

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 is subject to general investment risk, equity market risk, asset allocation risk, Asian market concentration risk, emerging market risk and currency risk.
3. The Fund invests in debts securities and is subject to risks in interest rates, credit/counterparty, downgrading, below investment grade or non-rated securities, volatility and liquidity, valuation and sovereign debt and credit rating risks which may adversely affect the price of the debt securities.
4. 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.
5. 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.
6. 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.
7. 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.
8. Investors should not make an investment decision based solely on this material.

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

China reopening opens up opportunities in Chinese equities, Asian bonds

*Highlights:*

1. Shifted funds into Chinese equities from ASEAN, India
2. Positive on Asian credit market on limited supplies, favourable rates expectations
3. Constructive on Chinese property bonds; better sales expected in 2Q

Fund Features

- The Fund aims to capture growth and dividend income opportunities by investing in Asia Pacific equities and bonds.

Market Review & Outlook

MSCI APxJ rose 8.6% in January, buoyed by strength in North Asia. As markets adjusted to lowered global growth expectation, fund flows are returning to emerging Asia, a region where prospects are brightened from China reopening when the US is overshadowed by an imminent recession. We expect markets to remain volatile on the back of geopolitical tensions and China's policy response in supporting its economy.

We are optimistic towards the Asian credit market on the back of manageable market supplies, more comfortable rates expectation and juicy yields. China's property sector could stabilise and sales are likely to pick up in the second quarter. Both buyers' and investors' sentiment will likely continue to improve on expectations of more supportive measures from the government to strengthen developers' balance sheet and accelerate project delivery.

Fund Report (February 2023)

Over to the US, our investment teams see a more stable backdrop for US treasury yields, which would remain range-bound and steady. Albeit the US added 517,000 jobs in January, pushing jobless rate to a 50-year low of 3.4%, the Fed did not suggest the hotter-than-expected labour market would lead them back to a more aggressive rate hike cycle.

Investment Strategy

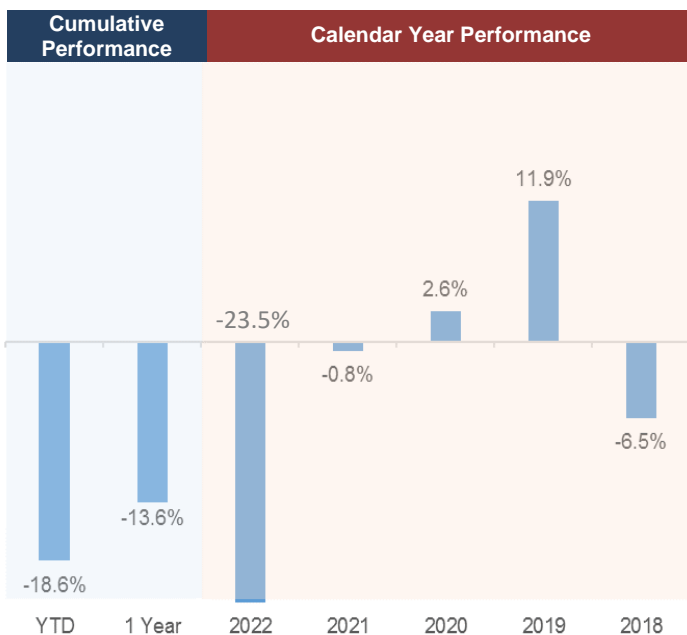
The fund increased risk appetite and turned positive on China after the country's unexpected abrupt U-turn on pandemic restrictions. Our investment teams are constructive on China reopening themes in the near-term, with preference for consumer services and value/laggard plays. The end of China's zero-Covid policy could spur demand, providing a boon to the energy and material sectors. The fund trimmed ASEAN and India to implement our investment strategy for Chinese equities.

China's reopening also created opportunities in Asian bonds, including Macau gaming bonds and select Chinese industrial papers. Although a spike in Covid cases in China could be a hiccup for Macau's tourism in the short-term, our investment teams expect casino operators may see meaningful recovery in the coming months as cases stabilise.

In addition to rosier economic prospects prompted by China reopening, the country's property sector is also turning the tide. As recovery gathers steam, our investment teams remain optimistic towards Chinese high-yield and investment-grade property bonds. While the market could still see some credit event in the first half, positive momentum will likely be sustainable on continued supportive initiatives from the government towards the physical market and developers' balance sheets.

Fund Performance

Performance¹ : A USD (Distributing)



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 information: BEA Union Investment Management Limited, as at 31 January 2023.

1. Source: Lipper, as at 31 January 2023. 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.

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 authorized by the Securities and Futures Commission ("SFC") in Hong Kong. SFC authorization 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.

Issuer: BEA Union Investment Management Limited