

HSBC Managed Growth Fund

Monthly report 30 September 2023 | 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 29.98
Performance 1 month	-3.20%
Sharpe ratio 3 years	-0.04

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 1,019,695,033
Managers	Jessica Cheung

Fees and expenses

Minimum initial investment (HK)	HKD 10,000
Maximum initial charge (HK)	3.000%
Management fee	0.750%

Codes

ISIN	HK0000434339
Bloomberg ticker	HSBMNGP HK

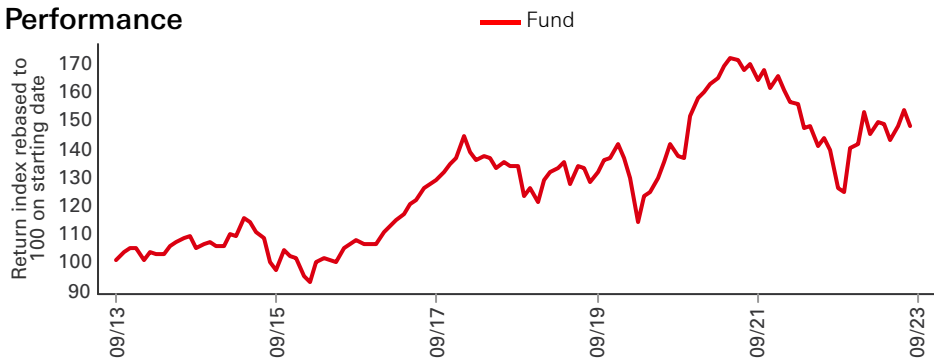
Past performance does not predict future returns. The figures are calculated in the share class base currency, NAV to NAV basis with dividend reinvested, net of fees. If investment performance is not denominated in HKD or USD, HKD or USD based investors are exposed to exchange rate fluctuations. *The 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 30 September 2023

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Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years	5 years
P	1.04	-3.20	-3.51	-4.09	13.65	4.10	6.84

Calendar year performance (%)	2018	2019	2020	2021	2022
P	-11.65	17.46	11.40	4.71	-14.47

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	17.78	10.10	12.00	-1.90
European Equity	16.56	16.50	18.00	-1.50
Hong Kong (SAR) & mainland China Equity	23.67	29.50	30.00	-0.50
Indonesia Equity	--	0.80	0.00	0.80
Japanese Equity	12.85	12.90	12.00	0.90
Korea Equity	--	1.10	0.00	1.10
North America Equity	16.26	16.20	18.00	-1.80
Asian Corporate Bond	3.75	3.60	0.00	3.60
EMD Local Currency Bond	--	0.90	0.00	0.90
Global Government Bond	2.86	2.80	7.00	-4.20
India Bond	--	1.00	0.00	1.00
China A Shares	1.21	1.20	0.00	1.20
China Tech	--	0.50	0.00	0.50
GEM Debt	2.01	0.00	0.00	0.00
Hang Seng Tech	0.51	0.00	0.00	0.00
Liquidity	2.55	2.30	3.00	-0.70
US Tech	--	0.60	0.00	0.60

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	2.19
HSBC HOLDINGS PLC	2.18
Tracker Fund of Hong Kong	1.35
iShares FTSE China A50 ETF	1.21
MEITUAN-CLASS B	1.20
AIA GROUP LTD	1.17
iShares MSCI South Korea ETF	1.05
APPLE INC	1.05
CHINA CONSTRUCTION BANK-H	0.99

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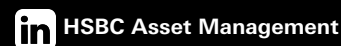
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Monthly performance commentary

Portfolio Review

Global Equities continued to fall in September, as a weakening macro-economic environment, rising bond yields, and renewed inflation concerns weighted on investor sentiment. Developed Market Equities underperformed Emerging Markets, over the period. Across developed markets, the US saw the largest falls, as investors grappled with higher for longer interest rates. Deteriorating business sentiment in the Eurozone also caused key markets in the region to fall sharply. The UK market fared better over the month, supported by rising oil prices. Government bonds fell over the period also impacted by an increase in long term interest rate expectations. The US 10Y yields rose above 4.5%, after the Fed signalled a slower pace of rate cuts in 2024. In Europe German Bund yields continued to rise, despite lower than expected inflation numbers in the Eurozone and signs of growth slowdown. In the UK, shorter-dated bond yields fell over the month, as inflation slowed more than expected and the Bank of England left rates unchanged, however longer dated gilt yields rose along with other developed markets. In Japan, yields also gained in September, prompting the Bank of Japan to announce unscheduled bond purchases at the end of the month. The US Dollar rose in September, prompted by resilient economic data in the US, signs of final hikes from the ECB and the Bank of England and weak China sentiment. The Euro performed poorly on weaker than expected inflation prints and disappointing Eurozone PMIs. The Sterling fell over the month due to global growth concerns, higher US yields and weak PMIs data. In commodity markets, Brent Oil climbed further, touching USD97/barrel levels towards end of the month, as Saudi Arabia and Russia announced prolonging their production cuts until December. Gold fell sharply over the month, as yields rose and the US Dollar strengthened.

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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	--	--	--
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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