ChinaAMC China Opportunities Fund [1]

Fund Factsheet

This is a marketing communication

★★★
Morningstar Rating™ [6]

Eligible Collective Investment Scheme under “Capital Investment Entrant Scheme”[2]

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

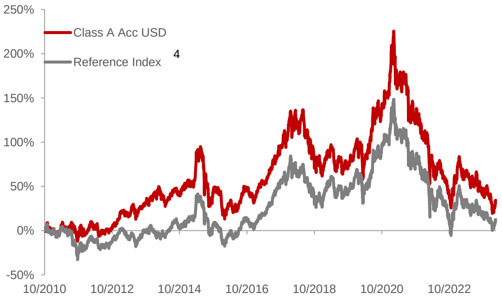
As of 28 Mar 2024 | **37/F, Bank of China Tower, 1 Garden Road, Hong Kong**

- 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 Performance[3]



▲ Fund Information[5]

Legal Structure	Luxembourg SICAV (UCITS)
Investment Manager	China Asset Management (Hong Kong) Limited
Fund Size	USD 9.52 million
Base Currency	USD
Non-Base Currency Share Classes	EUR, GBP and HKD
Dealing Frequency	Daily
Management Company	FundRock Management Company S.A.
Depositary	Brown Brothers Harriman (Luxembourg) S.C.A.

	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 13.382	EUR 15.525	HKD 92.626	HKD 8.549
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[3]

	1 Month	3 Month	6 Month	1 Year	Since Inception[7]	Annualized-Since Inception[7]
Class A Acc USD	+1.22%	-5.41%	-7.15%	-20.08%	+33.82%	+2.19%
Reference Index	+0.84%	-2.29%	-6.41%	-17.14%	+7.39%	+0.53%
Class A Acc EUR	+1.69%	-2.86%	-8.66%	-19.46%	+55.25%	+3.34%
Class A Acc HKD	+1.20%	-5.25%	-7.22%	-20.33%	-7.37%	-0.81%
Class I Acc HKD	+1.27%	-5.04%	-6.83%	-19.66%	-14.51%	-14.19%

▲ Yearly Return[3]

	2019	2020	2021	2022	2023	2024YTD
Class A Acc USD	+16.11%	+37.62%	-22.29%	-24.45%	-10.10%	-5.41%
Reference Index	+23.46%	+29.49%	-21.72%	-21.93%	-11.20%	-2.29%
Class A Acc EUR	+18.40%	+25.91%	-15.75%	-19.91%	-13.35%	-2.86%
Class A Acc HKD	+15.45%	+37.01%	-21.84%	-24.49%	-9.90%	-5.25%
Class I Acc HKD	-	-	-	-	-9.97% [7]	-5.04%

[1]This is a marketing communication. Please refer to the prospectus of the fund before making any final investment decisions.
[2]The fund is approved as Eligible Collective Investment Scheme under “Capital Investment Entrant Scheme” of Hong Kong Special Administrative Region.
[3]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.
[4]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.
[5]Please refer to the Fund's prospectus for more information on general terms, risks and fees.
[6]Source: © 2024 Morningstar. All Rights Reserved. Data as of 28 Mar. 2024.
[7]Calculated since the inception date of each respective share class.

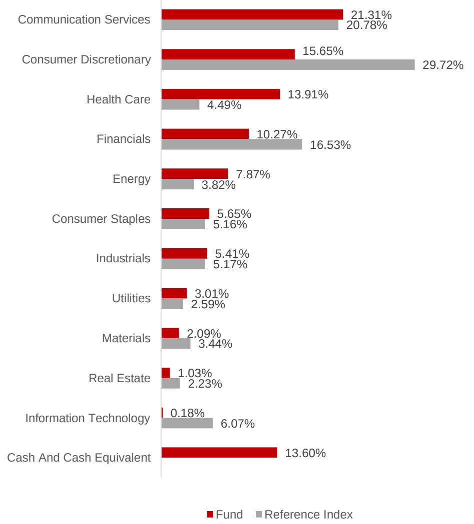
ChinaAMC China Opportunities Fund [1]

Fund Factsheet

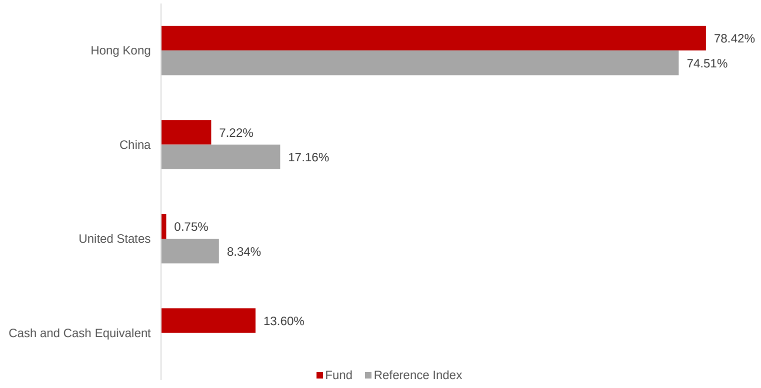
This is a marketing communication

▲ Portfolio Allocation

Sector Exposure (%)



Geographical Exposure (%)



▲ Manager's Comment

MSCI China index rose by 0.88% in the month of March. China's CPI inflation rose to +0.7% yoy in February from -0.8% yoy in January, on both a sequential rise and a low base. Strong food price inflation, plus increased services prices given Lunar New Year holiday period, were the major drivers behind the first positive CPI numbers since last October. During the Two Sessions, it was announced that China's GDP growth target for this year is around 5%, and the inflation target is around 3%. In terms of fiscal policy, the central government has decided to target a deficit ratio of approximately 3% for the year 2024, corresponding to a deficit scale of 4.06 trillion yuan. In addition to this planned arrangement, there is also a proposal to allocate 3.9 trillion yuan of special bonds to local governments. In terms of monetary policy, the scale of social financing and the money supply are in line with the targets for economic growth and expected price levels. The State Council released an action plan to promote large-scale equipment renewals and trade-ins of consumer goods, according to a circular issued on March 13.

China’s manufacturing PMI index rose to a stronger-than-expected 50.8 in Mar from 49.1 in Feb. Among major sub-indexes of NBS manufacturing PMI, the new orders sub-index improved to 53.0 from 49.0, the output sub-index increased to 52.2 from 49.8, and the employment sub-index inched up to 48.1 from 47.5. The non-manufacturing PMI rose to 53.0 in Mar from 51.4 in Feb, with activities in both the services and construction sectors accelerating in March. The services’ PMI increased to 52.4 in Mar from 51.0 in Feb. According to the survey, the PMIs of transport service industries such as postal, telecommunication and satellite transmission services were above 60, while the PMIs of catering and real estate service industries were below 50 in March. The construction PMI rose to 56.2 in March from 53.5 in Feb. NBS noted that the construction progress of projects accelerated in March thanks to warmer weather and the intensive launching/resumption of construction projects post the LNY holiday.

Looking forward, we maintain our long-term positive view on the Chinese equity market. The target of the 3% deficit ratio, along with the issuance of 1 trillion yuan of special national bonds, is largely in line with market expectations. The overall tone of the monetary policy continues the tone set by the previous Central Economic Work Conference. People's Bank of China Governor Pan Gongsheng also mentioned that there is still sufficient room for monetary policy and that there is potential for further reserve requirement ratio cuts in the future. The equipment upgrade and trade-in plan are expected to Become an important measure to drive consumption and investment.

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 (e.g. software localization and advanced manufacturing) and economic recovery-related opportunities (e.g. consumer, Internet, and financials). We will prudently pay attention to some thematic opportunities, including AI and SOE re-rating.

[1] This is a marketing communication. Please refer to the prospectus of the fund before making any final investment decisions.

Data source: Bloomberg. As of 28 Mar 2024.

Customer Hotline: (852) 3406 8686 **Website: www.chinaamc.com.hk** **Email: hkfund_services@chinaamc.com**