

# BlackRock European Fund

As at 31 August 2022

# BLACKROCK

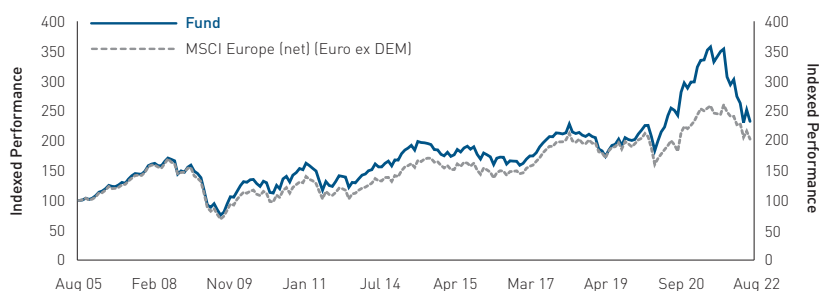
- The investment decision is yours. You should not invest in the investment product unless the licensed investment advisor who introduces it to you has advised you that it is suitable for you and has explained why, including how buying it would be consistent with your investment objectives.
- Investment 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>-34.3</b>	<b>-20.9</b>	<b>-34.9</b>	<b>15.8</b>	<b>12.5</b>	<b>460.3</b>
MSCI Europe (net)	-22.1%	-15.9	-21.6	6.8	6.3	474.2

## 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

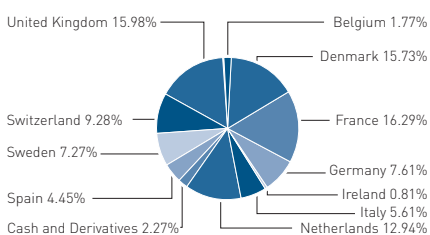
Manager	Nigel Bolton
Inception	30.11.93
Currency	US\$
Total Fund Size (m)	US \$1,221.4
Annual Management Fee	1.50%
Initial Charge	5%

## 10 Largest Holdings (%)

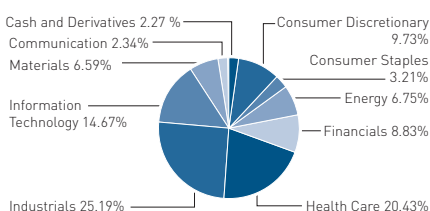
NOVO NORDISK A/S	6.7
LVMH MOET HENNESSY LOUIS VUITTON SE	5.9
ASTRAZENECA PLC	5.8
RELX PLC	5.1
TOTALENERGIES SE	4.7
LONZA GROUP AG	4.5
ASML HOLDING NV	4.5
LINDE PLC	4.0
DSV A/S	3.8
ROYAL UNIBREW A/S	3.2
<b>Total</b>	<b>48.2</b>

## 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 ended the month down -4.9% [EUR]. The fund returned -6.2%, underperforming the benchmark by -1.3% [EUR, primary share class, net of fees].
- August was a tale of two halves where European equity markets remained supported through mid-month before selling-off on a number of negative headlines around limited gas flow from Russia and hawkish central banks that are likely to keep rates moving higher for longer.
- The Q2 reporting season saw most companies in the portfolio delivering robust results and reassuring outlooks. Yet, the macro backdrop continues to warrant caution in the near-term.

### Sectors

- The portfolio's sector positioning dragged on relative returns due to overweight Industrials and Technology and underweight Financials.

### Stocks

- Teleperformance was the largest detractor as the company's shares fell following allegations of a potentially severe compliance breach. The company – and the contracting client involved – were quick to deny the allegations and immediately set off on multiple audits to investigate the claims. Two internal audits came back with no evidence to support the former employees' claims and a 3rd audit, conducted by an external entity, is now underway. These allegations raise governance questions that must be taken seriously, and we were encouraged to learn of the speed and depth of action to do so when we spoke with senior management. In a separate update, their CFO stated there are no signs of any slow-down in the broader business with pipeline signings coming in strong this year and expected to continue into 2023. A more flexible cost structure in certain markets should also help protect their margin and lead to a more defensive business than in the past.
- RELX detracted in the month. Shares had rallied into a positive earnings update at the end of July, and have since given back some of that performance despite no incremental updates.
- Several portfolio companies detracted despite reporting solid Q2 results – Lonza, DSV, and Straumann. Lonza confused the market with an update that indicated H2 revenue would be weaker than H1 due to a one-time cancellation fee collected in H1. However, more detail from talking to the company reassured this is a normal part of their business, written into every contract, and the capacity has already been refilled by another customer. In the case of DSV and Straumann, underlying business trends remain favorable, yet shares remain under pressure on concerns around what happens next in a slowing economic environment.
- After a period of pull back in oil, the commodity price moved higher in August, supporting the share price of oil majors like Totalenergies. The company also gave a Q2 earnings update at the end of July, beating consensus expectations. We expect the oil and energy market to remain tight for some time which supports the opportunity for further upgrades to earnings. Tenaris shares were also lifted after posting a 20% EBITDA beat vs consensus and a FY guidance raise.
- Caixabank contributed positively, buoyed by interest rate expectations moving higher. With peak inflation expectations pushed further out, the ECB is likely to remain hawkish for longer. Consensus estimates are yet to price in the full positive impact higher rates would have on Net Interest Income, giving room for further upgrades to bank earnings.
- Not holding GSK and Sanofi also benefited relative returns as both companies' shares fell on sell-side notes re-highlighting a previously disclosed litigation.

### Changes

- With the near term set up showing stronger underlying business trends for ASML, we topped up the fund's position, funded by trimming BE Semi where orders remain weak.

### Positioning

- Our bottom-up convictions result in the fund holding overweight allocations to Industrials, Information Technology, and Healthcare. The biggest portfolio underweights are in Consumer Staples, Financials 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 31 August 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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# 貝萊德歐洲基金

截至 2022年8月31日止



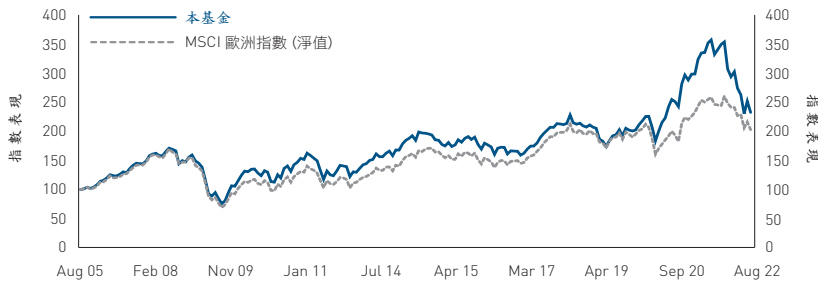
1. 投資決定在於你本人。除非將該投資產品介紹給你的持牌投資顧問已指出該產品適合你本人及已向你說明該產品為何及如何符合你的投資目標，否則您不應投資於該產品。
2. 投資基金可能涉及高風險，並可能不適合所有投資者。過往業績並不代表將來的表現，基金價格及其收益可升可跌，且可於短期內反覆，投資者並可能會損失所有投資金額。
3. 投資者應注意投資於某些較小型及新興市場、特定市場或行業的基金為風險較高的基金。投資者請注意貝萊德全球基金章程的“特殊風險考慮因素”一節有關投資於新興市場，特定市場或行業的基金的風險。

## 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	-34.3	-20.9	-34.9	15.8	12.5	460.3
MSCI歐洲指數 (淨值)	-22.1%	-15.9	-21.6	6.8	6.3	474.2

## 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

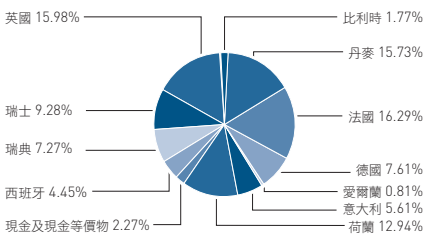
基金經理	Nigel Bolton
成立日期	30.11.93
報價貨幣	美元
基金總值 (百萬)	1,221.4 美元
每年管理費	1.50%
首次認費	5%

## 十大持股比重 (%)

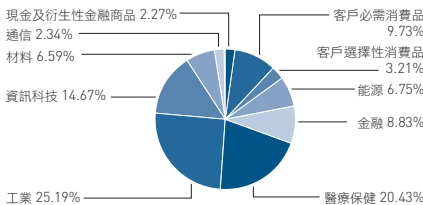
NOVO NORDISK A/S	6.7
LVMH MOET HENNESSY LOUIS VUITTON SE	5.9
ASTRAZENECA PLC	5.8
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LONZA GROUP AG	4.5
ASML HOLDING NV	4.5
LINDE PLC	4.0
DSV A/S	3.8
ROYAL UNIBREW A/S	3.2
<b>Total</b>	<b>48.2</b>

## 基金投資分佈

### 國家



### 行業



## 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

- MSCI歐洲指數在月底報跌4.9% (歐元)。基金錄得6.2%跌幅，表現遜於基準指數1.3% (歐元，主要股份類別，已扣除費用)。
- 歐洲股市於8月上半月表現分歧：市場在月中之前仍受支持，但隨後出現多項負面消息，包括俄羅斯天然氣供應有限，以及各地央行取態強硬，可能在一段較長時間持續加息，觸發股市遭到拋售。
- 在第二季業績期內，投資組合內大部份公司的業績穩健，前景令人安心。然而，宏觀環境仍促使投資者在短期保持審慎。

### 行業

- 投資組合的行業配置拖累相對回報，原因是基金對工業及科技業持偏高比重，並對金融業持偏低比重。

### 股票

- Teleperformance最削弱回報，因為該公司被指控可能存在嚴重違規行為，導致其股價下跌。公司及所涉合約客戶)迅速作出否認，並立即進行多項審計以調查相關指控。兩次內部審計結果顯示，沒有證據支持前僱員的指控，目前正由外聘實體進行第二次審計。有關指控推動Teleperformance必須正視管治問題，當我們與其管理層進行討論時，了解公司已就有關問題迅速及深入地採取行動，令我們感到鼓舞。Teleperformance財務總監在另一份最新狀況報告中表示，沒有跡象反映公司今年的整體業務放緩，而且將有多個項目有待推出，預期這個情況將持續至2023年。此外，個別市場的成本結構較靈活，應可保障公司的利潤率，並促使其業務更具防守性。
- 月內，RELX利淡投資表現。公司在7月底發表的最新盈利報告向好，刺激股價走高，雖然其後沒有公佈進一步消息，但其股價回吐部份升幅。
- 儘管數家投資組合公司 (包括Lonza、DSV及Straumann) 的第二季業績穩健，但股價表現仍然利淡。Lonza發表最新報告，顯示下半年的收入將較上半年減少，原因是上半年收取了一筆一次性註銷費用，有關消息令市場感到困惑。然而，基金與該公司管理層對該後得悉更多細節，了解這是經營業務的正常部份，每份合約均有列明，而且所註銷的產能已獲另一名客戶填補。至於DSV及Straumann，兩家公司的基本業務發展仍然良好，但隨著經濟放緩，市場對其未來前景感到憂慮，導致股價持續受壓。
- 油價經過一段時間回落後，商品價格在8月上升，支持Totalenergies等大型油企的股價。該公司在7月底公佈第二季盈利，表現優於市場普遍預期。我們預料石油及能源市場將在一段時間維持緊張，支持盈利進一步提升的機會。Teneris的息、稅、折舊及攤銷前利潤率較普遍預測高出20%，加上公司調高財年盈利指引，帶動其股價上升。
- 利率預期攀升，推動凱克薩銀行 (Caixabank) 帶來正面貢獻。通脹見頂的預期進一步推高，歐洲央行或會在一段較長時間維持強硬立場。市場的普遍預估尚未完全反映加息對淨利息收入的正面影響，為進一步上調銀行盈利預測提供空間。
- 基金並無持有葛蘭素史克 (GSK) 和賽諾菲 (Sanofi)，有利相對回報，因為賣方重新強調一宗早前已披露的訴訟，導致兩家公司股價回落。

### 變動

- 近期情況反映ASMI的基本業務趨勢更強勁，因此基金減持訂單仍然疲弱的BE Semi，把所得資金用作增持ASMI倉盤。

### 配置

- 根據「由下而上」的投資確信度，基金對工業、資訊科技和醫療保健業持偏高比重；而基本消費品、金融和公用事業則為投資組合的最大偏低比重。

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 8 月 31 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。

## 貝萊德 (香港) 有限公司

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