

ChinaAMC Global ETF Series

**ChinaAMC Bloomberg Barclays China
Treasury + Policy Bank Bond Index
ETF**

Unaudited Semi-Annual Report

For the period from
1 January 2021 to 30 June 2021



UNAUDITED SEMI-ANNUAL REPORT

ChinaAMC Bloomberg Barclays China Treasury + Policy
Bank Bond Index ETF
Stock Code: 82813 (RMB counter), 02813 (HKD counter)
and 09813 (USD counter)
(a sub-fund of ChinaAMC Global ETF Series)

For the period from 1 January 2021 to 30 June 2021

ChinaAMC Bloomberg Barclays China Treasury + Policy Bank Bond Index ETF
(a sub-fund of ChinaAMC Global ETF Series)

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IMPORTANT:

Any opinion expressed herein reflects the Manager 's view only and is subject to change. For more information about the Sub-Fund, please refer to the prospectus of the Sub-Fund which is available at our website:<http://www.chinaamc.com.hk/en/products/etf/bloomberg-barclays-china-treasury-policy-bank-bond-index/fund-details.html>

Investors should not rely on the information contained in this report for their investment decisions.

ChinaAMC Bloomberg Barclays China Treasury + Policy Bank Bond Index ETF
(a sub-fund of ChinaAMC Global ETF Series)

MANAGEMENT AND ADMINISTRATION

MANAGER

China Asset Management (Hong Kong) Limited
37/F, Bank of China Tower
1 Garden Road
Central, Hong Kong

SERVICE AGENT

HK Conversion Agency Services Limited
1/F One & Two Exchange Square
8 Connaught Place
Central, Hong Kong

DIRECTORS OF THE MANAGER

Yang Minghui
Gan Tian
Li Yimei
Li Fung Ming

LISTING AGENT

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21 Wing Wo Street
Central
Hong Kong

TRUSTEE AND REGISTRAR

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Hong Kong

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979 King's Road
Hong Kong

AUDITOR

Ernst & Young
Certified Public Accountants
Registered Public Interest Entity Auditor
22/F, CITIC Tower
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INVESTMENT ADVISER

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People's Republic of China

PRC CUSTODIAN AND ONSHORE SETTLEMENT AGENT

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8 Century Avenue
Pudong, Shanghai
China 200120

CUSTODIAN

The Hongkong and Shanghai Banking Corporation Limited
1 Queen's Road Central
Hong Kong

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MANAGEMENT AND ADMINISTRATION (continued)

Participating Dealers

BNP Paribas Securities Services
21/F PCCW Tower, Taikoo Place
979 King's Road
Quarry Bay, Hong Kong

China Merchants Securities (HK) Co., Limited
48/F, One Exchange Square
8 Connaught Place
Central, Hong Kong

The Hongkong and Shanghai Banking
Corporation Limited
1 Queen's Road Central
Hong Kong

Haitong International Securities Company Limited
22/F Li Po Chun Chambers
189 Des Voeux Road Central
Hong Kong

Guotai Junan Securities (Hong Kong) Limited
27/F, Low Block, Grand Millennium Plaza
181 Queen's Road
Central, Hong Kong

Merril Lynch Far East Limited
55/F, Cheung Kong Center
2 Queen's Road
Central, Hong Kong

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REPORT OF THE MANAGER TO THE UNITHOLDERS

Introduction

The ChinaAMC Bloomberg Barclays China Treasury + Policy Bank Bond Index ETF (the “Sub-Fund”) is a sub-fund of ChinaAMC Global ETF Series, an umbrella unit trust established under Hong Kong law by a trust deed dated 17 September 2015 between China Asset Management (Hong Kong) Limited (the “Manager”) and HSBC Institutional Trust Services (Asia) Limited (the “Trustee”). The Sub Fund is a passively-managed ETF falling within Chapter 8.6 of the Code on Unit Trusts and Mutual Funds issued by the SFC. Units of the Sub-Fund (the “Units”) are traded on The Stock Exchange of Hong Kong Limited (the “SEHK”) like stocks. The Sub-Fund’s RMB counter (stock code: 82813) and HKD counter (stock code: 02813) commenced trading on the SEHK on 6 June 2018, and USD counter (stock code: 9813) commenced trading on the SEHK on 30 June 2021. The Sub-Fund is an index-tracking fund that seeks to track the performance of the Bloomberg Barclays China Treasury + Policy Bank Index (the “Index”).

The Manager uses a representative sampling strategy by investing in a representative sample of Treasury Bonds and Policy Bank Bonds in the Index that collectively reflects the investment characteristics of the Index. The Sub-Fund may or may not hold all of the Treasury Bonds and Policy Bank Bonds that are included in the Index, and may hold Treasury Bonds and Policy Bank Bonds which are not included in the Index, provided that these bonds collectively feature a high correlation with the Index. The Manager may overweight certain Treasury Bonds and Policy Bank Bonds which are included in the Index relative to those bonds’ respective weightings in the Index. The Sub-Fund will gain direct exposure to Treasury Bonds and Policy Bank Bonds by investing up to 100% of the NAV in the PRC inter-bank bond market under mutual bond market access between Hong Kong and Mainland China (“Bond Connect”) and the regime allowing foreign institutional investors to invest in the PRC inter-bank bond market (“Foreign Access Regime”). The Sub-Fund may also utilise other means as may be permitted by the relevant regulations from time to time.

Performance of the Sub-Fund

The investment objective is to provide investment results that, before fees and expenses, closely correspond to the performance of the Index. The Index aims to reflect the performance of the fixed rate RMB-denominated treasury bonds and policy bank bonds listed on the PRC inter-bank bond market.

The performance of the Sub-Fund is set out below (Total Returns in respective currency¹):

	1-Month	3-Month	Since Launch
The Index	0.09%	1.39%	16.08% ²
RMB Counter of the Sub-Fund (NAV-to-NAV)	0.21%	0.80%	5.83% ²
RMB Counter of the Sub-Fund (Market-to-Market)	0.19%	0.62%	5.16% ²
HKD Counter of the Sub-Fund (NAV-to-NAV)	-1.26%	2.30%	3.41% ²
HKD Counter of the Sub-Fund (Market-to-Market)	-1.49%	1.25%	2.90% ²

Activities of the Sub-Fund

According to Bloomberg, the average daily trading volume of the Sub-Fund was 1,342 units from 1 January 2021 to 30 June 2021. As of 30 June 2021, there were 250,000 units outstanding.

China Asset Management (Hong Kong) Limited
17 August 2021

¹ Source: Bloomberg, as of 30 June 2021. Performances of the benchmark Index and RMB Counter of the Sub-Fund are calculated in RMB while performances of HKD Counter and USD Counter of the Sub-Fund are calculated in HKD and USD. Past performance figures shown are not indicative of the future performance of the Sub-Fund.

² Calculated since 6 June 2018

ChinaAMC Bloomberg Barclays China Treasury + Policy Bank Bond Index ETF
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STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 30 June 2021

	30 June 2021 (Unaudited) RMB	31 December 2020 (Audited) RMB
ASSETS		
Financial assets at fair value through profit or loss	25,312,431	34,502,774
Interest receivables	536,045	677,098
Cash and cash equivalents	8,683,171	1,417,549
Amount due from the Manager	472,452	234,396
TOTAL ASSETS	<u>35,004,099</u>	<u>36,831,817</u>
LIABILITIES		
Amounts due to brokers	3,070,801	-
Amounts due to shareholders	5,242,810	-
Management fee payable	8,194	9,250
Trustee and registrar fees payable	50,270	38,624
Other payables and accruals	538,417	483,757
TOTAL LIABILITIES	<u>8,910,492</u>	<u>531,631</u>
EQUITY		
Net assets attributable to unitholders	<u>26,093,607</u>	<u>36,300,186</u>
TOTAL LIABILITIES AND EQUITY	<u>35,004,099</u>	<u>36,831,817</u>
Number of units in issue	<u>250,000</u>	<u>350,000</u>
Net asset value per unit	<u>104.3744</u>	<u>103.7148</u>

Note: The semi-annual report of the sub-funds have been prepared in accordance with the same accounting policies adopted in the 2020 annual financial statements.

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STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)

For the period from 1 January 2021 to 30 June 2021

	Period from 1 January 2021 to 30 June 2021 (Unaudited) RMB	Period from 1 January 2020 to 30 June 2020 (Unaudited) RMB
INCOME		
Interest income	<u>605,762</u>	<u>629,815</u>
	<u>605,762</u>	<u>629,815</u>
EXPENSES		
Management fee ^{Note 2}	(56,666)	(54,893)
Trustee and registrar fees ^{Note 1}	(226,602)	(230,918)
Accounting fees ^{Note 1}	(30,200)	(30,283)
Auditor's remuneration	(45,413)	(48,048)
Transaction fees ^{Note 1}	(1,989)	(1,547)
Legal and other professional fees	-	(8,472)
Safe custody and bank charges ^{Note 1}	(10,646)	(12,850)
Other operating expenses	(200,827)	(176,730)
	(<u>572,343</u>)	(<u>563,741</u>)
Investment manager reimbursement of fees	<u>472,452</u>	<u>469,280</u>
	(<u>99,891</u>)	(<u>94,461</u>)
PROFIT BEFORE INVESTMENT GAINS AND EXCHANGE DIFFERENCES	505,871	535,354
INVESTMENT GAINS AND EXCHANGE DIFFERENCES		
Net realised (losses)/gains on financial assets at fair value through profit or loss	(52,804)	546,477
Net change in unrealised gains on financial assets at fair value through profit or loss	253,850	58,722
Foreign exchange gains/(losses)	<u>2,628</u>	(<u>8,124</u>)
	<u>203,674</u>	<u>597,075</u>
PROFIT BEFORE TAX	709,545	1,132,429
Income tax expenses	(<u>79</u>)	(<u>124</u>)
TOTAL COMPREHENSIVE INCOME	<u><u>709,466</u></u>	<u><u>1,132,305</u></u>

^{Note 1} During the period ended 30 June 2021 and 2020, trustee and registrar fees, accounting fees, transaction fees and safe custody and bank charges incurred were paid to the Trustee or its connected persons, no other amounts paid to the Trustee or its connected person.

^{Note 2} During the period ended 30 June 2021 and 2020, other than management fees that paid to the Manager, no other amounts paid to the Manager or its connected persons.

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STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS (UNAUDITED)

For the period from 1 January 2021 to 30 June 2021

	Period from 1 January 2021 to 30 June 2021 (Unaudited) RMB	Period from 1 January 2020 to 30 June 2020 (Unaudited) RMB
Balance at the beginning of the period	36,300,186	41,391,981
Issue of units during the period	10,454,900	10,530,215
Redemption of units during the period	(20,970,945)	(15,923,690)
Distributions to unitholders	(400,000)	(455,000)
Total comprehensive income	709,466	1,132,305
Balance at the end of the period	<u>26,093,607</u>	<u>36,675,811</u>
	Units	Units
Number of units in issue at the beginning of the period	350,000	400,000
Number of units issued during the period	100,000	100,000
Number of units redeemed during the period	(200,000)	(150,000)
Number of units in issue at the end of the period	<u>250,000</u>	<u>350,000</u>

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STATEMENT OF CASH FLOWS (UNAUDITED)

For the period from 1 January 2021 to 30 June 2021

	Period from 1 January 2021 to 30 June 2021 (Unaudited) RMB	Period from 1 January 2020 to 30 June 2020 (Unaudited) RMB
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	709,545	1,132,429
Adjustments for:		
Decrease in financial asset at fair value through profit or loss	9,190,343	4,987,354
Decrease in interest receivable	141,053	231,226
Increase in amount due from the Manager	(238,056)	(469,280)
Increase in amounts due to brokers	3,070,801	-
Decrease in management fee payable	(1,056)	(2,045)
Increase/(decrease) in trustee and registrar fees payable	11,646	(4,943)
Increase in inception fee payable	-	431
Increase in other payables and accruals	54,660	64,757
	<u>12,938,936</u>	<u>5,939,929</u>
Cash generated from operations	12,938,936	5,939,929
Tax paid	(79)	(124)
Net cash flows from operating activities	<u>12,938,857</u>	<u>5,939,805</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of units	10,454,900	10,530,215
Payments on redemption of units	(15,728,135)	(15,923,690)
Distribution paid to unitholders	(400,000)	(455,000)
Net cash flows used in financing activities	<u>(5,673,235)</u>	<u>(5,848,475)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	7,265,622	91,330
Cash and cash equivalents at beginning of the period	<u>1,417,549</u>	<u>235,439</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>8,683,171</u>	<u>326,769</u>
ANALYSIS OF BALANCE OF CASH AND CASH EQUIVALENTS		
Cash at banks	<u>8,683,171</u>	<u>326,769</u>
Net cash flows from operating activities includes:		
Interest received on bank deposits net of withholding tax	<u>2,350</u>	<u>2,064</u>

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STATEMENT OF DISTRIBUTION (UNAUDITED)

For the period from 1 January 2021 to 30 June 2021

	Period from 1 January 2021 to 30 June 2021 (Unaudited) RMB	Period from 1 January 2020 to 30 June 2020 (Unaudited) RMB
Undistributed income at the beginning of the period	-	-
Total comprehensive income	709,466	1,132,305
Less: Net gains on financial assets at fair value through profit or loss	(201,046)	(605,199)
Undistributed income before distribution	508,420	527,106
Interim distribution declared		
- on 09 January 2020 (RMB0.65 per unit)	-	(227,500)
- on 08 April 2020 (RMB0.65 per unit)	-	(227,500)
- on 08 January 2021 (RMB0.50 per unit)	(175,000)	-
- on 09 April 2021 (RMB0.50 per unit)	(225,000)	-
Transfer to capital	(108,420)	(72,106)
Undistributed income at the end of the period	<u>-</u>	<u>-</u>

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INVESTMENT PORTFOLIO (UNAUDITED)

As at 30 June 2021

	Holdings (units)	Fair Value (RMB)	% of net assets
LISTED BONDS			
China			
CHINA (GOVT OF) (SER INBK) (REG) 2.85% 04/06/2027	2,000,000	1,978,560	7.58
CHINA (GOVT OF) (SER INBK) (REG) 3.02% 22/10/2025	5,000,000	5,020,500	19.24
CHINA DEVELOPMENT BANK (REG) SER 1810 4.04% 06/07/2028	5,000,000	5,174,774	19.83
CHINA DEVELOPMENT BANK (SER 2015) (REG) 3.7% 20/10/2030	5,000,000	5,064,740	19.41
CHINA DEVELOPMENT BANK (SER 2105) (REG) 3.66% 01/03/2031	3,000,000	3,038,379	11.65
EXPORT-IMPORT BANK CHINA (SER 1905) (REG) 3.28% 11/02/2024	5,000,000	5,035,478	19.30
Total investment portfolio (cost: RMB 24,957,045)		<u>25,312,431</u>	<u>97.01</u>
Other net assets		781,176	2.99
Total net assets		<u><u>26,093,607</u></u>	<u><u>100.00</u></u>

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MOVEMENTS IN INVESTMENT PORTFOLIO (UNAUDITED)

For the period from 1 January 2021 to 30 June 2021

	Movements in Holdings			As at 30 June 2021
	As at 1 January 2021	Additions	Disposals	
LISTED BONDS				
China				
AGRICUL DEV BANK CHINA (SER 2004) (REG) 2.96% 17/04/2030	5,000,000	-	(5,000,000)	-
CHINA (GOVT OF) (SER INBK) (REG) 2.68% 21/05/2030	5,000,000	-	(5,000,000)	-
CHINA (GOVT OF) (SER INBK) (REG) 2.85% 04/06/2027	5,000,000	-	(3,000,000)	2,000,000
CHINA (GOVT OF) (SER INBK) (REG) 3.02% 22/10/2025	-	5,000,000	-	5,000,000
CHINA DEVELOPMENT BANK (REG) SER 1810 4.04% 06/07/2028	5,000,000	-	-	5,000,000
CHINA DEVELOPMENT BANK (SER 1905) (REG) 3.48% 08/01/2029	5,000,000	-	(5,000,000)	-
CHINA DEVELOPMENT BANK (SER 2015) (REG) 3.7% 20/10/2030	-	10,000,000	(5,000,000)	5,000,000
CHINA DEVELOPMENT BANK (SER 2105) (REG) 3.66% 01/03/2031	-	3,000,000	-	3,000,000
CHINA GOVERNMENT BOND (REG) 2.36% 02/07/2023	5,000,000	-	(5,000,000)	-
EXPORT-IMPORT BANK CHINA (SER 1905) (REG) 3.28% 11/02/2024	5,000,000	-	-	5,000,000
Total of fixed income securities	35,000,000	18,000,000	(28,000,000)	25,000,000

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PERFORMANCE RECORD (UNAUDITED)

For the period from 1 January 2021 to 30 June 2021

1. Net Asset Value

	Net asset value per unit RMB	Total net asset value RMB
As at:		
30 June 2021 (Unaudited)	104.3744	26,093,607
31 December 2020 (Audited)	103.7148	36,300,186
31 December 2019 (Audited)	103.4800	41,391,981
31 December 2018 (Audited)	102.7431	77,057,354

2. Highest issue and lowest redemption prices per unit

	Highest issue unit price RMB	Lowest redemption unit price RMB
During the period from 1 January 2021 to 30 June 2021 (Unaudited)	105.38	103.64
During the year ended 31 December 2020	108.96	103.17
During the year ended 31 December 2019	104.71	102.22
During the period from 6 June 2018 (date of inception) to 31 December 2018	103.58	99.57

3. Comparison of the scheme performance and the actual index performance¹

The table below illustrates the comparison between the Sub-Fund's performance (Market-to-Market) and that of the index during the following periods:

	The Index	RMB counter of the Sub-Fund	HKD counter of the Sub-Fund
During the period from 1 January 2021 to 30 June 2021 (Unaudited)	2.15%	0.82%	1.00%
During the year ended 31 December 2020	3.03%	0.43%	7.18%
During the year ended 31 December 2019	4.63%	0.97%	-1.02%
During the period from 6 June 2018 (date of inception) to 31 December 2018	5.42%	2.85%	-3.97%

¹ Past performance figures shown are not indicative of the future performance of the Sub-Fund.

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INVESTMENT LIMITATION AND PROHIBITIONS UNDER THE SFC CODE (UNAUDITED)

As at 30 June 2021

According to Chapter 7.1 of the investment limitations and prohibitions of a collective investment scheme, the value of a Sub-Fund's holding of securities issued by any single issuer may not exceed 10% of its total net asset value.

The SFC Code allows the Sub-Fund to invest in constituent securities issued by a single issuer for more than 10% of the Sub-Fund's net asset value provided that:

- (a) the investment is limited to any constituent securities that each accounts for more than 10% of the weighting of the Index; and
- (b) the Sub-Fund's holding of any such constituent securities may not exceed their respective weightings in the Index, except where weightings are exceeded as a result of changes in the composition of the Index and the excess is only transitional and temporary in nature.

The SFC Code further provides that, if the investment limits stated above are breached, the management company should take as a priority objective all steps as are necessary within a reasonable period of time to remedy the situation, taking due account of the interests of the holders.

The Trust Deed of the Trust also contains provisions mirroring the above provisions of the SFC Code.

According to Chapter 7.4 and 8.6(i) of the SFC Code, the Sub-Fund may invest all of its assets in Government and other public securities in any number of different issuers.

The Manager and the Trustee have confirmed that the Sub-Fund has complied with this limit during the period ended 30 June 2021 and 31 December 2020.

There were 5 (2020:7) constituent securities that individually accounted for more than 10%, but less than 30% of the net asset value of the Sub-Fund as at 30 June 2021 and 31 December 2020 as shown below:

As at 30 June 2021

	Respective weighting in Index (%)	% of NAV
CHINA (GOVT OF) (SER INBK) (REG) 3.02% 22/10/2025	1.14%	19.24%
CHINA DEVELOPMENT BANK (REG) SER 1810 4.04% 06/07/2028	0.89%	19.83%
CHINA DEVELOPMENT BANK (SER 2015) (REG) 3.7% 20/10/2030	0.95%	19.41%
CHINA DEVELOPMENT BANK (SER 2105) (REG) 3.66% 01/03/2031	0.92%	11.65%
EXPORT-IMPORT BANK CHINA (SER 1905) (REG) 3.28% 11/02/2024	0.93%	19.30%

As at 31 December 2020

	Respective weighting in Index (%)	% of NAV
AGRICUL DEV BANK CHINA (SER 2004) (REG) 2.96% 17/04/2030	0.77%	13.03%
CHINA (GOVT OF) (SER INBK) (REG) 2.85% 04/06/2027	1.17%	13.52%
CHINA (GOVT OF) (SER INBK) (REG) 2.68% 21/05/2030	1.16%	13.22%
CHINA DEVELOPMENT BANK (REG) SER 1810 4.04% 06/07/2028	0.93%	14.20%
CHINA DEVELOPMENT BANK (SER 1905) (REG) 3.48% 08/01/2029	0.97%	13.64%
CHINA GOVERNMENT BOND (REG) 2.36% 02/07/2023	0.94%	13.61%
EXPORT-IMPORT BANK CHINA (SER 1905) (REG) 3.28% 11/02/2024	1.00%	13.83%

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REPORT ON INVESTMENT OVERWEIGHT (UNAUDITED)

For the period from 1 January 2021 to 30 June 2021

The Sub-Fund is permitted to overweight certain Treasury Bonds and Policy Bank Bonds which are included in the Index relative to those bonds' respective weightings in the Index. Prior approval of the SFC will be sought and not less than one month's prior notice will be given to the Unitholders in the event the Manager wishes to adopt investment strategy other than representative sampling strategy. Up to 100% of the Net Asset Value will be invested in Treasury Bonds and Policy Bank Bonds.

In addition, the Sub-Fund is also subject to the investment and borrowing restrictions as stated below:

- not more than 30% of the Net Asset Value of the Sub-Fund may be invested in Government and other Public Securities of the same issue; and
- the Sub-Fund may invest all of its assets in Government and other Public Securities in at least 6 different issues.

The Manager confirmed that the Sub-Fund had complied with this limit during the period from 1 January 2021 to 30 June 2021 and period from 1 January 2020 to 30 June 2020.

