

Unit Link Products Monthly Report

2022-05

Category

1. Macro economy
2. Stock market
3. Fixed income market
4. Mutual fund market



中意人寿
GENERALI CHINA



1. Macroeconomic

Overseas economy :

The U.S economy showed serious inflation pressure. The number of non-farm payrolls growth was 39 million in May, and the unemployment rate remained at 3.6%. The ISM manufacturing PMI rose a little to 56.1 while the services PMI declined to 57.1. The US CPI growth in May rose a little to 8.6% YOY while the core CPI growth dropped to 6% YOY. Further, the PPI growth fell to 10.7% from 11%. Overall, the price index indicated a serious inflation pressure. The Eurozone Manufacturing PMI continued to decline a little to 54.6, and the services PMI was 56.1 in May. The CPI growth rose to 8.1% YoY in May and the core CPI growth rose to 3.8%. The pressure of inflation in Eurozone tend to deteriorate in May.

Domestic economy :

Domestic economy still faced pressure in May as the epidemic spread and the top 2 cities were in the state of epidemic prevention and control. At the production side, the growth of industrial added value in May rose by 3.6 % to 0.7%. For the demand side: The total FAI growth for the year was 6.2% YoY, which declined by 0.6% compared to previous period. For the components of FAI, the manufacturing investment growth dropped by 1.6% to 10.6% YoY. Infrastructure investment growth rose by 0.2% to 6.7% YoY. The real estate investment growth continued to drop by 1.2% to -3.2% YoY. In May, the total retail sales of consumer goods growth increase by 4.4% to -6.7% YoY. The CPI growth rate remained at 2.1% YoY in May, and the PPI growth rate fell by 1.6% to 6.4% YoY. In May, the scale of new social financing was 2.7 trillion RMB, which showed some pressure of economic growth.

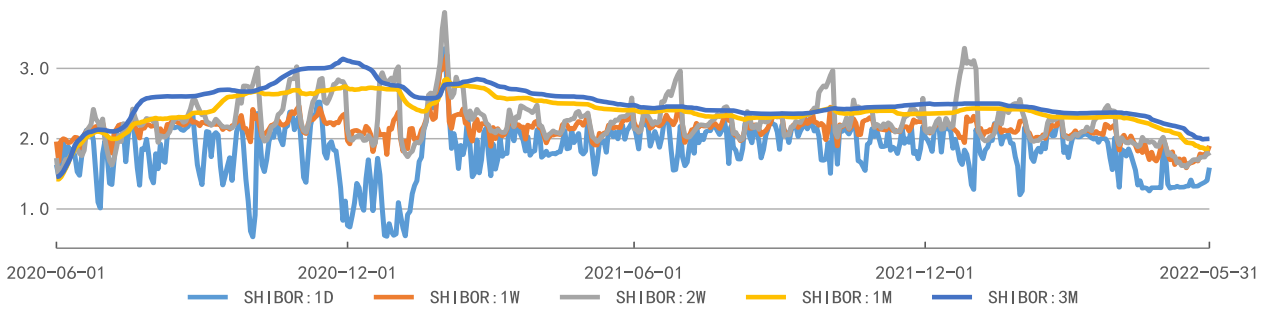
2. Stock Market

In May of 2022, by the end of the month, Shanghai Composite Index change 4.57%. Shenzhen Composite change 4.59% and GEM stocks change by 6.36%.

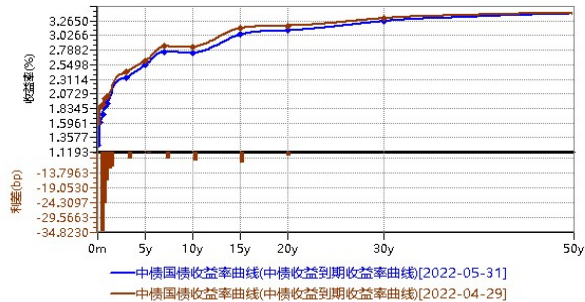
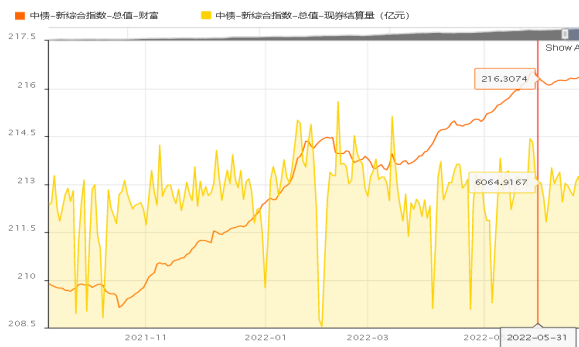
Index	Percentage[%]	Volume [million]	Amount [million]	Turnover[%]
SH stocks	4.57	674727.29	7158448.16	16.19
SZ stocks	4.59	775841.61	8748592.78	23.79
HS300	1.87	235839.71	4275924.50	8.40
GEM stocks	6.36	186762.06	2870522.55	45.65



3.Fixed-income market



Data Source: Wind



数据来源:Wind

Bond market continued to expand in May 2022

In May, the bond market had expanded to 123.97 trillion yuan. Among which the China Central Depository & Clearing Co., Ltd (CCDC) had a total amount of 91.06 trillion yuan with a growth of 14.24% YoY. Bond around 16.19 trillion yuan was registered in the ShangHai clearing and settlement company, which had a growth of 16.7 YoY. Registration of bond in China Securities Depository and Clearing Co., Ltd was 16.72 trillion yuan, increased by 13.2% YoY.

Money market rate dropped in May 2022

In May, money market rates fluctuated. Specifically, the 1D repo dropped by 1BP to 1.42% and the 7D repo dropped by 19BP to 1.77%.

Trading volume rose in May 2022

In May, the trading volume in China Central Depository & Clearing Co., Ltd. (CCDC) was 106.38 trillion, which had a boost of 39.9 % YOY. Among which the volume for bond trading and repo trading were 12.77 trillion and 93.61 trillion yuan respectively. The average turnover rate for bond registered in CCDC was 14.02%. The most actively traded bonds were policy bank bonds, Treasury bonds and commercial bank bonds with turnover rates of 34.8%、14.0% and 13.2%, respectively.



4. Mutual Fund Market

Close-ended funds:

In May, close-ended funds changed 5.55% on average. From the beginning of this year, close-ended funds changed -19.34% on average.

Open-ended funds:

In May, hybrid funds, equity funds, index funds changed by 3.89%、4.45%、4.03%, respectively. From the beginning of this year, hybrid funds, equity funds, index funds changed by -12.33%、-16.40%、-16.19% , respectively.

Bond funds:

In May, bond funds changed 0.66% on average. From the beginning of this year, the figure is 0.31%.

Generali China - Unit Linked Growth



中意人壽
GENERALI CHINA

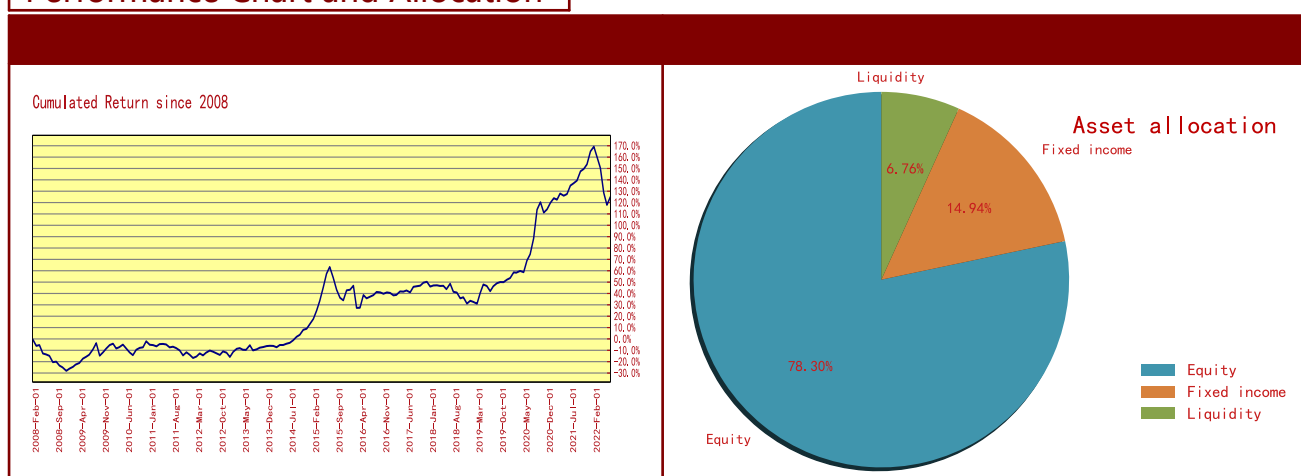
Fund Description

Fund Name	Growth	Investment Objective The objective is to maximize return in the medium-long run with a medium to high risk level.
Launch Date	2004/09/30	
Currency	RMB	Investment Scope This fund mainly invest in equities as open-end, close-end mutual fund, fixed income securities (government, financial and corporate bond and central bank notes, etc.) and other instruments approved by CIRC.
Management Fee	1.50% per year	
Latest Price(2022/05/31)		Target Clients This account is a medium aggressive account. This fund may be quite volatile and it is only suitable for long-term investors.
Price	4.8292	

Performance

	1 Month	3 Months	12 Months	YTD	Since Inception
Net Asset Value	3.34%	-10.11%	-4.17%	-16.37%	369.12%
Shanghai T-bond Index	0.45%	1.06%	4.53%	1.84%	-
Shanghai & Shenzhen 300 Index	1.87%	-10.70%	-23.26%	-17.18%	-

Performance Chart and Allocation



Market & Portfolio Comments

Portfolio review and outlook:

EQ: In May, with the gradual improvement of the epidemic data and the continuous introduction of policies to stabilize growth, the market showed a rebound trend. From sector point of view, the market favored new energy, green vehicles, semiconductors, and military industries that benefited from long-term structural adjustment. Although these directions are not cheap, the short-term fundamentals was still prosperous, and it was easy to reach a consensus in the rebound. After a deep adjustment, the valuation of the real estate-related industry chain was at a historical low, but the real estate market data in May was still not optimistic, and the related industry chains were also suppressed. As the market rebounded, the favored direction may pull back due to the problem of crowded transactions, and we would like to lighten related positions. FI: As Covid outbreak comes under control, life slowly returns to normal. Macro activities is bottoming out, but the strength of rebound remains to be seen. Monetary policy remains loose, money market rate remains low, interest arbitrage continues to be the most attractive strategy, but cautious on duration. Also in June new issues of Local Government Bond will likely flood the market, given the macro rebound and new supply pressures, risk free rate faces upward pressure.

Generali China - Unit Linked Growth



中意人壽
GENERALI CHINA

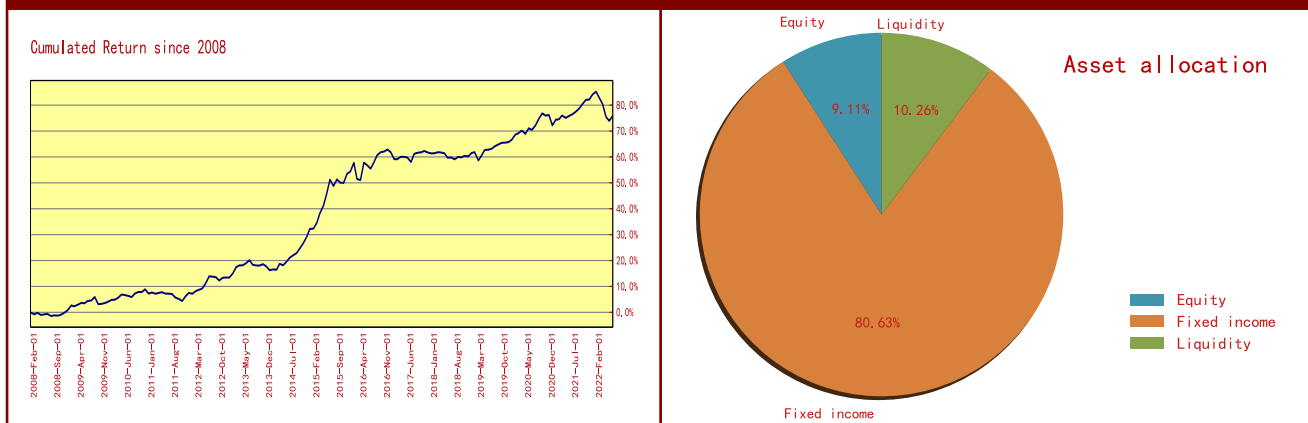
Fund Description

Fund Name	Stable	Investment Objective Achieving the best match of stable investment return and good assets liquidity with a low risk level in the medium-long run.
Launch Date	2004/09/30	
Currency	RMB	Investment Scope The investments focus on fixed income products and money market funds. A small percentage may be invested in equity exposed instruments as mutual funds. Other CIRC approved instruments investment is allowed.
Management Fee	1.25% per year	
Latest Price(2022/05/31)	Target Clients	
Price	2.3958	This is a conservative account, suitable for clients with a low risk bearing ability and stable investment return needs.

Performance

	1 Month	3 Months	12 Months	YTD	Since Inception
Net Asset Value	1.17%	-2.45%	-0.31%	-4.98%	132.73%
Shanghai T-bond Index	0.45%	1.06%	4.53%	1.84%	-
Shanghai & Shenzhen 300 Index	1.87%	-10.70%	-23.26%	-17.18%	-

Performance Chart and Allocation



Market & Portfolio Comments

Portfolio review and outlook:

EQ: A shares rebounded sharply in May, and the rebound direction was concentrated in photovoltaics, new energy vehicles and military industries. Oversold and policy catalysts are the main drivers of the rebound. The recovery from the damage caused by the epidemic is mainly concentrated in production, and consumption is expected to lag behind. Looking forward to June, the main driving factor has changed from the epidemic to economic recovery, and the main allocation direction will be tilted towards economic recovery. Infrastructure, finance and new energy are still the main lines. **FI:** As Covid outbreak comes under control, life slowly returns to normal. Macro activities is bottoming out, but the strength of rebound remains to be seen. Monetary policy remains loose, money market rate remains low, interest arbitrage continues to be the most attractive strategy, but cautious on duration. Also in June new issues of Local Government Bond will likely flood the market, given the macro rebound and new supply pressures, risk free rate faces upward pressure.