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Opalesque Exclusive: APS China Fund re-launched as long/short China focused equity fund

By Benedicte Gravrand, Opalesque London:

APS informed Opalesque in an email communication that the firm is now launching the APS China Alpha Fund as a long/short China focused equity fund. The fund has been in existence for slightly more than 1 year and so far invested in special opportunities in the Chinese A-share market, such as private placements. The fund has now been amended to adopt a long/short strategy. The long positions in the fund will reflect those in APS' successful long only APS China A Share Fund, the short positions will be built up in the markets of Hong Kong, Singapore and Taiwan, as shorting of stocks is not (yet) possible in mainland China.

With the APS China Alpha Fund, APS is extending the product offering of China focused funds. APS Asset Management was one of the first foreign asset managers entering the domestic Chinese A share market when it launched its first (long only) fund in July 2004. Since then, that fund has generated ca. 30% p.a. outperformance (up to May 2008) versus the domestic equity index, proving APS' stock picking capabilities. These capabilities will also be fully employed in the APS China Alpha Fund. APS has a total of 12 investment professionals based in 3 research offices in China as well as the Singapore office who are fully dedicated to covering Chinese stocks.

The APS China Alpha Fund will have an absolute return target of 8% p.a. (in USD) and uses this hurdle rate for performance fee purposes. Corporate website: [Source](#)