

# Global X MSCI China Consumer Discretionary ETF

Ticker: **CHIQ**

Principal Listing Exchange: **NYSE Arca, Inc.**

Annual Shareholder Report: **October 31, 2024**

This annual shareholder report contains important information about the Global X MSCI China Consumer Discretionary ETF (the "Fund") for the period from November 1, 2023 to October 31, 2024. You can find additional information about the Fund at <https://www.globalxetfs.com/funds/chiq>. You can also request this information by contacting us at 1-888-493-8631.

## What were the Fund costs for the last year?

(based on a hypothetical \$10,000 investment)

| Fund Name                                      | Costs of a \$10,000 investment | Costs paid as a percentage of a \$10,000 investment |
|--|--------------------------------|---|
| Global X MSCI China Consumer Discretionary ETF | \$72                           | 0.65%   |

## How did the Fund perform in the last year?

The Fund seeks to provide investment results that correspond generally to the price and yield performance, before fees and expenses, of the MSCI China Consumer Discretionary 10/50 Index (net) ("Secondary Index"). The Fund is passively managed, which means the investment adviser does not attempt to take defensive positions in declining markets. The Fund generally seeks to fully replicate the Secondary Index.

The Secondary Index tracks the performance of companies in the MSCI China Index that are classified in the Consumer Discretionary sector, as defined by MSCI, Inc., the Secondary Index provider.

For the 12-month period ended October 31, 2024 (the "reporting period"), the Fund increased 20.00%, while the Secondary Index increased 20.82%. The Fund had a net asset value of \$17.72 per share on October 31, 2023 and ended the reporting period with a net asset value of \$20.67 per share on October 31, 2024.

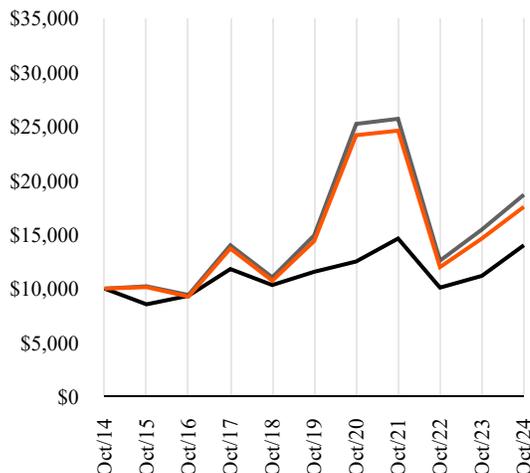
During the reporting period, the highest returns came from Pop Mart International Group Limited and Brilliance China Automotive Holdings Limited, which returned 232.20% and 146.55% respectively. The worst performers were Topsports International Holdings Limited and China Tourism Group Duty Free Corporation Limited Class H, which returned -56.76% and -46.60%, respectively.

During the reporting period, the Fund recorded positive performance, driven by several factors. From a macroeconomic perspective, the People's Bank of China reduced key policy rates, increased activity in the government bond markets, and lowered the reserve requirement ratio, all of which boosted liquidity and inspired improved confidence among both Chinese consumers and investors. Beyond macroeconomic factors, the rapid growth of e-commerce and online retail in China driven by rising disposable incomes and evolving consumer preferences directly benefited some constituents in the Secondary Index. The Chinese economy experienced a resurgence of international tourism and thriving domestic travel during the period which further contributed to the Fund's performance. The Fund's diversified exposure across various consumer discretionary sub-sectors, such as automobiles, household durables, and internet and direct marketing retail, helped mitigate risks. Overall, the Fund's focus on large- and mid-capitalization companies with strong market positions and financial stability allowed it to weather market volatility and deliver positive returns during the reporting period.

## How did the Fund perform during the last 10 years?

### Total Return Based on \$10,000 Investment

- Global X MSCI China Consumer Discretionary ETF - \$17,565
- MSCI Emerging Markets Index (Net) (USD) - \$14,012
- MSCI China Consumer Discretionary 10/50 Index (net)^ - \$18,684



### Average Annual Total Returns as of October 31, 2024

| Fund/Index Name                                      | 1 Year | 5 Years | 10 Years |
|--|--------|---------|----------|
| Global X MSCI China Consumer Discretionary ETF       | 20.00% | 4.06%   | 5.79%    |
| MSCI Emerging Markets Index (Net) (USD)              | 25.32% | 3.93%   | 3.43%    |
| MSCI China Consumer Discretionary 10/50 Index (net)^ | 20.82% | 4.59%   | 6.45%    |

The line graph represents historical performance of a hypothetical investment of \$10,000 in the Fund during the last 10 years. Returns shown are total returns, which assume the reinvestment of dividends and capital gains. The table and graph presented above do not reflect the deduction of taxes a shareholder would pay on Fund distributions or the redemption of Fund shares. **Past performance is not indicative of future performance.** Call 1-888-493-8631 or visit <https://www.globalxetfs.com/funds/chiq> for current month-end performance.

^ The Fund changed its Secondary Index from the Solactive China Consumer Total Return Index to the MSCI China Consumer Discretionary 10/50 Index on December 6, 2018 to enhance the sector exposure of the Fund. Performance through December 5, 2018 reflects the performance of the Solactive China Consumer Total Return Index. Performance thereafter reflects the performance of the MSCI China Consumer Discretionary 10/50 Index.

## Key Fund Statistics as of October 31, 2024

Total Net Assets

\$242,442,630

Number of Portfolio Holdings

71

Total Advisory Fees Paid

\$1,528,369

Portfolio Turnover Rate

32.76%

### What did the Fund invest in?

#### Asset/Sector Weightings\*

Consumer Discretionary 99.9%

Repurchase Agreements 1.4%

\* Percentages are calculated based on total net assets.

#### Top Ten Holdings

| <u>Holding Name</u>       | <u>Percentage of Total Net Assets</u> |
|---------------------------|---------------------------------------|
| Meituan, CI B             | 10.1%                                 |
| PDD Holdings ADR          | 9.1%                                  |
| Alibaba Group Holding     | 8.2%                                  |
| JD.com, CI A              | 7.9%                                  |
| BYD, CI H                 | 6.1%                                  |
| Trip.com Group            | 4.9%                                  |
| Yum China Holdings        | 3.3%                                  |
| Li Auto, CI A             | 3.3%                                  |
| ANTA Sports Products      | 2.7%                                  |
| Geely Automobile Holdings | 2.4%                                  |

### Material Fund Changes

There were no material changes during the reporting period that are required to be disclosed in this report. For more complete information about other changes to the Fund, you may review the Fund's current prospectus, which is available upon request.

### Additional Information

For additional information about the Fund, including its prospectus, financial information, holdings, and proxy voting information, call or visit:

- 1-888-493-8631
- <https://www.globalxetfs.com/funds/chiq>