



3450

For Hong Kong Investors Only

Global X

US Treasury 3-5 Year ETF



<https://www.globalxetfs.com.hk/>

Important Information

Investors should not base investment decisions on this content alone. Please refer to the Prospectus for details including product features and the risk factors. Investment involves risks. Past performance is not indicative of future performance. There is no guarantee of the repayment of the principal. Investors should note:

- The investment objective of Global X US Treasury 3-5 Year ETF (the "Fund") is to provide investment results that, before deduction of fees and expenses, closely correspond to the performance of the Mirae Asset US Treasury 3-5 Year Index (the "Underlying Index").
- The Fund is exposed to the Credit/Default risk of issuers of the debt securities that the Fund may invest in; the Credit Rating risk that the credit ratings assigned by rating agencies are subject to limitations and do not guarantee the creditworthiness of the security and/or issuer at all times; the Downgrading risk that the Manager may or may not be able to dispose of the debt securities that are being downgraded; the Interest rate risk that the prices of debt securities rise when interest rates fall, whilst their prices fall when interest rates rise; the Policy risk that the changes in macro-economic policies in the US may have an influence over the US' capital markets and affect the pricing of the bonds in the Fund's portfolio, which may in turn adversely affect the return of the Fund; the Sovereign debt risk that the Fund's investment in US Treasury securities may be exposed to political, social and economic risks that the Fund may suffer significant losses when there is a default of the US Treasury; the valuation risk that the valuation of the Fund's instruments may involve uncertainties and judgmental determinations. If such valuation turns out to be incorrect, this may affect the Net Asset Value calculation of the Fund.
- The Underlying Index is a new index. The Underlying Index has minimal operating history by which investors can evaluate its previous performance. There can be no assurance as to the performance of the Underlying Index. The Fund may be riskier than other exchange traded funds tracking more established indices with longer operating history.
- The Underlying Index is subject to concentration risk as a result of tracking the performance of a single geographical region, namely the US, and is concentrated in debt securities of a single issuer, namely the US Treasury. The Fund's value may be more volatile than that of a fund having a more diverse portfolio and may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the US market.
- The base currency of the Fund is USD but the trading currency of the Fund is in HKD. The Net Asset Value of the Fund and its performance may be affected unfavourably by fluctuations in the exchange rates between these currencies and the base currency and by changes in exchange rate controls.
- The borrower may fail to return the securities lent out in a timely manner or at all. The Fund may as a result suffer from a loss or delay when recovering the securities lent out. This may restrict the Fund's ability in meeting delivery or payment obligations from realisation requests. As part of the securities lending transactions, there is a risk of shortfall of collateral value due to inaccurate pricing of the collateral, adverse market movements in the collateral value or change of value of securities lent. This may cause significant losses to the Fund.
- The trading price of the Units on the SEHK is driven by market factors such as the demand and supply of the Units. Therefore, the Units may trade at a substantial premium or discount to the Fund's Net Asset Value.
- Payments of distributions out of capital and/or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment. Any such distributions involving payment of distributions out of capital or effectively out of capital of the Fund may result in an immediate reduction in the Net Asset Value per Unit of the Fund and will reduce the capital available for future investment.

Global X US Treasury 3-5 Year ETF (3450)



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Investment Case

- 3-5 Y US Treasury is less susceptible to interest rate fluctuations, striking a balance between potential yield and lower annualized volatility.
- Access U.S. Treasuries through our ETF during Hong Kong local trading hours
- Hong Kong Investors investing in HK-listed US Treasury Bond ETFs are not subject to dividend tax.

Key Information

Listing Date	11 July 2024
Ongoing Charges over a Year*	0.30%
Exchange	HKEX
Reference Index	Mirae Asset US Treasury 3-5 Year Index
YTM (%)	3.8%

*As the Sub-Fund (as defined below) is newly set up, this figure is an estimate only and represents the sum of the estimated ongoing charges over a 12-month period, expressed as a percentage of the estimated average Net Asset Value (as defined below) of the Listed Class of Units (as defined below) of the Sub-Fund over the same period. It may be different upon actual operation of the Sub-Fund and may vary from year to year. As the Listed Class of Units of the Sub-Fund adopts a single management fee structure, the estimated ongoing charges of the Listed Class of Units of the Sub-Fund will be equal to the amount of the single management fee, which is capped at 0.30% of the average Net Asset Value of the Listed Class of Units of the Sub-Fund. Any ongoing expenses exceeding 0.30% of the average Net Asset Value of the Listed Class of Units of the Sub-Fund will be borne by the Manager and will not be charged to the Sub-Fund. Data as of Oct 2024. Yield data as of 30 Aug 2024

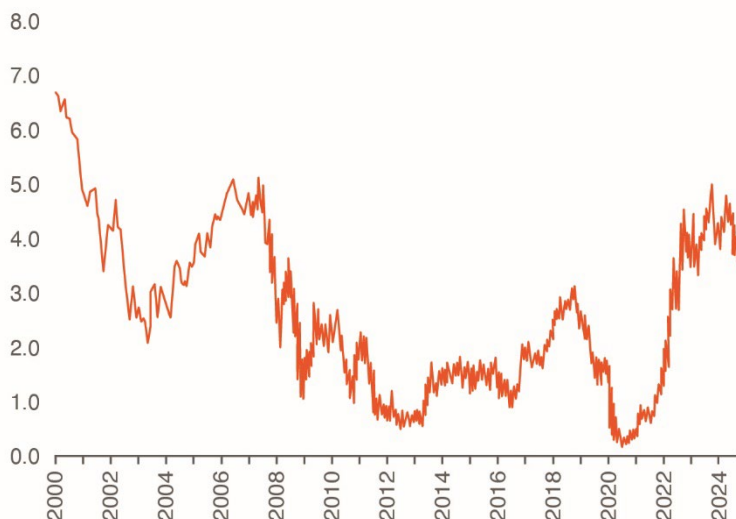
ETF Top 10 Constituents

Treasury Type	Years to Maturity	Yield	Weight
Treasury Note	4.75	3.58%	3.56%
Treasury Note	4.09	3.58%	3.54%
Treasury Note	3.92	3.58%	3.52%
Treasury Note	4.00	3.58%	3.04%
Treasury Note	4.88	3.55%	3.01%
Treasury Note	4.84	3.59%	3.00%
Treasury Note	3.58	3.58%	2.92%
Treasury Note	4.50	3.57%	2.80%
Treasury Note	4.34	3.57%	2.70%
Treasury Note	3.67	3.58%	2.68%

Source: Bloomberg, Mirae Asset, 30 Sep 2024

Intermediate-term US Treasury Bond Yield

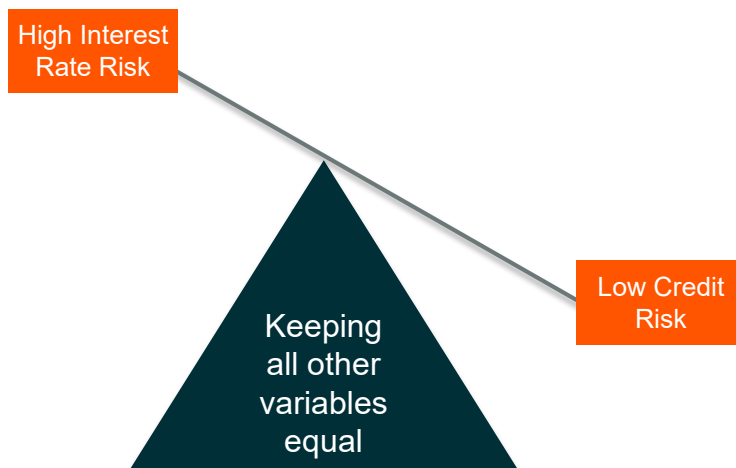
Yield to Worst



Source: Bloomberg, Mirae Asset, Data as of 11 Oct 2024. Intermediate term Treasury Bond is Bloomberg U.S. Treasury 3-7 Yr Total Return Index Value Unhedged USD

Short-term Treasuries Can Help Investors Mitigate Duration Risks

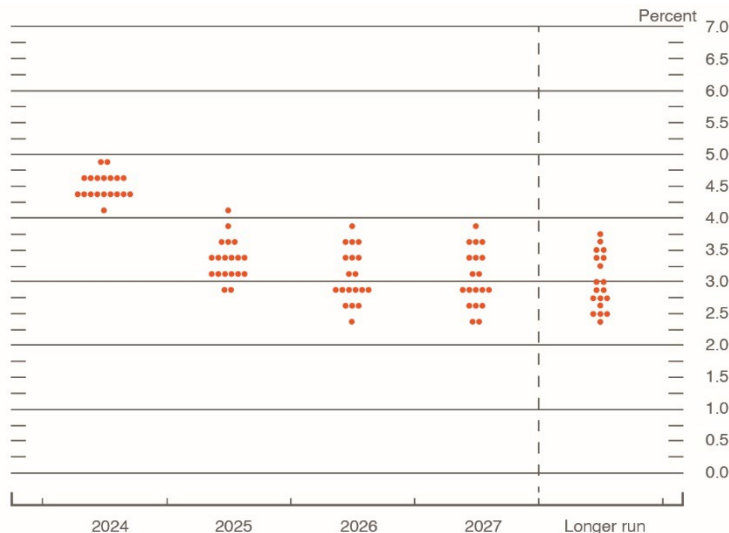
Benefits and Risks for US Treasury



Source: Mirae Asset, July 2024

Capital Appreciation Opportunities Arise from Rate Cut

FOMC Dots Plot



Source: Federal Reserve, Mirae Asset, Sep 2024

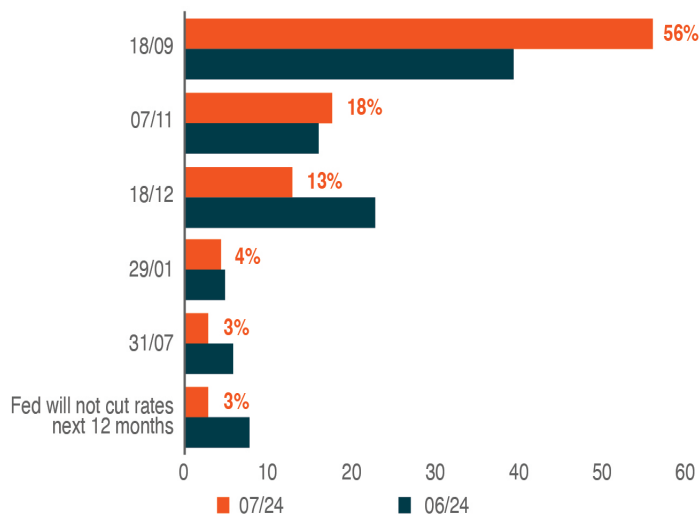
Global X US Treasury 3-5 Year ETF (3450 HK)



For Hong Kong Investors Only

56% of FMS Investors Expect the Fed to First Cut Rates at the 18 Sep FOMC

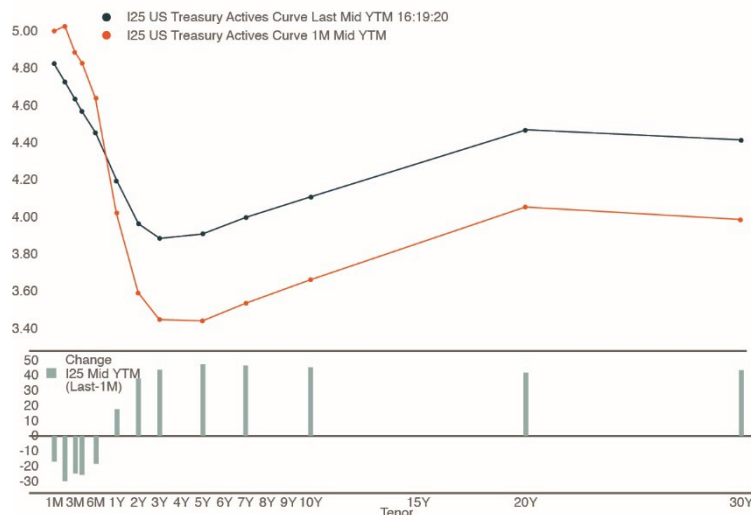
Expectation for Fed Rate Cut



Source: BofA, Mirae Asset, July 2024

Change of US Treasury Yield Curve in Recent One Month

US Treasury Yield Curve



Source: Bloomberg, Mirae Asset, Oct 2024

How to Use 3450 HK in a Portfolio

Cash Alternative

3450 HK offers a way to potentially increase yield rather than leaving cash in the account.



Adjust Portfolio Duration

3450 HK rebalances each month. This creates a short to medium duration holding that investors can strategically allocate based their view on the market.



Tactical Allocation

A tactical allocation to 3450 HK can help investor express their positive view of the bond market while maintain lower volatility of the portfolio.



Barbell Approach

3450 HK can be added to the short duration end of a barbell strategy. As a short to medium duration fund, it allows investors to look farther out on the long duration end of the strategy without taking on additional interest rate risk.



Source: Mirae Asset

Fund Map

Global X ETFs Hong Kong



A lineup that spans emerging trends and disruptive tech, income, core and commodities ETFs. Or simply put, we strive to offer investors something beyond ordinary.

This document is intended for Hong Kong Investors only.

The following list consists of ETFs traded on the HKD counter (excluding USD and RMB counters). October 2024.

Investing in the Equity ETF(s) may expose to risks (if applicable) including general investment risk, equity market risk, sector/market concentration risk, active / passive investment management risk, tracking error risk, trading risk, risk in investing financial derivative instruments, securities lending risk, distributions paid out of capital or effectively out of capital risk.

Investing in the S&P Crude Oil Futures Enhanced ER ETF may expose to risks (if applicable) including passive investment risk, crude oil market risk, futures contracts risk, risk of material non-correlation with spot/current market price of the West Texas Intermediate crude oil risk, margin risk, trading risk, risk of investing in fixed income securities, tracking error risk, termination risk.

Investing in the USD Money Market Active ETF may expose to risks including general investment risk, active investment management risk, interest rate risk, risks associated with bank deposits, concentration risk, currency risk, trading risk, credit rating risk, downgrading risk, counterparty risk and distributions paid out of capital or effectively out of capital risk.

Investing in the Fixed Income Passive ETF(s) may expose to risks (if applicable) including general investment risk, passive investment management risk, interest rate risk, emerging markets risk, risks associated with PRC inter-bank bond market, Foreign Access Regime and Bond Connect, concentration risk, RMB/USD currency risk, securities lending risk, trading risk, credit rating risk, downgrading risk, counterparty risk, tracking error risk and distributions paid out of capital or effectively out of capital risk.

Investing in the Covered Call Active ETF may expose to risks (if applicable) including active investment management risk, futures contracts risk, margin requirement risk, failure of clearing house risk, concentration risk, securities lending transaction risks, currency risk, distributions paid out of capital or effectively out of capital risk, and trading risks.



THEMATIC GROWTH

CHINA

DISRUPTIVE TECHNOLOGY

2845 Global X China Electric Vehicle and Battery ETF

3191 Global X China Semiconductor ETF

2826 Global X China Cloud Computing ETF

2807 Global X China Robotics and AI ETF

PEOPLE & DEMOGRAPHICS

2820 Global X China Biotech ETF

2841 Global X China MedTech ETF

2806 Global X China Consumer Brand ETF

PHYSICAL ENVIRONMENT

2809 Global X China Clean Energy ETF

MULTI-THEME

3050 Global X China Global Leaders ETF

2815 Global X China Little Giant ETF

GLOBAL

DISRUPTIVE TECHNOLOGY

3185 Global X FinTech ETF

3139 Global X Electric Vehicle and Battery Active ETF

3006 Global X AI & Innovative Technology Active ETF

3422 Global X Innovative Bluechip Top 10 ETF

ASIA

DISRUPTIVE TECHNOLOGY

3119 Global X Asia Semiconductor ETF

MULTI-THEME

3150 Global X Japan Global Leaders ETF

3184 Global X India Select Top 10 ETF

3158 Global X K-pop and Culture ETF



COMMODITIES

COMMODITIES

3097 Global X S&P Crude Oil Futures Enhanced ER ETF



CORE

CORE

3040 Global X MSCI China ETF

2837 Global X Hang Seng TECH ETF

3029 Global X Hang Seng ESG ETF



INCOME

DIVIDEND

3110 Global X Hang Seng High Dividend Yield ETF

3116 Global X Asia Pacific High Dividend Yield ETF

3419 Global X HSI Components Covered Call Active ETF

3416 Global X HSCEI Components Covered Call Active ETF

Dividend is not guaranteed and may be paid out of capital

FIXED INCOME

3059 Global X Bloomberg MSCI Asia Ex Japan Green Bond ETF

3041 Global X FTSE China Policy Bank Bond ETF

3137 Global X USD Money Market ETF

3075 Global X Asia USD Investment Grade Bond ETF

3450 Global X US Treasury 3-5 Year ETF

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