

**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 debt 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")

### Valuation Became More Attractive After the Correction

*Highlights:*

1. Market remains volatile on geopolitical concern
2. Valuation became more attractive after the correction
3. The Fund continued to position in higher yielding names

#### 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

- Asian bond market performed weakly during the month with fabricated letter from a market leading China property developer, triggered property sector correction. Jakarta re-imposed lockdown amid the surging COVID-19 cases in mid-September. It potentially affected Indonesian developers and mall operators.
- The Asian local bond markets were trading in a narrower range in September. The lower beta markets such as Korea, Singapore, Hong Kong are slightly outperformed with weaker market sentiment.
- Market experience fatigue and turned more defensive. We saw Asia credit spread widened in September on hefty new issuance and weaker sentiments in general.

### Equities

- Asian equities trended lower in September, dragged by Hong Kong, China and Australia on profit taking following strong gains from the previous month.
- The expectation of potential breakdown in trade deal ahead of the U.S. presidential election, with yet another export control on a Chinese company by the U.S. triggering a wave of market sell-offs.
- Pre-emptive central bank easing and policy stimulus continue to provide near term support, giving rise to tactical and opportunistic positioning.

### Investment Strategy

#### Bonds

- The Fund will be balanced in overall risk level while tactically added names with relatively large correction recently.
- In terms of investment grade bonds, The Fund's duration is neutral with an increased exposure in China, HK and Indonesia, while investment in India remained underweight.

#### Equities

- We remain cautious of external risk affecting earnings outlook, hence sustainability of dividends. And we prefer companies with earnings visibility and commitment to dividends backed by strong free cash flow and superior balance sheet.
- The Fund will consider special events or companies with structural turnaround for capital gains or laggards with decent yields to enhance returns. We continue to position into higher yielding names, mainly in Australia and Singapore.

### Fund Performance and Dividend

Performance<sup>1</sup> : A USD (Distributing)



Dividend

September 2020	Dividend per Unit	Annualized Dividend Yield <sup>2</sup>
A USD (Distributing)	US\$ 0.04700	5.9%
A HKD (Distributing)	HK\$ 0.47000	5.9%
A AUD Hedged (Distributing)	AU\$ 0.03700	5.8%
A RMB Hedged (Distributing)	RMB 0.55000	7.8%
A NZD Hedged (Distributing)	NZD 0.03800	5.9%
A EUR Hedged (Distributing)	EUR 0.03700	4.8%

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 September 2020.

- Source: Lipper, as at 30 September 2020. 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.
- Annualized dividend yield = (dividend of September 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.

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