

Guotai Junan Greater China Growth Fund

Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme"
Monthly Report - 31 July 2012



國泰君安國際
GUOTAI JUNAN INTERNATIONAL
ASSET MANAGEMENT

Important Information

- The Fund may invest in listed companies that derive a significant portion of their revenues from goods produced or sold, investments made or services performed in the Greater China region, which includes the People's Republic of China, the Hong Kong & Macau Special Administrative Regions and Taiwan.
- The Fund may invest in the Greater China securities markets, which are emerging markets. As such, the Fund may involve a higher degree of risk and is usually more sensitive to price movements.
- The value of the Fund can be volatile and could go down substantially within a short period of time.
- The investment decision is yours. You should not invest unless the intermediary who sells this Fund to you has advised you that this Fund is suitable for you and has explained why, including how investing in it would be consistent with your investment objectives.
- Investors should not base on this material alone to make investment decision. Please refer to the explanatory memorandum, including the risk factors involved.
- Investment involves risks. The price of units may go down as well as up. Past performance is not indicative of future performance. Please refer to the explanatory memorandum for further details and the risk factors.

Investment Objective

To achieve medium- to long-term capital appreciation by investing in listed companies which are domiciled in or have operating incomes from the Greater China region (Mainland China, Hong Kong, Macau and Taiwan).

Fund Performance

	2007 ¹	2008	2009	2010	2011	2012 ²
The Fund	12.9%	-62.0%	99.4%	12.1%	-33.4%	-4.6%
Hang Seng Total Return Index	1.5%	-46.4%	56.5%	8.6%	-17.4%	10.2%

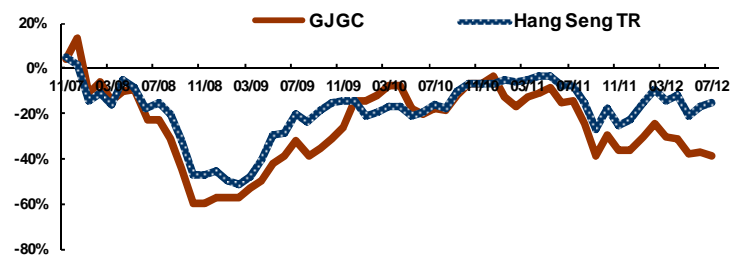
- Calculated since the launch of the Fund as at 19 November 2007.
- Measured as of July 31, 2012

	1 Mth	3 Mth	6 Mth	YTD	1 Yr	3 Yr
The Fund	-2.6%	-11.1%	-12.0%	-4.6%	-28.6%	-9.6%
Hang Seng Total Return Index	1.8%	-4.1%	-0.3%	10.2%	-8.4%	6.1%

Fund Facts

Manager	Guotai Junan Assets (Asia) Limited
Inception Date	19 November 2007
Domicile	Cayman Islands
Trustee & Registrar	HSBC Trustee (Cayman) Limited
Auditor	Ernst & Young Limited
Dealing Frequency	Daily
Base Currency	Hong Kong Dollar
Fund Size	HKD 101.4 MN
NAV	HKD 61.06
Bloomberg Code	GJGCHGR HK Equity
ISIN Code	KYG421241004

Performance Since Launch



The performance is measured in NAV-to-NAV in fund currency with net income re-investment.

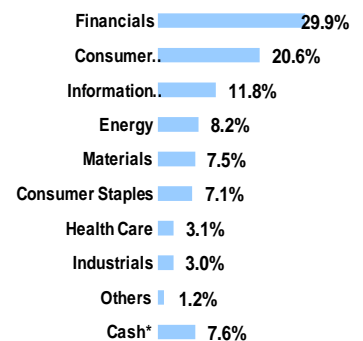
Subscription and Redemption

Min Initial Subscription	HKD 10,000
Subscription Fee	Up to 5%
Annual Management Fee	1.5% per annum
Redemption Fee	
Less than 6 months	1%
6 mths or more but less than 12 mths	0.75%
12 mths or more but less than 18 mths	0.50%
18 mths or more but less than 24 mths	0.25%
24 mths or more	Waived

Top Ten Holdings

	%
Haier Electronics	5.41%
Ping An Insurance	5.38%
China Life Insurance	5.13%
China All Access	5.10%
ZTE	4.94%
PICC	4.88%
China Construction Bank	4.36%
Hengdeli	3.92%
China Pacific Insurance	3.85%
Sinopec	3.66%

Sector Allocation¹

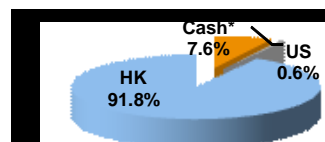


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[^]The Fund is approved as Eligible Collective Investment Scheme under "Capital Investment Entrant Scheme" of Hong Kong Special Administrative Region

Geographic Allocation



- Based on the Global Industry Classification Standard
- * Only including the investable cash

Market Outlook and Investment Strategy

The outlook of the oversea markets remained rather dim, as Spain became the next possible candidate for insolvency. US' recovery was sluggish as well, as its employment and housing market showed little sign of picking-up. The hope of US Fed's further monetary easing turned to be vain again. We hardly see any positive catalysts in short term.

The economic situation in China is disappointing as well. 2Q recorded the slowest GDP growth in the past 18 months. Export growth and industrial production growth further slowed down. We now expect that the concrete economic recovery may be postponed till the end of the 3Q, as the effects of the government's stimulus policies are yet to see.

Investment opportunities are likely to exist in following areas for the next month: FAI stimulus related sectors, banks and Energy-saving and environmental protection sector.

Disclaimer

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