

## Important note:

1. BEA Union Investment RMB Core Bond Fund (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.
2. The Fund invests in debts or fixed income securities are exposed to interest rates, credit/counterparty, downgrading, volatility and liquidity, valuation and sovereign debt, credit rating risks and credit rating agency risk (for mainland China onshore debt securities) risks which may adversely affect the price of the debt securities.
3. The Fund may invest in below investment grade, or rated BB+ or below by a China credit rating agency, or non-rated debt securities, which are subject to greater volatility and liquidity risks than higher-rated securities.
4. The Fund’s investments are concentrated in China and may be subject to high concentration risk and more volatility than that of funds having a more diverse portfolio of investment. The value of the Fund may be more susceptible to adverse economic, political, policy, foreign exchange, liquidity, tax, legal or regulatory event affecting the China market.
5. The Fund invests in emerging markets and may be subject to higher liquidity and volatility risks.
6. The Fund may be subject to the “Dim Sum” bond market risk and the risks associated with China interbank bond market, and the Fund is more susceptible to volatility and/or lower liquidity.
7. 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.
8. The Fund is subject to China tax risk and any increased tax liabilities on the Fund may adversely affect the Fund’s value.
9. 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.
10. 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.
11. 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.
12. Investors should not make an investment decision based solely on this material.

## BEA Union Investment RMB Core Bond Fund (“RCB”)

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

### The Fund picked higher yielding bonds selectively to enhance the carry



#### Highlights:

1. Renminbi fell against the U.S. dollar amid rising U.S. Treasury yields
2. China government bond yield was in a range-bound
3. The Fund picked higher yielding bonds selectively to enhance the carry

#### Fund

- A RMB bond fund that aims to capture stable dividends.
- At least 70% invested in debt securities, bonds and deposits that are denominated or settled in RMB.
- Investment grade average credit rating.

#### Market Review and Outlook

- In March, the Renminbi fell by 1.49% against the U.S. dollar. The U.S. dollar rebounded due to the rise of the U.S. Treasury yields, which affected the performance of the Renminbi.
- China has been going through the deleveraging process but is not as aggressive as it did in 2013 and 2015. China bond yield looks attractive.

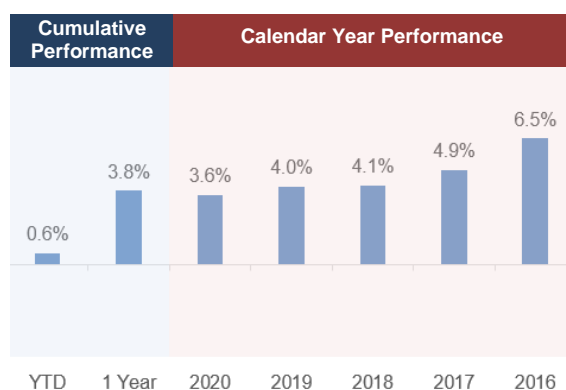
- China bonds have low correlation to the U.S. yield, which helps the portfolio for risk diversification.
- In March, market sentiment was affected as companies with margin missed estimates posted earnings.

### Investment Strategy

- The Fund picked some higher yielding bonds selectively to enhance the carry. We continue to look for investment opportunities in high yield sector bonds.
- The Fund continues to invest into the U.S. dollar denominated bonds through currency hedge.

### Fund Performance and Dividend

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



#### Dividend

March 2021	Dividend per Unit	Annualised Dividend Yield <sup>3</sup>
A HKD (Distributing)	HK\$ 0.360	4.8%
A RMB (Distributing)	RMB 0.390	4.8%
A USD (Distributing)	US\$ 0.036	4.8%

A RMB (Distributing) launched on 28 February 2014.

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>

### Recent Award



One of the Top Investment Houses  
in Asian G3 Bonds (Hong Kong)<sup>4</sup>



One of the Top Investment Houses  
in Asian Local Currency Bonds  
(Hong Kong)<sup>5</sup>

### Fund Code

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

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

1. Source: ©2020 Morningstar. All Rights Reserved. Data as of 31 March 2021. The rating is for A RMB (Distributing).
2. Source: Lipper, as at 31 March 2021. The quoted NAV is for A RMB (Distributing) launched on 28 February 2014, 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 March x 12) / last month end NAV x 100%. Please refer to 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.
4. Source: The Asset, 2020 Research for Asian G3 Bonds, October 2020.
5. Source: The Asset, 2020 Research for Asian Local Currency Bonds, October 2020.

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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