

Chinese Mainland Focus Fund

A Sub-Fund of Value Partners Intelligent Funds

NAV per unit: Class A USD - USD62.59

Fund size : USD160.6 million



Morningstar Rating™
As at 31-08-2022

August 2022

- Chinese Mainland Focus Fund (The "Fund") invests primarily in investments which are related to mainland China.
- The Fund invests in China-related companies which involve certain risks not typically associated with investment in more developed markets, such as greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- The Fund is also subject to concentration risk due to its concentration in China-related companies. Adverse development in such region may affect the value of the underlying securities in which the Fund invests.
- Investing in China exposes the Fund to additional risks including currency repatriation risk, uncertainty of taxation policies and risk associated with StockConnects, RQFII Quota, SME board, ChiNext market and/or the STAR board. The Fund may also expose to RMB currency and conversion risk.
- Investing in small/mid-capitalization securities may have lower liquidity and their prices are more volatile to adverse economic developments.
- It is possible that the entire value of your investment could be lost. You should not make investment decision on the basis of this material alone. Please read the explanatory memorandum for details and risk factors.

Investment objective

The Sub-Fund aims to achieve medium to long-term capital appreciation by investing primarily in investments which are related to mainland China. The Sub-Fund will focus primarily on mainland China and at least 70% of the Sub-Fund's latest available NAV will be on investments related to mainland China at all times. The Sub-Fund may also invest, on an ancillary basis (up to 30% of the Sub-Fund's latest available NAV), in other markets where opportunities can be identified.

NAVs & codes

Classes ²	NAV	ISIN	Bloomberg
Class A USD	62.59	KYG9317Q1120	VAPAICM KY
Class A HKD	6.16	KYG9317Q2037	VACMFHA KY
Class A AUD Hedged	5.93	KYG9317Q2110	VACMFAA KY
Class A CAD Hedged	6.01	KYG9317Q2292	VACMFAH KY
Class A GBP Hedged	5.99	KYG9317Q2375	VACMFGA KY
Class A NZD Hedged	5.99	KYG9317Q2458	VACMFAZ KY
Class A RMB Hedged	8.60	KYG9317Q2862	VACMFAR KY

Performance since launch



Performance update

	The Fund (Class A USD)	MSCI China Index (Total Net Return) ¹
Year-to-date	-28.9%	-19.5%
One month	-3.8%	+0.2%
One year	-30.8%	-28.2%
Three years	+29.1%	-6.4%
Five years	+17.9%	-11.1%
Total return since launch	+525.9%	+388.0%
Annualized return since launch [^]	+10.3%	+8.8%

The Fund – Class A USD: Monthly performance from 1 Jan 2013 to 31 Aug 2022

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2013	+8.1%	-3.2%	-3.3%	-0.1%	+0.4%	-8.8%	+2.4%	+4.5%	+2.9%	+4.1%	+4.5%	-2.3%	+8.3%
2014	-5.7%	-1.7%	-2.4%	-1.8%	+1.4%	+4.0%	+7.7%	+0.4%	-2.0%	+2.8%	+1.8%	+6.5%	+10.6%
2015	-0.5%	+1.6%	+6.4%	+19.4%	+3.3%	-6.8%	-13.0%	-12.9%	+0.3%	+7.9%	-1.5%	+1.8%	+1.7%
2016	-19.9%	-0.8%	+9.8%	-1.9%	-2.7%	-0.4%	+7.0%	+3.5%	+1.4%	-0.9%	+2.4%	-5.0%	-10.3%
2017	+7.9%	+3.2%	+3.5%	+1.8%	+2.8%	+4.9%	+9.8%	+3.2%	+2.2%	+4.9%	+3.0%	+1.9%	+61.2%
2018	+9.4%	-7.0%	-4.8%	-2.7%	+5.6%	-8.2%	-2.9%	-8.8%	-0.8%	-11.8%	+6.7%	-5.2%	-28.3%
2019	+9.6%	+7.0%	+2.1%	+1.6%	-12.0%	+10.6%	+0.5%	-4.8%	+3.4%	+4.4%	-0.0%	+11.8%	+36.6%
2020	-4.4%	+8.0%	-8.1%	+8.5%	+3.6%	+11.7%	+14.8%	+2.1%	-3.4%	+5.2%	+5.1%	+16.5%	+73.6%
2021	+4.1%	-2.9%	-9.0%	+5.8%	+1.5%	+1.7%	-11.6%	+0.4%	-4.6%	+4.7%	-2.6%	+0.0%	-13.2%
2022 (YTD)	-13.1%	-1.6%	-14.9%	-4.8%	+4.7%	+8.6%	-6.1%	-3.8%					-28.9%

[^] Annualized return is calculated from inception based on published NAV.

Top holdings

Name	Industry ³	%
Meituan	Retailing	7.6
Pinduoduo Inc	Retailing	4.3
JA Solar Technology Co Ltd	Semiconductors & semiconductor equipment	3.8
Guangdong Haid Group Co Limited	Food, beverage & tobacco	3.6
Li Ning Co Ltd	Consumer durables & apparel	3.6
LONGi Green Energy Technology Co Ltd	Semiconductors & semiconductor equipment	3.6
Shede Spirits Co Ltd	Food, beverage & tobacco	3.6
Contemporary Amperex Technology Co Ltd	Capital goods	3.5
East Money Information Co Ltd	Diversified financials	3.1
Tencent Holdings Ltd	Media & entertainment	2.9

These securities constitute 40% of the Fund.

Portfolio characteristics

As at 31 Aug 2022⁴

Price/earnings ratio	27.0 times
Price/book ratio	4.4 times
Portfolio yield	0.8%

	The Fund (Class A USD)	MSCI China Index (Total Net Return) ¹
Annualized volatility (3 years) ⁵	26.0%	19.0%

Geographical exposure by listing⁶

China A-shares	64%
Hong Kong	25%
United States	4%
Red Chips	3%
Others	1%
Cash ⁷	3%

Sector exposure^{3, 6}

Consumer discretionary	27%
Industrials	19%
Information technology	19%
Consumer staples	12%
Communication services	6%
Health care	4%
Utilities	4%
Materials	3%
Other financials	3%
Cash ⁷	3%

Fund facts

Manager:	Value Partners Limited
Base currency:	USD
Trustee:	HSBC Trustee (Cayman) Limited
Custodian:	HSBC Institutional Trust Services (Asia) Limited
Launch date:	Class A USD - 27 Nov 2003 Class A HKD - 1 Mar 2021 Class A AUD Hedged - 1 Mar 2021 Class A CAD Hedged - 1 Mar 2021 Class A GBP Hedged - 1 Mar 2021 Class A NZD Hedged - 1 Mar 2021 Class A RMB Hedged - 23 Feb 2022

Fee structure

	Class A
Minimum subscription	USD10,000 or equivalent
Minimum subsequent subscription	USD5,000 or equivalent
Subscription fee	Up to 5%
Management fee	1.25% p.a.
Performance fee ⁸	15% of profit (High-on-high principle)
Redemption fee	Nil
Dealing day	Daily

Senior investment staff

Co-Chairmen & Co-Chief Investment Officers:

Cheah Cheng Hye; Louis So

Senior Investment Directors: Norman Ho, CFA; Renee Hung

Investment Directors: Kelly Chung, CFA; Chung Man Wing; Yu Chen Jun;

Michelle Yu, CFA

Senior Fund Managers: Lillian Cao; Anthony Chan, CFA; Doris Ho;

Luo Jing, CFA; Frank Tsui

Key awards



Best Total Return – Greater China Equity (5-Year, 2nd Runner-up)⁹

~ HKCAMA & Bloomberg, Offshore China Fund Awards 2020

Best China Equity Fund (10-year)¹⁰

~ Thomson Reuters Lipper Fund Awards 2018

Scan QR code for fund documents¹¹:



Source: HSBC Institutional Trust Services (Asia) Limited and Bloomberg, data as at the last valuation date of the month as stated above, unless stated otherwise. Performance is calculated on NAV to NAV in base currency with dividend reinvested and net of fees. All indices are for reference only. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email fis@vp.com.hk.

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