

# 1320

**FEATURE OF FUND**

This fund aims to track the performance of Nikkei Average

**FUND PROFILE**

(as of Dec 28, 2018)

NAV (per 1 unit) ¥20,589

Total Net Asset ¥2,432.1 bil.

Total No. of Holdings 226

Ticker Code 1320

Stock Exchange Tokyo Stock Exchange

Board Lot Size 1 unit

Inception Date July 9, 2001

Listing Date July 13, 2001

Trust Fee See back for details.

Financial Disclosure Dividend Date Once-yearly July 10th

Term of Trust Infinite

Investment Manager Daiwa Asset Management Co. Ltd.

Trustee Sumitomo Mitsui Trust Bank, Limited.

**Performance**

(as of Dec 28, 2018)

|                | 1month  | 3months | 6months | 1year   | 3years  | 5years  |
|----------------|---------|---------|---------|---------|---------|---------|
| FUND           | -10.3 % | -16.8 % | -9.5 %  | -10.5 % | +10.8 % | +33.4 % |
| Nikkei Average | -10.5 % | -17.0 % | -10.3 % | -12.1 % | +5.2 %  | +22.9 % |


**Dividend Record**

| Settlement Term       | (12/07) | (13/07) | (14/07) | (15/07) | (16/07) | (17/07) | (18/07) |
|-----------------------|---------|---------|---------|---------|---------|---------|---------|
| Dividend (per 1 unit) | 128.0   | 173.0   | 202.0   | 246.0   | 270.0   | 309.0   | 389.0   |

Total dividend since inception: ¥2,872.0

**Portfolio Allocation**

(as of Dec 28, 2018)

| Asset Allocation            | % of NAV |
|-----------------------------|----------|
| Common Stock                | 99.8%    |
| Stock Futures               | 0.2%     |
| REITs, Preferred Securities | 0.0%     |
| Call Loan, Others           | 0.2%     |

| Sector Allocation (Top 5)     | % of NAV     |
|-------------------------------|--------------|
| 1 Electric Appliances         | 15.8%        |
| 2 Retail Trade                | 15.1%        |
| 3 Information & Communication | 10.4%        |
| 4 Chemicals                   | 8.7%         |
| 5 Pharmaceutical              | 8.4%         |
| <b>Total</b>                  | <b>58.4%</b> |

**Portfolio Holdings**

(as of Dec 28, 2018)

| Code         | TOP 20 Holdings         | % of NAV      |
|--------------|-------------------------|---------------|
| 1 9983       | FAST RETAILING          | 10.4066%      |
| 2 9984       | SOFTBANK GROUP          | 4.0458%       |
| 3 6954       | FANUC                   | 3.0775%       |
| 4 9433       | KDDI                    | 2.9065%       |
| 5 8028       | FAMILYMART UNY HOLDINGS | 2.5679%       |
| 6 8035       | TOKYO ELECTRON          | 2.3104%       |
| 7 4543       | TERUMO                  | 2.2980%       |
| 8 6367       | DAIKIN INDUSTRIES       | 2.1590%       |
| 9 6971       | KYOCERA                 | 2.0337%       |
| 10 9735      | SECOM                   | 1.6826%       |
| 11 4063      | SHIN-ETSU CHEMICAL      | 1.5758%       |
| 12 4523      | EISAI                   | 1.5696%       |
| 13 4452      | KAO                     | 1.5053%       |
| 14 6098      | RECRUIT HOLDINGS        | 1.4746%       |
| 15 6762      | TDK                     | 1.4252%       |
| 16 4503      | ASTELLAS PHARMA         | 1.2937%       |
| 17 4911      | SHISEIDO                | 1.2723%       |
| 18 7203      | TOYOTA MOTOR            | 1.1826%       |
| 19 4519      | CHUGAI PHARMACEUTICAL   | 1.1778%       |
| 20 4507      | SHIONOGI                | 1.1577%       |
| <b>Total</b> |                         | <b>47.12%</b> |

\* Fund performance assumes that dividends (before taxes) being reinvested in the fund, and is different from actual rate of return to investors.

\* NAV value is calculated after deducting trust fees.

\* In the graph, the value of Nikkei Average is modified to match the fund NAV at the time of inception.

\* Fund dividend is decided by the investment management company based on dividend policy. The amount of fund dividend is not guaranteed.

There may be no dividend payable in some circumstances.

\* Performance and data above are based on past information and neither guarantee or promise future performance.

\* In case there exists any open position of eligible futures for the fund, the total number of composition ratio by asset class is not shown.

**Disclaimer: Warning before handling this material**

This material was prepared by Daiwa Asset Management Co. Ltd. to provide information about its funds' performance and other operation-related facts. Potential investors should refer to and read the prospectus of such fund product for more detailed information prior to their investment decision. Since investment trusts will invest in stocks whose prices fluctuate, the NAV of this fund could possibly decline and cause a loss in investment. The investors' principals thus are not guaranteed and the fund contains risk that the NAV may fall below its par value. All the gains and losses accrued to the trust assets will be attributable to the investors. Investment trusts are different from deposits and insurance policies. Investment trusts are not protected by the Deposit Insurance Corporation of Japan and insurance policyholders protection corporations. Investment trusts which are not purchased from securities companies are not protected by the Japan Investor Protection Fund. The information, statements, forecasts and projections contained herein, including any expression of opinion, are based upon sources believed to be reliable, but their accuracy, correctness or completeness are not guaranteed. The performance of investments, if referred to herein, is based on past data and is neither necessarily an indication nor a guarantee of future performance of investments. The performance data in this material does not consider any tax or fees if there were any, and will not provide a final return for potential investors. Daiwa Asset Management Co. Ltd. made all reasonable efforts to ensure that the information contained herein is current, but it is subject to change without notice. The dividend amount is to be determined, based on the dividend distribution policy of such fund product, by the investment manager, who will not promise or guarantee any fixed amount of dividend before investment. In some cases, the investment manager might decide to skip a dividend payment for the correspondent period due to performance reason.

**Investment Risks**

The Fund will invest in financial instruments whose prices fluctuate and as a result the NAV per unit of the Fund will also fluctuate. Therefore the invested amount will not be guaranteed and a loss of principal may be caused. All the gains and losses accrued to the trust assets will be attributable to the investors. Investment trusts are not deposits. Major factors to cause fluctuation of NAV per unit:

1. Stock Price Volatility (Price Volatility Risks, Credit Risks): Stock price changes based on the political and economic conditions, operating results of the issuer, and market supply and demand for the security. If the issuer becomes operationally distressed or goes bankrupt, all or part of invested amount might not be returned. If the price of stocks included in the trust assets falls, the NAV per unit may fall below the invested amount.
2. Other risks: When the trust assets of the Fund are invested in money market instruments such as call loans and/or certificates of deposit, losses may accrue due to default of the issuers of such instruments (the Credit Risk). This may cause the NAV per unit to decline.

The performance of the NAV may not completely match that of the index. The factors to cause fluctuation of NAV per unit are not limited to those mentioned above. Please read "Investment Risks" in the fund's Prospectus describing in detail.

**Fee Structure**

<Fees directly charged to customers>

- ◆ Subscription commission: Determined by the Distributor. (Subscription Commission is a consideration for explanation of products, provision of product information and investment information, and execution of application at the time of the subscription of the Fund)
- ◆ Redemption Fee: Nil
- ◆ Exchange commission: Determined by the Distributor. (Exchange Commission is a consideration for administrative procedures for exchange of units of the Fund.)

<Fees indirectly charged during holding period>

- ◆ Management Fee (Trust Fee):  
Trust fee is calculated daily as sum of 1 and 2 as shown below during the holding period.
  1. The amount obtained by multiplying the total net assets of the trust assets by the ratio up to 0.1728% per annum (0.16% before tax).
  2. The amount obtained by multiplying lending charges due to lending of stocks held in the trust assets by up to 54% (50% before tax).
 ※The sum of 1 and 2 is within 0.27% per annum (within 0.25% before tax)
- ◆ Other Expenses and Brokerage Commissions  
Fund Listing Expenses and Annual Fees for Use of Nikkei 225 Trademarks with tax levied on them can be borne by the unitholders, and can be paid from the trust assets. Percentage of the total of these charges which shall be paid from the trust assets in each calculation period shall not exceed 0.0648% (0.06% before tax) of the Fund's total net assets. Commissions associated with securities transactions (including brokerage commissions on trade of securities, fees for future transactions and option transactions) and auditing fees shall be charged to the trust assets.  
 ※As expenses for brokerage commissions on trade of securities, etc. shall vary depending on circumstances, specific rate of fees or the maximum amounts thereof cannot be disclosed in advance.  
 ※Please see further details described under "Expenses and Taxes of the Fund" in the Prospectus.

**About the copyright of the index**

(i)The NIKKEI 225 is calculated by a method independently developed by Nikkei Inc. (hereinafter "Nikkei"), is a copyrightable work. Nikkei owns the copyright and any other intellectual property rights in The Nikkei Indexes themselves, and the method for calculating The Nikkei Indexes and the like.  
 (ii)All ownership of trademarks and any other intellectual property rights with respect to marks representing "Nikkei Inc.," "Nikkei," and The Nikkei Indexes belongs to Nikkei.  
 (iii)The management of the Fund (Daiwa ETF – Nikkei 225) is the responsibility of the Management Company and Nikkei Inc. has no responsibility for its management or the transactions of the Fund.  
 (iv)Nikkei is not obliged to continuously publish The Nikkei Indexes, nor is it liable for any error or delay in, or discontinuation of the publication thereof.  
 (v)Nikkei owns the right to change the content of The Nikkei Indexes, such as the calculation method thereof, and the right to suspend the publication thereof.