HSBC Asset Management

HSBC Global Investment Funds

EUROLAND EQUITY SMALLER COMPANIES

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 smaller and medium sized companies, that are based in any Eurozone member country. These companies are defined as having a market value of less than EUR 10 billion as well as being constituents of the MSCI EMU SMID Index.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.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.
- Different investment styles typically go in and out of favour depending on market conditions and investor sentiment.

Share Class Details

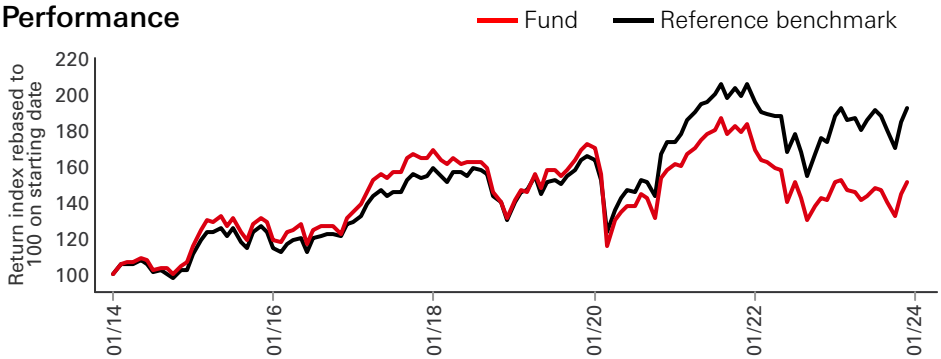
Key metrics	
NAV per Share	**EUR 83.80**
Performance 1 month	**-0.85%**
Volatility 3 years	**15.69%**
Fund facts	
UCITS V compliant	**Yes**
Subscription mode	**Cash**
Dividend treatment	**Accumulating**
Dealing frequency	**Daily**
Valuation Time	**17:00 Luxembourg**
Share Class Base Currency	**EUR**
Domicile	**Luxembourg**
Inception date	**1 August 2006**
Fund Size	**EUR 101,316,342**
Reference benchmark	**100% SCI EMU SMID**
Managers	**Eve Navarre**
Fees and expenses	
Minimum initial investment (SG)[1]	**USD 1,000,000**
Maximum initial charge (SG)	**5.000%**
Management fee	**0.750%**
Codes	
ISIN	**LU0165074070**
Bloomberg ticker	**HSBESIC 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

For institutional and accredited investors use only. Not for further distribution.

Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann
IC	**-0.85**	**-0.85**	**13.42**	**1.32**	**-0.89**	**-2.35**	**1.30**
Reference benchmark	-0.06	-0.06	12.40	0.15	1.74	3.35	6.38

Calendar year performance (%)	2019	2020	2021	2022	2023
IC	**31.04**	**-8.27**	**16.24**	**-22.87**	**6.84**
Reference benchmark	27.34	4.36	18.94	-15.99	10.78

Carbon footprint	Fund	Reference benchmark
Carbon intensity emissions	66.16	141.07

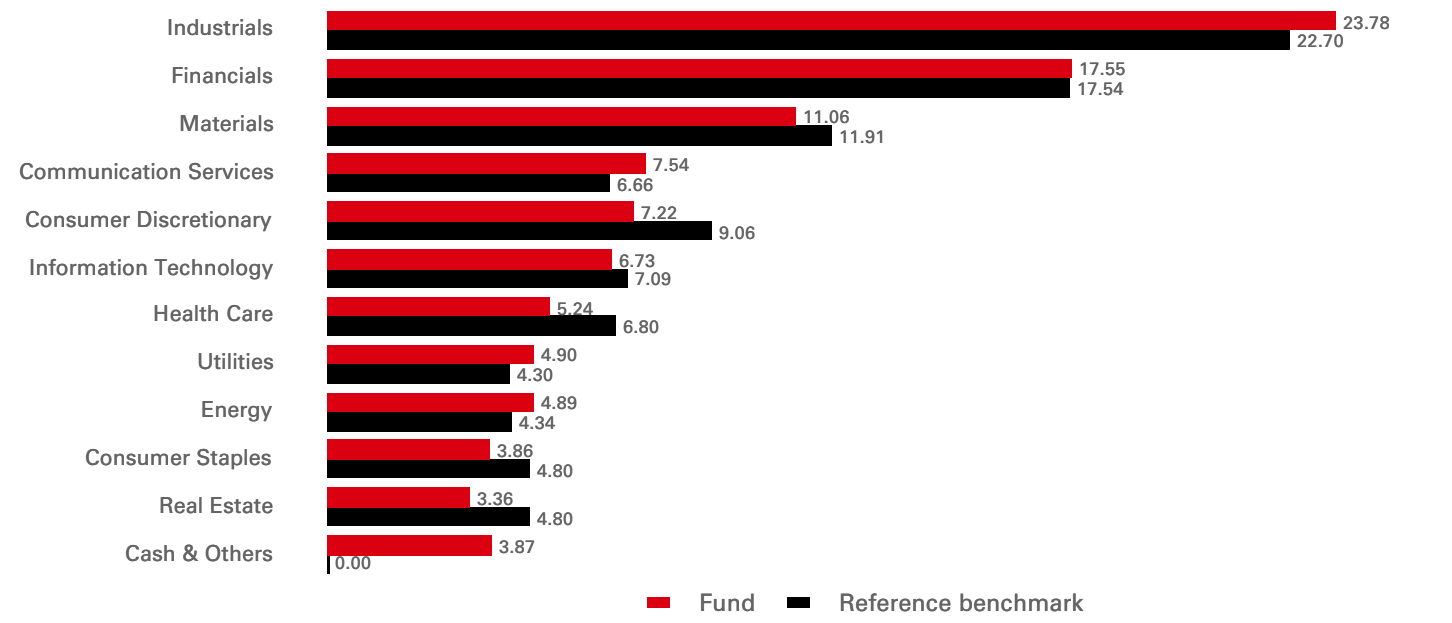
Carbon Intensity measures the quantity of carbon emission of a company (tonnes CO^2e/USD million)
Source of analytics: Trucost

MSCI ESG Score	ESG score	E	S	G
Fund	7.5	7.0	5.1	6.8
Reference benchmark	7.3	6.6	5.1	6.5

Equity characteristics	Fund	Reference benchmark
No. of holdings ex cash	59	531
Average Market Cap (EUR Mil)	8,648	8,740

3-Year Risk Measures	IC	Reference benchmark
Volatility	15.69%	15.50%
Information ratio	-1.41	--
Beta	0.98	--

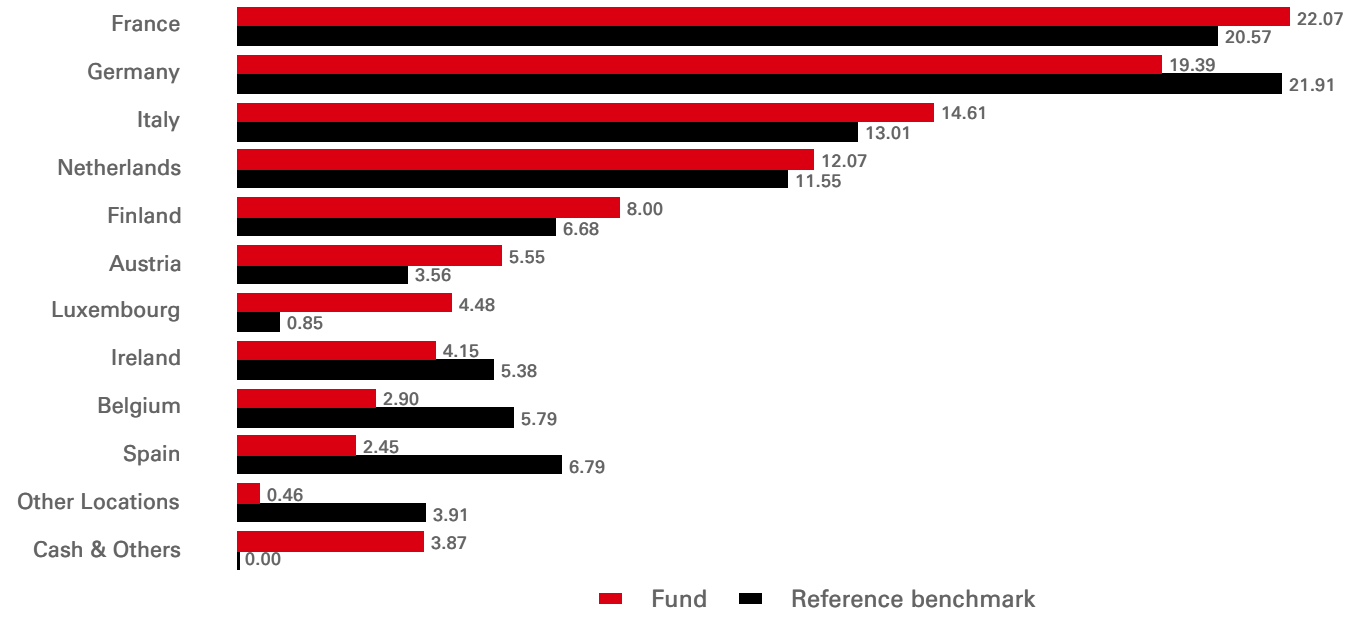
Sector Allocation (%)



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

For institutional and accredited investors use only. Not for further distribution.

Geographical Allocation (%)



Top 10 Holdings	Location	Sector	Weight (%)
ASM International NV	Netherlands	Information Technology	3.71
Symrise AG	Germany	Materials	3.38
Euronext NV	Netherlands	Financials	3.31
Brenntag SE	Germany	Industrials	3.29
Eurofins Scientific SE	Luxembourg	Health Care	2.99
FinecoBank Banca Fineco SpA	Italy	Financials	2.94
Kingspan Group PLC	Ireland	Industrials	2.89
Publicis Groupe SA	France	Communication Services	2.81
Sodexo SA	France	Consumer Discretionary	2.63
Tenaris SA	Italy	Energy	2.44

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

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

For institutional and accredited investors use only. Not for further distribution.

Monthly performance commentary

Performance attribution

Stock-picking weighed on the fund's performance, while sector allocation contributed positively.
Looking at the fund's sector mix, our under-exposure to real estate and over-exposure to media and business services contributed to relative performance during the period.

Conversely, leading detractors included renewable energy producers Encavis (Germany), down almost 17% during the month, and Acciona Energia (Spain), which fell more than 14%. These companies are seeing their growth outlook negatively impacted by declining gas and electricity prices.

Detractors also included Aperam (Materials, France), down by almost 13% over the period. The company issued very cautious statements during its January conferences, raising investors' fears of persisting weakness in the first months of 2024.

ASM International (Semiconductors, Netherlands), which rose almost 10% over the period, ranked among the fund's top contributors to performance. The stock rose on the back of robust earnings and guidance publications of ASML and was supported by the investment plans announced by TSMC.

Investment policy

During the month we introduced a new position in Unibail (Real Estate, France). We believe that the company's operating performances remain robust in a normalised environment; the balance sheet is improving, and the stock is trading at an attractive price.

We also took some profits on Ipsos and ASM International following their strong run.

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

For institutional and accredited investors use only. Not for further distribution.

Risk Disclosure

- 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.
- 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.
- 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.

Follow us on:
HSBC Asset Management

Glossary

Index Disclaimer

Source: MSCI. The MSCI information may only be used for your internal use, may not be reproduced or redisseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com)

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 relative to the benchmark is monitored, but not constrained, to a defined range.

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

For institutional and accredited investors use only. Not for further distribution.

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.
This document does not constitute an offering document and should not be construed as a recommendation, an offer to sell or the solicitation of an offer to purchase or subscribe to any investment.
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.
This document and any other document or material issued in connection with the offer or sale is not a prospectus as defined in the Securities and Futures Act, Chapter 289 of Singapore ("SFA") and has not been registered as a prospectus with the Monetary Authority of Singapore (the "MAS"). Accordingly, statutory liability under the SFA in relation to the content of prospectuses does not apply. You should consider carefully whether the investment is suitable for you. The offer or invitation of the Units, which is the subject of this document, does not relate to a collective investment scheme which is authorised by the MAS under Section 286 of the SFA or recognised by the MAS under Section 287 of the SFA and the Units are not allowed to be offered to the retail public.
No document or material in connection with the offer or sale of the Units may be circulated or distributed, nor may the Units be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor pursuant to Section 304 of the SFA, in accordance with the conditions specified in that section, (ii) to a relevant person pursuant to Section 305(1), or any person pursuant to Section 305(2), and in accordance with the conditions specified in Section 305 of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.
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.
HSBC Global Asset Management (Singapore) Limited
10 Marina Boulevard, Marina Bay Financial Centre, Tower 2, #48-01, Singapore 018983
Telephone: (65) 6658 2900 Facsimile: (65) 6225 4324
Website: www.assetmanagement.hsbc.com/sg
Company Registration No. 198602036R
Should there be any discrepancy, the English version shall prevail. This advertisement or publication has not been reviewed by the Monetary Authority of Singapore.

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

For institutional and accredited investors use only. Not for further distribution.

Supplemental information sheet

Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann
AC EUR	-0.92	-0.92	13.18	0.88	-1.73	-3.17	0.45
AC USD	--	--	--	--	--	--	--
ACHUSD USD	-0.79	-0.79	13.77	1.89	0.47	-1.01	2.67
AD SGD	--	--	--	--	--	--	--
AD USD	--	--	--	--	--	--	--
IC EUR	-0.85	-0.85	13.42	1.32	-0.89	-2.35	1.30

Calendar year performance (%)	2019	2020	2021	2022	2023
AC EUR	29.93	-9.05	15.26	-23.52	5.94
AC USD	--	--	--	--	--
ACHUSD USD	33.60	-7.49	16.29	-20.91	8.47
AD SGD	--	--	--	--	--
AD USD	--	--	--	--	--
IC EUR	31.04	-8.27	16.24	-22.87	6.84

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

For institutional and accredited investors use only. Not for further distribution.

Supplemental information sheet

Share class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Last Paid Dividend	Annualised Yield based on ex-dividend date
AC	EUR	--	--	--	--
ACHUSD	USD	--	--	--	--
AD	EUR	Annually	31 May 2023	0.722011	1.13%
IC	EUR	--	--	--	--

Share class	Inception date	ISIN	Share Class Base Currency	Minimum Initial Investment	NAV per Share	Management fee	Distribution type
AC	12 May 2003	LU0165073775	EUR	USD 5,000	72.20	1.500%	Accumulating
ACHUSD	31 March 2016	LU1050473120	USD	USD 5,000	13.24	1.500%	Accumulating
AD	7 April 2003	LU0165073858	EUR	USD 5,000	67.56	1.500%	Distributing
IC	1 August 2006	LU0165074070	EUR	USD 1,000,000	83.80	0.750%	Accumulating

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.

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

For institutional and accredited investors use only. Not for further distribution.