

# Products

## Authorisations

As of 31 December, 2,780 SFC-authorized collective investment schemes were on offer to the public. During the quarter, we authorised 47 unit trusts and mutual funds, one mandatory provident fund (MPF) pooled investment fund and 18 unlisted structured investment products for public offering.

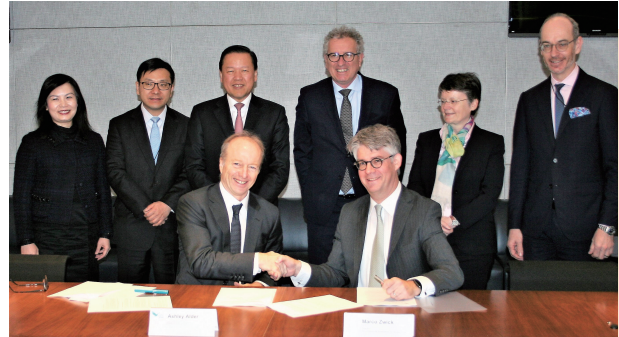
## Mutual recognition of funds (MRF)

### United Kingdom and Luxembourg

We entered into memoranda of understanding (MoUs) on MRF with the UK Financial Conduct Authority in October and with the Luxembourg Commission de Surveillance du Secteur Financier (CSSF) in January. Each MoU allows eligible Hong Kong public funds (including funds structured in the form of open-ended fund companies) to be distributed in the other market, and vice versa. It also establishes a framework for information exchange, regular dialogue and regulatory cooperation on the cross-border offering of eligible funds.

### Mainland China

Under the Mainland-Hong Kong MRF scheme, as of 31 December, we had authorised a total of 50 Mainland funds (including two umbrella funds), and the China Securities Regulatory Commission had approved 17 Hong Kong funds.



Signing of MoU with the CSSF

### Switzerland and France

Following our discussions with the Swiss Financial Market Supervisory Authority and the French Autorité des marchés financiers, both regulators confirmed that SFC-authorized funds structured in the form of open-ended fund companies are now eligible under our MRF arrangements with Switzerland and France.

## Regulatory enhancements

On 6 December, we published consultation conclusions on proposed amendments to the Code on Unit Trusts and Mutual Funds (UT Code) as part of a holistic review to update the regulatory regime for SFC-authorized funds. Key changes included strengthening the requirements for key operators<sup>1</sup> and introducing new fund types such as active exchange-traded funds (ETFs). The revised UT Code became effective on 1 January 2019. We also published new guidance and frequently asked questions on our website to facilitate implementation and transition arrangements.

## Unlisted structured investment products

	Quarter ended 31.12.2018	Nine months ended 31.12.2018	Nine months ended 31.12.2017	YoY change (%)
Unlisted structured investment products <sup>a</sup>	18	98	105	-6.7
Authorisations granted under section 105 of the Securities and Futures Ordinance <sup>b</sup>	11	68	68	0

<sup>a</sup> On a "one product per key facts statement" basis, the number of unlisted structured investment products authorised during the period, most of which were equity-linked investments and deposits.

<sup>b</sup> Offering documents and advertisements of unlisted structured investment products offered to the Hong Kong public.

<sup>1</sup> Including management companies, trustees and custodians.

## Products

### Authorised collective investment schemes<sup>a</sup>

	As at 31.12.2018	As at 31.3.2018	Change (%)	As at 31.12.2017	YoY change (%)
Unit trusts and mutual funds	2,195	2,215	-0.9	2,205	-0.5
Investment-linked assurance schemes	300	299	0.3	299	0.3
Pooled retirement funds	34	34	0	34	0
MPF schemes	31	31	0	31	0
MPF pooled investment funds	195	194	0.5	194	0.5
Others	25 <sup>b</sup>	26	-4	26	-4
<b>Total</b>	<b>2,780</b>	<b>2,799</b>	<b>-0.7</b>	<b>2,789</b>	<b>-0.3</b>

<sup>a</sup> Excluding unlisted structured investment products.

<sup>b</sup> Comprising 14 paper gold schemes and 11 real estate investment trusts (REITs).

### SFC-authorized renminbi investment products

	As at 31.12.2018
<b>Unlisted products</b>	
Unlisted funds primarily investing in the onshore Mainland securities markets <sup>a</sup> or offshore renminbi bonds, fixed income instruments or other securities	66
Other unlisted funds with renminbi share classes <sup>b</sup>	191
Paper gold schemes with renminbi features	1
Recognised Mainland funds under Mainland-Hong Kong MRF arrangement	50
Unlisted structured investment products with renminbi features <sup>c</sup>	105
<b>Listed products</b>	
ETFs primarily investing in the onshore Mainland securities markets <sup>a</sup> or offshore renminbi bonds, fixed income instruments or other securities	34
Other ETFs with renminbi trading counters <sup>b</sup>	20
Renminbi gold ETFs <sup>d</sup>	1
Renminbi REITs	1

<sup>a</sup> Refers to onshore Mainland investments through the Renminbi Qualified Foreign Institutional Investor (RQFII) quota, Stock Connect, Bond Connect and the China Interbank Bond Market.

<sup>b</sup> Refers to unlisted funds or ETFs which have non-renminbi base currency.

<sup>c</sup> The number is on a "one product per key facts statement" basis.

<sup>d</sup> Only includes gold ETF denominated in renminbi.