



Invesco China Equity Fund (UK)

June 2022

Covering the month of May 2022



Fund manager: Mike Shiao (Lead)

Key facts¹

Mike Shiao (lead)	
Managed fund since	June 2012
Industry experience	30 years
Based in	Hong Kong
Fund launch date	18 December 1981
Fund size	£240.33m
Legal status	UK authorised ICVC
Yield (Z Accumulation share class)	
Historic yield ²	1.43%
Income distribution date(s)	n/a
Accounting period ends	31 May 30 November
Available with an ISA?	Yes

Benchmark

Benchmark: MSCI China 10/40 Index GBP (Net Total Return)

This is a Comparator Benchmark. Given its geographic focus the Fund's performance can be compared against the Benchmark. However, the Fund is actively managed and is not constrained by any benchmark.

Fund investment objective and policy

The objective of the Fund is to achieve long-term (5 years plus) capital growth. The Fund invests at least 80% of its assets in shares of companies incorporated, domiciled or carrying out the main part of their economic activity in China, including Hong Kong. Exposure to China will be largely obtained through investment in securities traded on Hong Kong exchanges and other markets. The Fund may use derivatives (complex instruments) to manage the Fund more efficiently, with the aim of reducing risk, reducing costs and/or generating additional capital or income.

Fund strategy

The fund seeks to achieve long term capital growth through a portfolio of investments with exposure to the Chinese economy. The team follows an active investment approach based on stock selection driven by the fund manager's assessment of valuation. The Fund has a flexible approach with no inbuilt bias to sector or company size.

Five year performance



Performance

	% growth					
	1 year	3 years	5 years	5 years ACR*	10 years	10 years ACR*
Fund (Z Accumulation share class)	-25.57	-0.44	16.67	3.13	164.04	10.19
Benchmark	-26.14	1.91	10.38	1.99	99.15	7.13

*ACR - Annual Compound Return

Standardised rolling 12-month performance

	% growth				
	31.03.17	31.03.18	31.03.19	31.03.20	31.03.21
	31.03.18	31.03.19	31.03.20	31.03.21	31.03.22
Fund (Z Accumulation share class)	20.19	5.71	3.14	32.50	-31.70
Benchmark	20.29	1.33	-2.75	31.31	-27.45

Past performance is not a guide to future returns. Performance figures are based on the Z Accumulation share class. As this was launched on 12 November 2012, for the periods prior to this launch date, performance figures are based on the accumulation share class, without any adjustment for fees. Performance figures for all share classes can be found in the relevant Key Investor Information Document. Fund performance figures are shown in sterling, inclusive of reinvested income and net of the ongoing charge and portfolio transaction costs to 31 May 2022 unless otherwise stated. The standardised past performance information is updated on a quarterly basis. Source: Lipper.

Costs and charges of the fund

For a full breakdown of the charges that apply to each share class of the fund, please refer to our ICVC Costs & Charges document www.invesco.com/uk/icvc-charges.

Top 10 holdings¹	%	Country of investment breakdown¹	%
Tencent	9.30	China	63.97
Meituan Dianping	8.40	Hong Kong	23.47
NetEase	6.92	Cayman Islands	4.46
JdCom	5.07	Taiwan	3.96
Hong Kong Exchanges & Clearing	4.47	Cash	4.13
Pinduoduo Inc	4.46	Total	100
Alibaba Group	4.44		
JdCom ADR	4.18		
Zijin Mining	4.14		
China Merchants Bank	4.13		
Total Top 10 Holdings (%)	55.51		
Total number of holdings	38		

Industry breakdown¹	%
Consumer Discretionary	34.72
Communication Services	17.83
Financials	14.30
Materials	8.30
Health Care	7.04
Consumer Staples	6.10
Information Technology	4.73
Utilities	1.44
Energy	1.41
Cash	4.13
Total	100

Investment risks

- The value of investments and any income will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested.
- The fund invests in emerging and developing markets, where there is potential for a decrease in market liquidity, which may mean that it is not easy to buy or sell securities. There may also be difficulties in dealing and settlement, and custody problems could arise.
- The Fund may use Stock Connect to access China A Shares traded in mainland China. This may result in additional liquidity risk and operational risks including settlement and default risks, regulatory risk and system failure risk.
- As the fund typically has a concentrated number of holdings, it may carry a higher degree of risk than a fund which invests in a broader range of holdings or takes smaller positions in a relatively large number of holdings.
- The fund may use derivatives (complex instruments) in an attempt to reduce the overall risk of its investments, reduce the costs of investing and/or generate additional capital or income, although this may not be achieved. The use of such complex instruments may result in greater fluctuations of the value of the fund. The Manager, however, will ensure that the use of derivatives within the fund does not materially alter the overall risk profile of the fund.
- As a result of COVID-19, markets have seen a noticeable increase in volatility as well as, in some cases, lower liquidity levels; this may continue and may increase these risks in the future.

Contact information

Client services

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Telephone calls may be recorded.

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Important information

- ¹ All fund portfolio figures within this leaflet are as at 31 May 2022 (source: Invesco).
- ² The Historic Yield reflects distributions declared over the past twelve months as a percentage of the mid-market price of the fund, as at the date shown. Investors may be subject to tax on their distributions.

Where individuals or the business have expressed opinions, they are based on current market conditions, they may differ from those of other investment professionals and are subject to change without notice. This document is marketing material and is not intended as a recommendation to invest in any particular asset class, security or strategy. Regulatory requirements that require impartiality of investment/investment strategy recommendations are therefore not applicable nor are any prohibitions to trade before publication.

For the most up to date information on our funds, please refer to the relevant fund and share class specific Key Investor Information Documents, the Supplementary Information Document, the ICVC ISA Terms and Conditions, the Annual or Interim Reports and the Prospectus, which are available using the contact details shown.

Who is this fund for?

The fund might be right for you if you:

- Are a private or professional investor looking for growth over the long term.
- Are able to make an informed investment decision based on this document and the Key Investor Information Document (KIID).
- Are willing to accept that your capital is at risk and you may not get back the amount invested.

The fund will not be right for you if you:

- Require capital protection or have no appetite for risk.