

Robeco Chinese Equities D EUR

Robeco Chinese Equities is an actively managed fund that invests in listed stocks of leading Chinese companies. The selection of these stocks is based on fundamental analysis. The fund's objective is to achieve a better return than the index. 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.



Team China
Fund manager since 01-05-2007

Performance

	Fund	Index
1 m	6.42%	9.18%
3 m	-6.23%	-4.04%
Ytd	-2.35%	-0.95%
1 Year	-25.51%	-15.47%
2 Years	-21.59%	-13.18%
3 Years	-22.55%	-16.86%
5 Years	-3.19%	-4.50%
10 Years	2.58%	3.85%
Since 12-1997	2.02%	2.40%

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 last page.

Calendar year performance

	Fund	Index
2023	-22.01%	-13.99%
2022	-26.08%	-16.39%
2021	-11.56%	-14.08%
2020	48.72%	19.95%
2019	31.97%	24.43%
2021-2023	-20.11%	-14.82%
2019-2023	0.01%	-1.60%

Annualized (years)

Index

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

General facts

Morningstar	★★★★
Type of fund	Equities
Currency	EUR
Total size of fund	EUR 124,074,764
Size of share class	EUR 50,975,957
Outstanding shares	664,426
1st quotation date	04-12-1997
Close financial year	31-12
Ongoing charges	1.87%
Daily tradable	Yes
Dividend paid	No
Ex-ante tracking error limit	-
Management company	Robeco Institutional Asset Management B.V.

Sustainability profile

- Exclusions
- ESG Integration
- Voting & Engagement

For more information on exclusions see <https://www.robeco.com/exclusions/>

Performance

Indexed value (until 29-02-2024) - Source: Robeco



Performance

Based on transaction prices, the fund's return was 6.42%.

Robeco Chinese Equities underperformed its index by -1.48% in February. Negative sector contributions came from communication services and IT. Positive sector contributions came from industrials and utilities. At the stock level, the main detractors were Hesai Group, Prudential and PDD Holdings. The main contributors were New Oriental Education & Technology Group, Anhui Heli and Li Auto.

Market development

During the Lunar New Year (LNY) holiday in February, China witnessed decent numbers, although consumer behavior remained cautious. Tourist numbers increased by 19% compared to 2019, but spending per tourist dropped by 9%. Key restaurants and retailers saw 8.5% YoY growth in sales revenue. Although there were record-high box office revenue and ticket sales during the LNY, average ticket prices fell by 6% YoY, indicating deflationary pressures. Domestic flights rose by 20% from 2019, while international flights remained 30% below 2019 levels.

Expectation of fund manager

We are constructive on China's market, as we expect more aggressive fiscal expansion to offset continued property market weakness after China's Central Economic Work Conference (CEWC) signaled a pro-growth bias for 2024. Earnings revisions are still being subdued by the weak and bumpy macroeconomic recovery, but this is likely to change when the explicitly pro-growth fiscal policy starts taking effect in 2024. The 2023 CEWC, which took place in December, has set the scene for policy focused on supporting growth in 2024. The adoption of the mantra 'pursuing stability through growth' was new and represents a firm indication that China's 2024 growth target is to be set at an ambitious 5%, matching the 2023 target despite the less favorable base effects. The acknowledgement of "a lack of effective demand" in state media was a clear sign that there is a need for action to offset the drag from the property sector.

Top 10 largest positions

We are turning more positive towards internet service companies on earnings turnaround from cost-cutting and attractive valuations. Alibaba, Tencent, PDD, Baidu, NetEase and Meituan are among our top ten holdings that benefit from this theme. We believe China Resources Land, a leading SOE property developer, will remain as a survivor and key beneficiary as its market share increases. We also believe that the worst is behind us for financials, and we like China Construction Bank and PICC P&C for their attractive valuations and strong fundamental turnaround potential. We continue to like New Oriental as a turnaround company benefiting from policy normalization.

Fund price

29-02-24	EUR	76.72
High Ytd (03-01-24)	EUR	78.30
Low Ytd (19-01-24)	EUR	70.51

Fees

Management fee	1.60%
Performance fee	None
Service fee	0.20%

Legal status

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

Registered in

Austria, Belgium, Chile, Finland, France, Germany, Hong Kong, Ireland, Italy, Luxembourg, Netherlands, Norway, Peru, Poland, Singapore, Spain, Sweden, 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 income earned by the fund is reflected in its share price. The fund's entire result is thus reflected in its share price development.

Fund codes

ISIN	LU0187077309
Bloomberg	ROCHINE LX
Sedol	B049BJ8
WKN	A0CA01
Valoren	1812302

Top 10 largest positions

Holdings

Alibaba Group Holding Ltd
Tencent Holdings Ltd
PDD Holdings Inc ADR
China Construction Bank Corp
PICC Property & Casualty Co Ltd
New Oriental Education & Technology Grou
NetEase Inc
Baidu Inc
Meituan
China Resources Land Ltd
Total

Sector	%
Consumer Discretionary	9.18
Communication Services	9.06
Consumer Discretionary	6.29
Financials	5.35
Financials	4.79
Consumer Discretionary	3.71
Communication Services	3.56
Communication Services	3.10
Consumer Discretionary	2.76
Real Estate	2.71
Total	50.51

Top 10/20/30 weights

TOP 10	50.51%
TOP 20	73.70%
TOP 30	90.91%

Statistics

	3 Years	5 Years
Tracking error ex-post (%)	5.43	6.19
Information ratio	-0.70	0.48
Sharpe ratio	-0.92	-0.09
Alpha (%)	-6.65	2.76
Beta	0.89	0.93
Standard deviation	23.85	22.28
Max. monthly gain (%)	18.49	18.49
Max. monthly loss (%)	-16.45	-16.45

Above mentioned ratios are based on gross of fees returns.

Hit ratio

	3 Years	5 Years
Months outperformance	16	35
Hit ratio (%)	44.4	58.3
Months Bull market	14	31
Months outperformance Bull	4	17
Hit ratio Bull (%)	28.6	54.8
Months Bear market	22	29
Months Outperformance Bear	12	18
Hit ratio Bear (%)	54.5	62.1

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	<div></div>	99.9%
Cash	<div></div>	0.1%

Sector allocation

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

Sector allocation		Deviation index	
Consumer Discretionary	<div></div> 36.9%	<div></div>	5.3%
Communication Services	<div></div> 17.5%	<div></div>	2.8%
Financials	<div></div> 16.8%	<div></div>	-1.1%
Industrials	<div></div> 10.6%	<div></div>	5.0%
Consumer Staples	<div></div> 4.6%	<div></div>	-0.9%
Information Technology	<div></div> 4.4%	<div></div>	-2.0%
Real Estate	<div></div> 4.0%	<div></div>	1.5%
Health Care	<div></div> 2.3%	<div></div>	-3.2%
Materials	<div></div> 2.0%	<div></div>	-1.4%
Energy	<div></div> 1.0%	<div></div>	-3.0%
Utilities	<div></div> 0.0%	<div></div>	-2.8%

Country allocation

Country allocation		Deviation index	
China	<div></div> 95.8%	<div></div>	-4.2%
Hong Kong	<div></div> 4.2%	<div></div>	4.2%
Cash and other instruments	<div></div> 0.0%	<div></div>	0.0%

ESG Important information

The sustainability information in this factsheet can help investors integrate sustainability considerations in their process. This information is for informational purposes only. The reported sustainability information may not at all be used in relation to binding elements for this fund. A decision to invest should take into account all characteristics or objectives of the fund as described in the prospectus. The prospectus is available on request and free of charge on the Robeco website.

Sustainability

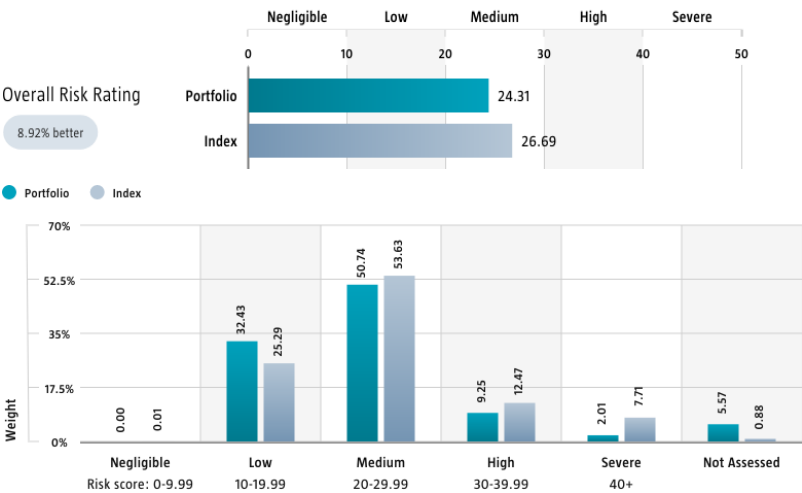
The fund incorporates sustainability in the investment process through exclusions, ESG integration, engagement and voting. The fund does not invest in issuers that are in breach of international norms or where activities have been deemed detrimental to society following Robeco's exclusion policy. Financially material ESG factors are integrated in the bottom-up investment analysis to assess existing and potential ESG risks and opportunities. In the stock selection the fund limits exposure to elevated sustainability risks. In addition, where a stock issuer is flagged for breaching international standards in the ongoing monitoring, the issuer will become subject to engagement. Lastly, the fund makes use of shareholder rights and applies proxy voting in accordance with Robeco's proxy voting policy.

The following sections display the ESG-metrics for this fund along with short descriptions. For more information please visit the sustainability-related disclosures. The index used for all sustainability visuals is based on MSCI China 10/40 Index (Net Return, EUR).

Sustainalytics ESG Risk Rating

The Portfolio Sustainalytics ESG Risk Rating chart displays the portfolio's ESG Risk Rating. This is calculated by multiplying each portfolio component's Sustainalytics ESG Risk Rating by its respective portfolio weight. The Distribution across Sustainalytics ESG Risk levels chart shows the portfolio allocations broken into Sustainalytics' five ESG risk levels: negligible (0-10), low (10-20), medium (20-30), high (30-40) and severe (40+), providing an overview of portfolio exposure to the different ESG risk levels. Index scores are provided alongside the portfolio scores, highlighting the portfolio's ESG risk level compared to the index.

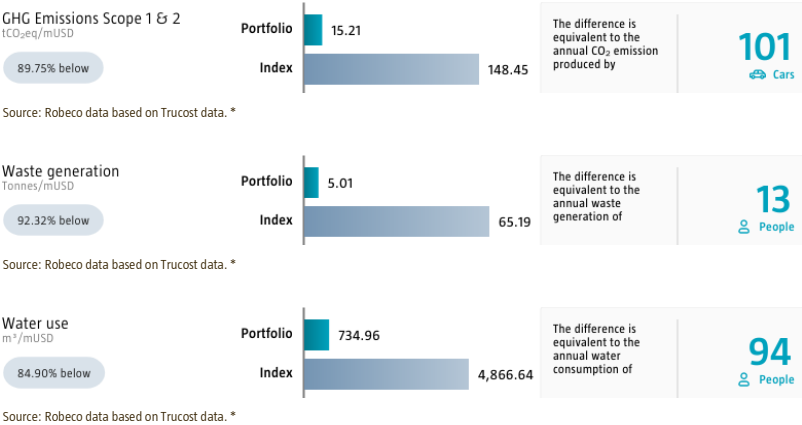
Only holdings mapped as corporates are included in the figures.



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Environmental Footprint

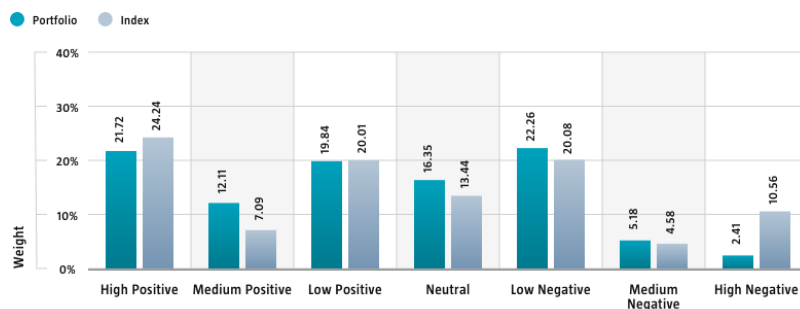
Environmental footprint expresses the total resource consumption of the portfolio per mUSD invested. Each assessed company's footprint is calculated by normalizing resources consumed by the company's enterprise value including cash (EVIC). We aggregate these figures to portfolio level using a weighted average, multiplying each assessed portfolio constituent's footprint by its respective position weight. For comparison, index footprints are shown besides that of the portfolio. The equivalent factors that are used for comparison between the portfolio and index represent European averages and are based on third-party sources combined with own estimates. As such, the figures presented are intended for illustrative purposes and are purely an indication. Only holdings mapped as corporates are included in the figures.



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SDG Impact Alignment

This distribution across SDG scores shows the portfolio weight allocated to companies with a positive, negative and neutral impact alignment with the Sustainable Development Goals (SDG) based on Robeco's SDG Framework. The framework utilizes a three-step approach to assess a company's impact alignment with the relevant SDGs and assign a total SDG score. The score ranges from positive to negative impact alignment with levels from high, medium or low impact alignment. This results in a 7-step scale from -3 to +3. For comparison, index figures are provided alongside that of the portfolio. Only holdings mapped as corporates are included in the figures.



Source: Robeco. Data derived from internal processes.

Engagement

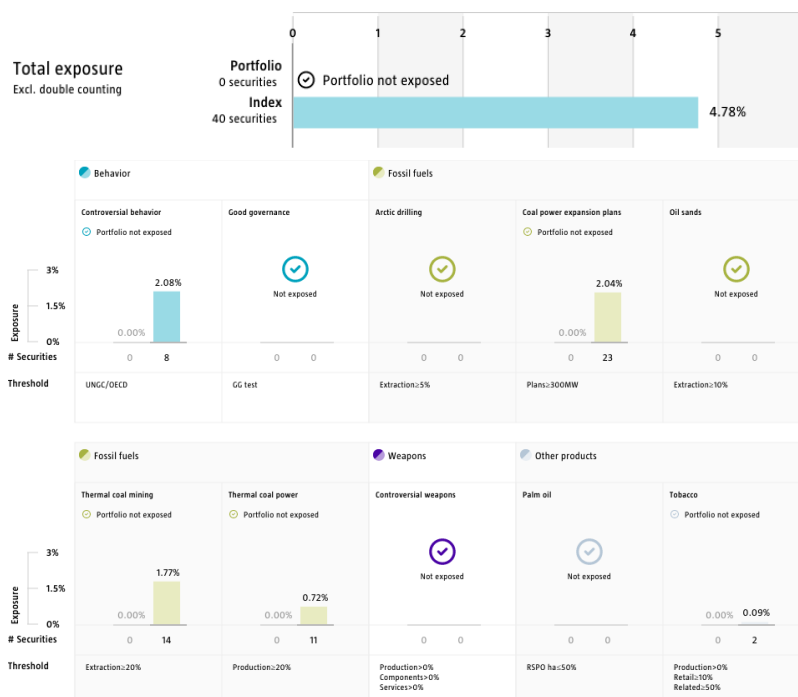
Robeco distinguishes between three types of engagement. Value Engagement focuses on long-term issues that are financially material and/or are causing adverse sustainability impacts. The themes can be broken into Environmental, Social, Governance, or Voting-related. SDG Engagement aims to drive a clear and measurable improvement in a company's SDG contribution. Enhanced engagement is triggered by misconduct and focuses on companies severely breaching international standards. The report is based on all companies in the portfolio for which engagement activities have taken place during the past 12 months. Note that companies may be under engagement in multiple categories simultaneously. While the total portfolio exposure excludes double counting, it may not equal the sum of individual category exposures.

	Portfolio exposure	# companies engaged with	# activities with companies engaged with
Total (* excluding double counting)	27.62%	6	18
Environmental	9.17%	1	1
Social	18.45%	4	14
Governance	0.01%	1	3
Sustainable Development Goals	0.00%	0	0
Voting Related	0.00%	0	0
Enhanced	0.00%	0	0

Source: Robeco. Data derived from internal processes.

Exclusions

The Exclusions charts display the degree of adherence to exclusion applied by Robeco. For reference, index exposures are shown beside that of the portfolio. Thresholds are based on revenues unless otherwise indicated. For more information about the exclusion policy and which level applies, please refer to the Exclusion Policy and Exclusion List available on Robeco.com.



Source: We use several data sources such as Sustainalytics, RSPO (Roundtable on Sustainable Palm Oil), World Bank, Freedom House, Fund for Peace and International Sanctions; further policy document available [Exclusion Policy](#)

Investment policy

Robeco Chinese Equities is an actively managed fund that invests in listed stocks of leading Chinese companies. The selection of these stocks is based on fundamental analysis. The fund's objective is to achieve a better return than the index. 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.

The fund promotes E&S (i.e. Environmental and Social) characteristics within the meaning of Article 8 of the European Sustainable Finance Disclosure Regulation, integrates sustainability risks in the investment process and applies Robeco's Good Governance policy. The fund applies sustainability indicators, including but not limited to normative, activity-based and region-based exclusions, proxy voting and engagement.

The majority of stocks selected will be components of the Benchmark, but stocks outside the Benchmark may be selected too. The investment policy is not constrained by a Benchmark but the fund may use a benchmark for comparison purposes. The fund can deviate substantially from the issuer, country and sector weightings of the Benchmark. There are no restrictions on the deviation from the Benchmark. The Benchmark is a broad market weighted index that is not consistent with the ESG characteristics promoted by the fund.

Fund manager's CV

The Chinese Equities investment team consists of five investment professionals with an average experience of 10 years, combining complementary skills and worldwide investment backgrounds. The team's portfolio managers place local insights into the context of a wider regional and global perspective. Local presence in Hong Kong and Shanghai allows for optimal coverage of both off- and onshore markets, respectively.

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.

Sustainability images

The figures shown in the sustainability visuals are calculated on subfund level.

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Morningstar

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