

ChinaAMC Select Fund

ChinaAMC Select Money Market Fund

Unaudited Semi-annual Report

For the period from
1 January 2020 to 30 June 2020



UNAUDITED SEMI-ANNUAL REPORT

CHINAAMC SELECT MONEY MARKET FUND
(a sub-fund of ChinaAMC Select Fund, an open-ended
unit trust established as an umbrella fund under the laws
of Hong Kong)

For the period from 1 January 2020 to 30 June 2020

CHINAAMC SELECT MONEY MARKET FUND
(a sub-fund of ChinaAMC Select Fund)

CONTENTS

	Pages
ADMINISTRATION AND MANAGEMENT	1
REPORT OF THE MANAGER TO THE UNITHOLDERS	2
UNAUDITED FINANCIAL STATEMENTS	
STATEMENT OF COMPREHENSIVE INCOME	3
STATEMENT OF FINANCIAL POSITION	4
STATEMENT OF CHANGES IN EQUITY	5
STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	6
STATEMENT OF CASH FLOWS	7
PERFORMANCE TABLE (UNAUDITED)	8
STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)	9
INVESTMENT PORTFOLIO (UNAUDITED)	10 - 11
DISTRIBUTION DISCLOSURE (UNAUDITED)	12
RECONCILIATION OF NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED)	13

IMPORTANT:

Any opinion expressed herein reflects the Manager's view only and are subject to change. For more information about the fund, please refer to the explanatory memorandum of the fund which is available at our website:

<http://www.chinaamc.com.hk/en/products/public-fund/chinaamc-select-money-market-fund/documents.html>

Investors should not rely on the information contained in this report for their investment decisions.

CHINAAMC SELECT MONEY MARKET FUND
(a sub-fund of ChinaAMC Select Fund)

ADMINISTRATION AND MANAGEMENT

MANAGER

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1 Garden Road
Central, Hong Kong

DIRECTORS OF THE MANAGER

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Zhang Xiaoling
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TRUSTEE, ADMINISTRATOR AND REGISTRAR

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AUDITOR

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Central, Hong Kong

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Bank of China (Hong Kong) Limited
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1 Garden Road
Central, Hong Kong

CHINAAMC SELECT MONEY MARKET FUND
(a sub-fund of ChinaAMC Select Fund)

REPORT OF THE MANAGER TO THE UNITHOLDERS

Introduction

ChinaAMC Select Money Market Fund (the "Sub-Fund") is a sub-fund of ChinaAMC Select Fund, an umbrella unit trust established under the laws of Hong Kong pursuant to a trust deed dated 12 January 2012, as amended or supplemented from time to time. The Sub-Fund's objective is to invest in short-term deposits, high quality money market instruments of varying maturities and such other securities as permitted by the SFC's Code on Unit Trusts and Mutual Funds. The Sub-Fund seeks to achieve long-term return in US dollars in line with prevailing money market rates, with primary considerations of both capital security and liquidity, by investing not less than 70% of the net asset value of the Sub-Fund in US dollar-denominated and settled short-term deposits and high quality money market instruments issued by governments, quasi-governments, international organizations, and financial institutions globally. The Sub-Fund will maintain a portfolio with weighted average maturity not exceeding 60 days and a weighted average life not exceeding 120 days and will not purchase an instrument with a remaining maturity of more than 397 days, or two years in the case of Government and other public securities.

Market Review

Despite the turmoil in the credit bond market this year, most bond indexes have turned positive year-to-date. The global credit bond index rose during the second quarter, the Credit Default Swap Index narrowed, and the recovery of Chinese-funded US dollar bonds continued to hit new highs since 11th of March. In the secondary market, trading was quiet in the first half of June and boosted by various data in the second half of June. Both investment grade and high yields increased during the second quarter. Since the beginning of this year, the yields of Chinese and American bonds have generally declined, and the spread between China and the United States has expanded further compared to last year.

Bloomberg Barclays Global High Yield Total Return Index fell 15% in the first quarter of this year, while Bloomberg Barclays Global Aggregate Total Return Index, which represents investment grade bonds, fell only about 0.3%, reflecting its stronger resistance to falling under volatility markets as these bond issuers have relatively sufficient cash levels and better financial conditions, and the related bonds were more liquidity in the secondary market. In particular, most countries in Asia are not crude oil and commodity export areas, and therefore are less affected by oil price fluctuations

China Asset Management (Hong Kong) Limited
24 August 2020

CHINAAMC SELECT MONEY MARKET FUND
(a sub-fund of ChinaAMC Select Fund)

STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period from 1 January 2020 to 30 June 2020

	For the period from 1 January 2020 to 30 June 2020 (Unaudited) USD	For the period from 29 March 2019 (date of inception) to 30 June 2019 (Unaudited) USD
INCOME		
Interest income on financial assets at fair value through profit or loss	61,520	17,392
Interest income on bank deposits	<u>68,760</u>	<u>22,721</u>
	<u>130,280</u>	<u>40,113</u>
EXPENSES		
Management fee	(3,332)	(804)
Trustee fee	(4,999)	(6,060)
Custodian fee	(802)	(308)
Auditors' remuneration	(8,510)	(5,957)
Preliminary expenses	-	(65,000)
Legal and professional fees	(5,841)	-
Transaction handling fee	(900)	-
Other expenses	<u>(1,897)</u>	<u>(631)</u>
	<u>(26,281)</u>	<u>(78,760)</u>
PROFIT/(LOSS) BEFORE INVESTMENT AND EXCHANGE DIFFERENCES	103,999	(38,647)
INVESTMENT (LOSSES)/GAINS AND EXCHANGE DIFFERENCES		
Net (loss)/gain on financial assets at fair value through profit or loss	(17,524)	1,418
Net foreign exchange gain/(loss)	<u>7,753</u>	<u>(480)</u>
	<u>(9,771)</u>	<u>938</u>
PROFIT/LOSS BEFORE TAX	94,228	(37,709)
Withholding tax	<u>-</u>	<u>-</u>
INCREASE/(DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>94,228</u>	<u>(37,709)</u>

CHINAAMC SELECT MONEY MARKET FUND
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STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2020

	30 June 2020 (Unaudited) USD	31 December 2019 (Audited) USD
ASSETS		
Financial assets at fair value through profit or loss	3,321,448	2,102,599
Interest receivable	35,229	44,784
Cash and cash equivalents	9,243,604	12,525,314
TOTAL ASSETS	<u>12,600,281</u>	<u>14,672,697</u>
LIABILITIES		
Management fee payable	2,175	1,737
Trustee fee payable	830	567
Accrued expenses and other payables	28,060	35,729
Amounts due to brokers	-	306,428
TOTAL LIABILITIES	<u>31,065</u>	<u>344,461</u>
NET ASSETS ATTRIBUTABLE TO UNITHOLDERS	<u>12,569,216</u>	<u>-</u>
TOTAL LIABILITIES	12,600,281	344,461
TOTAL EQUITY	-	14,328,236
TOTAL LIABILITIES AND EQUITY	<u>12,600,281</u>	<u>14,672,697</u>

Note: The semi-annual report of the sub-funds have been prepared in accordance with the same accounting policies adopted in the 2019 annual financial statements.

CHINAAMC SELECT MONEY MARKET FUND
(a sub-fund of ChinaAMC Select Fund)

STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

For the period from 1 January 2020 to 30 June 2020

	Number of Units	USD
At 31 December 2019 and 1 January 2020	11,149,759.30	14,328,236
Reclassification of the redeemable units as financial liabilities	<u>(11,149,759.30)</u>	<u>(14,328,236)</u>
At 30 June 2020	<u>-</u>	<u>-</u>

CHINAAMC SELECT MONEY MARKET FUND
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STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED)

For the period from 1 January 2020 to 30 June 2020

	Number of Units	USD
At 31 December 2019 and 1 January 2020	-	-
Reclassification of the redeemable units as financial liabilities	11,149,759.30	14,328,236
Subscription of units		
- Class I HKD	567,362.86	735,166
- Class A HKD	1,193.42	1,543
	<u>568,556.28</u>	<u>736,709</u>
Redemption of units		
- Class I HKD	(2,000,000.00)	(2,589,881)
- Class A HKD	(58.47)	(76)
	<u>(2,000,058.47)</u>	<u>(2,589,957)</u>
Increase in net assets attributable to unitholders	<u>-</u>	<u>94,228</u>
At 30 June 2020	<u>9,718,257.11</u>	<u>12,569,216</u>
 NUMBER OF UNITS IN ISSUE		
- Class I HKD		9,717,122.15
- Class A HKD		<u>1,134.96</u>
 NET ASSET VALUE PER UNIT		
- Class I HKD		HKD 10.0245
- Class A HKD		<u>HKD 9.9919</u>

CHINAAMC SELECT MONEY MARKET FUND
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STATEMENT OF CASH FLOWS (UNAUDITED)

For the period from 1 January 2020 to 30 June 2020

	For the period from 1 January 2020 to 30 June 2020 (Unaudited) USD	For the period from 29 March 2019 (date of inception) to 30 June 2019 (Unaudited) USD
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	94,228	(37,709)
Increase in financial assets at fair value through profit or loss	(1,218,849)	(2,349,832)
Decrease/(increase) in interest receivable	9,555	(29,711)
Increase in management fee payable	438	804
Increase in trustee fee payable	263	1,867
(Decrease)/increase in accrued expenses and other payables	(7,669)	37,290
Decrease in amount due to broker	(306,428)	-
Cash used in operations	<u>(1,428,462)</u>	<u>(2,377,291)</u>
Tax paid	-	-
Net cash flows used in operating activities	<u>(1,428,462)</u>	<u>(2,377,291)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of units	736,709	6,369,500
Payments on redemption of units	<u>(2,589,957)</u>	<u>-</u>
Net cash flows (used in)/generated from financing activities	<u>(1,853,248)</u>	<u>6,369,500</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(3,281,710)	3,992,209
Cash and cash equivalents at the beginning of the period	<u>12,525,314</u>	<u>-</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>9,243,604</u>	<u>3,992,209</u>
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Bank balance	1,408,495	476,759
Short-term deposit	<u>7,835,109</u>	<u>3,515,450</u>
NET CASH FLOWS FROM OPERATING ACTIVITIES INCLUDE:		
Interest income on bank deposits	<u>74,065</u>	<u>20,418</u>

CHINAAMC SELECT MONEY MARKET FUND
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PERFORMANCE TABLE (UNAUDITED)

Net assets attributable to unitholders

(calculated in accordance with International Financial Reporting Standards)

	Net asset value per unit	Net asset value USD
As at 30 June 2020 (Unaudited)		
– Class I HKD	HKD 10.0245	12,567,753
– Class A HKD	HKD 9.9919	1,463
As at 31 December 2019 (Audited)		
– Class I HKD	HKD 10.0037	14,328,236

Highest issue price and lowest redemption price per unit¹

(calculated in accordance with the Trust Deed)

	Highest issue price per unit	Lowest redemption price per unit
For the period from 1 January 2020 to 30 June 2020 (Unaudited)		
– Class I HKD	HKD 10.0756	HKD 10.0243
– Class A HKD	HKD 10.0395	HKD 10.0000
For the period from 29 March 2019 (date of inception) to 31 December 2019 (Audited)		
- Class I HKD	HKD 10.0840	HKD 9.9558

¹ Past performance figures shown are not indicative of the future performance of the Sub-Fund.

CHINAAMC SELECT MONEY MARKET FUND
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STATEMENT OF MOVEMENTS IN PORTFOLIO HOLDINGS (UNAUDITED)

For the period from 1 January 2020 to 30 June 2020

	As at 1 January 2020	Movement in holdings			As at 30 June 2020
		Addition	Bonus/ Dividends	Disposal	
DEBT SECURITIES					
AZURE NOVA INTL FINANCE LTD 3% S/A 21MAR2020	-	600,000	-	(600,000)	-
BAIDU INC 3% S/A 30JUN2020	-	300,000	-	(300,000)	-
BANK OF CHINA LTD/HONG KONG 2.85% S/A 07JUN2020	-	2,000,000	-	(2,000,000)	-
BAOSTEEL FINANCING 2015 PTY LTD 3.875% S/A 28JAN2020	300,000	-	-	(300,000)	-
BARCLAYS PLC 2.875% S/A 08JUN2020	-	200,000	-	(200,000)	-
BLUESTAR FINANCE HLDGS LTD 4.375% S/A 11JUN2020	-	500,000	-	(500,000)	-
CCBL CAYMAN CORP LTD 3.25% S/A 28JUL2020	-	300,000	-	-	300,000
CENTRAL PLAZA DEVELOPMENT LTD 3.875% S/A 25JAN2020	300,000	-	-	(300,000)	-
CHINA CINDA FINANCE 2015 I LTD 3.125% S/A 23APR2020 REGS	-	300,000	-	(300,000)	-
CHINA SHENHUA OVERSEAS CAPITAL CO LTD 3.125% S/A 20JAN2020	500,000	200,000	-	(700,000)	-
CNAC HK SYNBRIDGE CO LTD 5% S/A 05MAY2020	-	500,000	-	(500,000)	-
COASTAL EMERALD LTD 5.95% S/A 13JAN2020	300,000	-	-	(300,000)	-
COSL SINGAPORE CAPITAL LTD 3.5% S/A 30JUL2020	-	500,000	-	-	500,000
COUNTRY GARDEN HLDGS CO LTD 7.5% S/A 09MAR2020	200,000	-	-	(200,000)	-
DAIMLER FINANCE NORTH AMERICA LLC 2.7% S/A 03AUG2020 REGS	-	200,000	-	-	200,000
EBAY INC 2.15% S/A 05JUN2020	-	200,000	-	(200,000)	-
GUANGZHOU METRO INVESTMENT FINANCE BVI LTD 3.375% S/A 03DEC2020	-	200,000	-	-	200,000
HAITONG INTL FINANCE HLDGS 2015 LTD 3.5% S/A 21APR2020	200,000	-	-	(200,000)	-
HENGJIAN INTL INVESTMENT LTD 2.75% S/A 11JUL2020	-	500,000	-	-	500,000
HUARONG FINANCE II CO LTD 3.75% S/A 19NOV2020	-	300,000	-	-	300,000
HUARONG FINANCE II CO LTD 4.5% S/A 16JAN2020	300,000	-	-	(300,000)	-
INDUSTRIAL & COMMERCIAL BANK OF CHINA LTD/MACAU 2.42% A 30JUN2020 FXCD	-	300,000	-	(300,000)	-
INDUSTRIAL & COMMERCIAL BANK OF CHINA LTD/SYDNEY 0% A 22JUL2020	-	4,000,000	-	-	4,000,000
MCC HLDG HONG KONG CORP LTD 2.95% S/A 31MAY2020	-	500,000	-	(500,000)	-
MINMETALS BOUNTEOUS FINANCE BVI LTD 3.5% S/A 30JUL2020	-	200,000	-	-	200,000
ORIX CORP 2.95% S/A 23JUL2020	-	200,000	-	-	200,000
SHANGHAI ELECTRIC POWER FINANCE LTD 3.625% S/A 11AUG2020	-	400,000	-	-	400,000
SHELL INTL FINANCE BV 2.125% S/A 11MAY2020	-	300,000	-	(300,000)	-
Total investment portfolio	2,100,000	12,700,000	-	(8,000,000)	6,800,000

CHINAAMC SELECT MONEY MARKET FUND
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INVESTMENT PORTFOLIO (UNAUDITED)

30 June 2020

	Nominal value USD	Fair value USD	% of net asset
DEBT SECURITIES			
CHINA			
GUANGZHOU METRO INVESTMENT FINANCE BVI LTD 3.375% S/A 03DEC2020	200,000	201,394	1.60%
INDUSTRIAL & COMMERCIAL BANK OF CHINA LTD/SYDNEY 0% A 22JUL2020	4,000,000	515,683	4.11%
		<u>717,077</u>	<u>5.71%</u>
Cayman			
CCBL CAYMAN CORP LTD 3.25% S/A 28JUL2020	300,000	300,321	2.39%
		<u>300,321</u>	<u>2.39%</u>
Japan			
ORIX CORP 2.95% S/A 23JUL2020	200,000	200,198	1.59%
		<u>200,198</u>	<u>1.59%</u>
Singapore			
COSL SINGAPORE CAPITAL LTD 3.5% S/A 30JUL2020	500,000	500,710	3.98%
		<u>500,710</u>	<u>3.98%</u>
United States			
DAIMLER FINANCE NORTH AMERICA LLC 2.7% S/A 03AUG2020 REGS	200,000	200,314	1.59%
		<u>200,314</u>	<u>1.59%</u>
Virgin Isl, BT			
HENGJIAN INTL INVESTMENT LTD 2.75% S/A 11JUL2020	500,000	500,255	3.98%
HUARONG FINANCE II CO LTD 3.75% S/A 19NOV2020	300,000	301,467	2.40%
MINMETALS BOUNTEOUS FINANCE BVI LTD 3.5% S/A 30JUL2020	200,000	200,306	1.59%
SHANGHAI ELECTRIC POWER FINANCE LTD 3.625% S/A 11AUG2020	400,000	400,800	3.19%
		<u>1,402,828</u>	<u>11.16%</u>
Total investments portfolio (Cost: USD 3,926,767)		<u>3,321,448</u>	<u>26.43%</u>
Other net assets		9,247,768	73.57%
Total net assets as at 30 June 2020		<u>12,569,216</u>	<u>100.00%</u>

CHINAAMC SELECT MONEY MARKET FUND
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INVESTMENT PORTFOLIO (UNAUDITED) (continued)

30 June 2020

	Days
Portfolio weighted average maturity in days	27.07
Portfolio weighted average life in days	0.08

	Fair value (in USD)	% of net assets
Daily liquid assets	12,617,025	100.38%
Weekly liquid assets	12,617,025	100.38%

CHINAAMC SELECT MONEY MARKET FUND
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DISTRIBUTION DISCLOSURE (UNAUDITED)

For the period from 1 January 2020 to 30 June 2020

According to the distribution policy, no dividends or distributions will be made by the Sub-Fund.

CHINAAMC SELECT MONEY MARKET FUND
(a sub-fund of ChinaAMC Select Fund)

RECONCILIATION OF NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED)

As at 30 June 2020

USD

Net assets attributable to unitholders
(calculated in accordance with International Financial Reporting Standards) 12,569,216

Adjustment for preliminary expenses 47,809

Net assets attributable to unitholders
(calculated in accordance with the Trust Deed) 12,617,025

Net assets attributable to unitholders (per unit)
(calculated in accordance with International Financial Reporting Standards)
- Class I HKD HKD 10.0245
- Class A HKD HKD 9.9919

Net assets attributable to unitholders (per unit)
(calculated in accordance with the Trust Deed)
- Class I HKD HKD 10.0626
- Class A HKD HKD 10.0299

