Guotai Junan Greater China Growth Fund

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

Monthly Report - 31 Oct 2022

國泰君安資產管理(亞洲) GUOTAI JUNAN ASSETS (ASIA)

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 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 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
Dealing Frequency	Daily
Base Currency	Hong Kong Dollar
NAV	HKD 80.7
Bloomberg Code	GJGCHGR HK Equity
ISIN Code	HK0000315355

Fund Performance (Class A)

Calendar Year Performance	2008 [1]	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
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	-6.00
Hang Seng Total Return Index (%) [3]	-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	-11.83

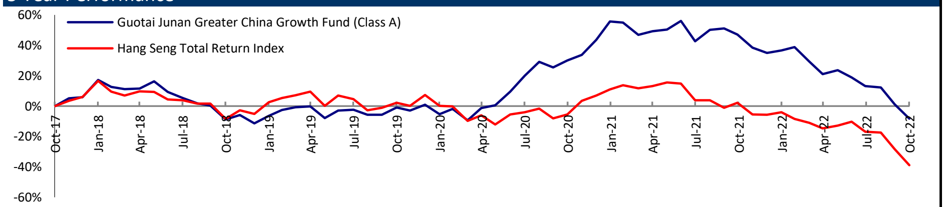
1. Calculated since 1 Jan 2008 2. Measured as of 31 Oct 2022

3. A reference index for comparative purposes only

Cumulative Performance	1 Mth	3 Mths	6 Mths	YTD [2]	1 Yrs	3 Yrs	5 Yrs
The Fund (%)	-9.26	-19.00	-24.33	-32.08	-37.65	-7.49	-8.34
Hang Seng Total Return Index (%) [3]	-14.72	-26.51	-28.33	-35.17	-40.16	-40.21	-38.87

Last update: 31 Oct 2022 The performance is measured in NAV-to-NAV in fund currency with net income reinvested

5 Year Performance



Source: Guotai Junan Assets (Asia) Limited Last update: 31 Oct 2022

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

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

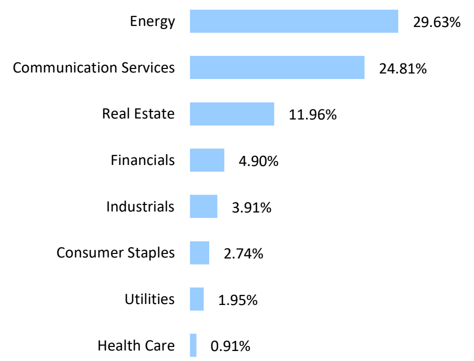
*Please refer to the Explanatory Memorandum for fee details

Top Ten Holdings[4]

Top Ten Holdings	%
Cnooc Ltd	9.08
Petrochina Co Ltd-H	8.76
China Mobile Ltd	8.52
China Telecom Corp Ltd-H	8.26
China Petroleum & Chemical-H	8.25
China Unicom Hong Kong Ltd	8.03
Swire Pacific Ltd-Cl B	6.60
Ck Asset Holdings Ltd	5.36
Aia Group Ltd	4.90
Cathay Pacific Airways	3.91

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

Industry Allocation[6]



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

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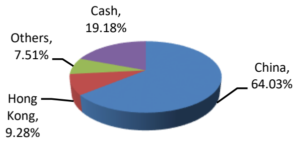
^The Fund is approved as Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme" of HKSAR

Exposure by Major Revenue Source[5]



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

Market Outlook and Investment Strategy

US equities rebounded in October after two straight months of decline, as the Fed might moderate the pace of rate hikes in response to growing recession signals. The 10-yr US Treasury yield topped 4.2% in October, with value stocks outperforming growth stocks. The Dow Jones industrial Average surged by 13.95% in October, the best monthly gain since 1976. On the geopolitical front, the ongoing Russia-Ukraine war was still complicated, which disrupted energy supply chain and fueled the inflationary pressure globally. They might make some progress in the upcoming G20 Summit in mid-November. According to the September FOMC meeting minutes, the fed officials highlighted the need of tight monetary policy to curb persistently high inflation, and it would be appropriate at some point to slow the pace of rate hikes while assessing the cumulative effects of policy adjustments. In addition, the market-implied path suggested reasonable odds of additional 75bps and 50bps rate hike at November and December meetings, respectively, with the peak policy rate being reached in the first half of 2023. COVID wise, the overall condition improved as the average daily new cases declined gradually in October. Going forward, we think high inflation and softened demand will continue to weigh on the US economy. The pace of economic recovery will largely depend on policy supports and pandemic disruption.

A-share remained weak in October, mainly dragged by renewed static control measures, depreciating CNY and rising political & geopolitical concerns. The CSI300 Index nosedived by 7.78%, and the ChiNext Index edged down by 1.04%. China third quarter GDP grew by 3.9% YoY, accelerating from the second quarter, while the National Bureau of Statistics warned the recovery was not solid due to domestic and global headwinds. The official NBS Manufacturing PMI unexpectedly fell to 49.2 in October amid strict COVID restrictions in several big cities; similarly, the Non-Manufacturing PMI declined to 48.7, the first contraction in the services sector since May. Weakening external demand and inflation weighted on export, persistent lockdowns and subdued domestic consumption affected imports. More regions resumed social-distancing measures amid rising new COVID cases in October, affecting economic activities severely. On the geopolitical front, the US announced new export controls on semiconductor to further restrict Chinese companies' access to advanced chips, which weighed on the semiconductor sector and market sentiment. Looking forward, we think COVID controls will continue to disrupt economic activities in short term. Ensuring stability is the key to counteract an internal slowdown and external challenges. Considering the property downturn, we expect more practical loosening measures with a mild recovery. We are cautiously optimistic with the long-term development of Chinese economy.

Hong Kong equity market experienced another disastrous month unfortunately. The HSI plunged by 14.72%, back to 1997 levels, and the HSTECH slumped by 17.32%. The closely watched 20th Party Congress failed to signal any calibration on the zero-COVID policy, which disappointed market participants and let to sharp selloffs. Economic data were also lackluster. HK exports and imports fell by 9.1% and 7.8% YoY in September, respectively. Retail sales fell by 1.5% YoY, the second consecutive month of contraction. Although HK government affirmed the upcoming Phase II consumption vouchers would help support consumption, retail sales would also depend on how COVID evolves and how the tight financial conditions affect consumer spending power and sentiment. Moreover, HK Chief Executive John Lee put forward policies and measures on developing the economy and improving people's livelihood in his first policy address. Looking ahead, we think HK local economy will suffer from worsening economic prospects and weakening demand. It takes time for both the real economy and investors' confidence to restore. We have been patient and prudent to catch up opportunities from irrational selloffs. The valuations of certain quality names have become quite attractive in long term, in our view.