

## RISK

This is a marketing communication. Please refer to the prospectus, KIDs and KIID for the Fund, which contain detailed information on its characteristics and objectives, before making any final investment decisions.

The Guinness China RMB Income Fund is a bond fund. Investors should be willing and able to assume the risks of bond and fixed income investing. The value of an investment and the income from it can fall as well as rise as a result of market and currency movement, and you may not get back the amount originally invested. Further details on the risk factors are included in the Fund's documentation, available on our website.

Past performance does not predict future returns.

## ABOUT THE STRATEGY

<b>Launch</b>	09.03.2023
<b>Sector</b>	IA Specialist Bond
<b>Manager</b>	EPIC Investment Partners

## OBJECTIVE

The Guinness China RMB Income Fund aims to provide investors with a combination of capital appreciation and income. The Fund invests in a range of bonds and fixed income investments which will be denominated or hedged back to Renminbi (Renminbi or RMB being the official currency of China). The Fund buys government and quasi-sovereign bonds in the onshore China bond market and supranational and high-grade corporate credit in the offshore bond market. The Fund is actively managed without reference to a benchmark.

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## COMMENTARY

In China, Q1 GDP figures surprised to the upside, at 5.3% year-on-year (vs an expected 4.8%). Expansion in the first quarter was supported by industrial output, up 6.1% year-on-year (from 4.6% in 2023). Tech sectors also witnessed considerable strength, underscoring the trajectory towards high-quality expansion. Trade in renminbi terms was up 5% year-on-year, underpinned by the global trade recovery. The manufacturing sector signalled improvements as both the official and Caixin purchasing managers' indices came in above expectations, and in expansion territory. Nevertheless, other numbers from the world's second-largest economy were not so upbeat; both industrial production and retail sales missed by a wide margin.

We also heard from the International Monetary Fund, which warned that China remains a significant concern due to its faltering property market, along with other potential risks such as geopolitical tensions leading to price surges, trade disputes, varying rates of disinflation among its key sectors, along with high interest rates. However, on the upside, looser fiscal policy, falling inflation and advancements in artificial intelligence were cited as potential growth drivers.

## PORTFOLIO REVIEW

The Fund's CNH Y class returned +0.07% in April. Almost all bonds performed well, with the largest attribution coming from China Government bonds.

The yield on the 2-year benchmark China Government closed 2 basis points lower, at 1.89%.

Against the strong dollar, which saw off other Asian currencies, the renminbi fared well. The onshore renminbi returned 0.32% versus the dollar, and the offshore redback gained 0.36%. Against the euro, the currencies returned 1.36% and 1.41%, respectively.

The A1 (WARF) rated portfolio yields 2.75%, and has a duration of 1.47 years.

### OUTLOOK

The stronger-than-anticipated first quarter 2024 GDP growth suggests China's annual growth target for 2024 is achievable without excessive reliance on the property sector. This is due to improvements in external demand and enhanced measures to bolster domestic consumption.

The April politburo meeting reaffirmed the use of interest rates and reserve requirement ratios to support the real economy and reduce funding costs. The meeting also explicitly highlighted the need for coordinated research and implementation of policies to manage existing housing stock and increase new housing supply. Consequently, we can expect additional measures in the coming months aimed at directly addressing housing supply issues through demand-side interventions, rather than solely relying on indirect measures to stimulate investment in this sector.

**GUINNESS CHINA RMB INCOME FUND - FUND FACTS**

Fund size	¥30.6m
Fund launch	09.03.2023
OCF	0.60%
Benchmark	N/A
Historic yield	1.9% (Y CNH Dist)

Historic yield reflects the distributions declared over the past 12 months expressed as a percentage of the mid-market price, as at the latest month end. It does not include any preliminary charges. Investors may be subject to tax on the distribution.

**GUINNESS CHINA RMB INCOME FUND - PORTFOLIO**

Top 10 holdings	Credit Rating	Country
China Govt Bond 3.6% 27/06/2028	8.6%	AAA
China Govt Bond 3.31% 30/11/2025	8.3%	AA
China Govt Bond 3.39% 21/05/2025	8.3%	A
China Govt Bond 3.38% 21/11/2024	8.2%	
China Govt Bond 2.52% 04/08/2028	8.2%	
China Govt Bond 4.0% 22/05/2024	8.2%	
China Govt Bond 3.03% 24/06/2024	8.2%	
KFW 2.90% 24/02/2026	6.6%	
Agri Dev Bank China 3.40% 06/11/2024	4.9%	
HK Mortgage Corp. 2.98% 12/09/2026	4.9%	
Top 10 holdings	74.2%	
Number of holdings	15	

Country	Percentage
China	75.6%
Germany	6.6%
Hong Kong	4.9%
United Arab Emirates	4.9%
Qatar	4.5%
Cash	3.6%

## Guinness China RMB Income Fund

Past performance does not predict future returns.

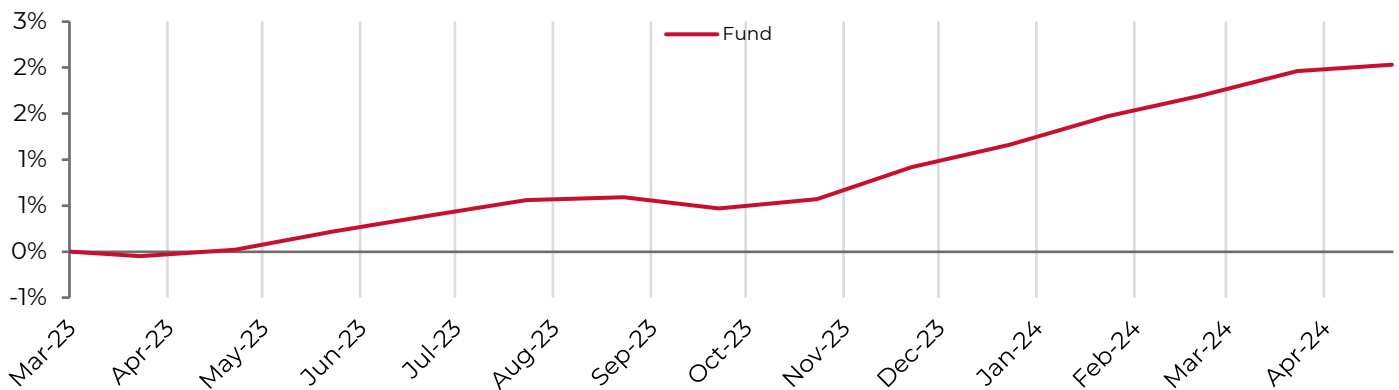
### GUINNESS CHINA RMB INCOME FUND - CUMULATIVE PERFORMANCE

(CNH)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+0.1%	+0.9%	+2.0%	-	-	-
(GBP)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+1.1%	+0.8%	-2.3%	-	-	-
(USD)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+0.2%	-1.0%	-2.7%	-	-	-
(EUR)	1 Month	YTD	1 yr	3 yr	5 yr	10 yr
Fund	+1.2%	+2.3%	+0.5%	-	-	-

### GUINNESS CHINA RMB INCOME FUND - ANNUAL PERFORMANCE

(CNH)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fund	-	-	-	-	-	-	-	-	-	-
(GBP)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fund	-	-	-	-	-	-	-	-	-	-
(USD)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fund	-	-	-	-	-	-	-	-	-	-
(EUR)	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Fund	-	-	-	-	-	-	-	-	-	-

### GUINNESS CHINA RMB INCOME FUND - PERFORMANCE SINCE LAUNCH (CNH)



Source: FE fundinfo to 30.04.24. Graph is in CNH. Investors should note that fees and expenses are charged to the capital of the Fund. This reduces the return on your investment by an amount equivalent to the Ongoing Charges Figure (OCF). The current OCF for the share class used for the fund performance returns is 0.60%. Returns for share classes with a different OCF will vary accordingly. Transaction costs also apply and are incurred when a fund buys or sells holdings. The performance returns do not reflect any initial charge; any such charge will also reduce the return.

## IMPORTANT INFORMATION

**Issued by Guinness Global Investors**, a trading name of Guinness Asset Management Limited, which is authorised and regulated by the Financial Conduct Authority.

This report is primarily designed to inform you about fixed interest securities and equity and fixed interest markets invested in by the Guinness China RMB Income Fund. It may provide information about the Fund's portfolio, including recent activity and performance. It contains facts relating to the equity markets and our own interpretation. Any investment decision should take account of the subjectivity of the comments contained in the report. OCFs for all share classes are available on [www.guinnessgi.com](http://www.guinnessgi.com).

This document is provided for information only and all the information contained in it is believed to be reliable but may be inaccurate or incomplete; any opinions stated are honestly held at the time of writing, but are not guaranteed. The contents of the document should not therefore be relied upon. It should not be taken as a recommendation to make an investment in the Fund or to buy or sell individual securities, nor does it constitute an offer for sale.

### Documentation

The documentation needed to make an investment, including the Prospectus, the Key Information Document (KID) / Key Investor Information Document (KIID) and the Application Form, is available in English from [www.guinnessgi.com](http://www.guinnessgi.com) or free of charge from:-

- the Manager: Waystone Management Company (IE) Limited (Waystone IE) 2nd Floor 35 Shelbourne Road, Ballsbridge, Dublin D04 A4E0, Ireland; or,
- the Promoter and Investment Manager: Guinness Asset Management Ltd, 18 Smith Square, London SW1P 3HZ.

Waystone IE is a company incorporated under the laws of Ireland having its registered office at 35 Shelbourne Rd, Ballsbridge, Dublin, D04 A4E0 Ireland, which is authorised by the Central Bank of Ireland, has appointed Guinness Asset Management Ltd as Investment Manager to this fund, and as Manager has the right to terminate the arrangements made for the marketing of funds in accordance with the UCITS Directive.

### Investor Rights

A summary of investor rights in English is available here: <https://www.waystone.com/waystone-policies/>

### Residency

In countries where the Fund is not registered for sale or in any other circumstances where its distribution is not authorised or is unlawful, the Fund should not be distributed to resident Retail Clients. **NOTE: THIS INVESTMENT IS NOT FOR SALE TO U.S. PERSONS.**

### Structure & regulation

The Fund is a sub-fund of Guinness Asset Management Funds PLC (the "Company"), an open-ended umbrella-type investment company, incorporated in Ireland and authorised and supervised by the Central Bank of Ireland, which operates under EU legislation. If you are in any doubt about the suitability of investing in this Fund, please consult your investment or other professional adviser.

### Switzerland

This is an advertising document. The prospectus and KID for Switzerland, the articles of association, and the annual and semi-annual reports can be obtained free of charge from the representative in Switzerland Reyl & Cie S.A., Rue du Rhône 4, 1204 Geneva, Switzerland. The paying agent is Banque Cantonale de Genève, 17 Quai de l'Île, 1204 Geneva, Switzerland.

### Singapore

The Fund is not authorised or recognised by the Monetary Authority of Singapore ("MAS") and shares are not allowed to be offered to the retail public. The Fund is registered with the MAS as a Restricted Foreign Scheme. Shares of the Fund may only be offered to institutional and accredited investors (as defined in the Securities and Futures Act (Cap.289)) ("SFA") and this material is limited to the investors in those categories.

Telephone calls will be recorded and monitored