

FLCH

Franklin FTSE China ETF

Analyst Report

The Franklin FTSE China ETF (FLCH) tracks an index of large and mid-size companies in China. Though FLCH offers broad exposure at a reasonable price, it competes in a crowded category and hasn't attracted the assets and liquidity of rivals like the iShares MSCI China ETF (MCHI), the dominant China-focused ETF. FLCH has broadly similar sector exposure to MCHI, with some variations. The fund is part of a series of single-country ETFs that Franklin Templeton began rolling out in 2017. The funds debuted with significantly lower management fees than rival iShares funds, which have long dominated the single-country ETF space. Many of the stocks in the fund's portfolio are likely to be found in broadly diversified international equity funds, and investors should be careful not to take on an unintentional overweight. Single-country funds are typically not appropriate for investors seeking a diversified portfolio and are more appealing to short-term traders placing tactical bets on specific markets.

ESG Themes and Scores

4.73/10

ESG Rate

20.28%

Global Percentile

79.14%

Peer Percentile

Performance Data

	FLCH	ETF Database Category Average	Factset Segment Average
1 Month	-2.54%	-2.17%	-1.91%
3 Month	-1.56%	-4.96%	-3.57%
YTD Return	1.27%	-4.55%	-1.93%
1 Year Return	-10.78%	-15.13%	-9.86%
3 Year Return	-14.61%	-14.58%	-9.30%
5 Year Return	-4.57%	-2.09%	-1.48%

Top 5 Holdings

Symbol	Holding	% Assets
700	Tencent Holdings Ltd.	14.41%
9988	Alibaba Group Holding Limited	8.33%
PDD	PDD Holdings Inc. Sponsored ADR Class A	4.51%
3690	Meituan Class B	3.70%
939	China Construction Bank Corporation Class H	3.23%

Vitals

Issuer	Franklin Templeton
Brand	Franklin
Structure	ETF
Expense Ratio	0.19%
Inception	Nov 02, 2017
Index Tracked	FTSE China RIC Capped Index

ETF Database Themes

Category	China Equities
Asset Class	Equity
Asset Class Size	Large-Cap
Asset Class Style	Blend
Region (General)	Emerging Asia Pacific
Region (Specific)	China

FactSet Classifications

Segment	Equity: China - Total Market
Category	Size and Style
Focus	Total Market
Niche	Broad-based
Strategy	Vanilla
Weighting	Market Cap

