

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 ("GFA")**

Developed Market Equities Continue to Outperform


Highlights:

1. **Developed market equities continue to outperform emerging markets**
2. **Global credit markets rebound in July, helped by lower new supply of high-grade bonds**
3. **The Fund is up 3.8%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

- Global equity markets rebounded in July and currency markets stabilised. Emerging markets equities continue to be outperformed by developed market equities, led by the United States.
- Economic data in the U.S. remained strong, with U.S. equities experiencing another robust earnings season in July. Healthcare stocks outperformed, while performance of financial and industrial sectors has caught up.
- Trade tensions between Europe and the U.S. eased slightly following the progress in tariff negotiations. European equities reacted positively to the news, led by the healthcare and financial sectors.
- The Bank of Japan maintained its accommodative monetary policy, and is expected to keep interest rate at the current very low level until next year. The depreciation of the yen offset any gains in Japan's stock market.

Bonds

- July was a strong month for the global bond markets. Global credit markets have rebounded since the end of June, helped by a lower new supply of U.S. high-grade bonds. The credit spread of U.S. high grade bonds also tightened noticeably.

Investment Strategy

Equities

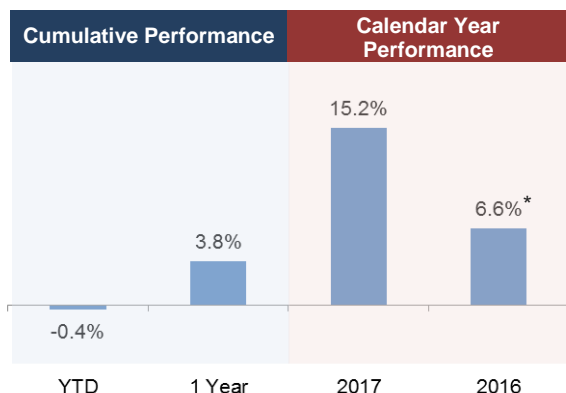
- There was no major change to the Fund's portfolio in July.
- The Fund has a neutral stance on regional allocation, seeking to invest in companies with appealing growth and reasonable valuations in their industries. It has a slight overweight in the healthcare sector and an underweight in the IT and financial sectors.

Bonds

- The Fund covered most of its underweight positions and moved towards a more neutral duration given the escalating U.S.-China trade war. U.S. Treasuries are expected to remain well supported by risk-off market sentiment in the medium term.
- The Fund will continue to hold a defensive position in view of rising interest rates and increasing market volatility.

Fund Performance and Dividend

Performance¹ : A USD (Distributing)



Dividend

July 2018	Dividend per Unit	Annualised Dividend Yield ²
A USD (Distributing)	US\$ 0.03800	4.2%
A HKD (Distributing)	HK\$ 0.38000	4.1%

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.

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 (Distributing)	HK0000273588	BUGFAUD HK
A HKD (Distributing)	HK0000273596	BUGFAHD HK

Source of the fund data: BEA Union Investment Management Limited, as at 31 July 2018.

1. Source: Lipper, as at 31 July 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 July 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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