

## CFund – China Equity

### Disclaimer:

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8. The Manager currently intends to make quarterly dividend distribution at its discretion. Dividends may be paid out of capital or effectively out of capital of the relevant Class and may result in an immediate reduction of the Net Asset Value per Unit of the Fund.

### Investment Objective and Strategy

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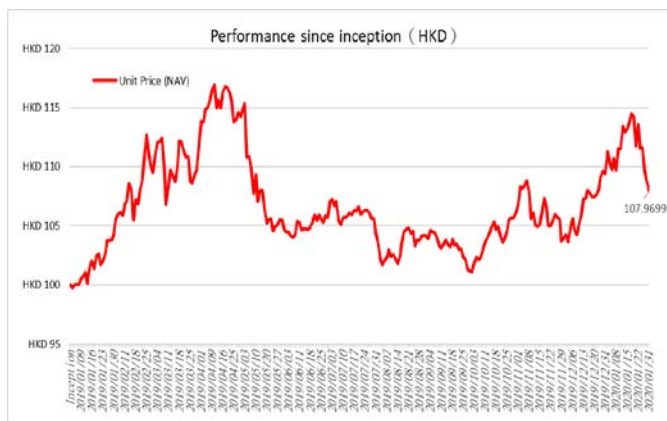
Fund Information	
Investment Manager	Pickers Capital Management Limited
Fund Size	HKD 339 million
Subscription fee	Up to 5% of NAV
Management fee	1.50%
Performance fee	15% (High-water mark)
Redemption fee	Nil
Dealing day	Daily
Trustee	BOCI-Prudential Trustee Limited
Bloomberg Codes	A Units HKD (Acc): CFCHEQ HK Equity A Units HKD (Dist): CFCHEI HK Equity A Units RMB (Acc): CFCCECA HK Equity
ISIN CODES	A Units HKD (Acc): HK0000483724 A Units HKD (Dist): HK0000563889 A Units RMB (Acc): HK0000563897
NAV	HKD 107.9699

### Portfolio Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	5.58%	3.72%	2.20%	2.03%	-8.52%	1.20%	-1.21%	-0.24%	-2.87%	4.87%	-2.29%	5.53%	9.43%
2020	-1.33%												-1.33%



## Performance Since Inception ( HKD )

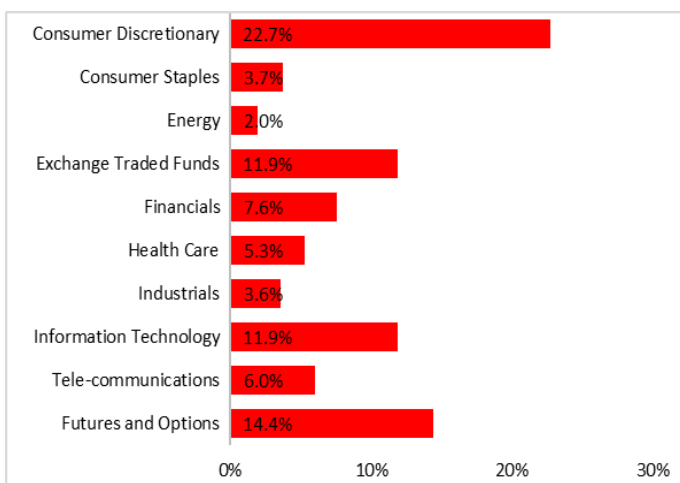


## #Top 10 Stock Holdings

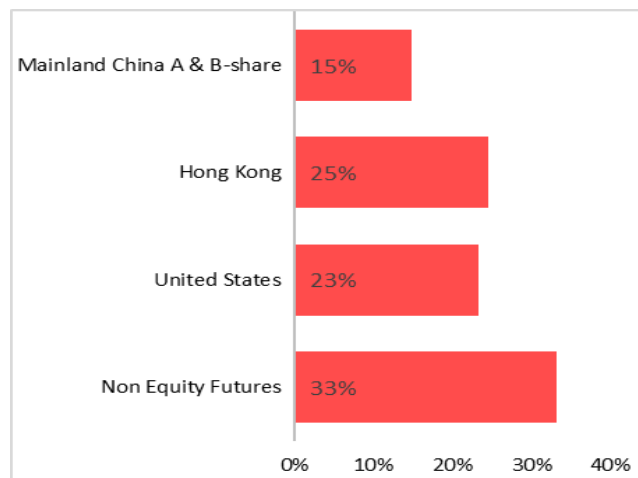
Top 10	Stock Name	%
1	TESLA INC	3.28%
2	Anta Sports Products Ltd	3.28%
3	Alibaba Group Holding SPON ADR	3.17%
4	Tencent Holdings Ltd	3.08%
5	Ping An Insurance Group Co Ltd-H	2.97%
6	China Mobile Ltd	2.96%
7	Meituan Dianping	2.95%
8	AIA GROUP LTD	2.94%
9	Kweichow Moutai (SSHK)	2.65%
10	Semiconductor Manufacturing Int'l Corp	2.56%

#Top 10 Holdings do not include ETF.

## Industry Exposure



## Geographical Exposure by Listing



## Fund Manager's Comment

January was a month of two halves for HK/China markets: initial euphoria on the back of the US-China phase 1 trade deal in the first half, followed by growing fear as the new coronavirus drama unfolded in the second half. Hong Kong protests, Brexit, Trump impeachment, and Middle East tensions all took a back seat to coronavirus updates. Cyclical, which had earlier outperformed on expectations of a re-acceleration in global growth, corrected sharply as the short-term outlook dimmed. While the situation is grave and unknowns remain, the economic hit is expected to be short-lived. Greater fiscal stimulus is a given in China, and rate expectations in the US are also in the midst of adjusting.

Looking beyond this difficult time, we see that secular trends that were already in play have been reinforced. E-commerce expanding from goods to services, healthcare-related research and investment, technological upgrading and supply chain re-organization must continue. While overall exposure has been reduced during the month, we have taken the opportunity to add to names that stand to benefit from these unchanged secular trends.

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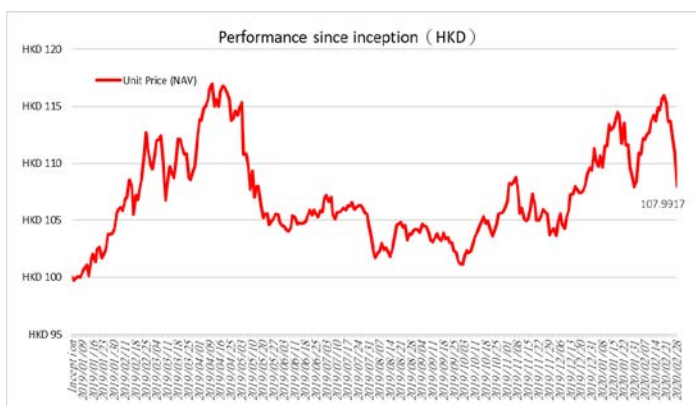
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Dealing day	Daily
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NAV	HKD 107.9917

### Portfolio Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	5.58%	3.72%	2.20%	2.03%	-8.52%	1.20%	-1.21%	-0.24%	-2.87%	4.87%	-2.29%	5.53%	9.43%
2020	-1.33%	0.02%											-1.31%



## Performance Since Inception ( HKD )

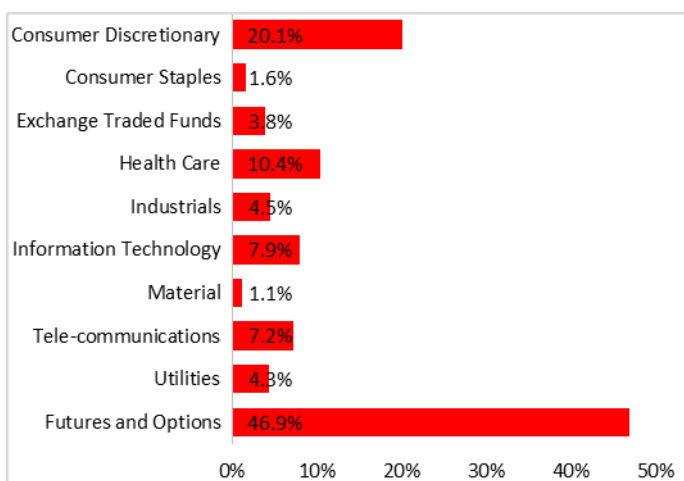


## #Top 10 Stock Holdings

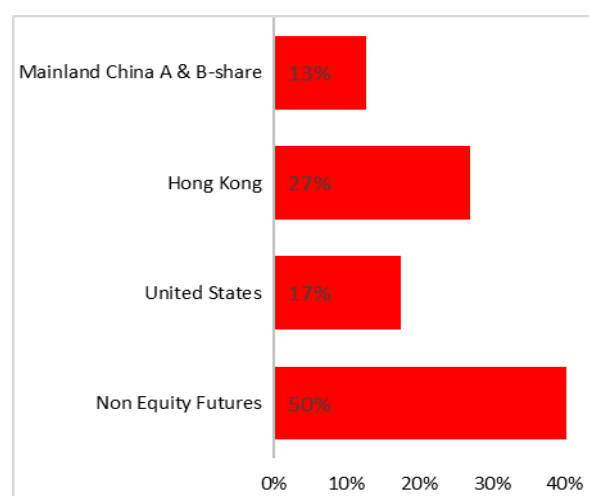
Top 10	Stock Name	%
1	Alibaba Group Holding SPON ADR	4.37%
2	Tencent Holdings Ltd	3.91%
3	JD.COM ADR REP 2 CL A ORD	3.51%
4	TESLA INC	2.99%
5	Meituan Dianping	2.89%
6	Country Garden Services Holding	2.30%
7	HKT Trust & HKT Ltd-SS	2.29%
8	HKELECTRIC-SS UNT	2.21%
9	CLP Holdings Ltd	2.11%
10	Semiconductor Manufacturing Int'l Corp	2.09%

#Top 10 Holdings do not include ETF.

## Industry Exposure



## Geographical Exposure by Listing



## Fund Manager's Comment

The Hang Seng Index corrected in February on the back of virus-related fears and global risk-off sentiment. At the time of writing, global markets have dropped further, as the spread of coronavirus escalates outside China and various countries enter lockdown. The US Fed has taken swift action, cutting rates by 150 basis points and launching a new round of quantitative easing. While we do not aim to predict the future path of the virus, we are concerned by signs of rising cross asset correlation, and have reduced the Fund's exposure accordingly.

In terms of portfolio positioning, we reiterate our focus on long term secular trends. Rather than being derailed, the following trends have in fact been reinforced: e-commerce extending from goods to services, global supply chain adjustments especially in technology hardware, and rising investment in healthcare.

Another long-term trend that we have started to position for is the gradual adoption of electric vehicles. Admittedly, the sector has been plagued by volatility due to the unpredictable nature of subsidies and government policies. We expect sector volatility to continue, as competition heats up in the China market, with the entry of foreign players and potentially non-traditional players from the tech/industrial space. However, we see opportunity in leading battery makers that are beneficiaries of localization and gradual rise in EV volume.

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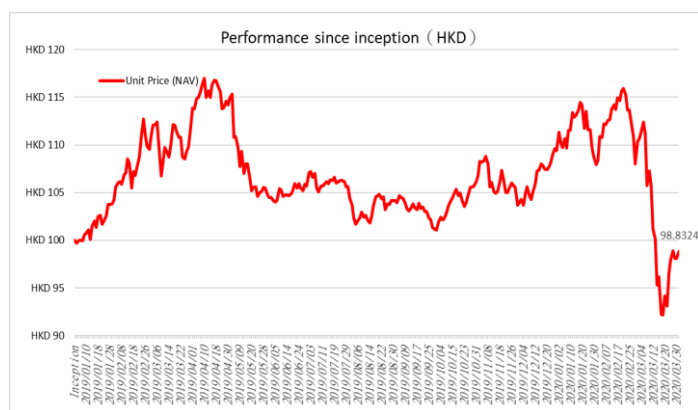
Fund Information	
Investment Manager	Pickers Capital Management Limited
Fund Size	HKD 309 million
Subscription fee	Up to 5% of NAV
Management fee	1.50%
Performance fee	15% (High-water mark)
Redemption fee	Nil
Dealing day	Daily
Trustee	BOCI-Prudential Trustee Limited
Bloomberg Codes	A Units HKD (Acc): CFCHEQ HK Equity A Units HKD (Dist): CFCHEI HK Equity A Units RMB (Acc): CFCCECA HK Equity
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NAV	HKD 98.8324

### Portfolio Performance

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2019	5.58%	3.72%	2.20%	2.03%	-8.52%	1.20%	-1.21%	-0.24%	-2.87%	4.87%	-2.29%	5.53%	9.43%
2020	-1.33%	0.02%	-8.48%										-9.68%



## Performance Since Inception ( HKD )

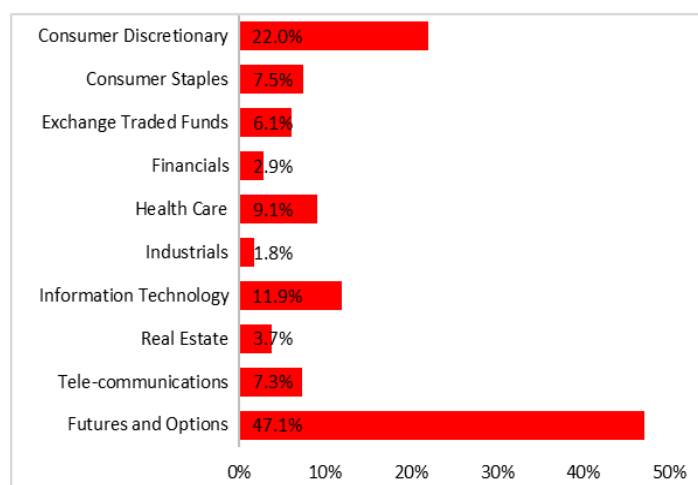


## #Top 10 Stock Holdings

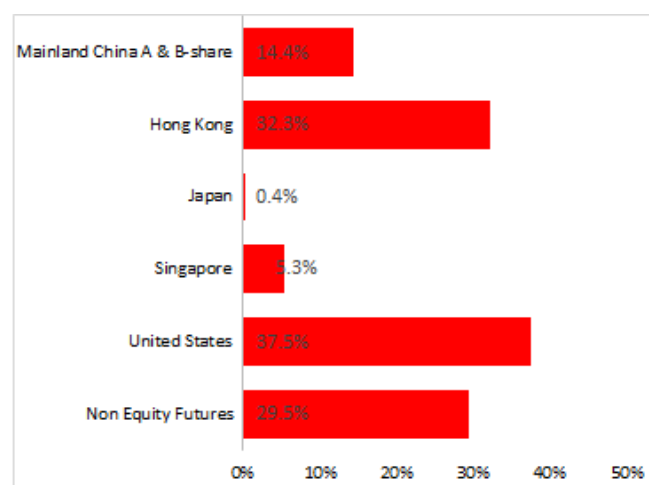
Top 10	Stock Name	%
1	JD.COM ADR REP 2 CL A ORD	4.36%
2	Alibaba Group Holding SPON ADR	4.32%
3	Tencent Holdings Ltd	4.25%
4	Meituan Dianping	3.16%
5	Kweichow Moutai (SSHK)	3.02%
6	MICROSOFT ORD	2.69%
7	AMAZON.COM INC	2.33%
8	TESLA INC	2.21%
9	FOSHAN HAITIAN-A (SSHK)	2.20%
10	ZOOM VIDEO COMMUNICATIONS-A	2.12%

#Top 10 Holdings do not include ETF.

## Industry Exposure



## Geographical Exposure by Listing



## Fund Manager's Comment

Escalation of Covid-19 to a global pandemic sparked a massive selloff across major asset classes in March. Following on from February, we further reduced the Fund's exposure. During the month, our holdings in US Treasuries futures contributed positively to performance while gold and A-shares held up relatively well. This was, however, insufficient to offset the sharp correction in Hong Kong and US-listed equities.

In the latter half of March, we began to rebuild our portfolio, adding to "conviction" names. At the time of writing, there are signs of stabilization, both in terms of capital markets and pandemic control. While we reiterate it is too early to conclude markets have bottomed, we are adding bottom-up stock ideas while maintaining our hedge in gold and interest rate sensitives. We continue to like A-shares, as China still has room for further policy action compared to developed market central banks which have already pledged unprecedented monetary easing and fiscal stimulus.

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NAV	HKD 107.4145

### Portfolio Performance

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2020	-1.33%	0.02%	-8.48%	8.68%									-1.84%



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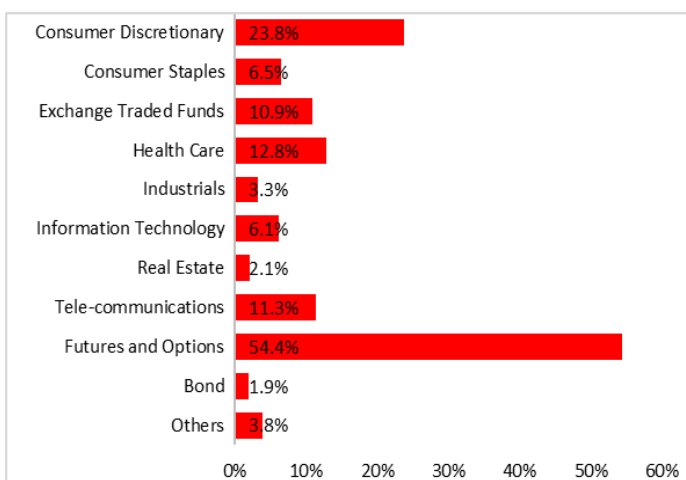


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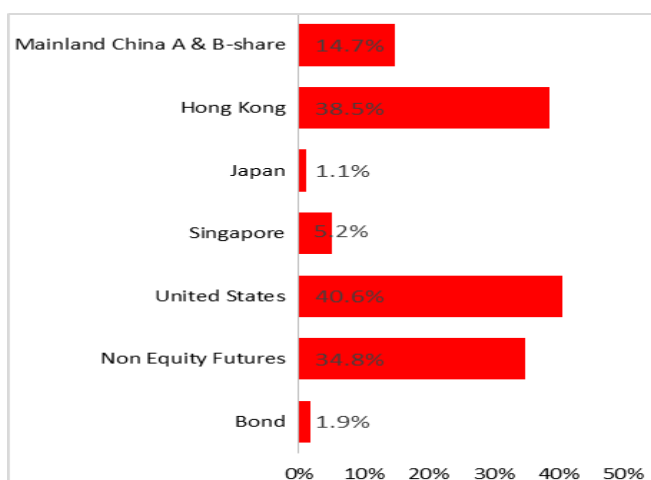
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6	TESLA INC	3.12%
7	MICROSOFT ORD	3.04%
8	AMAZON.COM INC	2.92%
9	PAGOODDOCTOR ORD	2.34%
10	China Overseas Property Holdings Ltd	2.09%

#Top 10 Holdings do not include ETF.

## Industry Exposure



## Geographical Exposure by Listing



## Fund Manager's Comment

April turned out to be a climax for Covid-19, with global confirmed cases tripling to over 3 million in just one month and deaths quadrupling to more than 200,000. The US was hardest hit during this time, while China appeared to have the virus under control, with Wuhan finally re-opening.

Depressed valuations after March's sharp correction, coupled with hopes of a turning point in the pandemic, resulted in a strong rebound in April. We believe it is unlikely markets will return to March lows, as (1) the dollar liquidity issue has passed and (2) QE4 from central banks have flooded markets. Key to watch going forward is the number of new cases, pace of re-opening and any medical breakthroughs.

At the time of writing, Sino-US relations show signs of deteriorating. With Trump trying to salvage falling approval ratings, China has once again become a foreign enemy and tariffs have come back into the spotlight. We believe Trump walks a fine line this time. With elections only 6 months away, China may choose to wait and try her luck with Biden instead. Trump also has limited time to deal with the negative economic and stock market impact (at a time when the US is already suffering) to regain public opinion in time for year-end elections.

With continued Sino-US conflict, Hong Kong remains caught in the middle. Despite an expected gradual phasing out of local social distancing measures, issues underlying last year's protests have not been resolved. We maintain our preference for A-share and US markets over Hong Kong domestic plays.

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Under normal circumstances, the asset allocation strategy is that at least 70% of the Fund's Net Asset Value will be invested in stocks 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 (including but not limited to investment in depositary receipts such as American Depositary Receipts), and, subject to an overall upper limit on onshore PRC exposure of 20% of the Fund's Net Asset Value, up to 20% of the Fund's Net Asset Value will be invested directly or indirectly in stocks listed in Shanghai (including stocks listed on the Sci-Tech Innovation Board (the "STAR Board")) and/or Shenzhen (including stocks in the ChiNext market and/or stocks listed on the Small and Medium Enterprise Board (the "SME Board")).

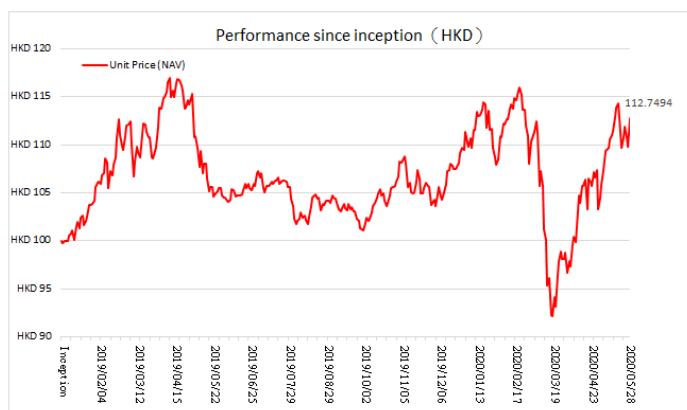
Fund Information	
Investment Manager	Pickers Capital Management Limited
Fund Size	HKD 351 million
Subscription fee	Up to 5% of NAV
Management fee	1.50%
Performance fee	15% (High-water mark)
Redemption fee	Nil
Dealing day	Daily
Trustee	BOCI-Prudential Trustee Limited
Bloomberg Codes	A Units HKD (Acc): CFCHEQ HK Equity A Units HKD (Dist): CFCHEI HK Equity A Units RMB (Acc): CFCCECA HK Equity
ISIN CODES	A Units HKD (Acc): HK0000483724 A Units HKD (Dist): HK0000563889 A Units RMB (Acc): HK0000563897
NAV	HKD 112.7494

### Portfolio Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	5.58%	3.72%	2.20%	2.03%	-8.52%	1.20%	-1.21%	-0.24%	-2.87%	4.87%	-2.29%	5.53%	9.43%
2020	-1.33%	0.02%	-8.48%	8.68%	4.97%								3.04%



## Performance Since Inception ( HKD )

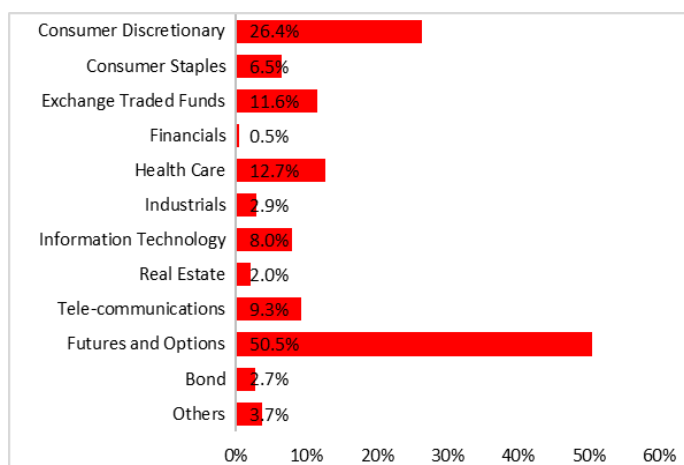


## #Top 10 Stock Holdings

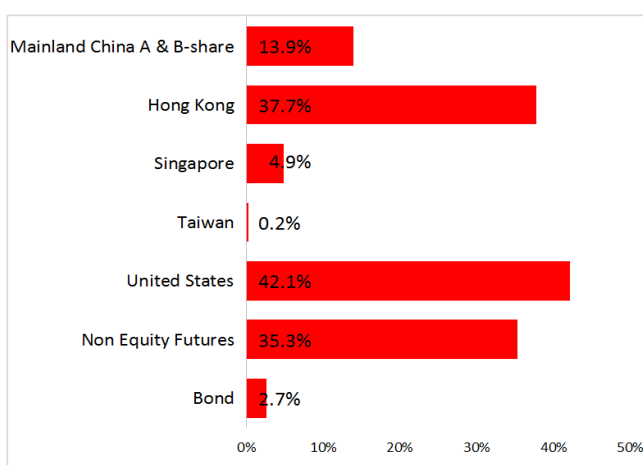
Top 10	Stock Name	%
1	JD.COM ADR REP 2 CL A ORD	5.67%
2	Alibaba Group Holding SPON ADR	5.52%
3	Tencent Holdings Ltd	5.17%
4	Meituan Dianping	5.03%
5	Kweichow Moutai (SSHK)	3.47%
6	TESLA INC	3.09%
7	MICROSOFT ORD	2.98%
8	AMAZON.COM INC	2.86%
9	BILIBILI INC-SPONSORED ADR	2.25%
10	ZOOM VIDEO COMMUNICATIONS-A	2.12%

#Top 10 Holdings do not include ETF.

## Industry Exposure



## Geographical Exposure by Listing



## Fund Manager's Comment

May was a month of divergence for Hong Kong versus global equity markets. Hong Kong corrected sharply on fears over the national security law while global markets continued to rebound on hopes of economies gradually reopening. We held the view that the prospect of global economic recovery outweighed the uncertainty posed by Hong Kong politics, and that any sanctions by the US would be gradual rather than abrupt, as the US adjusts to protect its interests before taking more drastic measures. There were also no clear signs of massive capital outflow from Hong Kong, with the HKD at the strong end of its band, buoyed by carry trades arbitraging the HK-US interest rate differential and short-term impact from a heavy IPO pipeline.

As a result, we took a contrarian view and maintained our high exposure despite the sharp correction in the Hang Seng Index. We took advantage of the correction in Hong Kong centric names to pick up Hong Kong Exchange & Clearing, which is a beneficiary of the return of Chinese ADR's to Hong Kong for secondary listing and increasing cross-border flows. The potential for greater contribution from new derivative products, in our view, will be much further out, as it takes a long time to build scale and change institutional habits.

At the time of writing, our view has been vindicated. With no major actions declared by the US, a strong HKD, and re-opening of major economies on track, the Hong Kong market quickly rebounded in relief. As the market continues to grind higher, we are seeing rotation out of quality secular outperformers into cyclical names that have underperformed. While we are cognizant the move is driven by underlying economic recovery, we are reluctant to switch out of our core holdings merely due to relative underperformance. In fact, we are taking the opportunity to further refine our portfolio, increasing concentration in conviction names in consumption, technology and healthcare.

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 and has not been reviewed by the Securities and Futures Commission.



# CFund – China Equity

## Important Note:

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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. Past performance is not indicative of future performance. If you have any questions, please contact your financial advisor and seek professional advice.
8. The Manager currently intends to make quarterly dividend distribution for the A Units HKD (Dist) class at its discretion. Dividends may be paid out of capital or effectively out of capital of the relevant Class and may result in an immediate reduction of the Net Asset Value per Unit of the Fund.

## 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.

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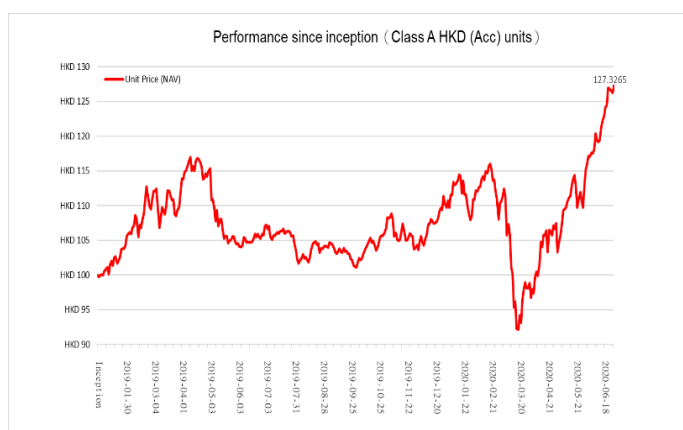
Fund Information		
Investment Manager	Pickers Capital Management Limited	
Fund Size	HKD 398 million	
Subscription fee	Up to 5% of NAV	
Management fee	1.50%	
Performance fee	15% (High-water mark)	
Redemption fee	Nil	
Dealing day	Daily	
Trustee	BOCI-Prudential Trustee Limited	
Classes	Current NAV/Unit	Launch Date
A Units HKD (Acc )	HKD 127.3265	02/01/2019
A Units HKD (Dist)	HKD 104.7646	16/06/2020
Classes	Estimated Annualized Yield <sup>A</sup>	Record Date
A Units HKD (Dist)	4.0%	30/06/2020
Bloomberg Codes	A Units HKD (Acc ): CFCHIEQ HK Equity A Units HKD (Dist): CFCHEHI HK Equity A Units RMB (Acc): CFCCECA HK Equity	
ISIN CODES	A Units HKD (Acc ): HK0000483724 A Units HKD (Dist): HK0000563889 A Units RMB (Acc): HK0000563897	

## Fund Performance (Class A HKD (Acc) Units)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	5.58%	3.72%	2.20%	2.03%	-8.52%	1.20%	-1.21%	-0.24%	-2.87%	4.87%	-2.29%	5.53%	9.43%
2020	-1.33%	0.02%	-8.48%	8.68%	4.97%	12.93%							16.36%



## Performance Since Inception ( Class A HKD (Acc) Units )

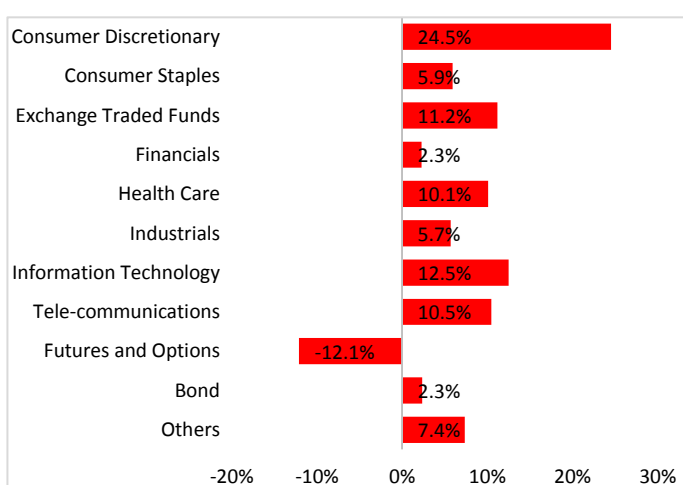


## #Top 10 Stock Holdings

Top 10	Stock Name	%
1	Tencent Holdings Ltd	5.25%
2	Meituan Dianping	4.81%
3	JD.COM ADR REP 2 CL A ORD	4.77%
4	Alibaba Group Holding SPON ADR	4.61%
5	TESLA INC	3.26%
6	Kweichow Moutai (SSHK)	3.24%
7	Semiconductor Manufacturing Int'l Corp	3.05%
8	MICROSOFT ORD	2.87%
9	ZOOM VIDEO COMMUNICATIONS-A	2.84%
10	AMAZON.COM INC	2.80%

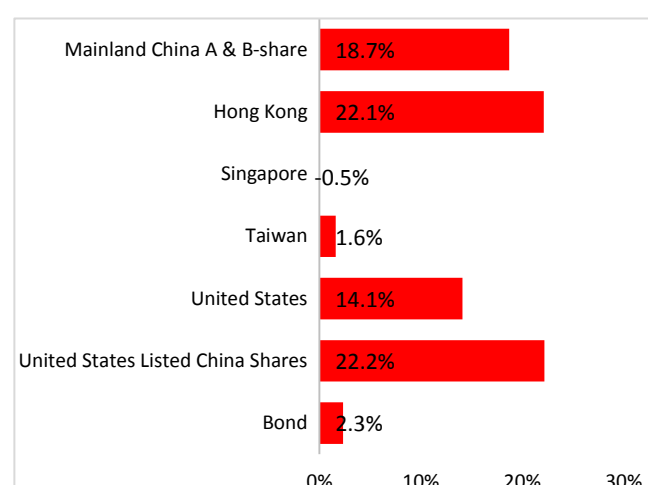
#Top 10 Holdings do not include ETF.

## Industry Exposure<sup>1</sup>



1. Industry Exposure excludes non-equity futures and options

## Geographical Exposure by Listing<sup>2</sup>



2. Geographical Exposure excludes non-equity futures and options

## Fund Manager's Comment

June saw a rebound in global equity markets as economies gradually re-opened, despite worries of a second wave of Covid-19 and concerns over US-China relations. Our Fund was well positioned, rising 12.9% in June, bringing year to date return to 16.4%.

Our view remains that Covid-19 cases will rise as social distancing rules are relaxed, but that markets will not react as strongly as in March. Developed countries are better prepared now in terms of social distancing protocols and medical procedures, while people are more aware and alert to changes related to the coronavirus. Governments also realize the economic damage of another complete lockdown, and are likely to take less drastic measures in the event of a second wave.

At the time of writing, despite a worrying rise in the number of Covid-19 cases in Hong Kong, the market has held up well, buoyed by positive sentiment on China and the A-share market. The road to recovery is now more tangible and the rotation into cyclical plays continues. We are fully invested and rather than switch out of our core positions, we are using options to capture further upside in a more capital-efficient way.

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.

<sup>^</sup> Subject to the Manager's discretion, the dividends will be declared on a quarterly basis on such date which is the end of March, June, September and December of each year. Dividends can be paid out of capital or effectively out of capital of the relevant Class and may result in an immediate reduction of Net Asset Value per Unit of the Fund. There is no target level of dividend payout. Estimated annualized dividend (%) = (Dividend per unit x 4) / NAV on Record Date. The Dividends information is for reference only.

This material is issued by Pickers Capital Management Limited and has not been reviewed by the Securities and Futures Commission.



Pickers Capital Management Limited  
Unit 1301, Ovest, 77 Wing Lok Street, Sheung Wan, Hong Kong  
Tel: 852 2989 1083 Email: [info@pickerscapital.com](mailto:info@pickerscapital.com)

# CFund – China Equity

Fund Monthly Report | July 2020

## Important Note:

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4. The Fund may invest into other funds. There will be additional costs involved.
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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. Past performance is not indicative of future performance. If you have any questions, please contact your financial advisor and seek professional advice.
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## 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.

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## Fund Information

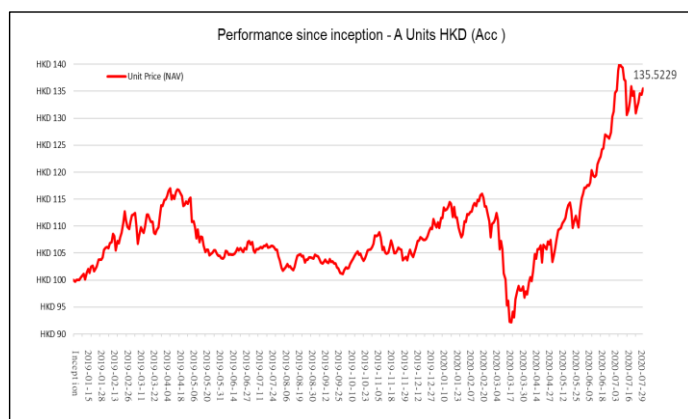
<b>Investment Manager</b>	Pickers Capital Management Limited	
<b>Fund Size</b>	HKD 372 million	
<b>Subscription fee</b>	Up to 5% of NAV	
<b>Management fee</b>	1.50%	
<b>Performance fee</b>	15% (High-water mark)	
<b>Redemption fee</b>	Nil	
<b>Dealing day</b>	Daily	
<b>Trustee</b>	BOCI-Prudential Trustee Limited	
<b>Classes</b>	<b>Current NAV/Unit</b>	<b>Launch Date</b>
A Units HKD (Acc )	HKD 135.5229	02/01/2019
A Units HKD (Dist)	HKD 110.2130	16/06/2020
<b>Classes</b>	<b>Estimated Annualized Yield<sup>^</sup></b>	<b>Record Date</b>
A Units HKD (Dist)	4.0%	30/06/2020
<b>Bloomberg Codes</b>	A Units HKD (Acc ): CFCHIEQ HK Equity A Units HKD (Dist): CFCHEHI HK Equity A Units RMB (Acc): CFCCECA HK Equity	
<b>ISIN CODES</b>	A Units HKD (Acc ): HK0000483724 A Units HKD (Dist): HK0000563889 A Units RMB (Acc): HK0000563897	

## Fund Performance (Class A HKD (Acc) Units)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	5.58%	3.72%	2.20%	2.03%	-8.52%	1.20%	-1.21%	-0.24%	-2.87%	4.87%	-2.29%	5.53%	9.43%
2020	-1.33%	0.02%	-8.48%	8.68%	4.97%	12.93%	6.44%						23.85%



## Performance Since Inception ( Class A HKD (Acc) Units )

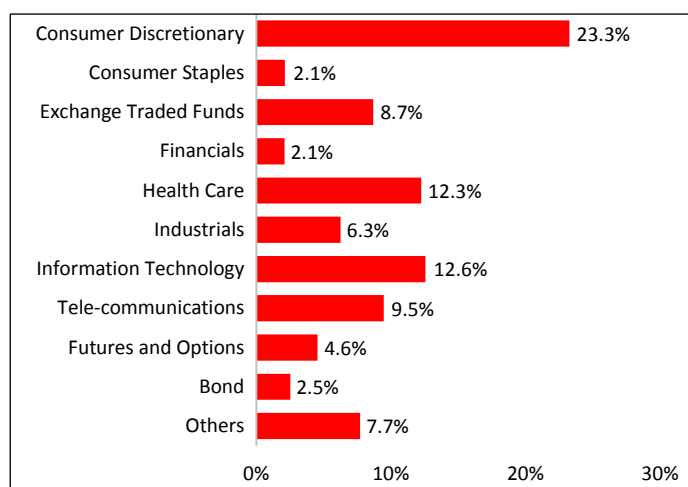


## #Top 10 Stock Holdings

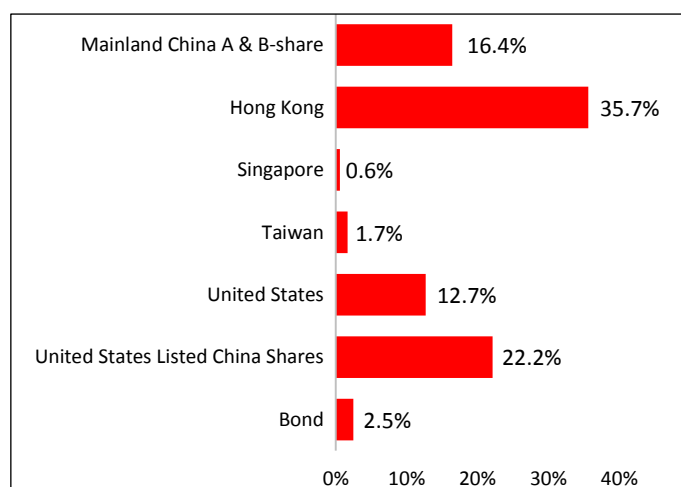
Top 10	Stock Name	%
1	Tencent Holdings Ltd	4.78%
2	Alibaba Group Holding SPON ADR	4.59%
3	Meituan Dianping	4.54%
4	JD.COM ADR REP 2 CL A ORD	4.45%
5	TESLA INC	3.69%
6	PINDUODUO INC-ADR	2.92%
7	S F Holding Co Ltd-A (SZHK)	2.82%
8	WuXi Biologics (Cayman) Inc.	2.74%
9	NB: AMPEREX TECH (SZHK)	2.60%
10	NB: MINDRAY BIO (SZHK)	2.43%

#Top 10 Holdings do not include ETF.

## Industry Exposure<sup>1</sup>



## Geographical Exposure by Listing<sup>2</sup>



1. Industry Exposure excludes non-equity futures and options

2. Geographical Exposure excludes non-equity futures and options

## Fund Manager's Comment

July saw strong performance across technology stocks globally, with the Nasdaq, Chinext and newly launched Hang Seng Tech indices all outperforming the broader market. Late in the month, however, Trump's attack on Chinese social media platforms TikTok and WeChat triggered investor concern and profit taking in the sector.

As we previously commented, it is not unexpected to see Trump lash out at China as part of his election campaign, evidenced by recent moves including the Houston China embassy closure and sanctions against Hong Kong/China government officials. We see these as having little economic impact, and is more symbolic in nature. We would watch for any change to the Phase 1 trade deal and developments with respect to Taiwan, which would have more serious ramifications. We maintain our medium-term view that US-China conflict is entrenched and unlikely to change course, regardless of US election results.

With the re-opening of economies, Covid-19 cases resumed its rise. Markets reacted calmly, with sentiment buoyed by progress on vaccine development and prospects of economic recovery. Datapoints from China already paint a picture of industrial and (albeit choppy) consumer recovery, spurring another rotation into cyclicals at the time of writing. We maintain our preference for companies exposed to secular demand, but will closely monitor whether recent upward moves in US bond yields require adjustment to our portfolio positioning, especially with respect to gold.

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# CFund – China Equity

Fund Monthly Report | August 2020

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## Fund Information

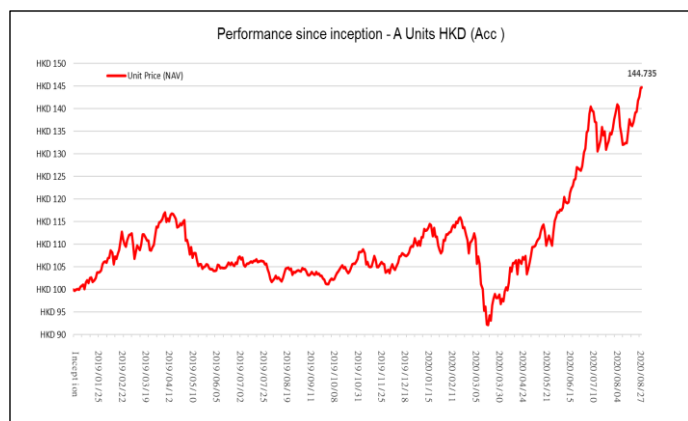
<b>Investment Manager</b>	Pickers Capital Management Limited	
<b>Fund Size</b>	HKD 403 million	
<b>Subscription fee</b>	Up to 5% of NAV	
<b>Management fee</b>	1.50%	
<b>Performance fee</b>	15% (High-water mark)	
<b>Redemption fee</b>	Nil	
<b>Dealing day</b>	Daily	
<b>Trustee</b>	BOCI-Prudential Trustee Limited	
<b>Classes</b>	<b>Current NAV/Unit</b>	<b>Launch Date</b>
A Units HKD (Acc )	HKD 144.7350	02/01/2019
A Units HKD (Dist)	HKD 117.3739	16/06/2020
<b>Classes</b>	<b>Estimated Annualized Yield<sup>^</sup></b>	<b>Record Date</b>
A Units HKD (Dist)	4.0%	30/06/2020
<b>Bloomberg Codes</b>	A Units HKD (Acc ): CFCHIEQ HK Equity A Units HKD (Dist): CFCHEHI HK Equity A Units RMB (Acc): CFCCECA HK Equity	
<b>ISIN CODES</b>	A Units HKD (Acc ): HK0000483724 A Units HKD (Dist): HK0000563889 A Units RMB (Acc): HK0000563897	

## Fund Performance (Class A HKD (Acc) Units)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	5.58%	3.72%	2.20%	2.03%	-8.52%	1.20%	-1.21%	-0.24%	-2.87%	4.87%	-2.29%	5.53%	9.43%
2020	-1.33%	0.02%	-8.48%	8.68%	4.97%	12.93%	6.44%	6.80%					32.27%



## Performance Since Inception ( Class A HKD (Acc) Units )

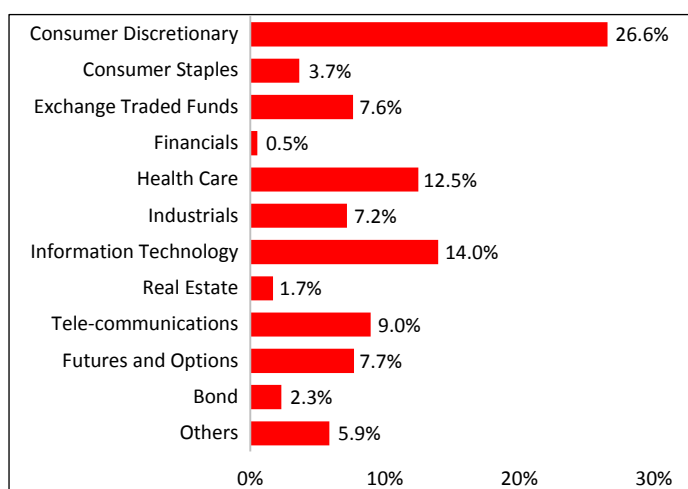


## #Top 10 Stock Holdings

Top 10	Stock Name	%
1	TESLA INC	5.61%
2	Meituan Dianping	5.34%
3	Alibaba Group Holding SPON ADR	4.59%
4	Tencent Holdings Ltd	4.52%
5	JD.COM ADR REP 2 CL A ORD	4.50%
6	WuXi Biologics (Cayman) Inc.	4.17%
7	S F Holding Co Ltd-A (SZHK)	3.48%
8	XIAOMI CORP-CLASS B	3.35%
9	PINDUODUO INC-ADR	2.65%
10	ZOOM VIDEO COMMUNICATIONS-A	2.56%

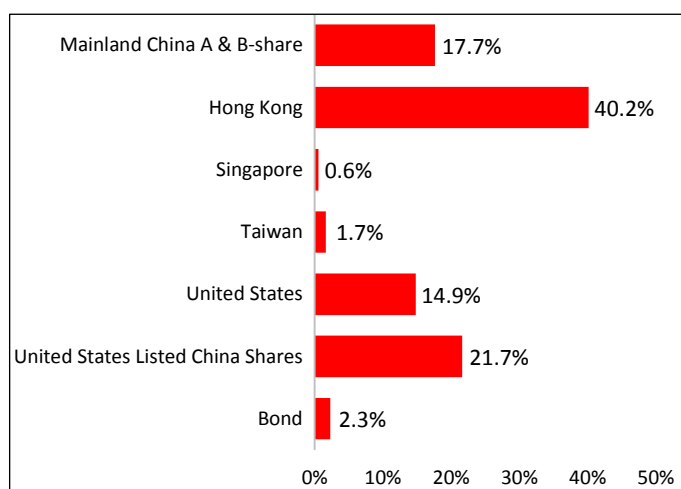
#Top 10 Holdings do not include ETF.

## Industry Exposure<sup>1</sup>



1. Industry Exposure excludes non-equity futures and options

## Geographical Exposure by Listing<sup>2</sup>



2. Geographical Exposure excludes non-equity futures and options

## Fund Manager's Comment

The global tech rally continued in August. At the same time, there was a tick up in US bond yields on the back of recovery expectations and the Fed's policy shift to tolerate higher inflation, which prompted us to revisit our asset allocation. We started to lower both our treasury and equity exposure.

Negative news flow in the tech sector continued, with Trump increasing pressure on Chinese tech companies, further restricting Huawei and threatening to blacklist SMIC. We view the potential impact on China's semiconductor industry as more significant compared to 5G infrastructure and handset, given its reliance on the US throughout the IC supply chain, from design tools to intellectual property to fabrication equipment. We have thus reduced our exposure to this sector.

Interim earnings results season provided more evidence of the domestic recovery that is underway in China, with demand in many segments already back to 80%+ of last year's levels. We therefore remain sanguine, and classify our portfolio adjustments as more tactical in nature at this point. At the time of writing, we are selectively deploying our cash.

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.

<sup>^</sup> Subject to the Manager's discretion, the dividends will be declared on a quarterly basis on such date which is the end of March, June, September and December of each year. Dividends can be paid out of capital or effectively out of capital of the relevant Class and may result in an immediate reduction of Net Asset Value per Unit of the Fund. There is no target level of dividend payout. Estimated annualized dividend (%) = (Dividend per unit x 4) / NAV on Record Date. The Dividends information is for reference only.

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# CFund – China Equity

Fund Monthly Report | September 2020

## Important Note:

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. Past performance is not indicative of future performance. If you have any questions, please contact your financial advisor and seek professional advice.
8. The Manager currently intends to make quarterly dividend distribution for the A Units HKD (Dist) class at its discretion. Dividends may be paid out of capital or effectively out of capital of the relevant Class and may result in an immediate reduction of the Net Asset Value per Unit of the Fund.

## 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.

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## Fund Information

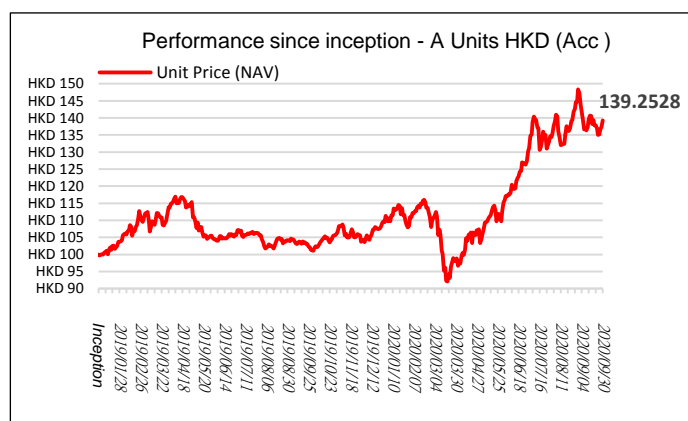
<b>Investment Manager</b>	Pickers Capital Management Limited	
<b>Fund Size</b>	HKD 400 million	
<b>Subscription fee</b>	Up to 5% of NAV	
<b>Management fee</b>	1.50%	
<b>Performance fee</b>	15% (High-water mark)	
<b>Redemption fee</b>	Nil	
<b>Dealing day</b>	Daily	
<b>Trustee</b>	BOCI-Prudential Trustee Limited	
<b>Classes</b>	<b>Current NAV/Unit</b>	<b>Launch Date</b>
A Units HKD (Acc )	HKD 139.2528	02/01/2019
A Units HKD (Dist)	HKD 112.2028	16/06/2020
A Units RMB (Acc)	RMB 100.0000	30/09/2020
<b>Classes</b>	<b>Estimated Annualized Yield<sup>A</sup></b>	<b>Record Date</b>
A Units HKD (Dist)	4.0%	30/09/2020
<b>Bloomberg Codes</b>	A Units HKD (Acc ): CFCHIEQ HK Equity A Units HKD (Dist): CFCHEHI HK Equity A Units RMB (Acc): CFCCECA HK Equity	
<b>ISIN CODES</b>	A Units HKD (Acc ): HK0000483724 A Units HKD (Dist): HK0000563889 A Units RMB (Acc): HK0000563897	

## Fund Performance (Class A HKD (Acc) Units)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	5.58%	3.72%	2.20%	2.03%	-8.52%	1.20%	-1.21%	-0.24%	-2.87%	4.87%	-2.29%	5.53%	9.43%
2020	-1.33%	0.02%	-8.48%	8.68%	4.97%	12.93%	6.44%	6.80%	-3.79%				27.26%



## Performance Since Inception ( Class A HKD (Acc) Units )

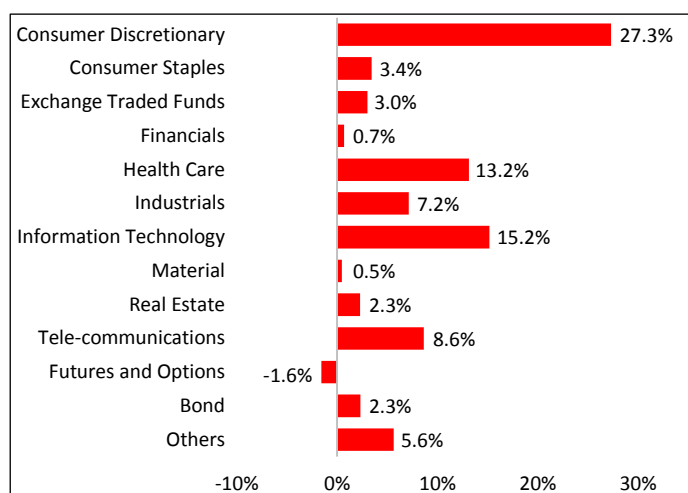


## #Top 10 Stock Holdings

Top 10	Stock Name	%
1	Tencent Holdings Ltd	4.78%
2	ALIBABA GROUP HOLDING-SP ADR	4.78%
3	Meituan Dianping	4.55%
4	TESLA INC	4.28%
5	JD.COM ADR REP 2 CL A ORD	4.02%
6	WuXi Biologics (Cayman) Inc.	3.76%
7	S F Holding Co Ltd-A (SZHK)	3.15%
8	ZOOM VIDEO COMMUNICATIONS-A	2.97%
9	XIAOMI CORP-CLASS B	2.90%
10	NB: AMPEREX TECH (SZHK)	2.46%

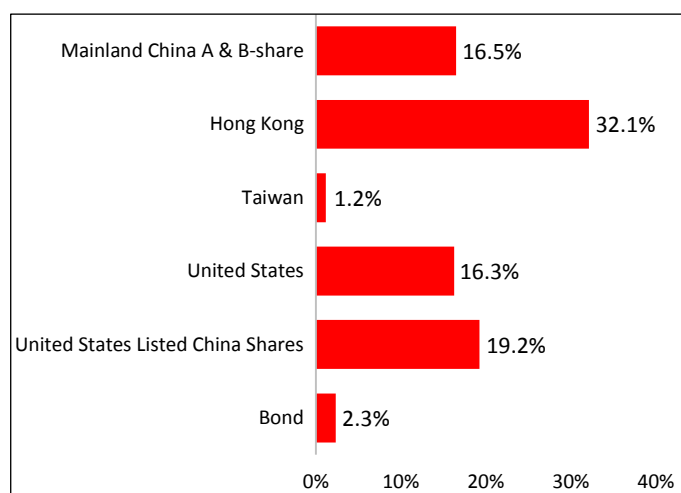
#Top 10 Holdings do not include ETF.

## Industry Exposure<sup>1</sup>



1. Industry Exposure excludes non-equity futures and options

## Geographical Exposure by Listing<sup>2</sup>



2. Geographical Exposure excludes non-equity futures and options

## Fund Manager's Comment

Global tech stocks corrected sharply in early September, on profit taking and risk-off sentiment as the US Congress was unable to reach a compromise on another stimulus package. Interestingly, the S&P volatility index, which usually moves inversely with US equities, surged in late August along with the tech rally due to increased demand for derivative products; rendering it a less reliable indicator of risk sentiment during the September correction. Gold also corrected on the back of USD strength.

We continued to cut equity exposure early on to a more conservative level, and started to redeploy cash as markets stabilized. Despite weakness in gold price, we chose to maintain our gold position as a long-term hedge.

We added to ESG related sectors, including renewable energy, which is supported by green policy globally; and consumer discretionary names that are later stage beneficiaries of economic recovery. Finally, in election news, while some market watchers believe a Biden victory is negative for stock markets; we believe a less contested election could actually be a positive. Nonetheless, October is likely to be a volatile month in the final runup to US elections.

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# CFund – China Equity

Fund Monthly Report | October 2020

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## Fund Information

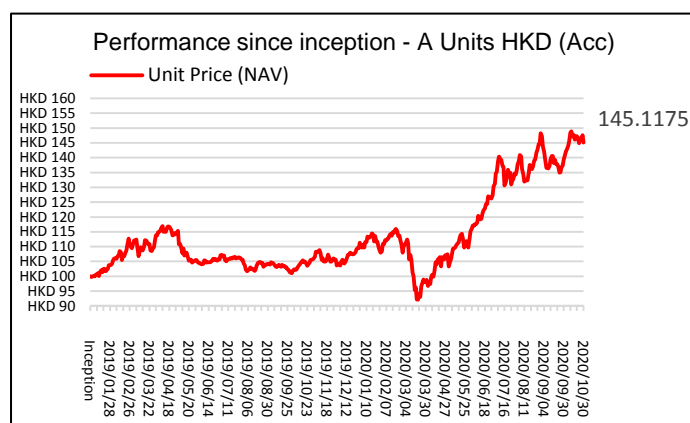
<b>Investment Manager</b>	Pickers Capital Management Limited	
<b>Fund Size</b>	HKD 430 million	
<b>Subscription fee</b>	Up to 5% of NAV	
<b>Management fee</b>	1.50%	
<b>Performance fee</b>	15% (High-water mark)	
<b>Redemption fee</b>	Nil	
<b>Dealing day</b>	Daily	
<b>Trustee</b>	BOCI-Prudential Trustee Limited	
<b>Classes</b>	<b>Current NAV/Unit</b>	<b>Launch Date</b>
A Units HKD (Acc )	HKD 145.1175	02/01/2019
A Units HKD (Dist)	HKD 115.7754	16/06/2020
A Units RMB (Acc)	RMB 102.4386	30/09/2020
<b>Classes</b>	<b>Estimated Annualized Yield<sup>A</sup></b>	<b>Record Date</b>
A Units HKD (Dist)	4.0%	30/09/2020
<b>Bloomberg Codes</b>	A Units HKD (Acc ): CFCHIEQ HK Equity A Units HKD (Dist): CFCHEHI HK Equity A Units RMB (Acc): CFCCECA HK Equity	
<b>ISIN CODES</b>	A Units HKD (Acc ): HK0000483724 A Units HKD (Dist): HK0000563889 A Units RMB (Acc): HK0000563897	

## Fund Performance (Class A HKD (Acc) Units)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	5.58%	3.72%	2.20%	2.03%	-8.52%	1.20%	-1.21%	-0.24%	-2.87%	4.87%	-2.29%	5.53%	9.43%
2020	-1.33%	0.02%	-8.48%	8.68%	4.97%	12.93%	6.44%	6.80%	-3.79%	4.21%			32.62%



## Performance Since Inception ( Class A HKD (Acc) Units )

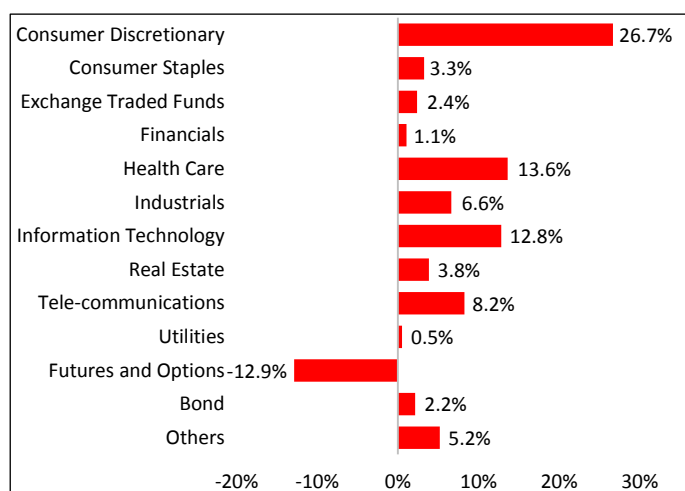


## #Top 10 Stock Holdings

Top 10	Stock Name	%
1	TENCENT HOLDINGS LTD	4.85%
2	MEITUAN-CLASS B	4.75%
3	ALIBABA GROUP HOLDING-SP ADR	4.59%
4	JD.COM ADR REP 2 CL A ORD	3.91%
5	WUXI BIOLOGICS CAYMAN INC	3.73%
6	TESLA INC	3.38%
7	S F HOLDING CO LTD-A (SZHK)	3.01%
8	NB: AMPEREX TECH (SZHK)	2.99%
9	NB: MINDRAY BIO (SZHK)	2.80%
10	ZOOM VIDEO COMMUNICATIONS-A	2.69%

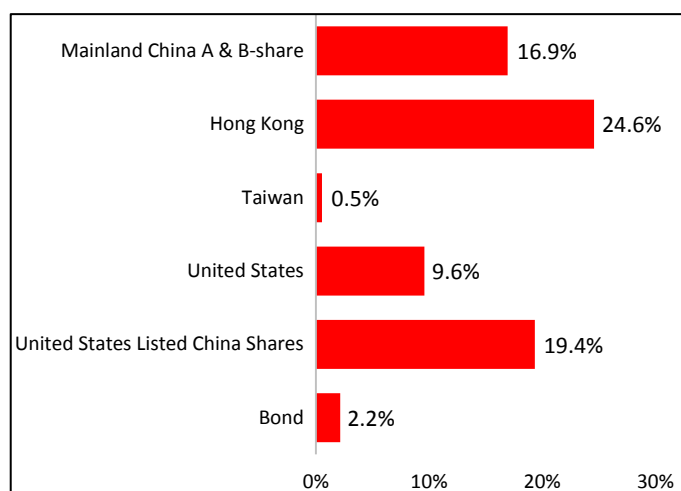
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## Industry Exposure<sup>1</sup>



1. Industry Exposure excludes non-equity futures and options

## Geographical Exposure by Listing<sup>2</sup>



2. Geographical Exposure excludes non-equity futures and options

## Fund Manager's Comment

For much of October, investor attention centered on the runup to the US presidential election. The market built up expectations of a Biden victory, but later corrected on concerns over a likely split Congress and potential post-election retaliation by Trump. We chose to maintain exposure at conservative levels ahead of elections.

In China, the economic recovery continued to play out, with retail sales and passenger car sales both turning positive in the third quarter. While we have been highlighting our increase in consumer discretionary names (e.g. sportswear, appliances, luxury autos) as beneficiaries of China's recovery, we have recently also added financials and industrial cyclicals to position for a global recovery.

At the time of writing, two pieces of news have altered market dynamics. Significant progress on the vaccine front catalyzed a powerful rotation into "old economy" at the expense of "stay at home" themes. For Chinese new economy stocks in particular, a further blow was dealt, with increased regulatory scrutiny in the e-commerce and fintech space. We will closely monitor for upcoming release of regulation details.

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# CFund – China Equity

Fund Monthly Report | November 2020

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## Fund Information

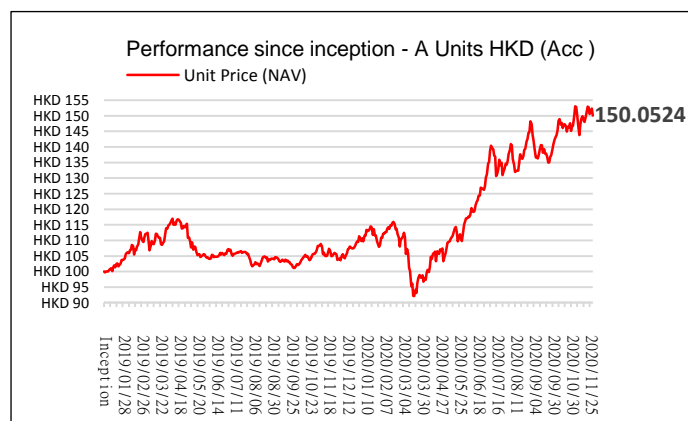
<b>Investment Manager</b>	Pickers Capital Management Limited	
<b>Fund Size</b>	HKD 472 million	
<b>Subscription fee</b>	Up to 5% of NAV	
<b>Management fee</b>	1.50%	
<b>Performance fee</b>	15% (High-water mark)	
<b>Redemption fee</b>	Nil	
<b>Dealing day</b>	Daily	
<b>Trustee</b>	BOCI-Prudential Trustee Limited	
<b>Classes</b>	<b>Current NAV/Unit</b>	<b>Launch Date</b>
A Units HKD (Acc )	HKD 150.0524	02/01/2019
A Units HKD (Dist)	HKD 119.6046	16/06/2020
A Units RMB (Acc)	RMB 104.4060	30/09/2020
<b>Classes</b>	<b>Estimated Annualized Yield<sup>A</sup></b>	<b>Record Date</b>
A Units HKD (Dist)	4.0%	30/09/2020
<b>Bloomberg Codes</b>	A Units HKD (Acc ): CFCHIEQ HK Equity A Units HKD (Dist): CFCHEHI HK Equity A Units RMB (Acc): CFCCECA HK Equity	
<b>ISIN CODES</b>	A Units HKD (Acc ): HK0000483724 A Units HKD (Dist): HK0000563889 A Units RMB (Acc): HK0000563897	

## Fund Performance (Class A HKD (Acc) Units)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	5.58%	3.72%	2.20%	2.03%	-8.52%	1.20%	-1.21%	-0.24%	-2.87%	4.87%	-2.29%	5.53%	9.43%
2020	-1.33%	0.02%	-8.48%	8.68%	4.97%	12.93%	6.44%	6.80%	-3.79%	4.21%	3.40%		37.13%



## Performance Since Inception ( Class A HKD (Acc) Units )

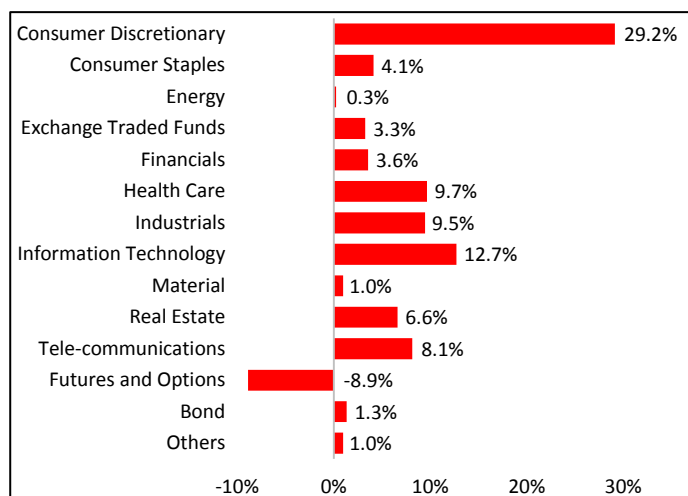


## #Top 10 Stock Holdings

Top 10	Stock Name	%
1	TESLA INC	4.86%
2	MEITUAN-CLASS B	4.12%
3	TENCENT HOLDINGS LTD	3.99%
4	ALIBABA GROUP HOLDING-SP ADR	3.98%
5	JD.COM ADR REP 2 CL A ORD	3.98%
6	PINDUODUO INC-ADR	3.64%
7	NIO INC - ADR	3.64%
8	HSBC HOLDINGS PLC	3.56%
9	WUXI BIOLOGICS CAYMAN INC	3.43%
10	S F HOLDING CO LTD-A (SZHK)	2.96%

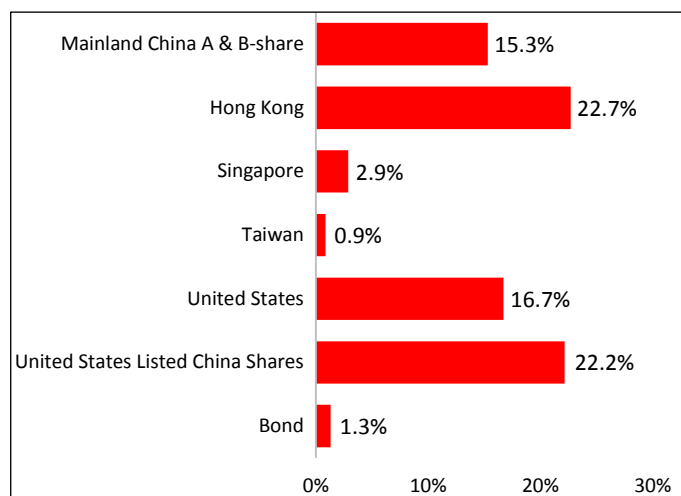
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## Industry Exposure<sup>1</sup>



1. Industry Exposure excludes non-equity futures and options

## Geographical Exposure by Listing<sup>2</sup>



2. Geographical Exposure excludes non-equity futures and options

## Fund Manager's Comment

November saw a strong market rebound as US election uncertainties faded and positive vaccine news kicked in. China big tech performance was dragged by the government's focus on regulating monopolistic practices. Regulation of big tech is a global phenomenon, with the rest of the world focused on social media (information dissemination) while China is scrutinizing e-commerce (excessive subsidies). The sector is likely to remain under pressure until concrete measures are announced and have a chance to be digested by the market.

Looking ahead to 2021, economic recovery will broaden from being China-centric to a more synchronized global recovery. We are already seeing signs of growth convergence and reflation, benefiting old economy and cyclical sectors. We see 2021 being driven by dual engines: structural growth stories that we are familiar with, supplemented by cyclical growth stories on the back of near-term supply constraints. As growth becomes less scarce, we believe stock performance will be less reliant on valuation re-rating. Mid-small caps that can deliver earnings growth will come back into play.

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# CFund – China Equity

Fund Monthly Report | December 2020

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## 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.

Under normal circumstances, the asset allocation strategy is that at least 70% of the Fund's Net Asset Value will be invested in stocks 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 (including but not limited to investment in depositary receipts such as American Depositary Receipts), and, subject to an overall upper limit on onshore PRC exposure of 20% of the Fund's Net Asset Value, up to 20% of the Fund's Net Asset Value will be invested directly or indirectly in stocks listed in Shanghai (including stocks listed on the Sci-Tech Innovation Board (the "STAR Board")) and/or Shenzhen (including stocks in the ChiNext market and/or stocks listed on the Small and Medium Enterprise Board (the "SME Board")).

## Fund Information

<b>Investment Manager</b>	Pickers Capital Management Limited	
<b>Fund Size</b>	HKD 580 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>Classes</b>	<b>Current NAV/Unit</b>	<b>Launch Date</b>
A Units HKD (Acc )	HKD 166.1071	02/01/2019
A Units HKD (Dist)	HKD 132.7997	16/06/2020
A Units RMB (Acc)	RMB 114.3710	30/09/2020
<b>Classes</b>	<b>Estimated Annualized Yield<sup>A</sup></b>	<b>Record Date</b>
A Units HKD (Dist)	4.0%	31/12/2020
<b>Bloomberg Codes</b>	A Units HKD (Acc ): CFCHIEQ HK Equity A Units HKD (Dist): CFCHEHI HK Equity A Units RMB (Acc): CFCCECA HK Equity	
<b>ISIN CODES</b>	A Units HKD (Acc ): HK0000483724 A Units HKD (Dist): HK0000563889 A Units RMB (Acc): HK0000563897	

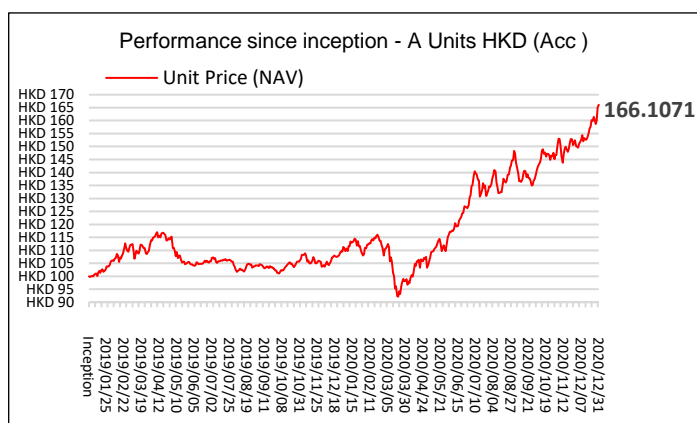
## Fund Performance (Class A HKD (Acc) Units)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2019	5.58%	3.72%	2.20%	2.03%	-8.52%	1.20%	-1.21%	-0.24%	-2.87%	4.87%	-2.29%	5.53%	9.43%
2020	-1.33%	0.02%	-8.48%	8.68%	4.97%	12.93%	6.44%	6.80%	-3.79%	4.21%	3.40%	10.70%	51.80%



## Performance Since Inception ( Class A HKD (Acc) Units )

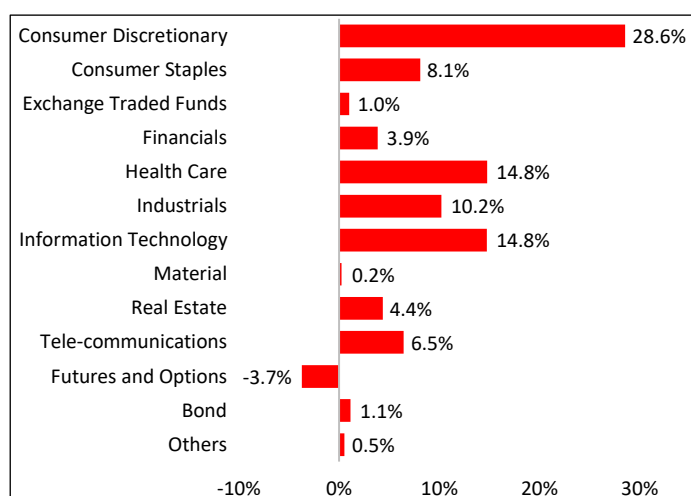
## #Top 10 Stock Holdings



Top 10	Stock Name	%
1	TESLA INC	4.58%
2	PINDUODUO INC-ADR	4.23%
3	NB: AMPEREX TECH (SZHK)	4.02%
4	WUXI BIOLOGICS CAYMAN INC	4.00%
5	XIAOMI CORP-CLASS B	3.60%
6	JD.COM ADR REP 2 CL A ORD	3.44%
7	MEITUAN-CLASS B	3.31%
8	HSBC HOLDINGS PLC	3.20%
9	TENCENT HOLDINGS LTD	3.17%
10	NIO INC - ADR	2.99%

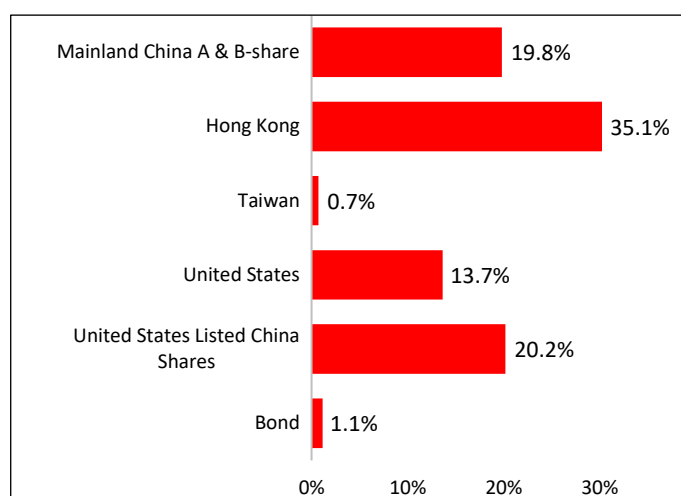
#Top 10 Holdings do not include ETF.

## Industry Exposure<sup>1</sup>



1. Industry Exposure excludes non-equity futures and options

## Geographical Exposure by Listing<sup>2</sup>



2. Geographical Exposure excludes non-equity futures and options

## Fund Manager's Comment

CFund - China Equity ended a volatile 2020 with a net return of 51.8%. Looking back, 2020 will be remembered not only as the year of Covid, but also the year a number of emerging themes reached a tipping point (e.g. digitalization and new energy). Looking forward, we reiterate our view that a synchronized global recovery creates a positive backdrop for Asian equities. We enter the year 2021 with more balanced structural vs cyclical exposures.

We highlight HSBC, which is now among our top ten holdings, as a cyclical recovery play. We see the previous headwinds, namely falling interest rates, low loan growth, Covid-related loan loss provisions, and dividend suspension, to reverse. The reflation trade has started to play out, with commodities prices picking up and inflation expectations starting to rise, evidenced by rising US long bond yields and inflation swaps. On the income side, a steepening yield curve is positive for net interest margins while improving economic activity bodes well for loan growth. On the cost side, while there is scope for cost cutting in the medium term, a more important near term driver should be lower loan loss provisions, off a high base in 1H2020. Finally, we expect a gradual resumption of dividends after the UK regulator has given the greenlight for dividend payout for 2020.

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.

Top 10 Stock Holding, Industry Exposure and Geographical Exposure by Listing are based on NAV after performance fee accruals.

<sup>^</sup> Subject to the Manager's discretion, the dividends will be declared on a quarterly basis on such date which is the end of March, June, September and December of each year. Dividends can be paid out of capital or effectively out of capital of the relevant Class and may result in an immediate reduction of Net Asset Value per Unit of the Fund. There is no target level of dividend payout. Estimated annualized dividend (%) = (Dividend per unit x 4) / NAV on Record Date. The Dividends information is for reference only.

This material is issued by Pickers Capital Management Limited and has not been reviewed by the Securities and Futures Commission.



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