

HSBC Global Investment Funds

EUROLAND VALUE

Monthly report 31 January 2024 | Share class IC



Investment objective

The Fund aims to provide long term capital growth and income by investing in a portfolio of Eurozone 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 most of their business in any European Monetary Union member country. 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 may invest up to 10% in Real Estate Investment Trusts, and may also invest up to 10% in other funds, including HSBC funds. 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.
- Derivatives may be used by the Fund, and these can behave unexpectedly. The pricing and volatility of many derivatives may diverge from strictly reflecting the pricing or volatility of their underlying reference(s), instrument or asset.

Share Class Details

Key metrics

NAV per Share	EUR 63.22
Performance 1 month	0.24%
Volatility 3 years	15.79%

Fund facts

UCITS V compliant	Yes
Dividend treatment	Accumulating
Dealing frequency	Daily
Share Class Base Currency	EUR
Domicile	Luxembourg
Inception date	14 December 2006
Fund Size	EUR 205,672,373
Reference benchmark	100% MSCI EMU Net
Managers	Jeanne Follet Samir Essafri

Fees and expenses

Minimum initial investment (HK) ¹	USD 1,000,000
Maximum initial charge (HK)	5.000%
Management fee	0.750%

Codes

ISIN	LU0165074823
Bloomberg ticker	HSBEICE LX

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

Past performance does not predict future returns. The figures are calculated in the share class base currency, NAV to NAV basis with dividend reinvested, net of fees. If investment performance is not denominated in HKD or USD, HKD or USD based investors are exposed to exchange rate fluctuations. *The fund may pay dividends out of capital or gross of expenses.

Reference Performance Benchmark: MSCI EMU Net since 1 Jan 2015.

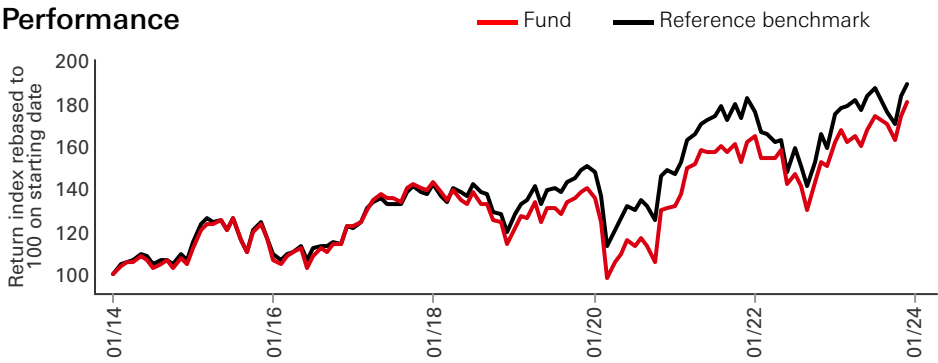
Prior to that, was MSCI EMU Gross.

For definition of terms, please refer to the Glossary QR code.

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

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Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years	5 years
IC	0.24	0.24	10.84	4.00	11.58	37.71	49.51
Reference benchmark	2.17	2.17	13.81	3.28	10.70	31.50	51.62

Calendar year performance (%)	2019	2020	2021	2022	2023
IC	22.37	-6.24	23.55	-7.14	19.90
Reference benchmark	25.47	-1.02	22.16	-12.47	18.78

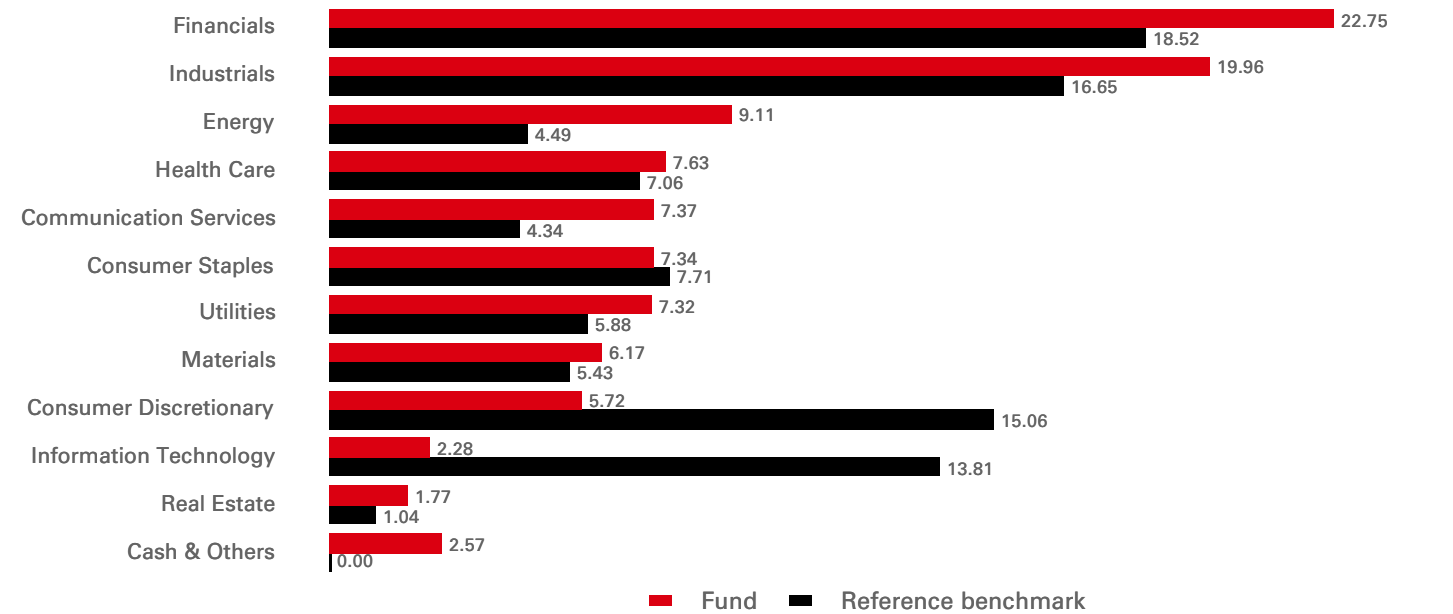
The calendar year return of the first year is calculated between share class inception date and calendar year end of first year if the share class has less than 5-year history. Results are cumulative

Carbon footprint	Fund	Reference benchmark	MSCI ESG Score	ESG score	E	S	G
Carbon intensity emissions	117.69	98.17	Fund	8.0	7.6	5.8	6.1
Carbon Intensity measures the quantity of carbon emission of a company (tonnes CO ₂ e/USD million)			Reference benchmark	7.9	7.2	5.6	6.2

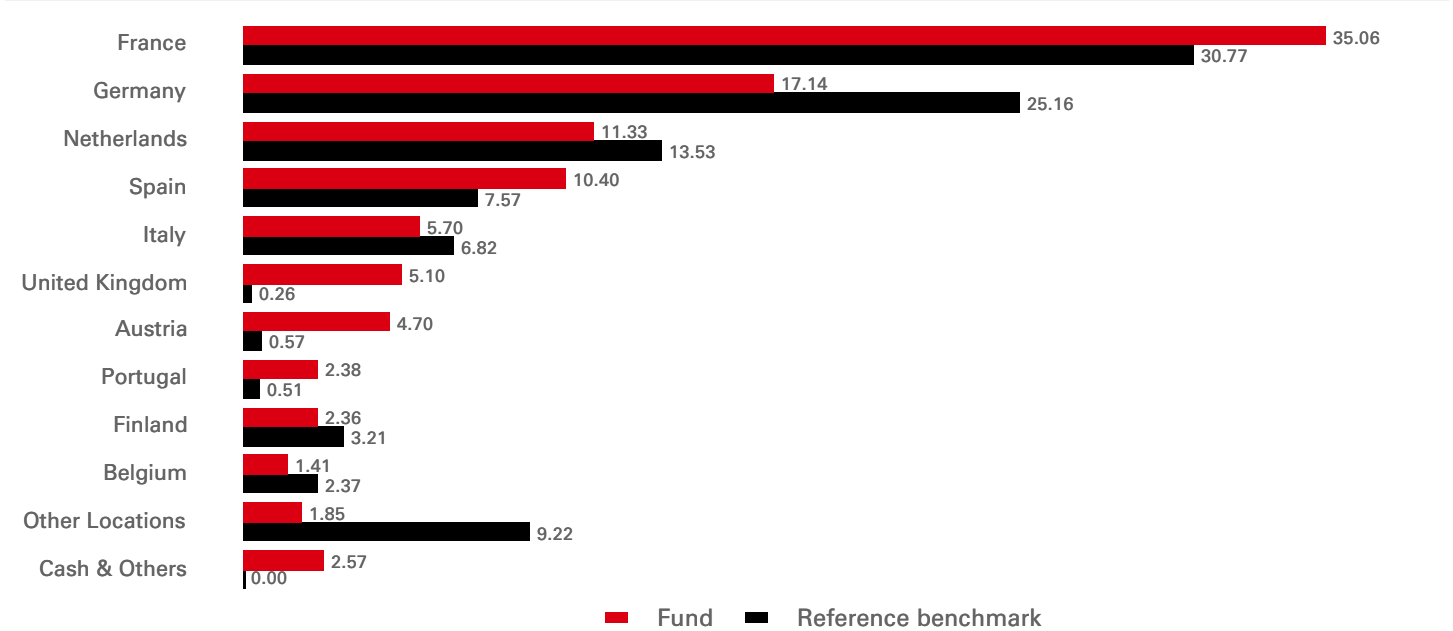
Source of analytics: Trucost

Equity characteristics	Fund	Reference benchmark	3-Year Risk Measures	IC	Reference benchmark
No. of holdings ex cash	51	227	Volatility	15.79%	15.66%
Average Market Cap (EUR Mil)	45,679	97,222	Information ratio	0.26	--
			Beta	0.92	--

Sector Allocation (%)



Geographical Allocation (%)



Top 10 Holdings	Location	Sector	Weight (%)
Allianz SE	Germany	Financials	4.35
TotalEnergies SE	France	Energy	3.72
Iberdrola SA	Spain	Utilities	3.67
AXA SA	France	Financials	3.31
Koninklijke Ahold Delhaize NV	Netherlands	Consumer Staples	2.70
Siemens AG	Germany	Industrials	2.69
Merck KGaA	Germany	Health Care	2.69
Michelin	France	Consumer Discretionary	2.69
ING Groep NV	Netherlands	Financials	2.68
Crh Plc	United Kingdom	Materials	2.66

Monthly performance commentary

Equity markets ended January in positive territory, despite a gloomy economic context and disappointing inflation figures. The quarterly earnings season has begun with overreactions to releases favouring growth stocks, driven by some Tech and Luxury Good heavyweights (ASML, SAP, LVMH). Value stocks significantly lagged.

Our sector biases had a negative impact. The fund was penalised by its underweighting in IT (Semiconductors and IT services) and its overweighting in Consumer Staples Distribution & Retail and Energy. On the other hand, an overweighting in Commercial & Professional Services and an underweighting to Financial Services was a positive.

Stock selection also contributed unfavourably. The strategy took hits in Capital Goods (ACS, Signify) and, to a lesser extent, in the Automobiles and Components (Forvia, Michelin) and Pharmaceuticals (Grifols). Conversely, the following positions flourished: Energy (Galp, OMV), Materials (CRH) and Commercial & Professional Services (Teleperformance, Elis, Relx). We can also highlight strong returns from Publicis, Unicredit, Capgemini and Erste Group.

During the month, we made some adjustments in the portfolio. We continue to prefer companies with adequate ESG practices that are attractively valued in relation to their expected profitability in the business cycle. With this in mind, we reduced our positions in Stellantis, Seb, DHL, Grifols and CRH, and reinforced our positions in Ahold, Merck, Iberdrola, OMV and Michelin.

We maintain our overweighting in Industrials, Energy, Communication Services and Financials; however, we remain underweight in Consumer Discretionary and IT.

HSBC ESG Score	ESG score	E	S	G
Fund	6.2	7.6	5.8	6.1
Reference benchmark	6.2	7.2	5.6	6.2

Risk Disclosure

- 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.
- Further information on the potential risks can be found in the Key Information Document (KID) and/or the Prospectus or Offering Memorandum.

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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 the reference benchmark will not be used as a universe from which to select securities. The deviation of the Fund's performance and underlying investments' weightings relative to the benchmark are monitored, but not constrained, to a defined range.

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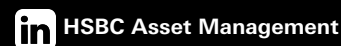
Investors should not invest in the Fund solely based on the information provided in this document and should read the offering document of the Fund for details.

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Website:

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Glossary



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Supplemental information sheet

Share class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Dividend Amount	Annualised Yield based on ex-dividend date
AC	EUR	--	--	--	--
ACHUSD	USD	--	--	--	--
AD	EUR	Annually	31 May 2023	0.653120	1.64%
ADHUSD	USD	Annually	31 May 2023	0.191400	1.51%
IC	EUR	--	--	--	--

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 be comprised of both distributed income and capital.
The calculation method of annualised yield from August 2019 is the compound yield calculation: $((1 + (\text{dividend amount} / \text{ex-dividend NAV}))^n)^{1/n} - 1$, 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.
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