

Important note:

1. BEA Union Investment Asian Bond Target Maturity Fund 2022 (the "Fund"), on a best effort basis, seeks regular income from the close of the launch period up to the Fund's target maturity date ("Maturity Date") (being 31 January 2022) and returns the capital of the Fund by investing primarily in Asian fixed income-related securities.
2. The duration of the Fund is limited (i.e. up to the Maturity Date). There are risks that the Fund may not make any distribution and investors may not recoup the original amount invested in the Fund during the investment period as well as at the Maturity Date.
3. The Fund invests in emerging markets and may be subject to higher liquidity and volatility risks.
4. 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.
5. The Fund may invest in below investment grade or non-rated debt securities which are subject to greater volatility and liquidity risks than higher-rated securities.
6. The Fund is exposed to concentration risk in Asia and may be more volatile than in a more diverse portfolio of investment.
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. 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.
9. 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.
10. 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.
11. Investors should not make an investment decision based solely on this material.

BEA Union Investment Asian Bond Target Maturity Fund 2022 ("ATM")

Asian Investment Grade Bonds Range-bound



Highlights:

1. The USD 3-month LIBOR continued to trend down in the last quarter
2. Asian investment grade bonds range-bound in October albeit trade talk optimism
3. Chinese high yield property bonds outperformed

Fund Features

- Aims to provide 12 quarterly dividends (Dividend is not guaranteed and distributions may be paid out of income and/ or capital ^{important note 5})
- Aims to provide dividends at an annualised rate of above USD 3-month LIBOR*
- 3-year fixed investment tenor
- Diversified across a number of Asian high yield and investment grade corporate bonds

Market Review and Outlook

Review of Interest Rate Market

- The USD 3-month LIBOR continued to trend down in the last quarter, it was around 2.09% at the end of September.

Asian Investment Grade Bonds

- In October, the credit spreads of Asian investment grade bonds were range-bound albeit trade talk optimism and the U.S. Federal Reserve signaled a pause in further rate cuts.
- The market activity of Asian investment grade bond has slowed down due to year-end factor but sentiment remains constructive on the back of trade talk expectation.

Asian High Yield Bonds

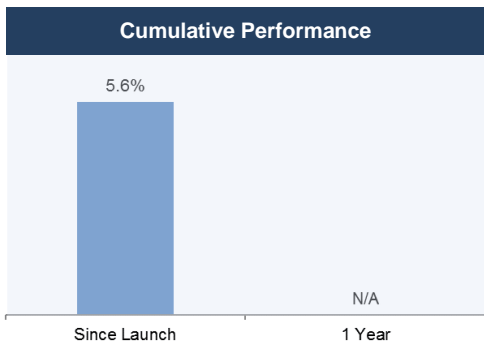
- In October, overall Asian high yield bond market was bullish due to positive development on the U.S.-China trade talk.
- In terms of sectors, Chinese property names outperformed due to their stronger than expected contract sales in September and relaxation of housing policies in certain cities. Chinese industrial, Indonesian and Indian names also see some spread tightening in a smaller magnitude, while commodity sector lagged behind.

Investment Strategy

- There was no major change to the Fund's portfolio in October. The Fund continues to hold its positions in Asian investment grade bonds and Asian high yield bonds.

Fund Performance and Dividend

Performance¹ : A USD (Distributing)



Dividend

For the quarter of August to October 2019	Dividend per Unit	Annualised Dividend Yield ²
A USD (Distributing)	US\$ 0.09	3.6%
A HKD (Distributing)	HK\$ 0.92	3.6%
A RMB Hedged (Distributing)	RMB 1.05	4.1%

A USD (Distributing) was launched on 18 January 2019.

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)³



One of the Top Investment Houses in Asian Local Currency Bonds (Hong Kong)⁴



House Award, Best-In-Class, Asia Fixed Income⁵

Highly Regarded Award-Winning Fixed Income Team

- The fixed income professionals of BEA Union Investment Management Limited have been recognised by the Asset as “One of the Astute Investors in Asian G3 Bonds (Hong Kong) ³” and “One of the Astute Investors in Asian Local Currency Bonds (Hong Kong)⁴” in 2019.
- The company has been named “One of the Top Investment Houses in Asian G3 Bonds (Hong Kong)³” and “One of the Top Investment Houses in Asian Local Currency Bonds (Hong Kong)⁴” in 2019 by the Asset, and “Best Fund House in Asia Fixed Income⁵” by BENCHMARK in 2017.
- The Asian bond and currency asset class, managed by the same fixed income team, has won 39 fund awards⁶ since 2012.

Fund Code

	ISIN	Bloomberg
A USD (Distributing)	HK0000464047	BEABTAU HK
A HKD (Distributing)	HK0000464054	BEABTAH HK
A RMB Hedged (Distributing)	HK0000464062	BEABTAR HK

Source of the fund information: BEA Union Investment Management Limited, as at 31 October 2019.

* The distribution per unit is calculated as follows: annualised rate of above average of daily USD 3-month LIBOR (for each three-month period ending on the last day of January, April, July and October) / distribution frequency over a year (i.e. 4 for quarterly distributions) x net asset value per unit on the last day of the corresponding previous three-month period

1. Source: Lipper, as at 31 October 2019. The quoted NAV is for A USD (Distributing) launched on 18 January 2019, performance is calculated in the respective class of denominated currencies on a NAV to NAV basis. Gross income is re-invested.
2. Annualised dividend yield = (dividend for the quarter from August to October 2019 x 4) / last quarter end NAV x 100%. Last quarter end NAV = NAV per unit on the last day of the corresponding previous three-month period. 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.
3. Source: The Asset, 2019 Research for Asian G3 Bonds, October 2019.
4. Source: The Asset, 2019 Research for Asian Local Currency Bonds, October 2019.
5. Source: BENCHMARK, November 2017.
6. The fund has won 39 fund awards since 2012. Organisations which have granted awards to the fund include Asia Asset Management, AsianInvestor, BENCHMARK, Fund Selector Asia, Fundsupermart.com and Refinitiv Lipper.

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.

Issuer: BEA Union Investment Management Limited