

ChinaAMC China Focus Fund

Fund Factsheet



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 material alone. Please note:

- The Fund seeks to take investment exposure to companies in or have significant business exposure to China. Investment in China-related companies and in Chinese markets may involve (i) heightened political, tax, economic, foreign exchange, liquidity and regulatory (including the QFII policy) risks, compared to more developed economies or markets; and (ii) concentration risk which may result in greater volatility than broad-based investments. The China A Share market is also unstable, subject to risks of stock suspension, government intervention and foreign investment restrictions.
- The Fund will obtain exposure to the A Share market, partly or fully by investing into access products and will be exposed to the counterparty risk of the issuer of the access products. The availability of access products is limited by applicable regulations in China, and as a result the cost of investment is subject to market supply and demand forces. Where the supply is low relative to the demand, acquiring access products may involve a higher cost or a premium.
- The Fund is subject to risks associated with the Stock Connect, such as change of relevant rules and regulations, quota limitations, suspension of the Stock Connect and information technology limitation. In the event that the Fund's ability to invest in A Shares through the Stock Connect on a timely basis is adversely affected, the Manager will rely on A Share access products investment.
- The Fund will invest in A Share ETFs and is subject to the fees and charges and the risk of tracking errors of the relevant A Share ETFs. If the Fund invests in synthetic ETFs, it will also subject to risks related to derivative instruments.
- There are risks and uncertainties associated with the current PRC tax laws, regulations and practices in respect of capital gains (which may have retrospective effect). Possible changes on the actual applicable tax rates imposed by the SAT and possible expiration of the current exemption of corporate income tax on capital gains may increase the Fund's tax liability and adversely affect the Fund's NAV.
- The Fund will hold investments denominated in currencies different to the base currency of the Fund, meaning the Fund will be at risk to adverse movements in the foreign currency rates.

▲ Investment Objective

The Fund seeks to provide investors with long term capital growth through exposure to China-related companies by investing in equities and equity related instruments.

▲ Fund Performance¹



▲ Fund Information²

Legal Structure	Hong Kong domiciled umbrella structure unit trust
Investment Manager	China Asset Management (Hong Kong) Limited
Inception Date	10 December, 2010
Fund Size	USD 16.58 million
Base Currency	USD
Available Dealing Currencies	USD/EUR/GBP/AUD/SGD/HKD
Dealing Frequency	Daily
Trustee	Cititrust Limited
Custodian	Citibank, N.A. (Hong Kong branch)
Management Fee	1.8% p.a.
Subscription Charge:	Up to 5%
Performance Fee:	10% of appreciation in the NAV per unit during a performance period above the high watermark of the relevant class of units

	USD unit	AUD unit	EUR unit	HKD unit	SGD unit
Fund Price	USD11.471	AUD15.854	EUR 14.242	HKD 11.791	SGD 12.149
Bloomberg Ticker	CACFUSD HK	CACFAUD HK	CACFEUR HK	CACFHKD HK	CACFSGD HK
ISIN Number	HK0000352960	HK0000352911	HK0000352929	HK0000352945	HK0000352952

▲ Cumulative Return¹

	1 Month	3 Month	6 Month	1 Year	Since Inception ³	Annualized-Since Inception ³
Fund (USD)	+0.61%	+5.84%	-0.09%	+3.97%	+14.71%	+1.02%
Fund (AUD)	-1.77%	+3.63%	-0.38%	+1.17%	+58.54%	+3.48%
Fund (EUR)	-0.91%	+5.50%	+0.42%	+2.10%	+42.42%	+2.66%
Fund (HKD)	+0.62%	+5.76%	+0.08%	+3.89%	+17.91%	+1.23%
Fund (SGD)	-0.29%	+6.40%	+1.20%	+3.72%	+21.49%	+1.46%

▲ Yearly Return¹

	2019	2020	2021	2022	2023	2024YTD
Fund (USD)	+16.79%	+27.63%	-6.11%	-28.72%	+2.31%	+1.16%
Fund (AUD)	+16.90%	+16.27%	+1.17%	-23.56%	+1.67%	+3.79%
Fund (EUR)	+18.97%	+17.46%	+2.38%	-24.04%	-1.16%	+2.93%
Fund (HKD)	+16.22%	+27.23%	-4.58%	-28.64%	+2.36%	+1.34%
Fund (SGD)	+14.97%	+25.75%	-2.71%	-29.08%	+0.62%	+3.66%

¹Past 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. Since 28 July 2017, the Manager of the Fund changed from Citigroup First Investment Management Limited to China Asset Management (Hong Kong) Limited and the Trustee of the Fund changed from Cititrust (Cayman) Limited to Cititrust Limited. The performance of the Fund prior to 28 July 2017 was achieved under circumstances that no longer apply.

²Please refer to the Explanatory Memorandum for full product disclosure including fees.

³Calculated since the inception date of respective share class.

Source: China Asset Management (Hong Kong) Limited and Bloomberg unless specified otherwise.

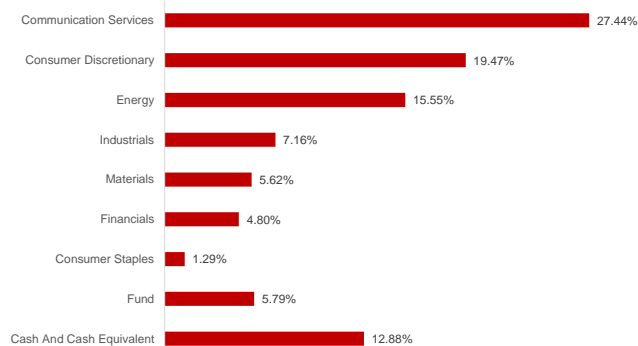
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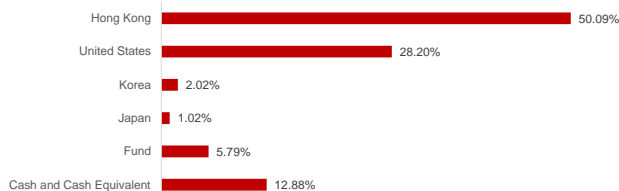


▲ Portfolio Allocation

Sector Exposure (%)



Geographical Exposure (%)



▲ Manager's Comment

In May, the Hong Kong market experienced notable developments. The Hang Seng Index witnessed a 1.78% increase, while the Hang Seng Tech Index declined by 0.27%. During this period, the fund achieved a positive return of 0.61%, slightly underperforming the Hang Seng Index by approximately 1.17%, but outperforming the MSCI China Index by around 0.64%.

In China, the Caixin Purchasing Managers' Index (PMI) for May surpassed expectations. The Caixin Manufacturing PMI rose to 51.7, reaching its highest level since July 2022. Notably, the manufacturing production index also attained a new high since July 2022, reflecting robust growth in the production of consumer goods. Although the new orders index experienced a slight decline within the expansion range, the new export orders index notably decelerated but remained above the critical threshold. Additionally, the Caixin Services PMI for May reached 54.0, marking a new high since August 2023 and maintaining a position above the expansion threshold for 17 consecutive months. Both the business activity index and the new orders index remained in the expansion range for the 17th consecutive month, setting new highs since August 2023 and June 2023, respectively.

On June 6th, Guo Ruiming, the Director-General of the Listed Company Supervision Department at the China Securities Regulatory Commission (CSRC), addressed concerns regarding recent instances of ST (Special Treatment) and delisting of listed companies. He reassured the market that the number of delisted companies is not expected to experience a significant increase in the short term. Furthermore, he expressed the CSRC's support for investors in safeguarding their lawful rights and interests.

Several key cities in China implemented new policies concerning the real estate market, while the State Council issued the "2024-2025 Energy Saving and Carbon Reduction Action Plan." Measures were introduced in Shanghai, Guangzhou, Shenzhen, and other cities to ease purchase conditions, lower minimum down payment ratios, and reduce loan interest rates. These initiatives aim to stabilize the real estate market, with the potential for a narrower year-on-year decline in real estate sales as the base effect diminishes. The remarks made by the top leader during a discussion with enterprises and experts in Shandong on May 23rd emphasized electricity marketization and reforms in the supply side of new energy, resulting in heightened investor attention towards the electricity and new energy sectors.

Furthermore, the registration and establishment of the National Big Fund Phase III on May 24th, along with increased activity in the semiconductor industry, merit attention. Despite the increased property viewings reported in various regions following the implementation of new real estate policies, the conversion rate remains modest, warranting continued observation of the pace of real estate sales recovery. As for the Hang Seng Index, it initially rose during this month but subsequently retraced to approximately 18,000 points. Short-term expectations suggest the index will likely continue to fluctuate within the 18,000 to 20,000 point range, awaiting further clarification regarding underlying fundamentals and policy signals.

Date source: Bloomberg. As of 31 May 2024.

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Important Note

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