includes both market transaction and direct business transaction.

Source: Bursa Malaysia

Appendix

Principal FTSE China 50 ETF

Principal FTSE China 50 ETF is the first foreign underlying ETF launched in Malaysia. It tracks the FTSE China 50 index that gives exposure to 50 largest and most liquid Chinese stocks listed and traded on the Hong Kong Stock Exchange.

The TradePlus S&P New China Tracker (MYR & USD)

The TradePlus S&P New China Tracker is an ETF that is designed to provide investors a convenient access to Chinese listed companies within the consumption and service-oriented industries. The fund closely tracks the performance of the S&P New China Sectors Ex A-Shares Index. It is available for subscription in HK Dollar (via the Primary Market) and tradeable in US Dollar and Malaysian Ringgit (via the Secondary Market). The fund is suitable for investors who seek exposure to Chinese listed companies in the consumption and service-oriented industries and have a high-risk tolerance level.

The VP-DJ Shariah China A-Shares 100 ETF

The VP-DJ Shariah China A-Shares 100 ETF is an ETF that tracks the performance of the DJIM China A-Shares 100 Index (“Benchmark”). The Benchmark is a Shariah-compliant price return benchmark for the China A-share markets that pass rules-based screens for adherence to Shariah investment guidelines. The Benchmark comprises of the largest 100 Shariah-compliant A-share stocks screened from the Dow Jones Islamic Market China A universe which are eligible for Stock Connects.

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