

# CHIS

## Global X MSCI China Consumer Staples ETF

### Fund Description

CHIS tracks a market cap-weighted index of Chinese large- and mid-cap companies in the consumer staples sector. The index includes A shares.

### FactSet Analyst Report

CHIS offers straightforward exposure to Chinese consumer staples firms. The fund doesn't try to pick winners, opting instead for no-nonsense exposure to the sector. Its broad share class coverage includes access to A-Shares. The underlying index uses GICS classification to identify stocks for the sector. Stocks receive float-adjusted market-cap-weighting, thus, ignoring any portion of the firm owned by the government. The fund's diversification scheme uses a 10/50 capping methodology; it caps the largest firm at 10% and other larger firms under 50% in aggregate. Small caps are out-of-bounds but wouldn't likely move the needle in the market cap-weighted basket, and their absence should help CHIS's underlying liquidity. While such features are commonplace in ETFs, they add value in this context. Direct competition is slim among China sector ETFs. The index is reconstituted and rebalanced on a quarterly basis.

