

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 is subject to equity markets risk such as changes in investment sentiment, political, economic conditions and issuer-specific factors which may adversely affect the fund value.
4. 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.
5. 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.
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 the currency hedged class units will be hedged at all times or that the manager will be successful in employing the hedge.
7. 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.
8. 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.
9. Investors should not make an investment decision based solely on this material.

BEA Union Investment Asia Pacific Multi Income Fund ("APM")★★★
Morningstar Overall Rating***Favour Asian value stocks, energy and IT shares; Chinese Investment Grade credits preferred***Highlights:*

1. **Asian value stocks have more appealing valuations and yields than global peers**
2. **Favour IT shares for cyclical, structural growth; energy for hedging geopolitical risks**
3. **Remain constructive on Chinese and South Korean Investment Grade bonds**

Fund Features

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

Market Review & Outlook

The MSCI APxJ extended its recent gains, climbing 0.4% in April from the previous month, driven by Hong Kong and China on the back of strong net inflows, especially in the latter part of the month.

Hong Kong and Chinese equities recorded their best three-month returns since the re-opening trade rally at the end of 2022. The strong performance was primarily fueled by signs of improving growth in China, where first-quarter GDP grew stronger than expected. Investor sentiment was also bolstered by the country's capital market reform, which includes initiatives such as stricter listing requirements and encouraging dividend payments. Measures aim at tackling risks, enhancing transparency, and improving corporate governance, in hope of boosting market sentiment. During the month, the internet and property sectors had a good run in particular. The former benefited from share buybacks by internet companies, while the latter was buoyed by expectations of more supportive policies. The authorities have since then relaxed restrictions on home buying and housing upgrade policies in various cities including Beijing, Shanghai and Shenzhen, in a bid to prop up the beleaguered real estate sector.

Investors have pushed out US rate cut expectations, while the Fed expressed having no intention to raise rates further despite stickier-than-expected inflation. As global rates peak, Asian and Chinese value stocks are gaining traction as they not only trade at lower valuations but also offer higher dividend yields than their global peers. China's oil and energy sectors, for instance, enjoy robust fundamentals with the ability to hedge against geopolitical risks. Australia, on the other hand, is politically and economically stable while its status as a major global commodities exporter means energy companies are sitting on robust balance sheets and cash flows. As such, we have been able to identify numerous investment opportunities of value stocks within Australia.

Our teams also remain constructive towards the outlook of the technology sector for cyclical and structural growth. The rapid rise of artificial intelligence will benefit many sectors, particularly semiconductors. For instance, a major Taiwanese chip maker has recently announced that sales surged about 60% in April from a year earlier, boosted by mounting demand for AI-chips and rekindling global growth for smartphones.

India's ongoing election continues to be in focus, with investors pricing in Prime Minister Narendra Modi to secure a third term. Increasing infrastructure spending, a rising work force and middle-class are favourable structural forces that support our optimism towards the country's stock market, but we will continue to monitor the election progress and its impact on market sentiment and fund flows.

Shifting gears to fixed income, Asian Investment Grade bonds ended up mostly tighter in April, recouping losses resulting from geopolitical tensions arising in the Middle East. There were healthy profit-taking flows following the year-to-date spread compression rally, but the market stabilised towards the end of the month as profit-taking pressure subsided.

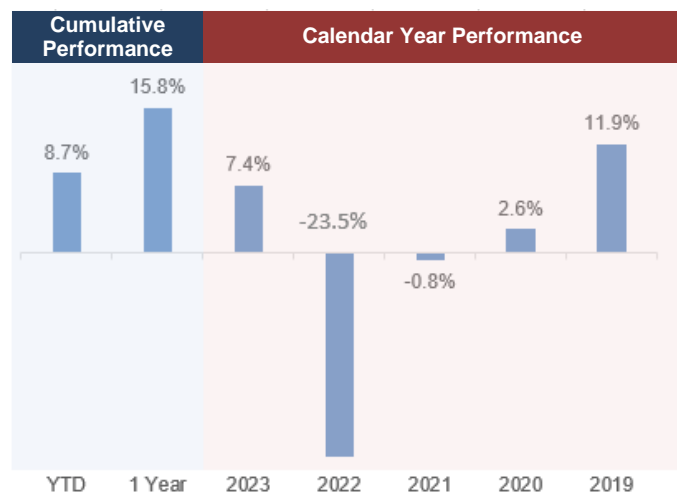
Given spreads are hovering at tight levels, we expect investors to uphold a defensive stance and adopt a wait-and-see approach for further clarity on the Fed's move and inflation trend. We drew some comfort on the persistently muted new issuance outlook in Asia and issuer buyback activities which could help provide technical support to the market. We expect the market to stay range-bound until rate volatility picks up again.

Investment Strategy

In equities, our investment teams remain positive on the technology sector, especially shares listed in Taiwan and South Korea, which are supported by the multi-year story of artificial intelligence. We find opportunities in Chinese value stocks, such as energy. Select Australian energy and material stocks are also attractive.

We maintain a constructive positioning and believe credit compression and tightening will continue towards the end of the year. We continue to favour China technology, media and telecommunications as the sector continues to hold up well in spread. South Korean Investment Grade financial bonds are also preferred by our teams.

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 30 April 2024.

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- Source: Lipper, as at 30 April 2024. 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.

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