

Guotai Junan Greater China Growth Fund

Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme"



Monthly Report - 31 Oct 2024

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 Performance (Class A)

Calendar Year Performance	2010 ¹	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
The Fund (%)	12.15	-33.37	18.42	12.02	1.37	-6.99	-8.66	27.53	-16.33	13.85	42.28	-6.00	-19.49	-13.36
Hang Seng Total Return Index (%) ³	8.57	-17.38	27.46	6.55	5.48	-3.92	4.30	41.29	-10.54	13.04	-0.29	-11.83	-12.54	-10.46

1. Calculated since 1 Jan 2010 2. Measured as of 31 Oct 2024

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 (%)	-4.90	21.14	15.69	16.57	11.79	-25.37	10.74
Hang Seng Total Return Index (%) ³	-3.84	18.20	18.66	24.27	24.28	-10.18	-10.25

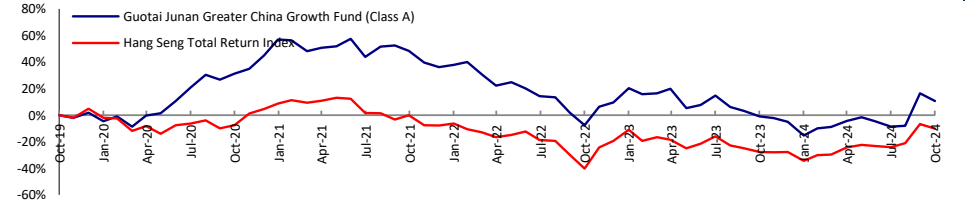
Fund Facts

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 96.6
Bloomberg Code	GJGCHGR HK Equity
ISIN Code	HK0000315355

Last update: 31 Oct 2024

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 2024

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

Contact

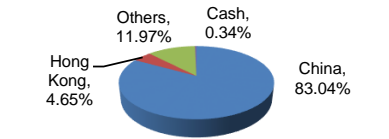
Institutional Sales (am.bd@gtjas.com.hk)
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*The Fund is approved as Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme" of HK SAR

Top Ten Holdings⁴

Company	%
Alibaba Group Holding Ltd	7.01
Tencent Holdings Ltd	6.83
Byd Co Ltd-H	6.10
China Power International	5.03
Ping An Insurance Group Co-H	4.83
Kuaishou Technology	4.61
China State Construction Int	4.53
China Resources Power Holdin	4.05
China Unicom Hong Kong Ltd	3.67
Enn Energy Holdings Ltd	3.31

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

Exposure by Major Revenue Source⁵



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

Industry Allocation⁶

Consumer Discretionary	25.20%
Communication Services	15.11%
Utilities	12.39%
Health Care	10.69%
Industrials	10.33%
Financials	9.48%
Information Technology	7.29%
Real Estate	4.64%
Consumer Staples	2.70%
Materials	1.84%

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

Market Outlook and Investment Strategy

US major indices ended lower in October amid uncertainties ahead of the presidential election and concerns about the pace of rate cuts. Some disappointing quarterly results of large companies also weighed on market performance. Data wise, the Nonfarm Payrolls added 254K jobs in September, much higher than an upwardly revised 159K in August, and well above forecasts of 140K. The unemployment rate fell from 4.2% to 4.1% in September, better than expectation. The advance estimation from the Bureau of Economic Analysis (BEA) showed US 24Q3 GDP growth was 2.8%, below 3% in 24Q2 and forecasts of 3%. US annual inflation rate slowed for a sixth consecutive month to 2.4% in September, the lowest since February 2021. Although it was slightly above the 2.3% forecast, but the slowdown helped to boost expectations of a 25bps rate cut in November. Going forward, all eyes on the presidential election and the following FOMC meeting. We believe the upcoming rate cuts will be data dependent, and the Fed is a master in managing market expectation. A soft landing should be achievable.

Both onshore and offshore equities retreated in October post the epic rebound in September. The CSI300 Index slid by 3.16%, and the HSI declined by 3.86%. Recent economic data were generally disappointing. The official Manufacturing PMI edged up to 50.1 in October from 49.8 in September, slightly above consensus of 50, marking the first expansion in factory activity since April. The official Non-Manufacturing PMI rose to 50.2 in October, below market expectation of 50.4. CPI stood at 0.4% in September, below market forecasts and August's figure of 0.6%, highlighting the need for more policy support from Beijing to address growing deflationary risks. Imports to China rose by 0.3% YoY in September, missing market consensus of 0.9% amid a fragile recovery in domestic demand. Exports grew by 2.4% YoY in September, lower than the forecasted 6% and down from a 17-month high of 8.7% in August. Given the policy pivot in September-end needs more time to demonstrate its effectiveness, it is better to wait for more clarities, hopefully in the upcoming NPC standing Committee meeting.

Looking forward, we do believe more measures will be announced to protect further downside of the economy, as policymakers have determined to revive the real economy step by step. Considering internal uncertainties and external challenges, we are cautiously optimistic with the long-term development of Chinese economy. We have been patient and prudent to catch up opportunities from irrational selloffs. There should be more structural opportunities for long term investments.

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.

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