

# BlackRock European Fund

As at 30 April 2022

# BLACKROCK

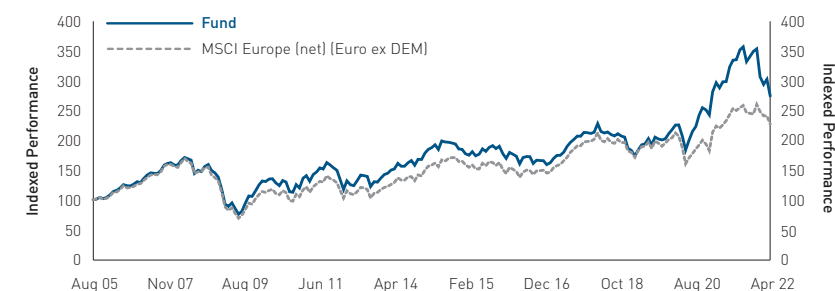
- The investment decision is yours. You should not invest in the investment product unless the licensed investment advisor who introduces it to you has advised you that it is suitable for you and has explained why, including how buying it would be consistent with your investment objectives.
- Investment 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
	%	%	%	%	%	%
<b>Fund</b>	<b>-22.5</b>	<b>-21.9</b>	<b>-15.2</b>	<b>35.2</b>	<b>39.5</b>	<b>561.2</b>
MSCI Europe (net)	-12.7	-11.7	-6.7	15.4	27.2	543.1

## A-Share Calendar Year Performance in USD

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
	%	%	%	%	%	%	%	%	%	%	%	%	%	%
<b>Fund</b>	<b>19.2</b>	<b>31.5</b>	<b>29.7</b>	<b>-18.5</b>	<b>+21.4</b>	<b>-8.5</b>	<b>-0.4</b>	<b>-9.7</b>	<b>+26.9</b>	<b>+22.7</b>	<b>-13.2</b>	<b>+5.4</b>	<b>+42.6</b>	<b>-43.0</b>
MSCI Europe (net)	16.3	5.4	23.8	-14.9	+25.5	-0.4	-2.8	-6.2	+25.2	+19.1	-11.1	+3.9	+35.8	-46.4



## Fund Data

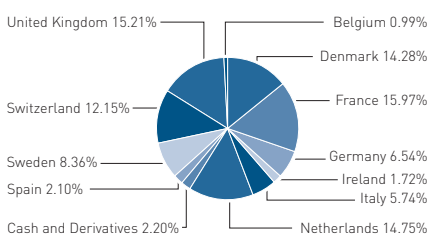
Manager	Nigel Bolton
Inception	30.11.93
Currency	US\$
Total Fund Size (m)	US \$1,558.6
Annual Management Fee	1.50%
Initial Charge	5%

## 10 Largest Holdings (%)

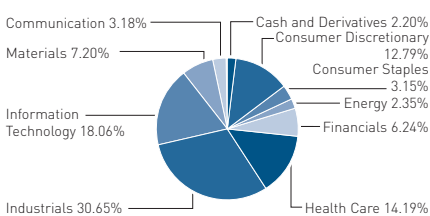
LVMH MOET HENNESSY LOUIS VUITTON SE	6.9
NOVO NORDISK A/S	5.9
ASML HOLDING NV	5.1
LONZA GROUP AG	4.8
SIKA AG	4.0
DSV A/S	3.6
RELX PLC	3.4
TELEPERFORMANCE	3.2
LINDE PLC	3.2
ROYAL UNIBREW A/S	3.2
<b>Total</b>	<b>43.3</b>

## 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

- The MSCI Europe Index traded down in April, falling -0.6% (EUR) as inflation prints remain elevated and central banks respond with hawkish positions. The US Fed's tone pushed the 10-year treasury yield to approach 3%, and drove the market to price in the possibility of 75bps rate hikes - showing expectations are outpacing guidance. At the same time the rate hiking cycle is taking off, we're getting signs that the economic environment is weakening.
- The Q1'22 earnings season is under way, and for the portfolio companies that have reported, we are generally seeing positive updates. Though, with market attention squarely on the macro landscape, share prices, in many cases, are not responding to positive company specifics. With this backdrop, the portfolio underperformed its benchmark.

### Sectors

- Sector performance showed a defensive tilt in the market with Utilities, Consumer Staples, and Communication Services sectors moving higher. The portfolio's underweights to Utilities and Consumer Staples detracted, as did overweights to Technology and Industrials sectors.
- Ongoing strength in underlying commodity prices also supported the energy sector where the addition of Tenaris protected the portfolio well.

### Stocks

- Semiconductor companies in the portfolio detracted from active returns despite positive updates in aggregate. Companies like ASML, ST Micro, and ASM International have been reporting strong demand dynamics with full order books stretching through 2022 and beyond.
- ST Micro released Q1 revenues showing 18% YoY growth, 1% ahead of consensus, as well as gross margins, EBIT, and EPS all well ahead of consensus. They also gave strong guidance ahead of consensus for Q2 revenues and margins. While FY guidance was unchanged, consensus forecasts will have to come up from current levels, creating approx. 7% upgrades on FY 22 EPS.
- ASML's update was quite as clear, but still an overall positive picture once fully digested. Q1 EBIT was a 7% beat while sales of 3.5b EUR were 2% ahead of consensus expectations. A change in revenue recognition timing leads to a delay in booking sales for machines already delivered to customers. This impacted Q2 guidance which came in lower than expectations with 800m EUR of revenue delayed by timing of revenue recognition. The company also flagged rising costs around freight, inputs, and labor putting pressure on margins. However, they remain positive on demand for DJV and EUV machines and are reflecting that in increased 2025 capacity that we expect to drive up sales, margins, and EPS.
- BE Semi's Q1 update disappointed investors. The company posted a 3% beat on sales and 5% beat on EBIT but Q1 orders were weak, as was Q2 guidance. The company pointed to lower bookings from high end mobile following significant new product introductions in late 2021, and a slow down from China. The selloff following these results puts the shares on c.14x 2022 earnings, which would seem to imply the market is baking in a cycle here which we don't see materializing.
- DSV shares came back under pressure despite delivering a Q1'22 profit equal to that of the entire FY19 level. In the current environment DSV is earning well above where it has in the past, though, tightness in freight and shipping yields remains high which supports these levels for longer. The results came with a surprise upgrade in EBIT guidance, taking FY to 12% ahead of consensus. We continue to think they will drive efficiency and use M&A to increase profits.
- Some of the companies whose share prices we expected to act defensively in this environment, such as Lonza, have failed to do so. At the same time, not holding the market's preferred defensives, such as Nestle and AstraZeneca, detracted from relative performance.
- Novo Nordisk shares moved higher with a pre-release of Q1 showing a beat and raise driven across their diabetes and obesity treatments. Q1 sales were 7% ahead of consensus while operating profit was 12% ahead. Their revenue guidance was moved to 10-14%, up from 6-10%, and operating profit guidance moved to 9-13%, up from 4-8%. They have also confirmed commercial production has restarted for their obesity drug, Wegovy, which was an important step in getting capacity back up to a level that can satisfy script demand.
- Tenaris contributed positively after their Q1 update included a beat and confident guide. Q1 EBITDA came in +15% ahead of consensus driven by higher prices and rising demand for their steel tubes as drilling activity increased around the world. Their confident guide for H2 comes from seeing higher volumes in the Middle East and South America - a key part of the investment thesis that Tenaris has opportunity to expand in markets outside of the US.
- Linde also contributed positively in April. The company posted a Q1 operating profit beat 4% ahead of consensus with EPS 5% ahead. Volume growth came from APAC and the US while Europe was flat, but pricing was up in every region. They also had a small raise to FY EPS guidance, reflecting a strong underlying business.

### Changes

- The uncertainty facing markets has led us to reduce some of the cyclicality in the portfolio with weights in areas like semis, consumer exposure, and diversified financials coming down.
- We added to the portfolio's positions in Adyen and MTU on share price weakness, and added to bank exposure on what we see as a value opportunity ahead of rate rises not yet priced into estimates.

### Positioning

- Our bottom-up convictions lead the fund to be overweight industrials, IT, and consumer discretionary. The biggest portfolio underweights are in financials, consumer staples, and utilities.

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 2022 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

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

# 貝萊德歐洲基金

## 截至 2022年4月30日止



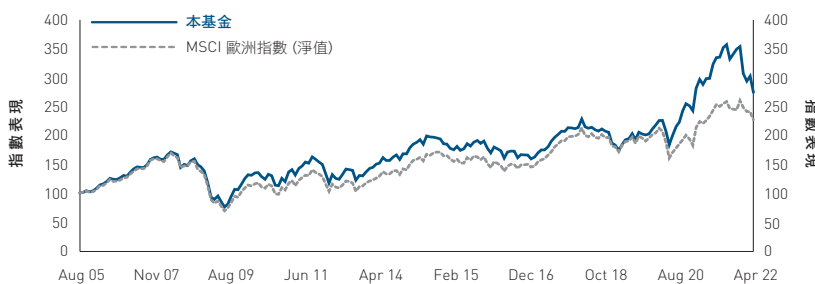
1. 投資決定在於你本人。除非將該投資產品介紹給你的持牌投資顧問已指出該產品適合你本人及已向你說明該產品為何及如何符合你的投資目標，否則您不應投資於該產品。
2. 投資基金可能涉及高風險，並可能不適合所有投資者。過往業績並不代表將來的表現，基金價格及其收益可升可跌，且可於短期內反覆，投資者並可能會損失所有投資金額。
3. 投資者應注意投資於某些較小型及新興市場、特定市場或行業的基金為風險較高的基金。投資者請注意貝萊德全球基金章程的“特殊風險考慮因素”一節有關投資於新興市場，特定市場或行業的基金的風險。

### 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	-22.5	-21.9	-15.2	35.2	39.5	561.2
MSCI歐洲指數 (淨值)	-12.7	-11.7	-6.7	15.4	27.2	543.1

### A 股基金年度表現 (美元)

	2021 %	2020 %	2019 %	2018 %	2017 %	2016 %	2015 %	2014 %	2013 %	2012 %	2011 %	2010 %	2009 %	2008 %
本基金	19.2	31.5	29.7	-18.5	+21.4	-8.5	-0.4	-9.7	+26.9	+22.7	-13.2	+5.4	+42.6	-43.0
MSCI歐洲指數 (淨值)	16.3	5.4	23.8	-14.9	+25.5	-0.4	-2.8	-6.2	+25.2	+19.1	-11.1	+3.9	+35.8	-46.4



### 基金資料

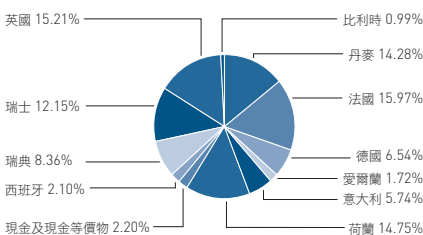
基金經理	Nigel Bolton
成立日期	30.11.93
報價貨幣	美元
基金總值 (百萬)	1,558.6
每年管理費	1.50%
首次認費	5%

### 十大持股比重 (%)

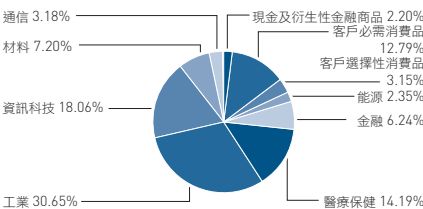
LVMH MOET HENNESSY LOUIS VUITTON SE	6.9
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DSV A/S	3.6
RELX PLC	3.4
TELEPERFORMANCE	3.2
LINDE PLC	3.2
ROYAL UNIBREW A/S	3.2
<b>Total</b>	<b>43.3</b>

### 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 2022 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) 並未獲香港證監會所審閱。

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

- 鑑於通脹仍然高企及各國央行取態強硬，MSCI 歐洲指數在 4 月份下跌 0.6% (歐元)。美國聯儲局的言論導致 10 年期國庫債券收益率趨近 3%，並使市場價格反映當局可能加息 75 基點，顯示市場預期超出指引。另一方面，加息週期已經展開，經濟環境出現轉弱跡象。
- 目前正處於 2022 年第一季盈利業績期，就已公佈業績的投資組合公司來看，業績普遍正面。然而，由於市場完全聚焦於宏觀局勢，不少股價並未反映公司特有的利好因素。在此環境下，投資組合表現遜於基準指數。

#### 行業

- 行業表現側重於較具防守性的市場環節，公用事業、基本消費品及通訊服務業走高。投資組合對公用事業及基本消費品持偏低比重拖累回報，對科技及工業持偏高比重亦不利表現。
- 整體商品價格持續走強亦利好能源業，新增 Tenaris 持有為投資組合提供保障。

#### 股票

- 雖然投資組合內的半導體公司盈利數據整體正面，但仍然利淡主動回報。ASML、ST Micro 及 ASM International 等公司公佈需求動力強勁，2022 年及以後的訂單已滿。
- ST Micro 公佈第一季收入按年增長 18%，較市場普遍預測高 1%，總利潤率、息稅前利潤及每股盈利均勝預期。該公司發表的第二季收入及利潤率指引亦較普遍預測強勁。儘管財政年度指引維持不變，但市場普遍預測將從現水平上調，即 2022 財年的每股盈利將上升約 7%。
- ASML 的最新業績則比較不明確，但當市場全面消化有關數據之後，整體前景依然正面。其第一季息稅前利潤較預測高 7%，並錄得 35 億歐元銷售額，較市場普遍預測高 2%。確認收入時間改變，導致已交付客戶的機械之銷售延遲入賬。這導致第二季指引遜於預期，受收入確認時間影響，8 億歐元的收入延遲入賬。該公司亦指出空運、投入及勞工成本上漲會令利潤率受壓。然而，DUV 和 EUV 光刻機的需求保持強勁，並反映 2025 年的產能提升，預期將推高銷售、利潤率及每股盈利。
- BE Sem 的第一季業績令投資者感到失望。該公司的銷售及息稅前利潤分別優於預期 3% 及 5%，但第一季訂單及第二季指引疲弱。鑑於該公司在 2021 年底推出大量新產品及中國預訂量放緩後，高端流動電話的預訂量下跌。股份在業績公佈後遭拋售，使其市盈率跌至相當於 2022 年盈利約 14 倍的水平，似乎意味市場正反映一個我們認為不會實現的週期。
- 即使 DSV 的 2022 年第一季利潤相當於 2019 財年整年的水平，但其股價仍然受壓。在目前環境下，DSV 的盈利高於過往水平，但空運及船運收貨率仍然甚為疲弱，將支持盈利維持於該水平多一段時間。綜觀公司業績，息稅前利潤指引出乎意料上調，在本財年超出市場普遍預測 12%。我們仍然認為該公司將能推動效率，並透過併購活動提升利潤。
- 部份我們預期在此環境下股價具防守性的公司表現未如預期，例如 Lonza。與此同時，並無持有市場看好的防守股拖累相對表現，例如雀巢及阿斯利康。
- 諾和諾德股價高收，預先公佈的第一季盈利上升並優於預期，主要受其糖尿病和肥胖症療法所帶動。第一季銷售及營運利潤分別較市場普遍預測高出 7% 及 12%。該公司的收入指引由 4% 至 10% 升至 10% 至 14%，而營運利潤指引則由 4% 至 8% 升至 9% 至 13%。此外，諾和諾德確定其肥胖症藥物 Wegovy 將恢復商業生產，是公司恢復產能至可滿足地方需求的重要一步。
- Tenaris 的第一季業績勝於預期，並發表具有信心的指引，為表現帶來正面貢獻。第一季、稅、折舊及攤銷前利潤優於預期 15%，主要源於全球鑽井活動增加，支持其鋼管價格及需求走強。投資 Tenaris 的主題主要是其有機會拓展美國以外市場，而鑑於其中東及南美業務的業務量增加，故公司發表具有信心的下半年指引。
- Linde 在 4 月亦帶來正面貢獻。該公司的第一季營運利潤較普遍預測高 4%，每股盈利亦高 5%。亞太區及美國的業務量錄得增長，歐洲則持平，但各個地區的定價均上升。Linde 亦輕微上調財年的每股盈利指引，反映基本業務強勁。

#### 變動

- 市場的不明朗因素促使我們減持投資組合內部份周期性持仓，半導體、消費業及多元化金融等領域的比重下調。
- 我們於股價疲弱時為投資組合新增 Adyen 及 MTU 持有，並增持銀行投資，我們認為估計數字尚未反映未來加息因素，因此目前仍是價值投資機會。

#### 配置

- 根據「由下而上」分析產生的信念，基金對工業、資訊科技和非必需消費品業持偏高比重。基金對金融、基本消費品和公用事業持最大偏低比重。

### 貝萊德 (香港) 有限公司

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