

BlackRock European Fund

As at 31 December 2023



1.

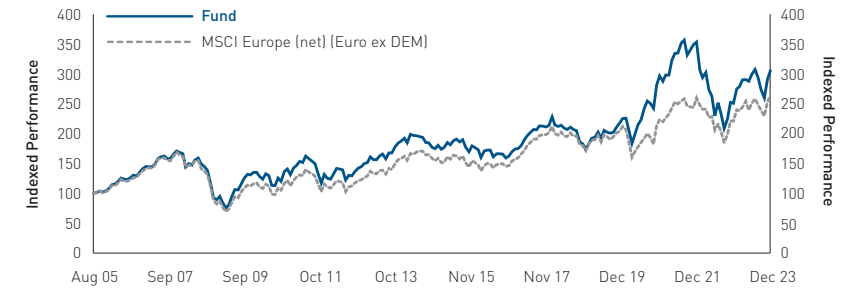
The investment decision is yours. You should not invest in the investment product unless the licensed investment advisor who introduces it to you has advised you that it is suitable for you and has explained why, including how buying it would be consistent with your investment objectives.
2.

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.
3.

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.

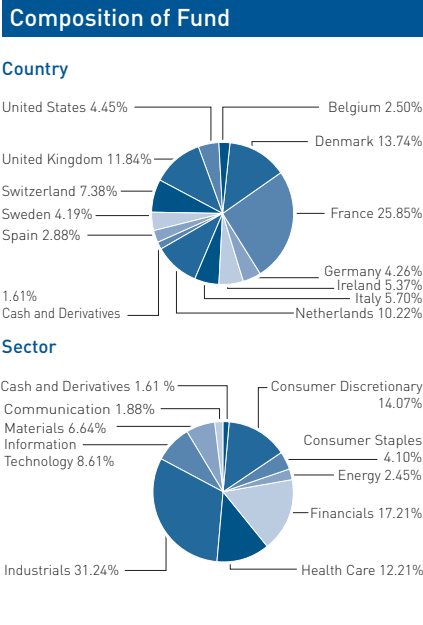
A-Share Cumulative Performance in USD						
	YTD	6 Months	1 Year	3 Years	5 Years	Since Launch
	%	%	%	%	%	%
Fund	21.9	2.2	21.9	3.1	75.9	637.3
MSCI Europe (net)	19.9	5.6	19.9	18.4	54.5	650.1

A-Share Calendar Year Performance in USD														
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
	%	%	%	%	%	%	%	%	%	%	%	%	%	%
Fund	-29.1	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
MSCI Europe (net)	-15.1	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



Fund Data	
Manager	Nigel Bolton
Inception	30.11.93
Currency	US\$
Total Fund Size (m)	US \$1,434.7
Annual Management Fee	1.50%
Initial Charge	5%

10 Largest Holdings (%)	
NOVO NORDISK A/S	9.9
LVMH MOET HENNESSY LOUIS VUITTON SE	5.0
LINDE PLC	4.5
RELX PLC	4.4
MTU AERO ENGINES AG	4.3
SCHNEIDER ELECTRIC SE	4.0
IMCD NV	3.4
FERRARI NV	3.3
LOREAL SA	3.2
COMPAGNIE DE SAINT GOBAIN SA	3.1
Total	45.1



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 December 2023 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.

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 Fund returned +3.9% (EUR, primary share class, net of fees) outperforming the MSCI Europe Index return of +3.7% (EUR).
- With a lack of company updates across the market, the macro backdrop was the primary driver of December's equity gains. The US Federal Reserve's decision to hold rates steady, and commentary following their FOMC decision meeting, further supported the narrative that we are heading towards a US soft-landing scenario. Similarly, the ECB opted to hold rates steady with key decision makers sounding more dovish as inflation continues to fall. This led rates markets in the US and Europe to price a higher probability and quantity of cuts in 2024.
- The key for investors is what the market is telling us about companies 12-months from now and beyond. While equity markets are likely to remain volatile as the hold/hike/cut debate in the bond market continues to play out, our focus is on the next 6-18 months looking more interesting. As fundamental investors, we are searching for signs of incremental change in businesses that gives us opportunity to own shares where, in time, consensus estimates can be proven as too bearish. As more and more of these signs emerge, the broader market risk appetite should return which will be supportive for the portfolio.
- As always, it will be important to look sector-by-sector and stock-by-stock to find opportunities. We believe companies in the portfolio can continue to deliver on earnings upgrades versus underwhelming consensus expectations. We also maintain ample long-term opportunity from the portfolio's exposure to end-markets supported by structural spending streams such as funding digitalisation, capex renaissance, and low-carbon transition.

Sectors

- Sector allocation effect was positive in the month driven by the portfolio's overweight positioning within Industrials and underweight positioning to the Consumer Staples and Energy sectors.

Stocks

- Speciality chemicals distributor, IMCD, benefited the Fund as shares have continued higher since October when management said they expect to see an increase in volumes in Q4'23 vs Q3'23. Signs of demand bottoming and an attractive valuation make the 2024 setup attractive for IMCD.
- A position in Sika aided relative returns with shares up c.16% in the month. Lower oil prices should be a positive for Sika's margin in 2024 as oil is amongst their largest input costs. The company is also a beneficiary of lower rates, alongside holdings such as Ashted and Saint Gobain which also aided relative returns in December.
- The portfolio's position in Straumann had a positive attribution effect in the month, benefiting as rate expectations fell but also from messaging coming out of pre-closes, conferences, and sell-side interactions which are suggesting trading has held up well.
- DSV provided positive attribution with shares clawing back from recent weakness. There were no company specific updates, though, global shipping disruption via the Red Sea trade link creates complexity that typically favours the services of freight forwarders like DSV.
- The portfolio's shares in Ferrari fell, giving back some of their strong 2023 returns. Trading for the company has been very strong and their investor relations team has been using pre-close calls to keep a lid on analysts' expectations.
- Holdings in European banks detracted as shares fell on rate sensitivity concerns as we appear to be closer to a pivot point for the ECB. There are several reasons why we continue to see opportunity in banks despite the prospect of lower rates in 2024: analyst expectations never priced in the full impact of rate hikes so there is already room in consensus for rates to come down; the landing point for rates is unlikely to go back to pre-covid lows and therefore the overall environment for banks remains much improved; shares continue to trade on attractive valuations; and capital returns (dividends and buybacks) are proceeding, increasing the total return available to shareholders.
- As more defensive holdings, Linde, Novo Nordisk, and RELX were relatively flat in December, causing negative attribution effect as their shares lacked pace against the broader market gains.

Changes

- Changes were limited in December with the portfolio already well set for the type of market moves we've seen over the past two months.
- Small trims were made to rate sensitive banks including Unicredit, taking some profits while shares were trading near alltime highs. We also made a trim in Totalenergies given the outlook for energy prices remains relatively muted.
- Proceeds of those trims were used to top up existing holdings such as L'Oréal.

Positioning

- At the end of the month, our bottom-up convictions resulted in the fund's largest overweight positioning to Industrials and Consumer Discretionary. The biggest underweight positioning was in Consumer Staples, Utilities, and Energy.

貝萊德歐洲基金

截至 2023年12月31日止

BLACKROCK

- 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。
- 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。
- 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	21.9	2.2	21.9	3.1	75.9	637.3
MSCI歐洲指數（淨值）	19.9	5.6	19.9	18.4	54.5	650.1

A 股基金年度表現（美元）

	2022 %	2021 %	2020 %	2019 %	2018 %	2017 %	2016 %	2015 %	2014 %	2013 %	2012 %	2011 %	2010 %	2009 %
本基金	-29.1	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
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基金資料

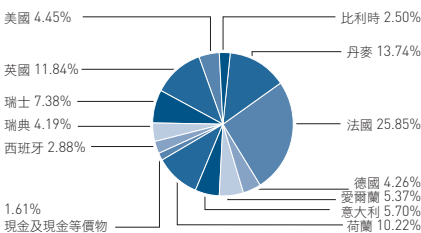
基金經理	Nigel Bolton
成立日期	30.11.93
報價貨幣	美元
基金總值（百萬）	1,434.7美元
每年管理費	1.50%
首次認費	5%

十大持股比重（%）

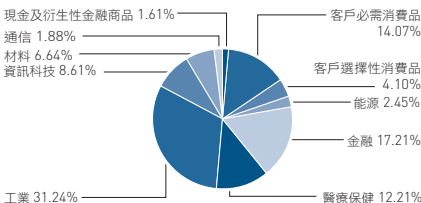
NOVO NORDISK A/S	9.9
LVMH MOET HENNESSY LOUIS VUITTON SE	5.0
LINDE PLC	4.5
RELX PLC	4.4
MTU AERO ENGINES AG	4.3
SCHNEIDER ELECTRIC SE	4.0
IMCD NV	3.4
FERRARI NV	3.3
LOREAL SA	3.2
COMPAGNIE DE SAINT GOBAIN SA	3.1
Total	45.1

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 2023 年 12 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作證券及期貨條例第 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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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動的公司之股權證券。

基金經理報告

表現概述

- 基金錄得 3.9% 的升幅（歐元，主要股份類別，已扣除費用），表現優於上升 3.7%（歐元）的 MSCI 歐洲指數。
- 由於市場缺乏公司消息，宏觀環境是在 12 月推動股市上升的主要因素。聯儲局決定維持利率不變，加上當局於聯邦公開市場委員會決策會議後的評論，令我們進一步相信美國邁向軟著陸的說法。同樣地，隨著通脹繼續下降，歐洲央行選擇保持利率穩定，主要政策官員取態較為溫和，因此美國和歐洲利率市場反映 2024 年更高的減息可能性和更多的減息次數。
- 投資者應注意能夠預示企業未來 12 個月及往後表現的市場訊號。隨著有關利率維持不變 / 加息 / 減息的討論繼續影響債市表現，股市或會持續波動，但我們聚焦於未來 6 至 18 個月更具吸引力的後市。作為基本因素投資者，我們正留意企業有否出現漸趨明顯的轉變，從而把握機會買入那些假以時日證明市場過於看淡的股票。隨著這類跡象增加，廣泛市場的承險意欲可望回升，繼而利好投資組合表現。
- 一如既往，重要的是逐一剖析個別行業和股份，從中物色投資機會。我們認為投資組合內的公司盈利預測可繼續上調，而非符合偏低的普遍預測。投資組合配置於穩健化融資、資本開支回升及低碳轉型等結構性開支來源支持的終端市場，有關投資日後將提供大量長遠機會。

行業

- 月內的行業配置有利表現，這是由於投資組合對工業持偏高比重，以及對基本消費品和能源業持偏低比重。

股票

- 專用化學品分銷商 IMCD 提振基金表現，因為管理層表示預計 2023 年第四季銷量高於第三季，帶動股價自 10 月以來持續走高。有跡象顯示需求逐漸見底，加上估值可觀，令 IMCD 在 2024 年別具吸引力。
- 持有 Sika 為相對回報增值，月內該公司股票上升約 16%。油價下跌應對 Sika 的 2024 年利潤率提供助益，因為石油是 Sika 最大的投入成本之一。利率下降令該公司受惠，而 Ashtead 和 Saint Gobain 等持股亦然，這些持股亦帶動 12 月的相對回報。
- 投資組合的 Straumann 持倉為月內表現帶來正面貢獻，受惠於利率預期下降，以及收市前、會議和賣方互動的訊息，這些消息反映其交投活躍。
- 此外，DSV 提供正面效應，股價收復近日的失地。市場並無出現該公司的最新消息，但紅海船隻受襲造成的全球航運中斷令情況更見複雜，這通常有利 DSV 等貨運代理的服務。
- 投資組合持有的 Ferrari 股價下跌，回吐部份 2023 年的強勁回報。該公司的交投一直非常強勁，而且投資者關係團隊一直透過收市前電話會議，為分析師的預期提供指引。
- 歐洲央行日趨接近政策轉向，基於對利率敏感度的憂慮，基金持有的歐洲銀行股價下跌，因而削弱基金表現。雖然 2024 年利率應會下降，但基於數項原因，我們仍在銀行業找到機遇：分析師的預期從未反映加息的全部影響，因此市場普遍預測已經存在利率下降的空間；最終利率不太可能回到疫前低位，因此銀行的整體環境比之前已顯著改善；銀行股的估值仍具吸引力；以及銀行正在返還資本（股息和回購），令股東的潛在總回報有所提升。
- 作為較具防守性的持倉，Linde、Novo Nordisk 和 RELX 在 12 月相對持平，為基金帶來負面影響，因為其股價升幅相對落後於大市。

變動

- 投資組合已就過去兩個月的市場走勢作好充分準備，因此在 12 月的變動有限。
- 我們略為減持 UniCredit 等對利率表現敏感的銀行，在股價接近歷史高位時獲利套現。鑑於能源價格前景仍相對低迷，我們亦減持 Totalenergies。
- 基金以減持上述投資的所得資金增持現有持倉，例如 L'Oréal。

配置

- 根據「由下而上」分析產生的信念，基金於月底對工業和非必需消費品業持最大偏高比重；對基本消費品、公用事業和能源業持最大偏低比重。