

Value Partners Malaysia launches VP-DJ Shariah China A-Shares 100 ETF

(Bursa stock code: 0838EA; Bloomberg ticker: CH100RM MK Equity)

KUALA LUMPUR, MALAYSIA, July 12, 2021
/EINPresswire.com/ --

[Value Partners Malaysia](#) launches a Shariah China A-Shares 100 ETF

Value Partners Group Limited ("Value Partners" or "the Group", Hong Kong stock code: 806) is pleased to announce that its wholly-owned subsidiary, Value Partners Asset Management Malaysia Sdn. Bhd. ("Value Partners Malaysia"), has launched a Shariah China A-Shares 100 ETF (the "Shariah China A-Shares ETF"), the world's first-ever A-share ETF that tracks the performance of the Dow Jones Islamic Market China A-Shares 100 Index ("Benchmark Index").

The Shariah China A-Shares ETF adopts a full replication strategy, in which the ETF will hold every constituent of the Benchmark Index, having substantially the same weightings. The product is also Value Partners Malaysia's first ETF to be listed on the local bourse.

The Shariah China A-Shares ETF provides investors exposure to Shariah-compliant stocks within the China A-Shares equity universe. With the quantitative criteria adopted by the Benchmark Index, the Shariah China A-Shares ETF provides investors with exposure to China's new economy, allowing them to participate in the country's changing dynamics and positive growth trends of the economic structure as China moves toward focusing on becoming a consumption- and services-led economy. China's new economy includes companies in the technology, consumption, healthcare and 5G space.

The Shariah methodology adopted requires companies to be screened on two levels. The first is a sector-based screen, where companies in the sin sectors (such as alcohol, tobacco, and



Durraini Baharuddin, Managing Director of Value Partners Malaysia

gambling), pork-related products, conventional financial services, and weapons and defense, are excluded. The second is a quantitative screening of liquidity and total debt, based on specified and approved metrics. Because of these screens, Shariah-compliant companies usually have strong business fundamentals supported by healthy balance sheets.

To meet its investment objective, the Shariah China A-Shares ETF can invest up to 100% of its net asset value ("NAV") in authorised securities, with an option to invest a maximum of 10% in Islamic collective investment schemes, Islamic money market instruments and/or Islamic deposits.

Ms. Durraini BAHARUDDIN, Managing Director of Value Partners Malaysia said: "Value Partners, co-founded by Dato' Seri CHEAH Cheng Hye, our Co-Chairman and Co-Chief Investment Officer, is known as a well-recognised China investing expert. We have a long track record of delivering superior investment performance for nearly 30 years and have always strived to provide innovative products to our investors. Our new Shariah China A-Shares ETF is a unique tool for Malaysian investors to capture opportunities in China's new economy within Shariah principles."

"We trust that our new ETF will meet the needs of both institutional and individual investors who wish to find value in the China A-shares market," Ms. BAHARUDDIN added.

With the recent inclusion of China A-shares into global indices, the expected increase of foreign participation in the market may also lead to upward asset revaluation.

Mr. Kamal MUSTADZA, Fund Manager of Value Partners Malaysia, said: "We have a positive outlook on foreign capital inflows into Chinese markets and continue to remain optimistic. China's continued efforts of developing and improving market accessibility over the years have made the market too big for investors to ignore."

The Shariah China A-Shares 100 ETF is managed by Value Partners Malaysia and holds physical shares as underlying investments. It is the flagship fund of Value Partners Malaysia's offering to institutional and individual investors in Malaysia. As one of the leading asset management firms, Value Partners has a solid track record of 28 years of China investing. The Group has built a solid reputation among its peers in the asset management industry and garnered over 240 performance awards since its establishment in 1993.

The Dow Jones Islamic Market China A-Shares 100 Index outperformed the CSI 300 Index by delivering cumulative returns (in MYR) of +49.2%, +80.7% and +118.7% over the 1-, 3- and 5-year periods, respectively, vs. the CSI 300 Index's +34.4%, +66.2% and +94.7% for the same periods, as of 29 June 2021. The top 3 sectors of the Benchmark Index comprise of industrials (31.5%), healthcare (26.3%) and consumer goods (16.5%).

The listing of the Shariah China A-Shares 100 ETF on Bursa Malaysia

A listing ceremony, co-organised by Bursa Malaysia and Value Partners Malaysia, will be held on Wednesday, 28 July 2021 at 8:30am. Value Partners will share highlights of the event with members of the public. Investors can buy and sell units of the Shariah China A-Shares 100 ETF throughout the trading day, starting 28 July 2021, like any other publicly traded shares, with a minimum board lot size of 100 units. The Shariah China A-Shares ETF will be launched at an initial issue price of MYR2.00 per unit.

Hazel Hassan

Satu Creative

hazel@satucreative.com

Visit us on social media:

[Facebook](#)

[Twitter](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/546030825>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2021 IPD Group, Inc. All Right Reserved.