



Press Release

28 June 2022

TABULA SEES INFLOWS INTO ITS ASIA HIGH YIELD BOND ETF AS INVESTOR APPETITE FOR CHINA GROWS

In May, European fixed income ETF provider Tabula Investment Management Limited (“Tabula”) saw around US\$75 million of new inflows into its Asia ex-Japan High Yield Corporate USD Bond ESG UCITS ETF as investor appetite for exposure to the region grows. The ETF, which only launched in September last year, now has a total AUM of over US\$250 million.

Last week the firm added a GBP-Hedged Distributing share class (TAGD LN) of the Fund to the London Stock Exchange, joining the existing GBP-Hedged Accumulating share class (TAGH LN).

The ETF was developed in partnership with Haitong International Asset Management (“Haitong International”), an investment manager with considerable expertise in the Asian high yield market as well as strong ESG credentials.

The Tabula Haitong Asia ex-Japan High Yield Corp USD Bond ESG UCITS ETF aims to enhance both liquidity and ESG profile, while maintaining an attractive yield (currently ~17%), a duration of just ~2.7 years, and is classified as Article 8 under EU Sustainable Finance Disclosure Regulation (SFDR).

“The opportunities offered by Asia high yield to investors are clear, but there have been some recent well documented challenges in the Chinese market,” says Tabula CEO Michael John Lytle.

“However, flows into our Asian High Yield ETF clearly show that investors are much more confident about this market now. This is being fuelled by an easing of concerns



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around Coronavirus in China, a loosening of Chinese fiscal policies, and a growing package of economic stimulus in the country.”

Speaking at a recent event hosted by Tabula Investment Management, Mark Williams, Capital Economics’ Chief Asia Economist, said the Chinese economy has recently hit a low point, and there should now be a recovery. He pointed to an increase in economic stimulus from the government in the form of investment into the economy in areas of infrastructure for example, and the recent lowering of mortgage rates.

Mark Williams said: “There is no doubt that the government is stepping up the support it is providing to the economy. In contrast to Western central banks and governments, China is lowering interest rates and trying to boost lending and investment, which will have a positive impact on economic activity.”

“However, China’s response to any major Covid-19 outbreaks is often a strict lockdown so the risk of these, and their impact on economic activity, remain,” he added.

China’s citywide lockdowns, most notably in Shanghai, ended in May and economic data is already showing signs that support from policymakers will help pull the economy out of the recent Covid-induced slowdown. China’s May new yuan loan data released this month rebounded sharply, nearly triple the April print, while China May total social financing, which is a broad measure of credit and liquidity in the economy, also surged to more than double the prior month. The improvement in data provides a strong indication that the liquidity injected by the Chinese authorities is being absorbed by the real economy.



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About the ETF

	USD – Acc.	GBP-Hedged – Acc	GBP-Hedged – Dist.	EUR-Hedged - Dist.	
Base Currency	USD	USD	USD	USD	
Trading Currency	USD	GBP	GBP	EUR	
Exchange	London Stock Exchange	London Stock Exchange	London Stock Exchange	Xetra	Borsa Italiana
OCF	0.60% p.a.	0.65% p.a.	0.65% p.a.	0.65% p.a.	
Share class details	USD Accumulating	GBP-Hedged Accumulating	GBP-Hedged Distributir	EUR-Hedged Distributir	
Ticker	TAHY	TAGH	TAGD	TAEH	TAEH
BBG Ticker	TAHY LN	TAGH LN	TAGD LN	TAEH GY	TAEH IM
ISIN	IE000LZC9NM0	IE000GETKIK8	IE000XIITCN5	IE000DOZYQJ7	
Index	iBoxx MSCI ESG USD Asia ex-Japan High Yield Capped				
Index Ticker	IBXXUJXT Index				

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About Tabula Investment Management Limited

Tabula Investment Management Limited (“Tabula”) is an asset manager and ETF provider focused on differentiated strategies. Its current ETFs provide unique solutions in the fixed income space, and help investors achieve greater control of investment risks and rewards.

Tabula currently manages ~US\$700 million in assets. Tabula is authorised and regulated by the Financial Conduct Authority.