

AGCM China Stars Fund



October 1, 2024

Chinese stock markets rally on major stimulus package

During the month of September, the NAV of AGCM China Stars Fund RC1 SEK increased by +23.9%.

China's top financial institutions including the PBOC (central bank), CBIRC (banking and insurance regulator) and CSRC (capital markets regulator) held a joint press conference on September 24, announcing a broad range of financial stimulus measures. The package was very well received by investors at home and abroad. Below is a summary of the key policies announced.

- Reduction in the required reserve ratio (RRR) for banks by 50 basis points. This will free up around 1 trillion yuan (USD 140 billion) for new lending by the commercial banks.
- Lowered deposit and lending rates by 20-25 basis points. Net interest margins for banks will remain stable.
- Guidance by the PBOC to commercial banks to reduce the interest rates on existing mortgages by 50 bps on average. PBOC Governor Pan Gongsheng expects this cut will benefit 50 million households and 150 million people, reducing the annual interest expenses by 150 billion RMB.
- Reduced the minimum required down-payment ratio for second-home buyers nationwide to 15% of the price, from current 25%. This will match first-home buyers' minimum downpayment requirement which is also 15%.
- Policy banks and commercial banks will be allowed to lend to quality companies to acquire land from distressed developers, to better utilize land parcels, and ease the liquidity pressure on developers.
- PBOC lending program to insurance companies and pension funds for the buying of equities.
- A re-lending facility for companies that want to purchase their own shares in the market.
- PBOC Governor Pan said that the conditions are becoming mature for the PBOC to inject liquidity through trading treasury bonds in the secondary market. In other words, a form of quantitative easing is underway.

The capital markets regulator CSRC said it will soon take steps to promote the entry of medium- and long-term funds into the market, focusing on stickier long-term money. Measures include the promotion of equity mutual funds to the public and improved environment for institutional long-term investments by shifting fund performance assessments to three years or more. Also, insurance companies, social security funds, pension insurance funds will be encouraged to engage more in long-term equity investments. Further measures will be taken to improve the ecosystem of the capital markets, to improve the quality and investment value of listed companies and crack down on illegal and irregular behaviors. The CSRC will also take more steps to create a market environment where medium and long-term funds are "willing to come, to stay, and develop well".

Gustav Rhenman, Chief Investment Officer

AGCM China Stars Fund

Monthly Report

September 2024



ASIA GROWTH CAPITAL MANAGEMENT

Performance

As of 30/09/2024	1 month	YTD	2 year	5 year	Since launch August 28, 2017
AGCM China Stars Fund RC1 SEK	+23.9%	+32.3%	+22.3%	+37.9%	+52.6%
AGCM China Stars Fund RC8 SEK	+23.8%	+32.5%	+23.4%	+41.2%	+59.1%

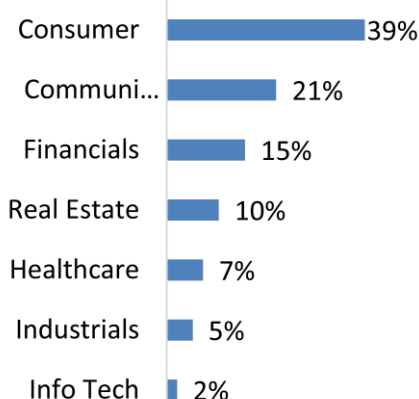
Top 5 holdings

As of 30/09/2024

Company name
Alibaba Group
Tencent Holdings
JD.com
CATL
Trip.com

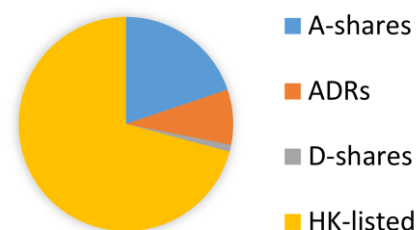
Industry breakdown

As of 30/09/2024



Market breakdown

As of 30/09/2024



About Asia Growth Capital Management

Asia Growth Capital Management AB (AGCM) is a specialized investment management company managing investment funds investing in listed equities in Asia. The company was founded in Sweden in 2013 by a group of investment professionals and executives with extensive experiences from a wide range of different industries. The Chief Investment Officer has twice before been awarded by Lipper (Thomson Reuters) for managing the best performing Asia Fund among all regulated Asia funds registered for marketing in any EU country.

Fund Facts

Portfolio manager:	Gustav Rhenman
Inception date:	28-August-2017
Fund size:	SEK 153 million
Number of holdings:	37
Management fee (RC1):	1.35% + 10% perf. Fee
Fund management Company:	FundRock Management Company S.A.
NAV:	(RC1) SEK 152.6 (RC8) SEK 159.1
Minimum subscription:	n.a.
ISIN code:	SEK RC1 LU 1608617111 SEK RC8 LU 1608617384

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Risk information: Money you invest in the Fund can both increase and decrease in value. Historic performance is no guarantee of future return. Saving in funds should be viewed in a long-term perspective, which then may potentially offer a better return than traditional savings in fixed income. We recommend that you read the KIID and prospectus available at www.agcm.se before you make an investment. You can also request such information via e-mail to info@agcm.se.