

HSBC Collective Investment Trust

HSBC Asia Multi-Asset High Income Fund

Monthly report 30 June 2023 | Share class AC-USD

Fund center



Risk Disclosure

- The Fund invests mainly in Asian equities, bonds and other related investments.
- The Fund's asset allocation strategy balancing income, long term expected returns and risk may not achieve the desired results under all circumstances and market conditions. 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 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, credit rating, currency, volatility, liquidity, interest rate, valuation, geographic concentration, emerging markets, tax and political risks and risks related to general equity market, general debt securities, sovereign debt, small/mid-capitalisation companies, non-investment grade and unrated debt securities, investment in other collective investment schemes. Investors may suffer substantial loss of their investments in the Fund.
- Base Currency Hedged Share Classes and RMB denominated Class are subject to higher currency and exchange rate risks.
- Investors should not invest solely based on factsheet and should read the offering documents for details.



Investment objective

The Fund aims to provide income through investment in a diversified portfolio of equities, fixed income securities, money market and cash instruments and other instruments that are related to the Asia Pacific region.



Investment strategy

The Manager's asset allocation strategy is to forecast long term expected returns and consider the income for the different asset classes, and use these to decide the fund's asset allocation, favouring assets with the best income and long term expected returns. The Manager assesses risk using long term volatilities and correlations between asset classes. Then it uses these to forecast what the portfolio volatility will be for any asset allocation, so that the allocation fits with the fund's risk tolerance.

Share Class Details

Key metrics

NAV per Share	USD 7.33
Performance 1 month	3.82%

Fund facts

UCITS V compliant	No
Dividend treatment	Accumulating
Dealing frequency	Daily
Share Class Base Currency	USD
Domicile	Hong Kong SAR
Inception date	29 April 2021
Fund Size	USD 194,106,135
Managers	Jimmy Choong Mathew Ng

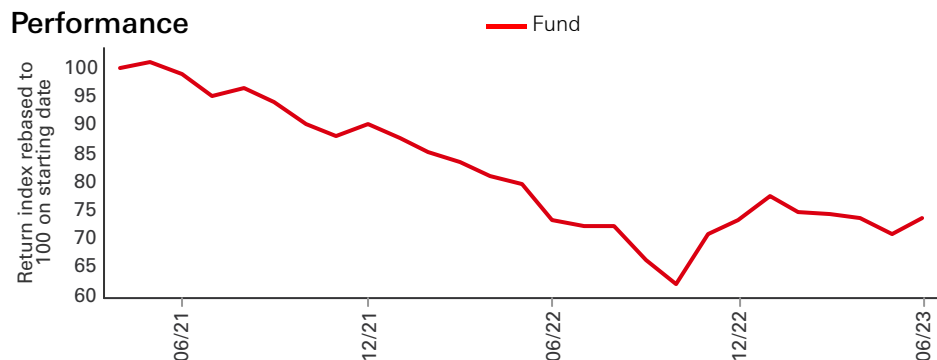
Fees and expenses

Minimum initial investment (HK)	USD 1,000
Maximum initial charge (HK)	3.000%
Management fee	1.250%

Codes

ISIN	HK0000469186
Bloomberg ticker	HSMHACU HK

Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years	5 years	Since Inception
AC-USD	0.73	3.82	-0.81	0.73	0.42	--	--	-26.71

Calendar year performance (%)	2018	2019	2020	2021	2022
AC-USD	--	--	--	-10.37	-18.82

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

Currency Allocation (%)

US Dollar	49.70
Hong Kong Dollar	17.24
Australian Dollar	7.73
Won	7.27
New Taiwan Dollar	5.59
Singapore dollar	4.24
Yen	2.83
Indian rupee	2.29
Rupiah	2.17
Philippine Peso	0.66
Other Currencies	0.29

Asset allocation (%)

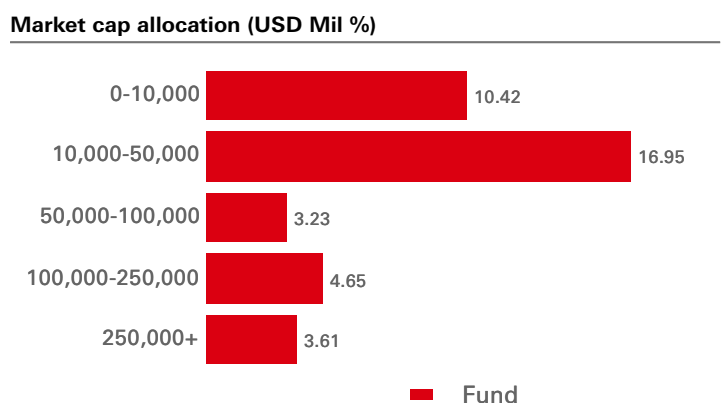
Asset allocation (%)	Fund
Japan Equity	1.02
Cash	3.32
Asian High Dividend Equity	38.86
Asian High Yield Bond	47.75
Asia Real Estate	9.04

Top 10 Holdings

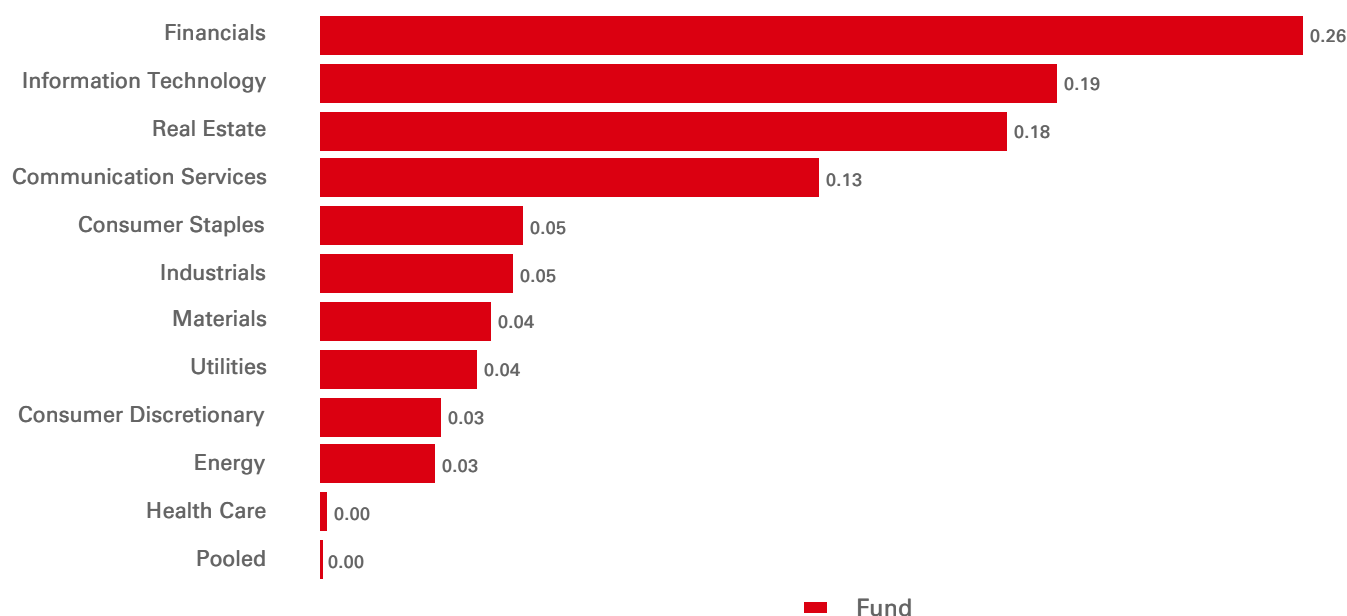
Top 10 Holdings	Weight (%)
Taiwan Semiconductor Co Ltd	3.24
Samsung Electronics Co Ltd	2.74
AIA Group Ltd	1.89
KB Financial Group Inc	1.87
Telkom Indonesia Persero Tbk P	1.75
China Construction Bank Corp	1.68
DBS Group Holdings Ltd	1.67
Baidu Inc	1.61
National Australia Bank Ltd	1.55
SK Telecom Co Ltd	1.53

Equity top 10 holdings	Location	Sector	Weight (%)
Taiwan Semiconductor Co Ltd	Taiwan	Information Technology	3.26
Samsung Electronics Co Ltd	South Korea	Information Technology	2.75
AIA Group Ltd	Hong Kong (SAR)	Financials	1.90
KB Financial Group Inc	South Korea	Financials	1.88
Telkom Indonesia Persero Tbk P	INDONESIA	Communication Services	1.76
China Construction Bank Corp	Mainland China	Financials	1.69
DBS Group Holdings Ltd	SINGAPORE	Financials	1.68
Baidu Inc	Mainland China	Communication Services	1.62
National Australia Bank Ltd	Australia	Financials	1.56
SK Telecom Co Ltd	South Korea	Communication Services	1.54

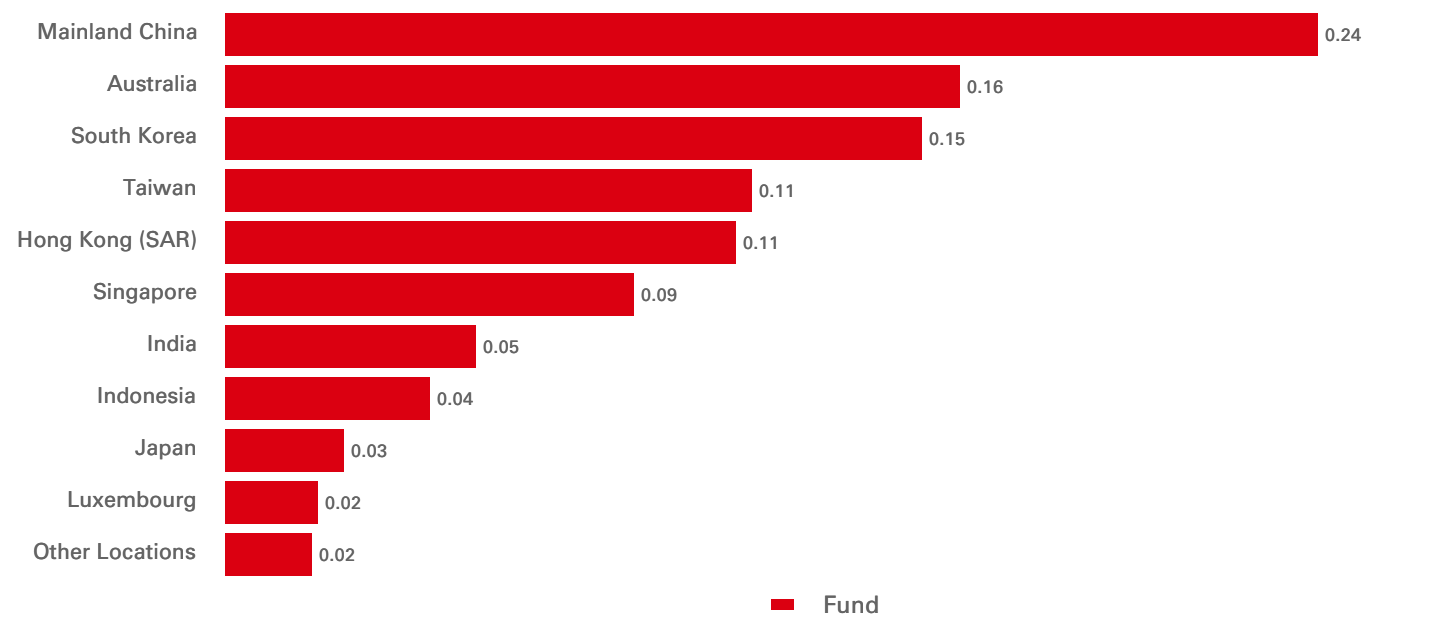
Equity characteristics	Fund	Reference benchmark
Average Market Cap (USD Mil)	78,480	--
Price/earning ratio	9.72	--
Portfolio yield	4.18%	--



Equity sector allocation (%)



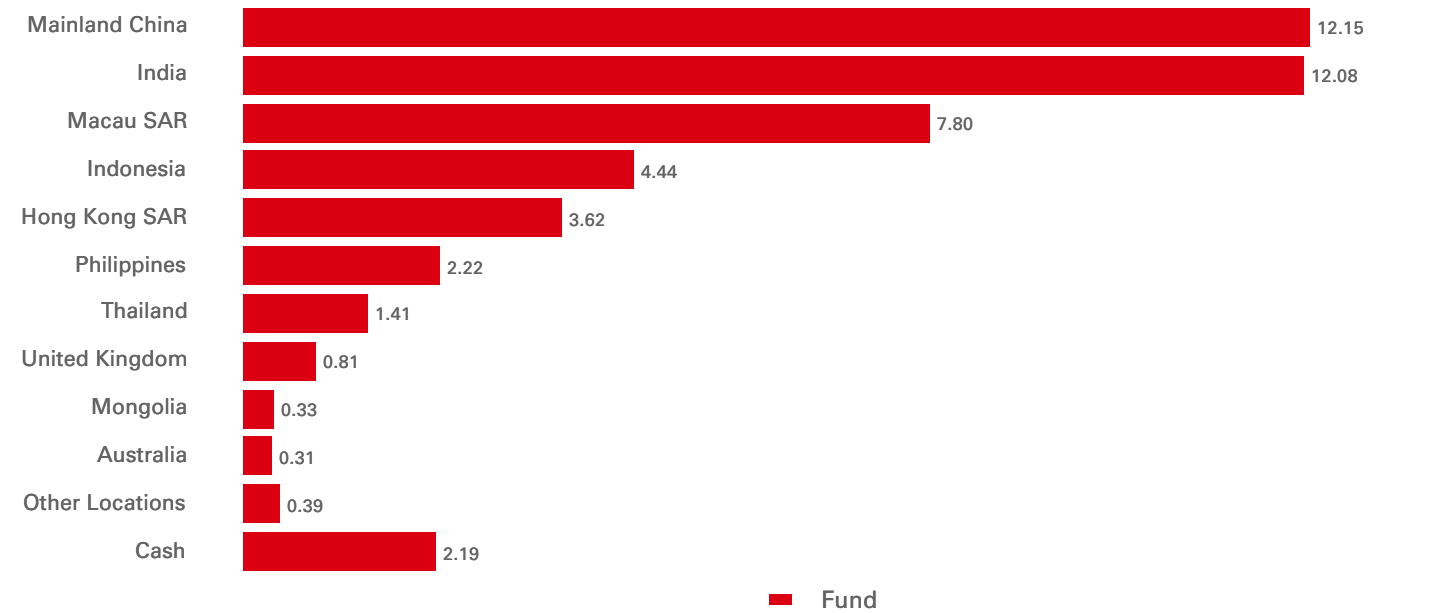
Equity geographical allocation (%)



Fixed Income Characteristics	Fund	Reference benchmark	Relative	Credit rating (%)	Fund	Reference benchmark	Relative
Portfolio yield	15.09%	--	--	AAA	0.00	--	--
Yield to maturity	15.23%	--	--	BBB	1.63	--	--
Effective duration	2.25	--	--	BB	27.02	--	--
Average Credit Quality	BB/BB-	--	--	B	9.95	--	--
				CCC	0.61	--	--
				NR	6.36	--	--
				Cash	2.19	--	--

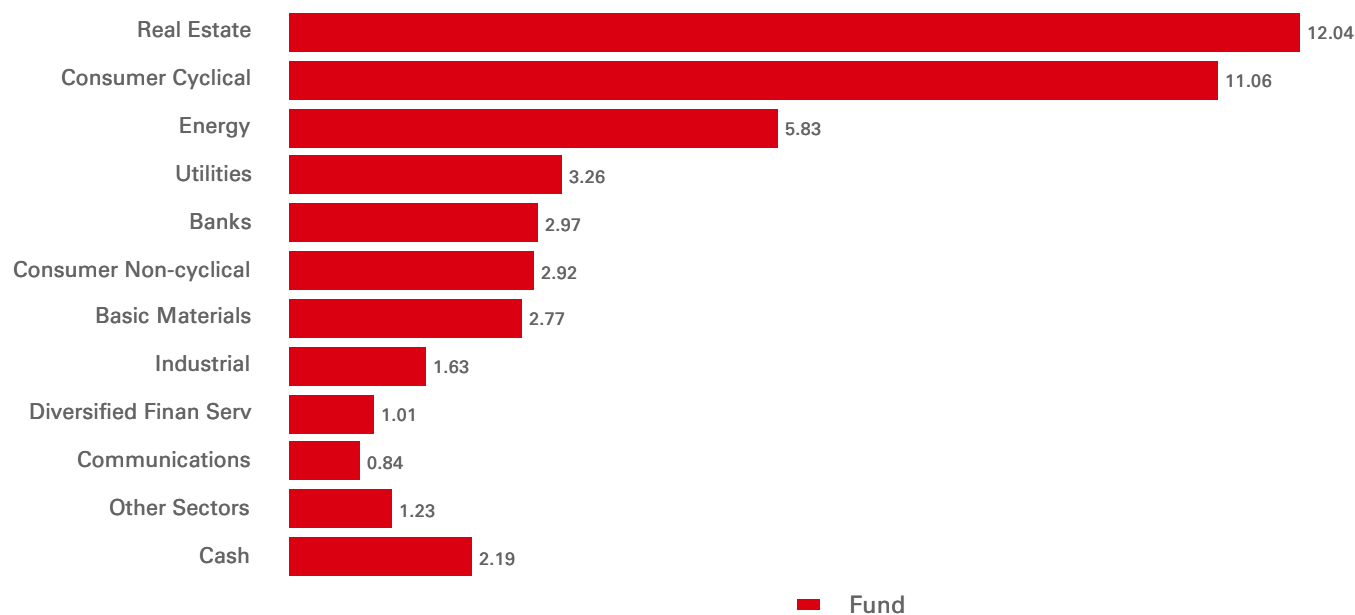
Fixed income top 10 holdings	Location	Instrument type	Weight (%)
MELCO RESORTS FINANCE 4.875 06/06/2025 USD	Hong Kong (SAR)	Corporate Bond	1.03
MGM CHINA HOLDINGS LTD 4.750 01/02/2027 USD	Macau SAR	Corporate Bond	0.99
MEDCO OAK TREE PTE LTD 7.375 14/05/2026 USD	INDONESIA	Corporate Bond	0.86
WYNN MACAU LTD 5.625 26/08/2028 USD	Macau SAR	Corporate Bond	0.74
SANDS CHINA LTD 2.800 08/03/2027 USD	Macau SAR	Corporate Bond	0.74
COUNTRY GARDEN HLDGS 8.000 27/01/2024 USD	Mainland China	Corporate Bond	0.73
KASIKORNBANK PCL HK CCB 5.275 14/04/2172 PERP EMTN	Thailand	Convertible bond	0.73
NWD FINANCE (BVI) LTD 5.250 PERP USD	Hong Kong (SAR)	Perpetual Bonds	0.69
WYNN MACAU LTD 5.500 15/01/2026 USD	Macau SAR	Corporate Bond	0.68
SHUI ON DEVELOPMENT HLDG 6.150 24/08/2024 USD	Mainland China	Corporate Bond	0.67

Fixed income geographical allocation (%)



Geographical Allocation (Effective duration)	Fund	Reference benchmark	Relative
India	0.60	--	--
Macau SAR	0.51	--	--
Mainland China	0.40	--	--
Indonesia	0.22	--	--
Hong Kong SAR	0.21	--	--
Philippines	0.14	--	--
Thailand	0.06	--	--
United Kingdom	0.05	--	--
Australia	0.01	--	--
S.Korea	0.00	--	--
Other Locations	0.00	--	--
Cash	0.00	--	--

Fixed income sector allocation (%)



Monthly performance commentary

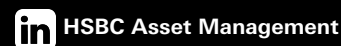
Portfolio Review

Global equities made a sharp recovery over the month while bond returns remained mostly flat amid the resolution of debt ceiling negotiations in the US, persistent inflation, and hawkish rhetoric from most of the G10 central banks. Major central banks continued their hawkish stances with the Bank of England, ECB, and the Bank of Canada all raising the official interest rates. The Federal Reserve made it clear that the unchanged policy rate this month was a 'skip' rather than the start of a prolonged pause, with the latest FOMC dot plot suggesting two more hikes by the end of this year. Government bond yields generally rose over the month impacting returns across the fixed income spectrum. Equity returns were mainly led by the US, particularly the strong performance of its Discretionary and Basic Materials sectors. European equities also posted positive, albeit moderate, returns as leading indicators, particularly for the manufacturing sector, pointed to a weakening business outlook and the region's higher reliance on the economic recovery of China seemed to have weighed on investor confidence. Currency markets saw improving risk sentiment as the broad USD weakened against its G10 peers except for JPY despite higher US yields. Gold prices fell for a second consecutive month as investors moved into riskier assets, while other commodities rose with cuts to oil production helping raise oil prices.

The fund posted gains in June, mainly driven by Asian equities. Asian equities were up during the month due to the technology led rally given our exposure to semiconductors. Asian high yield bonds were up during the month as central banks began to pause hiking rate across Asia. Our real estate strategy closed higher and outperform the general real estate sector in Asia. Supported by increasing expectation of policy easing measures, real estate market rebounded after the sharp correction in May.

Western and emerging economies look out of sync. The West is under pressure from sticky core inflation, higher interest rates and tighter lending conditions, while emerging economies face a much more benign outlook. In the West, we anticipate recession towards the end of the year, as corporate pricing power diminishes and labour markets soften. Inflation is rolling over but will take time to reach levels that central banks are comfortable with. The services side of inflation is still proving sticky and may require a recession to dampen residual price pressures. Eastern markets face a much more benign inflation-growth mix. Although weaker external demand may weigh on trade activity, growth dynamics are supported by China's reopening and a weaker dollar.

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Glossary



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For definition of terms, please refer to the Glossary QR code.
Source: HSBC Asset Management, data as at 30 June 2023

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	USD	--	--	--	--
AM2-HKD	HKD	Monthly	30 June 2023	0.040500	8.25%
AM2-HKD	HKD	Monthly	31 May 2023	0.040300	8.31%
AM2-HKD	HKD	Monthly	28 April 2023	0.041700	8.20%
AM2-HKD	HKD	Monthly	31 March 2023	0.041700	8.09%
AM2-HKD	HKD	Monthly	28 February 2023	0.046100	8.87%
AM2-HKD	HKD	Monthly	31 January 2023	0.046200	8.50%
AM2-HKD	HKD	Monthly	30 December 2022	0.044200	8.60%
AM2-HKD	HKD	Monthly	30 November 2022	0.041800	8.34%
AM2-HKD	HKD	Monthly	31 October 2022	0.040100	9.04%
AM2-HKD	HKD	Monthly	30 September 2022	0.049800	10.49%
AM2-HKD	HKD	Monthly	31 August 2022	0.050500	9.64%
AM2-HKD	HKD	Monthly	29 July 2022	0.049600	9.36%
AM2-USD	USD	Monthly	30 June 2023	0.040100	8.25%
AM2-USD	USD	Monthly	31 May 2023	0.039800	8.29%
AM2-USD	USD	Monthly	28 April 2023	0.041200	8.20%
AM2-USD	USD	Monthly	31 March 2023	0.041200	8.09%
AM2-USD	USD	Monthly	28 February 2023	0.045500	8.87%
AM2-USD	USD	Monthly	31 January 2023	0.045800	8.53%
AM2-USD	USD	Monthly	30 December 2022	0.044100	8.63%
AM2-USD	USD	Monthly	30 November 2022	0.041300	8.29%
AM2-USD	USD	Monthly	31 October 2022	0.039600	9.04%
AM2-USD	USD	Monthly	30 September 2022	0.049100	10.47%
AM2-USD	USD	Monthly	31 August 2022	0.049900	9.64%
AM2-USD	USD	Monthly	29 July 2022	0.049000	9.37%
AM30-AUD	AUD	Monthly	30 June 2023	0.032800	6.72%
AM30-AUD	AUD	Monthly	31 May 2023	0.031700	6.54%
AM30-AUD	AUD	Monthly	28 April 2023	0.034400	6.79%
AM30-AUD	AUD	Monthly	31 March 2023	0.034200	6.66%
AM30-AUD	AUD	Monthly	28 February 2023	0.038100	7.37%
AM30-AUD	AUD	Monthly	31 January 2023	0.039000	7.21%
AM30-AUD	AUD	Monthly	30 December 2022	0.037500	7.29%
AM30-AUD	AUD	Monthly	30 November 2022	0.040800	8.18%
AM30-AUD	AUD	Monthly	31 October 2022	0.037000	8.44%
AM30-AUD	AUD	Monthly	30 September 2022	0.046700	9.95%
AM30-AUD	AUD	Monthly	31 August 2022	0.046700	9.00%
AM30-AUD	AUD	Monthly	29 July 2022	0.047600	9.09%
AM30-CAD	CAD	Monthly	30 June 2023	0.035300	7.22%
AM30-CAD	CAD	Monthly	31 May 2023	0.036000	7.46%
AM30-CAD	CAD	Monthly	28 April 2023	0.038400	7.61%
AM30-CAD	CAD	Monthly	31 March 2023	0.039600	7.74%
AM30-CAD	CAD	Monthly	28 February 2023	0.044500	8.65%
AM30-CAD	CAD	Monthly	31 January 2023	0.042800	7.93%
AM30-CAD	CAD	Monthly	30 December 2022	0.041300	8.06%
AM30-CAD	CAD	Monthly	30 November 2022	0.041400	8.29%
AM30-CAD	CAD	Monthly	31 October 2022	0.040000	9.11%
AM30-CAD	CAD	Monthly	30 September 2022	0.050900	10.85%

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.

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

Source: HSBC Asset Management, data as at 30 June 2023

Supplemental information sheet

Share class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Dividend Amount	Annualised Yield based on ex-dividend date
AM30-CAD	CAD	Monthly	31 August 2022	0.049900	9.62%
AM30-CAD	CAD	Monthly	29 July 2022	0.049200	9.39%
AM30-EUR	EUR	Monthly	30 June 2023	0.029300	6.00%
AM30-EUR	EUR	Monthly	31 May 2023	0.028500	5.91%
AM30-EUR	EUR	Monthly	28 April 2023	0.030800	6.11%
AM30-EUR	EUR	Monthly	31 March 2023	0.029100	5.68%
AM30-EUR	EUR	Monthly	28 February 2023	0.033500	6.49%
AM30-EUR	EUR	Monthly	31 January 2023	0.031300	5.78%
AM30-EUR	EUR	Monthly	30 December 2022	0.030200	5.86%
AM30-EUR	EUR	Monthly	30 November 2022	0.040200	8.08%
AM30-EUR	EUR	Monthly	31 October 2022	0.027100	6.10%
AM30-EUR	EUR	Monthly	30 September 2022	0.037100	7.82%
AM30-EUR	EUR	Monthly	31 August 2022	0.035200	6.71%
AM30-EUR	EUR	Monthly	29 July 2022	0.037400	7.08%
AM30-GBP	GBP	Monthly	30 June 2023	0.036000	7.38%
AM30-GBP	GBP	Monthly	31 May 2023	0.035500	7.37%
AM30-GBP	GBP	Monthly	28 April 2023	0.037400	7.42%
AM30-GBP	GBP	Monthly	31 March 2023	0.037500	7.34%
AM30-GBP	GBP	Monthly	28 February 2023	0.041400	8.05%
AM30-GBP	GBP	Monthly	31 January 2023	0.040100	7.44%
AM30-GBP	GBP	Monthly	30 December 2022	0.038600	7.52%
AM30-GBP	GBP	Monthly	30 November 2022	0.041000	8.22%
AM30-GBP	GBP	Monthly	31 October 2022	0.035800	8.12%
AM30-GBP	GBP	Monthly	30 September 2022	0.046100	9.79%
AM30-GBP	GBP	Monthly	31 August 2022	0.044600	8.56%
AM30-GBP	GBP	Monthly	29 July 2022	0.046200	8.79%
AM30-RMB	CNH	Monthly	30 June 2023	0.026000	5.30%
AM30-RMB	CNH	Monthly	31 May 2023	0.023800	4.91%
AM30-RMB	CNH	Monthly	28 April 2023	0.025400	5.01%
AM30-RMB	CNH	Monthly	31 March 2023	0.028300	5.52%
AM30-RMB	CNH	Monthly	28 February 2023	0.033300	6.45%
AM30-RMB	CNH	Monthly	31 January 2023	0.031200	5.76%
AM30-RMB	CNH	Monthly	30 December 2022	0.030200	5.86%
AM30-RMB	CNH	Monthly	30 November 2022	0.040500	8.15%
AM30-RMB	CNH	Monthly	31 October 2022	0.036600	8.33%
AM30-RMB	CNH	Monthly	30 September 2022	0.046300	9.84%
AM30-RMB	CNH	Monthly	31 August 2022	0.047000	9.05%
AM30-RMB	CNH	Monthly	29 July 2022	0.052400	10.03%
AM30-SGD	SGD	Monthly	30 June 2023	0.049900	6.95%
AM30-SGD	SGD	Monthly	31 May 2023	0.047800	6.73%
AM30-SGD	SGD	Monthly	28 April 2023	0.052900	7.13%
AM30-SGD	SGD	Monthly	31 March 2023	0.054200	7.21%
AM30-SGD	SGD	Monthly	28 February 2023	0.061500	8.13%
AM30-SGD	SGD	Monthly	31 January 2023	0.064500	8.15%
AM30-SGD	SGD	Monthly	30 December 2022	0.062100	8.25%
AM30-SGD	SGD	Monthly	30 November 2022	0.060800	8.30%
AM30-SGD	SGD	Monthly	31 October 2022	0.055400	8.57%

The above table cites the last dividend paid within the last 12 months only.

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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.

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Source: HSBC Asset Management, data as at 30 June 2023

Supplemental information sheet

Share class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Dividend Amount	Annualised Yield based on ex-dividend date
AM3O-SGD	SGD	Monthly	30 September 2022	0.070900	10.26%
AM3O-SGD	SGD	Monthly	31 August 2022	0.073200	9.60%
AM3O-SGD	SGD	Monthly	29 July 2022	0.072400	9.40%

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 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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