

# BEA Union Investment Asian Bond and Currency Fund

As at 31 July 2020



Retail Hotline: (852) 3608 0321 | [www.bea-union-investment.com](http://www.bea-union-investment.com)

- BEA Union Investment Asian Bond and Currency Fund (the "Fund") is subject to general investment risk, Asian market concentration risk, emerging market risk and currency risk.
- The Fund invests in debt securities and are subject to risks in interest rates, credit/counterparty, downgrading, below investment grade and non-rated securities, volatility and liquidity, valuation and sovereign debt and credit rating which may adversely affect the price of the debt securities.
- The manager may at its discretion make distributions from income and/or capital in respect of the distributing classes of the Fund. Distributions paid out of capital amount to a return or withdrawal of part of the unitholder's original investment or from any capital gains attributable to that original investment. Such distribution may result in an immediate reduction of the net asset value per unit.
- In terms of currency hedged class units, adverse exchange rate fluctuations between the base currency of the Fund and the class currency of the currency hedged class units may result in a decrease in return and/or loss of capital for unitholders. Over-hedged or under-hedged positions may arise and there can be no assurance that the currency hedged class units will be hedged at all times or that the manager will be successful in employing the hedge.
- RMB is currently not a freely convertible currency as it is subject to exchange controls and restrictions. Non-RMB based (e.g. Hong Kong) investors are exposed to foreign exchange risk and there is no guarantee that the value of RMB against the investors' base currencies (for example HKD) will not depreciate. Any depreciation of the RMB could adversely affect the value of investors' investments.
- The Fund may use financial derivative instruments for hedging and investment purposes which may not achieve the intended purpose and may result in significant losses. Risks associated with derivative instruments include counterparty/ credit risk, liquidity risk, valuation risk, volatility risk and over-the-counter transaction risk.
- Investors should not make an investment decision based solely on this material.

## RATING & AWARDS



Morningstar Overall Rating<sup>1</sup>



One of the Top Investment Houses  
in Asian G3 Bonds  
(Hong Kong)<sup>2</sup>



One of the Top Investment Houses  
in Asian Local Currency Bonds  
(Hong Kong)<sup>3</sup>



Regional Bond  
Gold Winner<sup>4</sup>



Best-In-Class,  
Asia Pacific  
Fixed Income HC<sup>5</sup>



Asia Pacific Bond  
Hard Currency  
(5 Years)<sup>6</sup>

## OBJECTIVE

The Fund seeks regular interest income, capital gains and currency appreciation from an actively managed portfolio primarily investing in debt securities denominated in Asian or other currencies and primarily issued by Asian government or corporate entities.

## FUND POSITIONING

- A dynamic bond fund
- Invests primarily in corporate, government, high-yield and investment grade bonds in Asia

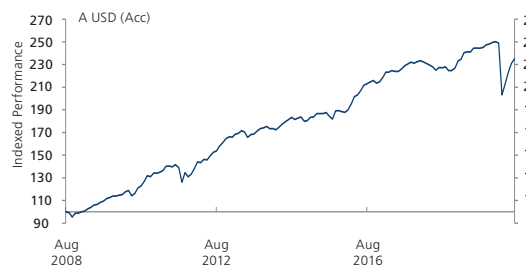
## FUND DETAILS

|                    |                          |
|--------------------|--------------------------|
| Base Currency      | US\$                     |
| Management Fee     | 1.20% p.a.               |
| Preliminary Charge | Up to 5.00%              |
| Realisation Charge | Currently waived         |
| Dealing Frequency  | Daily (HK business days) |
| Fund Size          | US\$743 million          |

|                  | NAV per Unit | Launch Date |
|------------------|--------------|-------------|
| A USD (Acc)      | US\$23.50    | 28 Aug 2008 |
| A RMB Hgd (Acc)* | RMB102.35    | 28 Mar 2018 |
| A EUR Hgd (Acc)* | EUR9.71      | 21 Jun 2018 |
| A USD (Dis)      | US\$12.46    | 28 Aug 2008 |
| H HKD (Dis)      | HK\$9.95     | 1 Jun 2011  |
| A AUD Hgd (Dis)* | AU\$8.89     | 30 May 2014 |
| A RMB Hgd (Dis)* | RMB95.57     | 30 May 2014 |

## PERFORMANCE

|                  | Cumulative Performance % |        |         |         |              | Calendar Year Performance % |                   |      |      |      | Volatility %         |
|------------------|--------------------------|--------|---------|---------|--------------|-----------------------------|-------------------|------|------|------|----------------------|
|                  | YTD                      | 1 Year | 3 Years | 5 Years | Since Launch | 2019                        | 2018              | 2017 | 2016 | 2015 | 3 Years (Annualised) |
| A USD (Acc)      | -5.8                     | -3.9   | 3.9     | 25.3    | 135.0        | 10.0                        | -2.4              | 8.2  | 14.0 | 4.8  | 12.0                 |
| A RMB Hgd (Acc)* | -5.5                     | -3.4   | N/A     | N/A     | 2.3          | 9.7                         | -1.3 <sup>7</sup> | N/A  | N/A  | N/A  | N/A                  |
| A EUR Hgd (Acc)* | -7.0                     | -6.4   | N/A     | N/A     | -2.9         | 6.4                         | -3.4 <sup>7</sup> | N/A  | N/A  | N/A  | N/A                  |
| A USD (Dis)      | -5.9                     | -4.0   | 3.9     | 25.2    | 134.8        | 10.0                        | -2.4              | 8.3  | 14.0 | 4.8  | 12.0                 |
| H HKD (Dis)      | -6.3                     | -4.9   | 3.1     | 25.2    | 66.0         | 9.4                         | -2.2              | 9.1  | 14.0 | 4.8  | 12.2                 |
| A AUD Hgd (Dis)* | -7.0                     | -5.8   | 0.1     | 21.6    | 32.6         | 8.2                         | -3.1              | 7.7  | 14.8 | 6.9  | 12.4                 |
| A RMB Hgd (Dis)* | -5.5                     | -3.4   | 5.9     | 35.4    | 47.5         | 9.9                         | -1.3              | 11.9 | 15.5 | 8.7  | 12.1                 |



## DIVIDEND<sup>8</sup>

|                  | July 2020 | Dividend per Unit | Annualised Yield |
|------------------|-----------|-------------------|------------------|
| A USD (Dis)      |           | 0.07181           | 7.0%             |
| H HKD (Dis)      |           | 0.05734           | 7.0%             |
| A AUD Hgd (Dis)* |           | 0.04944           | 6.7%             |
| A RMB Hgd (Dis)* |           | 0.64866           | 8.3%             |

## GEOGRAPHICAL ALLOCATION

|                  |       |
|------------------|-------|
| China            | 56.2% |
| India            | 18.4% |
| Indonesia        | 10.6% |
| Others           | 6.2%  |
| Macau, China     | 4.1%  |
| Hong Kong, China | 3.1%  |
| Cash             | 1.4%  |

## SECTOR ALLOCATION

|       |                        |
|-------|------------------------|
| 1.4%  | Cash                   |
| 2.8%  | Industrials            |
| 5.2%  | Materials              |
| 7.2%  | Consumer Discretionary |
| 7.5%  | Financials             |
| 10.6% | Others                 |
| 11.0% | Energy                 |
| 54.3% | Properties             |

## CODES

|                  | ISIN         | Bloomberg  |
|------------------|--------------|------------|
| A USD (Acc)      | HK0000065208 | BEABCAA HK |
| A RMB Hgd (Acc)* | HK0000272531 | BEARMHA HK |
| A EUR Hgd (Acc)* | HK0000405735 | BEABCAE HK |
| A USD (Dis)      | HK0000065216 | BEABCAI HK |
| H HKD (Dis)      | HK0000081361 | BEABCHD HK |
| A AUD Hgd (Dis)* | HK0000162856 | BEAAUHD HK |
| A RMB Hgd (Dis)* | HK0000194263 | BEARMHD HK |

## TOP HOLDINGS

|   | Market    | Sector     | Weights |
|---|-----------|------------|---------|
| Ronshine China 10.50% 01/03/2022          | China     | Properties | 1.9%    |
| RongXingDa Development 8.75% 28/01/2021   | China     | Properties | 1.5%    |
| Medco Platinum Road 6.75% 30/01/2025      | Indonesia | Energy     | 1.5%    |
| Indika Energy Capital II 6.88% 10/04/2022 | Indonesia | Energy     | 1.3%    |
| Theta Capital 8.13% 22/01/2025            | Indonesia | Properties | 1.3%    |

## CURRENCY EXPOSURE

| USD   | Others |
|-------|--------|
| 99.9% | 0.1%   |

## SUMMARY STATISTICS

|                       |           |
|-----------------------|-----------|
| Average Credit Rating | BB-       |
| Investment Grade      | 5.7%      |
| Non-Investment Grade  | 94.3%     |
| Duration              | 2.9 years |
| Current Yield         | 7.3%      |
| Yield to Call         | 8.4%      |
| Yield to Maturity     | 7.6%      |

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\*Hgd: Hedged.

1. ©2020 Morningstar. All Rights Reserved. Data as of 31 July 2020. The rating is for A USD (Dis).
2. Source: The Asset, 2019 Research for Asian G3 Bonds, October 2019.
3. Source: The Asset, 2019 Research for Asian Local Currency Bonds, October 2019.
4. Source: Fund Selector Asia, January 2020.
5. Source: BENCHMARK, November 2019.
6. Source: From Refinitiv Lipper Awards, ©2020 Refinitiv. All rights reserved. Used by permission and protected by the Copyright Laws of the United States. The printing, copying, redistribution, or retransmission of this content without express written permission is prohibited. Performance for A USD (Acc) as at 31 December 2019.
7. Since launch till 31 December of the same year.
8. Please refer to the dividend notice available on website for dividend composition information and details. Dividend only applies to distributing classes and is not guaranteed. Past dividend record is not indicative of future dividend likely to be achieved. Annualised dividend yield = (dividend of the current month x 12) / last month end NAV x 100%. Please note that a positive distribution yield does not imply a positive return. Investors should not make any investment decision solely based on information contained in the table above. You should read the relevant offering document (including the key facts statement) of the fund for further details including the risk factors.

Source: Lipper, BEA Union Investment Management Limited

Performance is calculated in the respective class of denominated currencies on a NAV to NAV basis. Gross income is re-invested. HKD/USD based investors are exposed to foreign exchange fluctuations.

Investments in the Fund are subject to investment risks, including the possible loss of the principal amount invested. For full details and risk factors of the Fund, please refer to the explanatory memorandum of the Fund. Investors should also read the explanatory memorandum of the Fund for detailed information prior to any subscription. The information contained herein is only a brief introduction to the Fund. Investors should be aware that the price of units may go down as well as up as the investments of the Fund are subject to market fluctuations and to the risks inherent in all investments. Past performance is not indicative of future performance. The Fund has been authorised by the Securities and Futures Commission ("SFC") in Hong Kong. SFC authorisation is not a recommendation or endorsement of a scheme nor does it guarantee the commercial merits of a scheme or its performance. It does not mean the scheme is suitable for all investors nor is it an endorsement of its suitability for any particular investor or class of investors. This material has not been reviewed by the SFC in Hong Kong.

Issuer: BEA Union Investment Management Limited