

Fund Details

ISIN	LU0540001038
Domicile	Luxembourg
Currency	USD
Asset Class	Fixed Income
Effective Duration (years)	8.15
Yield to Maturity	2.34%
Management Fee	0.40% p.a.
Ongoing Charge as of December 30, 2022	0.63% p.a.
AUM, as of December 30, 2022 (USD, mn)	875.93

Figure 1: Country Allocation, December 2022

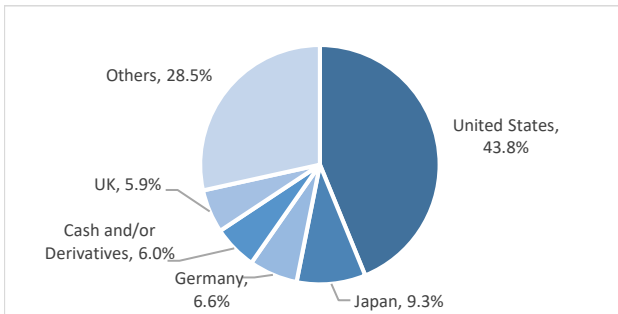
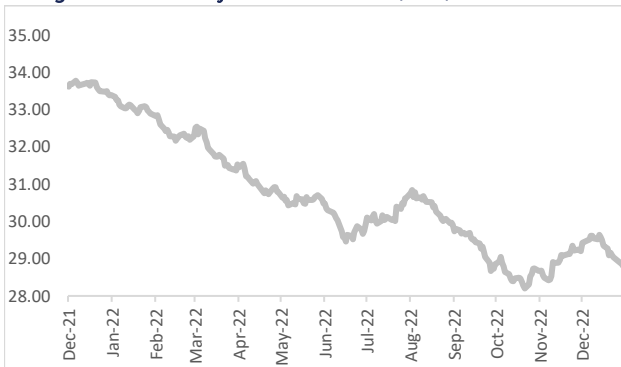


Figure 2: Fund's 1-year Performance (USD)



Source: Figure 1 – Fund's Factsheet (30 Dec 2022), Figure 2 – Morningstar (30 Dec 2022)

Fund Management

BlackRock is a global asset management firm with USD5.98 trillion of assets under management as at 31 December 2018. It invests primarily in equity (50%), followed by fixed income (32%), multi-asset (8%), alternatives (2%) and cash products (8%). BlackRock caters to a diverse client base across 30 countries in the world.

Fund

Investment Objective: The Global Government Bond Fund seeks to maximize total return by investing in at least 70% of its total assets in investment grade fixed income transferable securities issued by governments and their agencies worldwide.

Investment Process: BlackRock's investment philosophy for the global bond strategy focuses on active sector/sub-sector rotation and security selection. The portfolio team seeks to identify multiple sources of value while limiting active exposure to country, currency and duration factors relative to the benchmark. This approach is consistent with academic studies indicating that portfolios with larger numbers of uncorrelated positions will tend to have more consistently strong performance over time.

BlackRock aims to use a diversified range of strategies to add value to portfolios. The Fund expects the sources of alpha for this strategy to be distributed as follows:

- Sector Allocation 30%
- Duration Management 15%
- Yield Curve Positioning 15%
- Country/Regional Allocation 15%
- Currency Management 10%
- Issue Selection 15%

BlackRock's investment approach represents a collaboration between the Global Bond team which is accountable for performance, responsible for setting the top-down asset allocation framework and portfolio construction, and Global Sector Specialist teams which are made up of sector specialists and credit analysts who are responsible for bottom-up idea generation. As part of bottom-up idea generation, the Global Sector Specialist teams provide advice with regards to security selection, on-going portfolio surveillance of existing holdings and tactical relative value opportunities. All trades are then executed by the Global Trading Desk with locations in London, New York, San Francisco, Sydney, Tokyo, Singapore and Hong Kong.

Investment Parameters: The key investment parameters of the Fund are,

- Portfolio turnover: Expected turnover to be in the region of 100-200%.
- Tracking error: The tracking error of the BGF Global Government Bond Fund is expected to be between 0.5%-2% (ex-post) annualized over rolling three year periods. The maximum tracking error is 3%.
- Typical duration band of the fund: within +/-20% relative to benchmark duration.
- Maximum 30% (less any holdings of time deposits) non-government exposure
- Min 70% in investment grade
- The Fund may take +/- 15% of NAV active currency exposures in aggregate, relative to the benchmark



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Sources: 1. Fund's Prospectus, Factsheet and RFP, 2. Fund's Website