

## HSBC Global Investment Funds

# GLOBAL EMERGING MARKETS LOCAL DEBT

Monthly report 31 January 2024 | Share class ICEUR



### Investment objective

The Fund aims to provide capital growth and income by investing in a portfolio of emerging market bonds (denominated in local currencies).



### Investment strategy

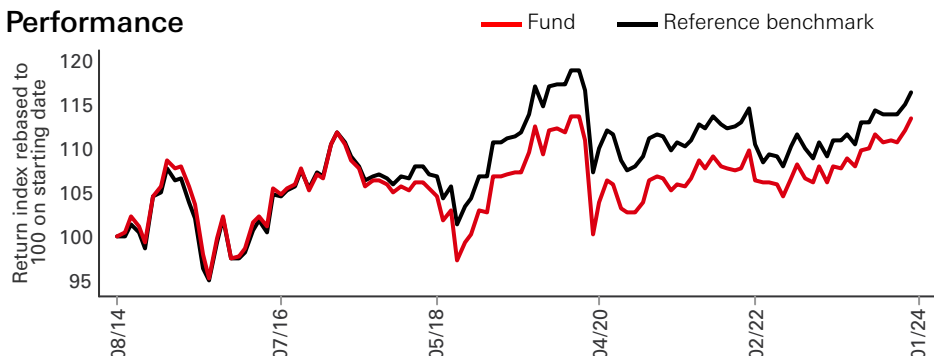
The Fund is actively managed. In normal market conditions, the Fund will primarily invest its assets in investment grade bonds and non-investment grade bonds issued by governments, government-related entities, supranational entities and companies that are based in emerging markets, as well as currency forwards and non-deliverable forwards. The Fund may invest up to 10% in onshore Chinese bonds which are issued within the People's Republic of China and traded on the China Interbank Bond Market. The Fund may invest up to 10% in convertible bonds, up to 10% in other funds and up to 10% in total return swaps. The Fund's primary currency exposure is to US dollars and currencies of other OECD (Organisation for Economic Co-operation and Development) countries. 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 Fund invests in bonds whose value generally falls when interest rates rise. This risk is typically greater the longer the maturity of a bond investment and the higher its credit quality. The issuers of certain bonds, could become unwilling or unable to make payments on their bonds and default. Bonds that are in default may become hard to sell or worthless.
- 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	EUR 11.58
Performance 1 month	0.23%
Yield to maturity	7.69%

#### Fund facts

UCITS V compliant	Yes
Dividend treatment	Accumulating
Dealing frequency	Daily
Valuation Time	17:00 Luxembourg
Share Class Base Currency	EUR
Domicile	Luxembourg
Inception date	5 August 2014
Fund Size	USD 931,614,563
Reference benchmark	50% JP Morgan Emerging Local Market Index+ 50% JP Morgan Government Bond Index Emerging Market Global Diversified

Managers	Hugo Novaro Tadashi Sueyoshi
----------	---------------------------------

#### Fees and expenses

Minimum Initial Investment	USD 1,000,000
Ongoing Charge Figure <sup>1</sup>	0.875%

#### Codes

ISIN	LU0551371700
Valoren	11892024
Bloomberg ticker	HGEMLDI LX

<sup>1</sup>Ongoing Charges Figure is based on expenses over a year. The figure includes annual management charge but not the transaction costs. Such figures may vary from time to time.

Past performance does not predict future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.

This is a marketing communication. Please refer to the prospectus and to the KID before making any final investment decisions.

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

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

Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	10 years ann	Since inception ann
ICEUR	0.23	0.23	2.87	1.99	5.28	2.21	1.29	--	1.58
Reference benchmark	0.19	0.19	2.50	2.02	5.11	1.54	1.05	--	1.87

Rolling Performance (%)	31/01/23-31/01/24	31/01/22-31/01/23	31/01/21-31/01/22	31/01/20-31/01/21	31/01/19-31/01/20	31/01/18-31/01/19	31/01/17-31/01/18	31/01/16-31/01/17	31/01/15-31/01/16	31/01/14-31/01/15
ICEUR	5.28	-1.50	2.97	-6.19	6.43	1.38	-1.21	9.15	-6.54	--
Reference benchmark	5.11	-3.14	2.84	-6.23	7.30	3.81	-0.07	9.52	-6.73	--

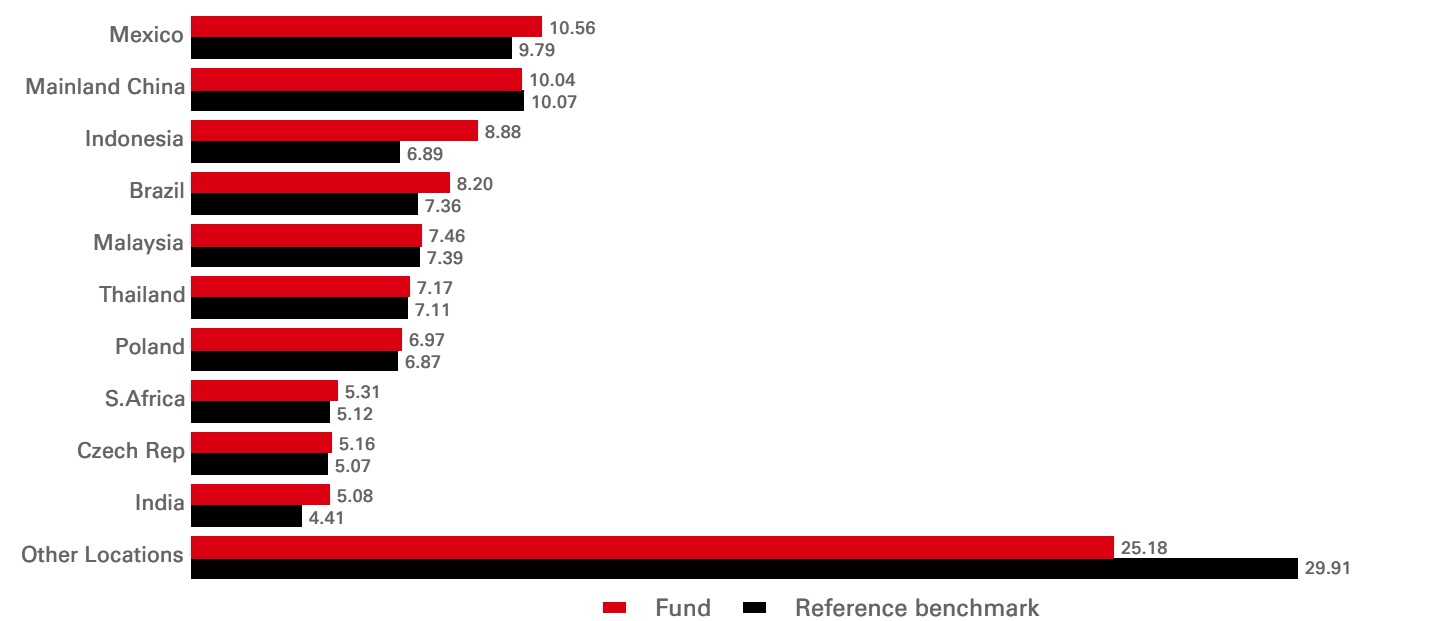
3-Year Risk Measures	ICEUR	Reference benchmark	5-Year Risk Measures	ICEUR	Reference benchmark
Volatility	4.05%	4.41%	Volatility	6.53%	5.85%
Sharpe ratio	0.29	0.12	Sharpe ratio	0.13	0.10
Tracking error	1.31%	--	Tracking error	1.60%	--
Information ratio	0.51	--	Information ratio	0.15	--

Fixed Income Characteristics	Fund	Reference benchmark	Relative
No. of holdings ex cash	75	347	--
Average coupon rate	3.08	2.64	0.44
Yield to worst	7.69%	8.78%	-1.09%
Option Adjusted Duration	2.67	2.52	0.16
Modified Duration to Worst	2.63	2.47	0.15
Option Adjusted Spread Duration	-0.09	0.00	-0.09
Average maturity	3.86	3.52	0.34
Rating average	A/A-	AA-/A+	--

Credit rating (%)	Fund	Reference benchmark	Relative	Maturity Breakdown (%)	Fund	Reference benchmark	Relative
AAA	0.63	--	0.63	0-2 years	57.74	58.10	-0.36
AA	2.47	3.11	-0.63	2-5 years	12.14	15.93	-3.79
A	11.18	15.81	-4.62	5-10 years	14.11	15.34	-1.23
BBB	22.00	20.52	1.48	10+ years	16.01	10.63	5.37
BB	19.50	9.42	10.08				
B	0.48	0.91	-0.43				
NR	--	0.24	-0.24				
Cash	44.38	50.00	-5.62				
Cash Offset	-0.64	--	-0.64				

Currency Allocation (%)	Fund	Reference benchmark	Relative
CNY	10.04	10.07	-0.04
MXN	9.85	9.79	0.07
IDR	8.88	6.89	1.99
MYR	7.46	7.39	0.06
BRL	7.37	7.36	0.01
THB	7.17	7.11	0.06
PLN	6.97	6.87	0.10
ZAR	5.31	5.12	0.19
CZK	5.16	5.07	0.09
KRW	4.89	4.91	-0.02
Other Currencies	26.91	29.42	-2.51

Geographical Allocation (%)



Sector Allocation (%)	Fund	Reference benchmark	Relative
Government	56.25	50.00	6.25
Over The counter	0.00	--	0.00
Cash	44.38	50.00	-5.62
Cash Offset	-0.64	--	-0.64

Top 10 Holdings	Weight (%)
BRAZIL-LTN 0.000 01/04/24	6.40
BRAZIL-LTN 0.000 01/07/24	2.41
BRAZIL NTN-F 10.000 01/01/29	2.36
MEXICAN BONOS 8.500 18/11/38	2.32
INDONESIA GOV'T 7.500 15/06/35	2.10
ROMANIA GOVT 5.800 26/07/27	2.00
POLAND GOVT BOND 0.250 25/10/26	1.84
REP SOUTH AFRICA 9.000 31/01/40	1.79
MEXICAN BONOS 5.000 06/03/25	1.76
BRAZIL NTN-F 10.000 01/01/33	1.67

## 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.
- 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.

## Index Disclaimer

Information has been obtained from sources believed to be reliable but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 2024, J.P. Morgan Chase & Co. All rights reserved.

## 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. The deviation of the Fund's performance and underlying investments' weightings relative to the benchmark are monitored, but not constrained, to a defined range.

## Important Information

The material contained herein is for marketing purposes and is for your information only. This document is not contractually binding nor are we required to provide this to you by any legislative provision. It does not constitute legal, tax or investment advice or a recommendation to any reader of this material to buy or sell investments. You must not, therefore, rely on the content of this document when making any investment decisions.

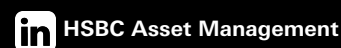
This document has no contractual value and is not by any means intended as a solicitation, nor a recommendation for the purchase or sale of any financial instrument. (Potential) investors are kindly asked to consult the latest issued Key Information Document (KID), prospectus, articles of incorporation and the (semi-)annual report of the fund which may be obtained free of charge at the head office of the representative: HSBC Asset Management (Switzerland) AG, Gartenstrasse 26, Postfach, CH-8002 Zürich, Schweiz. Paying agent: HSBC Private Bank (Suisse) S.A., Quai des Bergues 9-17, P. O. Box 2888, CH-1211 Geneva 1. Investors and potential investors should read and note the risk warnings in the prospectus and relevant KID. Before subscription, investors should refer to the prospectus for general risk factors and to the KID for specific risk factors associated with this fund. Issue and redemption expenses are not taken into consideration in the calculation of performance data.

The presented fund is authorised for distribution in Switzerland in the meaning of Art. 120 CISA.

The fund presented in this document is a sub-fund of HSBC Global Investment Funds, an investment company constituted as a société à capital variable domiciled in Luxembourg. The shares in HSBC Global Investment Funds have not been and will not be registered under the US Securities Act of 1933 and will not be sold or offered in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or to United States Persons. Further Information can be found in the prospectus.

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

Follow us on:



For more information please contact us at Tel: +41 (0) 44 206 26 00.

Website:

[www.assetmanagement.hsbc.com/ch](http://www.assetmanagement.hsbc.com/ch)

### Glossary

