

November 2021

Factsheet

## Manulife Investment Greater China Fund

### Fund category

Equity

### Fund objective

To provide Unit Holders with capital growth over the medium- to long-term by investing in larger capitalised companies in the Greater China region namely China, Hong Kong and Taiwan markets, as well as China-based companies listed on approved overseas markets\*.

\*Foreign markets where the regulatory authority is an ordinary or associate member of IOSCO

### Investor profile

The Fund is suitable for investors who seek capital appreciation over the medium- to long-term, willing to accept higher level of risk and have a medium- to long-term investment horizon.

### Fund manager

Manulife Investment Management (Hong Kong) Limited

### Trustee

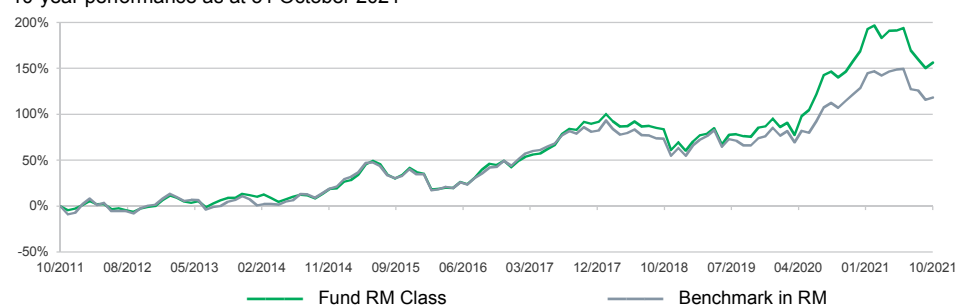
HSBC (Malaysia) Trustee Berhad  
193701000084 (1281-T)

### Fund information (as at 31 Oct 2021)

NAV/unit	RM 0.4973
Fund size	RM 201.87 mil
Units in circulation	405.91 mil
Fund launch date	21 Oct 2008
Fund inception date	11 Nov 2008
Financial year	31 Aug
Currency	RM
Management fee	Up to 1.75% of NAV p.a.
Trustee fee	Up to 0.06% of NAV p.a. excluding foreign custodian fees and charges
Sales charge	Up to 6.50% of NAV per unit
Redemption charge	Nil
Distribution frequency	Incidental, if any
Benchmark	MSCI Golden Dragon Index

### Fund performance

10-year performance as at 31 October 2021\*



### Total return over the following periods ended 31 October 2021\*

	1 month	6 month	YTD	1 year	3 year	5 year	10 year
Fund RM Class (%)	2.32	-11.87	-4.70	3.90	58.96	76.86	156.35
Benchmark in RM (%)	1.14	-11.39	-4.39	1.74	40.93	53.19	118.57

### Calendar year returns\*

	2016	2017	2018	2019	2020
Fund RM Class (%)	5.14	34.72	-16.21	21.58	37.65
Benchmark in RM (%)	7.11	26.64	-15.06	19.42	23.42

\*Source: Lipper; Past performance is not necessarily indicative of future performance. The performance is calculated on NAV-to-NAV basis.

### Top 5 holdings

No.	Security name	% NAV
1	Taiwan Semiconductor Manufacturing Co., Ltd.	9.3
2	Tencent Holdings Ltd.	7.0
3	Alibaba Group Holding Ltd.	5.0
4	Meituan Class B	3.3
5	AIA Group Limited	2.9

### Asset/sector allocation

No.	Asset/sector name	% NAV
1	Consumer Discretionary	24.4
2	Information Technology	23.3
3	Financials	12.3
4	Communication Services	11.0
5	Materials	6.6
6	Industrials	6.5
7	Healthcare	4.9
8	Real Estate	3.7
9	Others	4.1
10	Cash & Cash Equivalents	3.2

### Highest & lowest NAV

	2018	2019	2020
High	0.4975	0.4797	0.6174
Low	0.3818	0.3771	0.4002

### Distribution by financial year

	2019	2020	2021
Distribution (Sen)	-	3.26	10.00
Distribution Yield (%)	-	6.8	16.1

### Geographical allocation

No.	Geographical name	% NAV
1	China	63.3
2	Taiwan	24.5
3	Hong Kong	9.0
4	Cash & Cash Equivalents	3.2

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## Manulife Investment Greater China Fund

### Market review

China and Hong Kong equities posted gains for the month. Offshore listed tech and internet stocks surged in the first half of the month, as investors saw the rate of new regulations decreasing. The conclusion on antitrust fines on some major platforms were also seen as potential relief of the sector overhang. In the October study session of the Politburo, central government called for co-existence of regulation and development for internet platforms and stated digital economy is crucial for enhancing productivity and international competitiveness. On the real estate side, while potential credit events continued to hover news headlines, Chinese government has signalled the debt crisis for an individual leading developer is manageable and spill over risks are contained. PBoC (Central Bank of China) also affirmed in the month that reasonable funding needs are being met for the sector, indicating selective relaxation in housing loans at local provincial level are possible in the near term. Fiscal stimulus especially green infrastructure initiatives, targeted monetary easing measures against the softening economic backdrop were the main focus of investor expectation.

Taiwan equity moved higher for the month led by tech sector on strong third-quarter revenues and guidance by blue-chip tech producers.

### Market outlook

We believe the YTD correction led by regulatory clampdown has allowed value to emerge on China equity from fundamental standpoint. While it may still be too early to say the current episode of regulatory tightening is over, we believe most severe measures had been released and digested. Swift rectification of business and operation models by relevant platforms and industries are also observed and therefore allowing growth expectations to be reset. China equity is now trading at a healthier level and we believe further downside on the affected sectors is limited.

Looking forward, we see solid investment opportunities in renewable energy sector which enjoys strategic priority for government funding support. Construction of wind and photovoltaic bases has already been accelerated thanks to the elevated pace in governmental bond issuance totalling RMB 1 trillion worth in 2021. Longer term, we expect the release of roadmap for peak carbon emissions by 2030 will mean decarbonization efforts under a more institutionalized framework. Recent campaign-style power cuts shall be rectified as central government vowed to strike a balance between its decarbonization initiatives and economy activities for the country's sustainable development.

Strategy wise, our strategy currently has an overweight on photovoltaic and EV battery supply chain. We will continue to look for idea in both onshore and offshore wind operators and their respective equipment manufacturing supply chain. We would also suggest investors not to overlook policy tailwinds on certain favorable sectors that are supported by government policies. For Taiwan, we are positive on the tech upcycle thanks to strong demand for semiconductor and power related solutions.

### Fund review and strategy

The Fund rebound in the month and outperformed its benchmark. Stock selection in information technology and communication services contributed most to relative performance. The overweight in materials marginally offset some gains.

Regarding individual holdings, key contributor was a leading manufacturer for relays that are used in smart appliances, electric vehicles (EV) and other industrial automation controls. The company reported a set of robust Q3 results with revenue and net profit growth at 31% and 25% year-on-year, thanks to a surge in demand for high power relay for EV uses and further penetration into domestic auto brands. Another contributor is a manufacturer for auto components which benefited from robust demand of EV.

On the detractor side, the Fund's position in a biopharmaceutical company focused on oncology treatment paused its YTD rally. We remain confident in the company's research pipeline and execution ability of its licensing-out activities. Another detractor is the Fund's position in a construction machinery supplier. The stock retreated a weaker-than-expected Q3 results, and concerns on slowdown in domestic construction machinery demand driven by the property down cycle.

Based on the Fund's portfolio returns as at 30 Sep 2021 the Volatility Factor (VF) for the Fund is as indicated in the table above and are classified as in the table (source: Lipper). "Very High" includes Funds with VF that are above 17.285, "High" includes Funds with VF that are above 14.240 but not more than 17.285, "Moderate" includes Funds with VF that are above 10.840 but not more than 14.240, "Low" includes Funds with VF that are above 4.265 but not more than 10.840 and "Very Low" includes Funds with VF that are above 0.000 but not more than 4.265 (source: FIMM). The VF means there is a possibility for the Funds in generating an upside return or downside return around this VF. The Volatility Class (VC) is assigned by Lipper based on quintile ranks of VF for qualified Funds. VF and VC are subject to monthly revision or at any interval which may be prescribed by FIMM from time to time. The Fund's portfolio may have changed since this date and there is no guarantee that the Funds will continue to have the same VF or VC in the future. Presently, only Funds launched in the market for at least 36 months will display the VF and its VC.

The above information has not been reviewed by the SC and is subject to the relevant warning, disclaimer, qualification or terms and conditions stated herein. Investors are advised to read and understand the contents of the Master Prospectus dated 10 August 2020 and its First Supplemental Master Prospectus dated 10 August 2020 and its Second Supplemental Master Prospectus dated 27 January 2021 and its Third Supplemental Master Prospectus dated 5 April 2021 and its Fourth Supplemental Master Prospectus dated 13 September 2021 and all the respective Product Highlights Sheet(s) (collectively, the "Offering Documents"), obtainable at our offices or website, before investing. The Offering Documents have been registered with the Securities Commission Malaysia (SC), however the registration with the SC does not amount to nor indicate that the SC has recommended or endorsed the product. Where a unit split/distribution is declared, investors are advised that following the issue of additional units/distribution, the NAV per unit will be reduced from the pre-unit split NAV/cum-distribution NAV to post-unit split NAV/ex-distribution NAV; and where a unit split is declared, the value of your investment in the Fund's denominated currency will remain unchanged after the distribution of the additional units. Past performances are not an indication of future performances. There are risks involved with investing in unit trust funds; wholesale funds and/or Private Retirement Schemes. Some of these risks associated with investments in unit trust funds; wholesale funds and/or Private Retirement Schemes are interest rate fluctuation risk, foreign exchange or currency risk, country risk, political risk, credit risk, non-compliance risk, counterparty risk, target fund manager risk, liquidity risk and interest rate risk. For further details on the risk profile of all the funds, please refer to the Risk Factors section in the Offering Documents. The price of units and income distribution may go down as well as up. Investors should compare and consider the fees, charges and costs involved. Investors are advised to conduct own risk assessment and consult the professional advisers if in doubt on the action to be taken.