

Mirae Asset Launches China Biotech and Cloud Computing themed ETFs in Hong Kong

The ETFs are the first their kind to be listed in Hong Kong

July 25, 2019, Hong Kong – Mirae Asset Global Investments today is pleased to announce the launch of its ‘Mirae Asset Horizons China Biotech ETF’ and ‘Mirae Asset Horizons China Cloud Computing ETF’ in Hong Kong, allowing investors to gain exposure to the vast potential of China’s biotech and cloud computing sectors via the Hong Kong ETF market for the first time.

Units of the two ETFs will begin trading today on the Hong Kong Stock Exchange (“HKEx”) in Hong Kong dollars. Mirae Asset Horizons China Biotech ETF will have tickers 2820 (HKD class) and 9820 (USD class), while tickers for Mirae Asset Horizons China Cloud Computing ETF will be 2826 (HKD class) and 9826 (USD class).

The Mirae Asset Horizons China Biotech ETF will look to feature biotechnology companies that are benefiting from the ‘Made in China 2025’ industrial strategy, under which biotechnology has been named as a key sector for development, as well as the improving regulatory framework in the country, which includes clearer guidance for biosimilar developers and changes to the drugs approval process. Prospects for the sector are bright, with the CAGR of healthcare capital hitting 132% between 2013 and 2017¹, while the number of biotechnology patents granted in China rose from over 1,000 in 2006 to more than 6,000 in 2016 – surpassing the US and making up 27% of the global total².

The Mirae Asset Horizons China Cloud Computing ETF meanwhile will give investors exposure to the expected rise in cloud computing spending, which some estimate will reach US\$20 billion by 2020. Given that the cloud computing market is still nascent, amounting to only 3% of China’s enterprise IT market³, the sector is expected to experience significant growth on the back of supportive government policies which promote and subsidize the adoption of cloud technology. With China’s GDP at 70% of the US’s⁴, but its cloud software industry only accounting for 3% to 10% of the size of US’s⁵, there is room to grow.

Mr. JH Rhee, Chief Executive Officer of Mirae Asset Global Investments (HK) Ltd., commented, “Disruptive themes form a key pillar of Mirae Asset Global Investments’ efforts to develop an ETF platform that is client centric and truly built around investors. The addition of Mirae Asset Horizons China Biotech ETF and the Mirae Asset Horizons China Cloud Computing ETF are built on Mirae Asset’s rich heritage as a leading ETF innovator, which has sought to give investors flexible, cost-effective and diversified exposure to exciting new emerging industries and asset classes.”

He added, “Previously the domain of VC and private equity investors, the launch of the two ETFs marks the opening of the biotech and cloud computing sectors to the wider investor community, allowing them to share in the enormous potential of these two industries.”

Mr. Wanyoun Cho, Head of Asia ETF of Mirae Asset Global Investments (HK) Ltd., said, “Both Chinese biotech and cloud computing industries are ripe for development, particularly as funding and patents grow within the biotech space, and more companies in China embrace cloud computing technology. With the benefit of multiple stocks across both industries, the ETFs will provide investors in Hong Kong with broad and diversified exposure to the positive tailwinds of both the biotechnology and cloud computing sectors.”

He added, “Given the wide range of opportunities across different sectors of the Chinese market, the ETFs are a great addition to the growing offering of thematic investments targeting China and will contribute greatly towards enhancing investor interest in exciting new sectors in this dynamic and fast-moving market.”

Note: These ETFs are not registered for sale in Singapore/Thailand.

- Ends -

About Mirae Asset Global Investments Group

Mirae Asset Global Investments (“**Mirae Asset**”) is an asset management organization with over USD135 billion in assets under management as of 31 March 2019. The organization provides a diverse range of investment products including mutual funds, exchange traded funds (“**ETFs**”) and alternatives. Operating out of 14 offices located in over 30 countries, Mirae Asset has a global team of more than 830 employees, including 180 investment professionals.

Mirae Asset’s global ETF platform features a line-up of more than 340 ETFs that offer investors high quality and cost-efficient exposure to newly emerging investment themes and disruptive technologies in the global markets. Mirae Asset’s ETFs have combined assets under management of USD32.3 billion and are listed in US, HK, Korea, Canada, Australia, India, Columbia and Brazil.

DISCLAIMER

Source:

¹ Credit Suisse Research, 6 January 2019

² World Intellectual Property Organization: World Intellectual Property Indicators 2017

^{3, 4, 5} Gartner, September 2019

This document is provided for information and illustrative purposes and is intended for your use only. It is not a solicitation, offer or recommendation to buy or sell any security or other financial instrument. The information contained in this document has been provided as a general market commentary only and does not constitute any form of regulated financial advice, legal, tax or other regulated service.

The views and information discussed or referred in this document are as of the date of publication. Certain of the statements contained in this document are statements of future expectations and other forward-looking statements. Views, opinions and estimates may change without notice and are based on a number of assumptions which may or may not eventuate or prove to be accurate. Actual results, performance or events may differ materially from those in such statements. Products, services and information may not be available in your jurisdiction and may be offered by affiliates, subsidiaries and/or distributors of Mirae Asset Global Investments (HK) Ltd as stipulated by local laws and regulations. Please consult with your professional adviser for further information on the availability of products and services within your jurisdiction.

Investment involves risk. Before making any investment decision, investors should read the Prospectus for details and the risk factors. Investors should ensure they fully understand the risks associated with the Fund and should also consider their own investment objective and risk tolerance level. Investors are advised to seek independent professional advice before making any investment.

COM-2019-07-20-AUEUSGHK-PI-Adv-ETF