

## HSBC Global Investment Funds

# MANAGED SOLUTIONS - ASIA FOCUSED INCOME

Monthly report 29 February 2024 | Share class AM3OSGD



### Investment objective

The Fund aims to provide income and some capital growth by investing in a diversified portfolio of assets related to Asia (including Asia-Pacific excluding Japan).



### Investment strategy

The Fund is actively managed and is not constrained by a benchmark. In normal market conditions, at least 70% of the Fund's exposure is to bonds and shares related to companies based in Asia-Pacific excluding Japan. The Fund may invest in non-Asian based assets. The Fund may invest in bonds that are investment grade, non-investment grade and unrated issued by governments, government-related entities, supranational entities and companies based in developed markets and emerging markets. The Fund may invest up to 25% in China A and China B-shares. For China A-shares, up to 25% through the Stock Connect exchanges, up to 25% in CAAPs and up to 10% in CAAPs issued by any single issuer. The Fund may invest up to 20% in onshore Chinese bonds and up to 10% in bonds which are non-investment grade or unrated. The Fund may invest up to 10% in convertible bonds and up to 10% in contingent convertible securities. The Fund may invest up to 50% in other funds and up to 10% in REITs. The Fund's primary currency exposure is to currencies of Asia-Pacific (excluding Japan) 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 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 invests in bonds whose value generally falls when interest rates rise. This risk is generally 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 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.

### Share Class Details

#### Key metrics

NAV per Share	<b>SGD 7.17</b>
Performance 1 month	<b>1.30%</b>
Sharpe ratio 3 years	<b>-0.86</b>

#### Fund facts

UCITS V compliant	<b>Yes</b>
Subscription mode	<b>Cash / SRS (Supplementary Retirement Scheme)</b>
Dividend treatment	<b>Distributing</b>
Distribution Frequency	<b>Monthly</b>
Dividend ex-date	<b>29 February 2024</b>
Dividend annualised yield	<b>3.61%</b>
Last Paid Dividend	<b>0.021225</b>
Dealing frequency	<b>Daily</b>
Valuation Time	<b>17:00 Luxembourg</b>
Share Class Base Currency	<b>SGD</b>
Domicile	<b>Luxembourg</b>
Inception date	<b>2 November 2012</b>
Fund Size	<b>USD 274,496,021</b>
Managers	<b>Gloria Jing Danni Zhang</b>

#### Fees and expenses

Minimum initial investment (SG) <sup>1</sup>	<b>SGD 1,000</b>
Maximum initial charge (SG)	<b>3.000%</b>
Management fee	<b>1.250%</b>

#### Codes

ISIN	<b>LU0831093199</b>
Bloomberg ticker	<b>HSBAMHS LX</b>

<sup>1</sup>Please note that initial minimum subscription may vary across different distributors

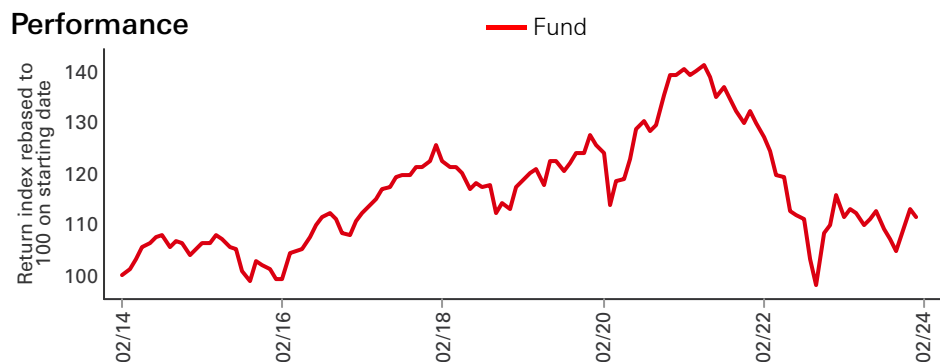
**Performance is annualised when calculation period is over one year. Past performance does not predict future returns. Fund return: NAV-to-NAV basis. For comparison with benchmark.**

**\*Share class denoted with "(Net)" refers to fund return net of maximum initial charge (SG) on a single pricing (NAV) basis. No redemption charge is levied.**

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

**Source: HSBC Asset Management, data as at 29 February 2024**

## Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann
<b>AM3OSGD</b>	<b>-0.21</b>	<b>1.30</b>	<b>3.22</b>	<b>3.39</b>	<b>1.31</b>	<b>-7.01</b>	<b>-1.01</b>
AM3OSGD (Net)*	-3.12	-1.65	0.22	0.38	-1.64	-7.92	-1.60

Calendar year performance (%)	2019	2020	2021	2022	2023
<b>AM3OSGD</b>	<b>12.66</b>	<b>9.25</b>	<b>-4.89</b>	<b>-16.97</b>	<b>2.91</b>
AM3OSGD (Net)*	9.37	6.06	-7.66	-19.39	-0.09

## Currency Allocation (%)

US Dollar	50.90
Korean Won	9.61
Hong Kong Dollar	9.37
Indian rupee	6.50
New Taiwan Dollar	5.61
Indonesia Rupiah	5.05
Australian Dollar	4.93
Singapore dollar	3.88
Malaysian ringgit	1.93
Thai Baht	1.60
Other Currencies	0.62

— Fund

## Asset allocation (%)

Asset allocation (%)	Fund
Japan Equity	1.30
<b>Cash</b>	<b>-0.55</b>
Asia ex Japan Equity	31.93
Asian High Yield Bond	12.38
Asian Investment Grade Bond	33.53
Asian Local Currency Bond	9.99
GEM Hard Currency Bond	2.29
GEM Local Currency Bond	2.26
Government Bond	0.97
India Fixed Income	2.17
Indian Equity	1.30
Indonesian Equity	0.90
Korean Equity	0.72
Taiwan Equity	0.82

## Top 10 Holdings

	Weight (%)
Taiwan Semiconductor Co Ltd	2.94
Samsung Electronics Co Ltd	2.37
HSBC GIF Global EM Bd ZQ1	2.29
HSBC GIF GEM ESG Local Debt ZD	2.26
HSBC GIF India Fixed Income	2.17
BAIDU INC-CLASS A	1.36
HSBC GIF Indian Equity ZD	1.30
PING AN INSURANCE GROUP CO-H	1.27
L'OCCITANE International SA	1.27
SANTOS LTD	1.25

Top 10 holdings exclude holdings in cash and cash equivalents and money market funds.

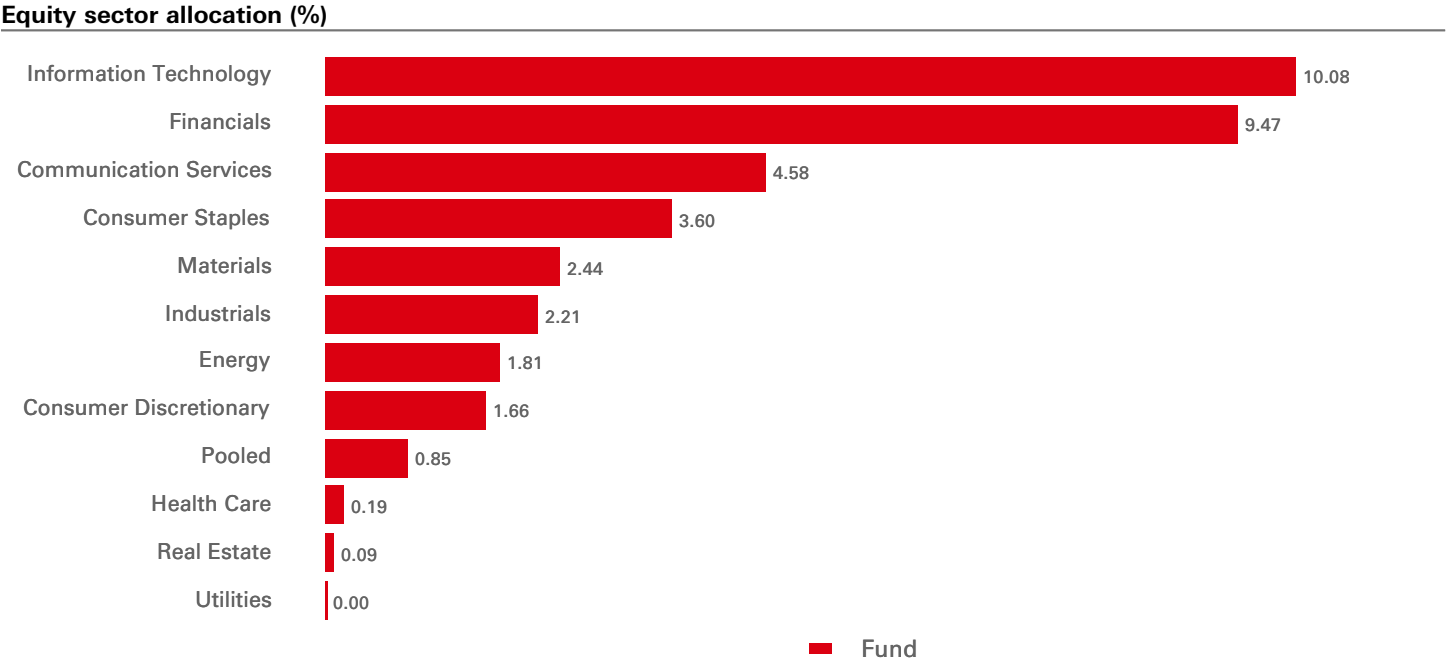
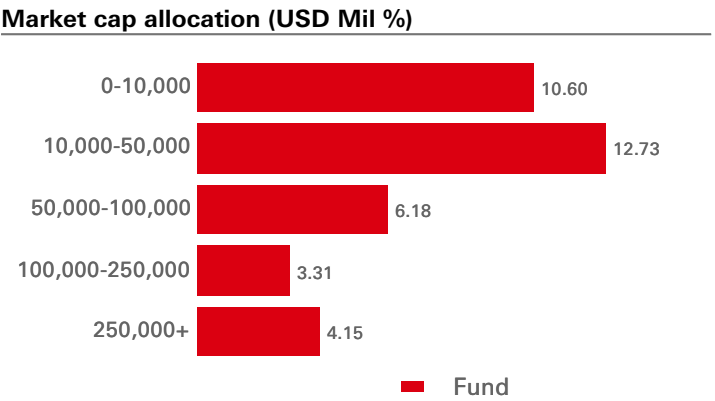
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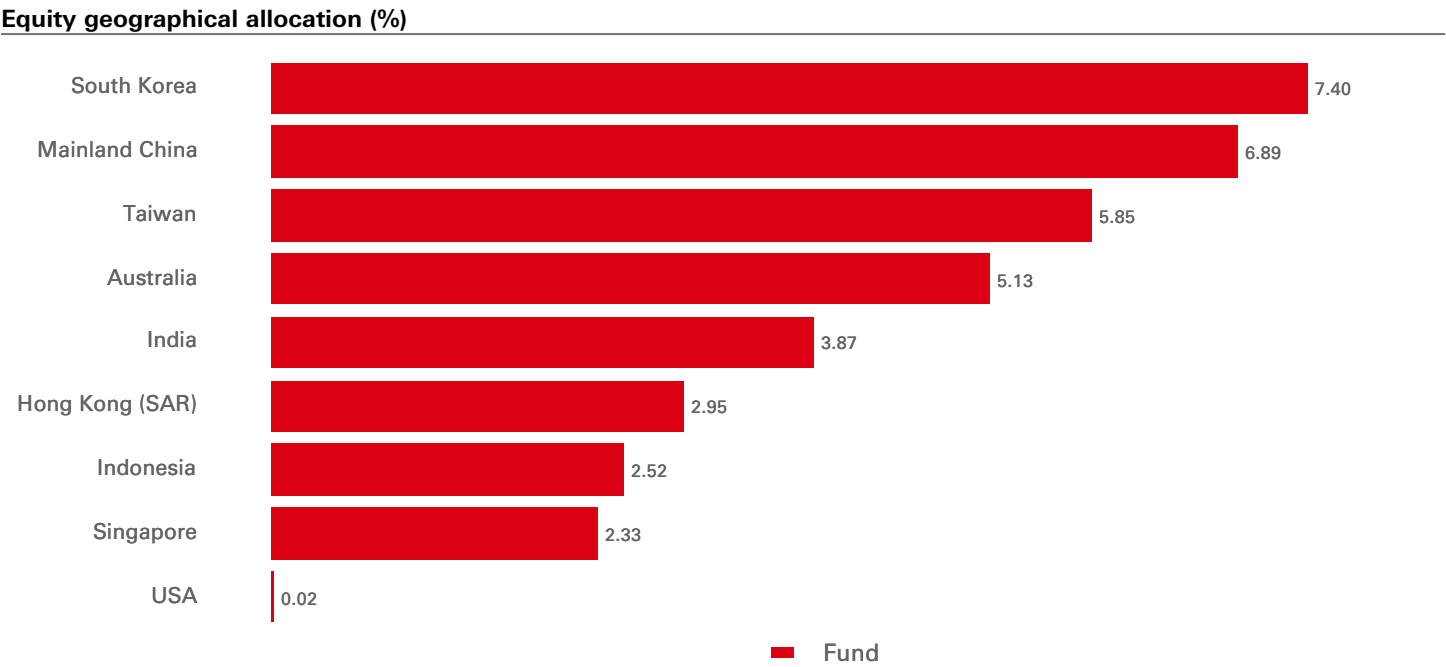
\*Share class denoted with "(Net)" refers to fund return net of maximum initial charge (SG) on a single pricing (NAV) basis. No redemption charge is levied.

Source: HSBC Asset Management, data as at 29 February 2024

Equity top 10 holdings	Location	Sector	Weight (%)
Taiwan Semiconductor Co Ltd	Taiwan	Information Technology	2.94
Samsung Electronics Co Ltd	South Korea	Information Technology	2.61
Baidu Inc	Mainland China	Communication Services	1.36
PING AN	Mainland China	Financials	1.27
L'Occitane International SA	Luxembourg	Consumer Staples	1.27
Santos Ltd	Australia	Energy	1.25
TINGYI	Mainland China	Consumer Staples	1.24
Infosys Ltd	India	Information Technology	1.23
South32 Ltd	Australia	Materials	1.10
DBS Group Holdings Ltd	SINGAPORE	Financials	1.05

Equity characteristics	Fund	Reference benchmark
Average Market Cap (USD Mil)	94,778	--
Price/earning ratio	12.38	--
Portfolio yield	3.48%	--

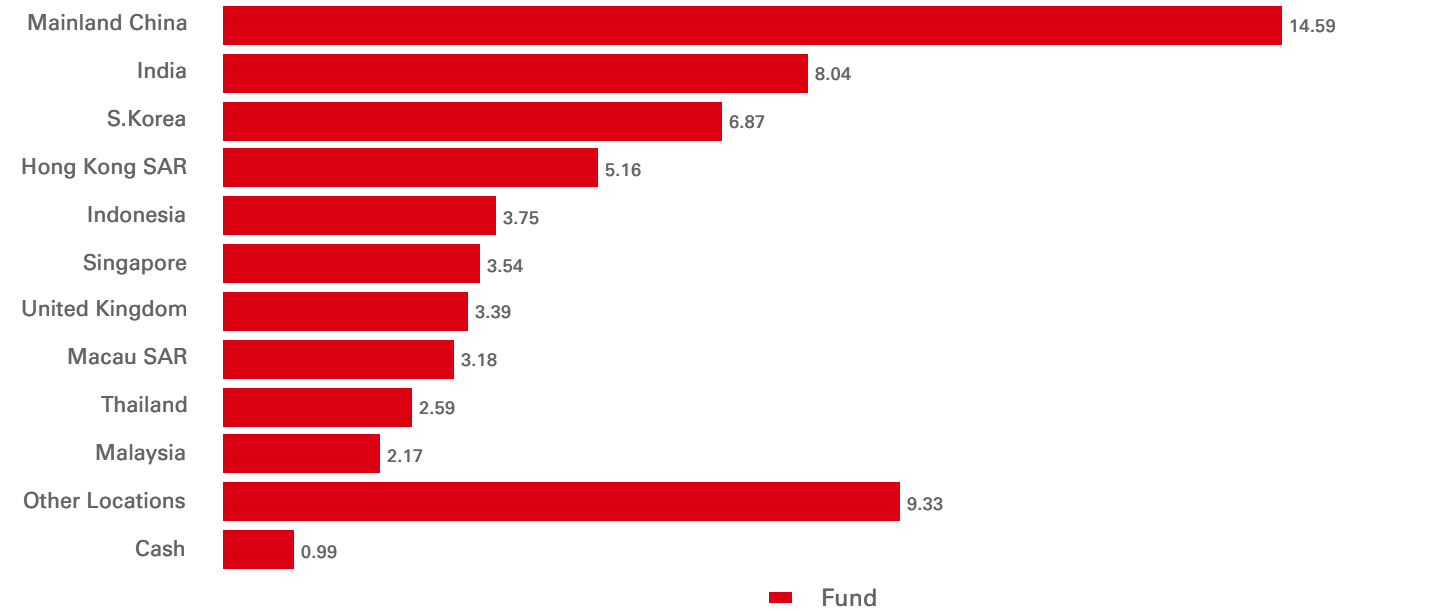




Fixed Income Characteristics	Reference			Reference		
	Fund benchmark	Relative		Fund	benchmark	Relative
Yield to worst	7.27%	--	--	AAA	2.19	--
Yield to maturity	7.33%	--	--	AA	5.65	--
OAD	4.61	--	--	A	16.60	--
Rating average	BBB+/BBB	--	--	BBB	25.11	--
				BB	8.09	--
				B	2.58	--
				CCC	0.49	--
				CC	0.01	--
				C	0.09	--
				D	0.09	--
				NR	1.68	--
				Cash	0.99	--

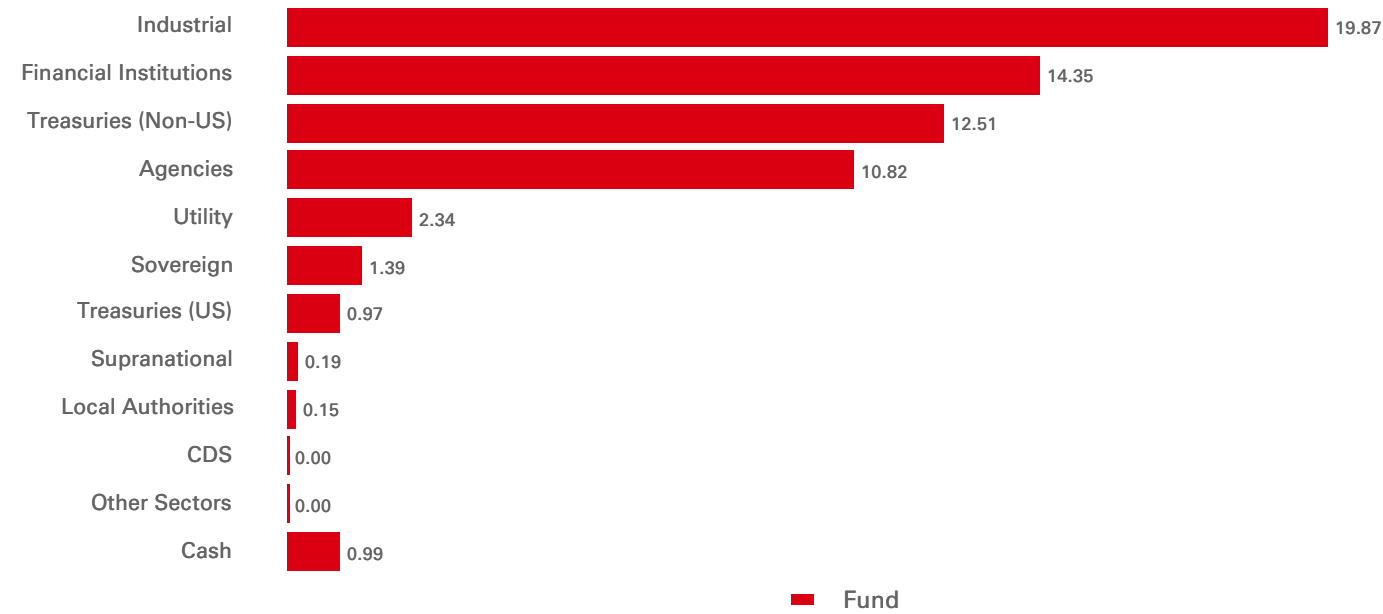
Fixed income top 10 holdings	Location	Instrument type	Weight (%)
TENCENT HOLDINGS LTD 3.975 11/04/2029 USD	Mainland China	Corporate Bond	0.77
IND & COMM BK OF CHINA CCB 4.875 21/09/2025 REGS	Mainland China	Convertible bond	0.73
STANDARD CHARTERED PLC 6.301 09/01/2029 USD	United Kingdom	Corporate Bond	0.63
AIA GROUP LTD 3.200 16/09/2040 USD	Hong Kong (SAR)	Corporate Bond	0.61
SHINHAN BANK CCB 3.875 24/03/2026 REGS	South Korea	Convertible bond	0.53
DBS GROUP HOLDINGS LTD CCB 3.300 27/08/2172 PERP GMTN	SINGAPORE	Convertible bond	0.53
ALIBABA GROUP HOLDING 3.400 06/12/2027 USD	Mainland China	Corporate Bond	0.52
TENCENT HOLDINGS LTD 3.595 19/01/2028 USD	Mainland China	Corporate Bond	0.52
CNOOC PETROLEUM NORTH 7.500 30/07/2039 USD	Mainland China	Corporate Bond	0.49
STANDARD CHARTERED PLC 3.265 18/02/2036 USD	United Kingdom	Corporate Bond	0.46

Fixed income geographical allocation (%)



Geographical Allocation (OAD)	Fund	Reference benchmark	Relative
Mainland China	0.92	--	--
India	0.46	--	--
S.Korea	0.42	--	--
United States	0.34	--	--
Hong Kong SAR	0.34	--	--
Indonesia	0.31	--	--
Singapore	0.30	--	--
Thailand	0.29	--	--
United Kingdom	0.24	--	--
Malaysia	0.21	--	--
Other Locations	0.77	--	--
Cash	0.00	--	--

Fixed income sector allocation (%)



## Monthly performance commentary

### Portfolio Review

Global equities were up in February, driven by strong earnings reports and a rebound in Chinese equities. Fixed income markets fell over the month, with yields rising, following strong labour market and inflation data. Across equities, emerging markets outperformed developed markets. This was driven by strong returns from China, following a number of supportive steps taken by the CCP to maintain market stability and another cut to mortgage policy rates. Other Asian markets associated with the Technology sector such as Taiwan and South Korea also rallied. Within developed markets, the US outperformed, driven by strong earnings reports from some of the “Magnificent 7” companies. The UK and Europe-ex UK equities underperformed the broader developed markets. In Japan, Yen weakness benefitted equity returns given the export-driven nature of the stock market. Within fixed income, US Treasuries prices fell over the month as inflation numbers came in stronger than anticipated while job numbers were also robust. This led to an increase in yields, as investors re-assessed the pace and timing of rate cuts. In the UK, Gilts sold off on continuing wage growth pressures despite data showing the economy fell into a technical recession during the second half of 2023. The US dollar gained modestly over the period, boosted by the higher yields and the broadly resilient economic data. The Euro and the Sterling fell against the US dollar given the relative strength of the US economy in comparison. In the commodity markets, Brent Oil pushed higher on elevated geopolitical risk. Gold ended the month lower, facing downward pressure from hawkish economic data and the pushback on timing of policy rate cuts.

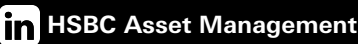
The fund posted gain over the month with the strong rebound of Chinese shares. Asian equities contributed strongly to the performance with Chinese equity being the strongest performer amidst the rollout of several supportive measures by the Chinese government, including a cut to the 5-year loan prime rate and stock purchases by state-owned investment firms. On the fixed income front, Asian high yield bonds posted positive return driven by the improving sentiment in mainland China high yield space. Asian investment grade bond returned slightly negatively in absolute terms due to the uptick in US treasury yields. Asian local currency bonds registered returns in negative territories as most of the Asian currencies depreciated against the US dollar.

The likelihood of Western economies avoiding a recession this year is increasing although markets remain ‘priced for perfection’, and disappointment remains a key risk. We are cognisant that geopolitical uncertainty, upcoming elections and fiscal constraints might impact markets later in the year. Economic performance remains divergent in emerging economies. India will be the fastest growing economy in 2024, while the China outlook remains challenged by several growth headwinds. Given the strength of the global economy, and particularly the US, we see the first interest rate cut from the Fed in mid-2024, with policy easing continuing in H2. The ECB and Bank of England are likely to follow the Fed. Fiscal policy looks set to be a slight drag on growth in 2024 in western economies. But we do not expect a return to 2010s-style austerity. We anticipate that Emerging market central banks will continue leading the global easing cycle, with interest rate cuts in LatAm and Emerging Europe. Asia central banks are likely to ease policy during H2 2024. Policy support in China remains measured and targeted.

Risk Disclosure

- 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.
- 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.
- Investment involves risk. Past performance figures shown are not indicative of future performance. Investors should read the prospectus (including the risk warnings) and the product highlights sheets, before investing. Daily price change percentage is based on bid-bid price.

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Performance is annualised when calculation period is over one year. Net of relevant prevailing sales charge on a single pricing (NAV) basis, calculated on the basis that dividends are reinvested.

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Company Registration No. 198602036R

Should there be any discrepancy, the English version shall prevail. This advertisement or publication has not been reviewed by the Monetary Authority of Singapore.

## Supplemental information sheet

Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann
AC USD	0.13	1.47	3.76	4.41	3.17	-6.19	-0.20
AC USD (Net)*	-2.79	-1.48	0.73	1.37	0.17	-7.11	-0.79
ACOSGD SGD	-0.21	1.30	3.23	3.39	1.31	-7.02	-1.02
ACOSGD SGD (Net)*	-3.12	-1.65	0.23	0.37	-1.64	-7.93	-1.60
AM2 USD	0.13	1.48	3.75	4.41	3.16	-6.20	-0.20
AM2 USD (Net)*	-2.79	-1.48	0.73	1.36	0.16	-7.12	-0.79
AM3OAU AUD	-0.13	1.35	3.34	3.56	1.43	-7.35	-1.44
AM3OAU AUD (Net)*	-3.03	-1.60	0.33	0.55	-1.53	-8.26	-2.02
AM3OEUR EUR	-0.15	1.33	3.29	3.43	1.03	-8.04	-2.25
AM3OEUR EUR (Net)*	-3.06	-1.62	0.28	0.42	-1.91	-8.94	-2.83
AM3OSGD SGD	-0.21	1.30	3.22	3.39	1.31	-7.01	-1.01
AM3OSGD SGD (Net)*	-3.12	-1.65	0.22	0.38	-1.64	-7.92	-1.60

Calendar year performance (%)	2019	2020	2021	2022	2023
AC USD	13.60	10.03	-4.71	-16.56	4.65
AC USD (Net)*	10.29	6.83	-7.48	-18.99	1.61
ACOSGD SGD	12.65	9.24	-4.91	-16.97	2.91
ACOSGD SGD (Net)*	9.37	6.05	-7.68	-19.39	-0.09
AM2 USD	13.59	10.04	-4.70	-16.57	4.65
AM2 USD (Net)*	10.29	6.83	-7.48	-19.00	1.61
AM3OAU AUD	12.22	8.58	-5.27	-17.55	2.77
AM3OAU AUD (Net)*	8.95	5.42	-8.03	-19.95	-0.22
AM3OEUR EUR	10.15	8.17	-5.68	-18.62	2.27
AM3OEUR EUR (Net)*	6.95	5.02	-8.43	-20.99	-0.71
AM3OSGD SGD	12.66	9.25	-4.89	-16.97	2.91
AM3OSGD SGD (Net)*	9.37	6.06	-7.66	-19.39	-0.09

Performance is annualised when calculation period is over one year. Past performance does not predict future returns. Fund return: NAV-to-NAV basis. For comparison with benchmark.  
\*Share class denoted with "(Net)" refers to fund return net of maximum initial charge (SG) on a single pricing (NAV) basis. No redemption charge is levied.  
Source: HSBC Asset Management, data as at 29 February 2024

## Supplemental information sheet

Share class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Last Paid Dividend	Annualised Yield based on ex-dividend date
AC	USD	--	--	--	--
ACOSGD	SGD	--	--	--	--
AM2	USD	Monthly	29 February 2024	0.036532	5.64%
AM3OAU	AUD	Monthly	29 February 2024	0.024376	4.32%
AM3OEUR	EUR	Monthly	29 February 2024	0.022590	3.97%
AM3OSGD	SGD	Monthly	29 February 2024	0.021225	3.61%

Share class	Inception date	ISIN	Share Class Base Currency	Minimum Initial Investment	NAV per Share	Management fee	Distribution type
AC	12 November 2012	LU0762540952	USD	USD 5,000	11.91	1.250%	Accumulating
ACOSGD	12 November 2012	LU0831092464	SGD	USD 5,000	11.27	1.250%	Accumulating
AM2	25 May 2012	LU0762541174	USD	USD 5,000	7.97	1.250%	Distributing
AM3OAU	4 March 2013	LU0800731944	AUD	USD 5,000	6.91	1.250%	Distributing
AM3OEUR	8 February 2013	LU0800732082	EUR	USD 5,000	6.96	1.250%	Distributing
AM3OSGD	2 November 2012	LU0831093199	SGD	USD 5,000	7.17	1.250%	Distributing

**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.**

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 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 Asset Management (Singapore) Limited website.  
Source: HSBC Asset Management, data as at 29 February 2024