

HSBC Global Investment Funds

ASIA ESG BOND

Monthly report 31 January 2024 | Share class XCOEUR



Investment objective

The Fund aims to provide long term capital growth and income by investing in a portfolio of Asian bonds, while promoting environmental, social and governance (ESG) characteristics. The Fund also aims to achieve a higher ESG rating than the weighted average of the constituents of its reference benchmark. The Fund qualifies under Article 8 of SFDR.



Investment strategy

The Fund is actively managed.

The Fund will invest at least 90% in investment grade and non-Investment grade bonds and unrated bonds and other similar securities issued by governments, government-related entities and supranational entities and companies that are based in Asia and will invest at least 70% in bonds and securities issued by issuers meeting certain ESG rating and lower carbon intensity criteria.

The ESG and lower carbon criteria may include the exclusion of companies such as weapons and tobacco.

The Fund invests mostly in bonds which are denominated in US dollars; 10% in securities issued by a single sovereign issuer with credit rating below investment grade; 10% in other funds.

The Fund may invest up to: 30% in onshore Chinese bonds; 10% in convertible bonds; 10% in contingent convertible securities; 10% in asset backed securities and mortgage-backed securities; and can invest in bank deposits, money market instruments.

See the Prospectus for a full description of the investment objectives and derivative usage.



Main risks

- 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.
- 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 8.87
Performance 1 month	-0.05%
Yield to maturity	6.06%

Fund facts

UCITS V compliant	Yes
UK reporting fund status (UKRS)	Yes
ISA eligible	No
Dividend treatment	Accumulating
Dealing frequency	Daily
Valuation time	17:00 Luxembourg
Share class base currency	EUR
Domicile	Luxembourg
Inception date	19 January 2022
Fund size	USD 25,859,625
Managers	Alfred Mui Wilson Yip

Fees and expenses

Minimum initial investment ¹	USD 10,000,000
Ongoing charge figure ²	0.554%

Codes

ISIN	LU2423948525
Bloomberg ticker	HSAEBXO LX
SEDOL	BPK8Z36

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

²Ongoing 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.

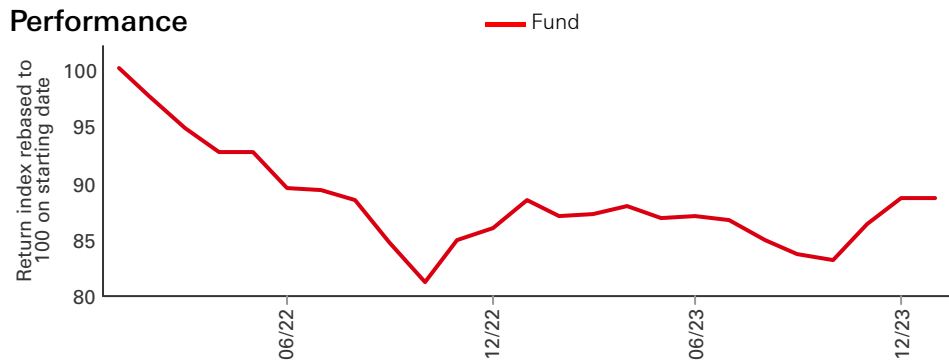
Past performance does not predict future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.

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



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	Since inception ann
XCOEUR	-0.05	-0.05	6.65	2.32	0.14	--	--	-5.72

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
XCOEUR	0.14	-11.52	--	--	--

Carbon footprint	Fund	Reference benchmark	MSCI ESG Score	ESG score	E	S	G
Carbon intensity emissions	250.60	385.76	Fund	6.2	6.1	5.4	5.3
Carbon Intensity measures the quantity of carbon emission of a company (tonnes CO ₂ e/USD million revenue) Source: S&P Global Trucost			Reference benchmark	5.5	5.5	5.3	5.1

3-Year Risk Measures	XCOEUR	Reference Benchmark	5-Year Risk Measures	XCOEUR	Reference Benchmark
Volatility	--	--	Volatility	--	--
Sharpe ratio	--	--	Sharpe ratio	--	--

Fixed Income Characteristics	Fund	Reference Benchmark	Relative
No. of holdings ex cash	123	1,117	--
Yield to worst	5.96%	6.68%	-0.72%
Yield to maturity	6.06%	6.73%	-0.66%
Modified duration to worst	4.72	4.49	0.23
Option adjusted spread duration	4.86	4.59	0.27
Average maturity	7.00	6.24	0.76
Rating average	A-/BBB+	A-/BBB+	--
Number of issuers	82	388	--

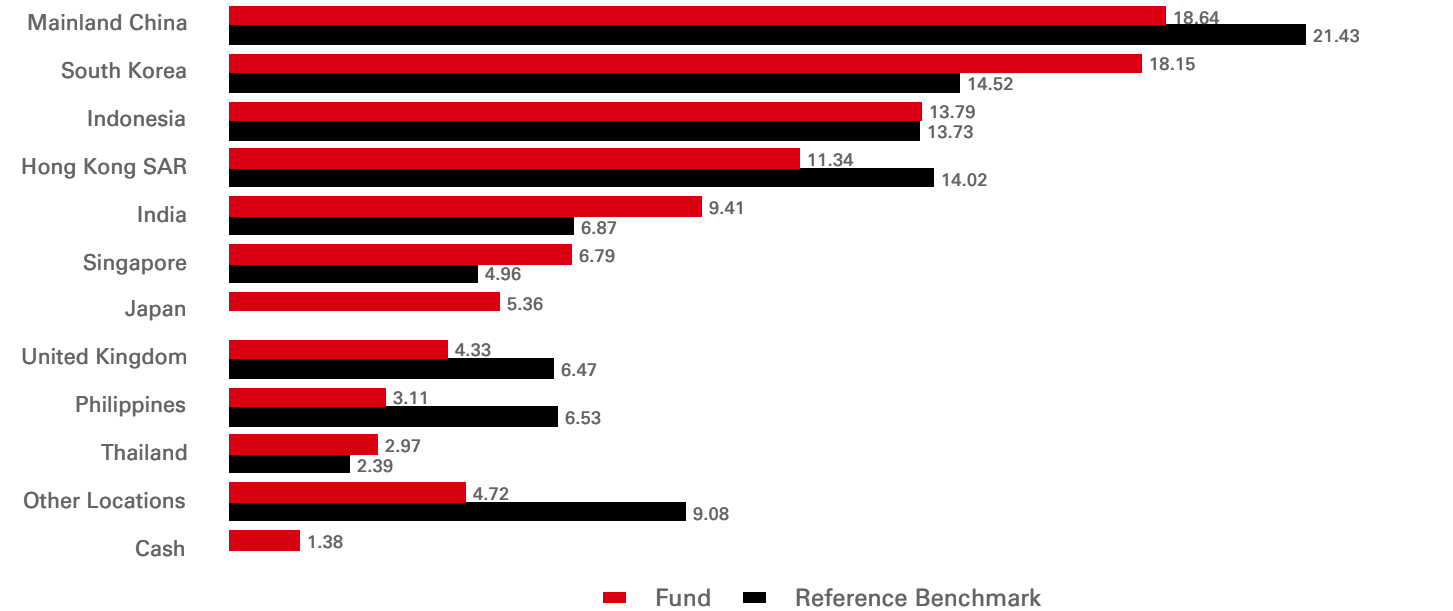
Credit rating (%)	Fund	Reference Benchmark	Relative
AAA	--	1.77	-1.77
AA	11.93	16.93	-5.00
A	31.50	23.61	7.89
BBB	40.38	42.81	-2.43
BB	11.38	8.75	2.63
B	1.58	2.33	-0.75
CCC	0.52	0.31	0.22
CC	--	0.02	-0.02
C	--	0.00	0.00
D	--	0.57	-0.57
NR	1.32	2.90	-1.58
Cash	1.38	--	1.38

Maturity Breakdown (Option adjusted duration)	Fund	Reference Benchmark	Relative
0-2 years	0.25	0.34	-0.09
2-5 years	1.10	1.00	0.11
5-10 years	1.24	1.29	-0.06
10+ years	2.13	1.78	0.35
Total	4.72	4.40	0.31

Past performance does not predict future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.
The benchmark data is that of the reference benchmark of the fund, as this data is calculated at fund level rather than share class level.
The reference benchmark of the fund is 100% JP Morgan ESG Asia Credit
Source: HSBC Asset Management, data as at 31 January 2024

Currency Allocation (%)	Fund	Reference Benchmark	Relative
USD	99.99	100.00	-0.01
EUR	0.01	--	0.01
SGD	0.00	--	0.00
HKD	0.00	--	0.00
AUD	0.00	--	0.00
CNY	0.00	--	0.00
GBP	0.00	--	0.00

Geographical allocation (%)



Sector allocation (%)	Fund	Reference Benchmark	Relative
Banks	27.56	17.26	10.30
Government	15.71	26.38	-10.67
Energy	9.04	5.90	3.14
Communications	8.46	3.12	5.33
Diversified Finan serv	8.21	8.72	-0.51
Insurance	6.09	3.52	2.57
Consumer Cyclical	5.59	6.22	-0.63
Real Estate	3.77	5.36	-1.59
Utilities	3.72	4.01	-0.29
Technology	3.70	4.64	-0.94
Other Sectors	6.76	14.86	-8.09
Cash	1.38	--	1.38

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Top 10 holdings	Weight (%)
BANGKOK BANK/HK 9.025 15/03/29	2.30
OVERSEA-CHINESE 1.832 10/09/30	1.47
PRU FUNDING ASIA 2.950 03/11/33	1.38
SUMITOMO MITSUI 6.184 13/07/43	1.31
STANDARD CHART 2.678 29/06/32	1.27
PT PERTAMINA 6.500 27/05/41	1.26
INDONESIA (REP) 4.625 15/04/43	1.11
CHINA RES LAND 4.125 26/02/29	1.10
RENEW POWER 5.875 05/03/27	1.09
SHINHAN FINL GRP 2.875	1.09

Ten lowest carbon intensity issuers

Fund	Carbon intensity emissions (tonnes CO ² e/USD million)	Reference benchmark	Carbon intensity emissions (tonnes CO ² e/USD million)
PRUDENTIAL FUNDING ASIA	0.87	PRUFIN 3.125 04/14/30	0.87
RKPF OVERSEAS 2	1.41	CNSHAN 4.1 06/15/25 GMTN	1.16
DAI-ICHI LIFE INSURANCE	1.61	SHANPU 3.25 07/14/25 EMTN	1.34
AIA GROUP LTD	2.37	ROADKG 6 09/04/25	1.41
LENOVO GROUP LTD	2.76	ROADKG 7 PERP	1.41
STANDARD CHARTERED PLC	3.26	ROADKG 7.95 PERP .	1.41
HUARONG FINANCE 2017 CO	3.92	ROADKG 5.125 07/26/26	1.41
HUARONG FINANCE II	3.92	ROADKG V7.75 PERP	1.41
DBS GROUP HOLDINGS LTD	4.08	TYANLI V5.25 PERP	1.88
ZHONGSHENG GROUP	4.12	CTIH V6.4 PERP	2.01

Ten highest carbon intensity issuers

Fund	Carbon intensity emissions (tonnes CO ² e/USD million)	Reference benchmark	Carbon intensity emissions (tonnes CO ² e/USD million)
MEDCO BELL PTE LTD	1,791.01	UTCMIN 2.8 02/16/31 REGS	8,930.68
FORTUNE STAR BVI LTD	792.55	WESCHI 4.95 07/08/26	8,379.68
PT PAKUWON JATI	521.63	GDHJIN 1.875 06/23/25	6,812.49
THAIOIL TRSRY CENTER	230.00	GZGETH 2.85 01/19/27	5,485.99
SK HYNIX INC	207.20	HXCEME 2.25 11/19/25 emtn	4,564.44
SF HOLDING INVESTMENT	205.24	SSW 5.5 08/01/29 REGS	4,077.76
SK BATTERY AMERICA INC	186.35	ACENPM 4 PERP EMTN	3,236.94
TSMC GLOBAL LTD	169.74	NICAU 11.25 10/21/28 REGS	2,945.06
ROYAL CAPITAL BV	132.32	JSTLIN 3.95 04/05/27 REGS	2,250.29
CHINA MENGNIU DAIRY	103.46	JSTLIN 5.95 04/19/26	2,250.29

Risk disclosures

- 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.

Follow us on:



UK Investor/Adviser E-mail:
wholesale.clientservices@hsbc.com
Lines are open 9am to 5pm Monday to Friday (excluding public holidays). To help the ACD and the Administrator continually improve their services and in the interests of security, they may monitor and/or record your communications with them.

Glossary



Index disclaimer

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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.

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

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Further information about the Company including the Prospectus, the most recent annual and semi-annual reports of the Company and the latest share prices, may be obtained free of charge, in English, from the Registrar and Transfer Agent by emailing amgtransferagency@lu.hsbc.com , or by visiting www.global.assetmanagement.hsbc.com.

The most recent Prospectus is available in English and German. Key Investor Information Document (KIID) are available in the local language where they are registered.

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Further Information can be found in the prospectus and in our Key Investor Information Documents published in our Fund Centre at www.assetmanagement.hsbc.co.uk

Term: The management company cannot terminate the Fund unilaterally. The Board of Directors may furthermore decide to liquidate the Fund in certain circumstances set out in the prospectus and articles of incorporation of the Fund. Further additional and complete information (including but not limited to) investor rights, costs and charges, please refer to the prospectus.

Detailed information for article 8 and 9 sustainable investment products, as categorised under the Sustainable Finance Disclosure Regulation (SFDR), including; description of the environmental or social characteristics or the sustainable investment objective; methodologies used to assess, measure and monitor the environmental or social characteristics and the impact of the selected sustainable investments and; objectives and benchmark information, can be found at: <https://www.assetmanagement.hsbc.co.uk/en/intermediary/investment-expertise/sustainable-investments/sustainable-investment-product-offering>