

HSBC Managed Growth Fund

Monthly report 31 January 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 Fund's potential risks can be found in the Key Investor Information Document and Prospectus.

Share Class Details

Key metrics

NAV per Share	HKD 33.61
Performance 1 month	-3.11%
Sharpe ratio 3 years	0.46

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 1,275,289,140
Managers	Jessica Cheung

Fees and expenses

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

Codes

ISIN	HK0000434339
Bloomberg ticker	HSBMNGP HK

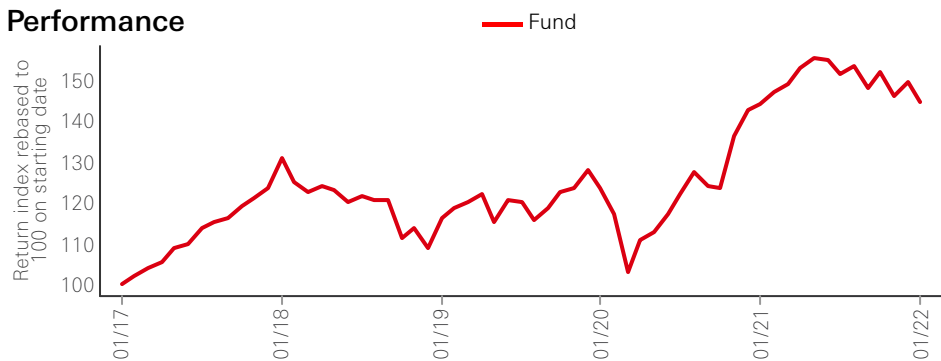
Past performance is not an indicator of future returns. The figures are calculated in the share class base currency, NAV to NAV basis with dividend reinvested, net of fees. If investment performance is not denominated in HKD or USD, HKD or USD based investors are exposed to exchange rate fluctuations.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

Fund change that may have material impact on performance: 1 Jul 2017 - trustee fee reduced. 29 Aug 2017- investment objective and policy changed, Investment Sub-Adviser removed. 9 Apr 2018 - investment objectives and policies changed. 16 Nov 2018 - Change in the manner of charging preliminary charge / switching fee. 18 Jan 2019 - change of Domicile and Trustee of the Funds.

For definition of terms, please refer to the Glossary QR code.
 Source: HSBC Asset Management, data as at 31 January 2022

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Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years	5 years
P	-3.11	-3.11	-4.60	-4.27	0.30	24.48	44.75

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	13.15	13.00	12.00	1.00
European Equity	20.50	20.00	18.00	2.00
Hong Kong (SAR) & mainland China Equity	28.49	30.00	30.00	0.00
Japanese Equity	12.99	13.00	12.00	1.00
North America Equity	18.76	19.00	18.00	1.00
Asian Corporate Bond	1.55	5.00	0.00	5.00
Asian Local Currency Bonds	2.23	2.00	0.00	2.00
Global Government Bond	0.00	0.00	7.00	-7.00
Liquidity	2.32	-2.00	3.00	-5.00

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	2.93
ALIBABA GROUP HOLDING LTD	2.67
HSBC Holdings Plc Mar22	1.81
AIA Group Ltd	1.62
MEITUAN-CLASS B	1.42
Taiwan Semiconductor Co Ltd	1.37
Apple Inc	1.23
MICROSOFT CORP	1.07
CHINA CONSTRUCTION BANK-H	0.97
HONG KONG EXCHANGES & CLEAR	0.87

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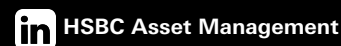
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Monthly performance commentary

Portfolio Review

Both bond and equity markets saw negative returns in January as markets adjusted to the likelihood of a significantly faster pace of monetary tightening in the months ahead. For the US, markets are now pricing five interest rate increases this year, with some talk of a 0.5% move in March. Many central banks in Asia are also likely to increase rates, with South Korea and New Zealand already making moves. The big contrast is China where rates are being cut to support an economy that has seen growth slow. Markets were also affected by the COVID situation where the number of daily new cases continues to rise to levels well above those seen in previous waves. However, deaths are not at the levels seen in previous waves, leading most countries to adopt a toleration strategy. Once again China is an exception, still implementing strict policies to try to eliminate COVID. The reassessment of interest rate prospects saw most bond yields rise in January. As a result, global government bonds saw negative returns and this was reflected in Asian corporate bonds, with the high yield peers returning more negative amidst ongoing credit issues in Chinese property issuers. Stock markets were also unsettled by the prospect of rate rises and saw declines, with Asia Pacific region outperforming broader market. The US dollar was supported by the prospect of faster interest rate rises and rose against most major and Asian currencies, although the Chinese Yuan continued to exhibit resilience and was little changed against the USD. Commodities were in demand and saw broad gains across energy, industrial metals and agricultural groups.

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Important Information

Investors should not invest in the Fund solely based on the information provided in this document and should read the offering document of the Fund for details.

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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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