

# China Equity Fund

USD I Accumulating Class

31 December 2018

## MORNINGSTAR RATING™

★★★★★

## FUND OBJECTIVE

The Fund aims to increase the value of your shares through a combination of growth and income by investing in the shares of companies that carry out a majority of their activities in the Greater China region: China, Hong Kong, Macau or Taiwan. The fund will identify opportunities by carrying out intensive research on companies as well as the general economic outlook for the region.

## MANAGEMENT TEAM

### Frank Yao

Senior Portfolio Manager  
Green Court Capital Management

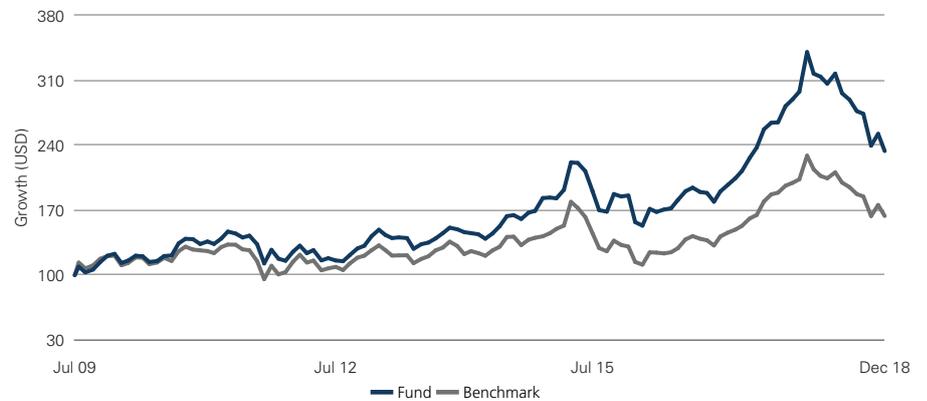
### Lihui Tang

Portfolio Manager  
Green Court Capital Management

## FUND FACTS

|                              |   |
|------------------------------|---|
| Inception Date (Fund)        | 14 July 2009                            |
| Inception Date (Share Class) | 14 July 2009                            |
| Base Currency (Fund)         | USD                                     |
| Base Currency (Share Class)  | USD                                     |
| Fund AUM (USD million)       | 816.67                                  |
| NAV (Share Class Currency)   | 23.40                                   |
| Domicile                     | Ireland                                 |
| Listing                      | Ireland                                 |
| Vehicle                      | UCITS                                   |
| Valuation                    | Daily                                   |
| Settlement (Subscription)    | T+3                                     |
| Trading Deadline             | 15:00 (Dublin Time)                     |
| Regulator                    | Central Bank of Ireland                 |
| Management Fee               | 1.10%                                   |
| TER                          | 1.28%                                   |
| Initial Sales Charge (Max)   | 0.00%                                   |
| Bloomberg                    | NBICISU ID                              |
| ISIN                         | IE00B547N797                            |
| Morningstar Category™        | China Equity                            |
| Benchmark                    | MSCI China Index (USD Net Total Return) |

## CUMULATIVE PERFORMANCE



| CUMULATIVE (%) <sup>1</sup> | 1m    | 3m     | YTD    | 1y     | 3y    | 5y    | SI <sup>3</sup> |
|-----------------------------|-------|--------|--------|--------|-------|-------|-----------------|
| Fund                        | -7.36 | -14.66 | -21.50 | -21.50 | 25.81 | 56.42 | 134.00          |
| Benchmark                   | -6.05 | -10.73 | -18.88 | -18.88 | 26.11 | 25.50 | 65.12           |

| ANNUALISED (%) <sup>1</sup> | 1y     | 3y   | 5y   | SI <sup>3</sup> |
|-----------------------------|--------|------|------|-----------------|
| Fund                        | -21.50 | 7.95 | 9.35 | 9.39            |
| Benchmark                   | -18.88 | 8.04 | 4.65 | 5.44            |

| CALENDAR (%) <sup>2</sup> | 2013 | 2014  | 2015  | 2016  | 2017  | 2018   |
|---------------------------|------|-------|-------|-------|-------|--------|
| Fund                      | 5.20 | 22.53 | 1.47  | -3.60 | 66.26 | -21.50 |
| Benchmark                 | 3.64 | 7.96  | -7.82 | 0.90  | 54.07 | -18.88 |

<sup>1</sup>Performance to latest month end. YTD - Year to Date, SI - Since Inception.

<sup>2</sup>Performance for the current calendar year is the year to date performance up to the reporting month end.

<sup>3</sup>Performance from 14 July 2009 to latest month end.

Fund performance is representative of the USD I Accumulating Class and has been calculated to account for the deduction of fees. **Fund performance does not take account of any commission or costs incurred by investors when subscribing for or redeeming shares. These figures refer to the past. Past performance is not a reliable indicator of future results.** Where a benchmark is shown, the benchmark shown is provided in the base currency of the fund and therefore may not be a fair representative comparison to the hedged currency share class shown. The difference in the currency exposure and currency fluctuations in an unhedged benchmark may cause an unintended differential in any performance or risk comparison.

Source of all data and charts (unless stated otherwise): Neuberger Berman Europe Limited.

## CONTACT

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Website: [www.nb.com](http://www.nb.com)

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## SECTOR ALLOCATIONS % (MV)

|                        | Fund  | Bmrk  |
|------------------------|-------|-------|
| Communication Services | 13.61 | 27.39 |
| Consumer Discretionary | 29.38 | 19.95 |
| Consumer Staples       | 6.54  | 2.55  |
| Energy                 | 1.30  | 5.19  |
| Financials             | 22.76 | 23.29 |
| Health Care            | 4.73  | 2.82  |
| Industrials            | 8.78  | 5.37  |
| Information Technology | 0.00  | 2.51  |
| Materials              | 4.51  | 2.08  |
| Real Estate            | 3.68  | 5.76  |
| Utilities              | 0.37  | 3.08  |

## ASSET SUMMARY

|                               | Fund  |
|-------------------------------|-------|
| Cash Equivalents (%)          | 4.34  |
| Number of Stock Holdings      | 33    |
| Number of Bond Holdings       | 0     |
| Assets in Top 10 Holdings (%) | 55.30 |

## MARKET EXPOSURE % (MV)

|                           | Fund  | Bmrk  |
|---------------------------|-------|-------|
| Domestic Chinese A Shares | 21.91 | 2.34  |
| Domestic Chinese B Shares | 0.00  | 0.17  |
| Hong Kong (H Shares)      | 28.67 | 32.72 |
| Hong Kong (Red Chips)     | 28.77 | 42.13 |
| US ADRs                   | 16.31 | 22.65 |
| Singapore S Chips         | 0.00  | 0.00  |
| Cash                      | 4.34  | 0.00  |

## RISK MEASURES

|                    | 3 years |
|--------------------|---------|
| Alpha (%)          | -0.27   |
| Tracking Error (%) | 5.12    |
| Beta               | 1.07    |
| Sharpe Ratio       | 0.42    |
| Information Ratio  | -0.01   |
| R-Squared (%)      | 94.62   |
| Standard Deviation | 21.27   |

## TOP 10 HOLDINGS % (MV)

|                              | Fund | Bmrk  |
|------------------------------|------|-------|
| Alibaba Group Holding-Sp ADR | 9.66 | 12.15 |
| Tencent Holdings Ltd         | 9.51 | 15.68 |
| China Construction Bank-H    | 8.03 | 5.43  |
| Gree Electric Appliances I-A | 4.74 | 0.02  |
| Ping An Insurance Group Co-H | 4.29 | 3.15  |
| Guangzhou Automobile Group-H | 4.16 | 0.20  |
| Inner Mongolia Yili Indus-A  | 4.10 | 0.02  |
| Zto Express Cayman Inc-ADR   | 4.04 | 0.00  |
| China Taiping Insurance Hold | 3.67 | 0.30  |
| Shenzhou International Group | 3.10 | 0.58  |

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## I SHARE CLASS DATA

| Share Class                       | Currency | Inception Date<br>(Share Class) | ISIN         | Bloomberg  | VALOR    |
|-----------------------------------|----------|---------------------------------|--------------|------------|----------|
| CHF I Accumulating Class          | CHF      | 31-07-2015                      | IE00B63FQV68 | NBCCHAI ID | 21527553 |
| EUR I Accumulating Class          | EUR      | 14-07-2009                      | IE00B54BLX33 | NBICIAE ID | 10384780 |
| GBP I Distributing Class Unhedged | GBP      | 23-06-2014                      | IE00BMN94B69 | NBCIDUH ID | 24550841 |
| USD I Accumulating Class          | USD      | 14-07-2009                      | IE00B547N797 | NBICISU ID | 10348761 |

Some share classes listed are subject to restrictions, please refer to the fund's prospectus for further details.

As at 18th October 2017, this Fund is closed to all subscriptions.

For a full glossary of terms, please refer to [www.nb.com/glossary](http://www.nb.com/glossary)

Before subscribing please refer to Prospectus and the Key Investor Information Document [www.nb.com/europe/literature](http://www.nb.com/europe/literature)

## RISK CONSIDERATIONS

**Market Risk:** The risk of a change in the value of a position as a result of underlying market factors, including among other things, the overall performance of companies and the market perception of the global economy.

**Liquidity Risk:** The risk that the Fund may be unable to sell an investment readily at its fair market value. In extreme market conditions this can affect the Fund's ability to meet redemption requests upon demand.

**Emerging Markets Risk:** Emerging markets are likely to bear higher risk due to a possible lack of adequate financial, legal, social, political and economic structures, protection and stability as well as uncertain tax positions which may lead to lower liquidity. **The NAV of the fund may experience medium to high volatility due to lower liquidity and the availability of reliable information, as well as due to the fund's investment policies or portfolio management techniques.**

**Stock Connect Risk:** The Shanghai/Shengzen-Hong Kong Stock Connect are relatively new trading programmes, where many of the relevant regulations are untested and subject to change at any moment as well as not as active as exchanges in more developed markets which may affect the ability to sell your shares. Additional risks needs to be considered and you should refer to the 'investment risk' section of the prospectus for details.

**Single Country Risk:** Where a Fund invests primarily in a single country, it may be subject to greater risk and above average market volatility than an investment in a broader range of securities covering multiple countries.

**Counterparty Risk:** The risk that a counterparty will not fulfil its payment obligation for a trade, contract or other transaction, on the due date.

**Operational Risk:** The risk of direct or indirect loss resulting from inadequate or failed processes, people and systems including those relating to the safekeeping of assets or from external events.

**Currency Risk:** Investors who subscribe in a currency other than the base currency of the Fund are exposed to currency risk. Fluctuations in exchange rates may affect the return on investment. The past performance shown is based on the share class to which this factsheet relates. If the currency of this share class is different from your local currency, then you should be aware that due to exchange rate fluctuations the performance shown may increase or decrease if converted into your local currency.

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## IMPORTANT INFORMATION

**Except for performance, the data shown is for the fund and is not specific to the share class, it has not been adjusted to reflect the different fees and expenses of the share class.**

**Performance of another share class may vary from the results shown based on differences in fees and expenses, and currency.**

Source: Neuberger Berman Europe Limited ("NB Europe") and Morningstar Ltd.

The sub-investment advisor for the China Equity Fund is Green Court Capital Management.

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Investment objectives, risk information, fees and expenses and other important information about the fund can be found in the prospectus.

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Indices are unmanaged and not available for direct investment.

Past performance is not a reliable indicator of current or future results. The value of investments may go down as well as up and investors may not get back any of the amount invested. The performance data does not take account of the commissions and costs incurred on the issue and redemption of units.

Please note that any dividends/interest which the Fund may receive may be subject to withholding tax. The benchmark does not take into account the effects of tax and the deduction is therefore not reflected in the benchmark return illustrated herein. The investment objective and performance benchmark is a target only and not a guarantee of the Fund performance. The index is unmanaged and cannot be invested in directly. Index returns assume reinvestment of dividends and capital gains and unlike fund returns do not reflect fees or expenses. Adverse movements in currency exchange rates can result in a decrease in return and a loss of capital. The investments of each portfolio may be fully hedged into the portfolio's base currency: this may reduce currency risks but may also expose the portfolio to other risks such as the default of a counterparty.

Monthly and weekly Distributing Classes will distribute out of income and may also be paid out of capital. Payments from capital will erode the overall value of an investor's portfolio. Investors in these classes should be aware that the payment out of capital may have different tax implications from distributions of income and should seek tax advice. In respect of the C, C1, C2, E and B share classes a contingent deferred sales charge may be payable to the Investment Manager in line with the provisions of the Fund's prospectus.

Following a redemption request, the Fund will seek to make payments within 3 business days of the dealing day, otherwise redemption proceeds will be paid within 10 business days, unless dealing has been temporarily suspended in accordance with the Fund prospectus.

Tax treatment depends on the individual circumstances of each investor and may be subject to change, investors are therefore recommended to seek independent tax advice.

Investment in the fund should not constitute a substantial proportion of an investor's portfolio and may not be appropriate for all investors. Diversification and asset class allocation do not guarantee profit or protect against loss.

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