

## **HSBC ASSET MANAGEMENT LAUNCHES FIRST VINTAGE OF NAV FINANCING PARTNERSHIP FUND**

**24 September 2024** – HSBC Asset Management (HSBC AM) has launched the first vintage of its NAV Financing strategy, attracting a significant anchor commitment from HSBC Group.

The HSBC NAV Financing Partnership Fund will provide senior loans secured by private equity portfolios, supporting both fund managers and investors' portfolios. The majority of the underlying loans are expected to be investment grade rated.

As part of the partnership with HSBC, the strategy will be managed by HSBC AM's Capital Solutions team, providing independent origination, structuring and investment expertise, whilst leveraging on HSBC's deep global origination and fund finance underwriting capabilities.

**Borja Azpilicueta, Head of Capital Solutions at HSBC Asset Management said:**

"For our institutional and wealth clients, this strategy provides access to an investment grade private debt opportunity that diversifies traditional direct lending exposures, with shorter duration, potentially attractive risk-adjusted returns and an independent, external investment grade rating. By partnering with HSBC Bank, our strategy aims to provide investors with differentiated access to a scalable investment opportunity leveraging HSBC's Sponsor network.

"NAV finance is becoming a core part of the global private equity fund ecosystem as, in our view, fund managers and investors alike aim to continue building value in the context of longer asset hold periods. NAV finance provides investors the flexibility needed to drive portfolio growth and value creation. "

The HSBC NAV Financing Partnership Fund is the second strategy managed by HSBC AM's Capital Solutions team following the introduction of the first vintage of HSBC AM's RCF partnership strategy in November 2023.

The Capital Solutions team, part of HSBC AM's Alternatives growing alternative credit platform, was established in 2022 to offer clients access to HSBC's proprietary private asset deal flow. With a team of 318 dedicated alternatives staff including over 125 investment professionals, HSBC AM's Alternatives business has combined assets under management and advice of USD71.1bn as of 30 June 2024, with alternative credit constituting USD6.6bn of this.

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The value of investments and any income from them can go down as well as up and investors may not get back the amount originally invested. Where overseas investments are held the rate of currency exchange may also cause the value of such investments to fluctuate. Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in some established markets.

**HSBC Asset Management**

HSBC Asset Management should be referred to either in full or as HSBC AM to avoid confusion with any other financial services firms.

HSBC Asset Management, the investment management business of the HSBC Group, invests on behalf of HSBC's worldwide customer base of retail and private clients, intermediaries, corporates and institutions through both segregated accounts and pooled funds. HSBC Asset Management connects HSBC's clients with investment opportunities around the world through an international network of offices in 22 countries and territories, delivering global capabilities with local market insight. As at 30 June 2024, HSBC Asset Management managed assets totalling US\$713bn on behalf of its clients.

For more information see <http://www.global.assetmanagement.hsbc.com/>

HSBC Asset Management is the brand name for the asset management businesses of HSBC Holdings plc.

**HSBC Holdings plc**

HSBC Holdings plc, the parent company of HSBC, is headquartered in London. HSBC serves customers worldwide from offices in 60 countries and territories. With assets of US\$2,975bn at 30 June 2024, HSBC is one of the world's largest banking and financial services organisations.

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