

## Fullerton Lux Funds - China Equities - Class A (SGD) Acc

December 2025

### Investment Objective

The investment objective of the Fund is to generate long term capital appreciation.

### Investment Focus and Approach

The Investment Manager seeks to achieve the objective of the Fund by investing primarily in China "A" Shares listed on PRC Stock Exchanges through the Investment Manager's QFI license and stocks listed on the Hong Kong Stock Exchange.

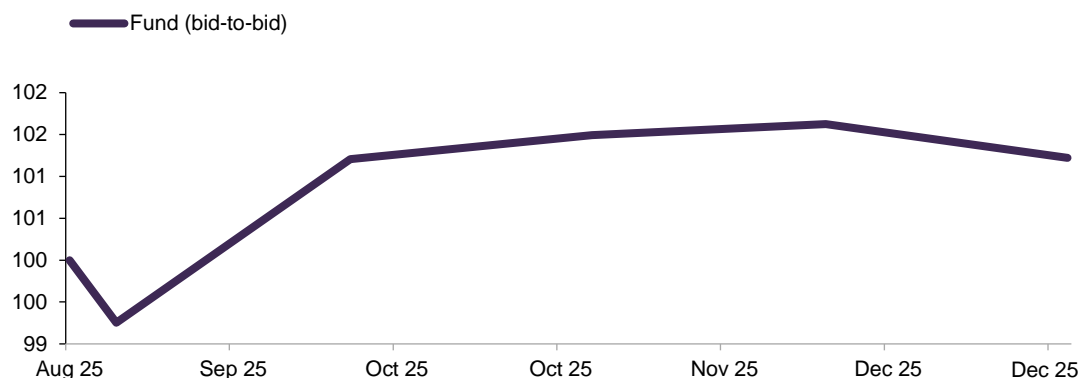
The investment universe will include, but is not limited to, exchange traded funds, listed warrants, index futures, securities investment funds, listed onshore bonds, money market funds, cash and other financial instruments qualifying as QFI Eligible Securities.

SFDR Classification:

Article 6 fund.

The Fund uses alternative investment strategies and the risks inherent in the Fund are not typically encountered in traditional Funds. Please refer to the Fund's Prospectus for more information.

### Performance (%)



	1 mth	3 mths	SI. Ret.
Fund (bid-to-bid)	-0.56	-0.47	0.53
Fund (offer-to-bid)	-5.30	-5.21	-4.26

Returns of more than 1 year are annualised. Returns are calculated on a single pricing basis in SGD with net dividends and distributions (if any) reinvested. Offer-to-bid returns include an assumed preliminary charge of 5% which may or may not be charged to investors. Past performance is not indicative of future returns.

Source: Fullerton Fund Management Company Ltd and Bloomberg.

### Inception date

25 Aug 2025

### Fund size

SGD 53.06 million

### Base Currency

USD

### Pricing Date

31 Dec 2025

### NAV\*

SGD 10.05

### Management fee\*\*

Up to 1.75% p.a.

### Management company^ fee\*\*

Up to 0.04% p.a. subject to a minimum monthly fee of EUR 750.00 per Fund per month applied at the Company level

### Preliminary Charge\*\*

Up to 5% of subscription amount (equivalent to a max. of 5.26315% of the Net Asset Value per share)

### Dealing day

Daily

### Deadline

1pm (CET); 5pm (Singapore time) on each Business Day

### Bloomberg Code

FULCASA LX

### ISIN Code

LU3087211671

The Fund is available for SRS subscription.

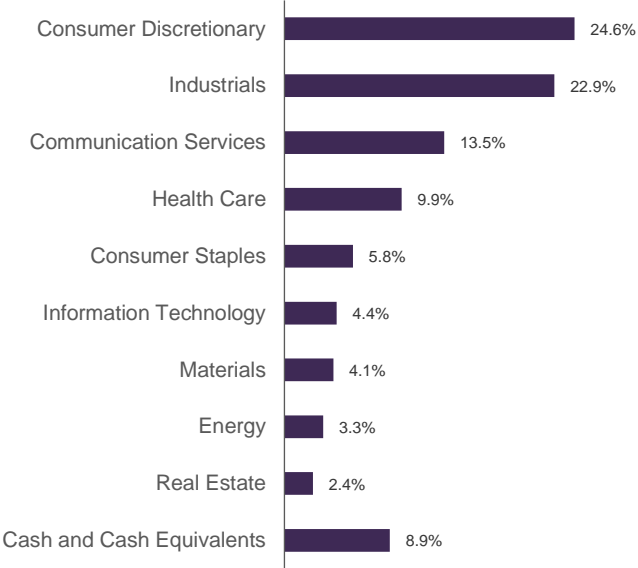
\* Figures have been truncated to 2 decimal places. The official price is published on Fullerton's website.

\*\* The list of cost is not exhaustive and the fund may incur other expenses. Please refer to the Prospectus/KIID for more information.

^ Management Company of the Fund is FundSight S.A.

■ Portfolio

Sector Breakdown



Top 5 Holdings

Shandong Himile Mechanical Science & Technology Co Ltd	8.8%
China Mobile Ltd	8.3%
Midea Group Co Ltd	8.2%
Haier Smart Home Co Ltd	6.1%
Contemporary Amperex Technology Co Ltd	4.0%

## Market Review

In December, global stock markets showed mixed performance. The Shanghai Composite Index in the A-share market closed higher, while the Hang Seng Index in Hong Kong declined. In the U.S., the S&P 500 increased, whereas the Nasdaq fell. The MSCI China Index recorded a drop of 1.2%, while the MSCI Global Index rose by 0.8% and the MSCI Emerging Markets Index increased by 3.0%.

Sector-wise, the materials sector saw a significant rise of 12.4%, with positive returns recorded in the industrial, financial, and information technology sectors at 1.6%, 1.4%, and 0.5%, respectively. Other sectors experienced declines, notably in healthcare, real estate, consumer staples, utilities, and consumer discretionary, which saw falls of -9.1%, -7.9%, -4.6%, -4.1%, and -3.5%, respectively.

Domestically, the Central Political Bureau held a meeting on December 8, setting the economic focus on "seeking progress while maintaining stability" and shifting the tone from stable growth to structural adjustment. In terms of macro policy, there is a push for continuous implementation of more proactive fiscal and moderately loose monetary policies. This includes leveraging both existing and new policies to enhance their effectiveness and emphasizing increased cyclical and counter-cyclical adjustments. Regarding supply and demand, the focus is on "expanding domestic demand and optimizing supply," pushing for the construction of a unified national market with an emphasis on internal demand to build a strong domestic market.

The U.S. Federal Reserve, at its December meeting, lowered the interest rate by 25 basis points as expected, adjusting the target range for the benchmark rate to 3.5%-3.75%. The dot plot maintained the forecast for one rate cut in 2026. Additionally, the Fed announced the initiation of a Reserve Management Plan (RMP), expanding its balance sheet by purchasing short-term U.S. Treasury securities, with \$40 billion worth purchased this month and plans to gradually reduce new purchases next year. Furthermore, former President Trump announced that he would soon nominate the next Fed chair, with market expectations focusing on either Kevin Hassett, the White House National Economic Council Director, or former Fed Governor Kevin Warsh.

As the year comes to a close, Chinese economic data has shown weak marginal performance. In November, the value-added industrial output above designated size grew by 4.8% year-on-year, slightly below the expected 5.0%. Social retail sales of consumer goods grew by only 1.3% year-on-year in November, down from 2.9% previously. Excluding automobiles, retail sales of consumer goods grew by 2.5%, which was below expectations and showed a marked decline in consumption of items related to upgrading "old for new," due to a high base effect. From January to November, fixed asset investment (excluding rural households) decreased by 2.6% year-on-year, against an expected decline of 2.2% and a previous drop of 1.9%.

The Chinese yuan remains relatively strong, with the onshore yuan closing at 7.0085 last week, a decline of 0.46%. The offshore yuan exchange rate increase below 7 for the first time since September 2024. The yield on ten-year government bonds was reported at 1.8379%, increasing by 0.91 basis points, continuing the convergence with U.S. Treasury yield spreads.

## Investment Strategy

In the past month, the A-share market saw a pattern of initial decline followed by a rebound. The Shanghai Composite Index once fell below 3,900 points, but in the latter half of the month, it recorded 11 consecutive days of positive gains. Domestically, the Central Political Bureau held a meeting that set the tone for economic work to focus on "seeking progress while maintaining stability" and "improving quality and efficiency." It will continue to implement proactive fiscal policies and moderately loose monetary policies, with an emphasis on expanding domestic demand and building a robust domestic market. In US, the Federal Reserve lowered interest rates by 25 basis points as expected and initiated balance sheet expansion, with expectations that the new chairperson will be confirmed early next year. Sector-wise, the defense, military, non-ferrous metals, and communication sectors outperformed the market, while the food and beverage, pharmaceutical and biotechnology, and real estate sectors saw significant declines.

In terms of investment strategy, we remain committed to stock picking from a company value perspective, emphasizing cash flow generation capability. We selectively allocate high-quality companies across various industries and adjust positions in response to changes in company fundamentals. Looking ahead, our investment portfolio will continue to prioritize a value style as the core allocation, focusing on high-quality companies with solid moats and sufficient safety margins, while also selectively allocating to growth-oriented assets. As the year comes to a close, we will diligently finalize our annual performance while conducting in-depth reviews and forward-looking planning. We aim to devise next year's investment strategy with ample research preparation, seeking to identify certainty-driven opportunities in a changing market to ensure a strong start to the new investment journey.

**For additional information on Fullerton and its funds, please contact:**

**Fullerton Fund Management Company Ltd (UEN: 200312672W)**

3 Fraser Street  
#09-28 DUO Tower  
Singapore 189352

T +65 6808 4688 | F +65 6820 6878  
[www.fullertonfund.com](http://www.fullertonfund.com)

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**For EU investors:**

This is a marketing communication. The investment which is promoted concerns the acquisition of shares in a fund. The Fund is actively managed without reference to a benchmark. You should read the prospectus and the key investor information before making any final investment decision. A summary of investor rights can be found in English at <https://www.fundsight.com/corporate-governance/>. A copy of the prospectus and the key investor information is available in English and other languages (as applicable), and can be obtained from the registered office of the Fund or at [www.fullertonfund.com](http://www.fullertonfund.com). Please also refer to [https://www.fullertonfund.com/literature/fullerton-lux-funds/?\\_sft\\_registered=luxembourg](https://www.fullertonfund.com/literature/fullerton-lux-funds/?_sft_registered=luxembourg) for the sustainability-related disclosures of the Fund. The Management Company of the Fund is FundSight S.A. ("FundSight"). Please note that FundSight may terminate the marketing arrangements of the Fund in accordance with Article 93a of Directive 2009/65/EC.

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