

# Hang Seng BeES™

## Hang Seng Benchmark Exchange Traded Scheme

(An open ended, Exchange Listed Index Scheme Tracking Hang Seng Index)

China is the world's second largest economy on a purchasing power parity basis and is driven by a population of 1.3 billion people. China's growth, even in the face of a global recession, has been a source of interest for investors around the world, to help you benefit from China's growth story Benchmark Mutual Fund presents Hang Seng BeES – An Exchange Traded Fund based on Hang Seng Index

### HIGHLIGHTS

- An Indian ETF proposed to be Listed on NSE capital market segment to give International exposure
- All Indian investors can now participate in it.
- Hang Seng BeES will track Hang Seng Index adjusted for Exchange Rate
- More than 50%<sup>#</sup> holding in Chinese companies.
- Rest of the companies also depends on Main land China to some extent
- Divided Yield of 3.25%<sup>#</sup>
- Ideal for diversification as Correlation of Hang Seng Gross TRI with S&P CNX Nifty Total Returns index is 0.64<sup>\*#</sup>\$
- Introduced by Benchmark Asset Management Company Pvt. Ltd., A Pioneer and Leader of ETFs in India

Source: <sup>#</sup>Hong Kong Stock Exchange <sup>\$</sup>www.oanda.com & NSE.

\* Calculated based on daily returns for past 3 Yrs. Hang Seng Gross TRI (INR) and S&P CNX Nifty Total Returns Index have been considered for correlation calculation

Data As On Jan. 29, 2010

### INVESTMENT PATTERN

Type of Instruments	%	Risk Profile
Securities constituting Hang Seng Index	90%-100%	Medium to High
Money Market Instruments, G-Secs, Bonds, Debt instruments, cash at call and mutual fund schemes / overseas exchange traded funds based on Hang Seng Index	0%-10%	Low

### FUND FACTS

Fund Name	Hang Seng Benchmark Exchange Traded Scheme (Hang Seng BeES)
Benchmark Index	Hang Seng Index
Investment Objective	The investment objective of the Scheme is to provide returns that, before expenses, closely correspond to the total returns of securities as represented by Hang Seng Index of Hang Seng Data Services Limited, by investing in the securities in the same proportion as in the Index
Option	The Scheme offers only Growth Option
NFO Period	February 15, 2010 - February 24, 2010
Face Value	Offer for Units of Rs. 10/- per unit for cash at the premium approximately equal to the difference between the face value of Rs. 10/- and 1/100th of the value of Hang Seng Index during the New Fund Offer Period and at NAV based prices upon re-opening
Load	Entry Load: NIL; Exit Load: NIL
<b>Minimum Application Amount</b>	
During NFO	Rs. 10,000/- (Rupees Ten Thousand only) and in multiples of Re. 1/- thereafter
Ongoing Basis	<ul style="list-style-type: none"> <li>• <b>On the Exchange</b></li> </ul> <p>The units of Hang Seng BeES are listed on the Capital Market Segment of the National Stock Exchange of India Ltd. (NSE). On NSE, the units of Hang Seng BeES can be purchased/sold in minimum lot of 1 unit and in multiples thereof.</p> <ul style="list-style-type: none"> <li>• <b>Directly with the Fund</b></li> </ul> <p>The Minimum number of units of Hang Seng BeES that investors can create/redeem in exchange of Portfolio Deposit and cash component is 10,000 units and in multiples thereof.</p>

The Scheme Information Document, Key Information Memorandum and Application Form are available at the Office of the AMC, Registrar and Transfer Agent, Distributors or can be downloaded from [www.benchmarkfunds.com](http://www.benchmarkfunds.com).

Please read the Scheme Information Document carefully before investing in the Scheme

## ABOUT HANG SENG INDEX

- Hang Seng Index ("HSI") was launched on Nov 24, 1969 and is one of the earliest stock market indices in Hong Kong
- Hang Seng Indexes Company Ltd. compiles and publishes the HSI
- Widely recognised as the barometer of the Hong Kong Stock market
- HSI measures the performance of largest and most liquid companies listed in Hong Kong
- HSI adopts free float-adjusted market capitalisation weighted methodology with 15% cap on each constituent weightage
- It currently comprises of 42 stocks\* which are representative of the Hong Kong stock market
- Represents about 59.74% of total market capitalisation of Hong Kong stock exchange<sup>§</sup> as on Jan. 29, 2010

\* As on Jan. 29, 2010 and subject to H Share withholding tax.

<sup>§</sup> The universe comprises all main board primary listings

**STATUTORY DETAILS:** Constitution: Benchmark Mutual Fund has been set up as a Trust under the Indian Trust Act, 1882 Trustee: Benchmark Trustee Company Pvt. Ltd. Investment Manager: Benchmark Asset Management Company Pvt. Ltd. Sponsor: Niche Financial Services Pvt. Ltd. Custodian: Citibank NA. Fund Accountants: Citibank NA. Registrar and Transfer Agents: Karvy Computershare Pvt. Ltd.

## RISK FACTORS

### General

(1) All Mutual funds and securities investments are subject to market risks and there can be no assurance or guarantee that the objective of the respective Schemes will be achieved. (2) As with any investment in securities, the Net Asset Value (NAV) of the units issued under the Schemes can go up or down depending on the factors and forces affecting the securities market. (3) Past performance of the Sponsors/Investment Manager/Mutual Fund and its affiliates does not indicate the future performance of the Scheme and may not provided a basis of comparison with other investments. (4) Hang Seng Benchmark Exchange Traded Scheme (Hang Seng BeES) is the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects and the returns. Investors are therefore urged to study the terms of offer carefully and consult their Investment Advisor before they invest in the Scheme. (5) The Sponsor is not responsible or liable for any loss or shortfall resulting from the operation of the Scheme beyond the initial contribution made by it of an amount of Rs. 1 Lac towards setting up of the Mutual Fund. (6) The present Scheme is not a guaranteed or assured return Scheme. (7) The Scheme's NAV will react to the stock market movements. The Investor could lose money over short periods due to fluctuation in the Scheme's NAV in response to factors such as economic and political developments, changes in interest rates and perceived trends in stock and securities prices, market movements, and over longer periods during market downturns. (8) Please read the Scheme Information Document and Statement of Additional Information carefully before investing. (9) Redemption by exchange of Portfolio Deposit - In case an unit holder wishes to, redeem in creation unit size, the units of the Scheme by exchange of portfolio deposit, then such unit holder is required to have a securities account, etc. in their respective jurisdiction which permits them to hold such securities and which will enable the AMC to transfer the constituents of the Underlying Index. (10) THE HANG SENG INDEX (THE "INDEX") IS PUBLISHED AND COMPILED BY HANG SENG INDEXES COMPANY LIMITED PURSUANT TO A LICENCE FROM HANG SENG DATA SERVICES LIMITED. THE MARK AND NAME HANG SENG INDEX ARE PROPRIETARY TO HANG SENG DATA SERVICES LIMITED. HANG SENG INDEXES COMPANY LIMITED AND HANG SENG DATA SERVICES LIMITED HAVE AGREED TO THE USE OF, AND REFERENCE TO, THE INDEX BY BENCHMARK ASSET MANAGEMENT COMPANY PVT. LTD. 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**BENCHMARK**  
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