2026

Greater China ETF Investor Survey

INVESTOR SERVICES

WELCOME

BBH's 9th Annual Greater China ETF Survey explores the growing maturity of the ETF market across mainland China, Hong Kong, and Taiwan and uncovers the latest trends driving ETF investment activity in the region.

While global trade tensions ratchet up and geopolitical shifts continue to influence investment tactics and strategies, the Asia-Pacific region markets of mainland China, Hong Kong, and Taiwan continue to enjoy major growth in demand for ETF investment.

The evolution and rising sophistication of the Greater China markets comes at a time when other powerful forces such as the rise of artificial intelligence (AI) are helping to reshape the global economy.

With growing opportunity for both local and international issuers, Greater China presents some exciting opportunities and potential challenges we explore in more detail in this report.

We hope you will find this document to be an informative and helpful guide as you assess your ETF strategy for 2026 and beyond. Our dedicated Asia team would also welcome your thoughts and reflections on our findings and the opportunity to explore these further with you.

WHO WE SURVEYED

In order to better understand investment trends, BBH engaged Wakefield Research to survey 100 ETF investors in Greater China in December 2025 as part of our Global ETF Investor Survey.

Respondents came from the following investor classifications:

- Institutional investors
- RIA/Financial advisors
- Fund management
- Private bank
- Wealth management

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STANDOUT STATS

95%

plan to increase their use of ETFs in the next 12 months

64%

prefer an active investment approach over passive in the next 12 months

40%

think active ETFs will reach $10 trillion in assets globally within 5 years

Mainland China – 40%
Hong Kong – 46%
Taiwan – 34%

30%

say lack of research tools and education on ETFs is the top factor preventing them from buying more ETFs

74%

have at least 26% of their ETF portfolios invested in ETFs domiciled in their home markets

THE ETF OUTLOOK

THE MACROECONOMIC FACTORS IN GREATER CHINA

Elias Haddad
Global Head of Markets Strategy

The ETF markets of mainland China, Hong Kong, and Taiwan face increasingly divergent prospects as the AI investment boom, China's economic transition and shifting investor sentiment drive performance across the region.

Taiwan's stock market has been one of the world's standout performers so far this year, up over 50%, powered by the global AI boom.

Strong demand for AI chips, servers, and advanced semiconductors has propelled earnings higher across the technology sector.

Taiwan has also emerged as one of the clearest beneficiaries of the surge in hyperscaler spending on AI infrastructure and data centers.

Hong Kong's Hang Seng index has underperformed most equity markets this year, down roughly -4%. Persistent concerns over China's property sector, weak domestic demand, and higher US Treasury yields outweighed support from AI-related optimism and mainland inflows by Chinese investors through the Stock Connect program.

Unlike Taiwan, Hong Kong has limited exposure to the global semiconductor boom and remains heavily influenced by investor sentiment toward Chinese assets.

Mainland Chinese equities have fared somewhat better than Hong Kong and are largely flat year-to-date. Policy support, domestic investor demand, and enthusiasm for AI and advanced manufacturing offset weakness in property and consumer sectors. The market increasingly reflects China's shift from property-led growth toward strategic industries such as AI, robotics, electric vehicles, and advanced manufacturing.

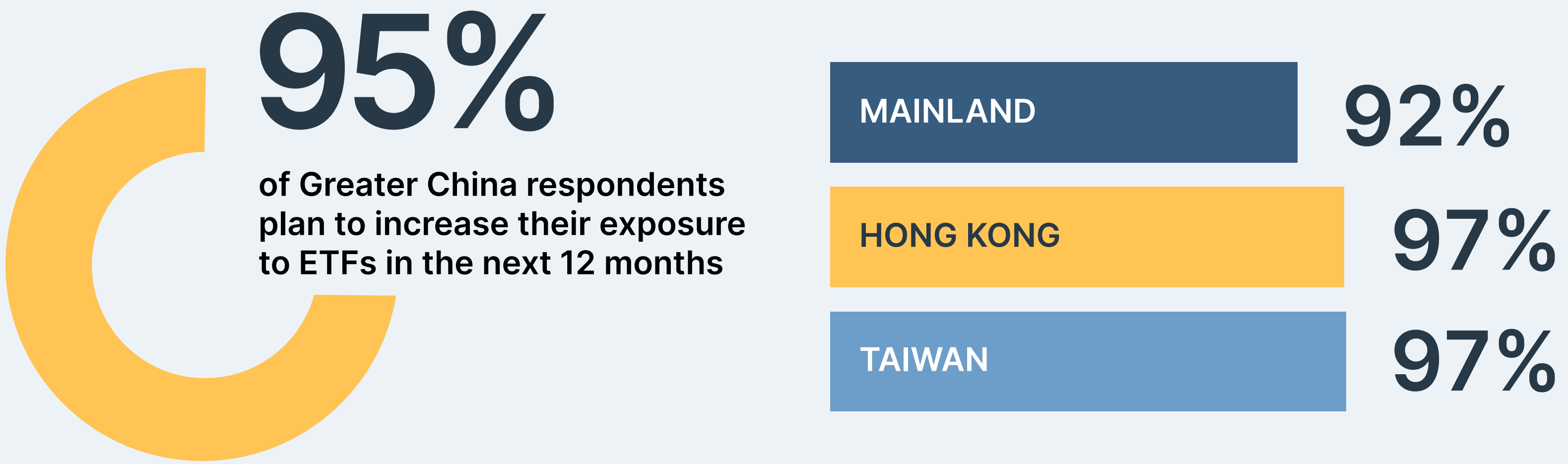
Our bottom line view sees Taiwan ETFs as a play on the global AI capex cycle with Chinese ETFs a bet on policy support, technological self-sufficiency, and the country's industrial upgrading agenda. We see Hong Kong ETFs as a bet on improving Chinese investor sentiment, and the domestic demand backdrop.

ETFs are increasingly establishing themselves as an essential vehicle for allocators and investors across Greater China as the market looks to attain the product maturity seen in the US and Europe. Product innovation continues across the region with regulators and exchanges supporting growth by bringing new strategies to their respective markets.

The mainland Chinese market held $861.2bn in assets at the end of 2025 but the headline numbers through the first four months of 2026 have been impacted by some significant outflows.[1] The market has been partly supported by a Chinese government which sees ETFs as a means to help boost and stabilize stock markets during periods of uncertainty. As the market stabilized in early 2026, the government has redeemed some of its ETF holdings.

The outflows have not slowed down product issuers as 119 new ETFs were added to the market in the first four months of 2026.[2] In China, the number of ETFs available has grown by 45% since the end of 2024 with policy supporting the shift of capital into regulated fund vehicles, like ETFs.

Our survey results mirror these growth stats. Over 90% (95%) of investors in the region plan to increase their exposure to ETFs in the next 12 months. While an 11-point dip from 2025, 31% still plan to increase exposure significantly (by 10% or more).



Hong Kong – arguably the most diverse and innovative ETF trading markets in the region – has seen significant ETF sector growth. Hong Kong Exchanges and Clearing (HKEX) has become the fourth most actively traded ETF market globally with average daily turnover (ADT) for ETFs growing 10%[3] to reach HKD38.9bn through the first five months of 2026 when compared to the same period last year. ADT for leveraged and inverse (L&I) products is up 40% over the same period with HKEX now having the single largest L&I product globally by assets under management.

1 ETFGI data. April 2026.
2 Ibid.
3 HKEX monthly market highlights. May 2026

ETF CONNECT

Connectivity continues to improve across the Greater China market for both domestic and global investors. ETF Connect turnover accelerated in Q1 2026, with average daily turnover reaching HK$7.1 bn on the Southbound channel and RMB4.8 bn on the Northbound channel, representing year-on-year increases of 60% and 50%,[1] respectively.

The Southbound channel is becoming an emerging growth engine for the Hong Kong ETF market, prompting issuers to structure products specifically for this segment. In particular, there has been a focus on 60/40 strategies that align with current ETF Connect eligibility requirements, with 60% of the portfolio invested in Hong Kong–listed equities and 40% allocated to global equity markets. While the range of ETF strategies currently available under the program remains relatively limited, survey results provide insight into potential areas of future demand as the scheme evolves. Our survey indicates that defined outcome, fixed income, and ESG strategies ranked as the top three areas of interest among mainland China investors this year. Mainland private banks and institutions were most interested in the ability to access defined outcome ETFs this year.

Mainland investors continue to seek portfolio diversification, and ETF Connect is becoming an important conduit for these cross-border investment flows. With over US$3 bn of net inflows into the 23 Hong Kong–listed ETFs from Mainland investors in Q1, alongside multiple product launches by issuers targeting this channel, ETF Connect is expected to become an increasingly important contributor to growth in the Hong Kong ETF market.

As part of your clients' overseas investment allocation over the next 12 months, which types of Hong Kong listed ETF strategies do you anticipate being most in demand?

	Mainland	Institutional investor	RIA/financial advisor	Fund management	Private bank	Wealth management
Defined outcome ETFs (Buffered ETFs)	17%	25%	-	17%	40%	-
Environmental, social, and governance (ESG)	11%	-	25%	17%	20%	-
Sector or thematic equity exposure	9%	-	-	8%	-	33%
Dividend/income	6%	-	–	8%	20%	-
Multi-asset	9%	13%	25%	-	-	17%
Cryptocurrency	3%	13%	-	-	-	-
Fixed income	14%	25%	25%	8%	-	17%
Commodity	9%	–	–	17%	–	17%
Leveraged/inverse	9%	13%	–	8%	-	17%
Actively managed	9%	13%	25%	8%	-	-
Money market	6%	-	–	8%	20%	–

1 HKEX Insight. Q1 2026 Hong Kong Market Update.

*Percentages shown in this report are rounded to the nearest whole number. As a result, totals in charts and tables may not always sum to exactly 100%.

Big in Taiwan?

The Taiwanese ETF market has been one of the fastest growing and most dynamic in the world. With its maturity driven partly by developments in AI and its booming semiconductor industry, the local Taiwanese ETF dynamic markets is now the fifth largest in Asia, with total AUM of over $216 bn[1].

The market approved the listing of active ETFs in late 2024 and welcomed these products for the first time in May 2025, with a growing number of issuers positioning themselves for active ETF launches. Taiwan has grown to become the fourth largest active ETF market in Asia with $17bn USD in assets across the 30 active ETFs that have listed[2].

Unlike other Asia ETF markets, the Taiwanese ETF Market is less dominated by institutional investors. Among a mix of investors, it hosts a thriving retail market where digital marketing and advertising are becoming increasingly common.

At the end of 2025, the market reached a high of 16 million ETF accounts, representing close to 70% of the total population. Investors are continuing to allocate to ETFs[3], with the market adding $16.8bn through the first four months of 2026 (The second largest figure across Asian ETF markets), but the pace is down from the record growth of the past several years.

1 Taipei Times. Taiwan's ETF market tops NT$6.5tn. 14 August 2025.
2 ETFGI data as at end March 2026.
3 Ibid.

OUTSIDE INFLUENCES ON ETFs

As in the US and Europe, investment decisions in Greater China continue to be influenced by a range of wider global market trends.

By a slim margin, Greater China investors ranked advancements in AI and emerging technologies (21%) as the global trend that will most influence their investment strategy this year. US trade policy followed closely at 20%, with global interest rate policies at 18%.

What's driving the rankings? Optimistic forecasts suggest AI could potentially boost the global economy by $7 tn over the next decade[1] and many Asian investors believe there is value to be found in the sector. This has led to several AI themed and broader technology sector ETF launches across the region over the past year. The ongoing threat of US tariffs and the unpredictable political landscape continue to unsettle investors in Greater China.

Perhaps more surprisingly, geopolitical risk and inflation (10% and 12% respectively) ranked relatively low. This may be because respondents felt the Asia region was less directly exposed to geopolitical concerns linked to other regional unrest such as the Russia/Ukraine conflict. The sheer economic strength of mainland China may be another factor seen as a buffer to wider disruption. We suspect responses would be different today given the current Middle East conflict.

However, there were notable differences between markets:

MAINLAND

- US trade policy – **23%**
- Global interest rate policies – **20%**
- Advancements in AI and emerging technologies – **17%**

HONG KONG

- Advancements in AI and emerging technologies – **29%**
- Equity valuations – **23%**
- Global interest rate policies – **14%**

TAIWAN

- US trade policy - **27%**
- Equity valuations – **23%**
- Global interest rate policies – **20%**

1 Goldman Sachs. Generative AI could raise global GDP by 7%. 05 April 2023.

Opinions vary on which asset class is likely to deliver the best performance in the year ahead. Equities were the most popular choice among our survey respondents at 38%, amid buoyant global markets, with fixed income attracting 19% of the vote.

Taiwanese respondents viewed equities (43%) as likely to deliver the best performance. In the year ahead, with Hong Kong a close second (40%). Taiwan investors have been allocating aligned with this and the most successful ETF launch in Asia during Q1 2026 by assets raised was a Taiwan listed equity product.

Commodities – perhaps buoyed by trade, technology driven demand and wider geopolitical concerns—were identified as likely to perform strongly by 13% of our combined Greater China respondents.

Despite some recent progress in Hong Kong, the development of cryptocurrency and tokenization is perhaps less advanced in Greater China. Only 12% of respondents in our survey rated its chance of performing strongly in this market in 2026. The Hong Kong government and regulators remain committed to the virtual asset segment and are progressing the proposal to regulate virtual asset advisory and management service providers.

What asset class do you feel will deliver the best performance over the next 12 months?

	GREATER CHINA	MAINLAND	HONG KONG	TAIWAN
Equities	38%	31%	40%	43%
Fixed income	19%	23%	20%	13%
Commodities	13%	11%	6%	23%
Cryptocurrency	12%	17%	11%	7%
Alternatives	10%	9%	14%	7%
Cash	8%	9%	9%	7%

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Yet despite skepticism over the short-term value offered by cryptocurrencies, 41% of our Asia respondents said they saw it as an essential strategy to stay competitive. A similar number (40%) regard cryptocurrency investment as a high-risk, high reward strategy. A further 18% viewed crypto trading as a tactical short-term trade.

A conversation with Ken Han

Chief Commercial Officer – APAC, Flow Traders

Q: Globally this year, investors ranked 'liquidity and trading costs' as the 2nd most important consideration when evaluating what ETF to purchase. Greater China investors ranked it 4th this year (also 4th last year). How are ETF investors that you engage with viewing liquidity and trading costs in the region? Has their view evolved at all?

A: In Greater China, liquidity and trading costs remain important but are not top-tier selection criteria. This reflects structural factors, where liquidity is often viewed as a hygiene factor rather than a key differentiator.

We are seeing a clear evolution. Investors are moving beyond screen-based metrics such as volume toward a deeper focus on execution quality and underlying liquidity. This shift is particularly evident in Fixed Income ETFs where the ETF can be more liquid than the underlying bonds and serve as a price discovery tool. Liquidity is increasingly being viewed not just as a cost or risk consideration, but as a feature to enhance portfolio implementation.

Q: As the regional ETF markets continue to grow in assets and turnover has there been an impact on liquidity?

A: Liquidity has improved meaningfully alongside the growth in assets and turnover. Such growth reinforces secondary market depth and provides market makers with greater ability to manage risk and recycle inventory efficiently.

This creates a positive feedback loop where liquidity begets liquidity. The resulting depth is particularly valuable in more volatile environments, enabling institutional investors to reposition portfolios quickly and with greater execution certainty.

Q: Product innovation continues globally and our survey showed investor interest in accessing private markets strategies via the ETF wrapper. What challenges or considerations exist when providing liquidity for those types of strategies?

A: For ETFs providing exposure to private market strategies, the liquidity framework naturally becomes fundamentally different. The key consideration is in the availability of continuous, observable and hedgeable underlying markets. That said, the ecosystem is evolving to support these exposures. Market makers rely on a combination of hedging strategies, risk warehousing, and pricing of uncertainty to facilitate liquidity, while product structures continue to adapt to better align with liquidity profiles. Overall, liquidity provision remains feasible with dependency on product design and the ability of participants to manage and transfer risk efficiently across the ecosystem.

Q: What is the 2026 outlook for ETF trading in the region? Are there any other key developments/areas of focus?

A: ETFs are widely established as core liquidity instruments and tools for tactical allocation and repositioning of portfolios, particularly during periods of volatility. Execution is no longer viewed purely through a cost lens—execution strategy itself is a source of alpha.

Investors are increasingly trading globally listed ETFs during Asia hours as they seek immediate market exposure rather than delaying execution across time zones. Looking ahead, there will be greater focus on minimizing implementation shortfall, improving funding efficiency, and optimizing execution workflows to align with more sophisticated and wider usage of ETFs across institutional portfolios.

ETF PREFERENCES

DRIVERS

Considerable appetite for ETFs remains across the region both from domestic and international investors. Over the next 12 months, the strategies where investors plan to allocate capital seem to be more focused around managing risk, given volatile conditions.

In mainland China, money market (31%) and multi-asset (29%) were the top two strategies. Hong Kong investors pivoted this year to liquid alternatives (37%) as their top choice followed by dividend strategies (34%), which aligns with the overall demand for income.

Income more broadly remains a driver of ETF growth in Hong Kong with two of the top four ETFs in terms of net new flows YTD being covered call strategies. Dividend strategy was the top choice among Taiwan investors, with 30% planning to allocate this year. Its popularity is reflected in the market, where two of Taiwan's four largest ETFs by assets focus on dividend strategies.

ACTIVE VERSUS PASSIVE

A significant majority of our survey respondents favored an actively managed ETF investment approach (64%) versus a passive one (36%). While an active investment approach is favored by many in Greater China, active opportunities in the ETF sector are still in a nascent stage.

Of the US$2.4tn worth of locally listed ETF assets in Asia-Pacific only about US$120bn are actively managed ETFs, according to JPMorgan data.[1] While the base is smaller since active ETFs have only been allowed by certain Asia-Pacific markets in recent years, the compound annual growth rate (CAGR) for active ETF growth of 54% is the largest globally[2] as of the end of 2025.

Our survey indicates there is significant room for growth in this sector. When asked where investors planned to increase their actively managed ETF allocations, 25% of respondents identified multi-asset portfolios, a common choice across the board.

Multi-asset remains an extremely popular strategy in the region—especially in Hong Kong—among investors seeking an income component but also hoping to capture the upside equity exposure can often bring. Taiwan issued its first multi-asset ETF in September last year in a further boost to the asset class.

In which of the following ETF strategies do you plan to invest over the next 12 months?

▲▼ ARROWS INDICATE SIGNIFICANT YEAR-OVER-YEAR CHANGE FROM 2025.

	GREATER CHINA	MAINLAND	HONG KONG	TAIWAN
Dividend/income	27%	17%	34%	30% ▲ 13%
Sector or thematic equity exposure	19%	17%	14%	27%
Defined outcome ETFs (Buffered ETFs)	20%	20% ▼ 14%	17%	23%
Multi-asset	26%	29%	26%	23%
Liquid alternatives	24%	11%	37%	23%
Money markets	26%	31%	26%	20%
Cryptocurrency	20%	26%	23%	10% ▼ 30%
Commodity	18%	20%	9%	27%
Leveraged/inverse	17%	20%	14%	17%

> "ETFs are increasingly being deployed as active instruments for managing risk and expressing tactical views."
>
> – Ken Han

1 Ignites Asia. Time is ticking for global managers in Asia's 'winner-takes-all' ETF market. 28 January 2026. Based on JPMorgan figures.
2 JPMorgan guide to ETFs. As of end March 2026.

Where do you plan to increase your actively managed ETF allocations?

	GREATER CHINA	MAINLAND	HONG KONG	TAIWAN
Multi-asset	25%	18%	30%	28%
Commodities	18%	26%	9%	17%
Equity	17%	12%	21%	17%
Defined outcome	16%	21%	12%	14%
Fixed income	15%	12%	15%	17%
Liquid alternatives	10%	12%	12%	7%

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Elsewhere, 17% favored increasing their actively managed ETF allocations to equities with 15% favoring fixed income. Mainland China had the highest appetite for commodities (26%).

Our own intelligence suggests the popularity of liquid alternatives is also gathering pace. Our survey found 10% of respondents planned to increase allocations to liquid alternative assets. Regulatory changes in Hong Kong now allow the listing of some closed ended funds able to bring some private/liquid alternatives strategies to market.

At BBH we have noted some managers are increasingly integrating pre-initial public offering (IPO) private assets within, where permitted, portfolios which once held only public equities. This reflects a wider shift towards investing in semi-liquid 'evergreen' funds in markets such as the US and Europe.

INTEREST RATE INFLUENCE

While interest rates remained stubbornly elevated for a protracted period, some markets such as the US have seen them edge downwards in recent months. With this climate in mind, respondents noted which type of active fixed-income exposures were most attractive to them over the next 12 months:

– High yield bonds (46%)

– Diversified fixed income (46%)

– Investment grade bonds (45%)

Hong Kong ETFs

The Hong Kong stock exchange operator Hong Kong Exchanges and Clearing (HKEX) expects its exchange-traded fund (ETF) market to continue growing after hitting record turnover and new listings this year, according to HKEX.[1]

Average daily turnover in ETFs doubled to a record HK$37.8 bn (US$4.8 bn) in the first nine months, as the exchange's 225 ETFs drew an increasing number of investors from mainland China, Asia, Europe, and the Middle East.[2]

The diversity of Hong Kong's ETF platform is reflected in the new flow leaderboard, where the top 10 products span a wide range of strategies, including thematic, covered call, L&I, dividend, commodity, and broad-based beta exposures.

Hong Kong continues to benefit from several strong tailwinds, including rising retail participation, increasing ETF inflows from mainland investors via ETF Connect, and the expansion of ETFs within the Mandatory Provident Fund (MPF) pension scheme. While there remains scope to further broaden investor access, the ETF market has reached an inflection point and is well positioned for continued growth.

At the same time, ETF issuers have multiple pathways to enter or expand in Hong Kong. These include launching a local platform, partnering with existing providers through master-feeder structures, or cross-listing offshore ETFs on HKEX – offering flexibility in how issuers access the market.

With HKEX launching an industry consultation in Q2 to shorten the cash market settlement cycle from T+2 to T+1, the ETF industry will need to closely monitor the implementation timeline. Further automation of primary market order workflows will be essential to support the accelerated settlement cycle.

While the tokenization and cryptocurrency ETF market in Greater China remains fragmented, Hong Kong is the most advanced market, positioning itself as a regional digital asset hub and becoming the first to offer spot cryptocurrency ETFs.

Hong Kong also offers some tokenized money market products, including gold-based ETFs offering tokenized fund units on the blockchain. According to our survey, views on the likely future market influence of crypto/tokenization vary widely across Greater China.

When asked to describe the likely long-term impact of tokenization on investing and financial markets:

– Only 18% said tokenization will revolutionize financial markets.

– In contrast 52% said they believed tokenization would create improvements in financial markets without fundamentally changing it.

– 30% said tokenization would have minimal effects on regional and local financial markets.

1 HKEX. Hong Kong ECM 2025 Recap: Liquidity, Listings and Record-Scale Equity Issuance. 09 February 2026.
2 South China Morning Post. Hong Kong exchange sees further growth ahead for record-setting ETF market. 20 October 2025.

GAINING GROUND: HONG KONG ETFs AND THE MPF

ETFs are gaining traction in Hong Kong pension fund investment strategies and could play a much greater role in their future, thanks to technological change and wider restructuring.

Earlier this year, the Mandatory Provident Fund Schemes Authority (MPFA) updated its investment guidelines to include actively managed ETFs as permissible investments for MPF funds. To qualify, active ETFs must be authorized by the SFC and listed on HKEX.

With an initial focus on risk control, the MPFA has imposed a 10% cap on investments in actively managed ETFs. Derivative-based active ETFs, along with other complex strategies, are currently not permitted.

While these limitations remain, the change marks a positive step toward broadening investment options for MPF investors and further expanding the role of ETFs in Hong Kong.

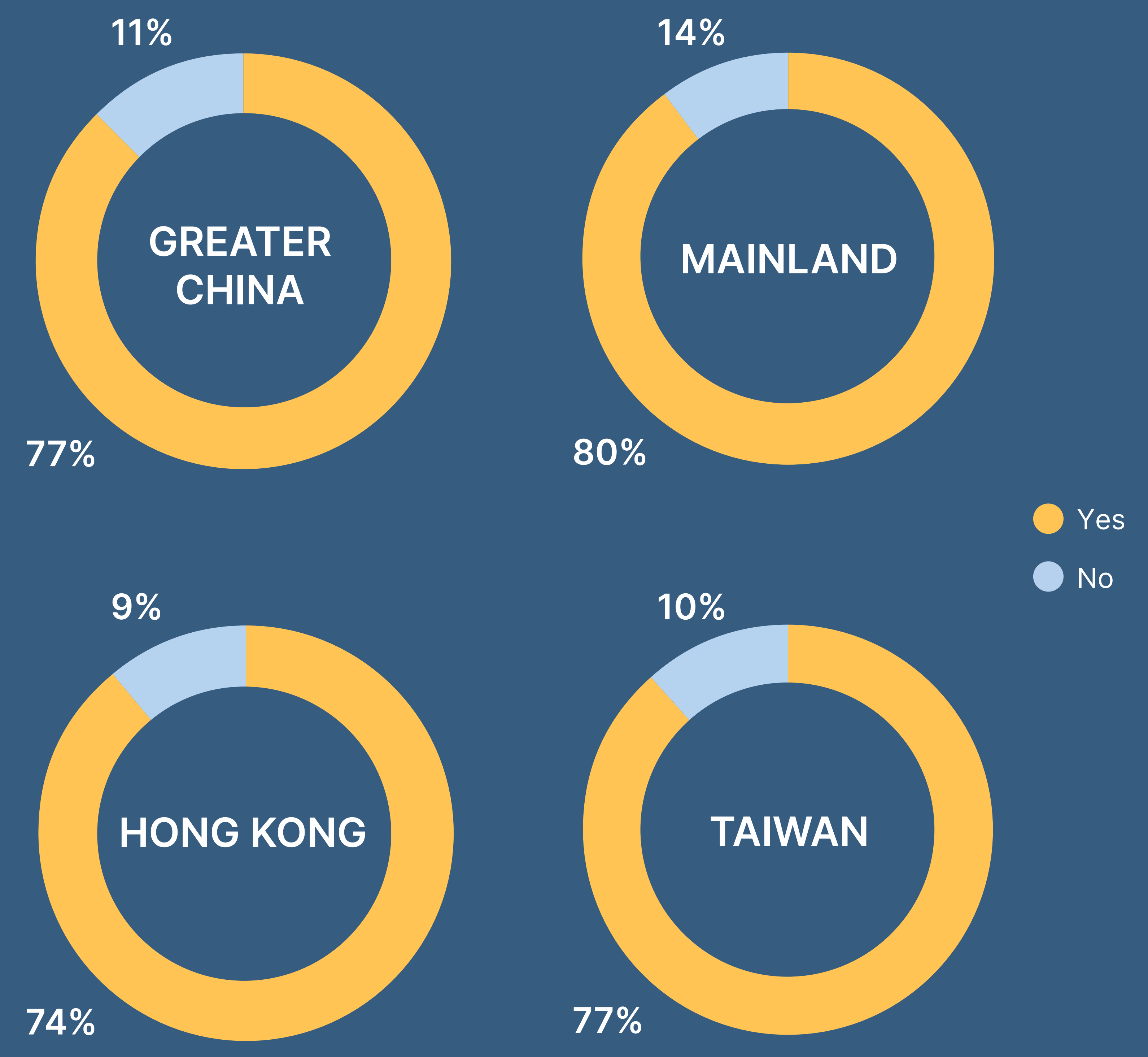
THE ETF SHARE CLASS

While a flurry of interest has seen several US managers look to offer ETF share classes within their existing mutual fund ranges in recent months, developments in the Asia market have been more muted.

In fact, Hong Kong was one of the first markets to launch products with comingled share class structures (unlisted share classes added to an ETF).

Our survey suggests there is significant pent-up interest in this, with 77% of Greater China respondents saying they would invest in an ETF share class of a mutual fund. As regional regulations have yet to fully support wider adoption, some ETF issuers have launched active ETF versions of their flagship mutual fund strategies as an interim solution.

Would you invest in the share class of a mutual fund?



NOTES FOR ISSUERS

WHY ETFs?

Respondents were asked about the most important selling point they considered when weighing the advantages of individual ETFs.

While the importance of strategy or sector focus was seen as crucial by just 15% of Greater China respondents, our survey reflected the importance of brand reputation across the region with 16% citing this as important.

In contrast, historical performance secured just 9% backing.

Expense ratio was the second most cited factor in our 2025 survey but appeared to decline in importance this year, suggesting that while cost matters, investors consider a broader set of factors when choosing ETFs.

What are the most important selling points for you when considering an ETF?

	GREATER CHINA	MAINLAND	HONG KONG	TAIWAN
Brand reputation	16%	17%	20%	10%
Strategy or sector focus	15%	6%	23%	17%
Tax efficiency	13%	11%	9%	20%
Liquidity and trading costs	12%	14%	9%	13%
Tracking error/difference with target index	12%	14%	3%	20%
Expense ratio	9%	14%	9%	3%
Historical performance	9%	9%	9%	10%
Index methodology	9%	11%	14%	-
Fund size	5%	3%	6%	7%

*Percentages shown in this report are rounded to the nearest whole number. As a result, totals in charts and tables may not always sum to exactly 100%.

MARKET CHALLENGES

While an increasing number of Asian investors favor exposure to ETFs, not all are willing or even able to do so. When asked what prevented investors from buying more ETFs, 30% cited a lack of research tools/education on ETFs, with 22% saying many ETFs simply did not meet their minimum threshold for assets under management.

Which of the following, if any, is most preventing you from buying more ETFs?

	GREATER CHINA	MAINLAND	HONG KONG	TAIWAN
Lack of research tools/education on ETFs	30%	36%	31%	23%
Many ETFs don't meet my minimum threshold for assets under management (AUM)	22%	26%	23%	17%
Limited availability of ETFs on my investment platform	21%	11%	26%	27%
Lack of commissions/retrocessions	12%	20%	6%	10%
Difficulty trading	10%	9%	11%	10%
I don't experience any issues that make it difficult to buy more ETFs	5%	-	3%	13%

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While substantial efforts have been made across the ecosystem to educate investors about ETFs, respondents clearly indicate an ongoing need for further investor education—particularly given the rapid pace of product innovation across the region.

Underlying financial technology and systems also emerged as a weak point, with 21% of respondents citing limited availability of ETFs on their investment platform and 10% pointing to difficulties in trading.

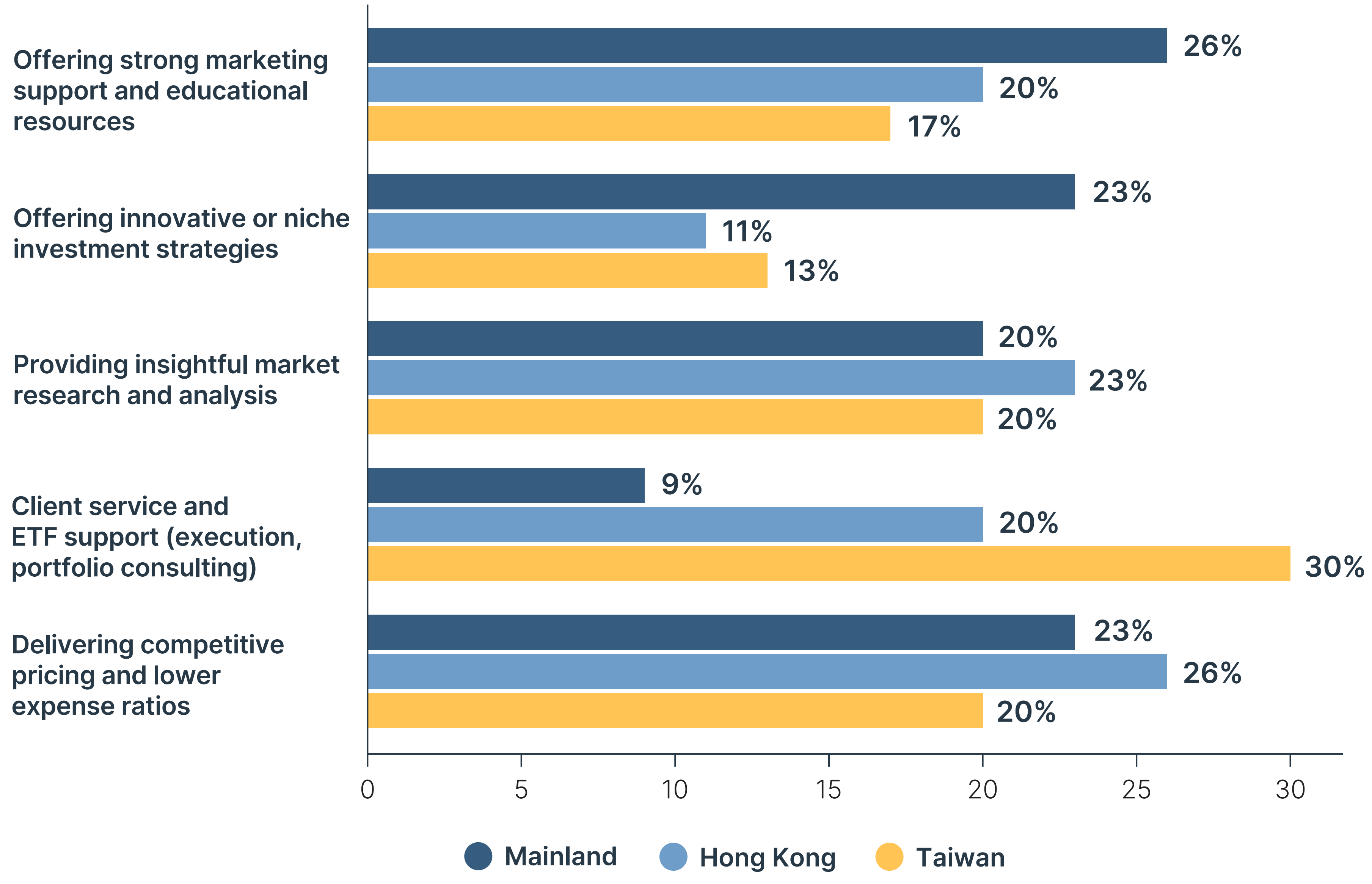
In a region that relies heavily on retrocessions and trailer fees for fund distribution, only 12% of respondents cited the lack of commissions or retrocessions as a factor limiting their ability to invest more in ETFs. This concern was more pronounced among mainland investors, where 20% identified it as a key challenge.

OPPORTUNITIES

Expectations for ETF issuers extend beyond offering a high quality product, with value added services providing opportunities for differentiation. Demand for these services varies by market.

Mainland China investors showed a preference for issuers that offer strong marketing support and educational resources followed by those who offer innovative or niche investment strategies or those who deliver competitive pricing and lower expense ratios. In Hong Kong, investors ranked competitive pricing as their top consideration, while in Taiwan investors prioritized client service and ETF support related to execution and portfolio construction.

While cost was not a top ETF selection criteria this year, the responses highlight the continued importance of cost competitiveness for investors in Greater China when compared with other value added services.



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Conclusion

The market for ETFs in Greater China continues to thrive. Ongoing improvements to regional market infrastructure and the growing proliferation of products available to local and global investors bode well for a market keen to expand further. Whatever short term hurdles might exist across the region, Greater China should continue to offer compelling opportunities for both local and global investors.

ABOUT BBH ETF SERVICES

For over 20 years, BBH has been a leading global provider of ETF services for the largest established global asset managers and new asset managers entering the ETF market in the US, Europe and Asia. BBH provides a comprehensive service model of solutions (accounting, administration, custody, and transfer agency) to power our clients' ETF businesses. In addition, BBH supports its clients with deep expertise and unique insights to inform our clients' ETF strategies

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