

## Taiping Greater China New Momentum Equity Fund

September 2017

(the Sub-Fund of Taiping Investment Fund)

(Data as of 31 August 2017)

### Key features and Risks :

- The Fund seeks to invest in listed securities in the Greater China region (which includes listed securities in the PRC, the HKSAR and Macau, but does not include fixed income securities, debt instruments and shares listed on the Taiwan Stock Exchange). 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 may be exposed to a 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 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.
- 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 for details and risk factors.

### Fund Objective

Taiping Greater China New Momentum Equity Fund is a SFC authorized fund, 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>	Chen Xun		
<b>Fund Manager</b>	Taiping Assets Management (HK) Company Limited		
<b>Launch Date</b>	26 March 2009		
<b>Fund Size (m)</b>	HKD	415.77	
<b>NAV per share</b>	HKD	93.450509	
		*Ex-dividend	
<b>Current prices</b>	<b>Bid</b>	HKD	93.45
	<b>Offer</b>	HKD	93.46
<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	70%
USA	19%
Cash and Others	11%

By Sector	
Financials	28%
Information Technology	27%
Cash	11%
Consumer Discretionary	9%
Materials	8%
Industrials	3%
Utilities	3%
Energy	3%
Telecommunication Services	3%
Real Estate	2%
Consumer Staples	2%
Health Care	1%

### Fund Manager's Report

#### Market Review

The benchmark index ( MSCI Zhonghua Index ) rose 3.5% in August and ended higher for eight consecutive months. Information technology and financial sector contributed the most, while good sales data and south-bound money flow also lift Chinese property stocks higher. Fund NAV rose 4.0% in August and beat the benchmark by 0.5%, thanks to our overweight on the financial and information technology sectors, stock picks in these two sectors worked well.

#### Market Outlook

August macro data such as PMI, PPI and CPI came in better than expectation, indicating that Chinese economy maintained steady growth. Stronger RMB is also good for the stock market in Hong Kong. However, after eight months of strong performance, valuation of the market becomes more sensitive. Giving that the European Central Bank and Federal Reserve may raise interest rates in near future, we expect that the market would be more volatile towards the year end. As we are optimistic about the impact of the 19th Party Congress especially on the higher expectations of reforms, the Fund will maintain the strategy to overweight the leading companies in financial and information technology, while gradually reducing the risk allocation in more volatile basic materials sector.

### Fund Performance



### Cumulative Performance

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	#Since
Fund	4.01%	10.11%	9.42%	7.41%	-10.38%	-6.52%	15 Dec 2014

### Calendar Year Performance

	2017YTD	2016	2015	2014	2013	2012
Fund	12.44%	-8.31%	-13.55%	-6.85%	6.16%	1.46%

# On 15 December 2014, the Fund Manager was changed to Taiping Assets Management (HK) Company Limited and investment strategy was also changed. Performance before this date was achieved under circumstances that no longer apply.

### Top Five Holdings

Holding	Sector	Exchange	%
TENCENT HOLDINGS LTD	Information Technology	Hong Kong	9.59%
CHINA MERCHANTS BANK-H	Financials	Hong Kong	7.57%
ALIBABA GROUP HOLDING-SP ADR	Information Technology	USA	4.95%
AAC TECHNOLOGIES HOLDINGS IN	Information Technology	Hong Kong	4.56%
NEW CHINA LIFE INSURANCE C-H	Financials	Hong Kong	4.56%

• Source: Taiping Assets Management (HK) Company Limited. Performance of the Fund is calculated on NAV-to-NAV basis with gross dividend and net of all fees. Benchmark Source: MSCI. Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent. • 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 does not guarantee the accuracy or completeness of the information provided by third parties. 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.