

# ChinaAMC China Focus Fund

## Fund Factsheet



As of 30 Nov 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 18.65 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>	USD11.481	AUD15.915	EUR 14.182	HKD 11.782	SGD 12.005
<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>	+8.67%	+2.93%	+4.06%	-1.05%	+14.81%	+1.07%
<b>Fund (AUD)</b>	+3.76%	+0.54%	+1.56%	-0.07%	+59.15%	+3.65%
<b>Fund (EUR)</b>	+5.27%	+2.39%	+1.67%	-6.63%	+41.82%	+2.73%
<b>Fund (HKD)</b>	+8.47%	+2.52%	+3.82%	-0.99%	+17.82%	+1.27%
<b>Fund (SGD)</b>	+5.85%	+1.72%	+2.49%	-3.64%	+20.05%	+1.42%

### ▲ 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%	+3.58%
<b>Fund (AUD)</b>	-17.15%	+16.90%	+16.27%	+1.17%	-23.56%	+5.93%
<b>Fund (EUR)</b>	-21.77%	+18.97%	+17.46%	+2.38%	-24.04%	+1.31%
<b>Fund (HKD)</b>	-25.37%	+16.22%	+27.23%	-4.58%	-28.64%	+3.65%
<b>Fund (SGD)</b>	-23.85%	+14.97%	+25.75%	-2.71%	-29.08%	+3.06%

<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.

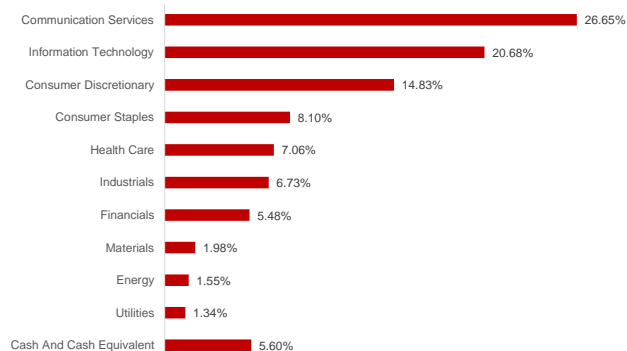
# ChinaAMC China Focus Fund

## Fund Factsheet

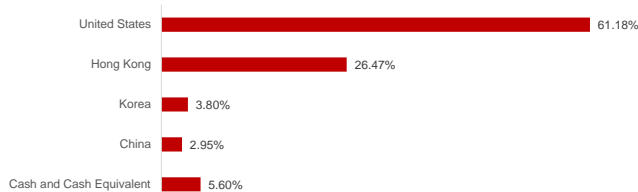


### ▲ Portfolio Allocation

#### Sector Exposure (%)



#### Geographical Exposure (%)



### ▲ Manager's Comment

In November, the Hang Seng Index in the Hong Kong market fell by 0.41%, while the Hang Seng Tech Index rose by 3.74%. Funds recorded a positive return of 8.67% for the month, outperforming the Hang Seng Index by roughly 9% and outperforming the MSCI China Index by approximately 7.5%.

Factors such as the "Golden Week" holiday and the early release of some pre-holiday demand had an impact. China's manufacturing Purchasing Managers' Index (PMI) dropped from 50.2 in September to 49.5 in October, falling back into the contraction zone. The non-manufacturing PMI also declined from 51.7 in September to 50.6 but remained in the expansion zone.

In October, the cumulative sales of the top 100 real estate companies reached CNY 5,100.3 billion, a year-on-year decrease of 14%. Local state-owned real estate companies performed relatively well. The effectiveness of policy stimulus has weakened, and visits in the second half of October have returned to the level before the implementation of the new policies at the end of August. Concerns about the risk of defaults by some high-quality real estate companies have intensified pessimism in the market regarding the real estate industry.

In terms of US dollars, China's exports in October amounted to USD 274.83 billion, a year-on-year decrease of 6.4%, lower than the expected decrease of 3.1%. Imports reached USD 218.30 billion, a year-on-year increase of 3.0%, higher than the expected decrease of 4.3%. Weaker external demand and factors such as the front-loading of shipments due to the long holiday period led to export performance below market expectations. However, the base effect in the coming months is expected to support an improvement in the year-on-year export growth rate. The higher-than-expected import growth rate was influenced by rising energy and raw material prices, and the trend of domestic demand improvement still needs to be observed.

In October, the Consumer Price Index (CPI) decreased by 0.2% year-on-year, lower than the expected value of -0.1%. The Producer Price Index (PPI) decreased by 2.6% year-on-year, slightly higher than the expected value of -2.7%. The decline in food prices and the cooling of travel demand after the end of the holiday season contributed to the weakness in CPI. The PPI decline was slightly expanded due to the fall in international commodity prices and a slowdown in domestic production intensity.

On November 7th, IMF officials announced an upward revision of China's economic growth forecast for this year to 5.4% and expected that China would not experience deflation.

The minutes of the Federal Reserve meeting reiterated a cautious approach, and consumer inflation expectations in the United States remained high. All policymakers agreed that it was appropriate to maintain a restrictive monetary policy for some time until inflation clearly declined significantly towards the target. The Wall Street Journal commented that Federal Reserve officials were unwilling to draw conclusions about rate hikes being completed but implied that rates would remain unchanged for the rest of the year.

Date source: Bloomberg. As of 30 Nov 2023.

Customer Hotline: (852) 3406 8686

Website: [www.chinaamc.com.hk](http://www.chinaamc.com.hk)

Email: [hkfund\\_services@chinaamc.com](mailto:hkfund_services@chinaamc.com)

#### 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.