

CB Greater China Portfolio (USD) Report Q2 2025



Target

Profit from developments in Asia-Pacific with a focus on China, while reducing the risk of equity market corrections.



Concept

The portfolio invests in specialised long/short funds that invest in Asian companies that will be among the regional winners of the future and sell short shares in companies where they expect a negative development.



Use

For investors who prefer to hold a partially hedged portfolio in Asian equities instead of riskier "long only" equity positions.

How this has worked so far

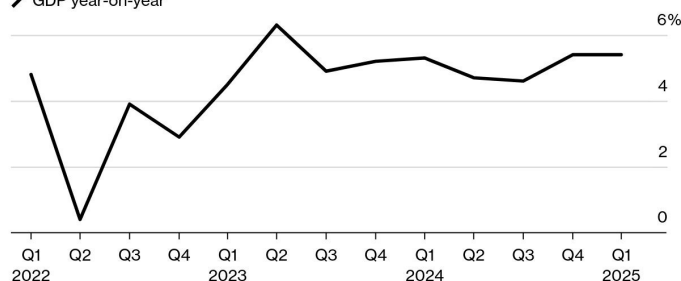
	Return				Risk: Volatility		Risk: Max. loss	
	Q2 2025	YTD 2025	3 Jahre	5 Jahre	3 Jahre	5 Jahre	3 Jahre	5 Jahre
CB Greater China Portfolio (USD)	0.52%	3.10%	5.14%	8.19%	5.77%	6.04%	-7.20%	-7.20%
Equities (MSCI Asia Pasific)	12.36%	13.34%	11.39%	7.62%	16.09%	15.06%	-14.41%	-32.48%
Equities (MSCI China)	2.08%	17.46%	3.27%	-0.83%	32.86%	28.00%	-35.48%	-58.18%

Potential return

China's GDP Growth Beats Expectations in First Quarter of 2025

Drastic US tariffs threaten to decelerate growth starting from April

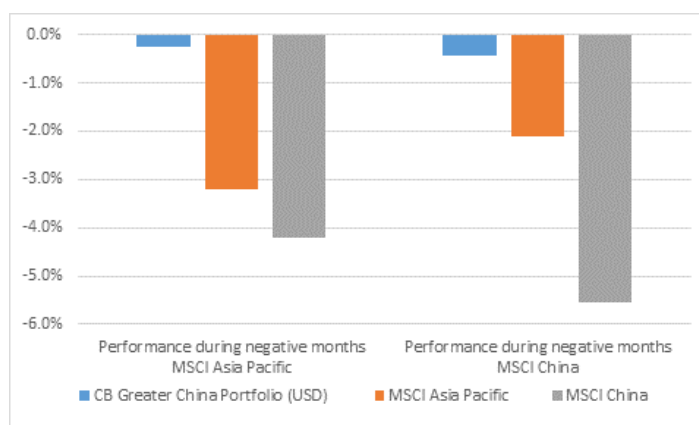
✓ GDP year-on-year



Source: National Bureau of Statistics

Bloomberg

Hedging



The choice of defensive hedge funds reduces the loss in negative markets.

Tariffs will create opportunities for long-short strategies

Comment second quarter 2025

The managers of the CB Greater China Portfolio achieved a positive net return of +0.5% in the second quarter of 2025. The MSCI China Index was +2.1% and the broader MSCI Asia Pacific Index was +12.4% during the quarter. Gains were supported by rebounds in Chinese equities in the second half of Q2.

Asian markets experienced sharp short-term volatility in April 2025, triggered by renewed U.S.-China trade tensions after Washington announced higher tariffs on select Chinese imports. The move sparked a broad sell-off in Hong Kong and mainland Chinese equities, with technology and export-oriented sectors leading declines. Trading volumes spiked as hedge funds and other institutional investors rapidly adjusted positions to manage risk amid heightened geopolitical uncertainty. But equities rebounded in May and June 2025 as investor sentiment improved following signs of de-escalation in U.S.-China trade tensions and stronger-than-expected Chinese economic data.

Fundamental long/short equity hedge funds posted solid gains, driven by a rebound in Hong Kong equities, rallies in AI-related and consumer sectors, and effective hedging during April's tariff-driven sell-off. Quantitative strategies were more challenged by sharp reversals due to news surrounding tariffs.