

YF Life Trustees Ltd. MPF Conservative Fund

Published in September 2023

IMPORTANT NOTES:

1. The MASS Mandatory Provident Fund Scheme ("Scheme") is a mandatory provident fund scheme.
2. Investment involves risks and not all investment choice available under the Scheme would be suitable for everyone. There is no assurance on investment returns and your investments/accrued benefits may suffer significant loss.
3. You should consider your own risk tolerance level and financial circumstances before making any investment choices. When, in your selection of constituent funds, you are in doubt as to whether a certain constituent fund is suitable for you (including whether it is consistent with your investment objectives), you should seek financial and/or professional advice and choose the constituent fund(s) most suitable for you taking into account your circumstances. In the event that you do not make any investment choices, please be reminded that your contributions made and/or benefits transferred into the Scheme will be invested according to the Default Investment Strategy as stated in Clause 6 of the MPF Scheme Brochure of the Scheme, and such arrangement may not necessarily be suitable for you.
4. Fees and charges of an MPF Conservative Fund can be deducted from either (i) the assets of the MPF Conservative Fund and its underlying investment fund or (ii) members' account by way of unit deduction. The MPF Conservative Fund under the Scheme uses method (i) and, therefore, unit prices/ net asset value/fund performance quoted have incorporated the impact of fees and charges.
5. For further details including the product features and risks involved, please refer to the relevant clauses, in particular Clause 3, of the MPF Scheme Brochure of the Scheme.
6. The risk level mentioned in Clause 3 of the MPF Scheme Brochure is for reference only and is not a substitute for independent professional advice. The risk level of each constituent fund is determined by the Trustees based on the percentage of Scheme assets of the relevant constituent funds being invested in equities and subject to regular review by the Trustees, and may change without any prior notice. The risk level is not a financial tool and must not be relied upon to make any investment decisions and selection of constituent funds.

Investment Objective

The investment objective of the MPF Conservative Fund is to provide a convenient and easily realisable medium of investment for investors who require a level of income combined with a high degree of capital protection by investing in HK dollar denominated bank deposits and other high quality HK dollar denominated fixed interest and other monetary instruments. The MPF Conservative Fund seeks to achieve the above objective by investing into the Allianz Choice HK\$ Liquidity Fund of the Allianz Global Investors Choice Fund.

As a result of investing into the Allianz Choice HK\$ Liquidity Fund of the Allianz Global Investors Choice Fund, the MPF Conservative Fund may invest in any or a combination of (a) deposits for a term not exceeding 12 months; (b) unrestricted investment having a remaining maturity period of no more than 2 years; (c) debt securities (other than unrestricted investment) with a remaining maturity period of no more than 1 year and which satisfy the minimum credit rating set by the MPFA or (d) any other assets permitted for investment by Capital Preservation Fund pursuant to the MPF Regulation.

The MPF Conservative Fund will maintain an average portfolio maturity of not more than 90 days and an effective currency exposure (as defined in the Regulation) to Hong Kong dollars equal to the latest available NAV of the Allianz Choice HK\$ Liquidity Fund of the Allianz Global Investors Choice Fund.

The inherent risk in implementing the above investment policy is considered low.

Fund Data as at July 31, 2023

Launch Date:

December 01, 2000

Investment Manager:

Allianz Global Investors Asia Pacific Limited

Fund Size:

HKD533.57million

Fund Risk Indicator ^b:

0.33%

Risk Class ^c:

1

Fund Descriptor:

Money Market Fund – Hong Kong

Latest Fund Expense Ratio:

1.10%

Fund Price (HKD)

Month	Since Inception	End* of					
	Dec 2000	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023	Jul 2023
Price	10.0000	11.1477	11.1732	11.1943	11.2202	11.2484	11.2781

Notes:

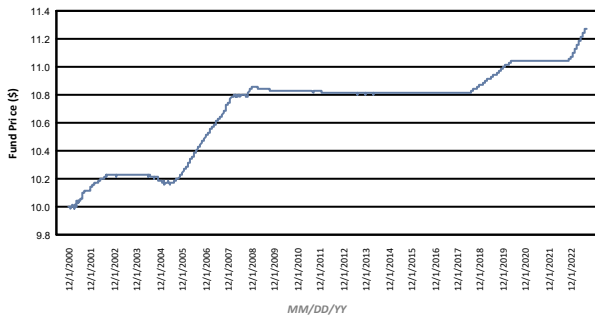
Source: YF Life Trustees Ltd.

- a. Fund prices are quoted in Hong Kong dollars whilst the investments of the underlying fund are denominated in different currencies. This may therefore involve some risk due to exchange rate fluctuations.
 - b. Fund Risk Indicator is an annualized standard deviation based on the monthly rates of return over the past 3 years. It is calculated in accordance with Part C of the Performance Presentation Standards for MPF Investment Funds published jointly by the Hong Kong Investment Funds Association and Hong Kong Trustees' Association and recognized by the Mandatory Provident Fund Schemes Authority.
 - c. The risk class is prescribed by the Mandatory Provident Fund Schemes Authority according to the Code on Disclosure for MPF Investment Funds and the risk class has not been reviewed or endorsed by the Securities and Futures Commission.
- * Ending Date is the last valuation date of the month.

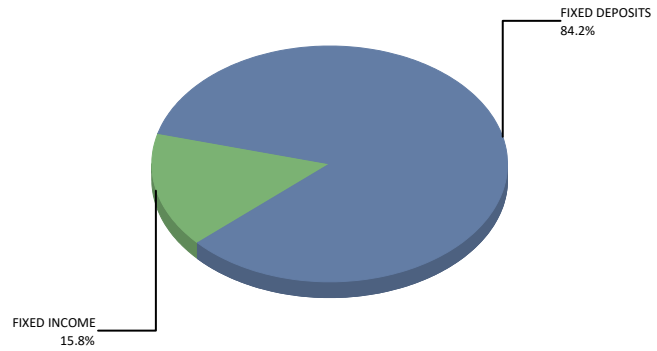
The fund is subject to market fluctuations and to the risks inherent in all investments. The prices of units of any investment fund may go down as well as up. The past performance of a fund is not indicative of future performance and yields are not guaranteed.

The fund will abide by the general investment fund restrictions in accordance with the MPFS Ordinance, MPFS (General) Regulation and Scheme Rules.

Fund Price Trend Since Inception



Portfolio Asset Allocation#^



Source: Allianz Global Investors Asia Pacific Limited

Individual Year Return	2014 Jan-Dec	2015 Jan-Dec	2016 Jan-Dec	2017 Jan-Dec	2018 Jan-Dec	2019 Jan-Dec	2020 Jan-Dec	2021 Jan-Dec	2022 Jan-Dec	2023 Jan-Jul
	0.01%	0.01%	0.01%	0.01%	0.57%	1.15%	0.47%	0.00%	0.32%	1.71%

Fund Performance	1 year	3 years	5 years	10 years	Since launch
Annualized	2.03%	0.67%	0.81%	0.42%	0.53%

Source: YF Life Trustees Ltd. Performance is net of fees and is calculated on a NAV to NAV basis.

Top 10 Holdings#

Asset Holdings	% of NAV
OVERSEA-CHINESE BANKING CORPORATION LTD 5.47% 01/08/2023	4.82%
SHANGHAI COMMERCIAL BK LTD HK 1.50% 03/08/2023	3.86%
CHINA CONSTR BK (ASIA) CORP 4.40% 06/09/2023	3.84%
CHINA CONSTR BK (ASIA) CORP 4.30% 03/08/2023	3.16%
IND AND COM BK OF CHINA (ASIA) 4.15% 01/08/2023	2.97%
CMB WING LUNG BANK LTD 4.80% 01/08/2023	2.59%
DAH SING BK LTD 4.50% 07/08/2023	2.17%
HKCG FINANCE LTD SER EMTN (REG S) 0.88% 07/12/2023	2.14%
IND AND COM BK OF CHINA (ASIA), 4.15% 07/08/2023	1.96%
BK OF TOKYO-MITSUBISHI UFJ 4.83% 27/10/2023	1.92%

Source: Allianz Global Investors Asia Pacific Limited

Fund Review

The Hong Kong money market tightened in July, with the 3-month HIBOR rising over 30 basis points to 5.29% at the end of July. This was mainly due to the normalisation of the Hong Kong-US interest rate differential amid tightened Hong Kong interbank liquidity on the back of shrinkage in the aggregate balance, which also contributed to higher volatility in Hong Kong interbank rates.

Fund Performance

The fund's net asset value increased 0.264% from last month.

The assets of MPF Conservative Fund are invested exclusively into the Allianz Choice HK\$ Liquidity Fund of the Allianz Global Investors Choice Fund.
^ Due to rounding, the sum of portfolio may not equal 100%.