



Mirae Asset Global Discovery Fund

# Mirae Asset China Sector Leader Equity Fund

## IMPORTANT:

- Mirae Asset China Sector Leader Equity Fund (the "Fund") mainly invests in equities and equity-related securities of sector leading companies domiciled in or exercising a large portion of their economic activity in China and Hong Kong.
- The Fund invests in emerging markets should be regarded as having higher political, regulatory, volatility, liquidity, economic and foreign currency risks than a fund which invests in developed markets.
- The Fund invests in China and Hong Kong should be regarded as having higher concentration risks than a fund following a more diversified policy.
- Before you decide to invest, you should make sure the intermediary has explained to you that the Fund is suitable to you.
- Investors should not only base on this marketing material alone to make investment decisions.



## Fund information

<b>Benchmark:</b>	MSCI China 10/40 Index
<b>Fund structure:</b>	Luxembourg-domiciled SICAV
<b>Legal status:</b>	UCITS V
<b>Morningstar Category™:</b>	China Equity
<b>ISIN code:</b>	LU0336295752
<b>Bloomberg ticker:</b>	MIRCSLA LX
<b>Total fund size:</b>	USD 8.94M
<b>No of holdings:</b>	34
<b>Reference currency:</b>	USD
<b>Other dealing currencies:</b>	EUR, GBP
<b>Fund launch date:</b>	2008-07-22
<b>Class A USD launch date:</b>	2009-09-02
<b>Launch price (per share):</b>	USD 10
<b>Net asset value ("NAV") per share:</b>	USD 17.18
<b>Lead Portfolio Manager:</b>	Pilsang Lee
<b>Co-Portfolio Manager:</b>	Wei Wei Chua
<b>Valuation:</b>	Daily
<b>Subscription fee:</b>	Up to 5.25%
<b>Redemption fee:</b>	None
<b>Switching fee:</b>	Up to 1.00%
<b>Management fee:</b>	1.5% p.a.
<b>Minimum initial investment:</b>	USD 2,500
<b>Minimum subsequent investment:</b>	None

## Other available share classes

<b>Share class:</b>	<b>ISIN code:</b>	<b>Bloomberg ticker:</b>
Class A EUR	LU0336295836	MIRCSAE LX

## Risk statistics (June 2014 - June 2019)†

<b>Annualized volatility:</b>	22.60%
<b>Beta:</b>	1.01
<b>Alpha:</b>	-0.23%
<b>Sharpe ratio:</b>	0.27
<b>Tracking error:</b>	7.38%
<b>Information ratio:</b>	-0.03

For more information call (852) 2295-1500 or e-mail [info@miraeasset.com.hk](mailto:info@miraeasset.com.hk)  
 Mirae Asset Global Investments (Hong Kong) Limited  
 Level 15, Three Pacific Place,  
 1 Queen's Road East, Hong Kong  
[investments.miraeasset.com.hk](http://investments.miraeasset.com.hk)

## Investment objective

The primary objective of the sub-fund is to achieve long term growth in the share price through capital appreciation of the underlying equity portfolio.

The Principal Investment Manager will seek to achieve the objective of the sub-fund by investing mainly in equities and equity related securities of sector leading companies domiciled in or exercising a large portion of their economic activity in China and Hong Kong.

## Fund cumulative performance (Class A in USD)



Return (%)	1 Mth	3 Mths	6 Mths	1 Yr	3 Yrs	5 Yrs	YTD	2014	2015	2016	2017	2018	Since launch
<b>Fund</b>	6.4	-0.9	23.2	-8.0	54.5	35.2	23.2	1.1	-4.9	-9.2	59.2	-23.1	71.8
<b>Benchmark</b>	7.7	-3.8	12.7	-5.8	48.7	42.7	12.7	8.3	-7.6	1.1	52.1	-18.1	80.2

## Sector allocation\*\*

Consumer Discretionary	23.6%
Communication Services	19.7%
Health Care	12.3%
Financials	10.3%
Information Technology	10.0%
Consumer Staples	9.0%
Industrials	6.3%
Real Estate	2.5%
Materials	2.2%
Energy	0.0%
Utilities	0.0%
Cash	4.1%

■ Fund ■ Benchmark

## Market capitalization allocation\*\*

Large Cap: (USD > 10B)	67.9%
Mid Cap: (USD 2-10B)	15.1%
Small Cap: (USD <2B)	12.8%
Cash	4.1%

■ Fund ■ Benchmark

## Top ten holdings

Holdings	Country	Sector	Fund (%)	Benchmark (%)
Alibaba Group Holding Ltd. Sponsored ADR	China	Consumer Discretionary	10.1%	9.1%
Tencent Holdings Ltd.	China	Communication Services	9.9%	9.1%
Ping An Insurance (Group) Company of China, Ltd. Class H	China	Financials	5.6%	4.4%
TAL Education Group Sponsored ADR Class A	China	Consumer Discretionary	5.6%	0.9%
Kweichow Moutai Co., Ltd. Class A	China	Consumer Staples	5.4%	0.4%
LONGi Green Energy Technology Co Ltd Class A	China	Information Technology	4.1%	0.0%
New Oriental Education & Technology Group, Inc. Sponsored ADR	China	Consumer Discretionary	3.9%	0.9%
Shanghai International Airport Co., Ltd. Class A	China	Industrials	3.4%	0.0%
HUYA, Inc. Sponsored ADR Class A	China	Communication Services	3.0%	0.0%
3SBio, Inc.	China	Health Care	2.9%	0.1%
<b>Total</b>			<b>54.0%</b>	<b>25.0%</b>

## Fund manager's report#

China's activity data in May was mixed. Fixed asset investment was disappointing but retail sales came in above expectations. Retail sales growth rebounded to 8.6%YoY, up from 7.2% in April, as non-auto categories witnessed improvement. China market rebounded nicely as the trade negotiation between China and the US resumed following the meeting between President Xi and President Trump at G20 summit. The trade conflict between two countries will remain most crucial issue for China stock markets. However, our view is that both countries will manage to strike a deal before the end of 2019, with more concessions made by China. In addition, President Trump appears to have softened his stance on Huawei, commenting he would allow the company to purchase US products as long as they do not threaten national security.

Source: FactSet, Bloomberg and Mirae Asset Global Investments (HK) Limited data as of 30 June 2019. All performance numbers are net of fees, NAV to NAV, in USD with dividends reinvested. Fund: The fund inception date was 22 July 2008 whilst Class A (USD) was launched on 2 September 2009. Benchmark: MSCI China 10/40 Index. The benchmark is a gross return index that includes reinvestment of dividends/income.

The Co-Portfolio Manager appointment was effective 1 March 2019.

† Risk statistics: Data are calculated by monthly performance for the last 5 years. For the fund with less than 5 year track record, data are calculated by daily performance for the last 1 year. Data are not provided if it is less than 1 year. All data except beta are annualized.

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\* Due to rounding, the sum may not equal 100%.

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Investment involves risk. It cannot be guaranteed that the performance of the Fund will generate a return and there may be circumstances where no return is generated or the amount invested is lost. Past performance is not indicative of future performance. Before making any investment decision to invest in the Fund, investors should read the Prospectus and the Information for Hong Kong Investors for details and the risk factors. Investors should ensure they fully understand the risks associated with the Fund and should also consider their own investment objective and risk tolerance level. Investors are advised to seek independent professional advice before making any investments. References to particular sectors, securities or companies are for general information and illustrative purposes only and are not recommendations to buy or sell a security, or an indication of Mirae Asset HK's holdings at any one time.

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