

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 directly in equities, REITs, ETFs and managed funds, and is thus subject to the risks generally associated with such asset classes, including but not limited to liquidity of the asset class, changes in investment sentiment, political environment, economic, business and social conditions in the global markets.
4. The Fund may invest in below investment grade or non-rated debt securities including high yield bonds, which are subject to greater credit and liquidity risks than higher-rated securities.
5. The manager may at its discretion make distributions from income and/or capital in respect of the distributing classes of the Fund. Investors should note that the 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 these currency hedged class units will be hedged at all times or that the manager will be successful in employing the hedge. In terms of RMB classes of units, RMB is currently not a freely convertible currency as it is subject to foreign exchange control policies of the Chinese government. There is also no assurance that the RMB will not be subject to devaluation. Investors may still be subject to the RMB currency exchange risk.
7. The Fund may enter into futures contracts for hedging and investment purposes. Given the leverage effect embedded in futures contracts, the Fund may be exposed to significant losses.
8. Investors should not make an investment decision based solely on this material.

BEA Union Investment Global Flexi Allocation Fund

Adding Positions in Attractively Valued Equities after Market Correction



Highlights:

1. Slight overweight in the IT and health care sectors
2. Bond portfolio positioned defensively due to rising yield environment
3. The Fund is up 10.8%¹ in 1 year

Fund Features

- The Fund is a one stop solution for global equity and bond investment.
- Prudent selection of 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

Equities

- After Jerome Powell, the Chairman of the Federal Reserve, gave an optimistic assessment of the U.S. economy, investors began to concern about a potential sudden tightening of monetary policy. A sharp correction resulted during the first half of February due to equity investors liquidating assets for profit. However, the majority of U.S. companies announced their fourth quarter 2017 results were able to meet or beat estimates, providing an ample cushion against market correction.
- Recent PMI data in Europe suggests that manufacturing activity in the region is continuing to expand, but at a slower pace. In February, European equities declined with the global markets.
- Japanese equities also retraced some of their earlier gains, but their performance was compensated by the appreciation of a stronger Japanese yen, which was treated as a safe-haven currency when market volatility increased.

Bonds

- The global bond market continued to soften and recorded a negative return in February due to rising U.S. Treasury yields and strong economic data in the U.S.
- We expect to see more impact from some positive factors on the global bond market, including a steady appreciation of non-U.S. currencies and still-moderate inflationary pressure. But we will remain cautious about potential risks such as spread-widening, the duration risk of long-dated bonds, and geopolitical risks in various regions.

Investment Strategy

Equities

- The portfolio was rebalanced in February, which involved profit-taking on some holdings and adding equities with attractive valuations following the market correction.
- The Fund is slightly overweight in the IT and health care sectors.

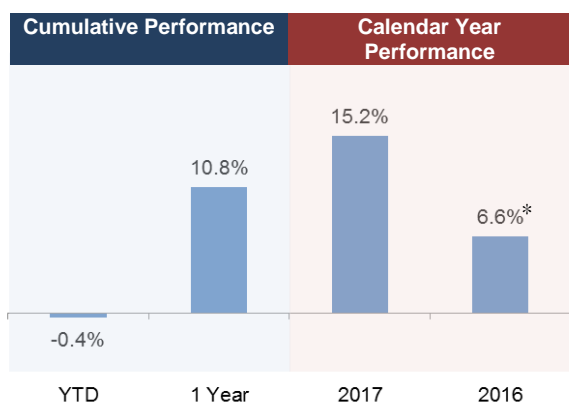
Bonds

- The Fund's allocation in bonds remains at 40-45%
- We have extended our underweight in the duration of the portfolio in response to rising global inflationary expectations and a steepening yield curve.
- The Fund positioned itself defensively in light of a rising interest-rate environment and increasing volatility.

Fund Performance and Dividend

Performance¹ : A USD (Distributing)

Dividend



February 2018	Dividend per Unit	Annualised Dividend Yield ²
A USD (Distributing)	US\$ 0.03800	3.9%
A HKD (Distributing)	HK\$ 0.38000	3.9%

In the past 12 months, the dividends of the Fund were 100% distributed from net distributable income in most of the time.

* 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 data: BEA Union Investment Management Limited, as at 28 February 2018.

1. Source: Lipper, as at 28 February 2018. 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.
2. Annualised dividend yield = (dividend of February x 12) / last month end NAV x 100%. 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 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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