

## 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")

### U.S. Economic Fundamentals Still Solid



#### Highlights:

1. **U.S. economic fundamentals remain solid despite mixed performance of stocks**
2. **European and Japanese equities outperform, while emerging market equities continue to lag behind**
3. **The U.S dollar will continue to be bolstered by higher U.S. bond yields**

#### 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

- The U.S. Federal Reserve raised the benchmark rate in September as expected. Fundamentals of the U.S. economy have remained solid despite a mixed performance in the stock markets. Energy stocks were supported by higher oil prices, while the information technology sector softened.
- European and Japanese equity markets outperformed while emerging market equities continued to lag behind. European equities experienced a slight positive gain in September, helped by a rebounding of euro. U.K. equities also rebounded following a correction in August despite the fact that a Brexit deal has not yet been reached.
- Japan's inflation data was surprisingly positive, indicating improvement in the domestic economy. The yen's depreciation in September boosted market sentiment regarding equities with global trade exposure.

### Bonds

- Strong economic data in the U.S. boosted expectations of monetary tightening of the Federal Reserve. The recent Federal Open Market Committee meeting statement indicated that the central bank will keep raising interest rates gradually as economic momentum grows.
- Yields for shorter-term U.S. Treasuries appear to have already priced in an expectation of rate hikes, but those for longer-term Treasuries are expected to rise further.

### Investment Strategy

### Equities

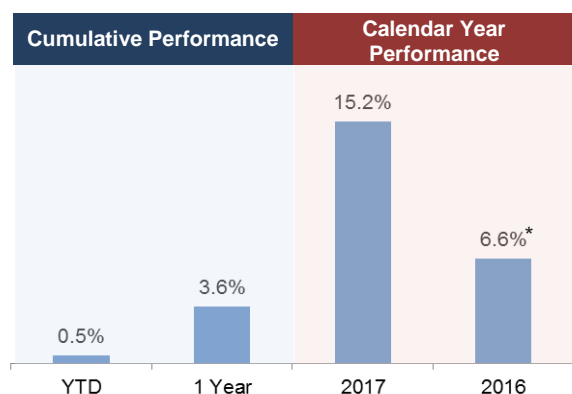
- There was no major change to the Fund's portfolio in September.
- The Fund has a neutral stance on regional allocation, seeking to invest in companies with appealing growth and reasonable valuations in their industries. It has overweight in the healthcare sector and an underweight in the IT and financial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

### Bonds

- We expect the U.S. Treasury yield curve to steepen further; we will reduce our duration position to underweight.
- The U.S. dollar will continue to be bolstered by risk-off sentiment due to the trade war, strong economic data in the U.S. and higher U.S. bond yields. The Fund has reduced its underweight in the U.S. dollar assets accordingly.

### Fund Performance and Dividend

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



#### Dividend

September 2018	Dividend per Unit	Annualised Dividend Yield <sup>2</sup>
A USD (Distributing)	US\$ 0.03800	4.1%
A HKD (Distributing)	HK\$ 0.38000	4.1%

\* Since launch till 31 December of the same year. A USD (Distributing) launched on 27 January 2016.

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**“Member-Gets-Coffee Voucher” Campaign**

Subject to the terms and conditions

From now till 11 November 2018, the first 1,000 individuals who successfully sign up as BEA Union Investment member will be offered a coffee voucher.



<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 September 2018.

1. Source: Lipper, as at 28 September 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 September 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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