

China Universal Consumer Industry Strategy

As of Dec 31, 2023

Portfolio Manager



Portfolio Manager:
Xinwei Hu
Managed since:
2016
Joined Firm:
2011

Fund Information

Bloomberg Ticker	CNUNCSF CH
Fund Ticker	000083
Custodian	CCB
Inception Date	2013/05/03
Benchmark	CSI Consumer Staples Index×40% + CSI Consumer Discretionary Index ×40% + SSE Government Bond Index×20%
Currency	CNY
Total Assets	RMB 13.93 billion (USD 1.97 billion ^[1])
Management Fee	1.2% ^[2]

Calendar Year Return

	Fund Return	Benchmark CSI 300 Total Return
2013	13.90%	10.09%
2014	22.21%	17.04%
2015	81.97%	28.14%
2016	-11.61%	-6.05%
2017	49.89%	26.59%
2018	-18.38%	-21.63%
2019	72.84%	37.62%
2020	77.52%	46.73%
2021	-4.20%	-5.02%
2022	-20.48%	-12.67%
2023	-17.89%	-11.08%

Source: Wind, CUAM, as of Dec 31, 2023

Notes: Performance data is in RMB and net of fees. [1] The exchange rate of US dollar to RMB is the end-of-month rate from PBoC which is 7.0827; [2] 1.2% refers to management fee for mutual funds; The management fee for segregated account varies; The performance data quoted represents past performance; it does not guarantee future results.

Objective and Risk & Return Profile

- The strategy seeks to provide superior and sustainable capital appreciation by selecting high-quality securities in consumer related sectors, seizing the trend of the market and constructing a portfolio from the medium to long-term perspective based on in-depth bottom-up fundamental analysis and strict risk control.
- We believe that companies benefiting from rapid advances in consumer industries offer significant opportunities for long-term growth, which is often reflected in rapidly rising stock prices.
- The strategy is less diversified than other equity funds investing in a broader range of industries and therefore could experience significant volatility. We pay great attention to the portfolio's beta, fluctuation, tracking error, maximum drawdown and liquidity.

Investment Strategy

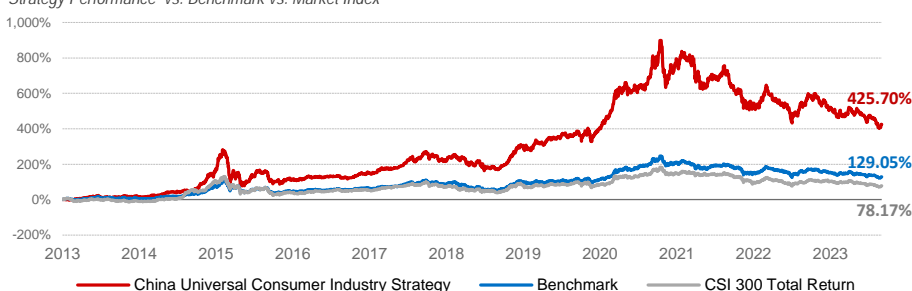
- The strategy normally invests at least 80% of its equity assets in consumer related sectors. The strategy generally maintains a relatively stable equity assets position and persists in a relatively balanced sector allocation in various consumer sub-industries, taking the proportion of different sub-industries in the benchmark as a reference, and tries to control the tracking error under 10%.
- The strategy emphasizes bottom-up stock selection based on proprietary, fundamental research and valuation analysis, and conducts dynamic adjustment according to the change of investment theme. Both qualitative and quantitative analysis methods are used to select companies which have core competitive advantages and long-term sustainable growth potentials. The intrinsic growth and external merger and acquisition aspects are considered respectively in combination with the characteristics of the consumer industry. Consistent and disciplined valuation framework is applied to provide a margin of safety.

Average Annual Total Return

	One Year	Three Years	Five Years	Since Inception
The Fund (Annualized)	-17.89%	-14.48%	13.92%	16.83%
Benchmark (Annualized)	-11.08%	-9.67%	8.27%	8.08%
CSI 300 Total Return (Annualized)	-9.14%	-11.09%	4.90%	5.56%

Historical Excess Return

Strategy Performance vs. Benchmark vs. Market Index



GICS Sector Allocation

Sector	of Net Asset
Consumer Staples	69.43%
Consumer Discretionary	13.94%
Health Care	6.45%
Information Technology	1.15%
Materials	0.51%
Industrials	0.15%

Top Ten Holdings

Stock Name	of Net Asset
Kweichow Moutai	9.85%
Shanxi Xinghuacun Fen Wine Factory	9.61%
Luzhou Laojiao	9.15%
Wuliangye Yibin	7.86%
Haier Smart Home	5.28%
Anhui Gujing Distillery	4.85%
Anjoy Foods	3.91%
Jiangsu King's Luck Brewery	3.26%
Proya Cosmetics	3.10%
Anhui Yingjia Distillery	2.86%

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