

# BEA Union Investment RMB Core Bond Fund

As at 31 October 2017



Retail Hotline: (852) 3608 0321  
www.bea-union-investment.com

- BEA Union Investment RMB Core Bond Fund (the "Fund") may invest primarily in securities denominated in RMB or have exposure to RMB. It should be noted that the RMB is currently not a freely convertible currency as it is subject to foreign exchange control policies of the Chinese government. In addition, there can be no assurance that the RMB will not be subject to devaluation. Any devaluation of RMB could adversely affect the value of investors' investments.
- The Fund may invest "Dim Sum" bond. The "Dim Sum" bond market is still a relatively small market which is more susceptible to volatility and illiquidity.
- The Fund may invest in lower-rated fixed income instruments, including below investment grade and non-rated debt securities, which are subject to greater credit and liquidity risks than higher-rated securities.
- \*The manager may at its discretion make distributions from income and/or capital in respect of the distributing classes of the Fund. Investors should note that the 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.
- The Fund may enter into futures contracts for hedging and investment purposes. Given the leverage effect embedded in futures contracts, the Fund may be exposed to significant losses.
- Investors should not make an investment decision based solely on this material.

★★★★  
Morningstar Overall Rating<sup>1</sup>

## OBJECTIVE

The Fund seeks to achieve income and long-term capital growth by investing in debt securities and other assets that are denominated in RMB and other currencies.

## FUND POSITIONING

- An offshore RMB bond fund aims to capture stable dividends
- At least 70% in RMB-denominated debt securities, bonds and deposits
- Total RMB exposure of at least 70% of its assets

## FUND DETAILS

Base Currency	RMB
Management Fee	1.00% p.a.
Preliminary Charge	Up to 5.00%
Realisation Charge	Currently waived
Dealing Frequency	Daily (HK business days)
Dividend Frequency	Monthly (Aims to provide a monthly dividend, dividend is not guaranteed and distributions may be paid out of income and/or capital*)
Record Date**	14 <sup>th</sup> day of every month
Ex-Dividend Date	One business day after Record Date
Fund Size	RMB105 million

\*\* If such day is not a business day, the record date will be the immediately preceding business day.

	NAV per Unit	Launch Date
A HKD (Dis)	HK\$91.37	28 Feb 2014
A RMB (Dis)	RMB99.49	28 Feb 2014
A USD (Dis)	US\$9.09	28 Feb 2014

## CODES

	ISIN	Bloomberg
A HKD (Dis)	HK0000176740	BEARCAH HK
A RMB (Dis)	HK0000176732	BEARCAR HK
A USD (Dis)	HK0000176757	BEARCAU HK

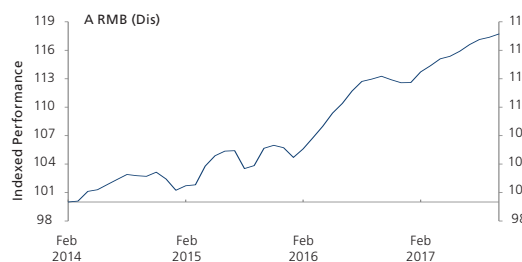
Source: Lipper, BEA Union Investment Management Limited

1. Source: © 2017 Morningstar. All Rights Reserved. Data as of 31 October 2017. The rating is for A RMB (Dis).
2. Since launch till 31 December of the same year.
3. 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.

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.

## PERFORMANCE

	Cumulative Performance %				Calendar Year Performance %			Volatility %
	YTD	1 Year	3 Year	Since Launch	2016	2015	2014	3 Years (Annualised)
A HKD (Dis)	10.5	6.9	6.5	9.1	0.4	-2.4	0.7 <sup>2</sup>	5.8
A RMB (Dis)	4.6	3.9	14.6	17.7	6.5	3.2	2.4 <sup>2</sup>	2.7
A USD (Dis)	9.8	6.2	6.0	8.6	0.5	-2.2	0.7 <sup>2</sup>	5.8



## DIVIDEND<sup>3</sup>

October 2017	Dividend per Unit	Annualised Yield
A HKD (Dis)	0.39	5.1%
A RMB (Dis)	0.41	4.9%
A USD (Dis)	0.039	5.2%

## GEOGRAPHICAL ALLOCATION

China	46.9%
Other Asia Pacific <sup>^</sup>	20.3%
Hong Kong	16.3%
Canada	7.7%
Europe	4.9%
Cash	2.0%
US	1.9%

<sup>^</sup>Other Asia Pacific includes India, Singapore, Australia, Thailand, Korea, Indonesia, Malaysia, Sri Lanka, and Macau

## SECTOR ALLOCATION

2.0%	Cash
2.5%	Others
3.1%	Government
5.9%	Consumer Staples
10.8%	Industrials
12.6%	Government Agency
20.6%	Properties
42.5%	Financials

## TOP HOLDINGS

	Market	Sector	Weights
Hong Kong Mortgage Corporation 4.05% 06/11/2020	Hong Kong	Financials	4.8%
Longfor Properties 6.75% 28/05/2018	China	Properties	4.0%
China Construction Bank 4.90% 12/11/2024	China	Financials	3.9%
China New Town Development 5.50% 06/05/2018	China	Properties	3.9%
BOC Aviation 4.50% 17/10/2020	Other Asia Pacific	Financials	3.9%

## CURRENCY EXPOSURE

RMB	USD	Others
91.7%	8.0%	0.3%

## SUMMARY STATISTICS

Average Credit Rating	BBB+
Investment Grade	85.6%
Non-Investment Grade	14.4%
Duration	1.4 years
Current Yield	4.8%

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