

# ChinaAMC China Focus Fund

## Fund Factsheet



As of 29 Dec 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 18.19 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>	USD11.340	AUD15.275	EUR 13.836	HKD 11.635	SGD 11.720
<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>	-1.23%	+2.00%	+1.69%	+2.31%	+13.40%	+0.97%
<b>Fund (AUD)</b>	-4.02%	-3.53%	-0.81%	+1.67%	+52.75%	+3.30%
<b>Fund (EUR)</b>	-2.44%	-2.25%	+0.42%	-1.16%	+38.36%	+2.52%
<b>Fund (HKD)</b>	-1.25%	+1.70%	+1.32%	+2.36%	+16.35%	+1.17%
<b>Fund (SGD)</b>	-2.37%	-1.43%	-0.89%	+0.62%	+17.20%	+1.22%

### ▲ 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%	+2.31%
<b>Fund (AUD)</b>	-17.15%	+16.90%	+16.27%	+1.17%	-23.56%	+1.67%
<b>Fund (EUR)</b>	-21.77%	+18.97%	+17.46%	+2.38%	-24.04%	-1.16%
<b>Fund (HKD)</b>	-25.37%	+16.22%	+27.23%	-4.58%	-28.64%	+2.36%
<b>Fund (SGD)</b>	-23.85%	+14.97%	+25.75%	-2.71%	-29.08%	+0.62%

<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.

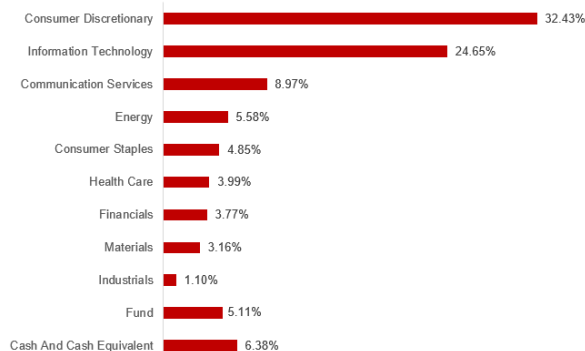
# ChinaAMC China Focus Fund

## Fund Factsheet

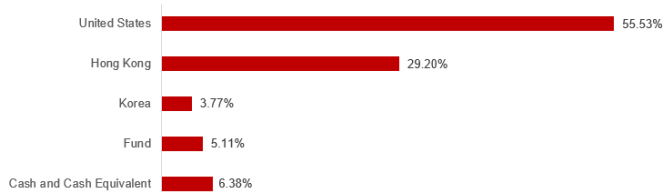


### ▲ Portfolio Allocation

#### Sector Exposure (%)



#### Geographical Exposure (%)



### ▲ Manager's Comment

December Hong Kong market, the Hang Seng Index rose by 0.03%, while the Hang Seng Tech Index fell by 3.47%. This month, the funds recorded a negative return of 1.23%, underperforming the Hang Seng Index by approximately 1.2% and outperforming the MSCI China Index by approximately 1.3%.

In November, the year-on-year import growth rate decreased by 0.6%, significantly lower than market expectations, indicating a potential weakening of domestic demand and production momentum, and the need for policy consolidation to support demand recovery. The year-on-year growth rate of social retail sales in November was 10.1%, lower than the expected value of 12.5%. From January to November, the year-on-year growth rate of urban fixed asset investment was 2.9%, lower than the expected value of 3.0%. While major economic data benefited from a low base effect and showed improved year-on-year growth, data excluding the base effect indicated a sequential weakening of the economy, suggesting the need for further demand recovery.

In November, the Manufacturing Purchasing Managers' Index (PMI) decreased by 0.1 percentage points to 49.4 on a month-on-month basis, lower than the expected value of 49.8, remaining below the expansionary threshold. It indicates a weaker performance than seasonal patterns, indicating insufficient overall demand. The economy still has a distance to go for a complete recovery. The Non-Manufacturing PMI decreased by 0.4 percentage points to 50.2 on a month-on-month basis in November, lower than the expected value of 50.9, remaining in the expansionary range. The business activity index in the construction industry increased significantly, while the business activity index in the service industry fell below the expansionary threshold for the first time this year.

The People's Bank of China maintained the 1-year and 5-year Loan Prime Rate (LPR) unchanged in December. However, starting from December 22, major commercial banks will experience the third deposit rate cut this year, with a larger reduction in long-term deposit rates. This move is expected to alleviate pressure on the liability side of banks and encourage residents to convert more deposits into consumption. Several banks, including Bank of Communications, China Construction Bank, Agricultural Bank of China, Guangfa Bank, and Zhejiang Commercial Bank, held meetings with real estate companies to implement the spirit of the meeting between the three departments and financial institutions. They listened to the financing needs of real estate companies and conducted project matching, which helps alleviate market concerns about credit risks in the real estate industry. On December 1, state-owned capital operation companies bought ETF products from several public fund companies, which is expected to boost investor sentiment.

Date source: Bloomberg. As of 29 Dec 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.