Press Release
For immediate release

Invesco's newest ETF targets China's most innovative companies

London, 21 June 2024 - Invesco is launching the first ETF in Europe providing investors with targeted access to the ChiNext 50 index, which comprises China's largest and most liquid companies in the technology sector and other innovative industries. The Invesco ChiNext 50 UCITS ETF will follow a capped version of the index to reduce concentration risk and ensure sufficient diversification.

Gary Buxton, Head of EMEA And APAC ETFs and Indexed Strategies at Invesco, said: "One of the benefits of our global business model is having a strong local presence in major financial centres around the world. In collaboration with Invesco Great Wall, our China mainland investment management joint venture and a leading China market specialist, we are pleased to partner with the Shenzhen Stock Exchange on the launch of a UCITS ETF linked to the ChiNext 50. Our new ETF offers investors unique access to the long-term growth potential in China, specifically as it relates to innovation driving the transition to a new economy. As the ChiNext 50 index celebrates its tenth anniversary in June, this ETF also marks a milestone in the expansion of the index overseas, accelerating the internationalization of China A-shares."

China is one of the world's fastest-growing markets with ongoing development in key areas of economic growth, including technology. Part of the country's current Five-Year Plan is an objective to increase spending on research and development (R&D) by at least 7% year on year between 2021 and 2025, focusing on areas where high-value patents are expected. For equity investors, higher R&D spending can be a significant driver of corporate earnings growth.

The ChiNext 50 index reflects the performance of 50 of the largest and most liquid securities listed on the ChiNext market of the Shenzhen Stock Exchange. The capped index being followed by the Invesco ETF includes the same constituent securities of the parent index and applies caps such that at each quarterly rebalance, no individual security weight exceeds 8% and the aggregate weight of securities with weights above 4.5% do not exceed 38%.

Chris Mellor, Head of EMEA Equity ETF Product Management at Invesco, said: "While the index has no explicit sector requirements or restrictions, investors can expect it to be naturally overweight technology, industrials and health care. The fund will invest in companies involved in innovative, fast-growing areas such as artificial intelligence, electric vehicles, renewable energy, robotics, automation and biotech. Compared to broader Chinese indices, the average company in the ChiNext 50 index has used more than twice as much of its operating revenues in each of the past six years to fund R&D and drive innovation."

The ETF will employ a replication method that seeks to hold, as far as possible and practicable, all the securities in the index in their respective weightings, but the fund will employ sampling techniques in circumstances where this is not reasonably possible.

ETF details

	Invesco ChiNext 50 UCITS ETF
Index name	ChiNext 50 Capped Index USD NTR
ETF BBG ticker[i]	CN50
Base / trading currency	USD / USD
Annual charge	0.49% p.a.

ENDS

Notes to editors

Investment risks
The value of investments, and any income from them, will fluctuate. This may partly be the result of changes in exchange rates. Investors may not get back the full amount invested. The Fund may be exposed to the risk of the borrower defaulting on its obligation to return the securities at the end of the loan period and of being unable to sell the collateral provided to it if the borrower defaults. The value of equities and equity-related securities can be affected by a number of factors including the activities and results of the issuer and general and regional economic and market conditions. This may result in fluctuations in the value of the Fund.

As a large portion of this fund is invested in less developed countries, investors should be prepared to accept a higher degree of risk than for an ETF that invests only in developed markets. The Fund might be concentrated in a specific region or sector or be exposed to a limited number of positions, which might result in greater fluctuations in the value of the Fund than for a fund that is more diversified. The Fund may use Stock Connect to access China A Shares traded in Mainland China. This may result in additional liquidity risk and operational risks including settlement and default risks, regulatory risk and system failure risk.

Important information
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This is marketing material and not financial advice. It is not intended as a recommendation to buy or sell any particular asset class, security or strategy. Regulatory requirements that require impartiality of investment/investment strategy recommendations are therefore not applicable nor are any prohibitions to trade before publication.

For information on our funds and the relevant risks, refer to the Key Information Documents/Key Investor Information Documents (local languages) and Prospectus (English, French, German), and the financial reports, available from www.invesco.eu. A summary of investor rights is available in English from www.invescomanagementcompany.ie. The management company may terminate marketing arrangements.

UCITS ETF's units / shares purchased on the secondary market cannot usually be sold directly back to UCITS ETF. Investors must buy and sell units / shares on a secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees for doing so. In addition, investors may pay more than the current net asset value when buying units / shares and may receive less than the current net asset value when selling them. For the full objectives and investment policy please consult the current prospectus.

Index: The reference index is sponsored by Shenzhen Stock Exchange (SZSE) and Shenzhen Securities Information Co. (SSIC) and is calculated and published by Solactive AG (Solactive). Neither Invesco nor the Fund based on the reference index are sponsored, endorsed, sold or promoted by SZSE, SSIC or Solactive, and SZSE, SSIC and Solactive make no representation regarding the advisability of investing in the product.

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About Invesco Ltd.
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About Invesco Great Wall Ltd.
IGW is a multi-asset expert with a leading position in equity investment for over 20 years. As the first Sino-US joint venture asset management firm in China, we combine best global practices with deep local knowledge, and offer comprehensive investment solutions to help our clients to create long term sustainable returns. For more information, visit www.igwfmc.com.

About Shenzhen Stock Exchange
Shenzhen Stock Exchange (SZSE), established on 1st December, 1990, is a self-regulated legal entity under the supervision of China Securities Regulatory Commission (CSRC). Its main functions include providing the venue and facilities for securities trading, formulating operational rules, receiving listing applications and arranging securities listing, organizing and supervising securities trading, supervising members; regulating listed companies, managing and disseminating market information and other functions as approved by the CSRC.

SZSE is committed to developing China's multi-tiered capital market system, serving national economic development and transformation and supporting the national strategy of independent innovation. SZSE's products cover equities, mutual funds and bonds. The product lines include A-shares, B-shares, indices, mutual funds (including ETFs and LOFs), fixed income products (including SME collective bonds and asset-backed securities), and diversified derivative financial products (including warrants and repurchases).

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[i] Ticker shown in the table is for the USD shares listed on the London Stock Exchange. Also available: GBP shares on the LSE, EUR shares on both Euronext Milan and Xetra and CHF shares on the SIX Swiss Exchange.