

# BlackRock European Fund

As at 30 November 2019

# BLACKROCK

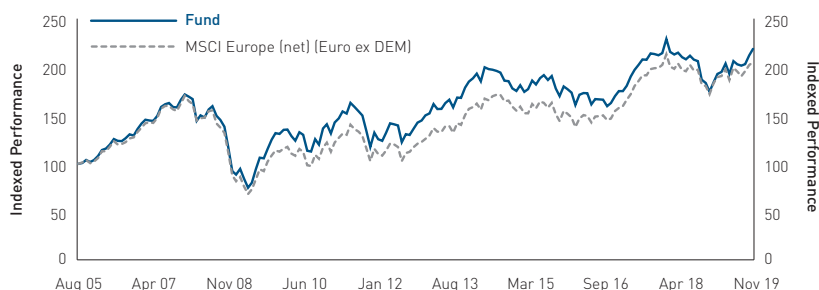
- The investment decision is yours. You should not invest in the investment product unless the licensed investment advisor who introduces it to you has advised you that it is suitable for you and has explained why, including how buying it would be consistent with your investment objectives.
- Investment 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>25.2</b>	<b>13.3</b>	<b>19.1</b>	<b>29.4</b>	<b>8.6</b>	<b>425.0</b>
MSCI Europe (net)	19.1	9.8	13.6	34.0	17.9	478.4

## A-Share Calendar Year Performance in USD

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
	%	%	%	%	%	%	%	%	%	%	%	%	%
<b>Fund</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>	<b>+14.6</b>	<b>+34.3</b>
MSCI Europe (net)	-14.9	+25.5	-0.4	-2.8	-6.2	+25.2	+19.1	-11.1	+3.9	+35.8	-46.4	+13.9	+33.7



## Fund Data

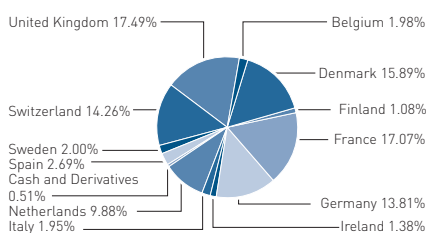
Manager	Nigel Bolton
Inception	30.11.93
Currency	US\$
Total Fund Size (m)	US \$1,247.7
Annual Management Fee	1.50%
Initial Charge	5%

## 10 Largest Holdings (%)

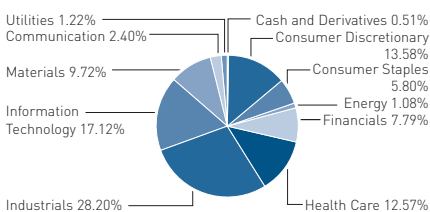
SAP SE	5.8
SAFRAN SA	5.8
LVMH MOET HENNESSY LOUIS VUITTON SE	5.5
SIKA AG	5.0
RELX PLC	4.8
ASML HOLDING NV	4.7
ROYAL UNIBREW A/S	4.4
NOVO NORDISK A/S	4.2
ADIDAS AG	4.0
LONZA GROUP AG	3.7
<b>Total</b>	<b>48.1</b>

## 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:

- European markets rose again during November on the back of risk-on sentiment as concerns around economic growth abated.
- Cyclical assets led the market higher whilst capital flowed out of more defensive areas which had seen an uplift during the summer months.
- The fund outperformed the market aided by our allocation to real world cyclicals and positive stock selection.

### Sectors:

- During the risk-on environment over the last few weeks, the fund benefited from its overweight exposure to technology and industrials.
- An underweight to both energy and financials was also beneficial, as was an underweight to defensive sectors including utilities and communication services.

### Stocks:

- The fund saw strong contribution from the consumer discretionary sector. In particular, our luxury holding LVMH was amongst the best performers, benefitting from a more optimistic market outlook. The market took the takeover news of Tiffany positively as the group has a strong track record of turning around struggling hard luxury brands, such as Bulgari. Tiffany will become 6% of group sales and will increase the group's US exposure over time.
- The IT sector also contributed as particularly semiconductors continued to perform well on evidence of an end market recovery. ASML was once again amongst the top performers.
- Travel tech company Amadeus performed well after a good set of results. While overall travel bookings declined, the company sees growth in the hospitality and payments divisions, which are key tenants of our investment case.
- Shares in other core positions such as DSV, Hexagon, Straumann and Experian were also lifted during November, benefitting from the strong pro-cyclical backdrop.
- Our holding in Royal Unibrew was also amongst the top contributors. The stock recovered after it underperformed unexpectedly last month despite good results and another round of earnings upgrades.
- On the negative side, not owning a number of the cyclical names such as Siemens detracted. Avoiding banks including BNP Paribas and Lloyds was also negative. Although banks have performed well over the last weeks and often do so in the last quarter of the year related to optimism going into the new year, we will not change our positioning here as we do not see the underlying sector fundamentals changing for the better and we see little scope for positive surprise on earnings in 2020 overall.
- Finally, our holding in Lonza was the largest detractor to returns. The Swiss biotech company lost its CEO after only nine months in the job. While we have trimmed the position to reflect the uncertainty around the CEO role, we continue to hold a large position as the strategic direction of the firm has not changed.

### Changes:

- Portfolio changes were limited during the month. We reduced Lonza as mentioned above and exited our remaining positions in Vinci and Assa Abloy.
- Within energy, we built a holding in Finnish company Neste Oil, a world leader in manufacturing renewable fuels which help to reduce carbon emissions in a significant way. End market demand for renewable fuels is growing strongly not just in road transportation but also has the potential to become a significant feature in the aviation industry over time.

### Positioning:

- Overall, we retain our core exposure to companies offering business models with higher than average returns on capital, strong cash flow conversions and opportunities to reinvest that cash flow into future growth projects at high incremental returns.
- At the end of the month, the fund was overweight industrials, IT, consumer discretionary and materials.
- The fund was underweight financials, consumer staples, energy, utilities, communication services, real estate and health care.

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 November 2019 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 2019年11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	25.2	13.3	19.1	29.4	8.6	425.0
MSCI歐洲指數 (淨值)	19.1	9.8	13.6	34.0	17.9	478.4

## 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。

## A 股基金年度表現 (美元)

	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006
本基金	-18.5	+21.4	-8.5	-0.4	-9.7	+26.9	+22.7	-13.2	+5.4	+42.6	-43.0	+14.6	+34.3
MSCI歐洲指數 (淨值)	-14.9	+25.5	-0.4	-2.8	-6.2	+25.2	+19.1	-11.1	+3.9	+35.8	-46.4	+13.9	+33.7

## 基金經理報告

### 表現概述

- 隨著圍繞經濟增長的憂慮減弱，投資者重拾承險意欲，歐洲市場在11月回升。
- 周期性資產帶動市場走高，而資金從夏季期間上升的防守股流出。
- 基金對實質環球周期股的配置及選股得宜，均有助基金表現優於市場。

### 行業

- 在過去數週市場重拾承險意欲期間，基金表現因對科技業和工業持偏高比重而受惠。
- 基金對能源業和金融業持偏低比重，以及對公用事業和通訊服務業等防守性行業持偏低比重亦令表現受惠。

### 股票

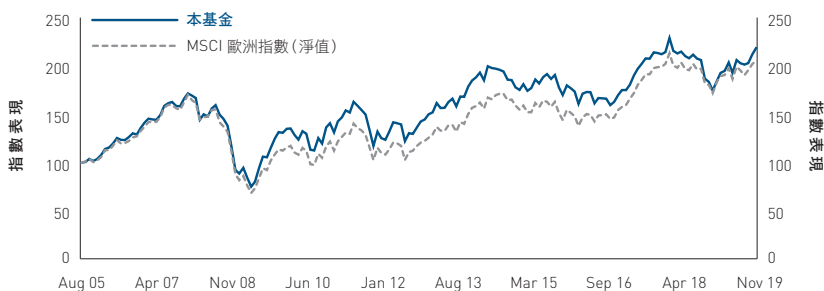
- 非必需消費品業為基金帶來可觀貢獻。其中特別是高檔消費品LVMH受惠於市場前景轉趨樂觀而表現最出色。市場看好LVMH收購Tiffany的消息，因為該集團擅於為硬高檔品牌如Bulgari等帶來經營轉機，在這方面往績優秀。隨著時間推移，Tiffany將佔集團銷售的6%，未來亦可增加集團的美國業務比重。
- 終端市場展現復甦跡象，帶動半導體業持續表現尤其優秀，因此資訊科技業亦為基金帶來貢獻。ASML再次成為表現最佳的持倉之一。
- 旅遊科技公司Amadeus公佈一系列理想業績，帶動股價表現良好。儘管整體旅遊預訂下跌，但Amadeus的航客服務和支付業務錄得增長，兩者均是我們投資該公司的重要理據。
- DSV、Hexagon、Straumann和Experian等核心持倉的股價亦在11月上升，主要受惠於強勁和利好周期的環境。
- 此外，Royal Unibrew的持倉也屬最利好回報的持倉之一。該股在月內回升。儘管其業績出色及盈利預測再次上調，該股在上月表現遜色，為市場意料之外。
- 負面因素方面，基金並無持有若干周期股，如西門子 (Siemens) 削弱回報。基金迴避法國巴黎銀行 (BNP Paribas) 和Lloyds等銀行股亦利淡表現。雖然銀行股在過去數週表現出色，而且通常在年內最後季度受惠於臨近年終的樂觀氣氛而造好，但我們並未調整配置，因為相關行業的基本因素並未轉佳，而且2020年盈利表現喜出望外的空間不大。
- 最後，瑞士生物科技LONZA的倉盤最弱回報。該公司行政總裁僅上任九個月後便離任。我們已減持有關倉盤，以反映行政總裁一職前景未明，但持倉比重仍然可觀，因為該公司的策略方向未有改變。

### 變化

- 月內投資組合的變動有限。我們減持上述對LONZA的持倉，並悉數沽售我們於Vinci和Assa Abloy的餘下倉盤。
- 能源股方面，我們新增芬蘭公司Neste Oil的持倉。該公司是全球領先的可再生燃料生產商，生產可大量減少碳排放的可再生燃料。終端市場對可再生燃料的需求增長強勁，有關需求不僅用於公路運輸，未來亦有潛力成為航空業的重要支柱。

### 配置

- 整體而言，我們維持對具備以下業務模式的公司的核心投資：高於平均的資本回報率、強勁的現金流轉換能力，以及將該現金流再投資至未來增長項目的機會，以獲取高水位的遞增回報。
- 基金於月底對工業、資訊科技、非必需消費品和原材料業持偏高比重。
- 基金對金融、基本消費品、能源、公用事業、通訊服務、房地產和醫療保健業持偏低比重。

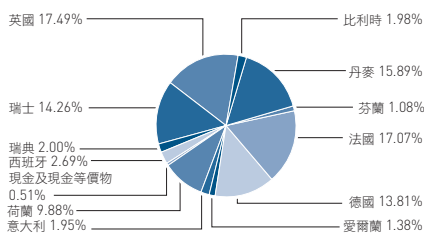


## 基金資料

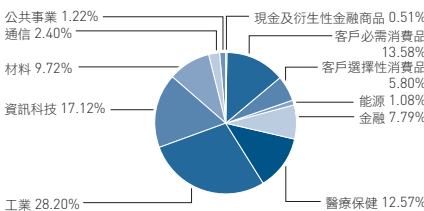
基金經理	Nigel Bolton
成立日期	30.11.93
報價貨幣	美元
基金總值 (百萬)	1,247.7美元
每年管理費	1.50%
首次認費	5%

## 基金投資分佈

### 國家



### 行業



## 十大持股比重 (%)

SAP SE	5.8
SAFRAN SA	5.8
LVMH MOET HENNESSY LOUIS VUITTON SE	5.5
SIKA AG	5.0
RELX PLC	4.8
ASML HOLDING NV	4.7
ROYAL UNIBREW A/S	4.4
NOVO NORDISK A/S	4.2
ADIDAS AG	4.0
LONZA GROUP AG	3.7
總計	48.1

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 2019 年 11 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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