ChinaAMC China Opportunities Fund [1]

★★★ Morningstar Rating™ [6]

Fund Factsheet

This is a marketing communication

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

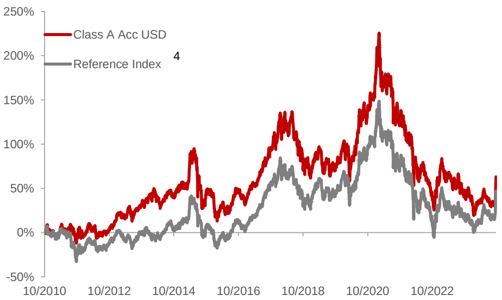
As of 30 Sep 2024 **37/F, Bank of China Tower, 1 Garden Road, Hong Kong**

- 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 10.14 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**
Launch Date	11-Oct-2010	11-Nov-2010	3-Nov-2014
NAV per share	USD 16.309	EUR 18.238	HKD 112.045
Bloomberg Code	CHCOAAU LX	CHCOAAE LX	CHCOAAH LX
ISIN Code	LU0531876844	LU0531876760	LU1097445909
Initial Charge	Up to 5%	Up to 5%	Up to 5%
Investment Management Fee	1.8% p.a.	1.8% p.a.	1.8% p.a.
Minimum Initial Subscription	USD 1,000	EUR 1,000	HKD 10,000

▲ Cumulative Return[3]

	1 Month	3 Month	6 Month	1 Year	Since Inception[7]	Annualized-Since Inception[7]
Class A Acc USD	+22.04%	+19.89%	+21.87%	+13.15%	+63.09%	+3.56%
Reference Index	+23.91%	+23.49%	+32.38%	+23.89%	+42.16%	+2.55%
Class A Acc EUR	+20.86%	+14.78%	+17.48%	+7.30%	+82.38%	+4.42%
Class A Acc HKD	+21.55%	+19.25%	+20.96%	+12.24%	+12.05%	+1.15%

▲ Yearly Return[3]

	2019	2020	2021	2022	2023	2024YTD
Class A Acc USD	+16.11%	+37.62%	-22.29%	-24.45%	-10.10%	+15.28%
Reference Index	+23.46%	+29.49%	-21.72%	-21.93%	-11.20%	+29.34%
Class A Acc EUR	+18.40%	+25.91%	-15.75%	-19.91%	-13.35%	+14.12%
Class A Acc HKD	+15.45%	+37.01%	-21.84%	-24.49%	-9.90%	+14.62%

[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.
[7]Calculated since the inception date of each respective share class.

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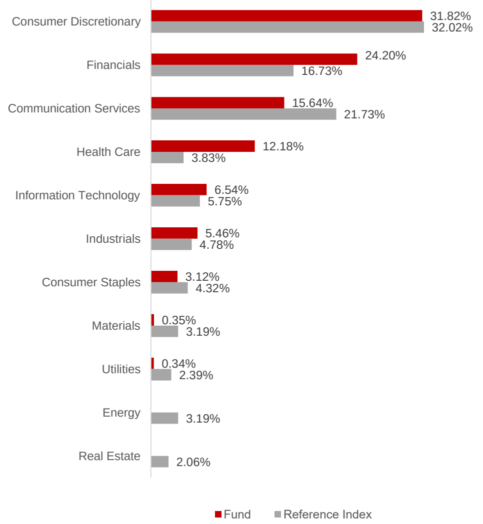
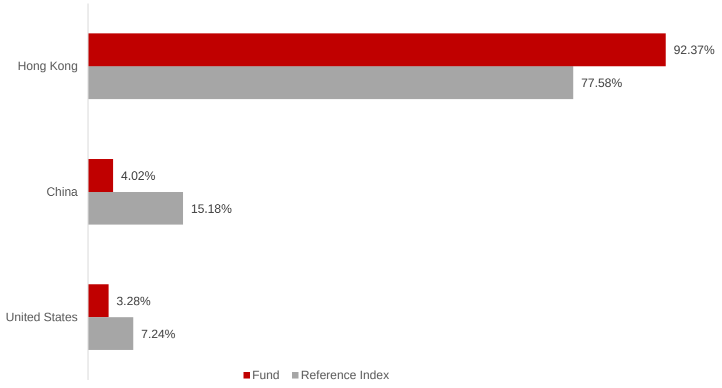
▲ Portfolio Allocation

Sector Exposure (%)



Geographical Exposure (%)



▲ Manager's Comment

In September, the MSCI China Index surged by 23.07%, mainly boosted by the policy combo from the financial authorities and the outcomes of the Central Political Bureau. On September 13, the 11th meeting of the 14th National People's Congress Standing Committee passed a decision to gradually raise the statutory retirement age. On September 24, the heads of the central bank, the banking and insurance regulator, and the securities regulator announced a comprehensive 50 basis points cut in the reserve requirement ratio, a reduction in the 7-day reverse repurchase operation rate to 1.5%, a decrease of around 50 basis points in existing housing loan rates to the level of new housing loan rates. Additionally, they introduced innovative tools for stock repurchase and incremental lending for securities, funds, and insurance companies. On September 26, the Political Bureau meeting emphasized the need to intensify the countercyclical adjustments of fiscal and monetary policies, including issuing and utilizing ultra-long-term special government bonds and local special bonds, reducing the reserve requirement ratio, and implementing substantial interest rate cuts.

China's manufacturing PMI index increased to 49.9 in September from 49.1 in August. Among major sub-indexes of NBS manufacturing PMI, the new orders sub-index rose to 49.9 from 48.9, the output sub-index increased to 51.2 from 49.8, and the employment sub-index edged up to 48.2 from 48.1. The non-manufacturing PMI fell to 50.0 in September from 50.3 in August, entirely driven by slower activity in the services sector. The services PMI decreased to 49.9 from 50.2 in August. According to the survey, the PMIs of postal, telecommunication and satellite transmission services and information technology industries were above 55, while the PMIs of railway and water transportation, culture, sports and entertainment, and real estate services industries were below 50 in September. The construction PMI edged up to 50.7 in September from 50.6 in August, which was still lower than previous years.

Looking forward, we maintain our long-term positive view of the Chinese equity market. The financial policy combo on September 24th and the adjustments and statements made regarding policies during the Political Bureau meeting on September 26th were mainly focused on two approaches: lowering financing costs and boosting expectations for investment returns. Measures such as interest rate cuts, reserve requirement ratio reductions, lowering down payment requirements, and adjusting existing mortgage rates were primarily aimed at reducing financing costs and easing the leverage threshold. On the other hand, in order to stabilize asset prices and expectations for investment returns, the central bank introduced two new structural monetary policy tools to stabilize stock market prices and for the first time explicitly stated the goal of "promoting the stabilization of the real estate market," greatly exceeding market expectations. Furthermore, the summary of the Political Bureau meeting also emphasized the integration of promotional fees with livelihood projects to increase income for middle and low-income groups. This move itself beat expectation, and if implemented, it could bring about a significantly positive impact on the Chinese economy.

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 30 Sep 2024.

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