

Important note:

1. BEA Union Investment Asia Pacific Multi Income Fund (the "Fund") seeks to achieve income and long-term capital growth by investing in an actively managed portfolio of debt securities, listed REITs, and other listed securities in the Asia Pacific region.
2. The Fund invests in emerging markets and may be subject to higher liquidity and volatility risks.
3. The Fund invests directly in listed REITs, equities and managed funds, and is thus subject to the risks generally associated with such asset classes, including but not limited to liquidity of the asset class, changes in investment sentiment, political environment, economic, business and social conditions in local and global marketplace.
4. 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.
5. 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.
6. 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 these currency hedged class units will be hedged at all times or that the manager will be successful in employing the hedge.
7. Investors may invest in RMB (Hedged) units. 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. There is also no assurance that the RMB will not be subject to devaluation. Any devaluation of the RMB could adversely affect the value of investors' investments. There is no guarantee that the hedging strategy will be effective and investors may still be subject to the RMB currency exchange risk.
8. 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.
9. Investors should not make an investment decision based solely on this material.

BEA Union Investment Asia Pacific Multi Income Fund ("APM")

 ★★★★★
 Morningstar Overall Rating¹
Continued Defensive Stance in Bonds and Equities

Highlights:

- 1. Valuations of certain Indonesian and Indian high yield bonds become attractive**
- 2. Defensive Asian investment grade oil and gas bonds perform resiliently**
- 3. The Fund rotates into more defensive high yielding stocks**

Fund Features

- The Fund focuses on high yielding Asia Pacific bonds and equities, distributions from both bonds and equities are the main source of income.

Market Review and Outlook
Bonds

- The 10-year U.S. Treasury yields has increased by 8 basis points in October to 3.14%. This was driven by good employment and economic data, which kept the Federal Reserve's rate hike schedule on track.
- Overall, Asian high yield bonds weakened in October. Chinese high yield property names underperformed as National Bureau of Statistics data confirmed a weakening trend. Indonesian high yield corporates and Indian names also weakened during October.
- In October, yields for Asian investment grade bonds widened in response to the movement of U.S. Treasuries. In terms of sectors, oil and gas performed relatively resiliently, while Chinese property and the Telecommunications, Media & Technology (TMT) sector underperformed.

Equities

- China's onshore and offshore equity markets underwent a significant correction in October, mainly due to increasing signs of an economic downturn and volatility in the global equity markets.
- Taiwan's equity market dropped significantly in October. The petrochemicals sector underperformed as profits weakened and oil prices declined. The IT sector also underperformed due to companies announcing cautious projections for the fourth quarter.
- Australian equities continued to trend downward, dragged by an energy sector which has suffered from the oil price correction. Recent political changes have had little impact on local interest rates, and the Australian dollar is expected to remain weak.

Investment Strategy

Bonds

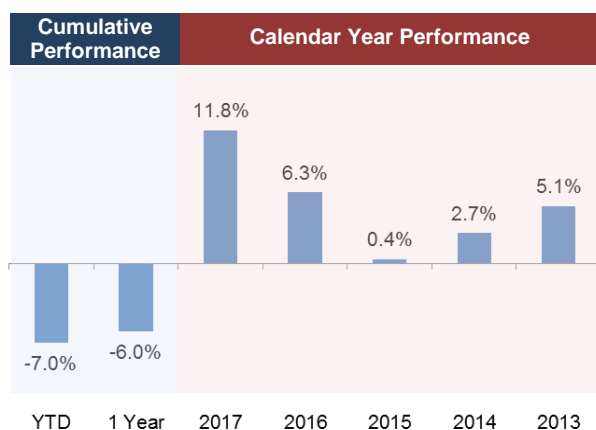
- The Fund maintained a fairly conservative strategy in October. We have reduced our position in some of the weaker Chinese high yield property and industrial bonds.
- At the same time, we increased our exposure in Indian and Indonesian names with strong credit profiles and sound industry fundamentals in response to the stabilisation of local currencies as well as attractive valuations.

Equities

- The Fund continues to invest in higher yielding names in Australia, Taiwan, and Singapore. We remain positive on the banking sector - which stands to benefit from upcoming interest rate hikes, and on companies with a commitment to dividends backed by strong cash flows and balance sheets.
- We have taken the opportunity to switch into more defensive high dividend stocks following the market correction.

Fund Performance and Dividend

Performance² : A USD (Distributing)



Dividend

| October 2018 | Dividend per Unit | Annualised Dividend Yield ³ |
|-----------------------------|-------------------|--|
| A USD (Distributing) | US\$ 0.05100 | 6.0% |
| A HKD (Distributing) | HK\$ 0.52000 | 6.0% |
| A AUD Hedged (Distributing) | AU\$ 0.05300 | 7.5% |
| A RMB Hedged (Distributing) | RMB 0.59000 | 7.8% |
| A NZD Hedged (Distributing) | NZD 0.05300 | 7.5% |
| A EUR Hedged (Distributing) | EUR 0.03300 | 4.0% |

A USD (Distributing) launched on 11 May 2012.

If you would like to stay informed of the market development and our latest investment strategy, please feel free to register as a member of BEA Union Investment through the link below:



<http://www.bea-union-investment.com/member-registration>

Fund Code

| | ISIN | Bloomberg |
|-----------------------------|--------------|------------|
| A USD (Accumulating) | HK0000122330 | BEAPUAA HK |
| A RMB Hedged (Accumulating) | HK0000282605 | BEAARHA HK |
| A EUR Hedged (Accumulating) | HK0000405701 | BEAAEHA HK |
| A USD (Distributing) | HK0000107257 | BEAPMIU HK |
| A HKD (Distributing) | HK0000107265 | BEAPMIH HK |
| A AUD Hedged (Distributing) | HK0000162815 | BEAPAAH HK |
| A RMB Hedged (Distributing) | HK0000194255 | BEAPARH HK |
| A NZD Hedged (Distributing) | HK0000162849 | BEANZDH HK |
| A EUR Hedged (Distributing) | HK0000405693 | BEAAEHD HK |

Source of the fund data: BEA Union Investment Management Limited, as at 31 October 2018.

1. Source: ©2018 Morningstar. All Rights Reserved. Data as of 31 October 2018. The rating is for A USD (Distributing).
2. Source: Lipper, as at 31 October 2018. The quoted return is for A USD (Distributing) launched on 11 May 2012. Performance is calculated in the respective class of denominated currencies on a NAV to NAV basis. Gross income is re-invested.
3. Annualised dividend yield = (dividend of October x 12) / last month end NAV x 100%. The manager may at its discretion make distributions from income and/or capital in respect of the distributing classes of the Fund. Such distribution may result in an immediate reduction of the net asset value per unit. Dividend only applies to distributing classes and is not guaranteed. Past dividend record is not indicative of future dividend likely to be achieved. 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 above. You should read the relevant offering document (including the key facts statement) of the Fund for further details including the risk factors.

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 information contained in this document is based upon information which BEA Union Investment Management Limited considers reliable and is provided on an "as is" basis. This document does not constitute an offer, recommendation or solicitation to buy or sell any securities or financial instruments. 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 and the website have not been reviewed by the SFC in Hong Kong.

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