

# Affin Hwang **World Series -** **China A Opportunity** Fund

PRODUCED: JANUARY 2021

Out**think**. Out**perform**.



**AFFIN HWANG**  
**CAPITAL**  
Asset Management



# Long Term Growth Drivers Still Intact

China is...



- Online sales grew 32% y-o-y in 2017, reaching USD 1.149 trillion<sup>1</sup>
- China's online retail market is huge and has room to grow as China urbanises and more citizens get online



- 231 million moved to cities since 2010 and 225 million will move by 2030<sup>2</sup>
- Demand for services like education and healthcare is expanding



- China's R&D spending grew from USD 49 billion to USD 264 billion within 10 years<sup>3</sup>
- China is ramping up robotics installations by over 25% a year and automating its manufacturing sector<sup>4</sup>



- 385 million people will be aged over 65 in 2030, an increase of 110 million since 2015<sup>5</sup>
- China's healthcare market expected to grow with a 9.3% p.a. CAGR between 2017 and 2030<sup>6</sup>

Sources: 1: National Bureau of Statistics, Feb 2018; 2: United Nations, 2017; 3: IMF World Economic Outlook, April 2018; 4: Bloomberg, May 2018; 5: United Nations, 2018; 6: China Daily, March 2018

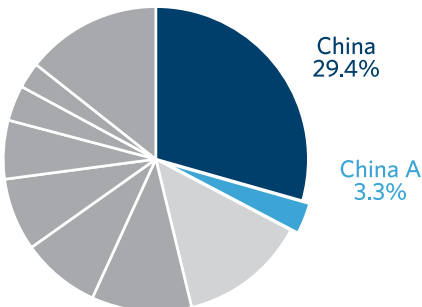
## Why Invest in China A Shares Now?

International flows to China A shares likely to increase

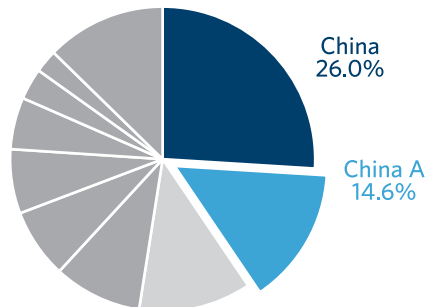
MSCI has started including China A shares into its emerging markets index in June 2018. With that move, international investors will likely become more active in this market. China A shares may get a boost over time as overseas investors step up their allocations.

### Gradual inclusion of China A shares into MSCI Emerging Market index

**20% inclusion factor +  
20% China A MidCap**  
(May – Nov 2019)



**100% inclusion**  
(Potential full inclusion)



Inclusion of China A shares into MSCI indices will see sizeable flows and greater global investor interest.

Source: MSCI, FactSet, Goldman Sachs Global Investment Research, as of February 2019

# OUR INVESTMENT STRATEGY

Affin Hwang World Series - China A Opportunity Fund invests

**Minimum 80% of the Fund's NAV**

in the Target Fund, UBS (Lux) Investment SICAV - China A Opportunity



**Maximum 20% of the Fund's NAV**

in money market instruments, deposits and/or cash

To defend positions and raise liquidity during adverse market conditions

## Fund Facts

Fund Category / Type	Feeder Wholesale / Growth		
Investment Objective	The Fund seeks to achieve capital appreciation over medium to long term period.		
Investor's Profile	This Fund is suitable for investors who: <ul style="list-style-type: none"> <li>• seek capital appreciation through investments in China A-shares;</li> <li>• have a long term investment horizon; and</li> <li>• have a high risk tolerance.</li> </ul>		
Investment Strategy	The Fund will be investing a minimum of 80% of the Fund's NAV into the Target Fund and a maximum of 20% of the Fund's NAV into money market instruments, deposits with Financial Institutions and / or cash.		
Asset Allocation	<ul style="list-style-type: none"> <li>• A minimum of 80% of the Fund's NAV to be invested in the Target Fund; and</li> <li>• A maximum of 20% of the Fund's NAV to be invested in money market instruments, deposits and / or cash.</li> </ul>		
Benchmark	MSCI China A Onshore Index		
Distribution Policy	The Fund is not expected to make distribution. However, incidental distribution may be declared whenever is appropriate.		
Minimum Investment	<b>USD Class</b> Initial: USD 5,000 Additional: USD 1,000  <b>SGD Hedged-class</b> Initial: SGD 5,000 Additional: SGD 1,000	<b>MYR Class</b> Initial: MYR 5,000 Additional: MYR 1,000  <b>AUD Hedged-class</b> Initial: AUD 5,000 Additional: AUD 1,000	<b>MYR Hedged-class</b> Initial: MYR 5,000 Additional: MYR 1,000
Trustee	TMF Trustees Malaysia Berhad		

### WARNING STATEMENT

A copy of the Information Memorandum ("Info Memo") and Product Highlights Sheet ("PHS") can be obtained at Affin Hwang Asset Management's sales offices or at [www.affinhwangam.com](http://www.affinhwangam.com). Investors are advised to read and understand the contents of Affin Hwang World Series - China A Opportunity Fund's (or the "Fund") Info Memo dated 8 January 2019 and the corresponding PHS before investing. There are fees and charges involved when investing in the fund stated herein. Investors are advised to consider and compare the fees and charges as well of the risks carefully before investing. Investors should make their own assessment of the risks involved in investing and should seek professional advice, where necessary. The price of units and distribution payable, if any, may go down as well as up and past performance of the fund should not be taken as indicative of its future performance. The Securities Commission Malaysia has not reviewed this marketing/promotional material and takes no responsibilities for the contents of this marketing/promotional material and expressly disclaims all liability, however arising from this marketing/promotional material.

## #GrowWithUs

Follow us:



AffinHwangAM



affinhwangam

Affin Hwang Asset Management Bhd 199701014290 (429786-T)

Ground Floor, Menara Boustead, 69 Jalan Raja Chulan, 50200 Kuala Lumpur.

Toll Free Number: 1800 88 7080 T: +603 2116 6000 F: +603 2116 6100 W: [www.affinhwangam.com](http://www.affinhwangam.com)