

# ChinaAMC China Opportunities Fund

## Fund Factsheet



Morningstar Rating™<sup>6</sup>

Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme"<sup>2</sup>  
(Applicable to Class A Acc HKD Only)



华夏基金(香港)有限公司  
CHINA ASSET MANAGEMENT (HONG KONG) LIMITED

As of 31 Mar 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 focuses on investing in equities of China-related companies with registered offices located in the People's Republic of China ("PRC") and/or Hong Kong, and/or China-related companies that do not have their registered offices in the PRC or Hong Kong but either (a) carry out a predominant proportion of their business activities in the PRC or Hong Kong, or (b) are holding companies which predominantly own companies with registered offices in the PRC or Hong Kong.
- Investment in equity securities is subject to market risk and the prices of such securities may be volatile. Factors affecting the stock values are numerous, including but not limited to changes in investment sentiment, political environment, economic environment, regional or global economic instability, currency and interest rate fluctuations. If the market value of equity securities in which the Fund invests in goes down, the net asset value of the Fund may be adversely affected, and investors may suffer substantial losses.
- The Fund focuses its investments on China-related equity securities. The Fund is likely to be more volatile than a broad-based fund, as the Fund is more susceptible to fluctuations in value resulting from limited number of holdings or from unfavourable performance in such equity securities that the Fund invests in.
- The Fund may invest in the PRC markets via indirect means, which involve certain risks and special considerations not typically associated with investment in more developed economies or markets, such as greater political, tax, economic, foreign exchange, liquidity, legal and regulatory risk.
- The Fund may invest in the PRC domestic securities market indirectly through RQFII funds which may be subject to RMB currency risk, RQFII regime risk, A-Share market risk, RQFII ETFs risk and PRC tax risk.

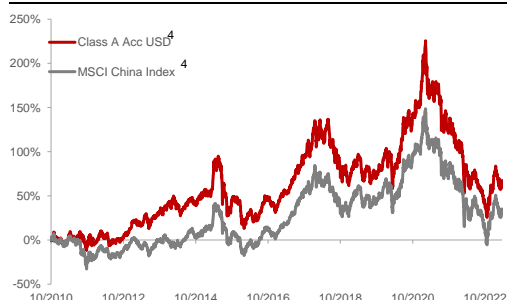
### ▲ Investment Objective

The Fund seeks to maximise capital growth by investing primarily (i.e. at least 70% of its net assets) in China related listed equity securities.

### ▲ Fund Information<sup>5</sup>

Legal Structure	Luxembourg SICAV (UCITS)
Investment Manager	China Asset Management (Hong Kong) Limited
Fund Size	USD 45.86 million
Base Currency	USD
Non-Base Currency Share Classes	EUR, GBP <sup>1</sup> and HKD
Dealing Frequency	Daily
Management Company	FundRock Management Company S.A.
Depository	Brown Brothers Harriman (Luxembourg) S.C.A.

### ▲ Fund Performance<sup>3</sup>



	Class A Acc USD	Class A Acc EUR	Class A Acc HKD	Class I Acc USD	Class I Acc HKD
Launch Date	11-Oct-2010	11-Nov-2010	3-Nov-2014	22-Dec-2011	20-Mar-2023
NAV per share	USD 16.744	EUR 19.275	HKD 116.259	USD 19.257	HKD 10.640
Bloomberg Code	CHCOAAU LX	CHCOAAE LX	CHCOAAH LX	CHCOIAU LX	CHCOIAH LX
ISIN Code	LU0531876844	LU0531876760	LU1097445909	LU0531877578	LU1097446113
Initial Charge	Up to 5%	Up to 5%	Up to 5%	Up to 3%	Up to 3%
Investment Management Fee	1.8% p.a.	1.8% p.a.	1.8% p.a.	1.0% p.a.	1.0% p.a.
Minimum Initial Subscription	USD 1,000	EUR 1,000	HKD 10,000	USD 500,000	HKD 3,000,000

### ▲ Cumulative Return<sup>3</sup>

	1 Month	3 Month	6 Month	1 Year	Since Inception <sup>7</sup>	Annualized- <sup>7</sup> Since Inception
Class A Acc USD	+4.20%	+6.40%	+17.97%	-7.65%	+67.44%	+4.22%
MSCI China (in USD)	+4.52%	+4.71%	+18.86%	-4.73%	+29.60%	+2.10%
Class A Acc EUR	+1.68%	+4.50%	+5.95%	-5.75%	+92.75%	+5.44%
Class A Acc HKD	+4.20%	+7.16%	+17.97%	-7.42%	+16.26%	+1.81%
Class I Acc USD	+4.27%	+6.62%	+18.47%	-6.88%	+92.57%	+5.98%
Class I Acc HKD	+6.41%	-	-	-	+6.41%	-

### ▲ Yearly Return<sup>3</sup>

	2018	2019	2020	2021	2022	2023YTD
Class A Acc USD	-19.82%	+16.11%	+37.62%	-22.29%	-24.45%	+6.40%
MSCI China (in USD)	-18.88%	+23.46%	+29.49%	-21.72%	-21.93%	+4.71%
Class A Acc EUR	-16.06%	+18.40%	+25.91%	-15.75%	-19.91%	+4.50%
Class A Acc HKD	-19.65%	+15.45%	+37.01%	-21.84%	-24.49%	+7.16%
Class I Acc USD	-19.15%	+17.10%	+38.78%	-21.65%	-23.81%	+6.62%
Class I Acc HKD	-	-	-	-	-	+6.41%

<sup>1</sup>Not available in HK.

<sup>2</sup>The fund is approved as Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme" of Hong Kong Special Administrative Region.

<sup>3</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.

<sup>4</sup>Calculated since the inception date of Class A Acc USD share class.

<sup>5</sup>Please refer to the Fund's prospectus for further details (including fees).

<sup>6</sup>Source: © 2023 Morningstar. All Rights Reserved. Data as of 31 Mar. 2023.

<sup>7</sup>Calculated since the inception date of each respective share class.

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

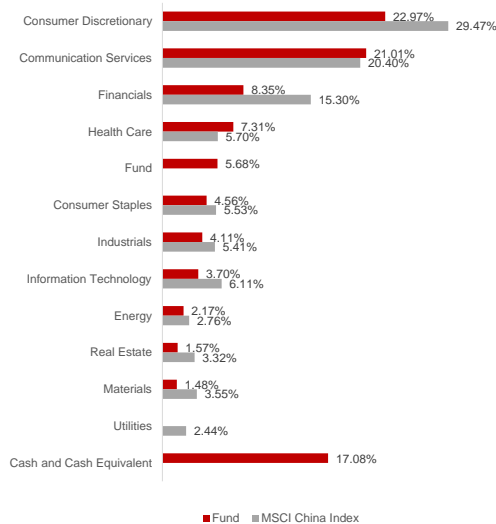
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## Fund Factsheet

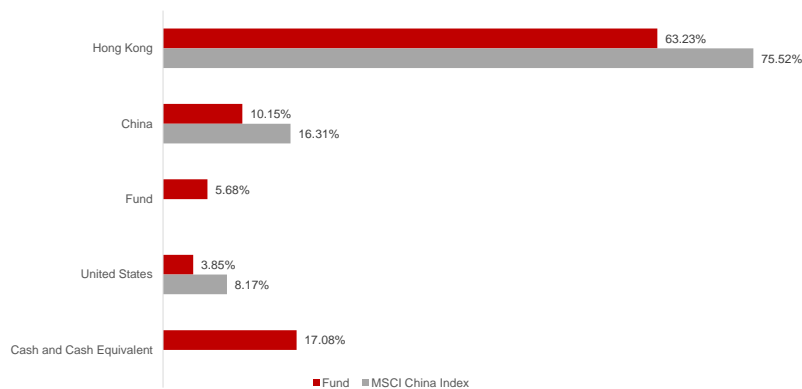


### ▲ Portfolio Allocation

#### Sector Exposure (%)



#### Geographical Exposure (%)



### ▲ Manager's Comment

MSCI China index declined by 10.24% in the month of February, mainly driven by a significant reversal in the US disinflation trend, re-escalated US-China tensions, and lowered expectations on the "Two Sessions", despite moderate economic recovery in mainland China and generally positive 4Q22 results reported by China's Internet names. The changes in the external environment were the dominant factor behind the sharp correction in China's equity market this month, with offshore China equity market which is more vulnerable to external factors significantly underperforming China A-share market. Sector wise, telecommunications, energy and utilities led, while IT, healthcare, and consumer discretionary lagged.

The economic recovery process continued in February, with mobility, logistics, dining and construction operation rates largely back to normal. Encouragingly, the 70-city primary home price finally turned flat sequentially in January, after 16 consecutive months of declines, with continuous policy support and gradually improving market confidence, property sales picked up in February and the YoY growth turned positive. 4Q22 results reported by China's Internet names are generally positive, demonstrating the impact of platform companies' efficiency improvement and overall faster-than-expected economic recovery in mainland China. However, most China Internet names didn't perform well after earnings announcements, as some investors chose to take profit given the re-escalated US-China tensions and the rising US bond yields.

China's manufacturing PMI rose to 52.6 in February from 50.1 in January, reaching the highest level since April 2012 and indicating a broad-based post-COVID uptick in economic activity. The new order sub-index rose to 54.1 in February from 50.9 in January, and the output sub-index jumped to 56.7 in February from 49.8 in January, suggesting stronger demand and further production normalization. The non-manufacturing PMI increased to 55.6 in February from 54.4 in January, showing further solid recovery with strengthening momentum beyond the Lunar New Year festival season. The services sub-index rose further to 55.6 in February from 54.0 in January, and the construction sub-index rose further to 60.2 in February from 56.4 in January.

Looking forward, we maintain our long-term positive view on China equity market. The Feb PMI indicates China economy is well on its way to recover as output, demand and sentiment continues to improve. However, PBoC seems more cautious on further RRR&LPR cuts in the near term due to strong credit growth and better-than-expected property sales in 1Q23. Premier Li announced a GDP growth target of "around 5%" for 2023 in the Government Work Report, which is reasonable but slightly less ambitious than the "above 5%" or "5%-5.5%" discussed by some investors. However, China government remain focused on growth with a larger official fiscal deficit of 3% of GDP, more SLGB insurance, and still accommodative monetary policy. The press conference to be held by the new government leaders on Mar 13 may convey more forward-looking policy clues.

In terms of portfolio positioning, we will continue to seek a balance between value and growth. We continue to focus on the long-term policy beneficiaries (eg. software localization and advanced manufacturing), short-term policy beneficiaries (property and property-related sectors) and reopening-related opportunities (eg. consumer, internet, financials and healthcare). Also, we will prudently pay attention to some thematic investment opportunities, including the ChatGPT/AI and SOE re-rating.

Data source: Bloomberg. As of 31 Mar 2023.

### ▲ Top 5 Holdings

Security Name	Sector	Weight
Tencent Holdings Ltd	Communication Services	8.36%
Alibaba Group Holding Ltd	Consumer Discretionary	7.92%
Meituan	Consumer Discretionary	5.88%
ChinaAMC New Horizon China A Share Fund	Fund	5.68%
JD.com Inc	Consumer Discretionary	4.42%

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#### Important Note

Performance is net of Fund level fees/expenses but not sales charges which will reduce returns. 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 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.