

Mainland-HK Mutual Recognition of Funds Series – CIFM China Sector Rotation Fund (Class H)

April 2021

- The Fund will explore in listed companies which demonstrates core competitive advantage in the dominant industries during cyclical economic fluctuations.
- The Fund is therefore exposed to investment, concentration, Mainland market, RMB currency and conversion risks. The Fund has exposure to the Mainland China equity and will be subject to market, volatility, policy, small/mid-capitalisation companies, and high valuation and liquidity risks. The Fund will also subject to the SME board and/or ChiNext market risk, Mainland debt securities risk and the risks relating to repurchase/reverse repurchase transactions.
- The Fund is a Mainland fund authorized for public offering in Hong Kong pursuant to the Mainland-Hong Kong Mutual Recognition of Funds (MRF) scheme and risks associated with the MRF arrangement include (1)Quota restrictions; (2)Failure to meet eligibility requirements under MRF; (3)Mainland tax risk; and (4)Different market practices between Mainland and Hong Kong.
- The Fund may at its discretion make distributions out of accrued net distributable income carried over from the previous financial year(s) amounts to distributions out of capital under Hong Kong regulatory disclosure requirements. Investors should note that the payment of distributions out of capital represents a return or a withdrawal of part of the amount they originally invested or capital gain attributable to that amount. Any distributions involving payment of dividends out of capital of the share class will result in an immediate decrease in the NAV per unit of the relevant units.
- Investors should not only base on this marketing material alone to make investment decisions.

INVESTMENT OBJECTIVE

The Fund aims to, through capturing the pattern of correlations between assets rotation, industrial strategy and economic cycles, achieve long-term steady excess return of fund assets in an environment of changing prosperity by exploring opportunities in listed companies which demonstrates core competitive advantage in the dominant industries during cyclical economic fluctuations.

PORTFOLIO INFORMATION

Fund manager **Sun Fang, China**

Launch date **21 January 2016**

Net Asset Value of the Fund (m)
(as at 31 December 2020) **CNY 930**

Denominated currency and NAV per unit **CNY 3.9169**

Current charge: Subscription **Up to 5% of NAV**
Redemption **0.13% NAV**
(Up to 0.5%)
Management fee **1.5% p.a.**

Last distribution (xd date) **CNY 0.357 per unit /
19 September 2017**

Distribution frequency⁹⁾ **Not more than 4 times
in a calendar year**

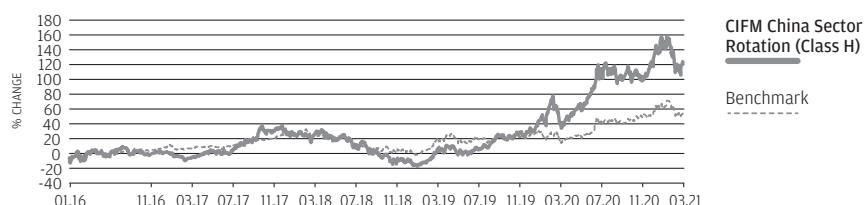
ISIN code **CNE100002474**

Bloomberg code **CIWHEEH CH**

STATISTICAL ANALYSIS

	3 years	5 years	Since launch ⁹⁾
Alpha %	13.44	9.64	9.56
Beta	1.35	1.36	1.37
Annualised volatility %	28.25	25.62	26.44
Sharpe ratio	1.31	1.51	1.51
Average annual return %	20.57	16.62	16.61

PERFORMANCE FROM 26.01.16 TO 31.03.21 (in denominated currency)



CUMULATIVE PERFORMANCE % (in denominated currency)

	1 year	3 years	5 years	Since launch ⁹⁾
Class H	+56.93	+75.36	+115.81	+121.80
Benchmark ¹⁾	+30.00	+26.33	+49.16	+52.94

CALENDAR YEAR PERFORMANCE % (in denominated currency)

	2016 ³⁾	2017	2018	2019	2020	YTD
Class H	-4.64	+31.03	-32.44	+56.89	+72.47	-2.90
Benchmark ¹⁾	+5.22	+17.55	-19.12	+29.73	+22.50	-2.34

PORTFOLIO ANALYSIS OF THE FUND (as at 31 December 2020)

Asset (Percentage of total asset)	Equity Sector ⁴⁾ (Percentage of NAV)	Bond Type (Percentage of NAV)
Stocks 89.77%	Manufacturing 83.09%	Convertible Bonds 0.01%
Bank Deposits and Cash 7.93%	Information Technology 3.50%	
Reserve	Mining 3.23%	
Others 2.29%	Scientific Research and Technical Services 1.06%	
Bonds 0.01%	Finance 0.92%	
	Wholesale and Retail 0.02%	
	Culture, Sports and Entertainment 0.01%	

TOP FIVE HOLDINGS OF THE FUND (Percentage of NAV) (as at 31 December 2020)

Holding	Sector ¹⁾	%
Tongwei Co., Ltd.	Manufacturing	6.92
Contemporary Amperex Technology Co., Limited	Manufacturing	6.71
Changchun High-tech Industry (Group) Co., Ltd.	Manufacturing	6.38
Beijing Roborock Technology Co., Ltd.	Manufacturing	6.24
EVE Energy Co., Ltd.	Manufacturing	5.38

For more information, please contact
your bank, financial adviser or visit
am.jpmorgan.com/hk

Fund Manager:

Main Distributor in Hong Kong:

China International
Fund Management

J.P.Morgan
Asset Management

Unless stated otherwise, all information as at 31 March 2021. Source: CIFM (Performance is calculated on NAV to NAV basis with dividend reinvested). The classification of the Fund is based on the distribution location, different share classes will have different fee structures and performance may not be the same. 1) The benchmark of the Fund is CSI 300 Index Yield × 80% + SSE Treasury Bond Index Yield × 20% (Dividends reinvested after deduction of withholding tax). The Fund is not managed with reference to the index. The index is provided for performance comparison only. 2) Performance data are calculated from the first trading day after inception. 3) Since the first trading day after inception to end of year for fund classes accepted in that year. 4) The classification under the equity sector adopted the industry sector of CSRC with certain simplification. Asset allocation only reflects the past portfolio of the Fund, which is subjected to change in the future under different market conditions. 5) Dividend distribution will not change the risk characteristic of the Fund, lower the investment risk nor increase investment yield. Please refer to the "Prospectus" for more details on dividend distribution. There is no guarantee on dividend distribution. Return will be calculated based on the base currency. The fund denominated in RMB, investors using the USD/HK dollar as their base currency may be vulnerable to fluctuations in exchange rates. Different classes of the Fund have different identifiers, and the NAV of each share class will be published separately.

The information above is for reference only. Investment involves risk. Past performance is not indicative of future performance. Please refer to the offering document(s) for details, including the risk factors and also disclaimer at the back of the report.

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DISCLAIMER

Investment involves risk. The fund manager undertakes to manage and utilize the fund assets in good faith and with due diligence, however, there is no guarantee that the fund will make a profit nor is there guaranteed minimum return. Past performance and net asset value of the fund are no indication of future performance. The value of investments and the income from them may fluctuate and your investment is not guaranteed. Investors may not get back the full amount invested. Exchange rates may cause the value of underlying overseas investments to go down or up. Investments in emerging markets may be more volatile than other markets and funds which are invested in emerging markets are usually more sensitive to price movements and the risk to your capital is therefore greater. Also, the economic and political situations may be more volatile than in established economies and these may adversely influence the value of investments made. Please refer to the offering documents for details including the risk factors, before making investment decisions. Investors should ensure that they fully understand the characteristics and potential risks and rewards of the product and independently determine whether the investment product is suitable for them having regard to their own investment objectives, experience, financial and operational resources and relevant circumstances before making any decision to invest in the investment product. Please seek professional advice where needed.

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Fund Manager:

China International
Fund Management

Main Distributor in Hong Kong:

J.P.Morgan
Asset Management

Risk Rating for Mainland-HK Mutual Recognition of Funds 內地與香港互認基金之風險評級

Please refer to the following funds' risk rating:

請參考以下基金之風險評級：

Fund Name 基金名稱	Risk Rating 風險評級
CIFM China Multi-Assets Fund (Class H) 上投摩根雙息平衡混合型證券投資基金(H股份類別)	4
CIFM China Emerging Power Fund (Class H) 上投摩根新興動力混合型證券投資基金(H股份類別)	5
CIFM China Sector Rotation Fund (Class H) 上投摩根行業輪動混合型證券投資基金(H股份類別)	5

Remarks:

備註：

- Risk Ratings are as at January 2021.
風險評級均截至2021年1月。
- Fund risk is classified into 5 different risk ratings, ranging from 1 to 5 with 5 being the highest risk rating.
風險評級分為5個級別，由1至5，5為最高風險級別。
- Risk ratings are based on J.P. Morgan Asset Management's assessment of relative risk by asset class and historical volatility of the fund where applicable. The risk ratings are reviewed annually or as appropriate and for reference only.
風險評級乃基於摩根資產管理就各類資產之相對風險及基金過去波幅評估而定，並每年(或適當時候)作檢討，僅供參考。

Investment involves risk. Past performance is not indicative of future performance. Please refer to the offering document(s) for details, including the risk factors.

This document has not been reviewed by the SFC. Issued by JPMorgan Funds (Asia) Limited.

投資涉及風險。過去業績並不代表將來表現。請參閱銷售文件所載詳情，包括風險因素。

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