

## HSBC Global Investment Funds

# EURO HIGH YIELD BOND

Monthly report 31 January 2024 | Share class AC



## Investment objective

The Fund aims to provide long term capital growth and income by investing in a portfolio of High Yield bonds (denominated in Euro), 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 and is not constrained by a benchmark.

In normal market conditions, the Fund will invest at least 90% of its assets in non-investment grade bonds and other higher yielding securities (including unrated bonds), issued by companies or by governments, government-related entities, supranational entities, that are based in developed markets and emerging markets.

The Fund will not invest in bonds issued by 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.

The Fund may invest up to 15% in contingent convertible securities and up to 10% in other funds.

The Fund's primary currency exposure is to Euro.

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



## Main risks

- Please remember that the value of investments, and any income received from them, can fall as well as rise, is not guaranteed and you may not get back the amount you invested.
- 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.

## Share Class Details

### Key metrics

NAV per Share	<b>EUR 44.44</b>
Performance 1 month	<b>0.91%</b>
Yield to maturity	<b>5.24%</b>

### Fund facts

UCITS V compliant	<b>Yes</b>
Dividend treatment	<b>Accumulating</b>
Dealing frequency	<b>Daily</b>
Valuation Time	<b>17:00 Luxembourg</b>
Share Class Base Currency	<b>EUR</b>
Domicile	<b>Luxembourg</b>
Inception date	<b>4 April 2003</b>
Fund Size	<b>EUR 804,985,515</b>
Reference benchmark	<b>100% ICE BofA Euro High Yield BB-B Constrained (net of transaction costs)</b>

Managers	<b>Philippe Igigabel Sophie Sentilhes</b>
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### Fees and expenses

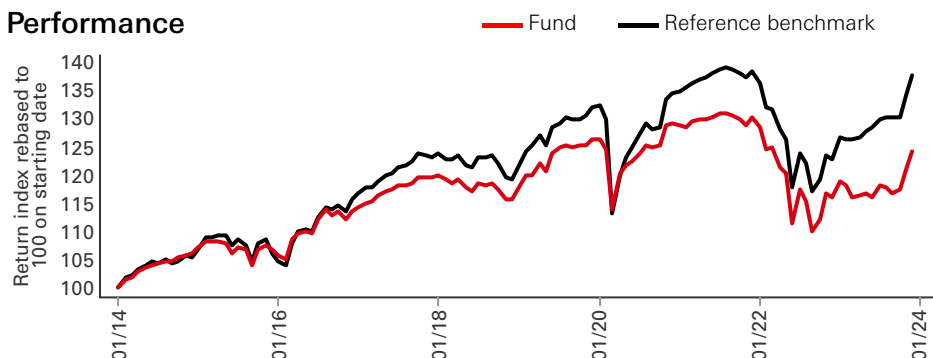
Minimum Initial Investment	<b>USD 5,000</b>
Ongoing Charge Figure <sup>1</sup>	<b>1.350%</b>

### Codes

ISIN	<b>LU0165128348</b>
Bloomberg ticker	<b>HSBECUA LX</b>

<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.

## Performance



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
AC	0.91	0.91	6.71	6.11	5.49	-0.90	1.23	2.29
Reference benchmark	0.70	0.70	6.67	6.77	9.67	0.93	2.61	3.33

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
AC	5.49	-7.31	-0.46	1.97	7.11	-1.49	4.96	8.13	-1.45	7.08
Reference benchmark	9.67	-7.17	0.98	2.12	8.36	-1.40	6.11	11.32	-1.76	6.58

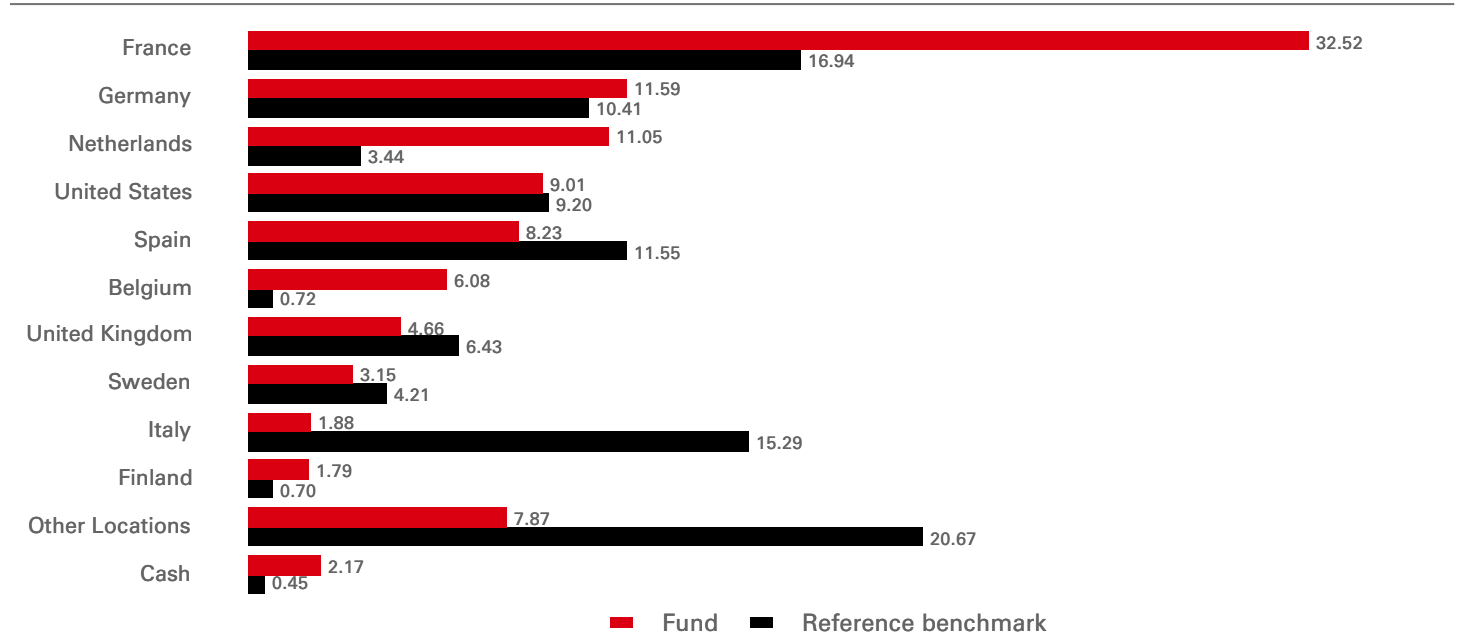
Carbon footprint	Fund	Reference benchmark	MSCI ESG Score	ESG score	E	S	G
Carbon intensity emissions	127.61	168.41	Fund	7.5	7.7	5.4	6.1
Carbon Intensity measures the quantity of carbon emission of a company (tonnes CO <sup>2</sup> e/USD million) Source of analytics: Trucost			Reference benchmark	6.1	6.8	4.9	5.3

3-Year Risk Measures	AC	Reference benchmark	5-Year Risk Measures	AC	Reference benchmark
Volatility	7.94%	7.39%	Volatility	8.10%	9.08%
Sharpe ratio	-0.24	-0.01	Sharpe ratio	0.10	0.24
Tracking error	1.84%	--	Tracking error	2.63%	--
Information ratio	-1.00	--	Information ratio	-0.53	--

Fixed Income Characteristics	Fund	Reference benchmark	Relative
No. of holdings ex cash	121	649	--
Yield to worst	4.89%	5.67%	-0.78%
Yield to maturity	5.24%	5.95%	-0.71%
Option Adjusted Duration	2.72	2.73	-0.01
Modified Duration to Worst	2.81	2.91	-0.10
Option Adjusted Spread Duration	3.68	3.07	0.61
Average maturity	4.74	3.70	1.04
Rating average	BBB-/BB+	BB/BB-	--
Minimum rating	BBB-/BB+	BB/BB-	--
Number of issuers	87	326	--

Credit rating (%)	Fund	Reference benchmark	Relative	Maturity Breakdown (Option Adjusted Duration)	Fund	Reference benchmark	Relative
A	5.83	--	5.83	0-2 years	0.19	0.27	-0.07
BBB	23.37	--	23.37	2-5 years	1.23	1.78	-0.55
BB	59.09	64.77	-5.68	5-10 years	0.92	0.57	0.34
B	8.09	32.50	-24.42	10+ years	0.38	0.11	0.27
CCC	0.88	2.28	-1.41	Total	2.72	2.73	-0.01
C	0.21	--	0.21				
NR	0.37	--	0.37				
Cash	2.17	0.45	1.73				

## Geographical Allocation (%)



Sector Allocation (%)	Fund	Reference benchmark	Relative
Banking	23.36	12.54	10.82
Utility	12.27	4.11	8.16
Automotive	11.88	9.72	2.16
Telecommunications	9.73	14.56	-4.83
Insurance	6.37	0.38	5.99
Basic Industry	5.28	8.59	-3.30
Transportation	4.23	3.11	1.12
Real Estate	3.89	3.71	0.18
Technology & electronics	3.63	3.89	-0.27
Healthcare	3.45	7.85	-4.41
Other Sectors	13.74	31.09	-17.34
Cash	2.17	0.45	1.73

Top 10 Holdings	Weight (%)
VEOLIA ENVRNMT 2.500	3.17
TENNET HLD BV 2.995	3.14
ORANGE 5.000	2.09
RCI BANQUE 2.625 18/02/30	2.06
KBC GROUP NV 4.250	2.02
LA POSTE SA 3.125	1.99
EC FINANCE 3.000 15/10/26	1.96
AXA SA 3.941	1.79
VODAFONE GROUP 2.625 27/08/80	1.70
LA BANQUE POSTAL 3.875	1.69

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.
- 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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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.

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

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HSBC Asset Management

Glossary



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The fund is a sub-fund of HSBC Global Investment Funds, a Luxembourg domiciled SICAV. UK based investors are advised they may not be afforded some of the protections conveyed by the provisions of the Financial Services and Markets Act (2000), (the Act). The company is recognised in the UK by the Financial Conduct Authority under section 264 of the Act. The shares in the company have not been and will not be offered for sale or sold in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or to United States Persons. All applications are made on the basis of the Prospectus, Key investor document (KID), Supplementary Information Document (SID) and most recent annual and semi-annual reports, which can be obtained upon request free of charge from HSBC Global Asset Management (UK) Limited, 8 Canada Square, Canary Wharf, London E14 5HQ UK; the local distributors or from our website (see below). Investors and potential investors should read and note the risk warnings in the Prospectus, KID and additionally, in the case of retail clients, the information contained in the supporting SID.

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](mailto:amgtransferagency@lu.hsbc.com), or by visiting [www.global.assetmanagement.hsbc.com](http://www.global.assetmanagement.hsbc.com).

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

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>