

## CFund – China Equity

### Disclaimer:

1. CFund - China Equity (the "Fund") invests in (a) stocks listed in China (including Hong Kong, Shanghai and/or Shenzhen) or (b) equity securities listed in Hong Kong of companies established in China or its principal business is located in China or its current majority of income or earnings derived from China. This may result in a higher volatility than a broad-based fund.
2. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory events affecting Hong Kong and China markets.
3. The Fund may invest in derivatives. The use of derivatives exposes the Fund to additional risks, including volatility risk, liquidity risk and counterparty/credit risk and credit risk regarding access product issuer.
4. The Fund may invest into other funds. There will be additional costs involved.
5. The Fund can invest in China A-shares through the Shanghai-Hong Kong Stock Connect and the Shenzhen-Hong Kong Stock Connect programme. These programmes are subject to regulatory risks and other risks such as quota limits, volatility risks and settlements risks.
6. The Fund does not apply any equalisation in the calculation of performance fee, therefore there may be circumstances where an investor may either be advantaged or disadvantaged as a result of the performance fee calculation methodology. Specifically, in the event of the Fund's outperformance, an investor may be subject to a performance fee regardless of whether a loss in investment capital has been suffered by the investor.
7. Investments involve risks. The Fund, like most funds, does not provide any guarantees. You have the opportunity to lose some or all of your investment. Investment decisions should not be made solely on the basis of this promotional material. Please refer to the explanatory memorandum for information before investing to understand the risk factors and other information. If you have any questions, please contact your financial advisor and seek professional advice.

### Investment Objective and Strategy

The investment objective of the Fund is to provide long-term capital appreciation by primarily investing in listed equities with a China focus. There can be no assurance that the Fund will achieve its investment objective.

The Fund seeks to achieve its objective primarily through exposure to companies established in China or those which, whilst established outside China, derive a significant proportion of their revenue or profits from business related to China. The Fund makes investments into companies that, in the Manager's opinion, have been undervalued by the market. There is no restriction on market capitalizations or industries in relation to the equity securities in which the Fund may invest.

The Fund primarily invests in stocks listed in Hong Kong, Shanghai and/or Shenzhen. Generally, the asset allocation strategy is that at least 70% of the Fund's non cash assets will be invested in stocks listed in Hong Kong of companies established in China or those which, whilst established outside China, derive a significant proportion of their revenue or profits from business related to China, and 0% to 20% of the Fund's non cash assets will be invested in stocks listed in Shanghai and/or Shenzhen (including stocks in the ChiNext market and/or stocks listed on the Small and Medium Enterprise Board ("SME Board")).

### Fund Information

<b>Investment Manager</b>	Pickers Capital Management Limited
<b>Fund Size</b>	HKD 355 million
<b>Subscription fee</b>	Up to 5% of NAV
<b>Management fee</b>	1.50%
<b>Performance fee</b>	15% (High-water mark)
<b>Redemption fee</b>	Nil
<b>Dealing day</b>	Daily
<b>Trustee</b>	BOCI-Prudential Trustee Limited
<b>Bloomberg Code</b>	CFCHIEQ HK Equity
<b>ISIN CODE</b>	HK0000483724
<b>NAV</b>	HKD 114.1913

### Portfolio Performance

As per regulatory requirement, historical performance of the fund will be disclosed only after six months from its launch. To find out the latest fund price, please go to our website: [www.pickerscapital.com](http://www.pickerscapital.com)

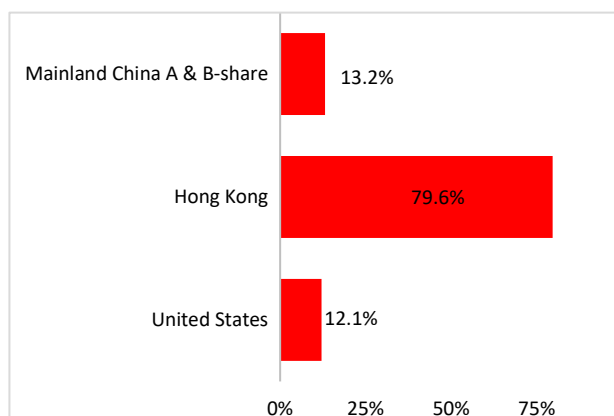


## Portfolio Statistics

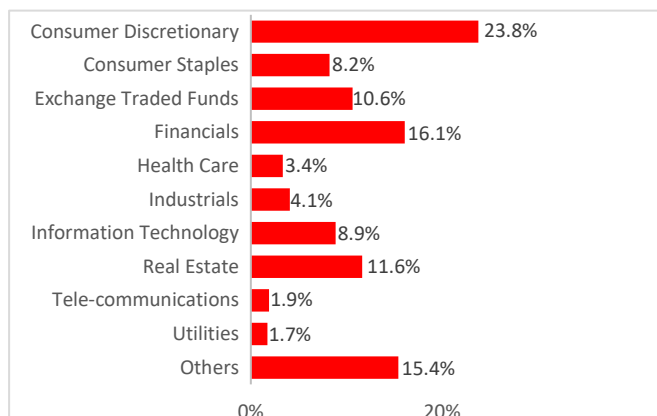
### Top 10 Stock Holdings

Top 10	Stock Name	%
1	Ping An Insurance Group Co Ltd-H	4.85%
2	Tencent Holdings Ltd	4.83%
3	Kweichow Moutai-A (SSHK)	4.24%
4	AIA GROUP LTD	4.14%
5	Hong Kong Exchanges & Clear	4.08%
6	Alibaba Group Holding SPON ADR	4.03%
7	Brilliance China Automotive	3.65%
8	Gree Electric Appliances Inc-A (SZHK)	3.46%
9	Country Garden Holdings Co. Ltd	3.01%
10	Anta Sports Products Ltd	2.97%

### Geographical Exposure by Listing



### Industry Exposure



## Fund Manager's Comment

In line with our commentary last month, after a strong start to the year, near term market moves would be dictated by policy shifts. Fiscal easing, trade tensions easing and consumer confidence normalization drove China's stock market recovery. Better than expected first quarter economic data confirmed the worst had passed, but by mid-April, markets started to turn jittery on concerns that policy makers may take a wait and see attitude with respect to further stimulus measures. A subsequent shift in Fed policy stance in the US only added to the confusion.

On the earnings front, quarterly reporting season was mixed. On the positive side, insurers' premium growth recovery continued; sportswear maintained topline growth momentum; and consumer staples benefited from lower input costs and product mix improvement. Auto sales, however, recorded declines while technology companies showed a mixed picture.

At the time of writing, progress made on the Sino-US trade negotiations appears to have been reversed, with tit for tat tariffs back on. We have accordingly reduced portfolio exposure in view of increased uncertainty, but remain nimble as events and policy response unfold.

All comments, opinions or estimates contained in this Fund Manager's Comment are entirely fund manager's judgement as of the date of this report and are subject to change without notice. This material is issued by Pickers Capital Management Limited.



## C 基金 - 中國股票

### 重要事項：

1. C 基金-中國股票(「本基金」) 投資於(a)在中國(包括香港、上海及/或深圳)買賣的或(b)在中國成立的機構或其主要業務位於中國或其目前重大部分收入或盈利源自中國的機構且在香港上市所發行的股本證券。這可能導致其波動性高於包含廣泛的全球投資的組合。
2. 本基金的價值可能會更容易受到影響中國及香港市場本身的不利的經濟、政治、政策、外匯、流動性、稅務、法律或規管活動影響。
3. 本基金可使用衍生工具和連接產品，該等工具可能涉及額外風險，其中包含較高的波動性和流動性風險以及承受有關連接產品發行人的信貸風險。
4. 本基金也可投資於其他基金，投資於這些基礎基金可能涉及額外成本。
5. 本基金可通過滬港通及深港通機制投資於中國 A 股。此等機制須承受監管風險及其他風險如額度限制、波動風險及結算風險等。
6. 計算表現費的方法會產生風險，導致即使進行贖回的單位持有人的投資資本已蒙受虧損，該單位持有人仍有可能須就有關單位承受表現費。投資者應注意，概不就個別單位 持有人進行平衡信貸或平衡虧損的調整。
7. 投資基金涉及風險，本基金與大部分基金一樣，並不提供任何保證。閣下有機會損失部分或全部的投資。不應單靠此宣傳資料而作出投資決定，投資前請參閱基金說明書，了解風險因素等資料。若閣下如有疑問，謹請與閣下的財務顧問聯絡及諮詢專業意見。

### 投資目標及策略

本基金的投資目標是主要透過投資於聚焦中國的上市股票，以提供長期資本增值。不能保證本基金能實現其投資目標。

本基金主要透過投資於設於中國的公司或雖然設於中國境外但其相當比例的收入或利潤來自中國業務的公司，以達到其目標。本基金所投資的公司是經理人認為市場估值一直偏低的公司。本基金可投資的股本證券，就市值或行業而言均不設定限制。

本基金主要投資於在香港、上海及/或深圳上市的股票。一般而言，資產配置策略是本基金至少 70% 的非現金資產將投資於設於中國的公司或雖然設於中國境外但其相當比例的收入或利潤來自中國業務的公司在香港上市的股票，而本基金 0% 至 20% 的非現金資產將投資於在上海及/或深圳(包括在創業板市場的股票及/或在中小企業板(「中小企業板」)上市)的股票)。

### 基金摘要

投資經理	鵬格斯資產管理有限公司
基金資產淨值	355 百萬港元
首次認購費	最高為認購額的 5%
管理費	1.5%
表現費	15% (高水位)
贖回費用	不適用
交易日	每日
信託人	中銀國際英國保誠信託有限公司
彭博編號	CFCHIEQ HK Equity
國際證券識別碼	HK0000483724
資產淨值	港元 114.1913

### 表現分析

根據監管規定，以上資料須於投資基金成立滿六個月後方予提供。

要了解最新的基金價格，歡迎瀏覽我們的網站：[www.pickerscapital.com](http://www.pickerscapital.com)

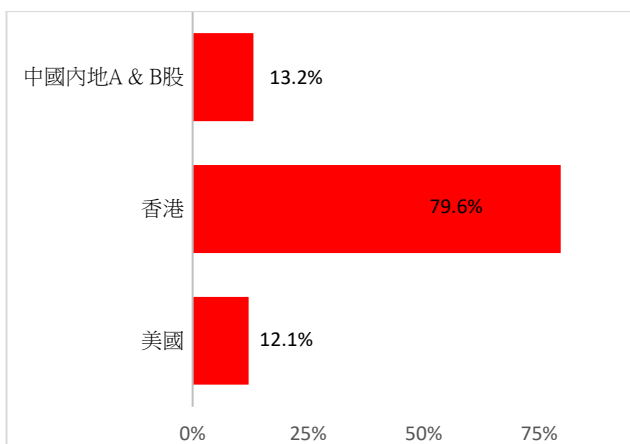
### 基金分佈數據



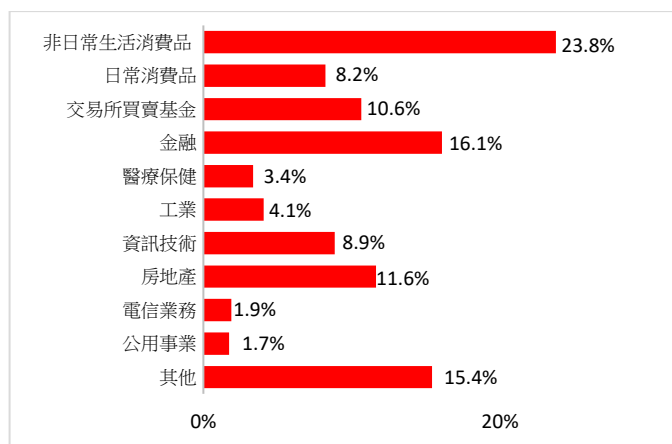
## 十大持股

十大持股	股票名稱	%
1	中國平安 'H'	4.85%
2	騰訊控股	4.83%
3	貴州茅台 'A' (SSHK)	4.24%
4	友邦保險	4.14%
5	香港交易所	4.08%
6	阿里巴巴集團	4.03%
7	華晨中國汽車	3.65%
8	格力電器 'A' (SZHK)	3.46%
9	碧桂園	3.01%
10	安踏體育	2.97%

## 組合地區分佈



## 組合行業分佈



## 基金經理人評論

與我們上個月的評論一致，經過年初的強勁開局，短期市場走勢將由政策變化決定。早前，寬鬆的財政政策、貿易戰緊張局勢的放緩以及消費者信心的恢復推動了中國股市的復蘇。中國第一季度經濟數據好於預期，也證實了最壞的情況已經過去。但到四月中旬，由於國內政策制定者可能對進一步的刺激措施採取觀望態度，市場情緒開始轉為緊張。隨後，美聯儲在美國利息政策的立場轉變也增添了市場變數。

在盈利方面，第一季財報發表季喜憂參半。從積極的方面來看，保險公司的保費增長持續復甦；運動服飾保持銷售增長勁頭；消費必需品受益於低成本投入和產品組合改善。然而，汽車行業銷售量下滑，各個科技公司表現不一。

在撰寫本文時，中美貿易談判取得的進展似乎已經倒退，互徵關稅又再次啟動。由於市場上不確定性因素的增加，我們相應地減少了投資組合持倉比例。同時，由於事件和政策的不斷變化，我們隨時準備靈活應對。

以上基金經理人評論中刊發的評論、意見或預測是鵬格斯資產管理有限公司截至這個日期的判斷，如有更改恕不另行通知。本文件由鵬格斯資產管理有限公司刊發。

