Ashutosh Financial Services Private Limited

China Equity Portfolio Strategy | 2026–2027

SECTOR ALLOCATION FRAMEWORK

Strategic Asset Allocation · Portfolio Intelligence Report · September 2026

Recommended Portfolio’s

1. ASHR (Xtrackers Harvest CSI 300 China A-Shares ETF)
Onshore policy-driven large-cap beta

2. FXI (iShares China Large-Cap ETF)
Offshore value and liquidity exposure

3. CNXT (VanEck ChiNext ETF)
AI infrastructure and advanced manufacturing

ASHR Portfolio

Financials
(banks, insurance)

Industrials
(infrastructure, manufacturing)

Consumer & Staples
(essentials, consumption)

Technology
(limited but growing)



Portfolio Performance



Portfolio Exposure



Diversified Holdings

ASHR – PORTFOLIO HOLDINGS (Top Constituents)

Sr. No.	Stock Name	Weight (%)
1	Contemporary Amperex Technology Co Ltd	3.6
2	Zhongji Innolight Co Ltd - A	3.52
3	Kweichow Moutai Co Ltd	3.15
4	Ping An Insurance Group Co of China Ltd	2.4
5	Zijin Mining Group Co Ltd-A	2.14
6	Eoptolink Technology Inc Ltd	2.09
7	China Merchants Bank Co Ltd	1.99
8	MIDEA GROUP CO LTD-A	1.67
9	WuXi AppTec Co Ltd - A	1.5
10	China Yangtze Power Co Ltd	1.36
11	Cambricon Technologies Corp Ltd - A	1.36
12	Industrial Bank Co Ltd	1.18
13	NAURA Technology Group Co Ltd-A	1.13
14	LUXSHARE PRECISION INDUSTR-A	1.12
15	CITIC Securities Co Ltd	1.09
16	Industrial & Commercial Bank of China Ltd	1.02
17	Gigadevice Semiconductor Beijing Inc - A	1.01
18	Advanced Micro-Fabrication Equipment Inc China	1
19	Foxconn Industrial Internet Co Ltd	1
20	EAST MONEY INFORMATION CO-A	0.96
21	BYD CO LTD -A	0.94

Sr. No.	Stock Name	Weight (%)
22	HYGON INFORMATION TECH A	0.91
23	Suzhou Dongshan Precision-A	0.9
24	Montage Technology Co Ltd	0.87
25	Shengyi Technology Co Ltd	0.83
26	BOE TECHNOLOGY GROUP CO LT-A	0.82
27	JIANGSU HENGRUI MEDICINE C-A	0.81
28	GUOTAI JUNAN SECURITIES CO-A	0.78
29	Agricultural Bank of China Ltd	0.76
30	Bank of Communications Co Ltd	0.75
31	GREE ELECTRIC APPLIANCES I-A	0.69
32	Bank of Jiangsu Co Ltd-A	0.69
33	Inner Mongolia Yili Industrial Co Ltd (A)	0.68
34	Suzhou TFC Optical Communication	0.65
35	CHINA MOLYBDENUM CO LTD-A	0.64
36	WUS Printed Circuit Kunsha-A	0.63
37	China CSSC Holdings Ltd	0.61
38	Beijing-Shanghai High Speed Railway Co Ltd - A	0.59
39	Chaozhou Three-Circle Group Co Ltd - A	0.58
40	WANHUA CHEMICAL GROUP CO -A	0.57
40	WANHUA CHEMICAL GROUP CO -A	0.56
Top Holdings Total		**49.55**

ASHR – PORTFOLIO RETURNS

ASHR Returns as on 07/09/2026						
	1 M	3 M	6 M	1 Y	3 Y (CAGR)	5 Y (CAGR)
ASHR	-0.82%	-5.31%	2.16%	10.37%	8.52%	-2.85%
CSI 300	-2.04%	-4.21%	1.09%	14.09%	5.57%	-4.62%

FXI Portfolio

Offshore value and liquidity exposure



Value & Liquidity Sleeve



Mega-Cap Leaders



Offshore Diversification



Trade Surplus Beneficiary



Policy & SOE Exposure

BUY SUGGESTION – FXI

Summary of Sector Growth Drivers (2026 Outlook)	
Sector	**Key Growth Catalyst**
Financials	Transition from capital intermediaries to "integrated service providers" for cross-border trade.
Consumer	Integration of AI agents (Meituan, Tencent) to increase user frequency and lower service costs.
Automotive	Rapid expansion of "New Energy" vehicle exports to Europe and Latin America (BYD/Xiaomi).
Gaming	Global release of flagship AI-native titles like *Marvel Rivals*

***Source: Internal research,* J.P. Morgan's *"Year of the Horse"* China Strategy**

FXI serves as an offshore liquidity and value sleeve, benefiting from southbound capital rotation into H-shares, with sector positioning tilted toward Financials and Energy, while offering deep options liquidity and contrarian upside after heavy outflows complementing ASHR's onshore policy-driven beta rather than overlapping with it.

FXI – PORTFOLIO HOLDINGS

Sr. No.	Stock Name	Weight (%)
1	CHINA CONSTRUCTION BANK CORP H	9.51
2	ALIBABA GROUP HOLDING	9.25
3	TENCENT HOLDINGS	8.48
4	INDUSTRIAL AND COMMERCIAL BANK OF	6.5
5	XIAOMI	5.03
6	MEITUAN	4.38
7	BANK OF CHINA LTD H	4.23
8	PING AN INSURANCE (GROUP) CO OF CH	3.85
9	NETEASE	3.59
10	BYD H	3.41
11	JD.COM CLASS A	2.8
12	CHINA LIFE INSURANCE LTD H	2.36
13	ZIJIN MINING GROUP LTD H	2.28
14	PETROCHINA LTD H	2.23
15	TRIP.COM GROUP	2.21
16	AGRICULTURAL BANK OF CHINA LTD H	2.1
17	BAIDU	2.1
18	CHINA MERCHANTS BANK LTD H	2.05
19	BEONE MEDICINES AG	1.82
20	CHINA SHENHUA ENERGY LTD H	1.64
21	CONTEMPORARY AMPEREX TECHNOLOGY CL	1.32
22	PICC PROPERTY AND CASUALTY LTD H	1.26
23	KUAISHOU TECHNOLOGY	1.13
24	CHINA PETROLEUM AND CHEMICAL H	1.12
25	POP MART INTERNATIONAL GROUP	1.1
26	ANTA SPORTS PRODUCTS LTD	1.01
27	WUXI APPTEC H	0.9

Sr. No.	Stock Name	Weight (%)
28	CHINA RESOURCES LAND	0.88
29	CHINA PACIFIC INSURANCE (GROUP) H	0.84
30	CHINA HONGQIAO GROUP LTD	0.79
31	CHINA CITIC BANK CORP LTD H	0.79
32	NONGFU SPRING LTD H	0.78
33	CITIC LTD	0.69
34	YANGTZE OPTICAL FIBRE AND CABLE JO	0.68
35	WEICHAI POWER LTD H	0.65
36	MIDEA GROUP CLASS H	0.64
37	CHINA MOLYBDENUM H	0.63
38	BANK OF COMMUNICATIONS LTD H	0.6
39	POSTAL SAVINGS BANK OF CHINA LTD H	0.59
40	THE PEOPLES INSURANCE CO (GROUP)	0.55
41	HAIER SMART HOME CLASS H LTD H	0.52
42	NEW CHINA LIFE INSURANCE COMPANY L	0.49
43	GUOTAI HAITONG SECURITIES CO LTD H	0.49
44	COSCO SHIPPING HOLDINGS LTD H	0.43
45	CITIC SECURITIES COMPANY H	0.38
46	CGN POWER LTD H	0.33
47	HKD CASH	0.13
48	JIANGSU HENGRUI PHARMACEUTICALS LT	0.11
49	CHINA EVERBRIGHT BANK LTD H	0.09
50	GIGADEVICE SEMICONDUCTOR INC CLASS	0.09
51	BLK CSH FND TREASURY SL AGENCY	0.09
52	S.F. HOLDING LTD CLASS H	0.08
	Total	**100**

FXI – PORTFOLIO RETURNS

FXI Returns as on 07/09/2026						
	1 M	3 M	6 M	1 Y	3 Y (CAGR)	5 Y (CAGR)
FXI	-1.20%	1.14%	-0.93%	-6.40%	9.09%	-3.31%
FTSE China 50	-1.94%	-0.56%	-3.85%	-8.96%	6.86%	-14.66%

CNXT Portfolio

AI infrastructure and advanced manufacturing



Premium Valuation Justified by Growth



Future Industries Sector Tilt



Global AI Supply Chain Participation



Exposure to Energy Storage Leaders



Downside Resilience



Hardware Moat Economics

CNXT – PORTFOLIO HOLDINGS (Top Constituents)

Sr. No.	Stock Name	Weight (%)
1	Contemporary Amperex Technology Co Ltd	15.88
2	Zhongji Innolight Co Ltd	12.4
3	Eoptolink Technology Inc Ltd	8.42
4	-USD CASH-	7.19
5	East Money Information Co Ltd	4.24
6	Suzhou Tfc Optical Communication Co Ltd	2.73
7	Chaozhou Three-Circle Group Co Ltd	2.44
8	Victory Giant Technology Huizhou Co Ltd	2.38
9	Sungrow Power Supply Co Ltd	2.23
10	Hangzhou Chang Chuan Technology Co Ltd	2.14
11	Shenzhen Inovance Technology Co Ltd	2.1
12	Shenzhen Mindray Bio-Medical Electronic	1.76
13	Shenzhen Longsys Electronics Co Ltd	1.48
14	Sharetronic Data Technology Co Ltd	1.48
15	Wens Foodstuffs Group Co Ltd	1.39
16	Eve Energy Co Ltd	1.27
17	Lens Technology Co Ltd	1.22
18	Hithink Royalflush Information Network	1.09
19	Robotechnik Intelligent Technology Co L	1.07
20	Shannon Semiconductor Technology Co Ltd	1.04
21	Shandong Sinocera Functional Material C	0.94

Sr. No.	Stock Name	Weight (%)
22	Bluefocus Intelligent Communications Gr	0.83
23	Hubei Dinglong Co Ltd	0.83
24	Ingenic Semiconductor Co Ltd	0.82
25	Broadex Technologies Co Ltd	0.81
26	Konfoong Materials International Co Ltd	0.81
27	Shenzhen Sunway Communication Co Ltd	0.81
28	Sg Micro Corp	0.79
29	Range Intelligent Computing Technology	0.77
30	Pharmaron Beijing Co Ltd	0.73
31	Hubei Feilihua Quartz Glass Co Ltd	0.69
32	Kunlun Tech Co Ltd	0.68
33	Wuhan Jingce Electronic Group Co Ltd	0.67
34	Advanced Fiber Resources Zhuhai Ltd	0.64
35	Aier Eye Hospital Group Co Ltd	0.64
36	Wuxi Lead Intelligent Equipment Co Ltd	0.61
37	Wangsu Science & Technology Co Ltd	0.61
38	Canmax Technologies Co Ltd	0.59
39	Sangfor Technologies Inc	0.58
40	Beijing Compass Technology Development	0.56
Top Holdings Total		**81.17**

CNXT – PORTFOLIO RETURNS

CNXT Returns as on 07/09/2026						
	1 M	3 M	6M	1Y	3 Y (CAGR)	5 Y (CAGR)
CNXT	-4.15%	-17.76%	7.23%	27.44%	21.33%	-1.42%
ChiNext	-2.15%	-11.13%	-1.05%	8.83%	15.44%	14.00%

BLENDED PORTFOLIO RETURNS – CHINA BASKET

PORTFOLIO RETURNS as on 07/09/2026		
Duration	**Allocation**	
	ASHR - 35%	**CSI 300 - 35%**
	FXI - 35%	**FTSE China 50 - 35%**
	CNXT -30%	**ChiNext - 30%**
	Blended Portfolio Returns	**Blended Benchmark Returns**
1 month	-1.95%	-2.21%
3 months	-6.79%	-5.29%
6 months	2.60%	-2.30%
1 Yr	9.62%	0.41%
3 Yr (CAGR)	12.56%	9.41%
5 Yr (CAGR)	-2.58%	-3.86%

DISCLAIMER & DISCLOSURES (Continue)

Broad Disclosure of Input Sources

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- Investing.com for returns computation

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