

BlackRock European Fund

As at 30 April 2020

BLACKROCK

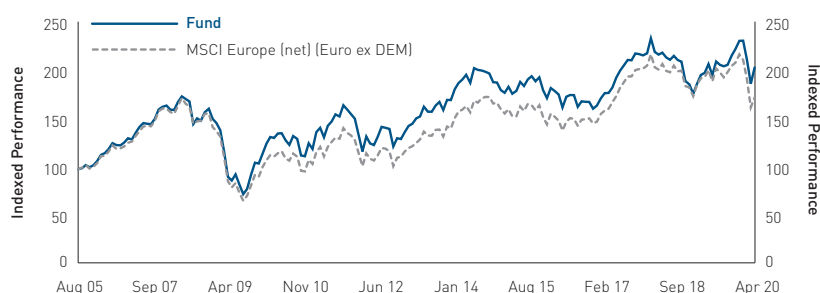
- The investment decision is yours. You should not invest in the investment product unless the licensed investment advisor who introduces it to you has advised you that it is suitable for you and has explained why, including how buying it would be consistent with your investment objectives.
- Investment in a Fund may involve a high degree of risk and may not be suitable for all investors. Past performance is not indicative of future results. The value of a Fund can be volatile and could go down substantially within a short period of time. It is possible that the entire amount of your investment could be lost.
- Funds which invest in emerging markets, specific markets or sectors should be regarded as higher risk than funds following a more diversified policy. Please pay attention to the "Special Risk Considerations" section in the Prospectus for risks associated with investing in emerging markets, specific markets or sectors.

A-Share Cumulative Performance in USD

	YTD	6 Months	1 Year	3 Years	5 Years	Since Launch
	%	%	%	%	%	%
Fund	-11.6	-5.5	-1.6	1.5	-4.3	381.0
MSCI Europe (net)	-19.8	-15.5	-13.6	-4.7	-5.0	381.8

A-Share Calendar Year Performance in USD

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
	%	%	%	%	%	%	%	%	%	%	%	%	%
Fund	29.7	-18.5	+21.4	-8.5	-0.4	-9.7	+26.9	+22.7	-13.2	+5.4	+42.6	-43.0	+14.6
MSCI Europe (net)	23.8	-14.9	+25.5	-0.4	-2.8	-6.2	+25.2	+19.1	-11.1	+3.9	+35.8	-46.4	+13.9



Fund Data

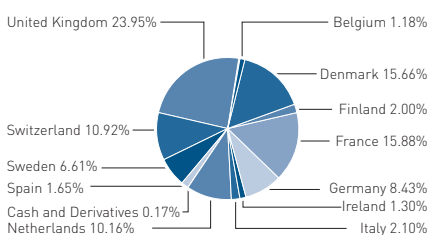
Manager	Nigel Bolton
Inception	30.11.93
Currency	US\$
Total Fund Size (m)	US \$1,068.9
Annual Management Fee	1.50%
Initial Charge	5%

10 Largest Holdings (%)

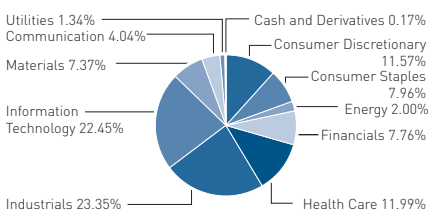
LVMH MOET HENNESSY LOUIS VUITTON SE	5.6
ASML HOLDING NV	5.2
NOVO NORDISK A/S	4.8
SIKA AG	4.6
SAP SE	4.5
RELX PLC	4.4
ROYAL UNIBREW A/S	4.2
LONZA GROUP AG	4.1
BRITISH AMERICAN TOBACCO PLC	3.8
LONDON STOCK EXCHANGE GROUP PLC	3.5
Total	44.7

Composition of Fund

Country



Sector



Investment Objective

The European Fund seeks to maximise total return. The Fund invests at least 70% of its total assets in the equity securities of companies domiciled in, or exercising the predominant part of their economic activity in, Europe.

Fund Manager's Report

Performance overview

- European markets continued the recovery that began in the latter stages of March to deliver returns of 6.1% in April.
- Cyclical areas of the market outperformed as investors digested the fiscal and monetary support offered by policymakers. IT, materials, consumer discretionary, and healthcare were the best performing sectors; while utilities, financials, and communication services lagged. The energy sector delivered negative returns as supply-demand imbalances pressured prices and the front month WTI futures contract briefly traded in negative territory as insufficient storage capacity meant traders were unable to take physical delivery of oil.
- The fund outperformed the benchmark over the month driven by strong stock selection and sector allocation.

Sectors

- An overweight allocation to the IT sector benefitted relative returns.
- The portfolio benefitted from the underweight positions in the financials and energy sectors which delivered low and negative returns respectively.
- The underweight allocation to healthcare detracted from relative returns.

Stocks

- BE Semiconductor (BESI), a leading supplier of semiconductor assembly equipment, was the top contributing stock in the portfolio. The shares rallied after the company announced strong Q1 results with orders up 18% quarter on quarter and gross margins above the guided range and ahead of consensus estimates. The management team commented that the strong orders were driven by mobile end markets reflecting investment in anticipation of product innovations in 2020 and 2021.
- IMCD also contributed strongly to returns. The speciality chemical distribution business is proving resilient in the downturn, with gross profits up 12% quarter on quarter and all regions contributing strongly, driven by their consumer and pharma facing end markets.
- Berkeley Group was another strong performer as the company announced that the downturn has thus far had little impact on their order books.
- The auto industry rebounded during the month with car sales in China already back to pre-COVID levels during April. While
- we do not hold any auto OEMs, the portfolio benefitted from positions in semiconductor names which have exposure to the auto sector. STMicroelectronics and ASML were contributors to performance as the former has been able to continue to gain market share while the latter continues to enjoy structural growth.
- The portfolio benefitted from not owning large index constituents within the energy sector such as BP, Total, and Royal Dutch Shell which cut its dividend for the first time in over 70 years.
- Sika detracted from relative returns as the shares were flat during the month following outperformance against the market in March. The operating performance of the company remains robust with Q1 sales growth ahead of consensus estimates, albeit with weaker regional performance in Asia than in the US or Europe, indicating that lockdown effects were yet to be felt in these geographies.
- Kingspan, a building materials company specialising in insulated panels, underperformed the market and detracted from returns. Whilst long term tailwinds of increased regulation and appetite for energy efficiency remain, the company is likely to face a difficult period in the coming months.
- Other detractors from relative returns were mainly the result of not owning large index constituents such as AstraZeneca, Bayer, Glaxosmithkline, and Sanofi.

Changes

- We added a position in Informa through a share placing. The company is the global leader in exhibitions: an area that has a highly uncertain near-term outlook but one where we believe there should be a recovery in time. The company operates a flexible cost base and capital light business model. We believe it will be free cashflow positive this year, and it has no debt maturities until 2023. We were able to buy the shares on an attractive valuation, and we see scope for them to recover materially as we see evidence of large gatherings being permitted once again.
- We further reduced our position in Partners Group where we have seen increases in leverage, reductions in management participation in funds, and increasing asset gathering into open ended funds which then invest in closed ended structures which could pose future liquidity problems.

Positioning

- Our overall positioning remains broadly consistent.
- At the end of the month, the fund was overweight industrials, IT, and consumer discretionary.
- The fund was underweight financials, consumer staples, energy, utilities, real estate and healthcare.
- The fund was neutral communication services.

The Fund investment objective was changed on 20 June 2008.

Effective 28 April 2008, Merrill Lynch International Investment Funds (MLIIF) changed its name to BlackRock Global Funds (BGF). Prior to such date the Fund was known as MLIIF European Fund.

BlackRock European Fund is the abbreviated name of BlackRock Global Funds - European Fund.

Effective 1 July 2002, Mercury Selected Trust (MST) changed its name to Merrill Lynch International Investment Funds (MLIIF). Prior to such date the Fund was known as MST European Fund.

Sources: BlackRock Investment Management (UK) Limited and Datastream. Performance is shown as at 30 April 2020 in US\$ on a NAV to NAV price basis with income reinvested. Fund performance figures are calculated net of fees. The above Fund data is for information only.

Investment involves risk. Past performance is not necessarily a guide to future performance. The value of investments and the income from them can fluctuate and is not guaranteed. The investment returns are denominated in Euro. US/HK dollar-based investors are therefore exposed to fluctuations in the US/HK dollar/Euro exchange rate. Investors may not get back the amount they invest. Individual stock price/figure does not represent the return of the Fund. For Hong Kong investors, please refer to the BGF Prospectus for details, including risk factors. Issued in Hong Kong by BlackRock (Hong Kong) Limited.

This advertisement (or sales material) has not been reviewed by the Securities and Futures Commission of Hong Kong.

In Singapore, this information is issued by BlackRock Investment Management (Singapore) Limited. For the purposes of distribution in Singapore, this document forms part of the prospectus for BGF (which is an information memorandum as defined in the Securities and Futures Act). In Singapore, the fund referred to in this document may be offered to institutional investors under section 304 and accredited investors under section 305 of the Securities and Futures Act only.

BlackRock (Hong Kong) Limited

Address: 16/F Cheung Kong Center, 2 Queen's Road Central, Hong Kong.

Tel: +852 3903 2800 Fax: +852 3903 2900 Website: <http://www.blackrock.com.hk>

貝萊德歐洲基金

截至 2020年4月30日止



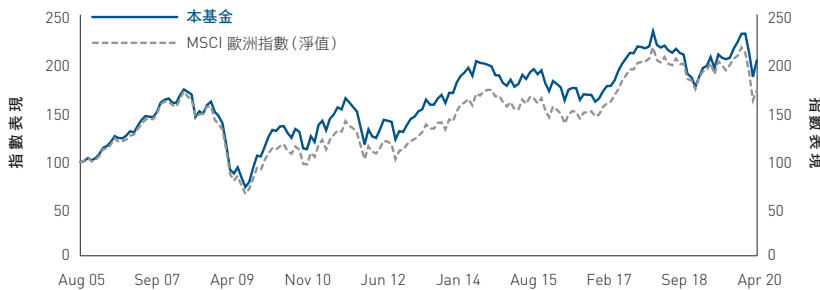
1. 投資決定在於你本人。除非將該投資產品介紹給你的持牌投資顧問已指出該產品適合你本人及已向你說明該產品為何及如何符合你的投資目標，否則您不應投資於該產品。
2. 投資基金可能涉及高風險，並可能不適合所有投資者。過往業績並不代表將來的表現，基金價格及其收益可升可跌，且可於短期內反覆，投資者並可能會損失所有投資金額。
3. 投資者應注意投資於某些較小型及新興市場、特定市場或行業的基金為風險較高的基金。投資者請注意貝萊德全球基金章程的“特殊風險考慮因素”一節有關投資於新興市場，特定市場或行業的基金的風險。

A 股基金累積表現 (美元)

	年初至今 %	六個月 %	一年 %	三年 %	五年 %	成立至今 %
本基金	-11.6	-5.5	-1.6	1.5	-4.3	381.0
MSCI歐洲指數 (淨值)	-19.8	-15.5	-13.6	-4.7	-5.0	381.8

A 股基金年度表現 (美元)

	2019 %	2018 %	2017 %	2016 %	2015 %	2014 %	2013 %	2012 %	2011 %	2010 %	2009 %	2008 %	2007 %
本基金	29.7	-18.5	+21.4	-8.5	-0.4	-9.7	+26.9	+22.7	-13.2	+5.4	+42.6	-43.0	+14.6
MSCI歐洲指數 (淨值)	23.8	-14.9	+25.5	-0.4	-2.8	-6.2	+25.2	+19.1	-11.1	+3.9	+35.8	-46.4	+13.9



基金資料

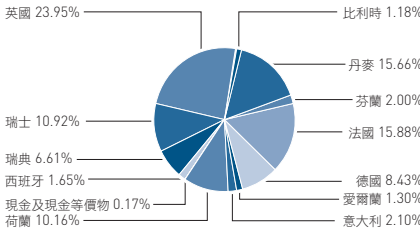
基金經理	Nigel Bolton
成立日期	30.11.93
報價貨幣	美元
基金總值 (百萬)	1,068.9 美元
每年管理費	1.50%
首次認費	5%

十大持股比重 (%)

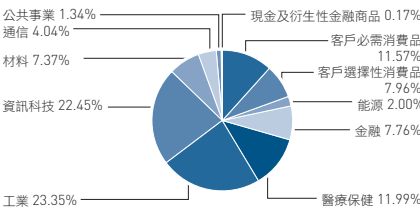
LVMH MOET HENNESSY LOUIS VUITTON SE	5.6
ASML HOLDING NV	5.2
NOVO NORDISK A/S	4.8
SIKA AG	4.6
SAP SE	4.5
RELX PLC	4.4
ROYAL UNIBREW A/S	4.2
LONZA GROUP AG	4.1
BRITISH AMERICAN TOBACCO PLC	3.8
LONDON STOCK EXCHANGE GROUP PLC	3.5
總計	44.7

基金投資分佈

國家



行業



基金的投資目標於 2008 年 6 月 20 日已被更改。

於 2008 年 4 月 28 日，美林國際投資基金已更名為貝萊德全球基金。在上述日期前，此基金名為美林歐洲基金。

貝萊德歐洲基金乃貝萊德全球基金 - 歐洲基金之簡稱。

於 2002 年 7 月 1 日，水星 MST 基金已更名為美林國際投資基金。在上述日期前，此基金名為水星 MST 歐洲基金。

資料來源：BlackRock Investment Management (UK) Limited 及 Datastream。基金表現截至 2020 年 4 月 30 日為止，以美元按資產淨值比資產淨值基礎計算，將收入再作投資。基金表現數據的計算已扣除費用。上述基金表現僅作參考之用。

投資涉及風險。過往業績並不代表將來的表現，基金價格及其收益可升可跌，並不能保證。投資收益以歐元計算。因此，以美元 / 港元作出投資的投資者，需承受美元 / 港元 / 歐元兌換率的波動的風險。投資者可能無法取回原本投資金額。個別股票價格並不代表本基金的回報。香港投資者欲知有關詳情，請參考貝萊德全球基金章程，包括風險成份。資料由貝萊德 (香港) 有限公司所發佈。

此廣告 (或銷售資料) 並未被香港證監會所審閱。

在新加坡，資料由 BlackRock Investment Management (Singapore) Limited 所發佈。在新加坡分銷本基金，此文件將被納入為貝萊德全球基金售股章程的一部份 (即證券及期貨條例所定義的資料備忘錄)。

在新加坡，此文件所提及的基金只可售予證券及期貨條例第 304 條定義的機構投資者及第 305 條定義的認可投資者。

投資目標

貝萊德歐洲基金以盡量提高總回報為目標。基金將總資產至少 70% 投入於在歐洲註冊或從事大部分經濟活的公司之股權證券。

基金經理報告

表現概述

- 歐洲市場延續3月底展開的反彈走勢，在4月報升6.1%。
- 隨著投資者消化決策官員採取的財政和貨幣支持措施，周期性市場領域表現出色。資訊科技、原材料、非必需消費品和醫療保健業的表現最佳；公用事業、金融和通訊服務業的表現落後。供求失衡令油價受壓，加上儲油能力不足，意味短線投資者無法賣出石油，導致即月美國德州西部中級原油期貨合約一度跌至負數，拖累能源股錄得負回報。
- 基金在月內表現優於基準指數，選股和行業配置得宜帶動基金表現出色。

行業

- 基金對資訊科技業持偏高比重利相對回報。
- 金融業的回報偏低，能源業更錄得負回報，投資組合對上述行業持偏低比重令表現受惠。
- 基金對醫療保健業持偏低比重利相對回報。

股票

- 半導體組裝設備主要供應商 BE Semiconductor (BESI) 是最利好投資組合的持股。該公司宣佈首季業績強勁，訂單按季增加 18%，毛利率高於指引區間，並優於市場預期，消息帶動股價走高。BESI 管理層團隊表示，訂單強勁是源於手機終端製造商預期於 2020 年和 2021 年出現產品創新而作出投資。
- 專用化學品分銷公司 IMCD 亦為回報帶來顯著貢獻。該公司在經濟下滑期間表現強勁，毛利按季升 12%，而且在面向消費者和製藥公司的終端市場帶動下，所有業務地區均帶來顯著貢獻。
- Berkeley Group 宣佈，目前為止經濟逆轉對其訂單的影響輕微，因此股價亦表現強勁。
- 隨著中國 4 月份汽車銷售重返新冠肺炎前的水平，汽車業在月內反彈。儘管我們並未持有任何汽車原設備生產商，但投資組合受惠於涉及汽車相關業務的半導體持股。意法半導體 (STMicroelectronics) 和 ASML 均為表現帶來貢獻，因為前者能夠持續增加市場佔有率，而後者則不斷取得結構性增長。
- 投資組合並無持有能源業的大型指數成份股，因而利好基金表現，例如英國石油 (BP)、道達爾 (Total)，以及 70 多年來首次削減派息的荷蘭皇家殼牌 (Royal Dutch Shell)。
- 西卡 (Sika) 股價在 3 月表現優於大市，其後在 4 月表現持平，削弱基金相對回報。該公司營運表現仍然穩健，首季銷售增長較市場普遍預期出色，但亞洲區業務表現遜於歐美市場，顯示封鎖措施的影響尚未反映於歐美地區。
- 專門生產隔熱板的建築材料公司 Kingspan 表現較大市失色，並利淡基金回報。儘管加強監管及市場對能源效益的需求仍然是長期利好因素，但該公司或會在未來數月面對困境。
- 基金並無持有 AstraZeneca、拜耳 (Bayer)、葛蘭素史克 (GlaxoSmithKline) 及賽諾菲 (Sanofi) 等大型指數成份股，亦削弱相對回報。

變化

- 我們藉著公司配售股份的機會新增 Informa 的持股。該公司是展覽業的環球領先公司，該行業的短期前景仍然非常不明朗，但相信未來應可復原。該公司的成本基礎靈活，而且奉行輕資本的業務模式。我們認為該公司年內將錄得正自由現金流量，在 2023 年之前亦無債務到期。我們能以吸引估值買入該股，而且有跡象顯示政府將再次容許大型聚會，因此該股有望大幅回升。
- 我們進一步減持 Partners Group，原因是該公司的槓桿增加，管理層減少參與基金，而且增加為開放型基金募集資產，然後再投資於封閉結構，此舉或會造成未來流動性問題。

配置

- 我們的整體配置大致保持一致。
- 基金於月底對工業、資訊科技和非必需消費品業持偏高比重。
- 基金對金融、基本消費品、能源、公用事業、房地產和醫療保健業持偏低比重。
- 基金對通訊服務業持中性比重。

貝萊德 (香港) 有限公司

地址：香港中環皇后大道中 2 號長江集團中心 16 樓

電話：+852 3903 2800 傳真：+852 3903 2900 網址：http://www.blackrock.com.hk