

# Fullerton Lux Funds - China A Equities - Class A (USD)

February 2020

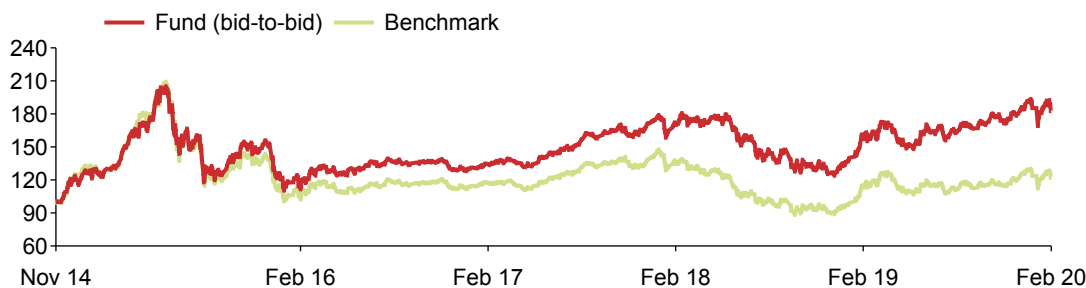
## Investment Objective

The investment objective of the Fund is to generate competitive risk adjusted return on a relative basis.

## Investment Focus and Approach

The Investment Manager seeks to achieve the objective of the Fund by investing primarily in China "A" shares listed on PRC Stock Exchanges through the Investment Manager's RQFII quota. The investment universe will include, but not limited to, exchange traded funds, listed warrants, index futures, securities investment funds, listed onshore bonds, money market funds, cash and other financial instruments qualifying as RQFII Eligible Securities.

## Performance (%)



	1 mth	3 mths	6 mths	1 yr	3 yrs	5 yrs	Sl. Ann. Ret.	Sl. Ann. Vol.
<b>Fund (bid-to-bid)</b>	-1.50	6.57	10.97	16.16	10.68	6.87	12.00	25.34
<b>Fund (offer-to-bid)</b>	-6.19	1.50	5.69	10.63	8.90	5.84	10.98	NA
<b>Benchmark</b>	-1.36	6.59	9.30	7.90	1.26	-1.57	3.81	26.47

Returns of more than 1 year are annualised. Returns are calculated on a single pricing basis in USD with net dividends and distributions (if any) reinvested. Offer-to-bid returns include an assumed preliminary charge of 5% which may or may not be charged to investors.

Benchmark: MSCI China A Onshore Net (USD)

Source: Fullerton Fund Management Company Ltd, MSCI Inc. and Bloomberg.

## Market Review

The MSCI China A index started the month with a sharp sell-off but recovered losses after the government began rolling out policy support. In particular, the China Securities Regulatory Commission loosened its refinancing rules to help listed companies counteract the effects of the COVID-19 outbreak, which aided investor sentiment. In terms of monthly data, China's economic data for February was negatively impacted by COVID-19. Manufacturing activity weakened, with both the NBS and Caixin Manufacturing PMI dropping to record lows of 35.7 and 40.3, respectively. On the policy front, the People's Bank of China cut its 1-year Medium Term Lending Rate by 10bp to 3.15%.

## Investment Strategy

We continue to remain positive on the China A shares market on the back of strong policy response. On a more positive note, we have seen a gradual resumption of business and production activity in the mainland since February. In the longer term, we believe that the impact of the COVID-19 outbreak is likely to be transitory and will not have any major structural impact on China and the rest of Asia.

## Inception date

10 Nov 2014

## Fund size

USD 45.70 million

## Base Currency

USD

## Pricing Date

29 Feb 2020

## NAV\*

USD 18.25

## Management fee

Up to 1.75% p.a.

## Preliminary Charge

Up to 5% of subscription amount (equivalent to a max. of 5.26315% of the Net Asset Value per share)

## Dealing day

Daily

## Deadline

1pm (CET); 5pm (Singapore time) on each Business Day

## Bloomberg Code

FCAAUAC LX

## ISIN Code

LU1064131003

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\* Figures have been truncated to 2 decimal places. The official price is published on Fullerton's website.

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**Sector Breakdown**

Communication Services	2.2%
Consumer Discretionary	7.7%
Consumer Staples	13.1%
Financials	20.9%
Health Care	9.4%
Industrial	9.0%
Information Technology	22.5%
Materials	5.0%
Real Estate	5.2%
Others	0.6%
Cash and cash equivalents	4.5%

**Top 5 Holdings**

China Merchants Bank	5.7%
Kweichow Moutai	5.6%
Ping An Insurance Group	5.5%
Luxshare Precision	4.2%
Industrial Bank Co. Ltd	3.9%

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