

# First State High Quality Bond Fund

## Monthly Fund Factsheet

31 August 2020

-The Fund invests primarily in debt securities of government and corporate issuers organised, headquartered or having their primary business operations in countries in Bloomberg Barclays US Government/Credit Bond Index. Sovereign's credit downgrade or exit of EU members may lower the value of Fund. The Fund's investments may be concentrated in a single /small number of countries or specific region which may have higher volatility or greater loss of capital than more diversified portfolios. The Fund invests in sovereign debt securities which are exposed to political, social and economic risks.

-The Fund invests in debts or fixed income securities which may be subject to credit, interest rate, currency and credit rating reliability risks which would negatively affect its value. Investment grade securities may be subject to risk of being downgraded and the value of the Fund may be adversely affected. The Fund may invest in below investment grade, unrated debt securities which exposes to greater volatility risk, default risk and price changes due to change in the issuer's creditworthiness. The Fund may use FDIs for hedging and efficient portfolio management purposes, which may subject the Fund to additional liquidity, valuation, counterparty and over the counter transaction risks.

-For certain share classes, the Fund may at its discretion pay dividend out of capital or pay fees and expenses out of capital to increase distributable income and effectively a distribution out of capital. This amounts to a return or withdrawal of your original investment or from any capital gains attributable to that, and may result in an immediate decrease of NAV per share.

-It is possible that a part or entire value of your investment could be lost. You should not base your investment decision solely on this document. Please read the offering document including risk factors for details.

### Investment objective & strategy

The Fund aims to provide a total return greater than the Bloomberg Barclays U.S. Government/Credit Bond Index and invests primarily in debt securities of governments or quasi-government organization issuers and/or issuers organised, headquartered or having their primary business operations in the countries included in the Bloomberg Barclays U.S. Government/Credit Bond Index.

### Cumulative performance in USD (%)

	3mths	YTD	1yr	3yrs	5yrs	Since inception
Class I (USD - H Dist)*	1.4	6.8	5.8	15.2	19.8	126.7
Benchmark <sup>▲</sup>	1.7	8.1	7.3	18.0	26.5	190.5



— First State High Quality Bond Fund Class I (USD - H Dist)\*  
— Bloomberg Barclays US Government/Credit Index

Source: Lipper, Nav-Nav (USD total return)

### Calendar year performance in USD (%)

	2019	2018	2017	2016	2015
Class I (USD - H Dist)*	9.6	-1.5	3.6	0.7	-1.2
Benchmark <sup>▲</sup>	9.7	-0.4	4.0	3.0	0.1

Source: Lipper, Nav-Nav (USD total return)

### Available share classes

Share class <sup>+</sup>	Inception date	Nav/per share	Distribution frequency <sup>†</sup>	ISIN code
Class I (USD - H Dist)	22 Feb 2000	US\$15.05	Semi-annually	IE0008370714

<sup>†</sup> Dividends are not guaranteed and may be paid out of capital.

The Fund is a sub fund of Ireland domiciled First State Global Umbrella Fund Plc. \* Class I (USD-H Dist) is the dividend distribution class of the fund, the performance quoted are based on USD total return (with dividend reinvested). <sup>▲</sup>As of 24 August 2016, the Fund's benchmark has been renamed as Bloomberg Barclays US Government/Credit Index from Barclays Capital US Government/Credit Index. <sup>+</sup> H Dist represents share class with distribution of dividends every February & August.

<sup>^</sup> The weighted average credit rating is derived by taking the weighted average of the credit rating for each underlying bond in the portfolio. Modified Duration is the percentage price change of a security for a given change in yield. The weighted modified duration represents the average modified duration of the portfolio of the underlying bonds weighted by reference to their market value.

<sup>\*</sup> Allocation percentage is rounded to the nearest one decimal place and the total allocation percentage may not add up to 100%.

<sup>†</sup> Refers to fixed income investments of the Fund. Where available, the credit rating assigned by one of the three major external rating agencies (S&P, Moody's or Fitch) will be used. An internal rating assigned by First State Investments will be used where the security is not externally rated.

<sup>+</sup> Source: Lipper. Lipper Leaders: There are five scores, the top 20% of funds receive a rating of "5" and are Lipper Leaders. Lipper Preservation: Does not imply the fund is capital guaranteed.

Unless otherwise specified, all information contained in this document is as at 31 August 2020. Investment involves risks, past performance is not a guide to future performance. Refer to the offering documents of the respective funds for details, including risk factors. The information contained within this document has been obtained from sources that First State Investments (Hong Kong) Limited believe to be reliable and accurate at the time of issue but no representation or warranty, expressed or implied, is made as to the fairness, accuracy or completeness of the information. Neither First State Investments (Hong Kong) Limited, nor any of its associates, nor any director, officer or employee accepts any liability whatsoever for any loss arising directly or indirectly from any use of this. It does not constitute investment advice and should not be used as the basis of any investment decision, nor should it be treated as a recommendation for any investment. The information in this document may not be edited and/or reproduced in whole or in part without the prior consent of First State Investments (Hong Kong) Limited. This document is issued by First State Investments (Hong Kong) Limited and has not been reviewed by the Securities and Futures Commission in Hong Kong. First State Investments is a business name of First State Investments (Hong Kong) Limited. The FSI logo is a trademark of the Commonwealth Bank of Australia or an affiliate thereof and is used by FSI under licence. The Securities and Futures Commission has not reviewed the contents of www.firststateinvestments.com. First State Investments (Hong Kong) Limited is part of the investment management business of First Sentier Investors, which is ultimately owned by Mitsubishi UFJ Financial Group, Inc. ("MUFG"), a global financial group. First Sentier Investors includes a number of entities in different jurisdictions, operating in Australia as First Sentier Investors and as FSI elsewhere. MUFG and its subsidiaries are not responsible for any statement or information contained in this document. Neither MUFG nor any of its subsidiaries guarantee the performance of any investment or entity referred to in this document or the repayment of any capital. Any investments referred to are not deposits or other liabilities of MUFG or its subsidiaries, and are subject to investment risk, including loss of income and capital invested.

### Fund information

Total fund size	US\$82.4mn
Number of holdings	73
Dealing	Daily
Minimum initial investment	US\$1,000
Minimum subsequent investment	US\$500
Management fee	1.0% p.a.
Initial charge	5.0%
Weighted average credit rating <sup>^</sup>	AA-
Weighted modified duration <sup>^</sup>	7.47

### Asset allocation (%)<sup>\*</sup>

Region	%	%	%
North America	63.9	Asia	24.6
Australasia	3.1	Supranational	1.8
Liquidity	1.4	Euro	4.9
		Middle East Bloc	0.3

Sector	%	%	%
Treasury	46.8	Corporates	38.2
Securitized	1.3	Liquidity	1.4
		Govt Related	12.3

Credit rating <sup>#</sup>	%	%	%
AAA	51.2	A	24.3
AA	3.6	Liquidity	1.4
		BBB	19.4

### Top 10 issuers (%)

Issuer name	%
United States Treasury	46.8
Bank Of America Corp	4.0
Sun Hung Kai Properties Ltd	1.9
China Petrochemical Corp	1.9
United Overseas Bank Ltd	1.9
Intl Bnk Reconstruction & Dev	1.8
Kroger Co	1.8
Alibaba Group Holding Ltd	1.7
CapitaLand Mall Trust	1.7
Johnson & Johnson	1.5