

# 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 May 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.

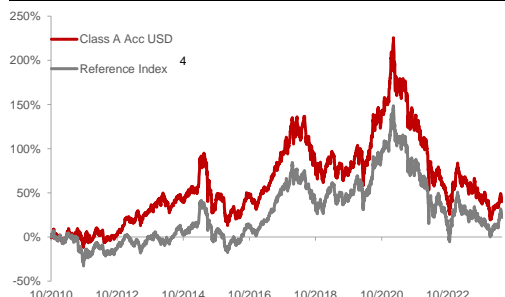
### ▲ Investment Objective

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 Information<sup>5</sup>

Legal Structure	Luxembourg SICAV (UCITS)
Investment Manager	China Asset Management (Hong Kong) Limited
Fund Size	USD 9.66 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 14.006	EUR 16.148	HKD 96.867	HKD 8.953
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	+1.27%	+5.94%	-4.56%	-5.65%	+40.06%	+2.50%
Reference Index	+2.40%	+10.18%	+4.18%	+4.26%	+17.34%	+1.18%
Class A Acc EUR	+0.13%	+5.77%	-4.01%	-7.19%	+61.48%	+3.60%
Class A Acc HKD	+1.24%	+5.83%	-4.46%	-5.83%	-3.13%	-0.33%
Class I Acc HKD	+1.31%	+6.05%	-4.06%	-5.04%	-10.47%	-8.80%

### ▲ Yearly Return<sup>3</sup>

	2019	2020	2021	2022	2023	2024YTD
Class A Acc USD	+16.11%	+37.62%	-22.29%	-24.45%	-10.10%	-1.00%
Reference Index	+23.46%	+29.49%	-21.72%	-21.93%	-11.20%	+6.76%
Class A Acc EUR	+18.40%	+25.91%	-15.75%	-19.91%	-13.35%	+1.04%
Class A Acc HKD	+15.45%	+37.01%	-21.84%	-24.49%	-9.90%	-0.91%
Class I Acc HKD	-	-	-	-	-9.97% <sup>7</sup>	-0.56%

<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.

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

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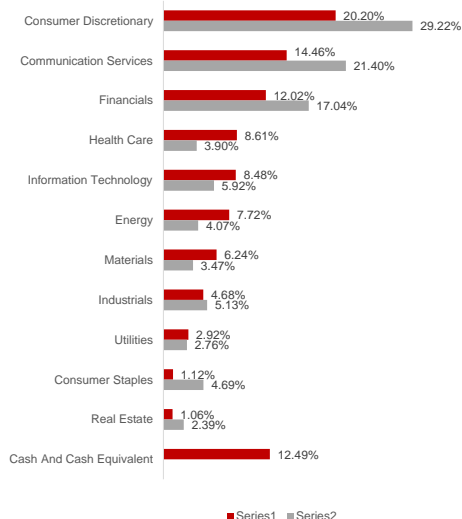
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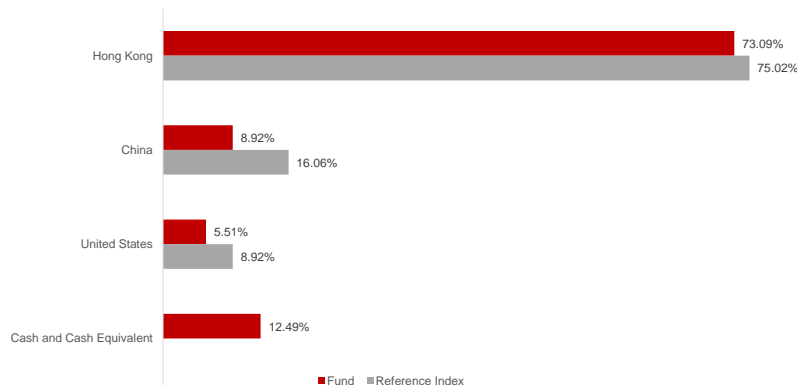


### ▲ Portfolio Allocation

#### Sector Exposure (%)



#### Geographical Exposure (%)



### ▲ Manager's Comment

MSCI China Index experienced narrow fluctuations and finally declined by 0.68% in May, mainly driven by fund flows and policy expectations. In the real estate sector, the PBOC and National Financial Regulatory Administration announced three easing policies on May 17, including lowering the minimum down payment ratio, eliminating the lower limit on mortgage interest rates, and reducing the interest rate for housing provident fund loans by 25 basis points. Meanwhile, the PBOC also established a 300-billion-yuan re-lending program for affordable housing to promote destocking in the real estate market. On May 23, General Secretary Xi Jinping emphasized the need for further comprehensive and deepening reforms during a meeting with enterprises and experts. These reforms include electric power systems, traditional industries, urban-rural development, etc. On May 24, the China Securities Regulatory Commission tightened the loopholes in major shareholders' reduction of shareholding, which reduces the risk of large-scale market sell-offs and solidifies the long-term stability of the market.

China's manufacturing PMI index fell sharply to 49.5 in May from 50.4 in April. Among major sub-indices of NBS manufacturing PMI, the new orders sub-index declined to 49.6 from 51.1, the output sub-index decreased to 50.8 from 52.9, while the employment sub-index inched up to 48.1 from 48.0. The suppliers' delivery times sub-index fell to 50.1 in May from 50.4 in April, indicating faster deliveries. The non-manufacturing PMI edged down to 51.1 in May from 51.2 in April, owing to a deceleration of activities in the construction sector in May. The services PMI increased to 50.5 from 50.3. According to the survey, the PMIs of transport service industries such as postal, telecommunication, and satellite transmission services, IT and culture, sports, and entertainment were above 55, while the PMIs of capital market services and real estate services industries were below 50 in May. The construction PMI fell to 54.4 from 56.3, suggesting growth in the construction sector slowed in May.

Looking forward, we maintain our long-term positive view of the Chinese equity market. According to data from Centaline Property, the total transaction volume of pre-owned houses in Beijing exceeded 2,000 units during the first weekend after the implementation of the "517" real estate policy, indicating that the recent combination of the real estate policies has shown significant effectiveness. The reduction in mortgage interest rates and down payment ratios is expected to boost real estate sales in the short term, especially for rigid demand. Moving forward, we expect to see fiscal support from the central government and appropriate acquisition discounts that enable the government to engage in property acquisition and storage, thereby further stimulating the recovery of the real estate industry. The symposium presided over by Xi Jinping has released further expectations for reforms, and we may anticipate more positive measures to be introduced at the upcoming 3rd Plenary Session of the 20th Central Committee. With the substantial increase in foreign funds allocated to Chinese equity assets nearing its end, industry allocation will mainly adopt a barbell strategy. This involves over-weighting stable benefit sectors such as high dividend stocks, and stocks benefiting from policy easing.

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.

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Data source: Bloomberg. As of 31 May 2024.

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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.