

HONG KONG INVESTMENT FUNDS ASSOCIATION

Gross retail sales by Hong Kong Investors (2005) (in US\$M)¹

TYPE OF FUND	January	February	March	April	May	June	Sub-Total		%
International Equity	13.62	11.11	14.89	14.77	13.50	26.59	94.48		1.36%
Asia Regional (excl. Japan)	189.18	206.21	194.58	121.27	84.17	101.58	896.99		12.88%
Asia Regional (incl. Japan)	71.88	99.57	104.34	47.26	31.63	35.51	390.19		5.60%
Greater China Region ²	48.25	47.70	114.58	95.14	31.72	40.79	378.18		5.43%
Japan	34.50	18.84	19.08	23.72	10.56	15.83	122.53		1.76%
Hong Kong	15.18	6.66	16.20	13.36	7.96	10.53	69.89		1.00%
Asian Single Market ³ (non Japan/ non HK)	125.05	94.85	140.34	90.06	79.86	70.89	601.05		8.63%
European Regional Market ⁴	31.90	39.55	47.43	39.15	26.45	33.85	218.33		3.14%
European Single Market	0.68	2.03	0.66	1.18	0.38	0.72	5.65		0.08%
North American Equity	7.32	10.84	8.44	7.34	28.06	15.93	77.93		1.12%
Emerging Markets	38.16	49.10	92.94	48.24	41.10	79.69	349.23		5.02%
Sector Funds	56.22	46.39	74.29	54.38	47.92	52.57	331.77		4.77%
REITs-related ⁵	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00%
Balanced/Managed Funds	76.35	47.69	61.73	46.85	41.55	69.66	343.83		4.94%
Global Bond	52.52	45.36	48.95	32.47	23.73	28.32	231.35		3.32%
Non-Global Bond	196.01	203.35	154.11	74.97	82.58	109.89	820.91		11.79%
Money Market Funds/Liquidity Funds	58.69	67.25	76.78	67.80	61.44	35.15	367.11		5.27%
Guaranteed Funds	246.83	447.49	94.88	92.91	262.56	39.08	1,183.75		17.00%
Equity Index Funds	79.70	26.72	56.49	42.33	44.75	28.01	278.00		3.99%
Fund of Funds (Traditional Long-only product)	28.46	19.34	21.41	10.18	10.99	7.91	98.29		1.41%
Hedge Funds	2.46	2.69	1.44	2.44	3.10	1.26	13.39		0.19%
Other Funds ⁶	42.29	17.08	11.57	8.04	7.99	1.98	88.95		1.28%
Total	1,415.25	1,509.82	1,355.13	933.86	942.00	805.74	6,961.80		100.00%

TYPE OF FUND	July	August	September	October	November	December	Sub-Total	Total	%
International Equity	14.71	20.75	25.79	14.33	13.20	21.62	110.40	204.88	1.45%
Asia Regional (excl. Japan)	119.10	194.86	115.96	65.26	66.14	39.99	601.31	1,498.30	10.62%
Asia Regional (incl. Japan)	19.56	25.87	36.12	53.98	67.53	95.90	298.96	689.15	4.88%
Greater China Region ²	46.55	81.57	51.87	37.78	27.93	35.57	281.27	659.45	4.67%
Japan	22.67	38.71	168.28	110.31	162.41	214.27	716.65	839.18	5.95%
Hong Kong	23.99	29.33	22.29	35.38	19.44	4.70	135.13	205.02	1.45%
Asian Single Market ³ (non Japan/ non HK)	83.86	144.98	166.98	91.86	94.65	94.07	676.40	1,277.45	9.05%
European Regional Market ⁴	55.84	60.26	66.38	60.96	44.01	43.87	331.32	549.65	3.90%
European Single Market	1.25	2.56	1.97	0.76	1.46	2.07	10.07	15.72	0.11%
North American Equity	10.10	11.83	13.41	5.81	6.45	13.08	60.68	138.61	0.98%
Emerging Markets	100.70	202.23	274.74	202.60	169.11	174.02	1,123.40	1,472.63	10.44%
Sector Funds	46.37	78.21	122.97	130.24	110.81	140.40	629.00	960.77	6.81%
REITs-related ⁵	87.44	60.78	10.20	2.67	1.33	1.59	164.01	164.01	1.16%
Balanced/Managed Funds	48.69	60.42	67.32	45.72	37.79	28.06	288.00	631.83	4.48%
Global Bond	31.05	28.87	28.80	33.06	46.56	41.61	209.95	441.30	3.13%
Non-Global Bond	144.78	121.53	113.80	77.90	78.20	60.76	596.97	1,417.88	10.05%
Money Market Funds/Liquidity Funds	33.96	74.43	64.10	50.40	37.65	38.49	299.03	666.14	4.72%
Guaranteed Funds	10.29	44.52	24.15	21.75	6.91	12.35	119.97	1,303.72	9.24%
Equity Index Funds	61.68	80.81	40.33	63.27	24.35	35.86	306.30	584.30	4.14%
Fund of Funds (Traditional Long-only product)	14.14	11.11	13.24	6.73	18.26	13.83	77.31	175.60	1.24%
Hedge Funds	2.92	0.54	2.90	29.49	0.07	0.31	36.23	49.62	0.35%
Other Funds ⁶	5.85	9.58	10.12	22.22	6.52	21.46	75.75	164.70	1.17%
Total	985.50	1,383.75	1,441.72	1,162.48	1,040.78	1,133.88	7,148.11	14,109.91	100.00%

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 any 2 of the following markets:

- (a) China, (b) HK & (c) Taiwan

3) Asian Single Market - non Japan, non Hong Kong; e.g. Taiwan only, Australia and/or New Zealand.

4) European Regional Market - excluding Eastern Europe which is classified under the Emerging Markets category.

5) 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.

6) Others - including leveraged funds.

Source: Hong Kong Investment Funds Association Sales & Redemptions Survey

HONG KONG INVESTMENT FUNDS ASSOCIATION

Gross retail redemption by Hong Kong Investors (2005) (in US\$M) ¹

TYPE OF FUND	January	February	March	April	May	June	Sub-Total		%
International Equity	24.89	14.28	18.79	7.86	9.26	15.65	90.73		1.73%
Asia Regional (excl. Japan)	88.25	79.44	98.06	42.22	47.40	103.22	458.59		8.73%
Asia Regional (incl. Japan)	37.42	32.05	36.68	16.77	13.00	23.90	159.82		3.04%
Greater China Region ²	56.21	63.89	70.99	38.39	27.41	55.05	311.94		5.94%
Japan	61.21	67.45	79.15	29.94	30.22	28.37	296.34		5.64%
Hong Kong	8.68	14.85	10.40	4.93	14.78	10.71	64.35		1.23%
Asian Single Market ³ (non Japan/ non HK)	95.10	76.56	76.99	29.71	35.59	62.52	376.47		7.17%
European Regional Market ⁴	39.58	30.10	52.81	41.35	29.40	34.66	227.90		4.34%
European Single Market	0.99	1.18	1.07	1.30	1.09	1.00	6.63		0.13%
North American Equity	14.92	8.75	15.34	8.05	7.08	8.81	62.95		1.20%
Emerging Markets	15.04	23.37	40.36	8.44	10.48	28.71	126.40		2.41%
Sector Funds	39.51	39.71	48.37	19.36	21.87	58.86	227.68		4.33%
REITs-related ⁵	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00%
Balanced/Managed Funds	41.69	35.52	48.38	23.81	25.91	36.34	211.65		4.03%
Global Bond	10.16	14.58	14.03	19.01	17.62	23.09	98.49		1.88%
Non-Global Bond	78.56	51.99	79.10	79.06	67.62	69.34	425.67		8.10%
Money Market Funds/Liquidity Funds	81.69	57.69	60.57	48.79	51.28	67.65	367.67		7.00%
Guaranteed Funds ⁶	434.32	70.95	286.51	239.08	53.98	161.40	1,246.24		23.73%
Equity Index Funds	35.31	65.36	70.29	25.65	46.27	84.34	327.22		6.23%
Fund of Funds (Traditional Long-only product)	14.25	18.02	14.28	10.71	9.94	12.93	80.13		1.53%
Hedge Funds	2.38	3.34	2.82	2.85	1.71	2.57	15.67		0.30%
Other Funds ⁷	9.60	10.79	13.97	1.93	20.71	12.93	69.93		1.33%
Total	1,189.76	779.87	1,138.96	699.21	542.62	902.05	5,252.47		100.00%

TYPE OF FUND	July	August	September	October	November	December	Sub-Total	Total	%
International Equity	14.98	20.77	19.88	15.06	22.04	24.22	116.95	207.68	1.61%
Asia Regional (excl. Japan)	136.55	203.71	168.51	115.79	150.25	234.93	1,009.74	1,468.33	11.38%
Asia Regional (incl. Japan)	34.00	55.35	46.38	24.80	43.65	92.19	296.37	456.19	3.54%
Greater China Region ²	64.85	99.45	61.70	56.96	52.67	69.66	405.29	717.23	5.56%
Japan	33.25	67.11	99.87	38.02	64.71	133.58	436.54	732.88	5.68%
Hong Kong	15.30	24.05	18.29	24.36	14.67	16.85	113.52	177.87	1.38%
Asian Single Market ³ (non Japan/ non HK)	80.69	86.57	115.59	100.93	91.33	123.19	598.30	974.77	7.56%
European Regional Market ⁴	30.71	50.65	49.27	50.84	41.75	59.42	282.64	510.54	3.96%
European Single Market	2.41	1.31	1.61	2.20	1.49	1.17	10.19	16.82	0.13%
North American Equity	16.09	15.58	18.02	13.44	15.85	21.88	100.86	163.81	1.27%
Emerging Markets	49.06	79.48	88.94	90.41	101.95	142.66	552.50	678.90	5.26%
Sector Funds	55.89	79.12	84.42	42.66	66.36	102.50	430.95	658.63	5.11%
REITs-related ⁵	0.25	0.34	1.88	2.67	2.39	3.92	11.45	11.45	0.09%
Balanced/Managed Funds	47.69	64.53	53.20	41.06	37.87	60.15	304.50	516.15	4.00%
Global Bond	36.29	58.19	66.36	22.41	23.90	20.56	227.71	326.20	2.53%
Non-Global Bond	69.10	109.05	91.99	68.31	89.72	101.99	530.16	955.83	7.41%
Money Market Funds/Liquidity Funds	65.98	62.70	53.08	119.33	66.85	57.54	425.48	793.15	6.15%
Guaranteed Funds ⁶	82.59	105.69	200.20	372.92	333.44	120.17	1,215.01	2,461.25	19.08%
Equity Index Funds	102.64	85.53	31.42	36.27	41.66	72.88	370.40	697.62	5.41%
Fund of Funds (Traditional Long-only product)	13.88	17.06	11.91	10.30	13.88	13.79	80.82	160.95	1.25%
Hedge Funds	5.66	3.29	5.67	29.62	2.83	3.00	50.07	65.74	0.51%
Other Funds ⁷	10.75	10.68	11.56	6.40	11.31	28.21	78.91	148.84	1.15%
Total	968.61	1,300.21	1,299.75	1,284.76	1,290.57	1,504.46	7,648.36	12,900.83	100.00%

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6) Redemptions of guaranteed funds include both redemptions on maturity and early redemptions.

7) Others - including leveraged funds.

HONG KONG INVESTMENT FUNDS ASSOCIATION

Net retail sales (redemptions) by Hong Kong Investors (2005) (in US\$M) ¹

TYPE OF FUND	January	February	March	April	May	June	Sub-Total	
International Equity	(11.27)	(3.17)	(3.90)	6.91	4.24	10.94	3.75	
Asia Regional (excl. Japan)	100.93	126.77	96.52	79.05	36.77	(1.64)	438.40	
Asia Regional (incl. Japan)	34.46	67.52	67.66	30.49	18.63	11.61	230.37	
Greater China Region ²	(7.96)	(16.19)	43.59	56.75	4.31	(14.26)	66.24	
Japan	(26.71)	(48.61)	(60.07)	(6.22)	(19.66)	(12.54)	(173.81)	
Hong Kong	6.50	(8.19)	5.80	8.43	(6.82)	(0.18)	5.54	
Asian Single Market ³ (non Japan/ non HK)	29.95	18.29	63.35	60.35	44.27	8.37	224.58	
European Regional Market ⁴	(7.68)	9.45	(5.38)	(2.20)	(2.95)	(0.81)	(9.57)	
European Single Market	(0.31)	0.85	(0.41)	(0.12)	(0.71)	(0.28)	(0.98)	
North American Equity	(7.60)	2.09	(6.90)	(0.71)	20.98	7.12	14.98	
Emerging Markets	23.12	25.73	52.58	39.80	30.62	50.98	222.83	
Sector Funds	16.72	6.68	25.92	35.02	26.04	(6.29)	104.09	
REITs-related ⁵	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Balanced/Managed Funds	34.65	12.17	13.35	23.04	15.65	33.32	132.18	
Global Bond	42.36	30.78	34.92	13.46	6.11	5.23	132.86	
Non-Global Bond	117.45	151.36	75.01	(4.09)	14.96	40.55	395.24	
Money Market Funds/Liquidity Funds	(23.00)	9.56	16.21	19.01	10.16	(32.50)	(0.56)	
Guaranteed Funds ⁶	(187.49)	376.54	(191.63)	(146.17)	208.58	(122.32)	(62.49)	
Equity Index Funds	44.39	(38.64)	(13.80)	16.68	(1.52)	(56.33)	(49.22)	
Fund of Funds (Traditional Long-only product)	14.21	1.32	7.13	(0.53)	1.05	(5.02)	18.16	
Hedge Funds	0.08	(0.65)	(1.38)	(0.41)	1.39	(1.31)	(2.28)	
Other Funds ⁷	32.69	6.29	(2.40)	6.11	(12.72)	(10.95)	19.02	
Total	225.49	729.95	216.17	234.65	399.38	(96.31)	1,709.33	

TYPE OF FUND	July	August	September	October	November	December	Sub-Total	Total
International Equity	(0.27)	(0.02)	5.91	(0.73)	(8.84)	(2.60)	(6.55)	(2.80)
Asia Regional (excl. Japan)	(17.45)	(8.85)	(52.55)	(50.53)	(84.11)	(194.94)	(408.43)	29.97
Asia Regional (incl. Japan)	(14.44)	(29.48)	(10.26)	29.18	23.88	3.71	2.59	232.96
Greater China Region ²	(18.30)	(17.88)	(9.83)	(19.18)	(24.74)	(34.09)	(124.02)	(57.78)
Japan	(10.58)	(28.40)	68.41	72.29	97.70	80.69	280.11	106.30
Hong Kong	8.69	5.28	4.00	11.02	4.77	(12.15)	21.61	27.15
Asian Single Market ³ (non Japan/ non HK)	3.17	58.41	51.39	(9.07)	3.32	(29.12)	78.10	302.68
European Regional Market ⁴	25.13	9.61	17.11	10.12	2.26	(15.55)	48.68	39.11
European Single Market	(1.16)	1.25	0.36	(1.44)	(0.03)	0.90	(0.12)	(1.10)
North American Equity	(5.99)	(3.75)	(4.61)	(7.63)	(9.40)	(8.80)	(40.18)	(25.20)
Emerging Markets	51.64	122.75	185.80	112.19	67.16	31.36	570.90	793.73
Sector Funds	(9.52)	(0.91)	38.55	87.58	44.45	37.90	198.05	302.14
REITs-related ⁵	87.19	60.44	8.32	0.00	(1.06)	(2.33)	152.56	152.56
Balanced/Managed Funds	1.00	(4.11)	14.12	4.66	(0.08)	(32.09)	(16.50)	115.68
Global Bond	(5.24)	(29.32)	(37.56)	10.65	22.66	21.05	(17.76)	115.10
Non-Global Bond	75.68	12.48	21.81	9.59	(11.52)	(41.23)	66.81	462.05
Money Market Funds/Liquidity Funds	(32.02)	11.73	11.02	(68.93)	(29.20)	(19.05)	(126.45)	(127.01)
Guaranteed Funds ⁶	(72.30)	(61.17)	(176.05)	(351.17)	(326.53)	(107.82)	(1,095.04)	(1,157.53)
Equity Index Funds	(40.96)	(4.72)	8.91	27.00	(17.31)	(37.02)	(64.10)	(113.32)
Fund of Funds (Traditional Long-only product)	0.26	(5.95)	1.33	(3.57)	4.38	0.04	(3.51)	14.65
Hedge Funds	(2.74)	(2.75)	(2.77)	(0.13)	(2.76)	(2.69)	(13.84)	(16.12)
Other Funds ⁷	(4.90)	(1.10)	(1.44)	15.82	(4.79)	(6.75)	(3.16)	15.86
Total	16.89	83.54	141.97	(122.28)	(249.79)	(370.58)	(500.25)	1,209.08

Notes:

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