

# Guotai Junan Greater China Growth Fund

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

Monthly Report - 31 October 2012



**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 base on this material alone to make investment decision. Please refer to the explanatory memorandum, including the risk factors involved.
- Investment involves risks. The price of units may go down as well as up. Past performance is not indicative of future performance. Please refer to the explanatory memorandum for further details and the risk factors.

## 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

	2007 <sup>1</sup>	2008	2009	2010	2011	2012 <sup>2</sup>
The Fund	12.9%	-62.0%	99.4%	12.1%	-33.4%	8.1%
Hang Seng Total Return Index	1.5%	-46.4%	56.5%	8.6%	-17.4%	21.6%

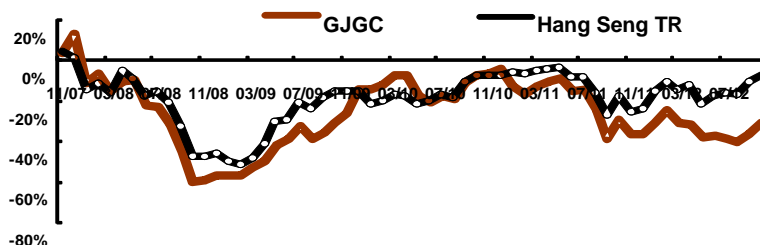
- Calculated since the launch of the Fund as at 19 November 2007.
- Measured as of 31 October, 2012

	1 Mth	3 Mth	6 Mth	YTD	1 Yr	3 Yr
The Fund	9.0%	13.4%	0.7%	8.1%	-2.2%	0.5%
Hang Seng Total Return Index	4.0%	10.3%	5.8%	21.6%	13.2%	9.9%

## Fund Facts

Manager	Guotai Junan Assets (Asia) Limited
Inception Date	19 November 2007
Domicile	Cayman Islands
Trustee & Registrar	HSBC Trustee (Cayman) Limited
Auditor	Ernst & Young Limited
Dealing Frequency	Daily
Base Currency	Hong Kong Dollar
Fund Size	HKD106.02MN
NAV	HKD 69.22
Bloomberg Code	GJGCHGR HK Equity
ISIN Code	KYG421241004

## Performance Since Launch



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

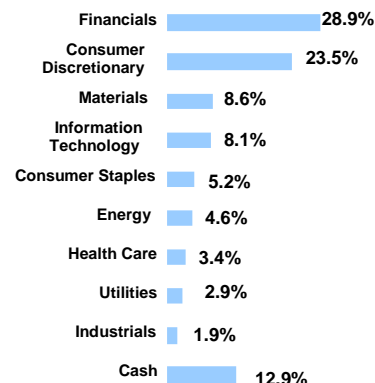
## Subscription and Redemption

Min Initial Subscription	HKD 10,000
Subscription Fee	Up to 5%
Annual Management Fee	1.5% per annum
Redemption Fee	
Less than 6 months	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

## Top Ten Holdings

Top Ten Holdings	%
China All Access	6.24%
China Life Insurance	4.99%
Ping An Insurance	4.94%
Haier Electronics	4.50%
China Construction Bank	4.42%
Hengdeli	4.03%
Sinopec	3.90%
New China Life Insurance	3.65%
China Pacific Insurance	3.45%
Maoye International	2.92%

## Sector Allocation<sup>1</sup>

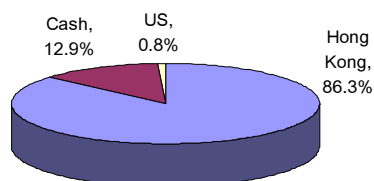


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<sup>^</sup>The Fund is approved as Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme" of Hong Kong Special Administrative Region

## Geographic Allocation



1. Based on the Global Industry Classification Standard

## Market Outlook and Investment Strategy

The global markets embraced another wave of monetary easing led by central banks of India and Japan. US economic data indicated that the US property market is recovering, and the consumption also picked up.

China reported some very encouraging macro data, which confirmed our expectation that the economy is recovering in 4Q. The latest PMI swung back to 50.2, which had been below the expansion level (50) for two months. The Industrial Production, retail sales and FAI all picked up in September, and the inflation pressure is still benign. We remain optimistic on China's sustainable growth after the shift of the top leadership. We believe the new generation of the top leaders will continue the process of privatization and economic reform.

Investment opportunities are likely to exist in following areas for the next month: computer hardware, banking and ports & shipping sector.

## Disclaimer

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