

## Press Release

**29 November 2019**

## **Affin Hwang AM Lists First Leveraged and Inverse ETF on Bursa**

**KUALA LUMPUR** – Affin Hwang Asset Management Berhad (“Affin Hwang AM” or “the Company”) marked a new milestone for the industry with the launch of the country’s first Leveraged and Inverse (L&I) exchange traded fund (ETF) that was successfully listed on the Main Market of Bursa Securities today.

In a strategic thrust towards bolstering its passive offerings, the Company announced the simultaneous listing of 4 ETFs on Bursa (i.e. 2 leveraged and 2 inverse ETFs) providing investors the opportunity to profit from both bull and bear market trends.

These include the TradePlus NYSE® FANG+™ Daily (2x) Leveraged Tracker, TradePlus NYSE® FANG+™ Daily (-1x) Inverse Tracker, TradePlus HSCEI Daily (2x) Leveraged Tracker, and TradePlus HSCEI Daily (-1x) Inverse Tracker. The ETFs would employ a futures-based replication strategy to provide leveraged and inverse exposure on the indices, but without the common hassle that comes with derivative trading through warrants/futures such as margining or expiry.

Benchmarked against the Hang Seng China Enterprises Index and NYSE® FANG+™ Index (“Benchmark”) respectively, the ETFs will provide investors the option to either gain a (2x) leverage or hold an inverse (-1x) position on the 2 indices. These would provide investors with the opportunity to either double their investment returns through a Leveraged ETF in up markets, as well as the opportunity to gain returns/hedge against losses by shorting the market through an Inverse ETF in down markets.

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**Teng Chee Wai, Managing Director of Affin Hwang AM** said, “Innovation has always been a key thrust of the company to bring new product solutions and strategies for our clients to help them diversify and grow their wealth. With heightened volatility in markets today, the L&I ETFs would provide investors a tactical window to capitalise on benchmark movements by trading on market news/noise and profit from volatility. There is wealth to be made in both directions of the market.”

“We carefully handpicked the 2 indices (i.e. Hang Seng China Enterprises Index and NYSE® FANG+™ Index) for their secular and highly volatile trend which is essential for short-term trading tools like L&I ETFs. Investors can then express their market views through these instruments and employ them as building blocks in a portfolio whether as tools for trading or hedging purposes,” Teng adds.

**Datuk Muhamad Umar Swift, Chief Executive Officer of Bursa Malaysia Berhad** said, “Bursa Malaysia is excited to welcome the country’s first L&I ETF, following the enhancement of the ETF framework earlier this year to elevate the potential of the Malaysian ETF market. We commend Affin Hwang AM’s innovative push towards sophisticated ETF products to spur competitive growth of the industry and increase market vibrancy. With the introduction of L&I ETFs, the investing public now has a wider range of low-cost investment opportunities to diversify their portfolios with and seek investment results across different time horizons and risk profiles.”

**Mr Jaekyu Bae, Executive Vice President & Chief Investment Officer of Samsung Asset Management** said, “We at Samsung Asset Management are proud of our valued partner Affin Hwang AM in becoming the first issuer of L&I ETFs in Malaysia. Our joint partnership and commitment in promoting growth of the ETF market in Malaysia will continue to be strong in the future. As an ETF pioneer in the industry, Samsung Asset Management launched the first L&I ETFs in Korea and Hong Kong that has driven market vibrancy in their respective stock exchanges.”

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“We believe these innovative products will attract investors’ participation from both the institutional and retail sector, as well as be a catalyst in spurring growth of other plain-vanilla ETFs. Samsung will continue to give strong support to Affin Hwang AM in advancing the ETF market in this country through more innovative collaboration,” Mr Bae continues.

With the Company’s 2 current ETF offerings (i.e. TradePlus Shariah Gold Tracker and TradePlus S&P New China Tracker) which provides exposure to Gold and China’s new economy respectively, today’s new listings would bring the Company’s total ETFs to 6, making Affin Hwang AM the largest ETF provider in Malaysia (in term of number of ETFs listed) as it continues to expand its product suite.

Units of the Funds starts trading today on Bursa Securities under the following stock code:-

<b>Fund Name</b>	<b>TradePlus NYSE FANG+ Daily (2x) Leveraged Tracker</b>	<b>TradePlus NYSE FANG+ Daily (-1x) Inverse Tracker</b>	<b>TradePlus HSCEI Daily (2x) Leveraged Tracker</b>	<b>TradePlus HSCEI Daily (-1x) Inverse Tracker</b>
Stock Code	0830EA	0831EA	0832EA	0833EA
Stock Short Name	FANG-2XL	FANG-1XI	HSCEI-2XL	HSCEI-1XI

Investors can buy and sell units throughout the trading day like any other publicly-traded shares, with a minimum board lot size of 100 Units. The TradePlus NYSE FANG+ Daily (2x) Leveraged Tracker, and TradePlus NYSE FANG+ Daily (-1x) Inverse Tracker was launched at an initial issue price of RM4.00 per unit, while the TradePlus HSCEI Daily (2x) Leveraged Tracker, and TradePlus HSCEI Daily (-1x) Inverse Tracker was launched at an initial issue price of RM2.00 per unit.

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### Appendix

Table 1: Top 10 Constituents within HSCEI Index

No	Company Name
1	CCB
2	Ping An
3	Tencent
4	ICBC
5	China Mobile
6	Bank of China
7	CNOOC
8	China Life
9	CM Bank
10	Sinopec Corp

Source: Hang Seng Indexes Company Limited, as at 31 Oct 2019

Table 2: Top 10 Constituents within NYSE FANG+ Index

No	Company Name
1	Facebook
2	Apple
3	Amazon
4	Netflix
5	Alphabet
6	Alibaba
7	Baidu
8	Nvidia
9	Tesla
10	Twitter

Source: ICE Data Indices, LLC, as at 31 Oct 2019

### **About Affin Hwang Asset Management Berhad**

Affin Hwang Asset Management Bhd (“Affin Hwang AM” or the “Company”) was incorporated in Malaysia on 2 May 1997 under the Companies Act 1965 and began its operations under the name Hwang-DBS Unit Trust Berhad in 2001. In early 2014, the Company was acquired by the Affin Banking Group (“Affin”) and hence, is now supported by a major home-grown financial services conglomerate. Affin has close to 40 years of experience in financial industry which focuses on commercial, Islamic and investment banking services, money broking, fund management and underwriting of life and general insurance business. Additionally, Affin Hwang AM is also 27% owned by Nikko Asset Management International Limited, a wholly-owned subsidiary of Tokyo-based Nikko Asset Management Co. Ltd, a leading independent Asian investment management franchise. Its head

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office is located in Kuala Lumpur and has a total of 7 main sales offices located in Peninsular and East Malaysia. They are in Penang, Ipoh, Malacca, Johor Bahru, Kuching, Miri and Kota Kinabalu.

Affin Hwang AM's core business is providing fund management services to private clients, as well as to retail clients via its stable of unit trust funds and private retirement schemes. The Company offers wide range of unit trust products and investment solutions with underlying investments comprising conventional equities, balanced, bond, money market, capital guaranteed, capital protected, global, structured and feeder funds, as well as Shariah-compliant equity, Islamic money market instruments and Islamic fixed income funds. Affin Hwang AM's Shariah investment solutions are made available through its wholly-owned subsidiary and Islamic investment arm, AIIAMAN Asset Management Sdn. Bhd. ("AIIAMAN")

Since its inception in 2001, Affin Hwang AM has achieved an exponential growth in its total assets under administration ("AUA"). As at 31 October 2019, the total AUA, comprising in-house unit trust funds as well as corporate and discretionary portfolios stood at approximately RM55.18 billion (combined AUA of Affin Hwang AM and AIIAMAN).

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### Warning Statement:

The Master Prospectus is available for the TradePlus HSCEI Daily (2x) Leveraged Tracker, the TradePlus HSCEI Daily (-1x) Inverse Tracker, the TradePlus NYSE® FANG+TM Daily (2x) Leveraged Tracker, and the TradePlus NYSE® FANG+TM Daily (-1x) Inverse Tracker (collectively known as the "Funds"), and investors have the right to request for a copy of it. Investors are advised to read and understand the contents of the Master Prospectus dated 26 November 2019 for the Funds before investing. The Master Prospectus has been registered with the Securities Commission Malaysia, who takes no responsibility for its content. A e-copy of the Master Prospectus can be obtained at the Affin Hwang Asset Management Berhad's website [www.tradeplus.com.my](http://www.tradeplus.com.my). As with any forms of financial products, the financial product mentioned herein carries with it various risks. Investors are advised to consider the general, and specific risks involved as stipulated in its Master Prospectus before investing. There are also fees and charges involved when investing in the Funds, and investors are advised to consider the fees and charges carefully before investing. The price of units and distribution payable, if any, may go down as well as up, and past performance of the Funds should not be taken as indicative of its future performance.

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