HSBC Asset Management

HSBC Global Investment Funds

ASIA PACIFIC EX JAPAN EQUITY HIGH DIVIDEND

Monthly report 31 January 2024 | Share class IC

Fund center

Investment objective

The Fund aims to provide capital growth and income by investing in a portfolio of Asia-Pacific (excluding Japan) shares, while promoting environmental, social and governance (ESG) characteristics. The Fund aims to create a portfolio that has a dividend yield above its reference benchmark. 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, Asia-Pacific (excluding Japan) region. The fund invests in both developed markets and emerging markets. 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. The Fund can invest up to 50% in China A and China B-shares. The Fund may invest up to 10% in other funds and up to 10% in 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.

Share Class Details

Key metrics

NAV per Share	**USD 28.57**
Performance 1 month	**-4.03%**
Volatility 3 years	**17.04%**

Fund facts

UCITS V compliant	**Yes**
Dividend treatment	**Accumulating**
Dealing frequency	**Daily**
Share Class Base Currency	**USD**
Domicile	**Luxembourg**
Inception date	**25 September 2009**
Fund Size	**USD 297,126,121**
Reference benchmark	**100% MSCI AC Asia Pacific ex Japan**
Managers	**Sanjiv Duggal Nilang Mehta Tian Chen**

Fees and expenses

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

Codes

ISIN	**LU0197774135**
Bloomberg ticker	**HSASPIA LX**

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

Performance
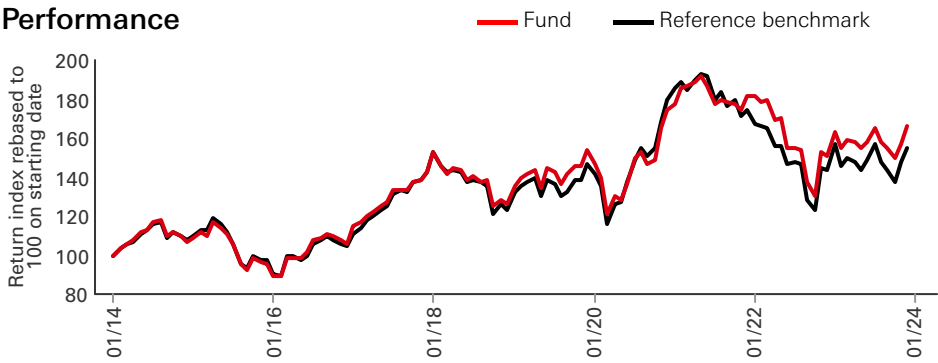
Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years	5 years
IC	**-4.03**	**-4.03**	**6.55**	**-3.25**	**-2.34**	**-10.24**	**17.58**
Reference benchmark	-4.79	-4.79	7.05	-6.18	-5.90	-20.86	11.40

Calendar year performance (%)	2019	2020	2021	2022	2023
IC	**21.55**	**13.15**	**4.37**	**-17.04**	**10.16**
Reference benchmark	19.16	22.44	-2.90	-17.48	7.36

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.
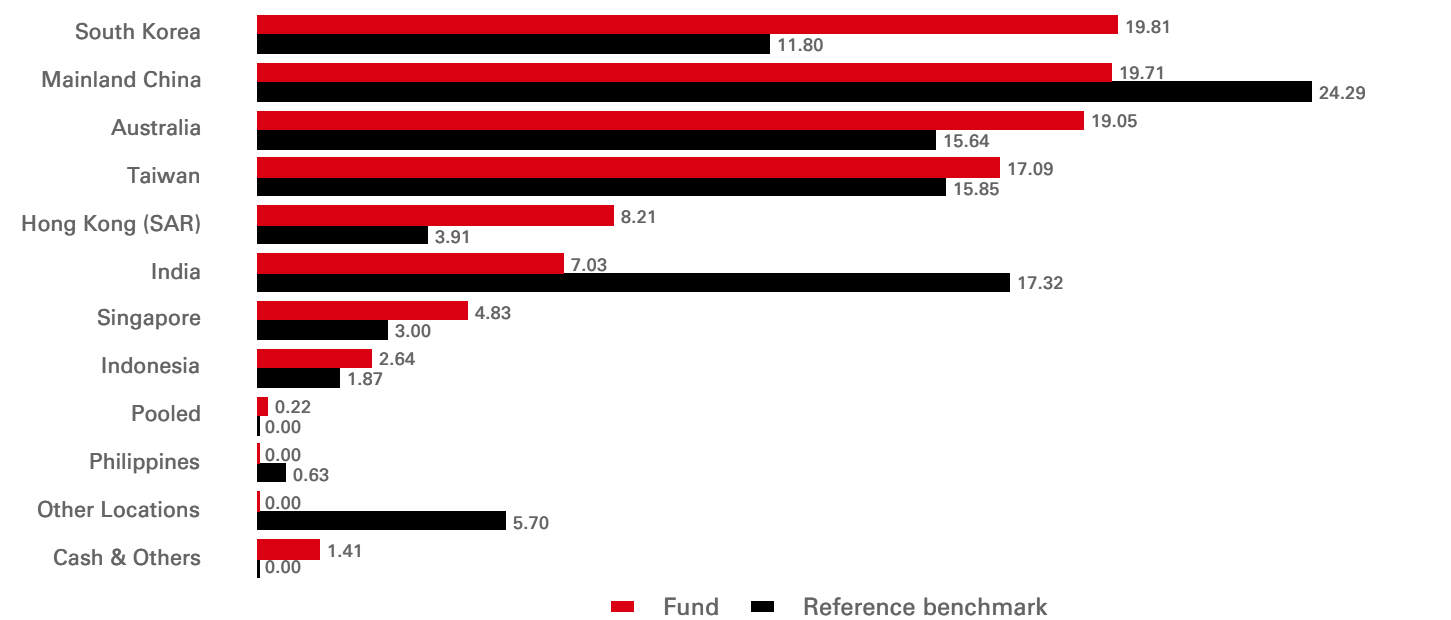Results are cumulative

Equity characteristics	Fund	Reference benchmark
No. of holdings ex cash	36	1,312
Average Market Cap (USD Mil)	93,822	100,024

3-Year Risk Measures	IC	Reference benchmark
Volatility	17.04%	18.27%
Information ratio	0.68	--
Beta	0.88	--

Sector Allocation (%)

Sector	Fund	Reference benchmark
Information Technology	27.02	21.53
Financials	23.20	23.19
Communication Services	14.73	7.99
Consumer Staples	10.05	4.60
Materials	7.15	8.13
Industrials	6.72	7.22
Energy	4.27	4.30
Consumer Discretionary	2.84	11.93
Real Estate	1.21	3.43
Utilities	1.18	2.62
Pooled	0.22	0.00
Health Care	0.00	5.05
Cash & Others	1.41	0.00
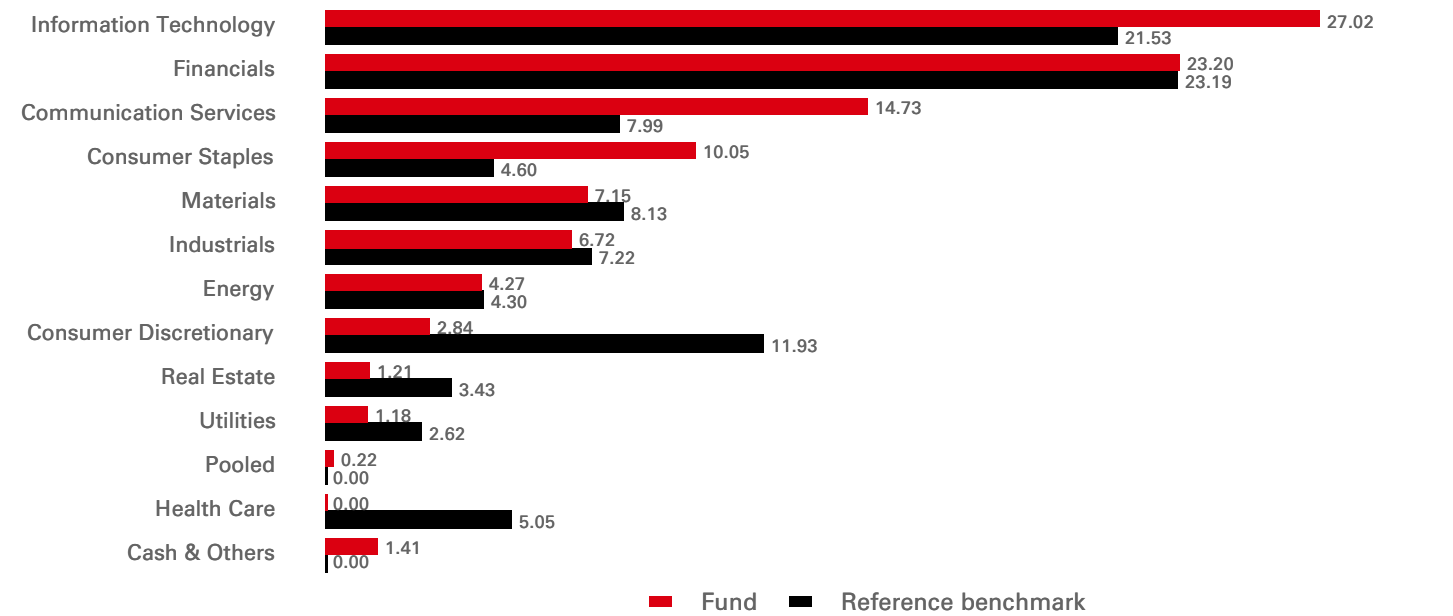
Geographical Allocation (%)

Location	Fund	Reference benchmark
South Korea	19.81	11.80
Mainland China	19.71	24.29
Australia	19.05	15.64
Taiwan	17.09	15.85
Hong Kong (SAR)	8.21	3.91
India	7.03	17.32
Singapore	4.83	3.00
Indonesia	2.64	1.87
Pooled	0.22	0.00
Philippines	0.00	0.63
Other Locations	0.00	5.70
Cash & Others	1.41	0.00

■ Fund ■ Reference benchmark

Top 10 Holdings	Location	Sector	Weight (%)
Taiwan Semiconductor Co Ltd	Taiwan	Information Technology	9.05
Samsung Electronics Co Ltd	South Korea	Information Technology	7.37
Santos Ltd	Australia	Energy	4.27
Baidu Inc	Mainland China	Communication Services	4.27
SK Square Co Ltd	South Korea	Industrials	4.10
L'Occitane International SA	Hong Kong (SAR)	Consumer Staples	3.91
Telstra Corp Ltd	Australia	Communication Services	3.86
PING AN	Mainland China	Financials	3.85
South32 Ltd	Australia	Materials	3.81
TINGYI	Mainland China	Consumer Staples	3.78

Monthly performance commentary

At sector level, stock selection was positive for the month. Positive performance came from Information Technology and Materials, though this was offset by negative stock selection in Financials and Energy.

At geography level, stock selection was positive for the month. Positive performance came from Korea and Hong Kong (SAR), though this was offset by negative stock selection in mainland China and India.

Hong Kong (SAR) Consumer Staples security, LOCCITANE INTERNATIONAL SA with total effect 0.60% is the top contributor. Additionally, Taiwan Information Technology security, TAIWAN SEMICONDUCTOR CO LTD was the second largest contributor with total effect 0.27%. Korean Financials security, HYUNDAI MARINE & FIRE INS CO also contributed with total effect 0.24%.

On the other side, detractors included mainland China Consumer Staples security TINGYI (CAYMAN ISLN) HLDG CO with total effect -0.58%, mainland China Consumer Staples holding, UNI-PRESIDENT CHINA HOLDINGS with total effect -0.46%, and mainland China Communication Services holding, BAIDU INC-CLASS A with total effect -0.32%.

During this period, positions were initiated in UNIMICRON TECHNOLOGY CORP, ASIA VITAL COMPONENTS, and SAMSUNG FIRE & MARINE INS. Positions were closed in CHINA CONSTRUCTION BANK-H.

Sector and Geography allocation effects are residual to stock selection. At a geography level, effects were positive, given an overweight exposure to Korea. At sector level, effects were positive, given an overweight exposure to Communication Services.

Risk Disclosure

- Different investment styles typically go in and out of favour depending on market conditions and investor sentiment.
- 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.
- Where overseas investments are held the rate of currency exchange may cause the value of such investments to go down as well as up.
- 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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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 issuer, sector and country level. The deviation of the Fund's performance relative to the benchmark is monitored, but not constrained, to a defined range.

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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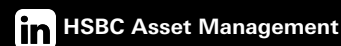
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Supplemental information sheet

Share class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Dividend Amount	Annualised Yield based on ex-dividend date
AC	USD	--	--	--	--
AM2	USD	Monthly	31 January 2024	0.026906	3.81%
AM2	USD	Monthly	28 December 2023	0.027586	3.73%
AM2	USD	Monthly	30 November 2023	0.027085	3.86%
AM2	USD	Monthly	31 October 2023	0.027883	4.16%
AM2	USD	Monthly	27 September 2023	0.028977	4.20%
AM2	USD	Monthly	30 August 2023	0.031802	4.46%
AM2	USD	Monthly	27 July 2023	0.029703	4.01%
AM2	USD	Monthly	27 June 2023	0.031003	4.29%
AM2	USD	Monthly	31 May 2023	0.032899	4.66%
AM2	USD	Monthly	28 April 2023	0.032428	4.49%
AM2	USD	Monthly	29 March 2023	0.033259	4.55%
AM2	USD	Monthly	28 February 2023	0.034115	4.76%
AM2HKD	HKD	Monthly	31 January 2024	0.027026	3.80%
AM2HKD	HKD	Monthly	28 December 2023	0.027714	3.73%
AM2HKD	HKD	Monthly	30 November 2023	0.027260	3.86%
AM2HKD	HKD	Monthly	31 October 2023	0.028092	4.17%
AM2HKD	HKD	Monthly	27 September 2023	0.029230	4.21%
AM2HKD	HKD	Monthly	30 August 2023	0.031903	4.43%
AM2HKD	HKD	Monthly	27 July 2023	0.029943	4.02%
AM2HKD	HKD	Monthly	27 June 2023	0.031221	4.29%
AM2HKD	HKD	Monthly	31 May 2023	0.033223	4.67%
AM2HKD	HKD	Monthly	28 April 2023	0.032745	4.49%
AM2HKD	HKD	Monthly	29 March 2023	0.033584	4.55%
AM2HKD	HKD	Monthly	28 February 2023	0.034401	4.75%
AM3ORMB	CNH	Monthly	31 January 2024	0.004123	0.62%
AM3ORMB	CNH	Monthly	28 December 2023	0.005783	0.83%
AM3ORMB	CNH	Monthly	30 November 2023	0.014267	2.17%
AM3ORMB	CNH	Monthly	31 October 2023	0.017758	2.83%
AM3ORMB	CNH	Monthly	27 September 2023	0.010115	1.56%
AM3ORMB	CNH	Monthly	30 August 2023	0.006276	0.93%
AM3ORMB	CNH	Monthly	27 July 2023	0.006909	0.99%
AM3ORMB	CNH	Monthly	27 June 2023	0.010422	1.53%
AM3ORMB	CNH	Monthly	31 May 2023	0.010417	1.56%
AM3ORMB	CNH	Monthly	28 April 2023	0.008180	1.20%
AM3ORMB	CNH	Monthly	29 March 2023	0.014577	2.12%
AM3ORMB	CNH	Monthly	28 February 2023	0.015059	2.23%
AS	USD	Semi-Annually	31 January 2024	0.086640	0.90%
AS	USD	Semi-Annually	27 July 2023	0.252716	2.54%
IC	USD	--	--	--	--
ZM2	USD	Monthly	28 December 2023	0.026270	3.73%
ZM2	USD	Monthly	30 November 2023	0.025758	3.85%
ZM2	USD	Monthly	31 October 2023	0.026478	4.16%
ZM2	USD	Monthly	27 September 2023	0.027481	4.19%
ZM2	USD	Monthly	30 August 2023	0.030120	4.46%
ZM2	USD	Monthly	27 July 2023	0.028090	4.00%

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 + (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.
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ZM2	USD	Monthly	27 June 2023	0.029279	4.29%
ZM2	USD	Monthly	31 May 2023	0.031026	4.65%
ZM2	USD	Monthly	28 April 2023	0.030540	4.48%
ZM2	USD	Monthly	29 March 2023	0.031280	4.55%
ZM2	USD	Monthly	28 February 2023	0.032042	4.75%

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