

Robeco Chinese Equities D USD

Robeco Chinese Equities invests in leading listed Chinese stocks. The selection of these stocks is based on fundamental analysis. The fund identifies attractive macro-economic themes and selects fundamentally sound companies. Both offshore (Hong Kong and US listed) and, to a limited extent, domestic Chinese stocks are selected.



Victoria Mio
Fund manager since 01-05-2007

Performance

	Fund	Index
1 m	1.77%	6.29%
3 m	-8.13%	-6.06%
Ytd	-20.73%	-12.96%
1 Year	-18.60%	-11.29%
2 Years	6.85%	13.41%
3 Years	5.29%	10.12%
5 Years	2.93%	5.39%
10 Years	9.89%	10.59%
Since 07-2008	4.36%	4.75%

Annualized (for periods longer than one year)

Note: due to a difference in measurement period between the fund and the index, performance differences may arise. For further info, see page 4.

Fund price

30-11-18	USD	155.86
High Ytd (29-01-18)	USD	213.41
Low Ytd (30-10-18)	USD	142.93

Reference index

MSCI China 10/40 Index (Net Return, USD)

General facts

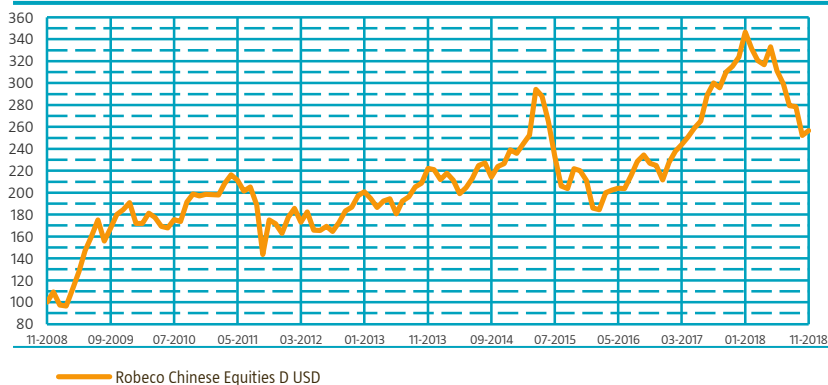
Morningstar	★★★★
Type of fund	Equities
Currency	USD
Total size of fund	USD 352,980,191
Size of share class	USD 32,454,344
Outstanding shares	209,044
1st quotation date	11-07-2008
Close financial year	31-12
Ongoing charges	1.72%
Daily tradable	Yes
Dividend paid	No
ex-ante RatioVaR limit	-
Management company	Robeco Luxembourg S.A.

Fees

Management fee	1.50%
Performance fee	None
Service fee	0.12%
Expected transaction costs	0.65%

Performance

Indexed value (until 30-11-2018) - Source: Robeco



Performance

Based on transaction prices, the fund's return was 1.77%.

The best-performing sectors in the MSCI China 1040 Index were real estate and information technology. The worst-performing sector was energy. The fund underperformed the benchmark in November. Stock selection contributed 0.82% to performance, while sector allocation detracted 1.13%, mainly due to our overweight in consumer discretionary and underweight in information technology.

Market development

In November, the MSCI China 1040 Index gained 6.29% in US dollar terms and 6.37% in euro terms. The A-share market declined 0.14% in renminbi terms, with the currency losing 0.51% against the US dollar. The macroeconomic data released in November generally aligned with market expectations - manufacturing PMI (50.0), industrial production (6.4%), retail sales (9.2%), exports (20.1%), imports (26.3%), investment (5.7%), CPI (2.5%), PPI (3.3%) and M2 (8.0%).

Expectation of fund manager

China's economy grew 6.8% in the first half of 2018. We expect the Chinese economy to decelerate, and GDP growth is likely to be 6.5% in 2018. However, we may have seen the worst sell-off in recent years in both onshore and offshore Chinese equities in October, as many external and internal risk factors played out. With the depressed valuations, there are many opportunities in the Chinese market, as we expect that many Chinese companies can successfully deal with the current challenges: a slowdown in economic growth, the US-China trade conflict and a deceleration in corporate earnings in 2019. We still believe that over the long term, the consumer, technology and service sectors will continue to drive the economy and gradually represent a larger share.

SI fund classification

	Yes	No	N/A
Voting	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Engagement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ESG Integration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Exclusion	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

PRI ESG Integration Classification

	Yes	No	N/A
Screening	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Integration	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sustainability Themed Fund	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

Top 10 largest positions

The Internet industry is experiencing explosive growth and we have positions in industry leaders Tencent Holdings, Alibaba Group and Baidu in our top ten holdings. Our exposure to banks, such as CCBC and ICBC is based on attractive valuations. In the insurance industry, Ping An is one of the leaders in China. CNOOC gives us energy exposure. China Mobile and China Telecom are the leaders in China telecom services. We like Shenzhou International Group for the growth trend in the consumer discretionary sector.

Legal status

Investment company with variable capital incorporated under Luxembourg law (SICAV)
 Issue structure Open-end
 UCITS V Yes
 Share class D USD
 This fund is a subfund of Robeco Capital Growth Funds, SICAV.

Registered in

Austria, Belgium, Finland, France, Germany, Hong Kong, Ireland, Italy, Luxembourg, Netherlands, Norway, Singapore, Spain, Switzerland, Taiwan, United Kingdom

Currency policy

The fund is allowed to pursue an active currency policy to generate extra returns.

Risk management

Active. Risk management systems continually monitor the portfolio's divergence from the benchmark. In this way, extreme positions are avoided.

Dividend policy

The fund does not distribute dividend. The fund retains any income that is earned and so its entire performance is reflected in its share price.

Fund codes

ISIN	LU0374106598
Bloomberg	RGCEDS LX
Sedol	B6SKMM9
WKN	AORNK3
Valoren	3250934

ESG integration policy

For Robeco Chinese Equities, our focus regarding ESG integration is on corporate governance and in our fundamental assessment of companies we analyze the factor 'management and corporate governance'. We look at the historical behavior of the company vis-a-vis the protection of minority-shareholder interests. Also we investigate the composition of the board and appreciate a higher content of truly independent board members. Finally, we will assess the quality of the audit committee as it is a first protection against fraud. In the quantitative ranking that we use, one of the factors is the RobecoSAM Company score.

Top 10 largest positions

Holdings	Sector	%
Tencent Holdings Ltd	Communication Services	8.98
Alibaba Group Holding Ltd Adr	Information Technology	8.89
China Construction Bank Corp	Financials	6.12
Ping An Insurance Group Co Of China Ltd	Financials	5.25
Baidu Inc Adr	Information Technology	5.07
Cnooc Ltd	Energy	4.86
Industrial & Commercial Bank Of China Lt	Financials	3.81
China Mobile Ltd	Communication Services	3.73
Shenzhou International Group Holdings Lt	Consumer Discretionary	3.70
China Telecom Corp Ltd	Communication Services	3.22
Total		53.64

Top 10/20/30 weights

Top 10	53.64%
Top 20	79.72%
Top 30	93.77%

Statistics

	3 Years	5 Years
Information ratio	-0.56	-0.14
Sharpe ratio	0.33	0.19
Alpha (%)	-2.20	-0.45
Beta	0.97	0.97
Standard deviation	18.75	19.91
Max. monthly gain (%)	10.64	17.06
Max. monthly loss (%)	-13.23	-13.23

Above mentioned ratios are based on gross of fees returns.

Hit ratio

	3 Years	5 Years
Months outperformance	16	30
Hit ratio (%)	44.4	50.0
Months Bull market	21	34
Months outperformance Bull	9	17
Hit ratio Bull (%)	42.9	50.0
Months Bear market	15	26
Months Outperformance Bear	7	13
Hit ratio Bear (%)	46.7	50.0

Above mentioned ratios are based on gross of fees returns.

Changes

As of 1 April 2018, the fund does not use a benchmark in its investment, but uses the MSCI China 10/40 (Net Return) as a reference index. Before 1 April 2018, the fund used the MSCI China (Net Return).

Asset Allocation

Asset allocation	
Equity	93.7%
Cash	6.3%

Sector allocation

The fund had an overall overweight in healthcare, consumer discretionary, energy, utilities, materials and industrials. It was underweight in financials, information technology, consumer staples, real estate and telecom services.

Sector allocation		Deviation reference index
Consumer Discretionary	22.0%	4.4%
Communication Services	21.0%	-1.1%
Financials	19.7%	-6.7%
Health Care	9.0%	5.4%
Energy	8.0%	1.7%
Industrials	6.1%	0.0%
Real Estate	5.5%	-0.8%
Utilities	5.1%	1.7%
Materials	3.3%	1.1%
Consumer Staples	0.2%	-2.6%
Information Technology	0.1%	-3.0%
Other	0.0%	-0.1%

Country allocation

Robeco Chinese Equities invests mainly in China-related shares listed outside China, such as H-shares (Hong Kong-listed Chinese stocks), red chips and US-listed ADRs of Chinese companies. In addition, the fund has a 6% exposure to Chinese domestic stocks (A-shares). The cash position currently stands at 6.3%.

Country allocation		Deviation reference index
China	97.4%	-2.6%
Hong Kong	2.6%	2.6%

Investment policy

Robeco Chinese Equities invests in leading listed Chinese or China-related companies. The country-fund return reflects market developments in the country concerned. Your portfolio is actively managed. Exchange-rate changes are reflected in the fund's price. Risk management is fully embedded in the investment process to ensure that the fund's positions remain within set limits at all times. The fund is normally fully invested. This Sub-fund may invest in China A-shares via the QFII and/or a Stock Connect Programme which may entail additional clearing and settlement, regulatory, operational and counterparty risks.

Fund manager's CV

Ms. Mio is the Lead Portfolio Manager of Robeco Chinese Equities. She is a Senior Portfolio Manager and a member of the Asia-Pacific team. Her Mandarin and Cantonese language skills, Certified Public Accountant in the USA and Financial Risk Manager are very beneficial to accomplishing this task. Prior to joining Robeco in 2006, Victoria worked for seven years in the U.S.A. and five years in China and held senior positions in several financial institutions including JPMorgan Chase & Co, Asterion Capital LLC, and Banco Nacional Ultramarino SA. She started her career in the financial services industry in 1992. Victoria Mio obtained an MBA in Finance from the Wharton School of University of Pennsylvania in the USA as well as a Bachelor's degree in Accounting and Finance from the University of Macau in China. Ms. Mio is a CFA charterholder.

Fiscal product treatment

The fund is established in Luxembourg and is subject to the Luxembourg tax laws and regulations. The fund is not liable to pay any corporation, income, dividend or capital gains tax in Luxembourg. The fund is subject to an annual subscription tax ('tax d'abonnement') in Luxembourg, which amounts to 0.05% of the net asset value of the fund. This tax is included in the net asset value of the fund. The fund can in principle use the Luxembourg treaty network to partially recover any withholding tax on its income.

Fiscal treatment of investor

The fiscal consequences of investing in this fund depend on the investor's personal situation. For private investors in the Netherlands real interest and dividend income or capital gains received on their investments are not relevant for tax purposes. Each year investors pay income tax on the value of their net assets as at 1 January if and inasmuch as such net assets exceed the investor's tax-free allowance. Any amount invested in the fund forms part of the investor's net assets. Private investors who are resident outside the Netherlands will not be taxed in the Netherlands on their investments in the fund. However, such investors may be taxed in their country of residence on any income from an investment in this fund based on the applicable national fiscal laws. Other fiscal rules apply to legal entities or professional investors. We advise investors to consult their financial or tax adviser about the tax consequences of an investment in this fund in their specific circumstances before deciding to invest in the fund.

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Morningstar

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