

BlackRock European Fund

As at 31 January 2021

BLACKROCK

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	-2.9	18.8	27.6	26.2	61.8	594.2
MSCI Europe (net)	-1.5	14.7	6.5	3.8	46.5	524.2

A-Share Calendar Year Performance in USD

	2020 %	2019 %	2018 %	2017 %	2016 %	2015 %	2014 %	2013 %	2012 %	2011 %	2010 %	2009 %	2008 %
Fund	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 Europe (net)	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

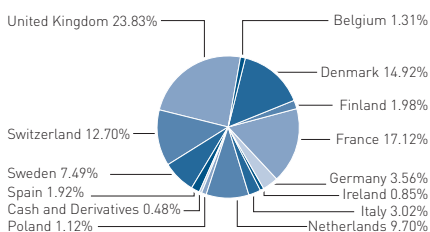


Fund Data

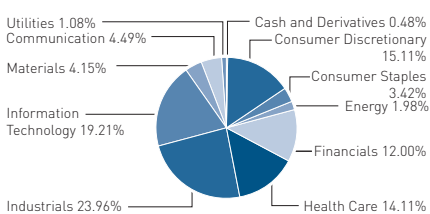
Manager	Nigel Bolton
Inception	30.11.93
Currency	US\$
Total Fund Size (m)	US \$1,531.8
Annual Management Fee	1.50%
Initial Charge	5%

Composition of Fund

Country



Sector



10 Largest Holdings (%)

ASML HOLDING NV	5.3
LVMH MOET HENNESSY LOUIS VUITTON SE	4.9
SIKA AG	4.2
LONZA GROUP AG	4.1
DSV PANALPINA A/S	3.6
ROYAL UNIBREW A/S	3.4
NOVO NORDISK A/S	2.8
QIAGEN NV	2.5
LONDON STOCK EXCHANGE GROUP PLC	2.5
SWEDBANK AB	2.5
Total	35.7

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 fell during the month, responding negatively to slower than expected vaccination rollouts, with the MSCI Europe index down -0.7% in January.
- Data from Israel, currently leading the world in terms of the share of its population who have received a vaccine, suggests that we should see a meaningful decrease in hospitalizations as vaccination programmes proceed. There was also positive news flow regarding the Novavax and J&J vaccines, which will help reduce the strain on hospitals through greater availability of vaccines in due course.
- Markets were also affected by hedge fund de-grossing as a response to events in the US.
- The portfolio narrowly underperformed the market driven by stock selection, while sector allocation was positive.

Sectors:

- The materials and energy sectors led the index, and our underweights in both were a minor headwind for performance.
- The overweight to IT and underweight to consumer staples contributed positively.

Stocks:

- Our Semiconductor names performed strongly in January, reflecting strong end markets across a variety of industries from automotive to smartphones and personal computing; as well as tight supply and low inventory levels. ASML was the top contributor, reporting very strong results, with Q4 revenues up 5% y/y - 13% ahead of consensus estimates. Their order books remain strong, with their key EUV tool sold out through 2021. Continued demand for their products (one of their biggest customers, TSMC, announced a 54% increase in capex) as well as investment in R&D will drive pricing power for the company.
- STM also contributed after reporting positive Q4 results with revenues up 17% and a gross margin of 39%. They are guiding to over 30% y/y revenue growth in Q1 2021, benefitting from the strength in end markets mentioned above.
- A new position in Doc Martens, bought in its IPO, also aided returns. The company has a strong brand heritage and a leading management team who are improving penetration in existing markets and driving roll out into new markets with a long runway of growth ahead of them. We see potential for the company to grow revenues at attractive rates, and benefit from margin improvement as they shift sales towards D2C via e-commerce.
- Swedbank's shares recovered in January following a sell-off in December. The company announced that it would pay out 25% of its 2019 profits in dividends, and that it intends to make further payouts in Q1 and Q4 2021.
- Several of our travel and leisure exposed companies weighed on returns in January as expectations for the resumption of travel were pushed out. This group includes Safran, Amadeus, Worldline, CTS Eventim, and Informa. There was no noteworthy stock specific news.
- Allegro shares were down as the market reacted to increased competition in Polish e-commerce. Amazon is moving into the market, with SMEs now able to register their accounts ahead of the launch of Amazon.pl. We always knew Amazon was coming, and we continue to believe Allegro has the local advantage in a budding Polish e-commerce market well positioned for strong overall growth. We'd also note past examples where Amazon's entry to new markets did not result in dominance (e.g. Australia, Netherlands, and Sweden).
- Royal Unibrew was the largest individual detractor. There was a lack of company specific news driving the decline, suggesting this was likely profit taking after strong share performance in 2020.
- Prudential also detracted after the announcement of an unexpected capital raise and the accelerated spin-off of its US business. Whilst the equity raise was an unwelcome development, it does not alter our investment case, which is predicated on the market's underappreciation of its attractively positioned Asian business in a rapidly growing market.

Changes:

- As mentioned above, we opened a position in Doc Martens.
- We exited our position in Volvo as the investment case played out and the stock reached its price target. Our investment in the company has been profitable, having bought the shares in early Q2 2020 at the depths of the pandemic. At the current share price, we see more attractive opportunities elsewhere.
- We continued to build our position in VAT Group, a world leading supplier of vacuum valves used in the semiconductor industry. The company is benefiting from strong operating momentum, recently commenting that they are enjoying robust demand and seeing strong order activity.

Positioning:

- At the end of the month the portfolio was overweight industrials, IT, and consumer discretionary. The fund was underweight consumer staples, real estate, energy, materials, and utilities; and neutral communication services and healthcare.
- Our sector positioning remains a function of our bottom up opportunity set.

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 January 2021 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.

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貝萊德歐洲基金

截至 2021年1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。

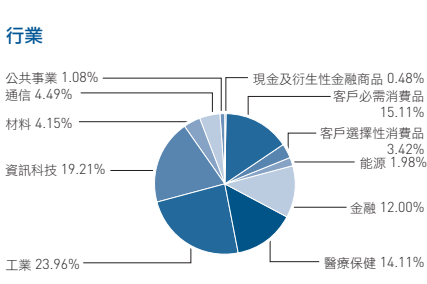
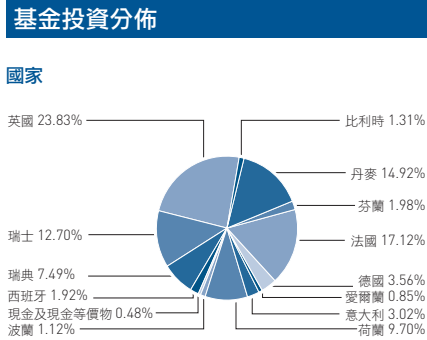
A 股基金累積表現（美元）						
	年初至今 %	六個月 %	一年 %	三年 %	五年 %	成立至今 %
本基金	-2.9	18.8	27.6	26.2	61.8	594.2
MSCI歐洲指數（淨值）	-1.5	14.7	6.5	3.8	46.5	524.2

A 股基金年度表現（美元）													
	2020 %	2019 %	2018 %	2017 %	2016 %	2015 %	2014 %	2013 %	2012 %	2011 %	2010 %	2009 %	2008 %
本基金	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）	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）	1,531.8美元
每年管理費	1.50%
首次認費	5%

十大持股比重（%）	
ASML HOLDING NV	5.3
LVMH MOET HENNESSY LOUIS VUITTON SE	4.9
SIKA AG	4.2
LONZA GROUP AG	4.1
DSV PANALPINA A/S	3.6
ROYAL UNIBREW A/S	3.4
NOVO NORDISK A/S	2.8
QIAGEN NV	2.5
LONDON STOCK EXCHANGE GROUP PLC	2.5
SWEDBANK AB	2.5
總計	35.7



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

- 疫苗接種計劃進展落後預期，導致歐洲市場於月內報跌，MSCI歐洲指數於1月份跌0.7%。
- 以色列目前的疫苗接種人口比例領先全球，該國公佈的數據顯示，隨著疫苗接種計劃開展，住院人數將顯著減少。市場傳出有關Novavax及強生（J&J）疫苗的利好消息，當疫苗供應增加時，將有助減輕醫院的壓力。
- 美國歐戶「挾淡倉」的事件導致對沖基金急速減倉，市場亦因此受到影響。
- 選股失利令投資組合表現略遜於大市，但行業配置利好表現。

行業

- 原材料及能源業表現領先指數，我們對該兩個行業持偏低比重略為利淡基金表現。
- 對資訊科技業持偏高比重及對基本消費品業持偏低比重則利好回報。

股票

- 我們的半導體持倉於1月份表現強勁，反映出從汽車以至智能電話及個人電腦等多個行業的終端市場表現強勁，而且供應緊縮和庫存水平偏低。ASML是最好表現的持倉，該公司業績亮麗，第四季收益按年上升5%，超出普遍預期13%。該公司的訂單維持強勁，2021年全年生產的主要極紫外光（EUV）工具已經售罄。市場對ASML產品的強勁持續需求（最大客戶之一的台積公司宣佈增加資本開支54%）及研發投資將推動公司的定價權。
- STM公佈第四季業績強好，收益增長17%，毛利率達39%，為基金回報帶來貢獻。受惠於上述終端市場的強勁表現，該公司預期2021年第一季的收益將按年增長超過30%。
- 基金在Doc Martens上市招股時建立持倉，同樣利好回報。該公司擁有深厚的品牌歷史，而且管理團隊優秀，正致力改善現有市場的滲透率，把產品拓展至新市場，未來尚有長遠增長空間。我們認為該公司的收益有望高速增长，而且透過電子商貿轉型至直接面對消費者（D2C）的銷售模式，令公司利潤率改善。
- Swedbank股份自12月份出現拋售後，股價於1月份回升。該公司宣佈將會把2019年的25%利潤作為股息分派，並擬在2021年第一季及第四季進一步派息。
- 市場對恢復旅遊的預期推遲，導致基金持有的若干旅遊與消閒公司在1月份不利回報，當中包括Safran、Amadeus、Worldline、CTS Eventim及Informa。市場上並無值得注意的個股消息。
- 由於波蘭的電子商貿競爭加劇，Allegro股價下跌。亞馬遜（Amazon）正進軍波蘭市場，在Amazon.pl平台推出之前，中小企現時已可註冊企業賬戶。亞馬遜進入波蘭市場屬意料之內，我們認為Allegro在剛開始起步的波蘭電子商貿市場擁有本地優勢，而且有條件取得強勁的整體增長。過往例子顯示，亞馬遜進入新市場後不一定取得主導地位（如澳洲、荷蘭和瑞典）。
- Royal Unibrew為最利淡表現的持倉。該公司並無個股消息導致股價下跌，意味很可能是2020年累積龐大升幅後出現獲利回吐。
- 保誠（Prudential）突然宣佈進行集資，並加快分拆其於美國的業務，該持倉同樣利淡基金回報。雖然股本集資不屬利好發展，然而並無影響我們的投資理據，因為我們認為保誠的亞洲業務在該迅速增長的市場上佔有優勢，而這一點正被市場所低估。

變化

- 如上所述，我們新增Doc Martens的持倉。
- 鑑於Volvo的投資理據已實現，其股價亦達到目標價，因此我們沽售該公司的持倉。我們於2020年第二季初疫情最嚴重時買入該公司股票，有關投資一直獲利。就目前股價而言，我們認為其他領域具有更吸引的投資機會。
- 我們繼續增持世界頂尖的真空閥門（用於半導體行業）供應商VAT Group的持倉。該公司世界頂尖的真空閥門（用於半導體行業）供應商受惠於強勁的營運動力，並於近日指出其面對大量需求，訂單活動強勁。

配置

- 投資組合於月底對工業、資訊科技和非必需消費品業持偏高比重。基金對基本消費品、房地產、能源、原材料及公用事業持偏低比重，並對通訊服務及健康護理業持中性比重。
- 我們仍然根據「由下而上」的投資機會進行行業配置。

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2021年1月31日為止，以美元投資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。