

## Fund Manager Perspective

The A Shares market remained strong before the Spring Festival, with the Shanghai Composite Index rallying for 7 consecutive days, gaining 5.6%; GEM continues to reach new heights, rising 9.4% to close at 1894.31. The media and computer industries led the gains, rising 14.2% and 12.5% respectively.

During the Spring Festival, macroeconomic data was strong in Europe and weaker in the US but both markets reached new highs. As the general trend of improving economic and employment conditions persists in the US, there is no concern over temporary weak data. Meanwhile, the Eurozone is regaining its growth momentum and the market is optimistic regarding negotiations with Greece. These factors alleviated much of the market's concerns over global economic growth.

In China, WeChat red envelopes were the hot topic during the Spring Festival. According to official statistics, WeChat activity reached 11 billion actions on New Year's Eve, including 120 million WeChat red envelopes being sent in 10 minutes. A total of 1.01 billion WeChat red envelopes were sent that day. These numbers not only reflect the extensive size of WeChat's social network and powerful data processing capabilities, but also reflects the fact that China has entered the mobile Internet era as smart phones become the norm and mobile internet technology continues to advance. 2015 will be a fruitful year for mobile internet-related investments.

Looking at the few days after the Spring Festival, we will keep using our bottom-up strategy to identify investment opportunities. With liquidity at its peak and earnings growth of traditional asset classes on the decline, we are more positive on growth stocks.

In the next stage, we will focus on the following investment opportunities: 1. Mobile internet-related growth stocks; 2. Mid-cap growth stocks with evidence of profitability; 3. SOE reform-related opportunities.