

Guotai Junan Greater China Growth Fund

Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme"

Monthly Report - 31 Jan 2020



國泰君安國際
GUOTAI JUNAN INTERNATIONAL
ASSET MANAGEMENT

Important Information

The Fund may invest in listed companies that derive a significant portion of their revenues from goods produced or sold, investments made or services performed in the Greater China region, which includes the People's Republic of China, the Hong Kong & Macau Special Administrative Regions and Taiwan..

The Fund may invest in the Greater China securities markets, which are emerging markets. As such, the Fund may involve a higher degree of risk and is usually more sensitive to price movements.

The value of the Fund can be volatile and could go down substantially within a short period of time..

The investment decision is yours. You should not invest unless the intermediary who sells this Fund to you has advised you that this Fund is suitable for you and has explained why, including how investing in it would be consistent with your investment objectives.

Investors should not make investment decisions based on this material alone. Please refer to the explanatory memorandum, including the risk factors involved..

The Manager may at its discretion pay dividends out of or effectively out of the capital of the Sub-Fund. Payment of distributions out of capital or effectively out of capital amounts to a return or withdrawal of part of an investor's original investment or from any capital gains attributable to that original investment and may result in an immediate reduction of the Net Asset Value per Unit of the Sub-Fund.

Investment Objective

To achieve medium- to long-term capital appreciation by investing in listed companies which are domiciled in or have operating incomes from the Greater China region (Mainland China, Hong Kong, Macau and Taiwan).

Fund Facts

Manager	Guotai Junan Assets (Asia) Limited
Inception Date	19 Nov 2007
Domicile	Hong Kong
Trustee & Registrar	HSBC Institutional Trust Services (Asia) Limited
Auditor	Ernst & Young Limited
Dealing Frequency	Daily
Base Currency	Hong Kong Dollar
NAV	HKD 83.28
Bloomberg Code	GJGCHGR HK Equity
ISIN Code	HK0000315355

Subscription and Redemption

Min. Initial Subscription	HKD 10,000
Subscription Fee	Up to 5%
Annual Management Fee	1.5% p.a.
Redemption Fee*	
Less than 6 mths	1%
6 mths or more but less than 12 mths	0.75%
12 mths or more but less than 18 mths	0.50%
18 mths or more but less than 24 mths	0.25%
24 mths or more	Waived

* Redemption fee will be waived for investors who subscribed through nominee account.

Contact

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*The Fund is approved as Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme" of HKSAR

Market Outlook and Investment

US stock market's sentiment stabilized though the concern on the outbreak of novel corona virus shadowed the global economic growth, with Dow Jones closed down by 0.99%, while S&P 500 was down by 0.16%, and Nasdaq has increased by 1.99%. The U.S. macro economy reported mixed data, the ISM Manufacturing Index of January jumped to 50.9 from 47.8 in December, beating market forecasts of 48.5. Looking forward to 2020, market sentiment has been boosted by tentative signs that manufacturing activity and global trade are bottoming out, a broad-based shift toward accommodative monetary policy, intermittent favorable news on US-China trade negotiations, and diminished fears of a no-deal Brexit. However, few signs of turning points are yet visible in global macroeconomic data.

As for China, the official manufacturing PMI in January was 50, which dropped from previous 50.2 but still remained at expansion area, while the Caixin PMI also reported strong data at 51.1. Export growth recorded 7.6% from previous -1.3%. CPI remained at high level at 4.5% in December, missing the consensus of 4.7%, mainly due to a surge in prices of food as the outbreak of African swine fever sent the price of pork soaring. As for the stock market, the CSI300 decreased by 2.26% to 4003.9, due to the concern on the corona virus which has already killed more than 300 people and get over 20,000 people infected.

In regard to our investment strategy for Hong Kong/China market, as the prospects of trade war is less cloudy due to the phase one deal has been reached, we tend to be more optimistic on the market of 2020. However, the corona virus did worth some attention, as it has led to the shutdown of several important cities and provinces. Although the protest movements in Hong Kong seemed quiet down in the past month, we believe the political dilemma has no short term solution, and local names would continue to be under pressure. Domestic leading sectors, such as consumer discretionary, have been relatively weak, as the actions to stop the virus spreading, such as traffic control and quarantine, would hurt those companies' 1Q results, though we view the situation would hopefully end in 2Q.

Disclaimer

The information and data contained in this document is for reference only and does not constitute investment advice, or an offer to sell, or a solicitation of an offer to buy any security, investment product or service.

Certain data in this document has been obtained from third parties. Guotai Junan Assets (Asia) Limited has taken its best endeavour to ensure the accuracy of such data, and in good faith believes it is reliable, and however does not guarantee the accuracy of such data.

Investment involves risk. The prices of units may go up as well as down. Past performance is not indicative of future performance. Please refer to the Explanatory Memorandum for details including risk factors.

This document is issued by Guotai Junan Assets (Asia) Limited and has not been reviewed by the Securities and Futures Commission..

Fund Performance

	2008 ¹	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020 ²
The Fund (%)	-61.96	99.45	12.15	-33.38	18.42	12.02	1.36	-4.12	-8.66	27.53	-16.33	13.85	-6.26
Hang Seng Total Return Index (%)	-46.40	56.65	8.57	-17.38	27.46	6.55	5.48	-3.92	4.30	41.29	-10.54	13.04	-6.66

1. Calculated since 1 Jan 2008

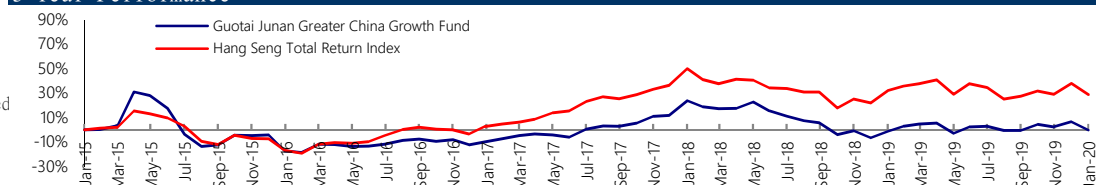
2. Measured as of 31 Jan 2020

	1 Mth	3 Mths	6 Mths	YTD	1 Yrs	3 Yrs	5 Yrs
The Fund (%)	-6.26	-4.53	-3.06	-6.26	1.17	10.74	-0.26
Hang Seng Total Return Index (%)	-6.66	-2.09	-4.23	-6.66	-2.43	25.60	28.73

Last update: 31 Jan 2020

The performance is measured in NAV-to-NAV in fund currency with net income re-investment

5 Year Performance



Source: Guotai Junan Assets (Asia) Limited

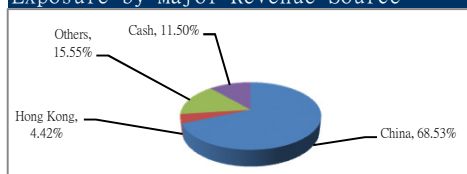
Last update: 31 Jan 2020

The performance is measured in NAV-to-NAV in fund currency with net income re-investment

Top Ten Holdings

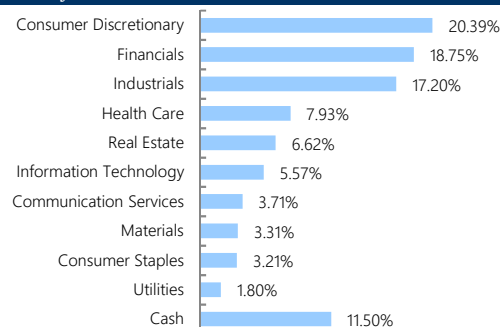
	%
Meituan Dianping	7.06
Zoomlion Heavy Industry Scienc	5.74
Ping An Insurance (Group) Co.	4.54
Aia Group Ltd	4.42
China Lesso Group Holdings Ltd	4.30
Boc Aviation Ltd	4.08
Tencent Holdings Ltd.	3.71
Sunny Optical Technology (Grou	3.60
China Merchants Bank Co. Ltd	3.23
China Resources Land Ltd.	2.79

Exposure by Major Revenue Source³



3. Sources: Bloomberg, Guotai Junan Assets (Asia) Ltd.

Industry Allocation⁴



4. Sources: Bloomberg, Guotai Junan Assets (Asia) Ltd, based on the Global Industry Classification Standard.

Dividend Distribution History (Since Launch)

Record Date Distribution Per Uni Fund Price On Record Date

30-Jun-15 HKD 3.03 HKD 100.9