

ChinaAMC China Growth Fund (Class I)

Fund Factsheet



As of 31 May 2018

37/F, Bank of China Tower, 1 Garden Road, Hong Kong

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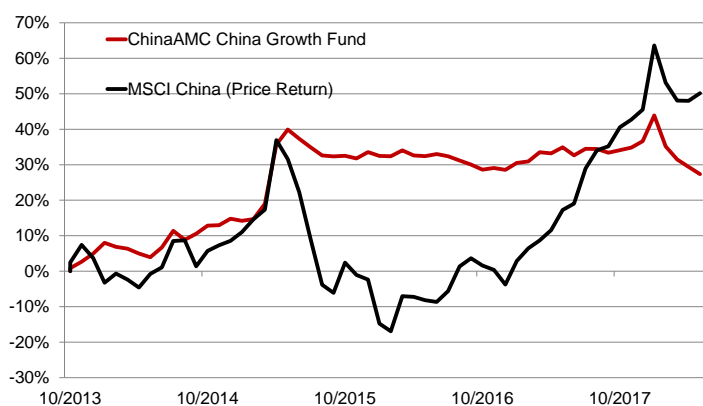
▲ Investment Objective

The objective of the fund is to seek absolute capital appreciation in the long run by investing principally in China-related listed securities around the world. The investment strategy is to look for companies with strong growth potential, profit generation capability, experienced management and favorable valuation. The portfolio managers adopt a combination of bottom-up and top-down approaches, carrying out rigorous fundamental analysis, on-site visits and proprietary forecasts.

▲ Fund Performance¹

Class I NAV per share

USD 127.35



Cumulative Return¹

	1-Month	3-Month	6-Month	1-Year	Since Inception ⁴	Annualised (Since Inception) ⁴
ChinaAMC China Growth Fund	-1.58%	-5.79%	-5.55%	-5.60%	+27.35%	+5.32%
MSCI China	+1.46%	-1.92%	+5.21%	+28.07%	+50.16%	+9.10%

Monthly Return¹

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2013	-	-	-	-	-	-	-	-	-	+0.84%	+1.82%	+2.22%	+4.96% ⁴
2014	+2.89%	-1.05%	-0.47%	-1.31%	-0.98%	+2.66%	+4.40%	-2.29%	+1.59%	+2.05%	+0.12%	+1.60%	+9.37%
2015	-0.52%	+0.44%	+3.73%	+14.04%	+3.13%	-1.84%	-1.78%	-1.70%	-0.20%	+0.14%	-0.58%	+1.37%	+16.35%
2016	-0.82%	-0.06%	+1.25%	-1.05%	-0.16%	+0.45%	-0.47%	-0.91%	-0.87%	-1.09%	+0.36%	-0.40%	-3.74%
2017	+1.50%	+0.34%	+1.99%	-0.25%	+1.28%	-1.68%	+1.39%	-0.04%	-0.79%	+0.55%	+0.54%	+1.35%	+6.29%
2018	+5.30%	-6.06%	-2.72%	-1.59%	-1.58%								-6.81%

¹ Source: Performance of MSCI China is from Bloomberg. ChinaAMC China Growth Fund includes re-investment of dividends in USD. The base currency of MSCI China is HKD. Conversion from HKD to USD is based on exchange rates from Bloomberg as at respective dates.

² Please refer to the Fund's private placing memorandum for further details (including fees).

³ Source: Bloomberg. VaR is calculated at composite level.

⁴ Calculated since fund inception on October 02, 2013.

▲ Fund Information²

Fund Domicile	Cayman Islands
Investment Manager	ChinaAMC Capital Management Limited
Sub-Manager	China Asset Management (Hong Kong) Limited
Launch Date	2-Oct, 2013
Total Fund Size	USD 89.32 million
Dealing Frequency	Monthly
Notice Period for Redemption	30 business days
Base Currency	USD
Launch Price	USD 100
NAV per share (Class I)	USD 127.35
Management Fee	1.5% p.a.
Performance Fee	15% (high water mark)
95% Daily VaR ³	0.27%

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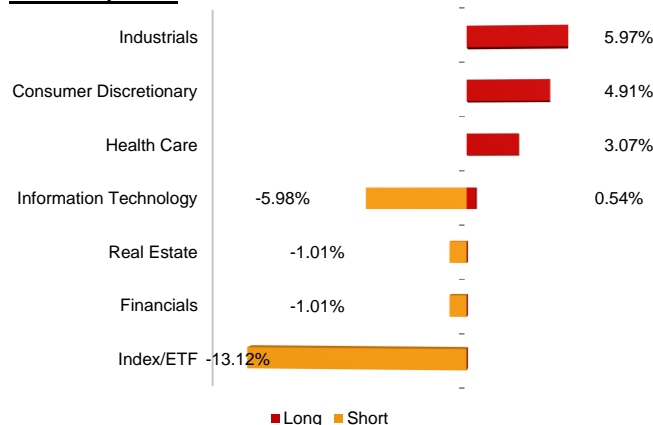
▲ Manager's Comment

The market was affected by trade issues and geopolitical risks in May. The uncertainty from top down point of view was high and we remained cautious. There were 3 major factors that affected the market in May: 1. The uncertainties in the meeting between the US and North Korea. We believe this is also related to the trade negotiation between the US and China as well, because North Korea issue is one of the bargaining chips of China during the talk. 2. China economy will continue deleveraging which will affect the economy, liquidity and bond defaults in near term. We saw some small scale of bonds defaults in China in May and this trend may continue in near term. 3. The recent correction in Italy bond and equity markets, and the corrections in some emerging markets, such as Brazil, and Argentina, will drag the sentiment and we believe it will affect the fund flow in the whole emerging market as well. Investors may switch to risk off mode.

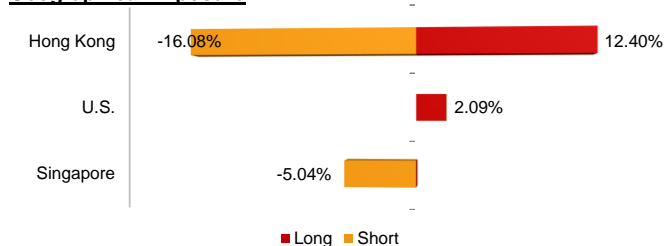
Looking forward into June, we believe the market will focus on three events: 1. The Shanghai Cooperation Organization Summit will be held in Qingdao on June 9th. President Xi will host the meeting and we believe the leaders will strengthen the opening policies and oppose trade protectionism. 2. G7 meeting will be held in June in Canada. Since US, Canada and France are in conflict of the trade issues, we believe the meeting is unlikely to reach major consensus. 3. On June 14th, Fed will have decision on US rate hike. If there's a rate hike in June, it may affect the global funds flow and trigger some correction in the emerging markets. For portfolio management, we will be relatively cautious in June, from the recent market movement, we believe the market is yet to factoring in the current risks. For sectors, we prefer the sectors and names with good cash positions and reasonable growth, such as property service companies. Macau gaming may benefit from the Guangdong-Hong Kong-Macao Greater Bay Area policies that may announce soon. For short positions, we have index future shorts to hedge the downside risk of the market.

▲ Portfolio Analysis

Sector Exposure



Geographical Exposure



Gross Exposure **35.60%**
Net Exposure **-6.63%**

▲ Top 5 Equity Holdings (Long Book)

Security Name	Listing Market	Sector	Weight
A-LIVING SERVICES CO LTD-H	Hong Kong	Industrials	5.07%
SINO BIOPHARMACEUTICAL	Hong Kong	Health Care	3.07%
WYNN MACAU LTD	Hong Kong	Consumer Discretionary	2.50%
NEW ORIENTAL EDUCATIO-SP ADR	U.S.	Consumer Discretionary	1.34%
SJM HOLDINGS LTD	Hong Kong	Consumer Discretionary	1.07%

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Risk Warning

1. Fund Performance, Portfolio Analysis and Top 5 Equity Holdings data are for Class I unless otherwise specified. Performance is net of Fund level fees/expenses but not sales charges which will reduce returns. Please contact us for performance data of other share classes.
2. The Fund principally invests in China-related listed stocks listed in Hong Kong and the Mainland China. Investment involves risks. An investment is not a deposit and investors may be subject to substantial losses, and a loss of original capital may occur. Past performance is not indicative of future performance, future returns are not guaranteed. Key risks of the product may include, but not limited to, stock price volatility and risks related to investment in China markets.
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