

HSBC Managed Growth Fund

Monthly report 31 May 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 31.05
Performance 1 month	0.65%
Sharpe ratio 3 years	0.29

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 1,174,018,087
Managers	Jessica Cheung

Fees and expenses

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

Codes

ISIN	HK0000434339
Bloomberg ticker	HSBMNGP HK

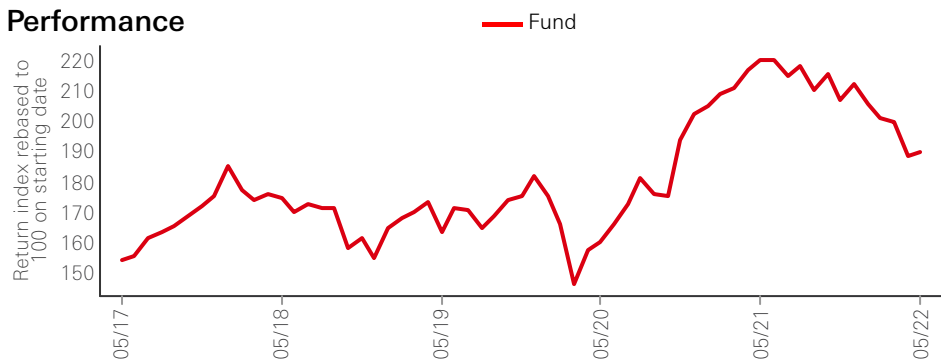
Past performance does not predict future returns. The figures are calculated in the share class base currency, NAV to NAV basis with dividend reinvested, net of fees. If investment performance is not denominated in HKD or USD, HKD or USD based investors are exposed to exchange rate fluctuations. *The 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 31 May 2022

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Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years	5 years
P	-10.49	0.65	-5.48	-8.38	-13.85	16.16	22.87

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	10.94	0.00	0.00	0.00
European Equity	18.59	0.00	0.00	0.00
Global Equity	0.05	0.00	0.00	0.00
Hong Kong (SAR) & mainland China Equity	27.12	0.00	0.00	0.00
Japanese Equity	11.77	0.00	0.00	0.00
North America Equity	18.62	0.00	0.00	0.00
Asian Corporate Bond	4.69	4.50	0.00	4.50
Asian Local Currency Bonds	2.31	2.50	0.00	2.50
Global Government Bond	0.00	0.00	7.00	-7.00
Global Equities	--	87.00	90.00	-3.00
Liquidity	5.91	6.00	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	2.61
ALIBABA GROUP HOLDING LTD	2.30
HSBC Holdings Plc Jun22	1.87
AIA Group Ltd	1.74
MEITUAN-CLASS B	1.24
Taiwan Semiconductor Co Ltd	1.05
Apple Inc	1.03
CHINA CONSTRUCTION BANK-H	0.99
MICROSOFT CORP	0.91
Samsung Electronics Co Ltd	0.72

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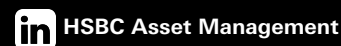
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Monthly performance commentary

Portfolio Review

Stock markets staged a notable turnaround during May to end close to unchanged for the month as a whole. The early falls reflected the background of high inflation, rising interest rates in many countries, and the threat to future growth posed by that background. The turnaround seemed to have a number of elements to it. First, markets had probably got somewhat oversold, so a small amount of buying was enough to push prices higher. Secondly, there was some evidence that inflation might indeed be peaking, with year over year numbers starting to decline, albeit from high levels. Finally, markets began to feel that central banks tightening aggressively now were setting themselves up to be able to pause tightening later in the year. Bond markets reacted well to the tentative reassessment of interest rate prospects. Yields ebbed and flowed in developed markets in May. Hawkish central bank rhetoric and April's higher-than-expected US CPI growth preceded periods of rising yields, yet the weakening growth outlook and fears of a recession worked in the opposite direction. On the other hand, the Chinese government urged to take actions to boost economic growth, including loosening fiscal and financial policy, stabilizing supply chains, boosting consumption and investment, and energy security. The downward reassessment of US interest rate prospects saw the US dollar give back some of its recent gains though not all Asian currencies benefitted, for example, the Chinese Yuan depreciated along with the widened rate differentials.

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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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