HSBC Asset Management

HSBC Global Investment Funds

HONG KONG EQUITY

Monthly report 31 January 2024 | Share class IC

Investment objective

The Fund aims to provide long term capital growth by investing in a portfolio of Hong Kong SAR shares, while promoting environmental, social and governance (ESG) characteristics. The Fund qualifies under Article 8 of SFDR.

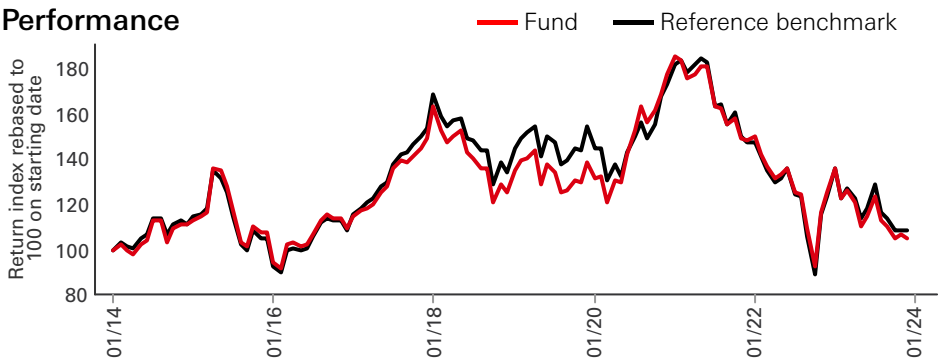
Investment strategy

The Fund is actively managed.In normal market conditions, the Fund will invest at least 90% of its assets in shares (or securities similar to shares) of companies of any size that are based in or carry out the larger part of their business activities in, Hong Kong SAR.The Fund includes the identification and analysis of a company's ESG Credentials as an integral part of the investment decision making process to reduce risk and enhance returns. The Fund will not invest in companies with involvement in specific excluded activities, such as: companies involved in the production of controversial weapons and tobacco; companies with more than 10% revenue generated from thermal coal extraction; and companies with more than 10% revenue generated from coal-fired power generation. The Fund can invest up to 20% in China A and China B-shares, up to 10% in other funds and up to 10% Real Estate Investment Trusts. See the Prospectus for a full description of the investment objectives and derivative usage.

Main risks

- The Fund's unit value can go up as well as down, and any capital invested in the Fund may be at risk.
- The value of investible securities can change over time due to a wide variety of factors, including but not limited to: political and economic news, government policy, changes in demographics, cultures and populations, natural or human-caused disasters etc.
- The Fund may invest in Emerging Markets, these markets are less established, and often more volatile, than developed markets and involve higher risks, particularly market, liquidity and currency risks.

Performance



Share Class Details

Key metrics	
NAV per Share	**USD 123.00**
Performance 1 month	**-5.82%**
Volatility 3 years	**24.23%**
Fund facts	
UCITS V compliant	**Yes**
Subscription mode	**Cash**
Dividend treatment	**Accumulating**
Dealing frequency	**Daily**
Valuation Time	**17:00 Luxembourg**
Share Class Base Currency	**USD**
Domicile	**Luxembourg**
Inception date	**13 July 2007**
Fund Size	**USD 119,210,775**
Reference benchmark	**100% FTSE MPF Hong Kong**
Managers	**Caroline Yu Maurer**
Fees and expenses	
Minimum initial investment (SG)[1]	**USD 1,000,000**
Maximum initial charge (SG)	**5.000%**
Management fee	**0.750%**
Codes	
ISIN	**LU0164880626**
Bloomberg ticker	**HSBHKIA LX**

[1]Please note that initial minimum subscription may vary across different distributors

Performance is annualised when calculation period is over one year. Past performance does not predict future returns.Fund return: NAV-to-NAV basis. For comparison with benchmark.
Performance numbers shown are before netting off sales / realisation charges.
This is a marketing communication. Please refer to the prospectus and to the KID before making any final investment decisions.
Source: HSBC Asset Management, data as at 31 January 2024

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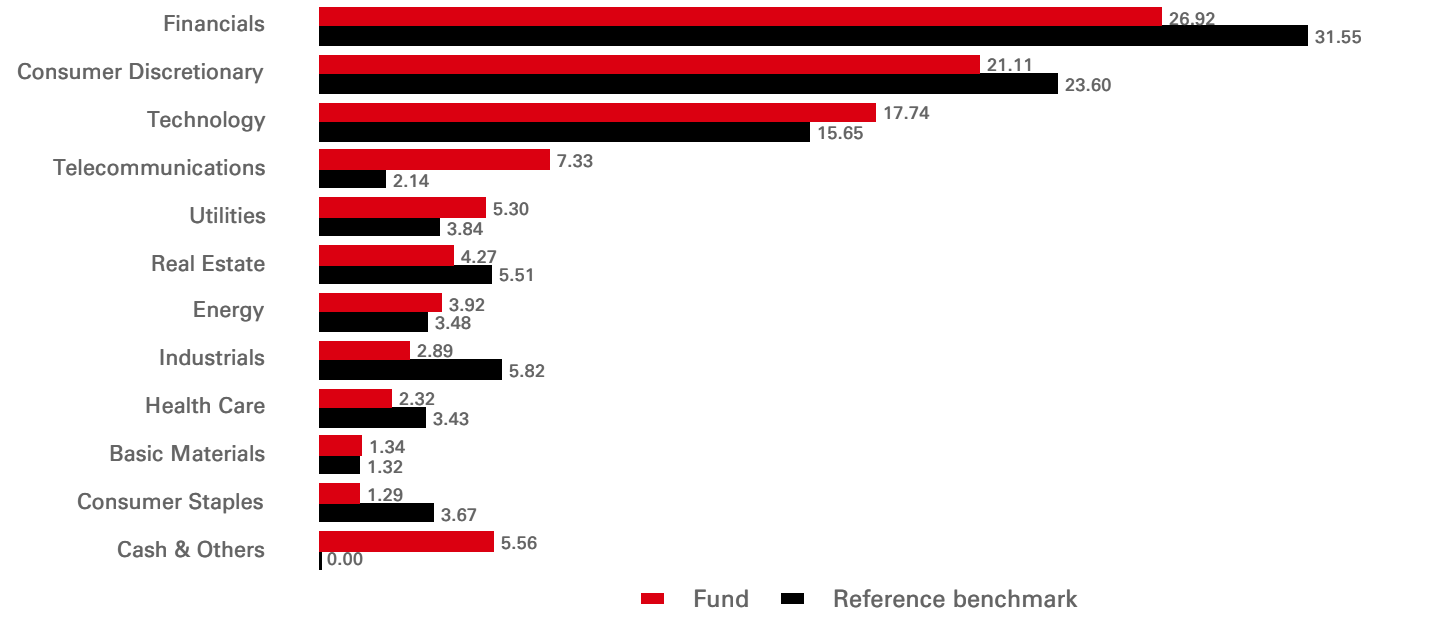
Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann
IC	**-5.82**	**-5.82**	**-5.28**	**-19.42**	**-26.85**	**-18.76**	**-5.95**
Reference benchmark	-10.11	-10.11	-9.74	-23.98	-28.03	-18.63	-7.52

Calendar year performance (%)	2019	2020	2021	2022	2023
IC	**10.47**	**28.58**	**-16.73**	**-15.30**	**-15.84**
Reference benchmark	14.90	12.23	-14.98	-16.03	-11.85

Equity characteristics	Fund	Reference benchmark
No. of holdings ex cash	52	339
Average Market Cap (USD Mil)	121,668	80,732

3-Year Risk Measures	IC	Reference benchmark
Volatility	24.23%	27.35%
Information ratio	-0.03	--
Beta	0.88	--

Sector Allocation (%)



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Top 10 Holdings	Sector	Weight (%)
HSBC Holdings PLC	Financials	9.72
Tencent Holdings Ltd	Technology	9.03
Alibaba Group Holding Ltd	Consumer Discretionary	8.67
China Construction Bank Corp	Financials	7.22
AIA Group Ltd	Financials	4.75
NetEase Inc	Consumer Discretionary	4.72
China Mobile Ltd	Telecommunications	4.55
CNOOC Ltd	Energy	3.92
Taiwan Semiconductor Co Ltd	Technology	3.59
Power Assets Holdings Ltd	Utilities	3.24

Top 10 holdings exclude holdings in cash and cash equivalents and money market funds.

Source: HSBC Asset Management, data as at 31 January 2024

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Monthly performance commentary

Stock selection was negative for the month. Positive performance came from Consumer Discretionary and Telecommunications.

Energy security, CNOOC with total effect 0.70% is the top contributor. Additionally, Telecommunications security, China Mobile was the second largest contributor with total effect 0.53%. Technology security, TSMC also contributed with total effect 0.44%.

On the other side, detractors include Financials security ICBC with total effect -0.21%, Technology holding Lenovo Group with total effect -0.16% and Financials holding Bank of China with total effect -0.15%.

During this period, positions were initiated in Techtronic Industries, Trip.com and Chinasoft International. Positions were closed in CK Asset, China Resources Gas and WuXi XDC.

Sector allocation effects are residual to stock selection. At the sector level, effects were negative, given an overweight exposure to Telecommunications.

The stocks mentioned are for illustrative purposes only and are not investment advice, investments have risks.
Source: HSBC Asset Management, data as at 31 January 2024

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Risk Disclosure

- The Fund may be concentrated in a limited number of securities, economic sectors and/or countries and as a result, may be more volatile and have a greater risk of loss than more broadly diversified funds.
- Investment Leverage occurs when the economic exposure is greater than the amount invested, such as when derivatives are used. A Fund that employs leverage may experience greater gains and/or losses due to the amplification effect from a movement in the price of the reference source.
- Where overseas investments are held the rate of currency exchange may cause the value of such investments to go down as well as up.
- Investment involves risk. Past performance figures shown are not indicative of future performance. Investors should read the prospectus (including the risk warnings) and the product highlights sheets, before investing. Daily price change percentage is based on bid-bid price.

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Glossary

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Benchmark disclosure

The Investment Advisor will use its discretion to invest in securities not included in the reference benchmark based on active investment management strategies and specific investment opportunities. It is foreseen that a significant percentage of the Fund's investments will be components of the reference benchmark. However, their weightings may deviate materially from those of the reference benchmark. Any deviations with respect to the benchmark are monitored within a comprehensive risk framework, which includes monitoring at security and sector level. The deviation of the Fund's performance relative to the benchmark is monitored, but not constrained, to a defined range. The reference benchmark has a high level of concentration. This means that a small number of securities make up a significant proportion of the benchmark.

Source: HSBC Asset Management, data as at 31 January 2024

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Important Information

Performance is annualised when calculation period is over one year. Net of relevant prevailing sales charge on a single pricing (NAV) basis, calculated on the basis that dividends are reinvested.
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This document is for information only and is not an advertisement, investment recommendation, research, or advice. Any views and opinions expressed are subject to change without notice. It does not have regard to the specific investment objectives, financial situation, or needs of any specific person. Investors and potential investors should not invest in the Fund solely based on the information provided in this document and should read the prospectus (including the risk warnings) and the product highlights sheets, which are available upon request at HSBC Global Asset Management (Singapore) Limited ("AMSG") or our authorised distributors, before investing. You should seek advice from a financial adviser. Investment involves risk. Past performance of the managers and the funds, and any forecasts on the economy, stock or bond market, or economic trends that are targeted by the funds, are not indicative of future performance. The value of the units of the funds and income accruing to them, if any, may fall or rise and investor may not get back the original sum invested. Changes in rates of currency exchange may affect significantly the value of the investment. AMSG has based this document on information obtained from sources it reasonably believes to be reliable. However, AMSG does not warrant, guarantee or represent, expressly or by implication, the accuracy, validity or completeness of such information.
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Where the Units are subscribed or purchased under Section 305 of the SFA by a relevant person which is (a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or (b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, the securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferable within 6 months after that corporation or that trust has acquired the Units pursuant to an offer made under Section 305 of the SFA except (1) to an institutional investor or to a relevant person as defined in Section 305(5) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 305A(3)(i)(B) of the SFA; (2) where no consideration is or will be given for the transfer; (3) where the transfer is by operation of law; or (4) as specified in Section 305A(5) of the SFA; (5) The sub-fund uses financial derivative instruments significantly and a significant portion of the sub-fund's payout income are generated from financial derivative strategies, investors should take note of expected risks associated with such strategies and higher volatility in payout income profile.
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Company Registration No. 198602036R
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Source: HSBC Asset Management, data as at 31 January 2024

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Supplemental information sheet

Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann
AC USD	-5.89	-5.89	-5.48	-19.76	-27.47	-19.45	-6.75
AD USD	-5.89	-5.89	-5.48	-19.76	-27.45	-19.45	-6.75
IC USD	-5.82	-5.82	-5.28	-19.42	-26.85	-18.76	-5.95
PD USD	-5.85	-5.85	-5.36	-19.56	-27.08	-19.03	-6.28

Calendar year performance (%)	2019	2020	2021	2022	2023
AC USD	9.53	27.49	-17.43	-16.02	-16.55
AD USD	9.53	27.47	-17.43	-16.02	-16.54
IC USD	10.47	28.58	-16.73	-15.30	-15.84
PD USD	10.07	28.09	-17.01	-15.59	-16.11

Share class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Last Paid Dividend	Annualised Yield based on ex-dividend date
AC	USD	--	--	--	--
AD	USD	Annually	31 May 2023	0.979295	0.99%
IC	USD	--	--	--	--
PD	USD	Annually	31 May 2023	1.528724	1.58%

Share class	Inception date	ISIN	Share Class Base Currency	Minimum Initial Investment	NAV per Share	Management fee	Distribution type
AC	15 October 2003	LU0164880469	USD	USD 5,000	106.87	1.500%	Accumulating
AD	17 December 2002	LU0149721374	USD	USD 5,000	88.08	1.500%	Distributing
IC	13 July 2007	LU0164880626	USD	USD 1,000,000	123.00	0.750%	Accumulating
PD	16 January 1987	LU0011817854	USD	USD 50,000	87.06	1.000%	Distributing

Different classes may have different performances, dividend yields and expense ratios. For hedged classes, the effects of hedging will be reflected in the net asset values of such classes. Expenses arising from hedging transactions may be significant and will be borne by the relevant hedged classes. Hedged class performs the required hedging on a best efforts basis.

Performance is annualised when calculation period is over one year. Past performance does not predict future returns.Fund return: NAV-to-NAV basis. For comparison with benchmark.
Performance numbers shown are before netting off sales / realisation charges.
The above table cites the last dividend paid within the last 12 months only.
Dividend is not guaranteed and may be paid out of capital, which will result in capital erosion and reduction in net asset value. A positive distribution yield does not imply a positive return. Past distribution yields and payments do not represent future distribution yields and payments. Historical payments may comprise of distributed income, capital, or both.
The calculation method of annualised yield prior to August 2019 is the simple yield calculation: (dividend amount / NAV per share or units as of ex-dividend date) x n; The calculation method of annualised yield from August 2019 is the compound yield calculation: ((1 + (dividend amount / ex-dividend NAV))^n)-1, n depends on the distributing frequency. Annually distribution is 1; semi-annually distribution is 2; quarterly distribution is 4; monthly distribution is 12.
The annualised dividend yield is calculated based on the dividend distribution on the relevant date with dividend reinvested, and may be higher or lower than the actual annual dividend yield.
Investors and potential investors should refer to the details on dividend distributions of the Fund, which are available on HSBC Asset Management (Singapore) Limited website.
Source: HSBC Asset Management, data as at 31 January 2024

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