

HSBC Global Investment Funds

CHINESE EQUITY

Monthly report 31 January 2024 | Share class AD

Fund center



Risk Disclosure

- The Fund invests mainly in Chinese equities.
- The Fund is subject to the geographic concentration and emerging market risks of investing in mainland China.
- The Fund may invest in onshore Chinese securities through various market access schemes and China A-shares Access Products. Such investments involve additional risks, including the risks associated with China's tax rules and practices.
- The Fund may invest in financial derivative instruments for investment purpose which may lead to higher volatility to its net asset value.
- The Fund's investments may involve currency, volatility, liquidity, equity market risks, risk associated with small/mid-capitalisation companies, China A-shares/B shares and China A-share access products, mainland china market, tax and political risks. Investors may suffer substantial loss of their investments in the Fund.
- Investors should not invest solely based on factsheet and should read the offering documents for details.

Investment objective

The Fund aims to provide long term capital growth by investing in a portfolio of Chinese shares, while promoting environmental, social and governance (ESG) characteristics. The Fund qualifies under Article 8 of SFDR.

Investment strategy

The Fund is actively managed.

In normal market conditions, the Fund will invest at least 90% of its assets in shares (or securities similar to shares) of companies of any size that are based in or carry out the larger part of their business activities in, China, including Hong Kong SAR.

The Fund includes the identification and analysis of a company's ESG Credentials as an integral part of the investment decision making process to reduce risk and enhance returns. The Fund will not invest in 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 can invest up to 70% in China A and China B-shares, up to 10% of its assets in other funds and up to 10% in Real Estate Investment Trusts.

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

Share Class Details

Key metrics

NAV per Share	USD 73.99
Volatility 3 years	24.54%

Fund facts

UCITS V compliant	Yes
Dividend treatment	Distributing
Distribution Frequency	Annually
Dividend ex-date	31 May 2023
Dividend annualised yield*	1.20%
Dividend Amount	0.971098
Dealing frequency	Daily
Share Class Base Currency	USD
Domicile	Luxembourg
Inception date	30 June 1992
Fund Size	USD 556,168,917
Reference benchmark	100% MSCI China 10/40 Net
Managers	Caroline Yu Maurer

Fees and expenses

Minimum initial investment (HK) ¹	USD 1,000
Maximum initial charge (HK)	4.500%
Management fee	1.500%

Codes

ISIN	LU0039217434
Bloomberg ticker	HSBCHEI LX

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

Past performance does not predict future returns. The figures are calculated in the share class base currency, NAV to NAV basis with dividend reinvested, net of fees. If investment performance is not denominated in HKD or USD, HKD or USD based investors are exposed to exchange rate fluctuations. *The fund may pay dividends out of capital or gross of expenses.

Reference Performance Benchmark: MSCI China 10/40 Net since 1 Feb 2009.

From 1 Jun 2005 - 31 Jan 2009, the benchmark was MSCI China Gross.

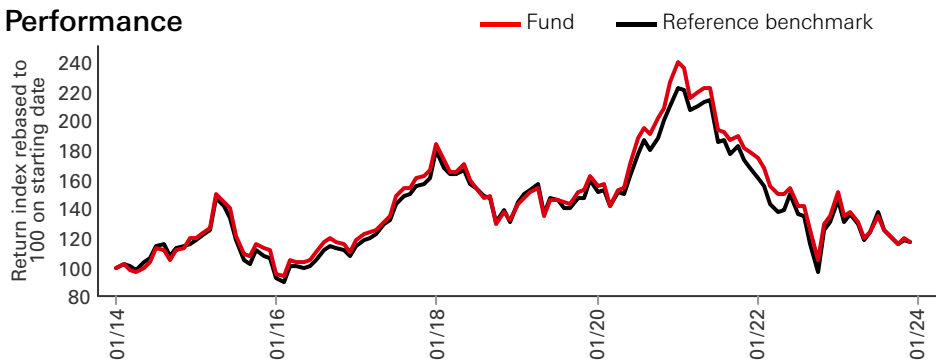
Before that was CLSA China World Price.

Prior to 31 Dec 1997 was Peregrine Greater China Price.

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

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

Performance



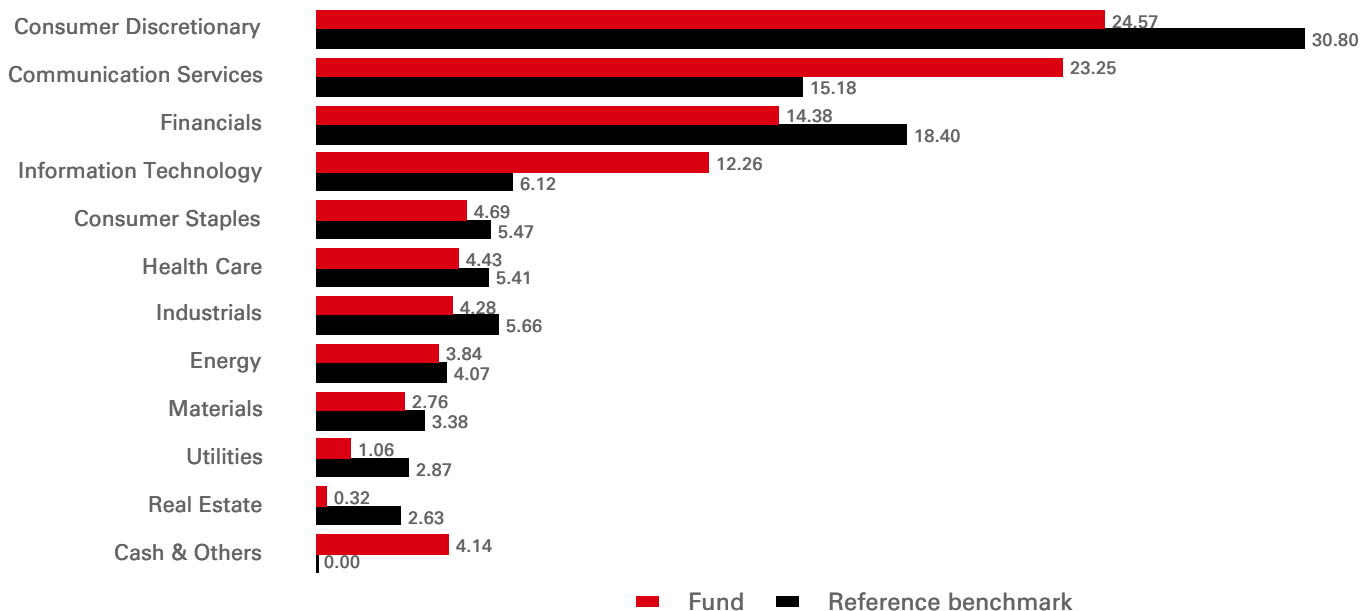
Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years	5 years
AD	-6.66	-6.66	-5.93	-18.98	-27.87	-54.57	-24.01
Reference benchmark	-10.79	-10.79	-10.76	-24.15	-28.81	-53.09	-28.04

Calendar year performance (%)	2019	2020	2021	2022	2023
AD	23.02	39.16	-20.77	-24.36	-13.64
Reference benchmark	22.18	30.75	-20.14	-21.53	-10.97

The calendar year return of the first year is calculated between share class inception date and calendar year end of first year if the share class has less than 5-year history. Results are cumulative

Equity characteristics	Fund	Reference benchmark	3-Year Risk Measures	AD	Reference benchmark
No. of holdings ex cash	62	765	Volatility	24.54%	28.86%
Average Market Cap (USD Mil)	135,961	76,195	Information ratio	-0.12	--
			Beta	0.83	--

Sector Allocation (%)



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Top 10 Holdings	Sector	Weight (%)
Tencent Holdings Ltd	Communication Services	9.13
Alibaba Group Holding Ltd	Consumer Discretionary	8.89
PDD Holdings Inc	Consumer Discretionary	6.06
China Construction Bank Corp	Financials	5.46
Taiwan Semiconductor Co Ltd	Information Technology	5.34
NetEase Inc	Communication Services	4.90
New Oriental Education & Techn	Consumer Discretionary	4.45
Kweichow Moutai Co Ltd	Consumer Staples	4.36
CNOOC Ltd	Energy	3.84
Baidu Inc	Communication Services	2.80

Monthly performance commentary

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

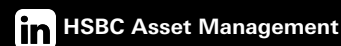
Energy security, CNOOC with total effect 0.68% is the top contributor. Additionally, Information Technology security, TSMC was the second largest contributor with total effect 0.66%. Consumer Discretionary security, New Oriental Education & Technology also contributed with total effect 0.58%.

On the other side, detractors include Information Technology security Maxscend Microelectronics with total effect -0.31%, Financials holding ICBC with total effect -0.20%, and Real Estate holding China Resources Land with total effect -0.17%.

During this period, positions were initiated in China Yangtze Power and Chinasoft International. Positions in Foxconn Industrial Internet and WuXi XDC were closed.

Sector allocation effects are residual to stock selection. At the sector level, effects were negative, given an overweight exposure to Information Technology.

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Website:

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Glossary



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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. Any deviations with respect to the benchmark are monitored within a comprehensive risk framework, which includes monitoring at security level. The deviation of the Fund's performance relative to the benchmark is monitored, but not constrained, to a defined range. The reference benchmark has a high level of concentration. This means that a small number of securities make up a significant proportion of the benchmark.

For definition of terms, please refer to the Glossary QR code.
Source: HSBC Asset Management, data as at 31 January 2024

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Supplemental information sheet

Share class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Dividend Amount	Annualised Yield based on ex-dividend date
AC	USD	--	--	--	--
ACHKD	HKD	--	--	--	--
AD	USD	Annually	31 May 2023	0.971098	1.20%
ADHKD	HKD	Annually	31 May 2023	0.121138	1.20%

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 be comprised of both distributed income and capital.

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.

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