

Important information:

- The Fund may invest in equities, bonds and other asset classes, and may invest in other funds to achieve its investment objectives.
- The Fund is subject to the risk of investing in emerging markets.
- Debt instruments with loss-absorption features, non-investment grade bonds and unrated bonds are subject to additional risks and volatility.
- The Fund may gain exposure to hedge fund, absolute return strategy, private equity and real estate sectors, and may suffer substantial loss in such investments.
- The Fund may invest in other funds and need to bear the underlying funds' fees and expenses on top of the Fund's own fees and expenses.
- Because the Fund's base currency, investments and classes may be denominated in different currencies, investors may be affected adversely by exchange controls and exchange rate fluctuations. There is no guarantee that the currency hedging strategy applied to the relevant classes will achieve its desired result.
- The Fund may invest in financial derivative instruments for investment purpose which may lead to higher volatility to its net asset value.
- The Fund may pay dividends/payouts out of capital or gross of expenses. Dividend/payout is not guaranteed and may result in capital erosion and reduction in net asset value.
- The Fund's investments may involve substantial credit, currency, volatility, liquidity, interest rate, tax and political risks. Investors may suffer substantial loss of their investments in the Fund.
- Unit trusts are NOT equivalent to time deposits. Investors should not invest in the Fund solely based on the information provided in this document and should read the offering document of the Fund for details.

HSBC Portfolios – World Selection 1

HSBC Portfolios – World Selection 2



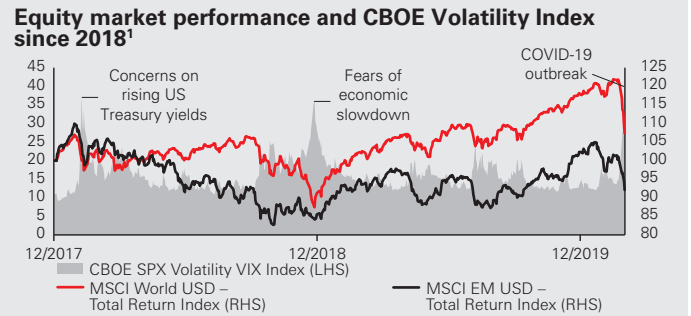
HSBC
Global Asset
Management

This document does not constitute an offering document and should not be construed as a recommendation, an offer to sell or the solicitation of an offer to purchase or subscribe to any investment. Investment involves risk, you may suffer significant loss of your investments. Please refer to the offering document for further details including the risk factors. The publication has not been reviewed by the Securities and Futures Commission.

Why these funds?

1. COVID-19 outbreak led to a spike in risk aversion

- ◆ Volatility has increased and portfolio diversification could prove to be key
- ◆ A lower-risk multi-asset portfolio with a higher bond allocation could increase defensiveness while capturing upside potential when market rebounds



1. Source: HSBC Global Asset Management, DataStream as at 29 February 2020.

2. Demonstrated resilience amid market volatility

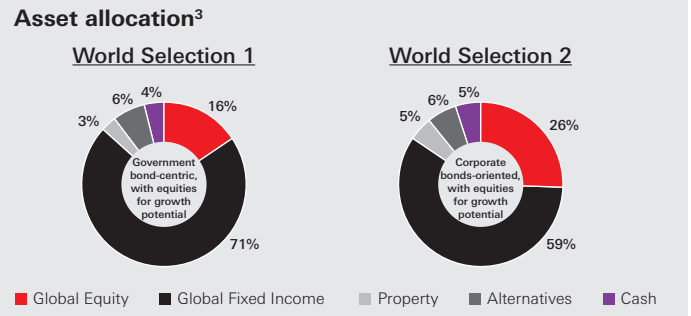
- ◆ The Funds have been impacted by strong market reactions, but they demonstrated resilience compared to the global equity market
- ◆ The defensive nature and higher bond allocation in the portfolios have helped achieve a relatively low volatility level

Volatility level of the Funds ²	
World Selection 1	World Selection 2
4.1%	6.1%

2. Source: HSBC Global Asset Management, as of 31 March 2020, refers to Accumulation share classes (AC). Volatility is since inception (20 October 2009), it is a measure of how much a fund's price goes up or down as a percentage of its average performance.

3. Highly diversified portfolios for a smoother ride

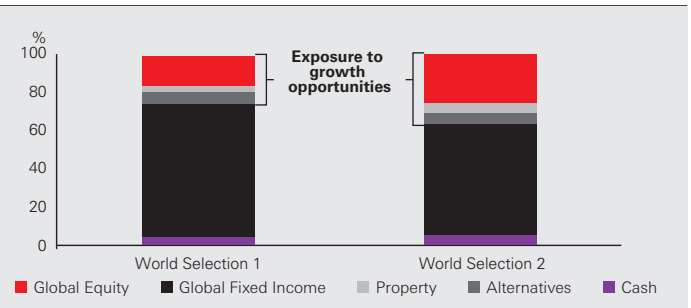
- ◆ The Funds benefited from their heavy exposure to perceived 'haven assets' such as developed market government bonds, which rallied recently
- ◆ They invest across asset classes via actively and passively managed investments, such as equity, bond, REITs, etc. to provide growth potential



3. Source: HSBC Global Asset Management, as at 31 March 2020. Any portfolio characteristics shown herein, including strategy and allocations among others, are for illustrative purposes only. The characteristics may differ by product, client mandate or market conditions. Information may be changed from time to time without notice. The data displayed above is shown on a look-through basis. This means that the fund may not directly hold these securities and the investment in these securities may be via other funds.

4. Gate to growth assets for conservative investors

- ◆ Through World Selection 1 and 2, conservative investors can gain exposure to growth opportunities while maintaining an overall defensive positioning
- ◆ The Funds also aim to provide monthly income (AM class only). The annualised yields (March 2020) for World Selection 1 and World Selection 2 are 2.68%⁴ and 3.29%⁴ respectively (distribution is not guaranteed and may be paid out of capital)



4. Source: HSBC Global Asset Management, refers to AM share classes, ex-date: 27 March 2020. 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 is the compound yield calculation: $((1 + (\text{dividend amount} / \text{ex-dividend NAV}))^{12}) - 1$. 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.

Key Risks

- ◆ Investment risk: The Fund's investment portfolio may fall in value and therefore your investment in the Fund may suffer losses. There is no guarantee of the repayment of principal.
- ◆ Emerging market risk: The Fund may invest in both developed markets and emerging markets. Investing in emerging markets involves a greater risk of loss than investing in more developed markets due to, among other factors, greater political, tax, economic, foreign exchange, liquidity, market volatility (such as interest rate and price volatility) and regulatory risks.
- ◆ Interest rate risk: Generally, the price of fixed income instruments decreases when interest rates rise, whilst their prices increase when interest rates fall.
- ◆ Credit risk: The Fund's exposure to bonds is subject to the credit risk of issuers of the bonds. When the issuer of a bond defaults, the Fund may suffer a loss amounting to the value of such investment.
- ◆ Currency risk: The Fund may be affected unfavourably by exchange control regulators or changes in the exchange rates between the base currency and other currencies. Changes in currency exchange rates may influence the value of the Fund's shares, the dividends or interest earned and the gains and losses realised.
- ◆ Alternative investment risk: The Fund may gain exposure to hedge fund and absolute return strategies and the private equity and the real estate sectors. Because of their special and higher risks, substantial or, in certain cases, total loss may result with respect to investments in those asset classes.
- ◆ Derivative instrument risk: Include but not limited to market volatility risk, credit risk, counterparty risk, liquidity risk, valuation risk and leverage risk. If the issuers of the derivative instruments default, or such securities or their underlying assets cannot be realised, or perform badly, investors may suffer substantial or, in certain cases, total loss of their investments.
- ◆ Risk associated with investing in other funds: The Fund may be subject to a duplication of costs when investing in underlying funds. These risks may have an adverse impact on the Net Asset Value of the Fund.

For details of risk factors, please refer to the fund documents.

Fund Details

	World Selection 1	World Selection 2
Accumulation share class:		Class AC / ACHKD
Distribution share class:	Class AM / AMHKD / AMHAUD / AMHEUR / AMHGBP	
Currency:		USD / HKD / AUD / EUR / GBP
Minimum initial investment:	USD1,000 / HKD10,000 / AUD1,500 / EUR 850 / GBP 650	
Management fee (per annum):		1%
Dealing frequency:		Daily
Dividend / payout policy:		Monthly (If any, Class AM only) Dividend is not guaranteed and may be paid out of capital ⁵

Source: 5. 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 prior to August 2019 is the simple yield calculation: $(\text{dividend amount} / \text{NAV per share or units as of ex-dividend date}) \times 12$; The calculation method of annualised yield from August 2019 is the compound yield calculation: $((1 + (\text{dividend amount} / \text{ex-dividend NAV}))^{12}) - 1$. 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

This document is prepared for general information purposes only and does not have any regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive it. Any views and opinions expressed are subject to change without notice. This document does not constitute an offering document and should not be construed as a recommendation, an offer to sell or the solicitation of an offer to purchase or subscribe to any investment. Any forecast, projection or target where provided is indicative only and is not guaranteed in any way. HSBC Global Asset Management (Hong Kong) Limited ("AMHK") accepts no liability for any failure to meet such forecast, projection or target. AMHK has based this document on information obtained from sources it reasonably believes to be reliable. However, AMHK does not warrant, guarantee or represent, expressly or by implication, the accuracy, validity or completeness of such information. Investment involves risk. Past performance is not indicative of future performance. Please refer to the offering document for further details including the risk factors. This document has not been reviewed by the Securities and Futures Commission.

Copyright © HSBC Global Asset Management (Hong Kong) Limited 2020. All rights reserved. This document is issued by HSBC Global Asset Management (Hong Kong) Limited.

www.assetmanagement.hsbc.com/hk