

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 is subject to equity markets risk such as changes in investment sentiment, political, economic conditions and issuer-specific factors which may adversely affect the fund value.
4. The Fund invests in debts 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.
5. 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.
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 the currency hedged class units will be hedged at all times or that the manager will be successful in employing the hedge.
7. 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.
8. 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.
9. Investors should not make an investment decision based solely on this material.

BEA Union Investment **Asia Pacific Multi Income Fund ("APM")**

Added Indian, financial stocks; Vigilant on Asian investment-grade dollar bond short-term volatility



Highlights:

1. **Added Indian equities, supported by improved liquidity, rate cut, a weaker dollar and lower oil prices**
2. **Increased exposure to the financial sector; cut IT, consumer and energy**
3. **Asian investment-grade dollar bond credit spreads likely to remain range-bound**

Fund Features

- The Fund aims to capture growth and dividend income opportunities by investing in Asia Pacific equities and bonds.

Market Review & Outlook

April was a month of two halves for Asian equities. The market started on a weak note amid tariff tensions but rebounded later in the month following the US announcement of a 90-day tariff relief that excluded China.

The MSCI AC Asia Pacific ex Japan Index rose 1.6% in USD terms in April, primarily led by Australia and India. Australia's defensive appeal was supported by a combination of limited tariff impact, favourable fiscal measures, and flexible monetary policy. Indian equities benefited from improved liquidity from the central bank's ongoing cash injection, a rate cut, a weaker USD, and falling oil prices.

Chinese equities declined in April, with the MSCI China Index falling 4.26% in USD terms. China's manufacturing activity contracted in April, with the Manufacturing PMI dropping to 49 from 50.5 and new orders hitting a three-year low, reflecting the significant impact of hefty US tariffs on domestic production. However, domestic liquidity support and attractive valuations may provide market support. Further upside depends on the size and execution of stimulus measures to end the deflation cycle.

In the near term, we will look out for further policy announcements from China, developments in US tariff policies, and Trump's 'Make America Great Again' agenda. Fund flow dynamics and rising India-Pakistan tensions also warrant close monitoring. We believe the macroeconomic backdrop will remain challenging as global markets navigate an evolving trade landscape and await clarity on tariff outcomes. Geopolitical and trade tensions are expected to add to market volatility, while global economic growth is likely to decelerate.

In fixed income, credit spreads on Asia's investment-grade dollar bonds widened following the announcement of reciprocal tariffs but tightened shortly thereafter, underscoring the market's resilience. Chinese investment-grade dollar bonds and the sovereign space performed particularly well. We expect markets to continue reacting to tariff developments. With valuations becoming less attractive after the recent retracement, credit spreads will likely remain range-bound, although select laggards may still present value. We remain constructive on the medium- to long-term prospects of Asian investment-grade dollar bonds, supported by stable fundamentals, ongoing net negative supply, and attractive high all-in yields. However, we remain vigilant about potential short-term volatility triggered by tariff-related headlines.

Investment Strategy

The Fund increased exposure to markets including India and Singapore, and reduced positions in China, Taiwan and South Korea. We have turned more positive on India following its recent earnings de-rating, as the team believes the correction has been largely overdone.

In terms of sector allocation, the Fund added financials and reduced exposure to the consumer, information technology, and energy sectors, with gold remaining our preferred commodity. In addition, the team maintains a positive stance on industrial stocks backed by dedicated policy support or unique earnings drivers.

In terms of fixed income, the Fund has exposure to investment-grade dollar bonds in markets including South Korea, China, Hong Kong and Japan, with financials being the biggest sector allocation.

Fund Performance

Performance¹ : A USD (Distributing)



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 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 Apr 2025.

- Source: Lipper, as at 30 Apr 2025. 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.

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.

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