

**Important note:**

1. BEA Union Investment Global Flexi Allocation Fund (the "Fund") seeks to achieve medium to long term capital growth and income through investing in a diversified portfolio consisting of global equity securities and/or debt securities in global markets.
2. The Fund invests in emerging markets and may be subject to higher liquidity and volatility risks.
3. The Fund invests in debts or fixed income securities are exposed to interest rates, credit/counterparty, downgrading, volatility and liquidity, valuation and sovereign debt and credit rating risks which may adversely affect the price of the debt securities.
4. The Fund is subject to equity markets risk such as changes in investment sentiment, economic conditions and issuer-specific factors which may adversely affect the fund value.
5. The Fund may invest in below investment grade and non-rated debt securities, which are subject to greater volatility and liquidity risks than higher-rated securities.
6. 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.
7. 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.
8. 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.
9. The Fund may acquire financial derivative instruments for hedging and investment purposes. Given the leverage effect embedded in financial derivative instruments, the Fund may be exposed to significant losses.
10. Investors should not make an investment decision based solely on this material.

**BEA Union Investment Global Flexi Allocation Fund ("GFA")**

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

**Fund Flows into Asia, India Industrial names outperformed**

**Highlights:**

1. **Fund flows into Asia, India Industrial and financial names outperformed**
2. **Economic growth remains robust in China for strong exports**
3. **U.S. and Europe markets corrected slightly following a strong close last year**

**Fund Features**

- The Fund is a one-stop solution for global equity and bond investment.
- Prudent selection of relatively stable, global large-cap equities with capital appreciation potential. Flexible allocation across Asian high yield bonds and global investment grade corporate bonds.

**Market Review and Outlook**
**Bonds**

- For high yield bond, market was affected by the sharp rise in treasury yield during the beginning of the month, which was in turn triggered by fear about tapering discussion from the Fed. The increased amount of fund flows into Asia from Emerging market. India financial and industrial names outperformed, driven by improving commodities prices and positive credit events.
- China likely tightens credit and liquidity in first half of the year which may create some volatility to the market. Chinese property bond underperformed the most given large amount of issuance, negative credit events and onshore tightening.
- For investment grade bonds, credit spread has been flat and range-bounded on stretch valuation but stable macro backdrop and better demand technical.

### Equities

- The U.S. equities momentum faded in the beginning of 2021. Initially, market gained on the back of the global COVID-19 vaccine deployment and the U.S. companies also mostly reported earnings beating expectation. However, there were rising volatilities in some small cap companies driven by a surge of retail speculative activities that dampened risk sentiment.
- Europe market slightly corrected in the U.S. Dollar term. Investment sentiment weakened on the new UK virus variant as well as AstraZenca vaccine delivery delay. European Central Bank reiterated that they would keep rates extremely low and maintain bond purchase program as pandemic continues.
- Hong Kong equity market had a strong start to the year, Southbound flows amounted to RMB260 billion in January and accounted for 43% of total inflow in 2020, with new economy growth stocks gaining traction.

### Investment Strategy

### Bonds

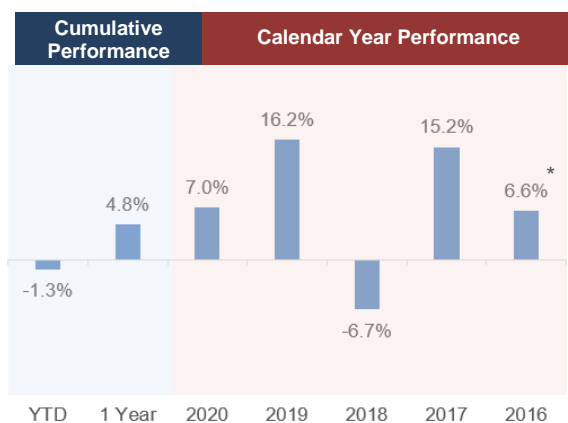
- The Fund will position cautiously optimistic. Given the relatively strong inflow to the market during the period, which will provide support to valuation of the market, especially those benchmark names.
- The fund will focus more on credit selection and reduce names with high credit risk.

### Equities

- The Fund takes a region neutral stance, with slight overweight in Hong Kong, while underweight in rest of the World. In terms of sectors, we overweight in Information Technology, Materials and Consumer Discretionary, and underweight in Industrials, Health Care and Communication Services.

### Fund Performance and Dividend

#### Performance<sup>2</sup> : A USD (Distributing)



#### Dividend

January 2021	Dividend per Unit	Annualized Dividend Yield <sup>3</sup>
A USD (Distributing)	US\$ 0.03840	4.0%
A HKD (Distributing)	HK\$ 0.38200	4.0%

\* Since launch till 31 December of the same year. A USD (Distributing) launched on 27 January 2016.

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 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>

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## Fund Code

	ISIN	Bloomberg
A USD (Distributing)	HK0000273588	BUGFAUD HK
A HKD (Distributing)	HK0000273596	BUGFAHD HK

Source of the fund information: BEA Union Investment Management Limited, as at 31 January 2021.

1. Source: ©2020 Morningstar. All Rights Reserved. Data as of 31 January 2021. The rating is for A USD (Distributing).
2. Source: Lipper, as at 31 January 2021. The quoted return is for A USD (Distributing) launched on 27 January 2016. Performance is calculated in the respective class of denominated currencies on a NAV to NAV basis. Gross income is re-invested.
3. Annualized dividend yield = (dividend of January x 12) / last month end NAV x 100%. Please refer to the dividend notice available on website for dividend composition information and details. 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 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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