

**Taiping Greater China New Momentum Equity Fund**

May 2021

(the Sub-Fund of Taiping Investment Fund)

(Data as of 30 April 2021)

**Key features and Risks :**

- The Fund seeks to invest in listed securities in the Greater China region (which includes the PRC, Hong Kong SAR and Macau SAR). It may also invest in financial derivative instruments for hedging purposes only.
- Investing in a relatively concentrated geographical region may result in greater volatility than portfolios which comprise broad-based global investments.
- Investing in emerging markets may involve a greater risk of loss than investing in developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity and regulatory risks.
- Risks associated with investments in financial derivative instruments for hedging purposes include credit risk, liquidity risk and counterparty credit risk.
- Risks and uncertainties associated with changes in current PRC tax laws, regulations and practice (that may have retrospective effect).
- Investing in securities denominated in a wide range of currencies other than HK Dollars in various stock exchanges around the world may be exposed to foreign exchange/currency risk.
- Risk associated with investment in A Shares via the Stock Connect may involve additional risks. Please refer to the Explanatory Memorandum of the Fund and Sub-Fund for further information relating to the Stock Connect. Further, the investments through Northbound trading under the Stock Connect will not be covered by Hong Kong's Investor Compensation Fund.
- An investment in the Fund may involve a high degree of risk and may not be suitable for all investors.
- Past performance is not indicative of future results. The value of the Units in the Fund and the income accruing to the Fund, if any, may fall or rise. Investors may not get back the full amount invested.
- By using the information contained herein, you are deemed to assume all risks associated with the use of those information. Taiping Assets Management (HK) Company Limited shall not be liable for any special, incidental, or consequential damages, including without limitation, lost revenues or lost profits, resulting from the use or misuse of the information contained herein.
- Notwithstanding that the investment decision is yours to make, you should not invest in the Fund unless the intermediary who has offered you the Fund has advised you that the Fund is suitable for you and has explained why the investment in the Fund will be consistent with your investment objectives.
- You should not make investment decision on the basis of this document alone. Please read the Explanatory Memorandum of the Fund for details and risk factors.

**Fund Objective**

- Taiping Greater China New Momentum Equity Fund is a SFC authorized fund<sup>#</sup>, primarily focusing on our investment niche of the Greater China region, comprising PRC, Hong Kong and Macau markets. The Fund seeks to provide investors with medium to long term capital appreciation.
- Effective from 30 April 2016, the jurisdiction of the Fund (place of domicile) has been changed from Cayman Islands to Hong Kong.
- Effective from 30 June 2016, the Fund may invest less than 30% of its non-cash assets in listed equity securities of companies which may have no connection with the Greater China region. Such equity securities are listed on exchanges worldwide including but not limited to the United States. The Fund may also invest up to 20% of its non-cash assets in A Shares via the Stock Connect.

**Portfolio Information**

<b>Investment Manager</b>	Li Chao		
<b>Fund Manager</b>	Taiping Assets Management (HK) Company Limited		
<b>Launch Date</b>	26 March 2009		
<b>Fund Size (m)</b>	HKD	492.84	
<b>NAV per share</b>	HKD	102.323522	
		*Ex-dividend	
<b>Current prices</b>	<b>Bid</b>	HKD	102.32
	<b>Offer</b>	HKD	102.33
<b>Subscription fee</b>	Up to 5%		
<b>Redemption fee</b>	Up to 4%		
<b>Management fee</b>	1.5% p.a.		

**Portfolio Analysis**

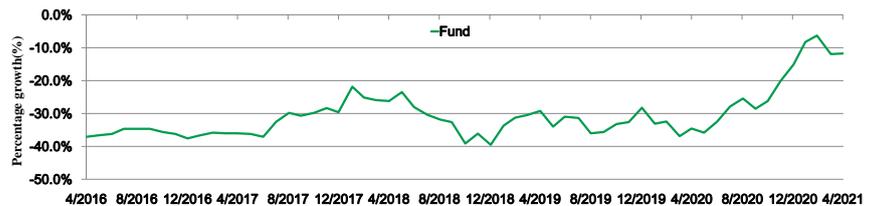
By Region	
Hong Kong	86%
Cash and Others	14%
By Sector	
Financials	29%
Cash	14%
Communication Services	13%
Consumer Discretionary	12%
Consumer Staples	5%
Information Technology	5%
Real Estate	5%
Industrials	5%
Health Care	5%
Utilities	3%
Energy	2%
Materials	2%

**Fund Manager's Report**
**Market Review**

The fund's NAV increased by 0.27% and gained 3.99% year to date. Developed market still outperformed emerging market in April due to a faster pace of vaccination. Recent US economy indicators showed a recovery in consumer confidence and robust personal spending. And US equities rise to new high amid solid corporate earnings. In Hong Kong dollars, S&P 500 Index went up by 5.14% while Hang Seng Index and CSI 300 Index increased by 1.22% and 2.61% respectively in April. As to sectors, Information Technology and Energy fell while Industrials, Healthcare and Communication Services performed with positive return.

**Market Outlook**

China's April manufacturing PMI missed expectations due to weaker seasonality. However, the decline is understandable as "staying put during Chinese New Year" led to frontloading of production and a high base for comparison in March. We will keep an eye on whether consumption could instead become main driver of recovery. In the short term, we are cautious on the supply chain disruptions such as shortage of chips, rising freight rates, and high materials price, which will have a negative impact on Consumption Discretionary. Going forward, we will keep balanced allocation between growth stocks and value stocks. We still favor on quality new economy leaders with reasonable valuation and OW on Consumption Staples, Communication Services and Information Technology. We will UW on Financials and Real Estates due to lower-than-expected 1Q result.

**Fund Performance**

**Cumulative Performance**

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years
Fund	0.27%	-3.75%	19.68%	34.82%	19.63%	40.35%

**Calendar Year Performance**

	2021YTD	2020	2019	2018	2017	2016
Fund	3.99%	18.24%	18.72%	-14.09%	12.71%	-8.31%

**Top Five Holdings**

Holding	Sector	Exchange	%
Tencent Holdings Ltd	Communication Services	Hong Kong	8.04%
HSBC Holdings PLC	Financials	Hong Kong	5.46%
AIA Group Ltd	Financials	Hong Kong	5.30%
China Construction Bank Corp	Financials	Hong Kong	4.79%
Alibaba Group Holding Ltd	Consumer Discretionary	Hong Kong	4.34%

• Source: Taiping Assets Management (HK) Company Limited. Performance of the Fund is calculated on NAV-to-NAV basis in base currency, and assumes dividend reinvested and net of all fees. The Fund Manager may in its absolute discretion make distributions, which will be derived solely from the net income (after deduction of fees and expenses) of the Fund. Investors should note that the NAV of the Fund will be adjusted to reflect such dividend distribution. The Fund Manager will review the distribution policy of the Fund in its absolute discretion. Please refer to the explanatory memorandum of the Fund for details. Investors should note that the figures as contained herein are for reference only and do not represent the performance of the Fund, and there is no guarantee that distributions will be made, and if distribution is made, the amount being distributed. • Since May 2021, the MSCI Zhong Hua Index is no longer used for comparison of fund performance in performance graph. Because fund strategy and the holdings are different from index composition in industries and regions. Furthermore, the MSCI Zhong Hua Index currently has two constituents that exceed 10%. • Charges listed under "Portfolio Information" were by no means exhaustive and other fees and charges may apply in relation to investment in the Fund. Investors should refer to the Explanatory Memorandum of the Fund for more details on all fees and charges payable. • This report has not been reviewed by the Securities and Futures Commission. • Information in this report has been obtained from sources believed to be reliable but Taiping Assets Management (HK) Company Limited makes no warranties, express or implied, or representations, and does not guarantee the accuracy or completeness of the information provided by third parties. Taiping Assets Management (HK) Company Limited assumes no liability or responsibility for any error or omissions in the information contained herein. Investors should seek independent financial and/or professional advice if they have any doubt about the Fund. • Issued by Taiping Assets Management (HK) Company Limited.

<sup>#</sup> The SFC authorization is not a recommendation or endorsement of the Fund nor does it guarantee the commercial merits of the Fund or its performance.