

# ChinaAMC China Opportunities Fund <sup>1</sup>

## Fund Factsheet

This is a marketing communication

★★★  
Morningstar Rating™<sup>6</sup>

Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme"<sup>2</sup>



As of 31 Oct 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 communication 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 QFI funds which may be subject to RMB currency risk, QFI regime risk, A-Share market 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 11.78 million                           |
| Base Currency                   | USD   |
| Non-Base Currency Share Classes | EUR, GBP 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 HKD |
|------------------------------|-----------------|-----------------|-----------------|-----------------|
| Launch Date                  | 11-Oct-2010     | 11-Nov-2010     | 3-Nov-2014      | 20-Mar-2023     |
| NAV per share                | USD 14.026      | EUR 16.470      | HKD 97.057      | HKD 8.927       |
| Bloomberg Code               | CHCOAAU LX      | CHCOAAE LX      | CHCOAAH LX      | CHCOIAH LX      |
| ISIN Code                    | LU0531876844    | LU0531876760    | LU1097445909    | LU1097446113    |
| Initial Charge               | Up to 5%        | Up to 5%        | Up to 5%        | Up to 3%        |
| Investment Management Fee    | 1.8% p.a.       | 1.8% p.a.       | 1.8% p.a.       | 1.0% p.a.       |
| Minimum Initial Subscription | USD 1,000       | EUR 1,000       | HKD 10,000      | HKD 3,000,000   |

### ▲ Cumulative Return<sup>3</sup>

|                 | 1 Month | 3 Month | 6 Month | 1 Year  | Since Inception <sup>7</sup> | Annualized-Since Inception <sup>7</sup> |
|-----------------|---------|---------|---------|---------|------------------------------|---|
| Class A Acc USD | -2.69%  | -15.79% | -14.18% | +11.72% | +40.26%                      | +2.62%                                  |
| Reference Index | -4.26%  | -15.24% | -10.62% | +21.11% | +9.86%                       | +0.72%                                  |
| Class A Acc EUR | -3.10%  | -12.79% | -11.54% | +4.14%  | +64.70%                      | +3.92%                                  |
| Class A Acc HKD | -2.78%  | -15.52% | -14.47% | +11.35% | -2.94%                       | -0.33%                                  |
| Class I Acc HKD | -2.71%  | -15.34% | -14.11% | -       | -10.73%                      | -                                       |

### ▲ Yearly Return<sup>3</sup>

|                 | 2018    | 2019    | 2020    | 2021    | 2022    | 2023YTD <sup>7</sup> |
|-----------------|---------|---------|---------|---------|---------|----------------------|
| Class A Acc USD | -19.82% | +16.11% | +37.62% | -22.29% | -24.45% | -10.87%              |
| Reference Index | -18.88% | +23.46% | +29.49% | -21.72% | -21.93% | -11.24%              |
| Class A Acc EUR | -16.06% | +18.40% | +25.91% | -15.75% | -19.91% | -10.71%              |
| Class A Acc HKD | -19.65% | +15.45% | +37.01% | -21.84% | -24.49% | -10.54%              |
| Class I Acc HKD | -       | -       | -       | -       | -       | -10.73% <sup>7</sup> |

<sup>1</sup>This is a marketing communication. Please refer to the prospectus of the fund before making any final investment decisions.

<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. The reference index MSCI China Index which is presented for comparison purposes only and this fund is actively managed.

<sup>5</sup>Please refer to the Fund's prospectus for more information on general terms, risks and fees.

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

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

# ChinaAMC China Opportunities Fund <sup>1</sup>

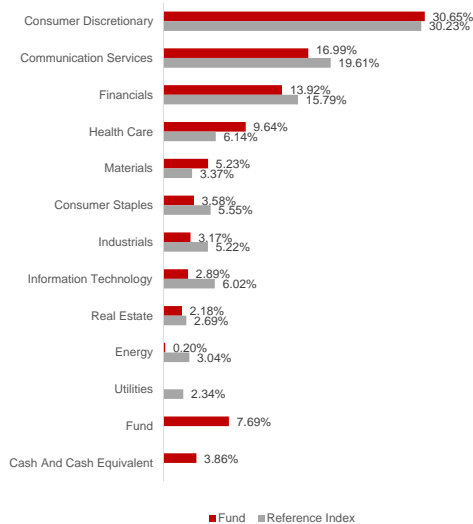
## Fund Factsheet

This is a marketing communication

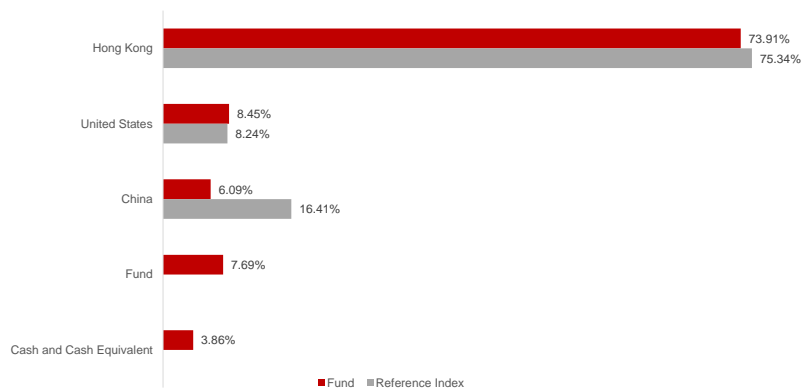


### ▲ Portfolio Allocation

#### Sector Exposure (%)



#### Geographical Exposure (%)



### ▲ Manager's Comment

MSCI China index dropped by 4.36% in the month of October, the third month it had been sold off, as restrictive global liquidity conditions continued and UST yield reached a decade high. But the pace of sell-off in October moderated due to China's better macro data and policy measures, further US-China dialogue, and the steady DXY range which is between 105-107. Many positive signals have been seen this month. Tianjin, Liaoning, Jiangxi and many other places in China announced the resumption of issuing refinancing bonds, with the funds being used to repay existing debts. On Oct 11, Central Huijin Investment increased its stake in four of the country's biggest banks, and it intended to boost its holdings in the coming six months. On Oct 24, China's top parliament body has approved a 1 trillion yuan in sovereign bond issuance to help rebuild areas hit by this year's floods and improve urban infrastructure to cope with future disasters. The Hong Kong Government announced a reduction of the stamp duty rates for share transfers and a number of stamp duty related changes in respect of sales and purchases of residential property at the end of this month. China's manufacturing PMI index fell to 49.5 in Oct from 50.2 in Sep. The new orders sub-index fell to 49.5 in Oct from 50.5 in Sep, while the output sub-index fell to 50.9 in Oct from 52.7 in Sep. The decline in manufacturing PMI was linked to fewer working days due to National Day golden week and a high base from front-loaded demand in September. The non-manufacturing PMI index fell to 50.6 in Oct from 51.7 in Sep. The construction industry sub-index fell to 53.5 in Oct from 56.2 in Sep, the speed of infrastructure project construction maintained solid. The services sub-index fell to 50.1 in Oct from 50.9 in Sep. the PMIs of service industries such as railway and air transport, postal, telecommunication and satellite transmitter were above 55 while the PMIs of capital market services and real estate were muted.

Looking forward, we maintain our long-term positive view on China equity market. Recent policy moves have been more positive than the market expected. The m-o-m growth rate of Aggregate Financing to the Real Economy remained at a relatively high level for two consecutive months due to the increase in government bond issuance, and the significant move by Central Huijin Investment to increase its stakes in multiple banks led to an improvement of market sentiment. As Beijing made a rare mid-year budget expansion of Rmb1trn, despite the already reachable 5% real GDP target this year, the top leadership made an equally rare visit to the PBoC. In terms of equity market direct impact, we see the budget expansion as a positive move in the right direction, while more support is likely needed. Given that this is the first mid-year budget adjustment since 1998-2000, despite the 5% GDP target already looking secure this year, we think the market will view it as a signal that policy makers are willing to depart from the norm to stabilize the economy.

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 and financials). We will prudently pay attention to some thematic opportunities, including AI and SOE re-rating. We will also track property sales stabilization, senior level US/China economic communication, and upbeat GDP target and guidance on incremental easing at the December Central Economic Work Conference.

### ▲ Top 5 Holdings

| Security Name                              | Sector                 | Weight |
|--|------------------------|--------|
| Tencent Holdings Ltd                       | Communication Services | 9.29%  |
| ChinaAMC New Horizon China A Share Fund    | Fund                   | 7.69%  |
| Alibaba Group Holding Ltd                  | Consumer Discretionary | 7.27%  |
| Meituan                                    | Consumer Discretionary | 6.06%  |
| Chengdu Kanghua Biological Products Co Ltd | Health Care            | 5.06%  |

<sup>1</sup> This is a marketing communication. Please refer to the prospectus of the fund before making any final investment decisions.

Data source: Bloomberg. As of 31 Oct 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

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.