

HSBC Managed Growth Fund

Monthly report 31 October 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.

Share Class Details

Key metrics

NAV per Share	HKD 26.07
Performance 1 month	-1.18%
Sharpe ratio 3 years	-0.26

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 943,233,473
Managers	Jessica Cheung

Fees and expenses

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

Codes

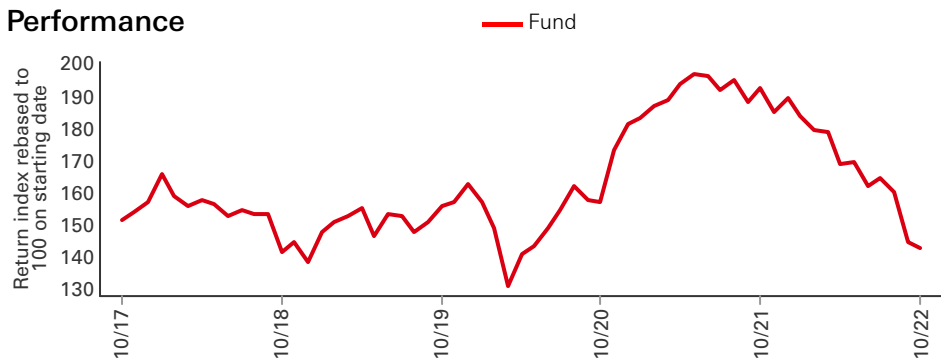
ISIN	HK0000434339
Bloomberg ticker	HSBMNGP HK

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 October 2022

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Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years	5 years
P	-24.85	-1.18	-13.27	-15.49	-26.00	-8.40	-5.82

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	11.55	0.00	0.00	0.00
European Equity	19.33	0.00	0.00	0.00
Global Equity	0.11	0.00	0.00	0.00
Hong Kong (SAR) & mainland China Equity	22.58	0.00	0.00	0.00
Japanese Equity	11.82	0.00	0.00	0.00
North America Equity	21.19	0.00	0.00	0.00
Asian Corporate Bond	4.48	4.50	0.00	4.50
Asian Local Currency Bonds	2.62	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	6.30	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	1.95
ALIBABA GROUP HOLDING LTD	1.84
HSBC Holdings Plc Dec22	1.71
AIA Group Ltd	1.46
Apple Inc	1.30
MEITUAN-CLASS B	1.00
MICROSOFT CORP	0.97
CHINA CONSTRUCTION BANK-H	0.82
Taiwan Semiconductor Co Ltd	0.74
JD.COM INC - CL A	0.66

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Monthly performance commentary

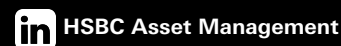
Portfolio Review

After closing a disappointing quarter, global equities made a decent comeback in October. Slower growth in inflation readings appeared to have boosted market expectations of a slower and lower rise in interest rates.

Regionally, the bounce was led by the US and Eurozone, where the majority of key markets outperformed. In the US, the rally was supported by a decent start to the Q4 earnings season. Conversely, mainland China and Taiwan dragged the Emerging Markets index. Property market issues in mainland China and weakness in the technology sector in Taiwan seemed to have weighed on investor sentiment. Hong Kong and Singapore were the other markets that posted negative returns in October. Bond yields rose as global central banks continued to be hawkish.

In the US, the market looks towards key events such as the November Fed meeting and mid-term elections despite higher-than-expected CPI reads. In Europe, the ECB hiked 75bp at the end of October while Germany and France had CPI prints higher than estimates. In mainland China, even after a Party Conference where a continuation of cautious COVID-19 policy was outlined, the bond yield on the contrary to global peers, went down. The US dollar was weakened by expectations of a possible Fed “pivot” in October, pivots by other G10 central banks and the impact of these developments on risk appetite. Oil prices surged last month as bullish OPEC+ production cuts and a weaker USD outweighed concerns of a major slowdown in global growth.

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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	29 July 2022	0.077500	0.33%
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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