



Press Release

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TABULA SEES STRONG INFLOWS INTO ITS ASIA HIGH YIELD BOND ETF AS INVESTORS LOOK TO TAKE ADVANTAGE OF MARKET OPPORTUNITY

European asset manager and ETF provider Tabula Investment Management Limited (“Tabula”) has seen over US\$125 million of net inflows into its Asia ex-Japan High Yield Corporate USD Bond ESG UCITS ETF (Bloomberg: TAHY LN) in 2022, as investors look to take advantage of attractive yields and a growing investment opportunity. Furthermore, TAHY LN has the second highest net inflows in 2022 of any European-listed high yield fixed income ETF.

The fund has seen strong inflows despite challenging economic conditions in China. China’s economy has faltered, driven by the country’s zero-Covid policy, a looming global recession, and a property crisis created by efforts to control speculative demand and limit the liabilities of developers.

However, in the past week, the market has registered a strong rally due to news of a significant recalibration of China’s Covid policy, and the announcement of sweeping measures to underpin China’s struggling property sector. In what may be the most crucial pivot since authorities began their 2020 clampdown on property sector financing, regulators have provided a 16-point set of internal directives to promote the “stable and healthy development” of the sector. The Chinese high yield real estate sector has rallied over 28%¹ in November in response to this policy shift.

“Stabilisation of the property sector is now undoubtedly at the centre of the Chinese government’s focus,” says Tabula CEO Michael John Lytle. “The latest measures to support China’s property developers are the most concrete to date. They provide a

¹ Real estate sector returns for the iBoxx MSCI ESG USD Asia ex-Japan High Yield Capped TRI (IBXXUXJT) from 1 November to 14 November 2022



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clear sign the government is seeking to restore the confidence of home buyers through the completion of unfinished building projects, while also loosening home purchase restrictions to stimulate demand.”

The Tabula Haitong Asia ex-Japan High Yield Corp USD Bond ESG UCITS ETF (TAHY) currently provides 25% exposure to the real estate sector and a 42% weight to China. The ~US\$200 million AuM ETF has a gross yield of 27% and a duration of 2.4 years. It is classified as an SFDR Article 8 fund under EU Sustainable Finance Disclosure Regulation (SFDR).

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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 strategies provide unique solutions in the fixed income space, and help investors achieve greater control of investment risks and rewards. The Tabula group currently manages ~US\$750 million in assets. Tabula is authorised and regulated by the Financial Conduct Authority.