

BOC-Prudential Index Fund Series

BOC-Prudential European Index Fund

June 2023 Issue
(Data as of 31 May 2023)

Key Features and Risk Disclosure:

1. The BOC-Prudential European Index Fund (the "Sub-Fund") seeks to provide investment performance (before fees and expenses) that tracks the performance of the FTSE MPF Europe Index (unhedged) (the "Underlying Index") by investing in a portfolio of securities traded on the stock exchanges in the United Kingdom and in other continental European countries.
2. Investment involves risks and the Sub-Fund may not be suitable for everyone. Past performance is not indicative of future performance. The Sub-Fund is subject to market and exchange rate fluctuations and to the risks inherent in all investments. Investors could face no returns and/or suffer significant loss related to the investments. There is no guarantee in respect of repayment of principal.
3. The key risks to which the Sub-Fund is subject to include: general investment risk, currency risk, equity market risk, concentration risk, European economic and Eurozone risk, passive investment risk, portfolio management risk, tracking error risk, termination risk, RMB currency and conversion risk relating to Retail Class (RMB) Units, and cross-class liability risk.
4. The Sub-Fund may be subject to passive investment risk. Due to inherent nature of index funds, the Investment Manager of the Sub-Fund will not have the discretion to adapt to market changes and may not be able to take defensive positions where the relevant stock markets decline. Hence, any fall in the Underlying Index will result in a corresponding fall in the value of the Sub-Fund.
5. The Sub-Fund may be subject to tracking error risk. The Sub-Fund's returns may therefore deviate from the Underlying Index and such tracking error may be a result of a number of factors, for example, the fees and expenses of the Sub-Fund and the need for the Investment Manager to adopt a representative sampling strategy.
6. Please refer to the offering document of the Sub-Fund for further details including investment objectives and policies, charges and expenses, and risk factors, before making any investment decision.

INVESTMENT OBJECTIVES AND POLICIES

The BOC-Prudential European Index Fund seeks to provide investment performance (before fees and expenses) that tracks the performance of the FTSE MPF Europe Index (unhedged) by investing in a portfolio of securities traded on the stock exchanges in the United Kingdom and in other continental European countries. The Underlying Index is an index consisting of constituent securities listed on the European stock markets and is compiled and managed by FTSE International Limited. The Investment Manager will primarily adopt representative sampling strategy by which assets of the Sub-Fund will be invested in a portfolio featuring high correlation with the Underlying Index and the Investment Manager may invest in other securities that are not included in the Underlying Index. In selecting which securities to invest, the Investment Manager will use quantitative analytical models. The Sub-Fund will not invest in securities traded outside Europe. Cash or time deposits may be considered when appropriate.

MANAGER'S COMMENT[#]

- European markets closed lower as U.S. debt ceiling talks stumbled and UK inflation dropped less than forecast.
- Bank of England and European Central Bank have increased its benchmark interest rate to 4.5% and 3.25% respectively. However, the UK core CPI in April rose to 6.8% from 6.2%, while UK's inflation dropped to single digit of 8.7% in April. It indicates interest rates may not have peaked.
- With respect to economic sentiment, the latest consumer confidence index came in at -17.4 in May from -17.5 the previous month.
- Latest Eurozone Manufacturing PMI edged down to 44.8 in May, down from 45.8 in the previous month.
- For country selection, investments in Spain subtracted value while United Kingdom added value. In regard to sector selection, investment in Utilities added value while Financials detracted value.

Cumulative Performance [Gross Distribution Reinvested]^{ΔΔ}

	3 Months ^Δ	Year to date ^Δ	1 Year ^Δ	3 Years	5 Years	Since Inception ^Δ
Provident Class – Class A (HKD) Units^{ΔΔ}	0.00%	8.65%	4.08%	34.87%	21.50%	100.16%
Underlying Index (HKD) ^Δ	0.35%	9.06%	4.57%	36.60%	23.90%	110.08%
Provident Class – Class B (HKD) Units^{ΔΔ}	-0.09%	8.47%	3.67%	33.52%	19.58%	32.27%
Underlying Index (HKD) ^Δ	0.35%	9.06%	4.57%	36.60%	23.90%	37.85%
Provident Administration Class (HKD) Units^{ΔΔ}	–	–	–	–	–	–
Underlying Index (HKD) ^Δ	–	–	–	–	–	–
Investment Class (HKD) Units^{ΔΔ}	-0.13%	8.41%	3.52%	32.71%	17.63%	40.79%
Underlying Index (HKD) ^Δ	0.35%	9.06%	4.57%	36.60%	23.90%	53.95%
Retail Class (HKD) Units^{ΔΔ}	-0.16%	8.35%	3.39%	32.93%	19.62%	55.73%
Underlying Index (HKD) ^Δ	0.35%	9.06%	4.57%	36.60%	23.90%	62.26%
Retail Class (RMB) Units^{ΔΔ}	2.61%	11.26%	10.55%	30.91%	33.34%	65.04%
Underlying Index (RMB) ^Δ	3.14%	11.99%	11.81%	34.52%	38.11%	71.90%
Retail Class (USD) Units^{ΔΔ}	0.11%	8.02%	3.62%	–	–	20.90%
Underlying Index (USD) ^Δ	0.62%	8.73%	4.80%	–	–	24.15%

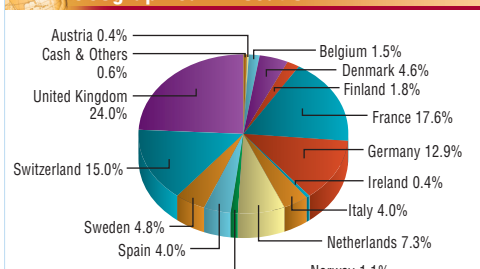
Calendar Year Performance^{ΔΔ, #}

	2018	2019	2020	2021	2022
Provident Class – Class A (HKD) Units^{ΔΔ}	-14.53%	22.90%	6.13%	16.63%	-15.58%
Underlying Index (HKD) ^Δ	-14.62%	23.85%	6.19%	17.13%	-15.37%
Provident Class – Class B (HKD) Units^{ΔΔ}	-14.61%	22.43%	5.80%	16.28%	-15.90%
Underlying Index (HKD) ^Δ	-14.62%	23.85%	6.19%	17.13%	-15.37%
Provident Administration Class (HKD) Units^{ΔΔ}	N/A	N/A	N/A	N/A	N/A
Underlying Index (HKD) ^Δ	N/A	N/A	N/A	N/A	N/A
Investment Class (HKD) Units^{ΔΔ}	-15.34%	21.86%	5.56%	16.01%	-16.03%
Underlying Index (HKD) ^Δ	-14.62%	23.85%	6.19%	17.13%	-15.37%
Retail Class (HKD) Units^{ΔΔ}	-14.60%	22.83%	6.11%	16.04%	-16.13%
Underlying Index (HKD) ^Δ	-14.62%	23.85%	6.19%	17.13%	-15.37%
Retail Class (RMB) Units^{ΔΔ}	-10.04%	25.12%	-0.55%	12.97%	-8.85%
Underlying Index (RMB) ^Δ	-10.06%	26.16%	-0.47%	14.03%	-8.02%
Retail Class (USD) Units^{ΔΔ}	N/A	N/A	15.75%	15.42%	-16.22%
Underlying Index (USD) ^Δ	N/A	N/A	15.94%	16.49%	-15.46%

Top 10 Holdings

1	NESTLE SA-REG	3.2%
2	ASML HOLDING NV	2.9%
3	NOVO NORDISK A/S-B	2.5%
4	ROCHE HOLDING AG-GENUSSCHEIN	2.2%
5	LVMH MOET HENNESSY LOUIS VUI	2.2%
6	ASTRAZENECA PLC	2.1%
7	SHELL PLC	1.9%
8	NOVARTIS AG-REG	1.9%
9	HSBC HOLDINGS PLC	1.5%
10	SAP SE	1.4%

Geographical Allocation



中銀國際
BOC INTERNATIONAL



PRUDENTIAL
保誠集團

中銀保誠資產管理
BOCI-Prudential Asset Management



BOC-Prudential Index Fund Series

BOC-Prudential European Index Fund

June 2023 Issue
(Data as of 31 May 2023)

Fund Data							
Investment Manager	BOCI-Prudential Asset Management Limited						
Fund Size (Million)	HKD5,050.59 (Aggregate of all classes)						
Base Currency	HKD						
Risk Level*	High						
	Provident Class – Class A (HKD) Units ^{^^}	Provident Class – Class B (HKD) Units ^{^^}	Provident Administration Class (HKD) Units ^{^^}	Investment Class (HKD) Units ^{^^}	Retail Class (HKD) Units ^{^^}	Retail Class (RMB) Units ^{^^}	Retail Class (USD) Units ^{^^}
Inception Date	9 December 2011	1 April 2014	3 April 2023	18 September 2013	30 June 2016		5 June 2020
Investment Management Fee (p.a.)	Nil	0.3525% of the net asset value, up to a maximum of 2%*		0.50% of the net asset value, up to a maximum of 2%*	0.65% of the net asset value, up to a maximum of 2%*		
Initial Charge	Nil	Up to a maximum 5% of the subscription monies*	Currently waived, up to a maximum of 5% of the subscription monies*	Up to a maximum 5% of the subscription monies*			
Switching Fee	Nil** or waived*.*** or 1%*.****						
NAV per Unit	HKD20.0158	HKD13.2272	HKD9.7532	HKD14.0793	HKD15.5734	RMB14.1759	USD1.9893
12 months NAV ^{††}							
Highest	HKD21.2910	HKD14.0748	-	HKD14.9835	HKD16.5755	RMB14.6188	USD2.1115
Lowest	HKD15.5130	HKD10.2782	-	HKD10.9511	HKD12.1233	RMB11.0102	USD1.5443
Morningstar Overall Rating ^{†††}	★★★★	★★★	-	★★★	★★★	★★★	–
Standard Deviation	19.58%	19.59%	-	19.57%	19.59%	17.42%	–
Beta	1.00	1.00	-	1.00	1.00	1.00	–
Bloomberg Ticker	BOEUPA HK EQUITY	BOEUPB HK EQUITY	BOCPUR HK EQUITY	BOEUIV HK EQUITY	BOEURH HK EQUITY	BOEURR HK EQUITY	BOEURU HK EQUITY
ISIN Code	HK0000580974	HK0000205549	HK0000918240	HK0000205556	HK0000300001	HK0000300019	HK0000615671

The value of the investment products managed by BOCI-Prudential Asset Management Limited represents 0.0% of the Sub-Fund's fund size.

^{**} The manager's comment above solely reflects the opinion, view and interpretation of the fund managers as of the date of issuance of this document. Investors should not solely rely on such information to make any investment decision.

^{ΔΔ} Past performance is not indicative of future performance. Price of Units and the income (if any) generated from the relevant class of Units of the Sub-Fund may go down as well as up. Fund performance is calculated in the currency of the relevant class of Units of the Sub-Fund on a NAV-to-NAV basis with gross distribution reinvested. The data for "Standard Deviation", "Beta" and "Morningstar Overall Rating^{†††}" will not be shown for classes of Units of the Sub-Fund with less than 3-year history. "Standard Deviation", a risk measurement, is based on the monthly return of the relevant class of Units of the Sub-Fund over the past 3 years in the currency of the relevant class of units. "Beta" measures the sensitivity of the return of the relevant class of Units of the Sub-Fund to the changes in its reference index.

^Δ 3-Months, Year-to-Date and Since-Inception performance of the Sub-Fund's Provident Administration Class (HKD) Units and the FTSE MPF Europe Index (unhedged) in HKD will be shown starting from November 2023 Issue, while 1-Year performance will be shown starting from May 2024 Issue.

^{AA} Provident Class – Class A Units are available to any provident, pension or retirement funds/schemes managed or advised by the Investment Manager. Provident Class – Class B Units are available to any provident, pension or retirement funds/schemes not managed or advised by the Investment Manager. Provident Administration Class (HKD) Units are available to the pension, provident or retirement schemes which use the trust administrative and fiduciary services of the Trustee. Investment Class Units are available to those collective investment schemes or other individual or institutional investors that fulfill the minimum investment and subsequent holding requirements as stated in the principal brochure of the Sub-Fund. This class is not applicable to investors who are eligible to invest in either the Provident Class Units or Retail Class Units. Retail Class Units are available to retail investors and other investors. This class is not applicable to investors who are eligible to invest in either the Provident Class Units or Investment Class Units.

^A Underlying Index performance is based on FTSE MPF Europe Index (unhedged) which is denominated in HKD. Also, index performances in RMB and USD are respectively provided for the purpose of comparison with the performances of Retail Class (RMB) Units and Retail Class (USD) Units of the Sub-Fund. The respective index performances in RMB and USD are respectively calculated by reference to the foreign exchange rate for HKD/RMB and HKD/USD quoted by WM/Reuters at 4:00 p.m. (London time) on the relevant dealing day. Performance of the FTSE MPF Europe Index (unhedged) in HKD was calculated from 9 December 2011, 1 April 2014, 3 April 2023, 18 September 2013 and 30 June 2016, which were the inception dates of the Sub-Fund's Provident Class – Class A (HKD) Units, Provident Class – Class B (HKD) Units, Provident Administration Class (HKD) Units, Investment Class (HKD) Units and Retail Class (HKD) Units respectively. Performance of the FTSE MPF Europe Index (unhedged) in RMB was calculated from 30 June 2016, which was the inception date of the Sub-Fund's Retail Class (RMB) Units. Performance of the FTSE MPF Europe Index (unhedged) in USD was calculated from 5 June 2020, which was the inception date of the Sub-Fund's Retail Class (USD) Units.

[#] If the history of the relevant class of Units of the Sub-Fund is less than 1 year in the calendar year, the corresponding calendar year performance will be calculated from the inception date to that calendar year-end.

^{*} Investment Manager may increase the current levels of the above fees and charges by giving to the unitholders three (3) months' prior written notice (or such shorter period of notice as the SFC may approve).

^{**} For switching involving Provident Class – Class A (HKD) Units, Provident Class – Class B (HKD) Units or Provident Administration Class (HKD) Units and involving another sub-fund.

^{***} For switching involving the Sub-Fund only (i.e. between different classes of units of the same sub-fund), switching fee is currently waived, up to a maximum of 5% of the redemption proceeds.

^{****} For switching involving Investment Class (HKD) Units, Retail Class (HKD) Units, Retail Class (RMB) Units or Retail Class (USD) Units and involving another sub-fund, switching fee is 1% of the redemption proceeds, up to a maximum of 5% of the redemption proceeds.

^{††} 12 Months Highest/Lowest NAV per Unit was calculated by reference to the NAV per Unit on each month's last dealing day.

[†] Data Source - © 2023 Morningstar, Inc. All Rights Reserved.

^{*} Risk levels are categorized into low, low to medium, medium to high and high. The risk levels are determined by BOCI-Prudential Asset Management Limited based on the investment mix of each Sub-Fund and/or its underlying investments, and represent only the views of BOCI-Prudential Asset Management Limited in respect of the relevant Sub-Fund. Such risk levels are for reference only and should not be regarded as investment advice. You should not rely on the risk levels only when making any investment decision. The risk level is determined based on data as at 30 December 2022 and will be reviewed and (if appropriate) updated at least annually without prior notice, taking into account the prevailing market circumstances. If you are in doubt about the information of risk level, you should seek independent financial and professional advice.

Index Disclaimer: BOC-Prudential European Index Fund has been developed solely by BOCI-Prudential Asset Management Limited. BOC-Prudential European Index Fund is not in any way connected to or sponsored, endorsed, sold or promoted by the London Stock Exchange Group plc and its group undertakings (collectively, the "LSE Group"). FTSE Russell is a trading name of certain of the LSE Group companies. All rights in the FTSE MPF Europe Index (unhedged) (the "Index") vest in the relevant LSE Group company which owns the Index. "FTSE®" is a trade mark of the relevant LSE Group company and is used by any other LSE Group company under license. The Index is calculated by or on behalf of FTSE International Limited or its affiliate, agent or partner. The LSE Group does not accept any liability whatsoever to any person arising out of (a) the use of, reliance on or any error in the Index or (b) investment in or operation of BOC-Prudential European Index Fund. The LSE Group makes no claim, prediction, warranty or representation either as to the results to be obtained from BOC-Prudential European Index Fund or the suitability of the Index for the purpose to which it is being put by BOCI-Prudential Asset Management Limited.

This document is issued by BOCI-Prudential Asset Management Limited and has not been reviewed by the SFC.

Fund Manager and Factsheet Issuer: BOCI-Prudential Asset Management Limited



中銀國際
BOC INTERNATIONAL



PRUDENTIAL
保誠集團

中銀保誠資產管理
BOCI-Prudential Asset Management