

## Global Overview

Period	30/06/2022
Share inception date	27/07/2020
Portfolio currency	YUAN HK (CNH)
Status	SICAV
ISIN code	LU1791937011
Portfolio code	33803
Frequency	Every target business day
Management company	Luxcellence Management Company S.A.
Depository bank	CACEIS Bank, Luxembourg Branch
Central administration	CACEIS Bank, Luxembourg Branch
Management fees	Up to 0.25% p.a.
Bloomberg Code	BRHYCDH:LX
Share currency	EUR
Manager	BOCHK Asset Management Limited

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## Net asset value

Price	51.51
Total net assets	103 012.05
Nb of shares	2 000.00
Fund size(Million)	213.66 CNH / 30.48 EUR

## Dividend History

03/2022	0.75
12/2021	0.97
09/2021	1.23
06/2021	1.29

## Yield to maturity

30/06/2022	29.02 %
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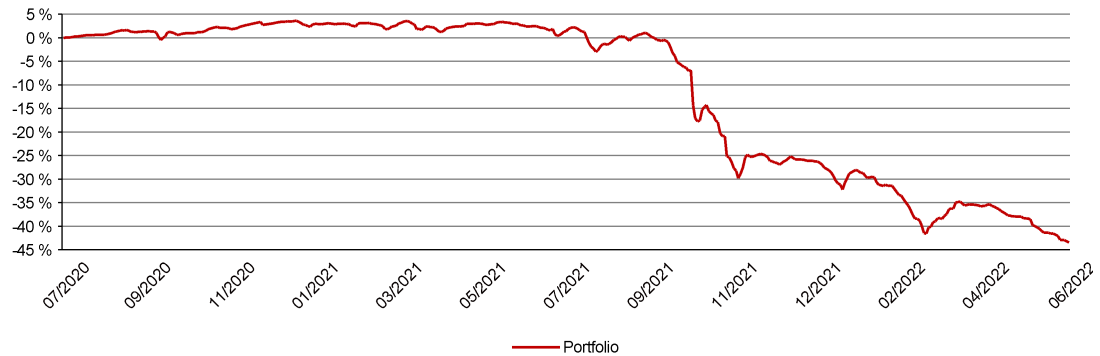
## Portfolio manager

Mr Ming JIA: 22 years of experience and currently Deputy CIO for BOCHK AM. He led Fixed Income trading at Haitong International, First Capital Securities and Southwest Securities, later working as a senior Fixed Income portfolio manager at CDH Investments and China Asset Management. Mr Jia holds a Master of Finance Degree from the University of Hong Kong and a Bachelor Degree in Economics from the Peking University.

## Performance Indicators

Performances (%)	1 month	3 months	6 months	Year to date	1 year	Inception
Cummulative	-8.10	-11.33	-23.24	-23.24	-44.32	-43.39
Annualized			-41.33	-41.33	-44.32	-25.61

## Since Inception



## Risk Indicators

Indicator frequency	1 year	Inception
Fund volatility (%) *	22.73	17.80
Sharpe ratio *	-1.93	-1.41
Drawdown (%)	18.12	18.12

\* Annualized Indicator

## Fund managers comment

The Asian high yield market had a bad month in Jun, along with most global risk assets. The JACI Non-Investment Grade Corporates Total Return Index was down 6.26% in Jun. The JACI composite total return index fell by 2.28%. The total High Yield new issues out of Asia was only USD 1.43 Billion. The fund performed in line with the overall market. We stayed cautious and did some relative value trade during the month. Also some short stable bonds were added. Looking forward, the turmoil in the market will not subside soon and we will deploy cash prudently after bond matures in July.

The weakness in China real estate HY market persisted despite the Chinese economy's recovery and China stock market's rebound in June. The middle cap names like KWGPRO/CHINSC/PWRLNG/TPHL all fell by around 10-20pts, denoting a harbinger of bond exchange. Higher quality peers CFIHG/COGARD/YLLGSP/GEMDALE/GRNCH/ROADKG were also under attack. The selling from global real money investors to meet redemptions crushed the market, and new buyers were still hard to find. "Distressed names" (SUNAC/YUZHOU/CAPG etc) were not spared from the slump either and kept drifting lower.

The bright spot was Cenchu, whose bonds jumped higher sharply upon the news that a Henan SoE would become the second largest shareholder. Front end of Agile performed well too, as the company kept reporting asset disposals to alleviate debt pressure. The industrial sector also experienced a complicated month. FOSUN's curve was punished amid the Moody's review for downgrade news, as PB and structured product desks jointed force on the sell off. Long end FOSUNI bonds traded below 50 before rebounding around 60, down more than 20 points MoM. Other non-property China names showed sympathy with prices dropping 3-8 points.

HY outside China had a rough month too. Fed's 75 bps hike sent global stocks and bonds into a tailspin, and redemption from EM bond funds dampened the Asian Credit market. Top Indian renewable HY names such like GRNKEN fell 5-10 points, and commodity bonds suffered even more out of the recession concern. Macau gaming names were also soft. The shortened quarantine period for travelling to China helped gaming bonds a bit, but the rebound proved to be shallow and short lived.

In Jun, RMB slightly depreciated against USD, which rallied strongly against most other major currencies. CNH weakened by 0.23% and CNY was down by 0.41% respectively, when US Dollar index DXY was up by 2.88%.

In the medium to long run, we still see RMB a solid currency, driven by the strong performance of China export and the rising overseas demand for RMB-denominated assets. We continue to see RMB comparably attractive on a mid-term risk-adjusted basis comparing to other Asian currencies. Hence, the Fund will maintain its exposure to the RMB.

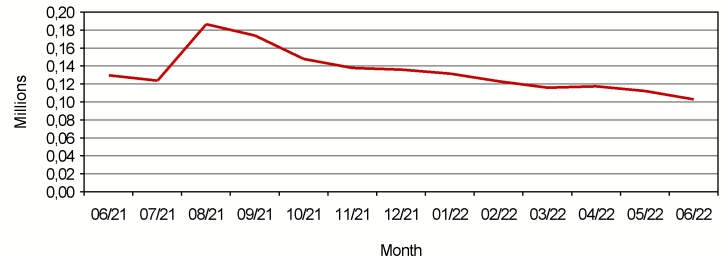
### IMPORTANT NOTES AND KEY FACTORS

- BOCHK RMB High Yield Bond Fund (the "Sub-Fund") described in this document is a Sub-Fund of BOC (Europe) UCITS SICAV (the "Fund"), a Luxembourg domiciled umbrella investment company with variable capital (société d'investissement à capital variable) incorporated under the form of a société anonyme in the Grand Duchy of Luxembourg. It qualifies as an undertaking for collective investment in transferable securities ("UCITS") under Part I of the 2010 Law.
- It is provided for information purposes only which does not constitute an offer or a solicitation by anyone in any jurisdiction in which such offer is unlawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation.
- Investors should not make any investment decisions based only on this document alone, but should read it together with the Prospectus of the Fund including the Sub-Fund and the relevant Key Investor Information Document (KIID) as amended and supplemented from time to time and should refer to the "Risk Factors" section of the Prospectus and the KIID for further details relating to the risk of the Sub-Fund. A current prospectus and a KIID available from [www.luxcellence.com](http://www.luxcellence.com) must accompany or precede this material if it is distributed to prospective investors. The capitalised terms used in this document have the same meaning as the terms used in the Offering Documents of the Sub-Fund.
- The Sub-Fund is an investment fund and not a bank deposit. The repayment of principal is not guaranteed. Investors should be aware that the value of shares of the Sub-Fund may fall as well as rise. Investors may lose a substantial proportion or all of their investment in the extremely adverse condition.
- The Sub-Fund is subject to the risks of investing in emerging markets including the People's Republic of China ("PRC") and investments into non-investment grade and non-rated bonds are subject to higher credit risk. The Sub-Fund is exposed to liquidity and operational risks linked to investments in the PRC and to the RQFII system. RMB is not a freely convertible currency and is subject to foreign exchange control policies of and repatriation restrictions imposed by the PRC. There is no guarantee that RMB will appreciate in value. Investors must accept the exchange rate risks if investment is made in HKD or USD. The Sub-Fund may use derivative instruments which means financial instruments whose value depends on those of an underlying asset. Therefore, fluctuations in the price of an underlying asset, even if minor, could lead to significant variations in the price of the corresponding derivative instrument. With the use of over-the-counter derivatives, there is a risk that the counterparty to the transactions will wholly or partially fail to honor its contractual obligations. This may result in a financial loss to the Sub-Fund.
- The Sub-Fund may from time to time hold a high portion of cash and deposits as it may take a prolonged period of time to invest into debt instruments and/or the Investment Fund Manager may consider there are insufficient investments available in the market.
- Investment vehicles in the off-shore RMB bond market are relatively limited. Liquidity and related returns may be affected.
- There are risks and uncertainties associated with the tax rules and practices of the PRC.
- The Sub-Fund may be subject to risks associated with investments in collective investment schemes, investment portfolios and/or funds managed by third parties/external asset managers.
- The investments of the Sub-Fund may involve risks including but not limited to substantial credit/counterparty downgrading, market volatility, interest rate and foreign exchange, liquidity, vulnerability to economic cycles, capital growth, regulatory and political risks.



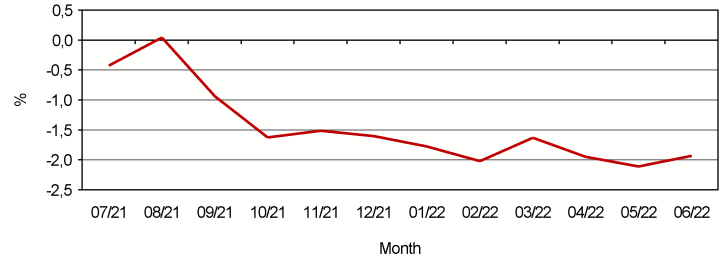
### Total Net Assets

The Total Net Asset shows the difference between assets (cash or equivalent holding, total market value of all assets held) and current liabilities including accrued expenses.



### Sharpe Ratio

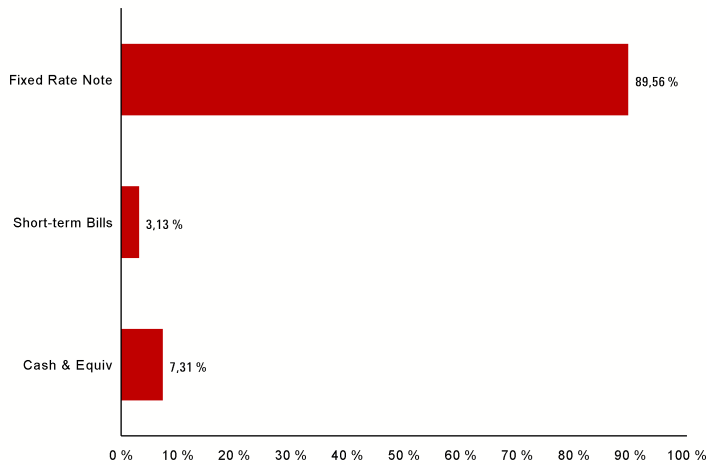
The Sharpe Ratio shows the relationship between a fund's risk and its return. The return on a risk-free asset (LIBOR in base currency of the fund) is deducted from the fund's annualised average. This net return is then divided by the total risk. A higher



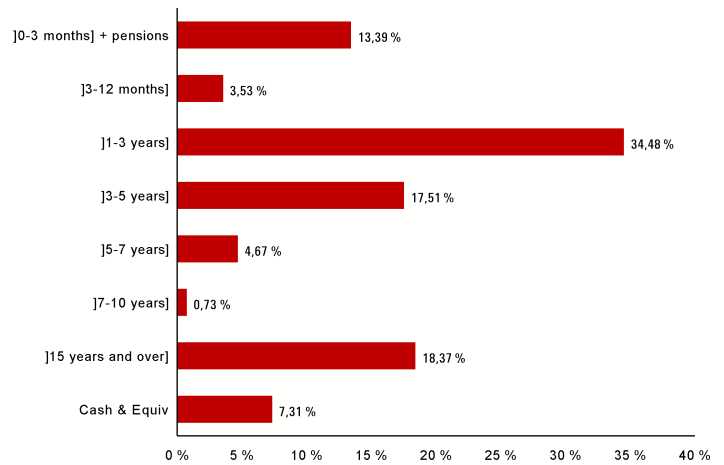
— Fund



### Portfolio breakdown asset class



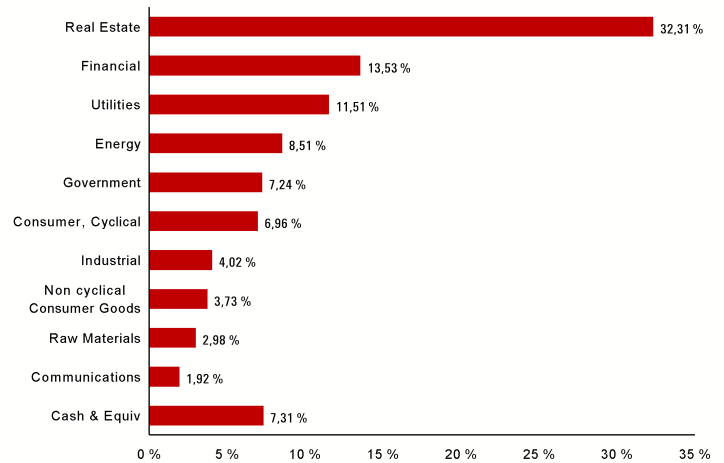
### Maturity breakdown



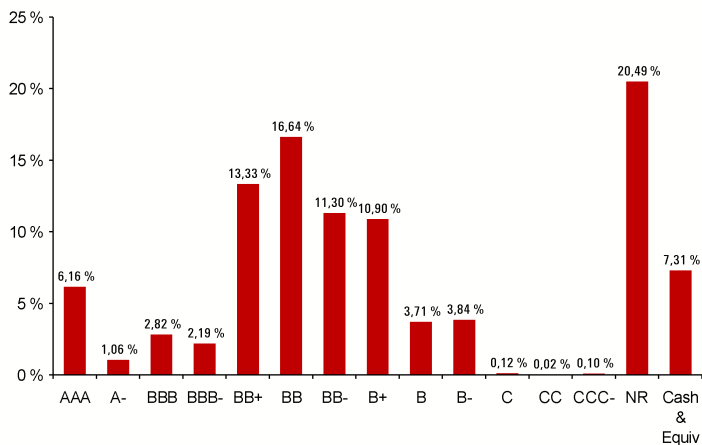
### TOP 10 Main position

	Market Value (%)
SMC GLOBAL POWER HOLDINGS CORPORATION 7.0% PERP	4.34%
GUANGZHOU FINELAND REAL ESTATE 13.6% 27-07-23	3.25%
UNITED STATES TREASURY BILL ZCP 08-09-22	3.13%
HK RED STR MUHF 3.375% 21-09-22	3.11%
UNITED STATES TREASURY NOTEBOND 0.375% 31-10-23	3.04%
WANDA PROPERTIES OVERSEAS 6.875% 23-07-23	2.60%
YANLORD LAND HK 5.125% 20-05-26	2.51%
GREENTOWN CHINA 4.7% 29-04-25	2.41%
DALIAN DETA HOLDING CO LTD 5.95% 29-07-22	2.40%
WYNN MACAU 4.875% 01-10-24	2.36%
	29.15%

### Sectorial breakdown



### Rating breakdown



### Geographical breakdown

