

## HSBC Global Investment Funds

# HONG KONG EQUITY

Monthly report 31 August 2022 | Share class PD

Fund center



### Risk Disclosure

- The Fund invests mainly in Hong Kong equities.
- The Fund is subject to the geographic concentration risks of investing in a single market.
- 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 currency, volatility, liquidity, equity market risks, risk associated with small/mid-capitalisation companies, tax and political risks. 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.

### Investment objective

The Fund aims to provide long term capital growth by investing in a portfolio of Hong Kong SAR shares.

### Investment strategy

The Fund is actively managed. In normal market conditions, the Fund will invest at least 90% of its assets in shares (or securities similar to shares) of companies of any size that are based in, or carry out the larger part of their business activities in, Hong Kong SAR. The Fund can invest up to 20% in China A and China B-shares. For China A-shares, up to 20% through the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect, and up to 10% in CAAPs. The Fund may invest up to 10% in other funds, including HSBC funds. The Fund will not invest more than 10% in Real Estate Investment Trusts. See the Prospectus for a full description of the investment objectives and derivative usage.

### Share Class Details

Key metrics	
NAV per Share	<b>USD 111.11</b>
Performance 1 month	<b>-1.17%</b>
Volatility 3 years	<b>16.24%</b>
Fund facts	
UCITS V compliant	<b>Yes</b>
Dividend treatment	<b>Distributing</b>
Distribution Frequency	<b>Annually</b>
Dividend ex-date	<b>6 July 2022</b>
Dividend annualised yield*	<b>0.61%</b>
Dividend Amount	<b>0.733346</b>
Dealing frequency	<b>Daily</b>
Share Class Base Currency	<b>USD</b>
Domicile	<b>Luxembourg</b>
Inception date	<b>16 January 1987</b>
Fund Size	<b>USD 123,921,715</b>
Reference benchmark	<b>100% FTSE MPF Hong Kong</b>
Managers	<b>Caroline Yu Maurer</b>
Fees and expenses	
Minimum initial investment (HK) <sup>1</sup>	<b>USD 50,000</b>
Maximum initial charge (HK)	<b>4.500%</b>
Management fee	<b>1.000%</b>
Codes	
ISIN	<b>LU0011817854</b>
Bloomberg ticker	<b>HSBHKEI LX</b>

<sup>1</sup>Please note that initial minimum subscription may vary across different distributors

**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.**

**Reference Performance Benchmark: FTSE MPF Hong Kong Net since 1 Dec 2011.**

**From 1 Jan 1990 – 30 Nov 2011, the benchmark was Hang Seng Gross.**

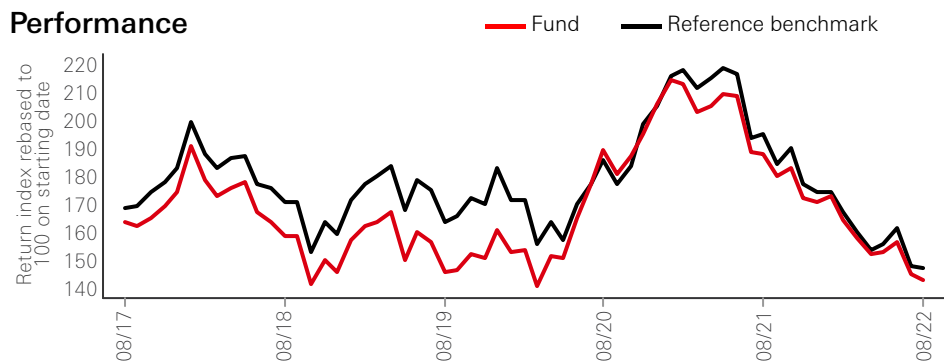
**Prior to that was Hang Seng Price.**

**Fund change that may have material impact on performance: 20 Jun 2016 – investment objective changed. 16 Nov 2018 - Change in the manner of charging sales charge / switching charge.**

**For definition of terms, please refer to the Glossary QR code.**

**Source: HSBC Asset Management, data as at 31 August 2022**

Performance



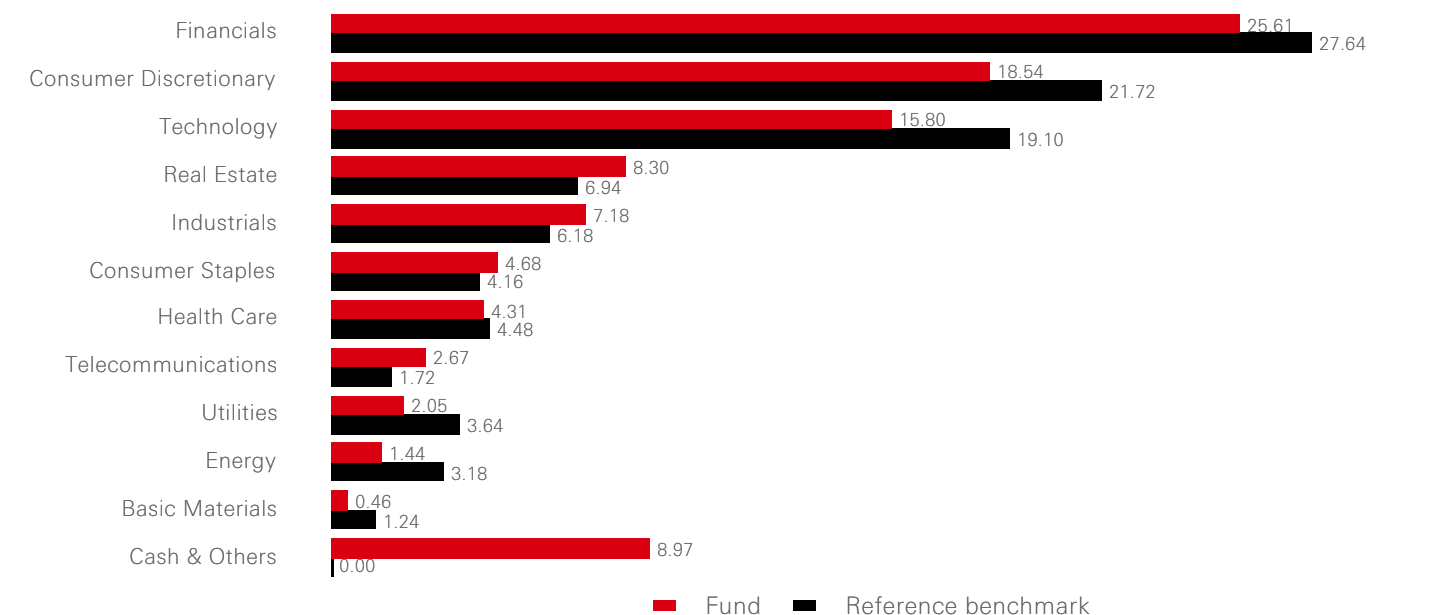
Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years	5 years
PD	-16.23	-1.17	-6.65	-12.79	-23.87	-1.87	-12.41
Reference benchmark	-15.75	-0.62	-5.54	-12.23	-24.68	-10.02	-12.79

Calendar year performance (%)	2017	2018	2019	2020	2021
PD	35.92	-16.24	10.07	28.09	-17.01
Reference benchmark	41.54	-12.88	14.90	12.23	-14.98

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

Equity characteristics	Fund	Reference benchmark	3-Year Risk Measures	PD	Reference benchmark
No. of holdings ex cash	58	333	Volatility	16.24%	16.69%
Average Market Cap (USD Mil)	105,559	100,424	Information ratio	0.56	--
			Beta	0.93	--

Sector Allocation (%)



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<b>Top 10 Holdings</b>	<b>Sector</b>	<b>Weight (%)</b>
Alibaba Group Holding Ltd	Consumer Discretionary	8.20
Tencent Holdings Ltd	Technology	7.22
AIA Group Ltd	Financials	6.84
Meituan	Technology	4.87
HSBC Holdings PLC	Financials	3.81
Hong Kong Exchanges & Clear	Financials	3.37
China Construction Bank-H	Financials	3.26
Jd.Com Inc - CI A	Consumer Discretionary	3.04
Tsingtao Brewery Co Ltd	Consumer Staples	2.88
BOC Hong Kong Holdings Ltd	Financials	2.85

## Monthly performance commentary

Stock selection was negative for the month. Positive performance came from Consumer Staples and Telecommunications, though this was offset by negative stock selection in Financials and Utilities.

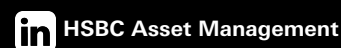
Telecommunications security, China Mobile, with total effect 0.13%, was the top contributor. Additionally, Consumer Discretionary security, Samsonite International was the second largest contributor with total effect 0.11%. Energy security, CNOOC also contributed with total effect 0.07%.

On the other side, detractors include Technology security Tencent, with total effect -0.18%, Utilities security, Power Assets with total effect -0.13%, and Financials security Hong Kong Exchanges and Clearing with total effect -0.10%.

During this period, positions were initiated in Swire Pacific-A and Cathay Pacific Airways. Positions were closed in Hang Seng Bank.

Sector allocation effects are residual to stock selection. At the sector level, effects were negative, given an underweight exposure to Technology.

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#### Glossary



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## Benchmark disclosure

The Investment Advisor will use its discretion to invest in securities not included in the reference benchmark based on active investment management strategies and specific investment opportunities. It is foreseen that a significant percentage of the Fund's investments will be components of the reference benchmark. However, their weightings may deviate materially from those of the reference benchmark. Any deviations with respect to the benchmark are monitored within a comprehensive risk framework, which includes monitoring at security and sector level. The deviation of the Fund's performance relative to the benchmark is monitored, but not constrained, to a defined range. The reference benchmark has a high level of concentration. This means that a small number of securities make up a significant proportion of the benchmark.

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

## Supplemental information sheet

Share class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Dividend Amount	Annualised Yield based on ex-dividend date
AC	USD	--	--	--	--
ACHKD	HKD	--	--	--	--
AD	USD	Annually	6 July 2022	0.009080	0.01%
ADHKD	HKD	Annually	6 July 2022	0.000819	0.01%
PD	USD	Annually	6 July 2022	0.733346	0.61%

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 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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Source: HSBC Asset Management, data as at 31 August 2022