

# ChinaAMC New Horizon China A Share Fund\*

## Fund Factsheet



As of 28 Jun 2024

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

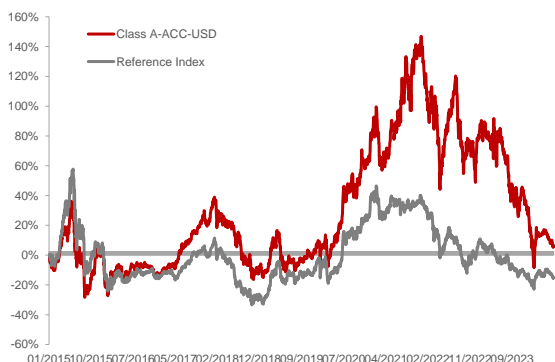
Investment involves risks, including the loss of principal. The price of units or shares of the Funds may go up as well as down. Past performance is not indicative of future results. The value of the Funds can be extremely volatile and could go down substantially within a short period of time. You should 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 invests primarily in China A-Shares listed on SSE and SZSE through the QFI status granted to the Investment Manager and through Stock Connect.
- Investment in equity securities is subject to market risk and the prices of such securities may be volatile.
- Investing in the PRC, involves risks associated with emerging market, with greater political, tax, economic, foreign exchange, liquidity, legal and regulatory risks.
- The Fund is subject to risks relating to the QFI regime, such as change of rules and regulations, default in execution or settlement of transaction by a PRC broker or the PRC Custodian and repatriation restrictions.
- The Fund is subject to risks associated with the Stock Connect, such as change of relevant rules and regulations, quota limitations, suspension of programme.
- Investment in Mainland China debt securities involves volatility and liquidity risks, credit/counterparty risk, interest rate risk, credit rating and downgrading risk, credit rating agency risk, and valuation risk.
- The Fund may acquire FDI for investment and/or hedging purposes. Risks associated with FDI include counterparty/credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk. Exposure to FDI may lead to a high risk of significant loss by the Fund.
- The Fund will hold investments denominated in currencies different to the base currency, meaning the Fund will be at risk to adverse movements in the foreign currency rates. RMB is currently not freely convertible and is subject to exchange controls and restrictions. A non-RMB based investors in units are exposed to foreign exchange risk.

### ▲ Investment Objective

The Fund seeks to achieve capital appreciation and income generation by investing primarily in onshore RMB denominated equity securities issued by issuers based in, or having a significant exposure to, Mainland China and Hong Kong, as further described below. The Investment Manager contemplates investing directly into China A-Shares using its QFI status and the Stock Connect. As at the date of the Fund's prospectus, the Investment Manager, when using Stock Connect, will be limited to investments in China A-Shares listed on the SSE and the SZSE.

### ▲ Fund Performance<sup>2</sup>



### ▲ Fund Information<sup>1</sup>

|  |   |
|--|---|
| <b>Legal Structure</b>                 | Luxembourg SICAV (UCITS)                    |
| <b>Investment Manager</b>              | China Asset Management (Hong Kong) Limited  |
| <b>Fund Size</b>                       | USD 5.95 million                            |
| <b>Base Currency</b>                   | USD   |
| <b>Non-Base Currency Share Classes</b> | EUR, GBP or RMB (CNH)                       |
| <b>Dealing Frequency</b>               | Daily                                       |
| <b>Management Company</b>              | FundRock Management Company S.A.            |
| <b>Depository</b>                      | Brown Brothers Harriman (Luxembourg) S.C.A. |

|                                     | Class I-ACC-USD | Class A-ACC-USD | Class A-ACC-RMB | Class A-ACC-HKD |
|-------------------------------------|-----------------|-----------------|-----------------|-----------------|
| <b>Launch Date</b>                  | 28-Nov-2014     | 5-Jan-2015      | 13-Jan-2015     | 9-Mar-2023      |
| <b>NAV per share</b>                | USD 13.325      | USD 10.640      | RMB 13.123      | HKD 5.860       |
| <b>Bloomberg Code</b>               | CASOIAU LX      | CASOAAU LX      | CASOAR LX       | CAVAHKD LX      |
| <b>ISIN Code</b>                    | LU1077607924    | LU1077605712    | LU1077606280    | LU2511810710    |
| <b>Initial Charge</b>               | Up to 3%p.a.    | Up to 5% p.a.   | Up to 5% p.a.   | Up to 5% p.a.   |
| <b>Investment Management Fee</b>    | Up to 1% p.a.   | Up to 1.5% p.a. | Up to 1.5% p.a. | Up to 1.5% p.a. |
| <b>Minimum Initial Subscription</b> | USD 500,000     | USD 1,000       | RMB 10,000      | HKD 10,000      |

### ▲ Cumulative Return<sup>2</sup>

|                        | 1 Month | 3 Month | 6 Month | 1 Year  | Since Inception <sup>3</sup> | Annualized-Since Inception <sup>3</sup> |
|------------------------|---------|---------|---------|---------|------------------------------|---|
| <b>Class I Acc USD</b> | -3.84%  | -6.03%  | -19.34% | -40.56% | +33.25%                      | +3.04%                                  |
| <i>Reference Index</i> | -3.64%  | -2.02%  | -3.26%  | -10.59% | +4.24%                       | +0.43%                                  |
| <b>Class A Acc USD</b> | -3.83%  | -6.02%  | -19.33% | -40.55% | +6.40%                       | +0.66%                                  |
| <b>Class A Acc RMB</b> | -3.42%  | -5.67%  | -17.36% | -40.47% | +31.23%                      | +2.91%                                  |
| <b>Class A Acc HKD</b> | -3.95%  | -6.19%  | -19.39% | -40.39% | -41.40%                      | -33.57%                                 |

### ▲ Yearly Return<sup>2</sup>

|                        | 2019    | 2020    | 2021    | 2022    | 2023                 | 2024YTD |
|------------------------|---------|---------|---------|---------|----------------------|---------|
| <b>Class I Acc USD</b> | +25.47% | +61.12% | +34.87% | -29.36% | -18.84%              | -19.34% |
| <i>Reference Index</i> | +37.48% | +40.04% | +4.03%  | -27.23% | -11.65%              | -3.26%  |
| <b>Class A Acc USD</b> | +24.17% | +59.58% | +35.35% | -29.35% | -18.85%              | -19.33% |
| <b>Class A Acc RMB</b> | +25.98% | +48.87% | +32.14% | -23.13% | -16.41%              | -17.36% |
| <b>Class A Acc HKD</b> | -       | -       | -       | -       | -27.30% <sup>3</sup> | -19.39% |

<sup>1</sup>Please refer to the Fund's prospectus for further details (including fees). The Fund has removed performance fee charges from 29 June 2021.

<sup>2</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>3</sup>Calculated since the inception date of each share class.

<sup>4</sup>Source: © 2024 Morningstar. All Rights Reserved.

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

\*The fund changed name from ChinaAMC China A Share Opportunities Fund to ChinaAMC New Horizon China A Share Fund since 21 May 2019.

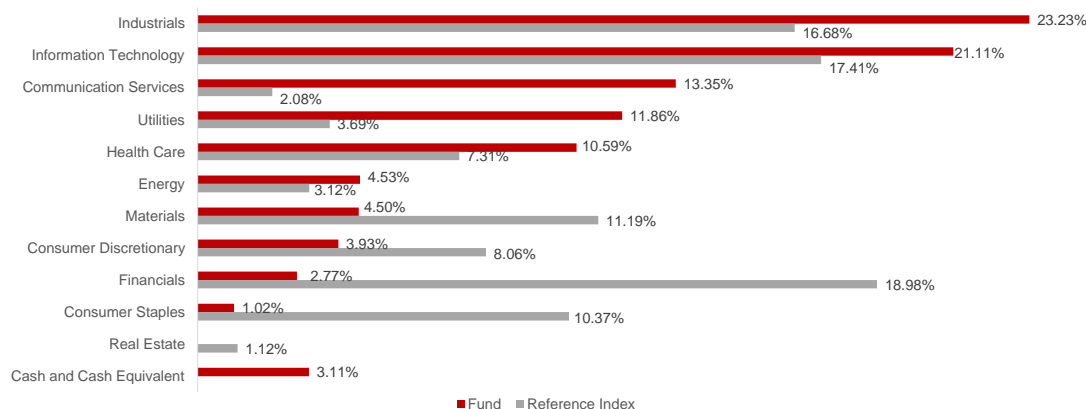
# ChinaAMC New Horizon China A Share Fund\*

## Fund Factsheet



### ▲ Portfolio Allocation

#### Sector Exposure (%)



### ▲ Manager's Comment

In June 2024, the WIND All Share Index declined by 6.13%, the CSI 300 Index dropped by 3.3%, while the MSCI China Index performed at -2.63% and the Hang Seng Index at -2.0%. In comparison, the Dow Jones, S&P 500, and Nasdaq indices in the United States posted gains of +1.12%, +3.47%, and +5.96% respectively. From an industry perspective, within the A-share market, sectors such as telecommunications, electronics, power and utilities, banking, and oil and petrochemicals outperformed the market, while real estate, consumer goods, new energy, and healthcare underperformed. The decline in A-shares was more significant compared to the Hong Kong stock market, and Chinese stocks as a whole lagged behind the U.S. market. Defensive sectors performed better in June.

The Chinese stock market experienced continued declines in June. After an earlier rebound, there were expectations for economic recovery and policy reforms, with a focus on the real estate situation and economic data. However, the domestic economic fundamentals in June were relatively weak, with the May PMI falling into contraction territory and lower than market expectations. Fixed asset investment in May grew by only 4% year-on-year, lower than market expectations, and industrial value-added also showed a similar pattern. Both real estate investment and sales continued to decline in May. The government introduced more measures to stabilize the real estate market in May, and in June, policies such as "old for new" were implemented, along with an acceleration in special bond issuances.

Weak economic data led to inadequate market confidence, and even a deterioration in market sentiment, resulting in continued adjustments in the market. Investors tended to buy high dividend-paying targets to mitigate the risk of market corrections. Defensive sectors, such as energy, telecommunications, and utilities, generally outperformed and achieved excess returns.

Looking ahead, we believe that the core contradiction in the Chinese stock market lies in the recovery of the Chinese economy. In the current environment, the key lies in the larger economic stimulus policies introduced by the Chinese government and the resolution of risks in the real estate and local financing platform sectors. We anticipate a moderate economic recovery in China, with listed companies' earnings also recovering relatively mildly. The overall trend of increasing share buybacks and dividends is expected to continue. Following the Political Bureau meeting, the market will anticipate policies for deepening reforms and the implementation of measures to address the real estate industry's issues in subsequent conferences such as the Third Plenary Session. We believe that the extent of market recovery and the inflow of foreign capital in the future will depend on whether the Chinese economy can sustain its recovery. 2024 is a year marked by frequent geopolitical events, and market volatility is expected to be significant. However, both Hong Kong and A-share valuations remain relatively attractive, and domestic risk-free interest rates continue to decline. We expect dividend-paying targets to continue to attract attention. From a long-term perspective, we are optimistic about the performance of sectors such as healthcare, technology, and manufacturing. In the short term, we will enhance the defensive nature of the portfolio to some extent.

Data source: Bloomberg. As of 28 Jun 2024.

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#### Important Note

The Fund is a UCITS fund and is registered in Hong Kong and authorized by SFC on 22 November 2021.

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 not base on this material alone to make investment decision and 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.