

HSBC Managed Growth Fund

Monthly report 28 February 2022 | Share class P

Investment objective

The objective of the Fund is to achieve long-term capital growth by investing in a diversified portfolio with a bias towards global equities through direct investment and/or other collective investment schemes that the Fund may invest in.

Main risks

- The Fund invests mainly in global equities and bonds, with a bias towards equities. The Fund may get the exposure through direct investments and/or collective investment schemes.
- Fund may have asset allocation strategy risk. The investments of the Fund may be periodically rebalanced and therefore the Fund may incur greater transaction costs.
- 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 substantial credit, currency, volatility, liquidity, interest rate, tax and political risks and risks related to general equity market, emerging markets and investment in other collective investment schemes. 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.
- Further information on the potential risks can be found in the Key Investor Information Document (KID) and/or the Prospectus or Offering Memorandum.

Share Class Details

Key metrics

NAV per Share	HKD 32.85
Performance 1 month	-2.26%
Sharpe ratio 3 years	0.35

Fund facts

UCITS V compliant	No
Dividend treatment	Accumulating
Dividend ex-date	31 July 2002
Dividend Amount	0.140000
Dealing frequency	Daily
Share Class Base Currency	HKD
Domicile	Hong Kong SAR
Inception date	1 April 1997
Fund Size	HKD 1,257,775,867
Managers	Jessica Cheung

Fees and expenses

Maximum initial charge (HK)	3.000%
Management fee	0.750%

Codes

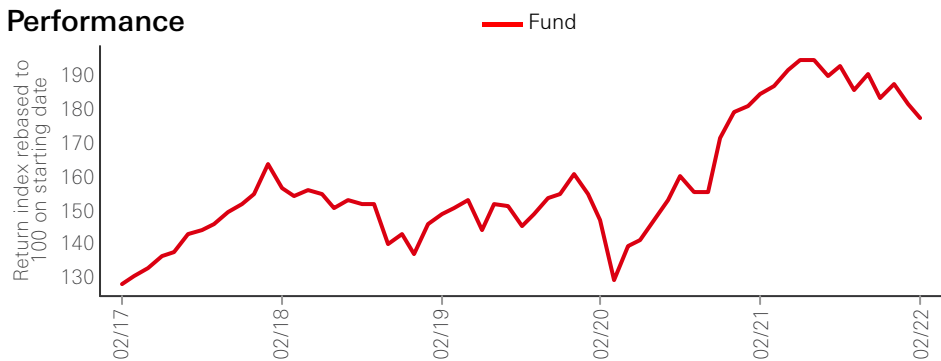
ISIN	HK0000434339
Bloomberg ticker	HSBMNGP HK

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.

For definition of terms, please refer to the Glossary QR code.
 Source: HSBC Asset Management, data as at 28 February 2022

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Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years	5 years
P	-5.30	-2.26	-3.07	-7.85	-3.83	19.24	38.72

Calendar year performance (%)	2017	2018	2019	2020	2021
P	28.52	-11.65	17.46	11.40	4.71

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

Asset allocation (%)	Actual	Target	Strategic	Overweight/Underweight between Target & Strategic Asset Allocation
Asia Pacific ex Japan HK (SAR) & mainland China Equity	13.53	13.00	12.00	1.00
European Equity	19.55	18.00	18.00	0.00
Hong Kong (SAR) & mainland China Equity	27.40	30.00	30.00	0.00
Japanese Equity	12.16	12.00	12.00	0.00
North America Equity	20.42	19.00	18.00	1.00
Asian Corporate Bond	1.57	5.00	0.00	5.00
Asian Local Currency Bonds	2.30	2.00	0.00	2.00
Global Government Bond	0.00	0.00	7.00	-7.00
Energy ETF	--	1.00	0.00	1.00
Liquidity	3.07	0.00	3.00	-3.00

The strategic allocation is the portfolio's reference or neutral allocation set by HSBC Asset Management. The management team also adjusts target exposure higher (overweight) or lower (underweight) to an asset type - relative to the strategic asset allocation - depending on the team's current market outlook. Positive values (overweights) in the chart reflect asset types the portfolio management team have a positive outlook on. Negative values (underweights) reflect asset types the portfolio management team have a negative outlook on. The actual exposure is a screen shot of the portfolio at the end of the month based on market value in each asset type.

Top 10 Holdings	Weight (%)
Tencent Holdings Ltd	2.68
ALIBABA GROUP HOLDING LTD	2.35
HSBC Holdings Plc Mar22	1.82
AIA Group Ltd	1.68
Taiwan Semiconductor Co Ltd	1.32
Apple Inc	1.22
MEITUAN-CLASS B	1.12
MICROSOFT CORP	1.07
iShares Global Energy ETF	1.05
CHINA CONSTRUCTION BANK-H	0.98

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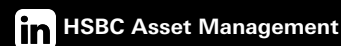
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Monthly performance commentary

Portfolio Review

Markets in February have been dominated by Russia's invasion of Ukraine and the reaction to that. Although the situation is highly uncertain, as at the end of February it seems that Russia is determined to take over Ukraine's capital city Kyiv, but so far has been held back by determined local resistance and the city remains under the control of Ukraine's government. A range of sanctions are being imposed on Russia, though stopping short of cutting off energy exports which are so crucial for Europe. There now seems to be agreement on restricting access to the Swift international payment system for selected Russian banks. This would make it more difficult for these institutions to make cross-border payments and will cause failed payments around the system. At the same time, the US, European Union, UK and Canada have announced sanctions on the Central Bank of Russia which will make it more difficult for them to liquidate foreign assets. The conflict, coming against a background where inflation continues to exceed targets and expectations in many countries, leading to expectations of higher interest rates in the months ahead, has produced negative returns across markets for the second month in a row. Global equities along with major regions closed the month with losses. Despite of overall negative performance in Asia, there were positive performances from the markets of Malaysia, Indonesia, Thailand and onshore China. The prospect of higher US interest rates was the main driver for bond returns, with global government bonds, Asian investment grade and high yield bonds returning negatively. Currency markets were not particularly volatile with the USD appreciating slightly. Commodity prices were supported as Russia and Ukraine are significant exporters of a range of commodities.

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Glossary



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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
A	HKD	Annually	30 July 2021	0.030773	0.11%
P	HKD	--	--	--	--

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