

# ChinaAMC China Focus Fund

## Fund Factsheet



As of 31 Jul 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:

- The Fund seeks to take investment exposure to companies in or have significant business exposure to China. Investment in China-related companies and in Chinese markets may involve (i) heightened political, tax, economic, foreign exchange, liquidity and regulatory (including the QFII policy) risks, compared to more developed economies or markets; and (ii) concentration risk which may result in greater volatility than broad-based investments. The China A Share market is also unstable, subject to risks of stock suspension, government intervention and foreign investment restrictions.
- The Fund will obtain exposure to the A Share market, partly or fully by investing into access products and will be exposed to the counterparty risk of the issuer of the access products. The availability of access products is limited by applicable regulations in China, and as a result the cost of investment is subject to market supply and demand forces. Where the supply is low relative to the demand, acquiring access products may involve a higher cost or a premium.
- The Fund is subject to risks associated with the Stock Connect, such as change of relevant rules and regulations, quota limitations, suspension of the Stock Connect and information technology limitation. In the event that the Fund's ability to invest in A Shares through the Stock Connect on a timely basis is adversely affected, the Manager will rely on A Share access products investment.
- The Fund will invest in A Share ETFs and is subject to the fees and charges and the risk of tracking errors of the relevant A Share ETFs. If the Fund invests in synthetic ETFs, it will also subject to risks related to derivative instruments.
- There are risks and uncertainties associated with the current PRC tax laws, regulations and practices in respect of capital gains (which may have retrospective effect). Possible changes on the actual applicable tax rates imposed by the SAT and possible expiration of the current exemption of corporate income tax on capital gains may increase the Fund's tax liability and adversely affect the Fund's NAV.
- The Fund will hold investments denominated in currencies different to the base currency of the Fund, meaning the Fund will be at risk to adverse movements in the foreign currency rates.

### ▲ Investment Objective

The Fund seeks to provide investors with long term capital growth through exposure to China-related companies by investing in equities and equity related instruments.

### ▲ Fund Performance<sup>1</sup>



### ▲ Fund Information<sup>2</sup>

<b>Legal Structure</b>	Hong Kong domiciled umbrella structure unit trust
<b>Investment Manager</b>	China Asset Management (Hong Kong) Limited
<b>Inception Date</b>	10 December, 2010
<b>Fund Size</b>	USD 20.69 million
<b>Base Currency</b>	USD
<b>Available Dealing Currencies</b>	USD/EUR/GBP/AUD/SGD/HKD
<b>Dealing Frequency</b>	Daily
<b>Trustee</b>	Cititrust Limited
<b>Custodian</b>	Citibank, N.A. (Hong Kong branch)
<b>Management Fee</b>	1.8% p.a.
<b>Subscription Charge:</b>	Up to 5%
<b>Performance Fee:</b>	10% of appreciation in the NAV per unit during a performance period above the high watermark of the relevant class of units

	USD unit	AUD unit	EUR unit	HKD unit	SGD unit
<b>Fund Price</b>	USD12.238	AUD16.693	EUR 14.961	HKD 12.541	SGD 12.732
<b>Bloomberg Ticker</b>	CACFUSD HK	CACFAUD HK	CACFEUR HK	CACFHKD HK	CACFSGD HK
<b>ISIN Number</b>	HK0000352960	HK0000352911	HK0000352929	HK0000352945	HK0000352952

### ▲ Cumulative Return<sup>1</sup>

	1 Month	3 Month	6 Month	1 Year	Since Inception <sup>3</sup>	Annualized-Since Inception <sup>3</sup>
<b>Fund (USD)</b>	+9.74%	+9.80%	+2.53%	+1.00%	+22.38%	+1.61%
<b>Fund (AUD)</b>	+8.40%	+7.68%	+7.22%	+4.59%	+66.93%	+4.14%
<b>Fund (EUR)</b>	+8.59%	+9.94%	+1.00%	-6.59%	+49.61%	+3.24%
<b>Fund (HKD)</b>	+9.21%	+9.09%	+2.02%	+0.34%	+25.41%	+1.81%
<b>Fund (SGD)</b>	+7.67%	+9.28%	+3.59%	-3.02%	+27.32%	+1.93%

### ▲ Yearly Return<sup>1</sup>

	2018	2019	2020	2021	2022	2023YTD
<b>Fund (USD)</b>	-25.59%	+16.79%	+27.63%	-6.11%	-28.72%	+10.41%
<b>Fund (AUD)</b>	-17.15%	+16.90%	+16.27%	+1.17%	-23.56%	+11.11%
<b>Fund (EUR)</b>	-21.77%	+18.97%	+17.46%	+2.38%	-24.04%	+6.88%
<b>Fund (HKD)</b>	-25.37%	+16.22%	+27.23%	-4.58%	-28.64%	+10.33%
<b>Fund (SGD)</b>	-23.85%	+14.97%	+25.75%	-2.71%	-29.08%	+9.31%

<sup>1</sup>Past 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. Since 28 July 2017, the Manager of the Fund changed from Citigroup First Investment Management Limited to China Asset Management (Hong Kong) Limited and the Trustee of the Fund changed from Cititrust (Cayman) Limited to Cititrust Limited. The performance of the Fund prior to 28 July 2017 was achieved under circumstances that no longer apply.

<sup>2</sup>Please refer to the Explanatory Memorandum for full product disclosure including fees.

<sup>3</sup>Calculated since the inception date of respective share class.

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

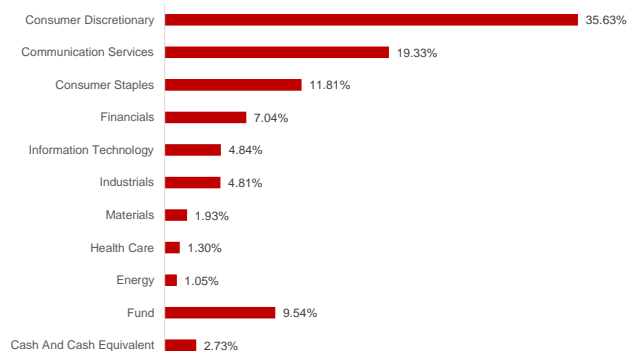
# ChinaAMC China Focus Fund

## Fund Factsheet

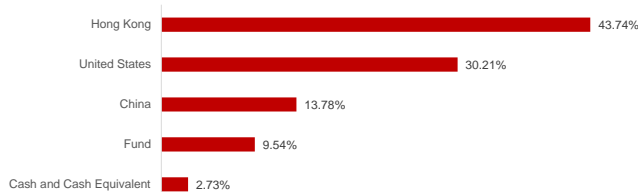


### ▲ Portfolio Allocation

#### Sector Exposure (%)



#### Geographical Exposure (%)



### ▲ Manager's Comment

In July, the Hong Kong market saw a 6.15% increase in the Hang Seng Index and a 16.33% increase in the Hang Seng Tech Index. Funds recorded a positive return of 1.4% for the month, slightly underperforming the Hang Seng Index by approximately 0.1% but outperforming the MSCI China Index by around 0.5%.

In June, China's financial data exceeded expectations, and Premier Li Qiang presided over a symposium for platform enterprises. The social financing increment for June was 4.22 trillion yuan, with a year-on-year increase of 97 billion yuan. Renminbi loans increased by 3.05 trillion yuan, with a year-on-year increase of 240 billion yuan. Overall, the financial data exceeded expectations, with a continued trend of increased medium- and long-term loans to enterprises, a decrease in net bill discounts, and simultaneous recovery in short-term and medium- to long-term retail loans, contributing to an improved credit structure.

The Central Political Bureau meeting set the tone for economic work in the second half of the year, and supportive policies for the real estate sector were gradually introduced. The Central Political Bureau of the Communist Party of China emphasized the need to invigorate the capital market, boost investor confidence, and actively expand domestic demand. Significant changes were observed in the statements regarding real estate policies during the meeting. It recognized "significant changes in the supply and demand dynamics of the real estate market" and proposed "timely adjustments and optimization of real estate policies". Importantly, it was the first time since the July 2019 Political Bureau meeting that the phrase "housing is for living in, not for speculation" was not mentioned. The State Council Executive Meeting pointed out the need to increase policy support for the transformation of urban villages, while the State Taxation Administration issued the "Guidelines for Supporting Coordinated Development with Tax and Fee Preferential Policies." The Ministry of Housing and Urban-Rural Development emphasized further implementation of policies such as reducing the down payment ratio and loan interest rates for first-time homebuyers, tax and fee reductions for the purchase of improved housing, and policies allowing the use of house ownership as collateral for individual housing loans without income verification. The Political Bureau meeting marked the starting point of a new round of stable economic growth, and more supportive policies are expected to be introduced in the future.

### ▲ Top 5 Holdings

Security Name	Sector	Weight
Alibaba Group Holding Ltd	Consumer Discretionary	9.52%
Tencent Holdings Ltd	Communication Services	9.19%
Meituan	Consumer Discretionary	9.05%
PDD Holdings Inc	Consumer Discretionary	8.99%
Kweichow Moutai Co Ltd	Consumer Staples	8.08%

Date source: Bloomberg. As of 31 Jul 2023.

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#### Important Note

Investment involves risks. The price of the Fund's units 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 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.