

# SWS STRATEGIC INVESTMENT FUNDS

## Shenyin Wanguo RMB Mainland Investment Fund



申萬宏源投資管理（亞洲）有限公司  
Shenwan Hongyuan Asset Management (Asia) Limited

### The Product

The Shenyin Wanguo RMB Mainland Investment Fund (the "Sub-Fund") invests primarily in RMB-denominated and settled debt securities issued in the PRC through a RQFII quota of the RQFII Holder which is a holding company of the Fund Manager.

### Risk Disclosure

- The investments of the Sub-Fund are concentrated on securities related to the PRC market. Investment in the PRC market is exposed to various emerging market risks including political, economic, regulatory, legal, foreign exchange, settlement and liquidity risks.
- The Sub-Fund invests in securities through a RQFII which is subject to applicable rules and regulations imposed by the PRC authorities. The RQFII rules are novel in nature, and their application may depend on the interpretation of the Chinese authorities. Any changes to the relevant rules may have an adverse impact on the investment of investors in the Sub-Fund.
- Renminbi is currently not freely convertible and is subject to exchange controls by the Chinese government. Investors may be adversely affected by the movement of the exchange rates between Renminbi and other currencies.
- The Sub-Fund may be exposed to risks associated with changes in PRC tax laws. Such changes may have retrospective effect and may adversely affect the Sub-Fund.
- Investment in the Sub-Fund is exposed to interest rate risk that applies to debt securities. The macro-economic policies and controls of the Chinese government will have significant influence over the capital markets in the Mainland China.
- The Sub-Fund is exposed to credit risk arising from issuers of the RMB denominated debt securities in which it invests. Such securities are typically unsecured debt obligations and are not supported by collateral. The Sub-Fund is therefore fully exposed to the credit/insolvency risk of its counterparties as an unsecured creditor.
- Investment grade securities invested by the Sub-Fund may be subject to the risk of being downgraded to below investment grade securities. The Manager may or may not dispose of the securities being downgraded. If the Sub-Fund continues to hold such securities, it will be exposed to additional risk of loss.
- The RMB denominated debt securities market is at a developing stage and the trading volume may be lower than those of more developed markets. The Sub-Fund may invest in debt securities which are not listed. Even if the debt securities are listed, the market for such securities may be inactive. The Sub-Fund may suffer losses in trading such instruments.
- Some of the RMB denominated debt securities invested by the Sub-Fund may be unrated or below investment grade. Such debt securities are exposed to greater risk.
- Valuation of the investments of the Sub-Fund may involve uncertainties and judgmental determinations, and independent pricing information may not at all times be available. If such valuations are proved to be incorrect, the Net Asset Value of the Sub-Fund may be adversely affected.
- Distributions of the Sub-Fund may be paid from income and/or capital of the Sub-Fund. The Sub-Fund or the Fund Manager may at its discretion pay dividend out of capital of the Sub-Fund. The payment of dividends out of capital represents and amounts to a return or withdrawal of part of original investment or from any capital gains attributable to that original investment. Any distributions involving payment of dividends out of the Sub-Fund's capital may result in an immediate reduction of the Net Asset Value per Unit. The Sub-Fund or the Fund Manager may amend the Sub-Fund's distribution policy with respect to payment of dividend out of the capital of the Sub-Fund subject to the SFC's prior approval and by giving not less than one month's prior notice to investors. The compositions of the dividends (i.e. the relative amounts paid out of (i) net distributable income and (ii) capital) for the last 12 months are available from the Fund Manager upon request and on the website of the Fund Manager at <http://www.swhyhk.com>. Please note that the aforesaid website has not been reviewed by the Securities and Futures Commission of Hong Kong.

**Fund Objective:** The Sub-Fund aims at providing medium to long-term capital appreciation by investing primarily in RMB-denominated and settled debt securities issued in the PRC through a RQFII quota of the RQFII Holder which is a holding company of the Manager.

### Fund Manager

Shenwan Hongyuan Asset Management (Asia) Limited.

**Base Currency** RMB

**Launch Date** 5 March 2012

**Unit NAV**  
A類: RMB 86.236  
I類: RMB 92.855

**Dividend Policy**  
Quarterly (Dividend policy is subject to the Manager's discretion. Periodic distribution of dividend is not guaranteed. If distributed, dividend amount is not guaranteed. Please also see footnote 1)

**Minimum Subscription Amount**  
Class A: RMB 10,000 (Initial)  
RMB 5,000 (Subsequent)  
Class I: RMB 10,000,000 (Initial)  
RMB 100,000 (Subsequent)

**Bloomberg**  
Class A: SHWRMBA HK  
Class I: SHWRMBI HK

**ISIN**  
Class A: HK0000098407  
Class I: HK0000098415

**Reuters**  
Class A: 68125485  
Class I: 68125486

### Fees and Charges

**Subscription Fee** Class A & Class I: Up to 5%

**Management Fee**  
Class A: 1.2% p.a.  
Class I: 0.5% p.a.

**Trustee Fee**  
Class A & Class I: Up to 1% p.a. (subject to a minimum monthly fee of USD4,000 for each class of units)

**RQFII Custodian Fee** Class A & Class I: Up to 0.5% p.a. (excluding transaction charges)

**Performance Fee** N/A

**Redemption Fee** N/A

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### Market Review

In August 2025, domestic bond-market yields continued to climb. For interest-rate bonds, the 10-year government-bond yield rose steadily throughout July and finally settled at 1.8379% on 29 August, up another 12 basis points from the previous month. The 1-year government-bond yield closed at 1.3698%, leaving the yield curve in a bear-steepening posture. In the credit-bond market, credit spreads narrowed overall, although the term spread widened slightly. In addition, the DR007 rate moved from 1.4% at the start of the month to 1.65% at month-end, signalling a tighter funding environment than in July. Equity markets kept rallying, prompting redemptions from bond mutual funds and keeping bond yields under pressure.

### Market Outlook and Strategy

Looking ahead to September, net government-bond issuance is expected to fall month-on-month to RMB 1.28 trillion (down RMB 189.6 billion from August). Fiscal outlays will replenish excess reserves by RMB 1.11 trillion, while FX-related drains absorb RMB 72.2 billion. Overall, liquidity should stay ample, but quarter-end effects could nudge money-market rates slightly higher; the projected funding shortfall for the month is roughly RMB 2 trillion. The 10-year government-bond yield is seen ranging between 1.80% and 1.85%.

### Comments on portfolio

This month the RQFII fund's net-asset-value (Class I) return was +0.79%, while the ChinaBond Composite Price Index (CBCFPI) fell 0.64% for the full month. The fund modestly outperformed the benchmark, chiefly because its equity positions posted solid gains; however, a late-month sell-off in convertible bonds weighed on overall returns. As of end-August the portfolio was 93.17% invested in bonds—of which 22.71% were convertibles, unchanged from the prior period—and 6.19% in public funds/equities, reflecting a tactical increase in equity exposure. The corporate/credit bonds are almost all investment-grade. At month-end the portfolio had an average duration of 1.52 years and an average yield-to-maturity of 2.15%. Holdings are spread across 27 distinct issuers, providing ample diversification.

Cumulative Return (Footnote 1 & Footnote 2)	1 month	3 months	6 months	1 year	3 years	5 years	YTD	Since Launch
Class A	0.73%	0.96%	1.25%	3.68%	-2.10%	-2.53%	0.69%	19.07%
Class I	0.79%	1.13%	1.60%	4.40%	-0.64%	-0.36%	1.15%	25.69%

Source: Shenwan Hongyuan Asset Management (Asia) Limited  
Last update: 29 Aug 2025

### Top 5 Holdings (% of Assets)

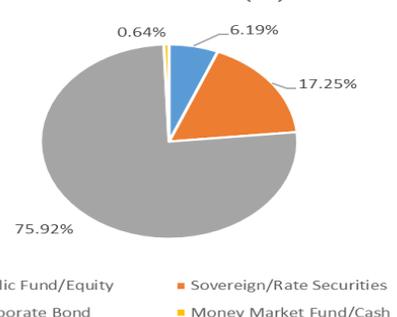
INDUBK 1.5 12/27/27	9.63%
CGB 1.59 04/25/25 SH	9.36%
CGB 2.22 09/25/25	7.89%
BOSHAI VAR 01/25/27	7.22%
HTSC 4.5 01/29/26	6.45%

### Duration and YTM\*

Average Duration (Year)	1.52
Average Yield to Maturity (%)	2.15

\*Average Duration and Average YTM do not include the data of Money Market Fund and Cash.

### Asset Allocation (%)



Footnote 1: The investment returns are denominated in RMB. US/HK dollar-based investors are therefore exposed to fluctuations in the US/HK dollar/RMB exchange rate.

Footnote 2: Performance is calculated on NAV to NAV (RMB), with dividends reinvested, net of fees. The performance data are compared to include all dividends that have been distributed.

### Warning Statement

This Document is for information purpose only and does not constitute a prospectus, an offer or an invitation to subscribe any securities, or a recommendation in relation to any securities. Investment involves risks. Investors should not make investment decisions based on this material alone; before making any investment decision, investors should carefully read the explanatory memorandum and the product key facts statement of the Sub-Fund for further details including the risk factors. Past performance information presented are not indicative of future performance. Though the Sub-Fund has been authorized by the Securities and Futures Commission of Hong Kong, such authorization does not imply any official recommendation. The Sub-Fund may not be suitable for individual investor and may not be suitable for everyone. Information contained in this report has been obtained from sources believed to be reliable but Shenwan Hongyuan Asset Management (Asia) Limited does not guarantee the accuracy and completeness of the information provided by third party. This material has not been reviewed by the Securities and Futures Commission of Hong Kong.

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