

ChinaAMC Select Fixed Income Allocation Fund

Fund Factsheet



As of 31 Aug 2023

37/F, Bank of China Tower, 1 Garden Road, Hong Kong

Investment involves risks, including the loss of principal. The price of units or shares of the Funds may go up as well as down. Past performance is not indicative of future results. The value of the Funds can be extremely volatile and could go down substantially within a short period of time. You should read the Fund's Placing Memorandum or Explanatory Memorandum and Product Key Facts Statement for details, including risk factors. Investors should not base investment decisions on this marketing material alone. Please note:

- ChinaAMC Select Fixed Income Allocation Fund (the "Fund") seeks to achieve capital appreciation by investing not less than 70% of the NAV in fixed income and debt instruments in markets worldwide.
- Investment in debt instruments involves volatility and liquidity risk, credit risk, interest rate risk, credit rating risk, valuation risk, downgrade risk and sovereign debt risk. Fixed income and debt instruments which are below investment grade or unrated are subject to lower liquidity, higher volatility, higher credit risk and greater risk of loss.
- Investment in short-term debt instruments are not risk-free. The turnover rates of the Fund's investments may be relatively high, as such the transaction costs incurred by the Fund will increase.
- RMB is not freely convertible and is subject to exchange controls and restrictions. There is no guarantee that the value of RMB against the investor's base currencies will not depreciate. Any depreciation of RMB could adversely affect the value of investors' investments in the Fund. Payment of redemptions and/or dividend in RMB may be delayed due to exchange controls and restrictions.
- Certain investments acquired by the Fund are denominated in currencies different from the Base Currency. The NAV of the Fund may be affected by exchange rates and by changes in exchange rate control.
- The Fund may acquire FDIs and may invest in structured notes for hedging purpose. The price of a derivative instrument can be very volatile and involves counterparty risk. Structured notes are complex, illiquid and there are risks of mispricing or improper valuation. They may not always perfectly track the value of the securities, rates or indices they are designed to track. Besides, structured notes are subject to insolvency or default risk of the issuers and usually involve an embedded leverage, so a relatively small adverse market movement could expose the Fund to an exceeded loss. In adverse situations, such hedging may become ineffective.
- The Fund may invest in other funds and additional fees may involve. There can be no assurance that 1) the liquidity of the underlying funds will always be sufficient to meet redemption requests; and 2) investment objective and strategy of the underlying funds will be successfully achieved.

▲ Investment Objective

The Fund seeks to achieve capital appreciation by directly or indirectly investing not less than 70% of the Net Asset Value of the Fund in fixed income and debt instruments in markets worldwide.

▲ Fund Information²

| | |
|---------------------------------|---|
| Legal Structure | Hong Kong domiciled umbrella structure unit trust |
| Investment Manager | China Asset Management (Hong Kong) Limited |
| Fund Size | USD 110.39 million |
| Base Currency | USD |
| Non-Base Currency Share Classes | HKD, RMB |
| Dealing Frequency | Daily |
| Custodian | Bank of China (Hong Kong) Limited |
| Trustee | BOCI-Prudential Trustee Limited |

▲ Fund Performance¹



▲ Portfolio Characteristics⁵

| | |
|---|------------|
| Weighted Avg Duration | 0.94 Years |
| Weighted Avg Credit Ratings | A- |
| Weighted Avg Yield to Maturity ⁶ | 7.15% |

▲ Cumulative Return¹

| | 1 Month | 3 Month | 6 Month | 1 Year | Since Inception ³ | Annualized-Since Inception ³ |
|-----------------|---------|---------|---------|--------|------------------------------|---|
| Class A Acc USD | +0.02% | +0.92% | +2.36% | +3.20% | +6.81% | +1.63% |
| Class A Acc HKD | +0.61% | +1.04% | +2.28% | +3.12% | +7.08% | +1.69% |
| Class A Acc RMB | +2.01% | +3.28% | +7.35% | +8.96% | +12.13% | +5.13% |
| Class I Acc USD | +0.05% | +0.99% | +2.49% | +3.34% | +13.50% | +2.56% |
| Class I Acc HKD | +0.64% | +1.11% | +2.42% | +3.29% | +6.52% | +1.27% |

▲ Yearly Return¹

| | 2019 | 2020 | 2021 | 2022 | 2023YTD |
|-----------------|---------------------|--------|---------------------|--------|---------|
| Class A Acc USD | +1.19% ³ | +6.85% | -0.27% | -4.84% | +4.09% |
| Class A Acc HKD | +0.74% ³ | +6.38% | +0.30% | -4.88% | +4.72% |
| Class A Acc RMB | - | - | -1.35% ³ | +3.60% | +9.71% |
| Class I Acc USD | +5.24% | +7.28% | +0.14% | -4.72% | +4.26% |
| Class I Acc HKD | +4.63% ⁴ | - | +0.41% ⁴ | -4.73% | +4.89% |

¹Past performance information is not indicative of future performance. Investors may not get back the full amount invested. The computation basis of the performance is calculated on NAV-to-NAV, with dividend reinvested. With effect from 15 May 2020, the investment objective and strategy of the Fund was changed. The performance of the Fund prior to 15 May 2020 was achieved under circumstances that no longer apply. The investment objective and strategy of the Fund was also changed on 6 December 2019.

²Please refer to the Fund's prospectus for further details (including fees).

³Calculated since the inception date of each respective share class. For the inception date, please refer to "Available Share Classes" section.

⁴The NAV calculation of Class I Acc HKD was terminated on 22 Jan 2020 due to full redemption of share class and it was re-activated on 26 Jan 2021.

⁵Data source: FactSet

⁶Calculated with the weighted average of median yield to maturity of each holding.

Source: China Asset Management (Hong Kong) Limited and Bloomberg unless specified otherwise.

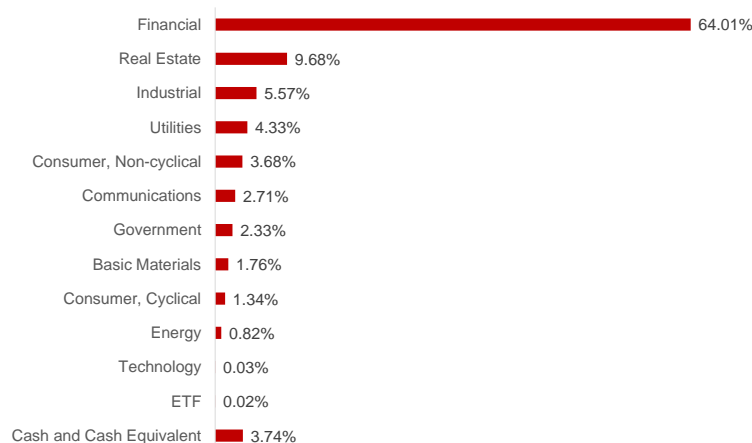
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▲ Portfolio Allocation

Sector Exposure (%)



Geographical Exposure (%)



▲ Manager's Comment

In August, the financial markets experienced high volatility. In the first half of the month, strong economic data from the United States and rising US bond yields, with the 10-year yield reaching its highest point since 2008, set the tone. Against the backdrop of the Federal Reserve Chairman Powell emphasizing their commitment to combat inflation and the delay in interest rate cuts, risk sentiment was somewhat subdued. However, there was some recovery towards the end of the month. The US economy showed clearer signs of strength compared to China and Europe, with the US dollar and energy outperforming stocks and bonds. In the credit bond market, there was initial suppression followed by a rebound. Most investment-grade bonds maintained relatively stable credit spreads. However, the continuous decline in sales and further default risks for Chinese companies led to a continued decline in the Chinese real estate sector. The fund continues to maintain a strategy of allocating to short-duration investments to control interest rate risk. It has appropriately increased the proportion of floating-rate bonds and short-dated perpetual bonds to enhance current income.

▲ Available Share Classes

| Share Class | A Acc USD | A Acc HKD | A Acc RMB | I Acc USD | I Acc HKD ¹ |
|------------------------------|---------------|---------------|---------------|---------------|------------------------|
| Launch Date | 02-Aug-2019 | 02-Aug-2019 | 17-May-2021 | 27-Aug-2018 | 27-Aug-2018 |
| NAV per share | USD 10.6812 | HKD 10.7083 | RMB 11.2129 | USD 11.3504 | HKD 10.6518 |
| Bloomberg Code | CHSFIAU HK | CHSFIAH HK | CHSFIAR HK | CHSFIIU HK | CHSFIIH HK |
| ISIN Code | HK0000439601 | HK0000439627 | HK0000439619 | HK0000439635 | HK0000439650 |
| Initial Charge | Up to 5% p.a. | Up to 5% p.a. | Up to 5% p.a. | Nil | Nil |
| Investment Management Fee | 0.8% p.a. | 0.8% p.a. | 0.8% p.a. | 0.4% p.a. | 0.4% p.a. |
| Minimum Initial Subscription | USD 2,000 | HKD 10,000 | RMB 10,000 | USD 1,000,000 | HKD 5,000,000 |

▲ Top 5 Bond Holdings

| Security Name | Sector | Weight |
|--|------------------------|--------|
| BANK OF CHINA HONG KONG LTD 5.9% S/A PERP REGS | Financial | 4.65% |
| CMHI FINANCE BVI CO LTD 3.5% S/A PERP | Consumer, Non-cyclical | 3.21% |
| HUARONG FINANCE 2019 CO LTD 2.125% S/A 30SEP2023 | Financial | 3.18% |
| CHINA CONSTRUCTION BANK CORP 4.25% S/A 27FEB2029 | Financial | 3.14% |
| SUMITOMO LIFE INSURANCE CO 6.5% S/A 20SEP2073 REGS | Financial | 3.13% |

¹The NAV calculation of Class I Acc HKD was terminated on 22 Jan 2020 due to full redemption of share class and it was re-activated on 26 Jan 2021.

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Important Note

Investment involves risks. The value of the Fund's shares may go up as well as down. Past performance is not indicative of future performance, future return is not guaranteed and a loss of your original capital may occur. This material does not constitute an offer or solicitation of any transaction in any securities or collective investment schemes, nor does it constitute any investment advice. This document is provided for information purposes only and shall not be relied upon for making any investment decision. Certain information or data in this document has been obtained from unaffiliated third parties; we have reasonable belief that such information or data is accurate, complete and up to the date as indicated; China Asset Management (Hong Kong) Limited accepts responsibility for accurately reproducing such data and information but makes no warranty or representation as to the completeness and accuracy of data and information sourced from such unaffiliated third parties. You should not base on this material alone to make investment decision and should read the Fund's offering documents for further details, including risk factors. If necessary, you should seek independent professional advice. This material has been prepared and issued by China Asset Management (Hong Kong) Limited. This material has not been reviewed by the Securities and Futures Commission.