Guotai Junan Greater China Growth Fund

^Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme"

Monthly Report - 30 Apr 2021

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	Victor Tsang
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 131.48
Bloomberg Code	GJGCHGR HK Equity
ISIN Code	HK0000315355

Fund Performance

	2008 [1]	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021 [2]
The Fund (%)	-61.96	99.44	12.15	-33.37	18.42	12.02	1.37	-6.99	-8.66	27.53	-16.33	13.85	42.28	4.02
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	-0.29	5.91

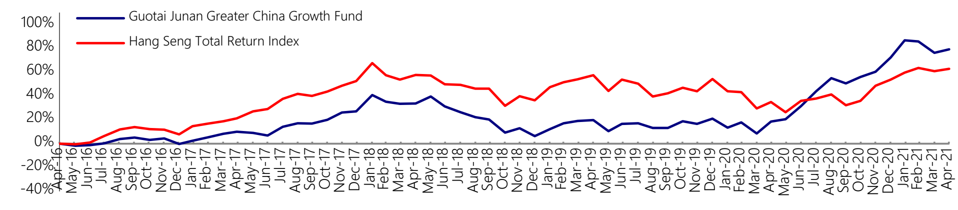
1 Calculated since 1 Jan 2008

2 Measured as of 30 Apr 2021

	1 Mth	3 Mths	6 Mths	YTD	1 Yrs	3 Yrs	5 Yrs
The Fund (%)	1.72	-4.02	14.90	4.02	51.20	33.94	79.20
Hang Seng Total Return Index (%)	1.30	1.97	19.77	5.91	20.64	3.21	62.83

Last update: 30 Apr 2021 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: 30 Apr 2021

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

Subscription and Redemption

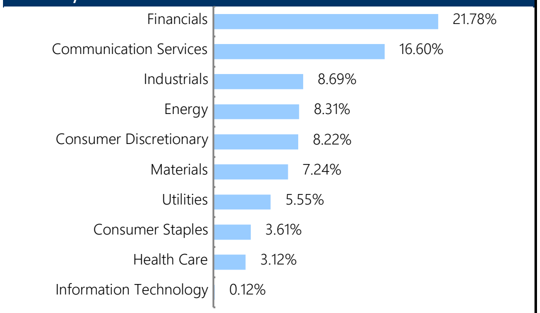
Min. Initial Subscription	HKD 10,000
Subscription Fee	Up to 5%
Annual Management Fee	1.5% p.a.
Redemption Fee*	
Less than 6 mths	1%
6 mths or more but less than 12 mths	0.75%
12 mths or more but less than 18 mths	0.50%
18 mths or more but less than 24 mths	0.25%
24 mths or more	Waived

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

Top Ten Holdings

Top Ten Holdings	%
Petrochina Co Ltd-H	4.22
Cnooc Ltd	4.09
China Resources Power Holdin	3.85
China Telecom Corp Ltd-H	3.80
Tencent	3.65
Sinopec Shanghai Petrochem-H	3.64
Cimc Enric Holdings Ltd	3.42
Baidu Inc-Class A	3.37
China Mobile Ltd	3.10
China Construction Bank-H	3.02

Industry Allocation[4]



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

Contact

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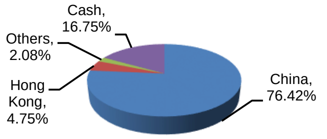
^The Fund is approved as Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme" of HKSAR

Exposure by Major Revenue Source[3]



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

Dividend Distribution History (Since Launch)

Record Date	Distribution Per Unit	Fund Price On Record Date
30-Jun-15	HKD 3.03	HKD 100.9

Market Outlook and Investment Strategy

The US equity market extended the bullish trend in April, with all three major indices recorded historical high. It seemed the divergence between the growth and the value was alleviated as the US 10-yr Treasury yield pulled back a bit. In the latest FOMC meeting, the Fed kept the federal funds rate unchanged at a range of 0% to 0.25%, and maintained the current pace of asset purchases of no less than $120 billion a month, in line with market expectations. The Fed stated the economic condition improved, but the recovery is still uneven and far from completion. The statement also played down the impact of the rise in inflation as a one-off factor, and it was too early to talk about the exit from accommodative policies. Besides, US President Joe Biden has proposed the American Families Plan, including $1.8 trillion tax credits and domestic-focused programs such as child care, paid family & medical leave, and free community college. Vaccine wise, more than 43% of US residents received at least one dose of COVID-19 vaccine by the end of April, according to the Centers for Disease Control and Prevention (CDC). We think the Fed will remain accommodative in short-term, and the pace of recovery will mainly depend on the vaccination progress and the effectiveness of vaccines against new variants of COVID-19. Given the outbreak of variants in India is disastrous, we tend to be cautious towards current market condition.

China A-share market stabilized somewhat in April followed the huge volatility. The CSI300 Index went up by 1.49%, and the ChiNext Index jumped by 12.07% in April. China GDP rose 18.3% YoY in 1Q21, boosted by strengthening domestic and global demand as well as constant fiscal and monetary support. Policymakers have stressed to maintain continuity, stability and sustainability of macro policies without abrupt change of directions. Considering ongoing Sino-US tension, policy makers formulated further supports to stimulate Chinese domestic demand (Urbanization 2.0, higher disposable income, less inequality), technology innovation (digitalization, big data, AI, 5G), green environment (carbon neutrality), and capital market reform. According to National Health Commission of China, over 286 million doses of vaccine were inoculated nationwide by the end of April. Overall, we remain moderately positive in short-term, and we are cautiously optimistic with the long-term development of Chinese economy. We think certain cyclical names (financials, energy, and telecom operators) will probably outperform in near term on the back of economic recovery and inflation expectation.

Hong Kong economy improved somehow in April. The unemployment rate of HK fell to 6.8% in 1Q21, better than the previous quarter. Imports and exports also rebounded, with exports rising 26.4% YoY and imports rising 21.7% YoY in March. As government officials announced the vaccination plan, more residents scheduled their appointments for vaccination. Through April, the HSI rose by 1.22% to 28,724.88, and the HSTECH increased by 1.58% to 8,313.18. Looking forward, we think the HK local economy remains difficult to recover, and we will keep flexible cash level to catch up opportunities from market fluctuations.

In April, the rally was extended further in Taiwan equity market on the back of inspiring economic data. Looking forward, although geopolitical uncertainties may affect the development of Taiwan, we are optimistic with Taiwan market in long run. Given TSMC has gained dominance in the next generation semiconductor technology against Samsung and Intel, the global demand for 5G technology, high performance computing, and data centers would be even stronger post the pandemic. In addition, the shortage of chips push the price higher, which is beneficial to foundries. Consequently, this will benefit the whole Taiwan tech supply chain and the tech dominated TAIEX Index.