

HSBC Global Investment Funds - Asia ex Japan Equity Smaller Companies

Share Class AC

30 Apr 2021

Fund Objective and Strategy

Investment Objective

The Fund aims to provide long term capital growth by investing in a portfolio of Asian (excluding Japan) shares.

Investment Policy

In normal market conditions, the Fund will invest at least 90% of its assets in shares (or securities similar to shares) of companies that are based in, or carry out the larger part of their business activities in Asia (excluding Japan), including both developed markets and emerging markets. The Fund may invest up to 70% of its assets in smaller sized companies. These companies are defined as being in the bottom 25% by market value in the Asia ex Japan universe. The Fund may invest up to 50% of its assets in China A and China B-shares. For China A-shares, up to 50% through the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect, and up to 30% in CAAPs. The Fund may invest up to 10% of its assets in other funds, including HSBC funds. See the Information Memorandum for a full description of the investment objectives and derivative usage.

Performance (%)	YTD	1M	3M	1Y	3Y ¹	5Y ¹	Since Inception ¹
AC	12.23	4.46	8.46	78.47	4.46	11.64	10.98
Reference Benchmark	15.79	5.73	14.82	75.07	8.43	10.83	9.81

Calendar Year Performance (%)	2016	2017	2018	2019	2020
AC	10.33	37.31	-24.28	3.57	31.90
Reference Benchmark	-2.28	33.52	-18.87	7.23	26.20

3-Year Risk Measures	AC	Reference Benchmark	Characteristics	Fund	Reference Benchmark
Volatility	22.52%	21.43%	Number of Holdings ex Cash	113	1,441
Information Ratio	-0.75	-	Avg Market Cap (USD mil)	6,811	2,252
Beta	1.02	-			

Share Class Details	
UCITS V Compliant	Yes
Subscription Mode	Cash
Distribution Type	Accumulating
Dealing Frequency	Daily
Valuation Time	17:00 Luxembourg
Min. Initial Investment	USD 5,000
Max. Initial Charge	5.00%
Management Fee	1.50%
Share Class Base Currency	USD
Domicile	Luxembourg
ISIN	LU0164939612
Share Class Inception Date	09 Mar 2004
NAV per Share	USD 92.93
Fund Size	USD 902,533,089
Bloomberg Ticker	HSBASAC LX
Reference Benchmark	MSCI AC Asia ex Japan Small Cap Net
Manager	Elina Fung Alex Kwan

Past performance is not an indicator of future returns. The figures are calculated in the share class base currency, NAV-to-NAV basis or Bid-to-Bid basis, dividend reinvested.

Source: HSBC Global Asset Management, data as at 30 April 2021

Performance numbers shown are before netting off sales / realisation charges.

¹Result is annualised when calculation period is over one year.

Risk Disclosure

- 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.
- 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.
- Further information on the Fund's potential risks can be found in the Prospectus and Product Highlights Sheet, or Information Memorandum, as applicable.

The reference benchmark was applied to the fund with effect from 30 June 2016 to align with global disclosures and is applied to the performance data provided above across all periods

Monthly Performance Commentary

Stock selection was negative for the month. Positive performance came from Health Care and Information Technology, though this was offset by negative stock selection in Industrials and Consumer Discretionary.

At the country level, stock selection was negative for the month. Positive performance came from India and Mainland China, though this was offset by negative stock selection in Korea and Indonesia.

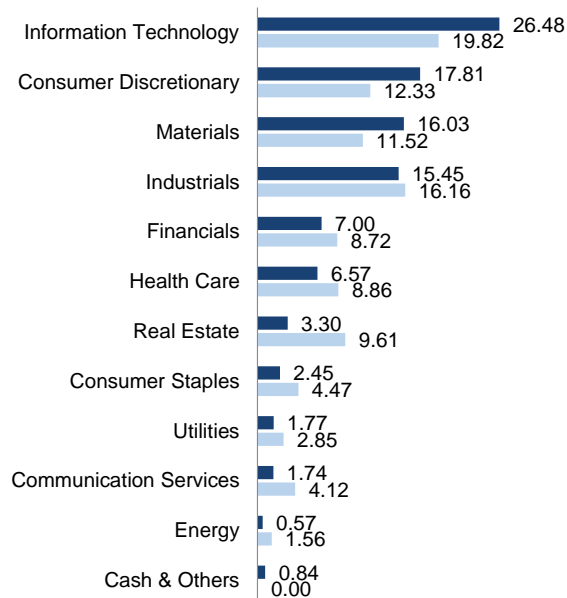
Taiwan Industrials security, EVERGREEN MARINE CORP with total effect 0.39% was the top contributor. Additionally, Taiwan Materials security, TSRC was the second largest contributor with total effect 0.36%. Taiwan Industrials security, AIRTAC INTERNATIONAL GROUP also contributed with total effect 0.31%.

On the other side, detractors include Indian Financials security MAHINDRA & MAHINDRA FINANCIAL SERVICES with total effect -0.23%, Korean Industrials holding HMM with total effect -0.23%, and Indian Industrials holding ESCORTS with total effect -0.21%.

During this period, positions were initiated in LOMON BILLIONS GROUP CO, FORMOSA PLASTICS, YOUNGONE, NGERN TID LOR PCL, and PRECISION TSUGAMI CHINA. No positions were opened during the period.

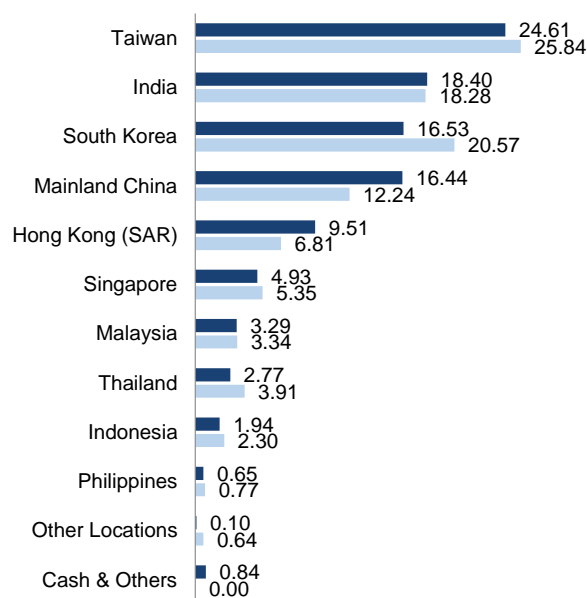
Sector and country allocation effects are residual to stock selection. At the country level, effects were negative, given an underweight exposure to Taiwan. At the sector level, effects were positive, given an overweight exposure to Materials.

Sector Allocation (%)



■ AC ■ Reference Benchmark

Geographical Allocation (%)



■ AC ■ Reference Benchmark

Top 10 Holdings (%)	Location	Sector	Weight (%)
Airtac International Group	Taiwan	Industrials	2.46
Max Healthcare Institute Ltd	India	Health Care	1.89
Yageo Corp	Taiwan	Information Technology	1.85
DB HiTek Co Ltd	South Korea	Information Technology	1.84
SATLPEC	Mainland China	Materials	1.84
TSRC Corp	Taiwan	Materials	1.80
KB Financial Group Inc	South Korea	Financials	1.79
Macronix International Co Ltd	Taiwan	Information Technology	1.74
SK Hynix Inc	South Korea	Information Technology	1.74
Merida Industry Co Ltd	Taiwan	Consumer Discretionary	1.70

Source: HSBC Global Asset Management, data as at 30 April 2021

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Terms of Glossary

Accumulation Share: a type of share where the income earned by the Fund is retained in the Fund

ACD: HSBC Global Asset Management (UK) Limited, the Authorised Corporate Director of the Company

Actively Managed: where the fund manager uses their expertise to pick investments to achieve the fund's objectives

Beta: an historical measure of volatility to measure how a fund moves versus its benchmark (i.e. an Index)

Collective Investment Scheme: a fund that more than one person contributes to with the aim of increasing the value of their investments or receiving income from a pooled investment. A fund manager will invest the pooled money into one or more types of asset, such as stocks, bonds or property

Developed Markets: countries with relatively high levels of personal income and established economies

Emerging Markets (EM): countries that are progressing toward becoming advanced, usually shown by some development in financial markets, the existence of some form of stock exchange and a regulatory body

Equities: shares issued by a company

Futures: a financial contract obligating the buyer to purchase an asset (or the seller to sell an asset), such as a physical commodity or a financial instrument, at a predetermined future date and price

Growth: the increase in the value of investments

Hedge Funds: an investment fund that pools money from investors and invests in a variety of assets, often with complex investment strategies and risk management techniques

Hedge or Hedging: using derivative type investments as a way to reduce risk

Income: money generated by a fund, such as interest from a bond or a dividend from a share, which can be paid out to its investors or paid back into the fund and reinvested

Income Share: the type of Share where the income earned by the Fund is paid out to you

Information Ratio: a measure of the risk-adjusted return of a fund against its benchmark

Market Capitalisation: the total dollar market value of a company's outstanding shares. Commonly referred to as "market cap", it is calculated by multiplying a company's shares outstanding by the current market price of one share

Net Asset Value (NAV): the value of the scheme property of a fund less the liabilities of the fund

Ongoing Charges Figure: a measure of what it costs to invest in a fund. It includes the fee paid to the ACD and other operating costs

Price Earnings (P/E) Ratio: the price paid for a share divided by the annual profit earned by the firm per share

Preference Shares: shares of a company which entitle the holder to a fixed dividend, whose payment takes priority over that of ordinary share dividends. Preference shares may be convertible to the ordinary shares of a company

Property-related securities: shares of property companies that own, manage or develop property and Real Estate Investment Trusts (REITs), which are investment companies that own buildings and land

Return(s): the money made or lost on an investment

Share(s): an equally valued holding in a fund of a company, representing part ownership of that fund, (including larger denomination shares and smaller denomination shares)

Sharpe ratio: a measure for calculating risk-adjusted return, and this ratio has become the industry standard for such calculations

Volatility: a measure of the size and frequency of changes in the value of an investment over a short space of time

Yield: the income from an investment, usually stated as a percentage of the value of the investment

HSBC Global Investment Funds - Asia ex Japan Equity Smaller Companies

Supplement Information Sheet

30 Apr 2021

Performance (%)	Return Currency	YTD	1M	3M	6M	1Y	3Y ¹	5Y ¹	Since Inception ¹
AC	USD	12.23	4.46	8.46	36.67	78.47	4.46	11.64	10.98
IC	USD	12.55	4.53	8.69	37.24	79.99	5.35	12.60	14.50

Calendar Year Performance (%)	Return Currency	2016	2017	2018	2019	2020
AC	USD	10.33	37.31	-24.28	3.57	31.90
IC	USD	11.27	38.48	-23.63	4.45	33.02

¹ Result is annualised when calculation period is over one year.

Past performance is not an indicator of future returns. The figures are calculated in the share class base currency, NAV-to-NAV basis or Bid-to-Bid basis, dividend reinvested.

Share Class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Last Paid Dividend	Annualised Yield
AC	USD	-	-	-	-
IC	USD	-	-	-	-

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: $((1 + (\text{dividend amount} / \text{ex-dividend NAV}))^n)^{1/n} - 1$, 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.

Investors and potential investors should refer to the details on dividend distributions of the Fund, which are available on HSBC Global Asset Management (Singapore) Limited website.

Share Class	Share Class Inception Date	ISIN	Share Class Base Currency	Min. Initial Investment	NAV per Share	Annual Management Fee	Distribution Type
AC	09 Mar 2004	LU0164939612	USD	USD 5,000	92.93	1.50%	Accumulating
IC	12 May 2009	LU0164939885	USD	USD 1,000,000	102.91	0.75%	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.

Source: HSBC Global Asset Management, data as at 30 April 2021