

# Value Partners Fund Series

## Value Partners Asian Income Fund



NAV per unit: Class A USD Unhedged Acc - USD12.72 | Class A USD Unhedged MDis - USD8.99

Fund size : USD231.7 million

★★★★★  
Morningstar Rating™  
As at 31-07-2024

CIES Eligible<sup>△</sup>

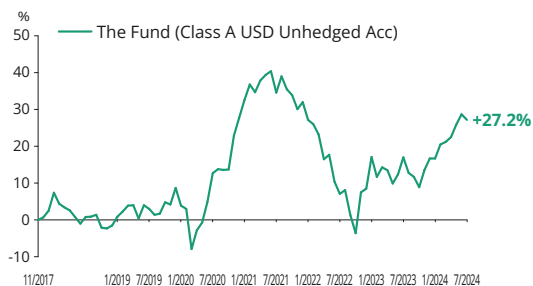
July 2024

- Value Partners Asian Income Fund (The "Fund") invests primarily in Asian equity and/or fixed income securities including convertible bonds and to deliver lower portfolio volatility.
- The Fund is subject to concentration risk as a result of the concentration of its investments in the Asian markets. The Fund may be more volatile than a broadly based fund as it is more susceptible to fluctuation in value resulting from adverse conditions in the Asian market.
- The Fund may invest in small and mid-capitalization companies. The stocks of such companies may have lower liquidity and their prices are more volatile to adverse economic developments than those of larger capitalization companies in general.
- The Fund may invest in debt securities including those that are below investment grade/unrated, and may involve greater risks, including credit risk, issuer-specific risk, counterparty risk and sovereign debt risk. The Fund may also invest in derivatives which can involve material risks, e.g. counterparty default risk, insolvency or liquidity risk. All these may expose the Fund to significant losses.
- Investment in fixed income securities may include contingent convertible bonds whose structure is innovative and untested. These instruments may be subject to conversion risk e.g. compulsory conversion by the issuer upon uncontrollable triggering events and hence the Fund may experience losses.
- In respect of the distribution units for the Fund, the Manager currently intends to make monthly dividend distribution. However, the distribution rate is not guaranteed. Distribution yield is not indicative of the return of the Fund. Distribution may be paid from capital of the Fund. Investors should note that where the payment of distributions are paid out of capital, this represents and amounts to a return or withdrawal of part of the amount you originally invested or capital gains attributable to that and may result in an immediate decrease in the value of units.
- You should not make investment decision on the basis of this material alone. Please read the explanatory memorandum for details and risk factors.

### Investment objective

The Fund aims to maximize return and income by investing in Asian equities, Asian fixed income securities and other assets relating to Asian companies that are listed in Asia, or have registered offices in Asia or generate a predominant share of their sales and/or their profits in Asia. The Fund also aims to achieve lower portfolio volatility by actively screening and selecting a combination of lower volatility equities and fixed income securities.

### Performance since launch



### Performance update

|   | The Fund<br>(Class A USD Unhedged Acc) |
|---|--|
| Year-to-date                                | +9.0%                                  |
| One month                                   | -1.2%                                  |
| One year                                    | +8.7%                                  |
| Three years                                 | -5.5%                                  |
| Five years                                  | +23.5%                                 |
| Total return since launch                   | +27.2%                                 |
| Annualized return since launch <sup>△</sup> | +3.6%                                  |

### NAV & codes

| Classes <sup>1</sup>      | NAV   | ISIN         | Bloomberg  |
|---------------------------|-------|--------------|------------|
| Class A USD Unhedged Acc  | 12.72 | HK0000352374 | VPUSUAU HK |
| Class A AUD Hedged MDis   | 8.29  | HK0000352259 | VPAAHMU HK |
| Class A CAD Hedged MDis   | 8.60  | HK0000352267 | VPACHMU HK |
| Class A HKD Unhedged MDis | 9.01  | HK0000352291 | VPAHUMU HK |
| Class A NZD Hedged MDis   | 8.46  | HK0000352309 | VPANHMU HK |
| Class A RMB Hedged MDis   | 8.78  | HK0000352317 | VPARHMU HK |
| Class A RMB Unhedged MDis | 10.05 | HK0000352325 | VPARUMU HK |
| Class A USD Unhedged MDis | 8.99  | HK0000352382 | VPAUHMU HK |
| Class A HKD Unhedged Acc  | 12.76 | HK0000352283 | VPAHUAU HK |

### The Fund - Class A USD Unhedged Acc: Monthly performance

| Year       | Jan   | Feb   | Mar    | Apr   | May   | Jun   | Jul   | Aug   | Sep   | Oct   | Nov    | Dec   | Annual |
|------------|-------|-------|--------|-------|-------|-------|-------|-------|-------|-------|--------|-------|--------|
| 2017       | N/A   | N/A   | N/A    | N/A   | N/A   | N/A   | N/A   | N/A   | N/A   | N/A   | +0.7%  | +1.8% | +2.5%  |
| 2018       | +4.8% | -2.8% | -1.0%  | -0.8% | -1.8% | -1.8% | +1.8% | +0.1% | +0.5% | -3.5% | -0.2%  | +0.8% | -3.9%  |
| 2019       | +2.4% | +1.4% | +1.6%  | +0.1% | -3.5% | +3.6% | -1.0% | -1.6% | +0.3% | +3.0% | -0.6%  | +4.3% | +10.4% |
| 2020       | -4.4% | -0.9% | -10.6% | +5.5% | +2.2% | +5.6% | +7.4% | +1.0% | +0.1% | +0.2% | +8.1%  | +4.0% | +17.6% |
| 2021       | +3.8% | +3.2% | -1.5%  | +2.7% | +0.8% | +0.7% | -4.1% | +3.3% | -2.5% | -1.2% | -2.8%  | +1.5% | +3.3%  |
| 2022       | -3.6% | -0.9% | -2.2%  | -5.4% | +1.0% | -6.2% | -3.0% | +0.9% | -6.3% | -4.8% | +11.5% | +0.9% | -17.8% |
| 2023       | +7.9% | -4.6% | +2.3%  | -0.7% | -3.2% | +2.3% | +4.1% | -3.6% | -1.0% | -2.5% | +4.3%  | +2.7% | +7.6%  |
| 2024 (YTD) | +0.0% | +3.3% | +0.6%  | +1.1% | +2.8% | +2.2% | -1.2% |       |       |       |        |       | +9.0%  |

<sup>△</sup> The Fund is one of the eligible collective investment schemes for the purpose of the New Capital Investment Entrant Scheme (New CIES) in Hong Kong with effect from 1 March 2024.  
<sup>△</sup> Annualized return is calculated from inception based on published NAV.

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### Dividend information - Class MDis <sup>2</sup>

| Classes <sup>1</sup>      | Dividend amount / unit | Annualized yield | Ex-dividend date |
|---------------------------|------------------------|------------------|------------------|
| Class A AUD Hedged MDis   | 0.0328                 | 4.7%             | 31-7-2024        |
| Class A CAD Hedged MDis   | 0.0373                 | 5.2%             | 31-7-2024        |
| Class A HKD Unhedged MDis | 0.0425                 | 5.7%             | 31-7-2024        |
| Class A NZD Hedged MDis   | 0.0401                 | 5.7%             | 31-7-2024        |
| Class A RMB Hedged MDis   | 0.0206                 | 2.8%             | 31-7-2024        |
| Class A RMB Unhedged MDis | 0.0231                 | 2.8%             | 31-7-2024        |
| Class A USD Unhedged MDis | 0.0423                 | 5.6%             | 31-7-2024        |

### Top holdings - equities <sup>3</sup>

| Holdings                                  | Industry <sup>4</sup>                    | Country / region | %   |
|---|--|------------------|-----|
| Taiwan Semiconductor Manufacturing Co Ltd | Semiconductors & semiconductor equipment | Taiwan           | 6.8 |
| Alchip Technologies Ltd                   | Semiconductors & semiconductor equipment | Taiwan           | 3.4 |
| ICICI Bank Ltd                            | Banks                                    | United States    | 2.1 |
| SK Hynix Inc                              | Semiconductors & semiconductor equipment | South Korea      | 2.1 |
| China Telecom Corp Ltd                    | Telecommunication services               | Hong Kong        | 1.9 |

### Top holdings - fixed income <sup>3</sup>

| Holdings                                  | Sector <sup>4</sup> | Country / region | %   |
|---|---------------------|------------------|-----|
| United States Treasury Bill 0% 09/05/2024 | Sovereign           | United States    | 2.2 |
| Fortune Star (BVI) Ltd 5% 05/18/2026      | Industrials         | China            | 1.3 |
| eHi Car Services Ltd 7% 09/21/2026        | Industrials         | China            | 1.1 |
| Elect Global Investments Ltd 4.1% PERP    | Real estate         | Hong Kong        | 0.9 |
| Santos Finance Ltd 5.25% 03/13/2029       | Energy              | Australia        | 0.9 |

## Portfolio characteristics

|  |       |
|--|-------|
| <b>As at 31 Jul 2024</b>                       |       |
| Portfolio yield <sup>5</sup>                   | 5.0%  |
| <b>The Fund<br/>(Class A USD Unhedged Acc)</b> |       |
| Annualized volatility (3 years) <sup>6</sup>   | 13.3% |

Asset type by geography (%) <sup>3</sup>

|                   | Equities | Fixed Income | Total |
|-------------------|----------|--------------|-------|
| Taiwan            | 15.8     | 0.2          | 16.0  |
| Japan             | 7.0      | 5.1          | 12.1  |
| Hong Kong         | 6.1      | 4.5          | 10.6  |
| H-shares          | 10.0     | -            | 10.0  |
| South Korea       | 5.4      | 1.9          | 7.3   |
| China             | -        | 7.2          | 7.2   |
| United States     | 3.6      | 2.2          | 5.8   |
| Singapore         | 5.4      | 0.3          | 5.7   |
| Indonesia         | 1.5      | 3.6          | 5.1   |
| Australia         | 1.8      | 3.2          | 5.0   |
| India             | 0.9      | 3.7          | 4.6   |
| Red Chips         | 2.8      | -            | 2.8   |
| Malaysia          | 0.2      | 0.7          | 0.9   |
| Macao             | -        | 0.8          | 0.8   |
| Philippines       | 0.3      | 0.5          | 0.8   |
| Thailand          | -        | 0.8          | 0.8   |
| Luxembourg        | 0.3      | -            | 0.3   |
| Brazil            | -        | 0.2          | 0.2   |
| Great Britain     | -        | 0.2          | 0.2   |
| Cash <sup>7</sup> | -        | -            | 3.8   |
| Total             | 61.1     | 35.1         | 100.0 |

Asset type by sector (%) <sup>4</sup>

|                        | Equities | Fixed Income | Total |
|------------------------|----------|--------------|-------|
| Financials             | 11.9     | 11.0         | 22.9  |
| Information technology | 20.6     | 1.2          | 21.8  |
| Industrials            | 4.9      | 5.2          | 10.1  |
| Real estate            | 4.6      | 3.7          | 8.3   |
| Consumer discretionary | 3.6      | 3.6          | 7.2   |
| Communication services | 6.0      | 0.8          | 6.8   |
| Energy                 | 3.7      | 3.0          | 6.7   |
| Utilities              | 2.3      | 1.9          | 4.2   |
| Materials              | 2.4      | 1.7          | 4.1   |
| Sovereign              | -        | 2.2          | 2.2   |
| Consumer staples       | 1.0      | 0.8          | 1.8   |
| Health care            | 0.1      | -            | 0.1   |
| Cash <sup>7</sup>      | -        | -            | 3.8   |
| Total                  | 61.1     | 35.1         | 100.0 |

Credit ratings of fixed income <sup>8</sup>

|                                     |       |
|-------------------------------------|-------|
| AA                                  | 0.4%  |
| A                                   | 3.2%  |
| BBB                                 | 10.3% |
| BB                                  | 8.8%  |
| B & Below                           | 7.4%  |
| Non-rated <sup>9</sup>              | 5.0%  |
| Investment grade                    | 13.9% |
| High yield                          | 16.2% |
| Average credit rating <sup>10</sup> | BB+   |

## Fund facts

|                    |  |
|--------------------|--|
| Manager:           | Value Partners Hong Kong Limited                 |
| Base currency:     | USD  |
| Trustee:           | HSBC Institutional Trust Services (Asia) Limited |
| Launch date:       | 13 Nov 2017                                      |
|                    | - Class A USD Unhedged Acc                       |
|                    | - Class A AUD Hedged MDis                        |
|                    | - Class A CAD Hedged MDis                        |
|                    | - Class A HKD Unhedged MDis                      |
|                    | - Class A NZD Hedged MDis                        |
|                    | - Class A RMB Hedged MDis                        |
|                    | - Class A RMB Unhedged MDis                      |
|                    | - Class A USD Unhedged MDis                      |
|                    | - Class A HKD Unhedged Acc                       |
| Dealing frequency: | Daily  |

## Fee structure &amp; Subscription information (Class A)

| Share classes                   | Acc  | MDis   |
|---------------------------------|--|--|
|                                 | Unhedged:<br>HKD/SGD/USD<br>Hedged:<br>SGD | Unhedged:<br>HKD/RMB/SGD/USD<br>Hedged:<br>AUD/CAD/EUR/NZD/<br>RMB/SGD |
| Minimum subscription            | USD10,000 or equivalent                    |  |
| Minimum subsequent subscription | USD5,000 or equivalent                     |  |
| Subscription fee                | Up to 5%                                   |  |
| Redemption fee                  | Nil  |  |
| Management fee                  | 1.5% p.a.                                  |  |
| Performance fee                 | N/A  |  |

## Senior investment staff

## Co-Chairmen &amp; Co-Chief Investment Officers:

Cheah Cheng Hye; Louis So

## Deputy Chief Investment Officer, Equities: Yu Chen Jun

Norman Ho, CFA; Renee Hung

## Chief Investment Officer, Multi Assets: Kelly Chung, CFA

## Co-Chief Investment Officer, Fixed Income: Sean Chang;

Gordon Ip, CFA

## Investment Directors: Lillian Cao; Luo Jing, CFA; Michelle Yu, CFA

## Senior Fund Managers: Danielle Li, Frank Tsui

## Fund Manager: Willie Wu, CFA

## Key fund and corporate awards

Outstanding Performer <sup>11</sup>

**Mixed Allocation – Asia Pacific Mutual Funds (1 year)**  
~ Bloomberg Businessweek/Chinese Top Funds To Watch 2023

Best Performer <sup>12</sup>

**Mixed Allocation – Asia Pacific Mutual Funds (5 years)**  
~ Bloomberg Businessweek/Chinese Top Funds To Watch 2023

Best Fund Provider - Multi-Asset Solution <sup>13</sup>

~ 2022 Asian Private Banker Asset Management Awards  
for Excellence

Top Fund - Asia Allocation (Hong Kong & Singapore) (Best-in-class) <sup>14</sup>

~ Benchmark Fund of the Year Awards 2021

Scan QR code<sup>15</sup>:

Fund documents      Fund notices

Source: Value Partners, HSBC Institutional Trust Services (Asia) Limited, FactSet and Bloomberg, data as at the last valuation date of the month as stated above, unless stated otherwise. Performance is calculated on NAV to NAV in base currency with dividend reinvested and net of fees. All indices are for reference only. Our portfolio disclosure policy can be obtained from the Investment Manager upon request to email [fis@vp.com.hk](mailto:fis@vp.com.hk).

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