

HSBC Global Investment Funds

MANAGED SOLUTIONS - ASIA FOCUSED INCOME

Monthly report 31 March 2024 | Share class AM2

Fund center



Risk Disclosure

- The Fund invests mainly in Asia Pacific (excluding Japan) equities and bonds, and may invest in other funds to achieve its investment objectives.
- The Fund may pay dividends out of capital or gross of expenses. Dividend is not guaranteed and may result in capital erosion and reduction in net asset value.
- 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, credit rating, currency, volatility, liquidity, interest rate, valuation, general equity market, general debt securities, sovereign debt, non-investment grade and unrated debt securities, asset allocation strategy, geographic concentration and emerging market risks, risk associated with small/mid-capitalisation companies, risk of investment in other collective investment schemes, tax and political risks. Investors may suffer substantial loss of their investments in the Fund.
- Base Currency Hedged Share Classes or 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 and some capital growth by investing in a diversified portfolio of assets related to Asia (including Asia-Pacific excluding Japan).



Investment strategy

The Fund is actively managed and is not constrained by a benchmark. In normal market conditions, at least 70% of the Fund's exposure is to bonds and shares related to companies based in Asia-Pacific excluding Japan. The Fund may invest in non-Asian based assets. The Fund may invest in bonds that are investment grade, non-investment grade and unrated issued by governments, government-related entities, supranational entities and companies based in developed markets and emerging markets. The Fund may invest up to 25% in China A and China B-shares. For China A-shares, up to 25% through the Stock Connect exchanges, up to 25% in CAAPs and up to 10% in CAAPs issued by any single issuer. The Fund may invest up to 20% in onshore Chinese bonds and up to 10% in bonds which are non-investment grade or unrated. The Fund may invest up to 10% in convertible bonds and up to 10% in contingent convertible securities. The Fund may invest up to 50% in other funds and up to 10% in REITs. The Fund's primary currency exposure is to currencies of Asia-Pacific (excluding Japan) countries. See the Prospectus for a full description of the investment objectives and derivative usage.

Share Class Details

Key metrics

NAV per Share	USD 8.04
Sharpe ratio 3 years	-0.73

Fund facts

UCITS V compliant	Yes
Dividend treatment	Distributing
Distribution Frequency	Monthly
Dividend ex-date	27 March 2024
Dividend annualised yield*	5.66%
Dividend Amount	0.036920
Dealing frequency	Daily
Share Class Base Currency	USD
Domicile	Luxembourg
Inception date	25 May 2012
Fund Size	USD 277,433,598
Managers	Gloria Jing Danni Zhang

Fees and expenses

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

Codes

ISIN	LU0762541174
Bloomberg ticker	HSMSAAM LX

¹Please note that initial minimum subscription may vary across different distributors

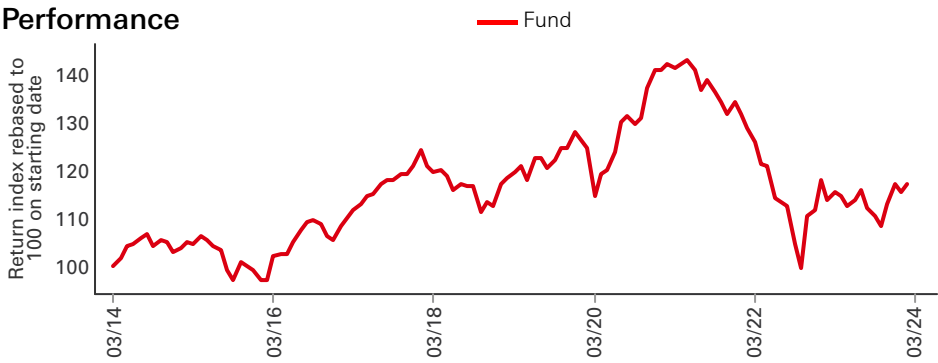
Past performance does not predict future returns. The figures are calculated in the share class base currency, NAV to NAV basis with dividend reinvested, net of fees. If investment performance is not denominated in HKD or USD, HKD or USD based investors are exposed to exchange rate fluctuations. *The fund may pay dividends out of capital or gross of expenses.

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 March 2024

Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years	5 years
AM2	1.53	1.41	1.53	7.67	3.13	-15.78	-0.65

Calendar year performance (%)	2019	2020	2021	2022	2023
AM2	13.59	10.04	-4.70	-16.57	4.65

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	47.14
Korean Won	9.76
Hong Kong Dollar	9.34
New Taiwan Dollar	7.87
Indian rupee	6.82
Australian Dollar	4.89
Indonesia Rupiah	4.85
Singapore dollar	3.89
Malaysian ringgit	1.92
Philippine Peso	1.91
Other Currencies	1.61

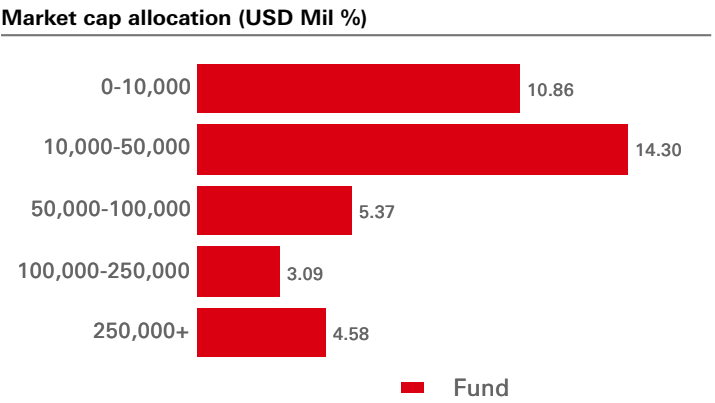
Asset allocation (%)	Fund
Japan Equity	0.85
Cash	-3.46
Asia ex Japan Equity	32.58
Asian High Yield Bond	13.41
Asian Investment Grade Bond	33.79
Asian Local Currency Bond	9.88
GEM Hard Currency Bond	2.52
GEM Local Currency Bond	2.24
Government Bond	1.27
India Fixed Income	2.16
Indian Equity	1.30
Indonesian Equity	0.90
Korean Equity	0.76
Philippines Equity	0.99
Taiwan Equity	1.78
Thailand Equity	-0.98

Top 10 Holdings	Weight (%)
TAIWAN SEMICONDUCTOR CO LTD	3.19
SAMSUNG ELECTRONICS CO LTD	2.53
HSBC GIF Global EM Bd ZQ1	2.52
HSBC GIF GEM ESG Local Debt ZD	2.24
HSBC GIF India Fixed Income ZD	2.16
BAIDU INC-CLASS A	1.57
SANTOS LTD	1.36
HSBC GIF Indian Equity ZD	1.30
LCCTF	1.30
PING AN INSURANCE GROUP CO-H	1.25

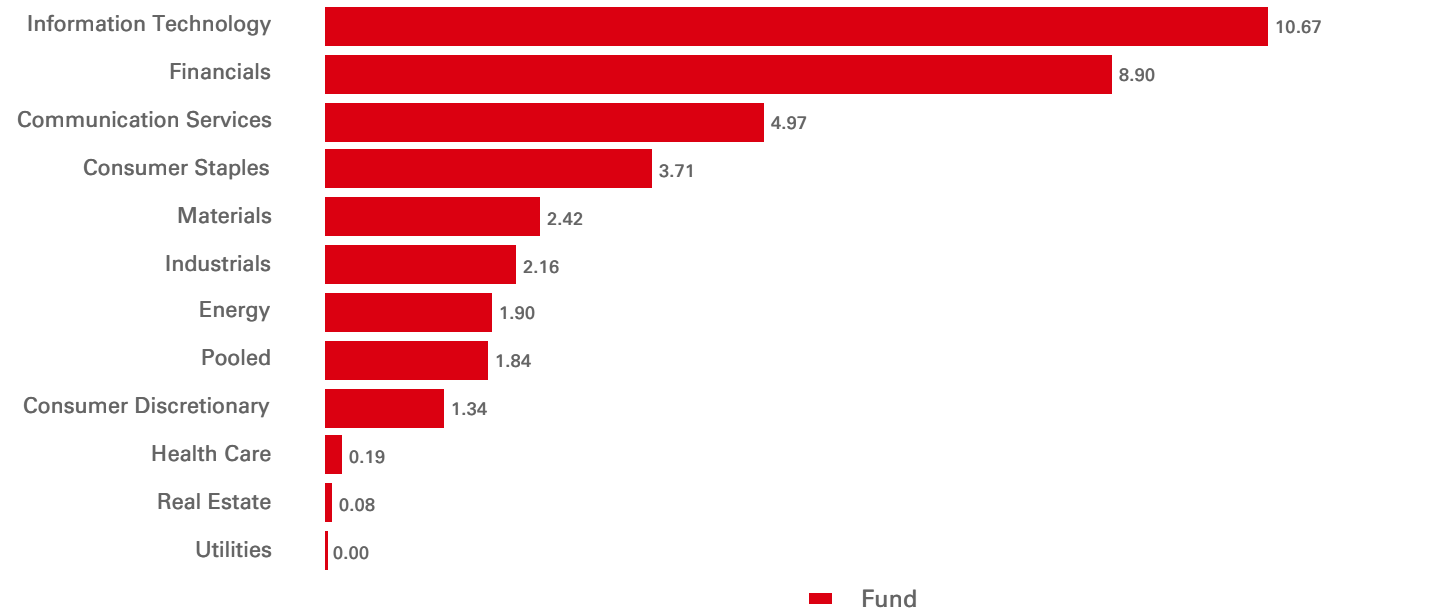
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Equity top 10 holdings	Location	Sector	Weight (%)
Taiwan Semiconductor Co Ltd	Taiwan	Information Technology	3.19
Samsung Electronics Co Ltd	South Korea	Information Technology	2.80
Baidu Inc	Mainland China	Communication Services	1.57
Santos Ltd	Australia	Energy	1.36
PING AN	Mainland China	Financials	1.25
TINGYI	Mainland China	Consumer Staples	1.21
South32 Ltd	Australia	Materials	1.12
Infosys Ltd	India	Information Technology	1.10
BHP Group Ltd	Australia	Materials	1.01
KB Financial Group Inc	South Korea	Financials	1.00

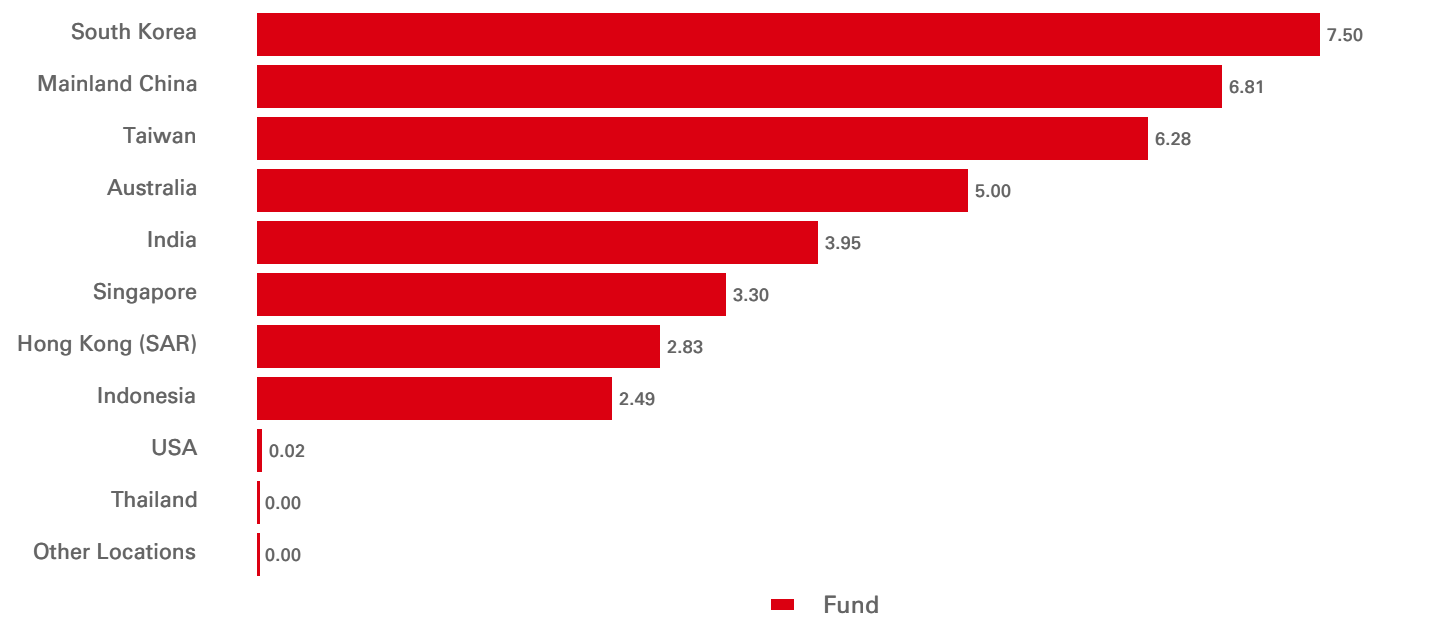
Equity characteristics	Fund	Reference benchmark
Average Market Cap (USD Mil)	102,162	--
Price/earning ratio	11.54	--
Portfolio yield	3.50%	--



Equity sector allocation (%)



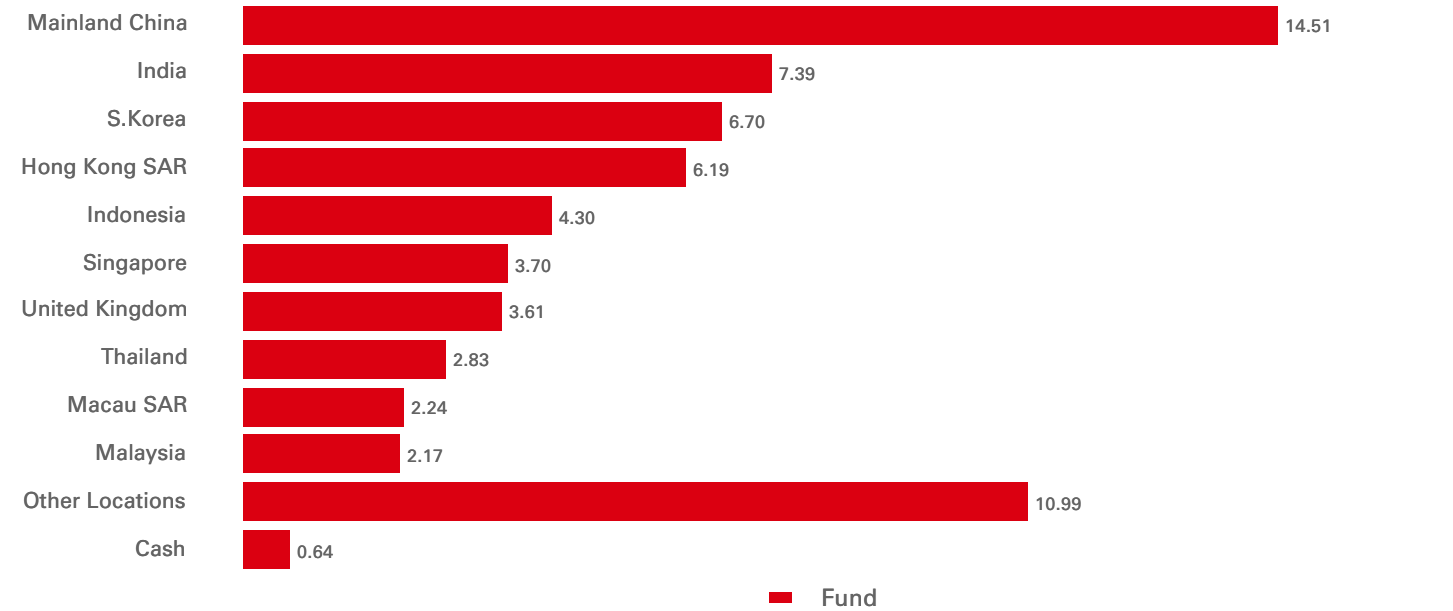
Equity geographical allocation (%)



Fixed Income Characteristics	Fund	Reference benchmark	Relative	Credit rating (%)	Fund	Reference benchmark	Relative
Portfolio yield	6.85%	--	--	AAA	2.18	--	--
Yield to maturity	6.93%	--	--	AA	5.63	--	--
Effective duration	4.78	--	--	A	16.88	--	--
Average Credit Quality	BBB+/BBB	--	--	BBB	25.32	--	--
				BB	8.61	--	--
				B	2.96	--	--
				CCC	0.53	--	--
				CC	0.19	--	--
				C	0.01	--	--
				D	0.13	--	--
				NR	2.19	--	--
				Cash	0.63	--	--

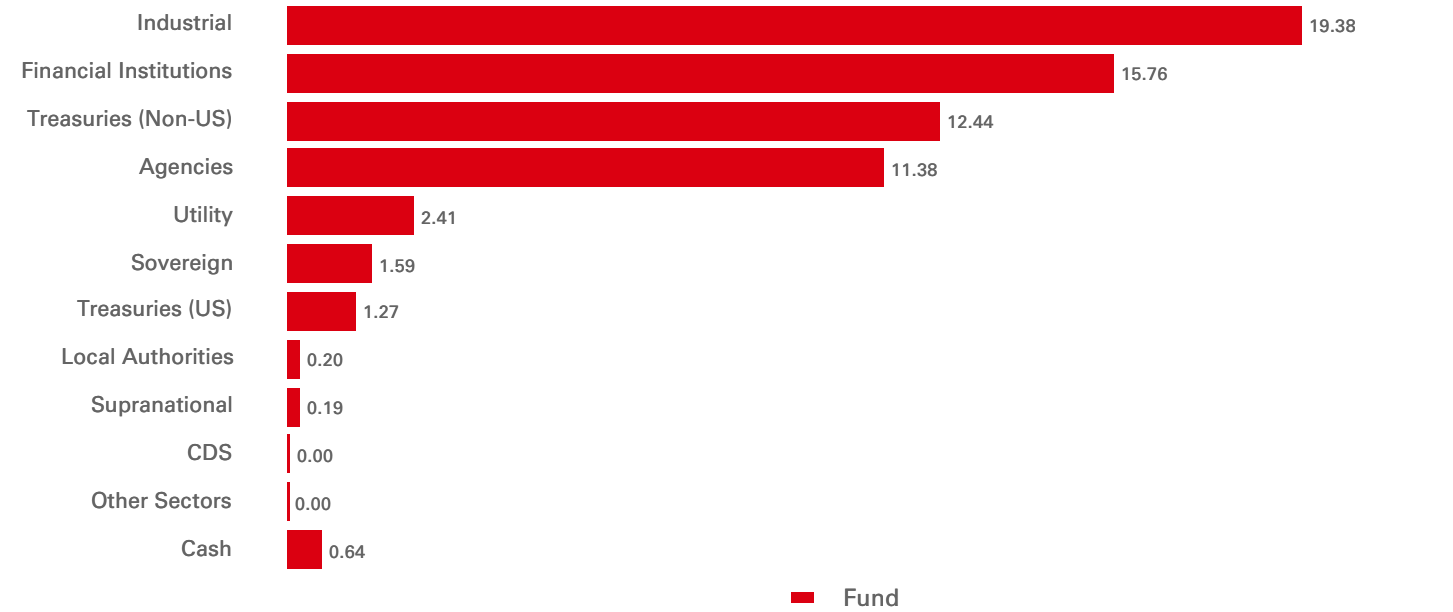
Fixed income top 10 holdings	Location	Instrument type	Weight (%)
TENCENT HOLDINGS LTD 3.975 11/04/2029 USD	Mainland China	Corporate Bond	0.77
IND & COMM BK OF CHINA CCB 4.875 21/09/2025 REGS	Mainland China	Convertible bond	0.71
AIA GROUP LTD 3.200 16/09/2040 USD	Hong Kong (SAR)	Corporate Bond	0.59
STANDARD CHARTERED PLC 6.301 09/01/2029 USD	United Kingdom	Corporate Bond	0.54
IND & COMM BK OF CHINA CCB 3.200 24/03/2173 PERP	Mainland China	Convertible bond	0.53
DBS GROUP HOLDINGS LTD CCB 3.300 27/08/2172 PERP GMTN	SINGAPORE	Convertible bond	0.53
SHINHAN BANK CCB 3.875 24/03/2026 REGS	South Korea	Convertible bond	0.52
ALIBABA GROUP HOLDING 3.400 06/12/2027 USD	Mainland China	Corporate Bond	0.52
TENCENT HOLDINGS LTD 3.595 19/01/2028 USD	Mainland China	Corporate Bond	0.52
CNOOC PETROLEUM NORTH 7.500 30/07/2039 USD	Mainland China	Corporate Bond	0.49

Fixed income geographical allocation (%)



Geographical Allocation (Effective duration)	Fund	Reference benchmark	Relative
Mainland China	0.94	--	--
India	0.45	--	--
United States	0.42	--	--
S.Korea	0.40	--	--
Indonesia	0.38	--	--
Hong Kong SAR	0.36	--	--
Thailand	0.29	--	--
Singapore	0.29	--	--
United Kingdom	0.23	--	--
Malaysia	0.21	--	--
Other Locations	0.79	--	--
Cash	0.00	--	--

Fixed income sector allocation (%)



Monthly performance commentary

Portfolio Review

Global equities delivered another month of strong returns in March; supported by encouraging economic data, sustained enthusiasm for Artificial Intelligence, and the prospect of interest rate cuts. Fixed income markets also experienced a positive month, with government bonds, corporate bonds and high yield bonds all rising in value. Within equities, developed markets outperformed emerging markets. The UK was the standout performer over the month, driven by positive GDP growth in January and the latest business sector survey in expansionary territory. European stocks also delivered strong returns, as inflation continued to fall and business confidence data remained firm. Japanese equities gained over the month as the Bank of Japan ended their negative interest rate policy after eight years. China's subdued performance acted as a drag on emerging markets returns, despite better than expected economic data, which investors took as a sign that any significant government stimulus may be delayed. In the bond markets, US Treasuries rose modestly, supported by dovish comments from Chairman Powell. In the UK, Gilts also experienced a modest rally following a softer than expected inflation print. Conversely, Japanese bond markets slipped marginally lower in March as the Bank of Japan removed their negative interest rate and yield curve control policies. The US dollar rallied over the month, driven by upward revisions in the US growth rate and some increase in support for interest rate cuts from other central banks. The Euro fell against the dollar given the relative strength of the US economic data and the persistent weakness in manufacturing data in the Eurozone. Sterling was flat against the dollar over the month. In the commodity markets, Gold rallied to all-time highs, driven by the prospect for rate cuts while Oil pushed higher, on elevated geopolitical tensions.

The fund posted gain over the month on the back on mixed market performance. Asian equities contributed positively to the performance with Taiwan, South Korea and Mainland China leading in gains in the Asia region. On the fixed income front, both Asia high yield bond and Asia investment grade bond posted positive return driven by improving macroeconomic backdrop and resilient credit fundamentals. On the other hand, Asia local currency bonds registered returns in negative territories, as most Asian currencies weakened against USD during the month.

The likelihood of Western economies avoiding a recession this year is increasing, although markets remain 'priced for perfection', and disappointment remains a key risk. We are cognisant that geopolitical uncertainty, upcoming elections, and fiscal constraints might negatively impact markets later in the year. Economic performance within emerging economies is divergent. India will be the fastest growing economy in 2024, while the China outlook remains challenged by several growth headwinds. We expect the first interest rate cut from the Fed during the second half of 2024, and the ECB and Bank of England are likely to follow. Lower government spending looks set to be a slight drag on growth in 2024 in Western economies, but we do not expect a return to 2010s-style austerity measures. We anticipate that Emerging market central banks will continue monetary easing, with cuts in Latin America and Emerging Europe. Asia central banks are likely to start cutting interest rates during second half of 2024. Government support in China remains measured and targeted.

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Website:
www.assetmanagement.hsbc.com/hk

Glossary



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Source: HSBC Asset Management, data as at 31 March 2024

Supplemental information sheet

Share class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Dividend Amount	Annualised Yield based on ex-dividend date
AM2	USD	Monthly	27 March 2024	0.036920	5.66%
AM2	USD	Monthly	29 February 2024	0.036532	5.64%
AM2	USD	Monthly	31 January 2024	0.036152	5.64%
AM2	USD	Monthly	28 December 2023	0.037563	5.76%
AM2	USD	Monthly	30 November 2023	0.036935	5.84%
AM2	USD	Monthly	31 October 2023	0.035598	5.85%
AM2	USD	Monthly	27 September 2023	0.036566	5.89%
AM2	USD	Monthly	30 August 2023	0.036888	5.79%
AM2	USD	Monthly	27 July 2023	0.038168	5.81%
AM2	USD	Monthly	27 June 2023	0.041344	6.34%
AM2	USD	Monthly	31 May 2023	0.040608	6.28%
AM2	USD	Monthly	28 April 2023	0.041521	6.26%
AM2HKD	HKD	Monthly	27 March 2024	0.037190	5.66%
AM2HKD	HKD	Monthly	29 February 2024	0.036815	5.64%
AM2HKD	HKD	Monthly	31 January 2024	0.036385	5.64%
AM2HKD	HKD	Monthly	28 December 2023	0.037809	5.76%
AM2HKD	HKD	Monthly	30 November 2023	0.037095	5.83%
AM2HKD	HKD	Monthly	31 October 2023	0.035867	5.85%
AM2HKD	HKD	Monthly	27 September 2023	0.036817	5.88%
AM2HKD	HKD	Monthly	30 August 2023	0.037275	5.79%
AM2HKD	HKD	Monthly	27 July 2023	0.038404	5.82%
AM2HKD	HKD	Monthly	27 June 2023	0.041678	6.34%
AM2HKD	HKD	Monthly	31 May 2023	0.040973	6.28%
AM2HKD	HKD	Monthly	28 April 2023	0.041978	6.26%
AM3AUD	AUD	Monthly	27 March 2024	0.024774	4.35%
AM3AUD	AUD	Monthly	29 February 2024	0.024376	4.32%
AM3AUD	AUD	Monthly	31 January 2024	0.024575	4.40%
AM3AUD	AUD	Monthly	28 December 2023	0.025780	4.53%
AM3AUD	AUD	Monthly	30 November 2023	0.024694	4.47%
AM3AUD	AUD	Monthly	31 October 2023	0.023459	4.41%
AM3AUD	AUD	Monthly	27 September 2023	0.023676	4.36%
AM3AUD	AUD	Monthly	30 August 2023	0.024875	4.47%
AM3AUD	AUD	Monthly	27 July 2023	0.026925	4.69%
AM3AUD	AUD	Monthly	27 June 2023	0.027273	4.77%
AM3AUD	AUD	Monthly	31 May 2023	0.025999	4.58%
AM3AUD	AUD	Monthly	28 April 2023	0.027123	4.67%
AM3OCAD	CAD	Monthly	27 March 2024	0.042962	5.07%
AM3OCAD	CAD	Monthly	29 February 2024	0.043052	5.12%
AM3OCAD	CAD	Monthly	31 January 2024	0.041544	4.99%
AM3OCAD	CAD	Monthly	28 December 2023	0.043355	5.12%
AM3OEUR	EUR	Monthly	27 March 2024	0.022891	3.99%
AM3OEUR	EUR	Monthly	29 February 2024	0.022590	3.97%
AM3OEUR	EUR	Monthly	31 January 2024	0.021322	3.78%
AM3OEUR	EUR	Monthly	28 December 2023	0.022510	3.92%
AM3OEUR	EUR	Monthly	30 November 2023	0.023284	4.19%
AM3OEUR	EUR	Monthly	31 October 2023	0.022111	4.13%
AM3OEUR	EUR	Monthly	27 September 2023	0.021530	3.93%

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.

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

Source: HSBC Asset Management, data as at 31 March 2024

Supplemental information sheet

Share class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Dividend Amount	Annualised Yield based on ex-dividend date
AM3OEUR	EUR	Monthly	30 August 2023	0.021598	3.85%
AM3OEUR	EUR	Monthly	27 July 2023	0.021773	3.76%
AM3OEUR	EUR	Monthly	27 June 2023	0.023379	4.06%
AM3OEUR	EUR	Monthly	31 May 2023	0.022936	4.01%
AM3OEUR	EUR	Monthly	28 April 2023	0.022121	3.77%
AM3OGBP	GBP	Monthly	27 March 2024	0.045160	5.33%
AM3OGBP	GBP	Monthly	29 February 2024	0.044771	5.33%
AM3OGBP	GBP	Monthly	31 January 2024	0.043784	5.26%
AM3OGBP	GBP	Monthly	28 December 2023	0.045590	5.38%
AM3ORMB	CNH	Monthly	27 March 2024	0.017206	2.84%
AM3ORMB	CNH	Monthly	29 February 2024	0.017422	2.90%
AM3ORMB	CNH	Monthly	31 January 2024	0.015057	2.53%
AM3ORMB	CNH	Monthly	28 December 2023	0.016268	2.68%
AM3ORMB	CNH	Monthly	30 November 2023	0.023555	4.03%
AM3ORMB	CNH	Monthly	31 October 2023	0.025517	4.54%
AM3ORMB	CNH	Monthly	27 September 2023	0.018768	3.25%
AM3ORMB	CNH	Monthly	30 August 2023	0.014138	2.38%
AM3ORMB	CNH	Monthly	27 July 2023	0.016235	2.65%
AM3ORMB	CNH	Monthly	27 June 2023	0.020783	3.42%
AM3ORMB	CNH	Monthly	31 May 2023	0.019211	3.19%
AM3ORMB	CNH	Monthly	28 April 2023	0.018313	2.96%

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