

HSBC Global Investment Funds

US INCOME FOCUSED

Monthly report 31 August 2022 | Share class AM2

Fund center



Risk Disclosure

- The Fund mainly invests in fixed income securities and equity securities, money market and cash instruments and other instruments that are related to the USA.
- Asset Backed securities, Mortgage Backed securities and Real Estate (not direct investment) may subject the Fund to additional risks and volatility.
- 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, tax, sovereign debt, non-investment grade and unrated debt securities, general equity market, and general debt securities, asset allocation strategy, geographic concentration, emerging market risks, and risk of investment in other collective investment schemes. The Fund may also involve risk of specific investment strategy, and political risks. Investors may suffer substantial loss of their investments in the Fund.
- Portfolio 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 by investing in a diversified portfolio of assets related to the United States of America (USA).

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, shares, money market instruments, cash and other assets from USA related issuers. Other assets include real estate investment trusts (REITs), asset-backed securities, mortgage-backed securities and alternative investment strategies. The Fund gains exposure up to 100% to bonds that are investment grade, non-investment grade and unrated issued by governments, government-related entities, supranational entities and companies. The Fund gains exposure up to 70% in shares issued by companies of any size. Exposures will be achieved through investing directly into markets, derivative instruments or investing in other funds. The Fund may invest up to 30% in securities issued by non-USA based issuers and up to 10% indirectly into commodities issued by non-USA based issuers. The Fund may invest up to 45% in non-investment grade bonds and up to 10% collectively in convertible and contingent convertible bonds. The Fund may invest up to 15% in ABS and MBS, up to 30% in closed-ended REITs and up to 50% in other funds. The Fund's primary currency exposure is to the USD. See the Prospectus for a full description of the investment objectives and derivative usage.

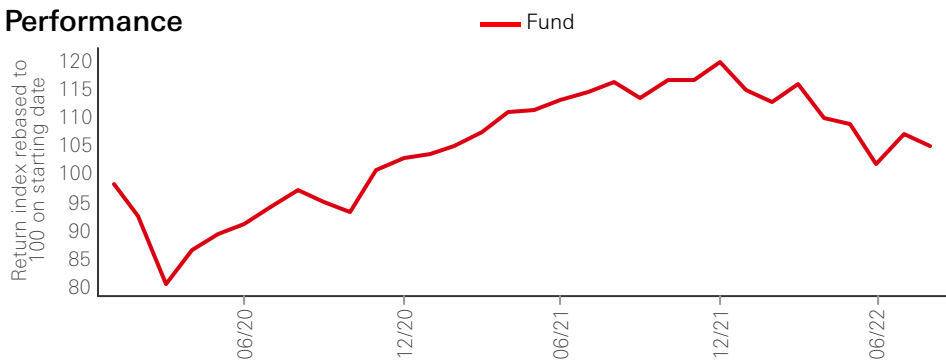
Share Class Details

Key metrics	
NAV per Share	USD 9.30
Performance 1 month	-2.08%
Sharpe ratio 3 years	0.10
Fund facts	
UCITS V compliant	Yes
Dividend treatment	Distributing
Distribution Frequency	Monthly
Dividend ex-date	26 August 2022
Dividend annualised yield*	5.32%
Dividend Amount	0.041199
Dealing frequency	Daily
Share Class Base Currency	USD
Domicile	Luxembourg
Inception date	21 January 2020
Fund Size	USD 563,692,650
Managers	Kate Morrissey Joseph Molloy Mary Gottshall Bowers

Fees and expenses	
Minimum initial investment (HK) ¹	HKD 5,000
Maximum initial charge (HK)	3.000%
Management fee	1.250%
Codes	
ISIN	LU2083900584
Bloomberg ticker	HUFAM2U LX

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

Performance

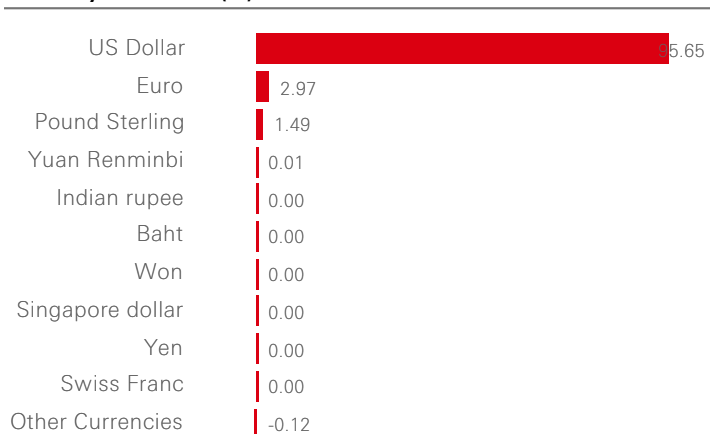


Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years	5 years	Since Inception
AM2	-12.49	-2.08	-3.59	-6.99	-9.67	--	--	4.81

Calendar year performance (%)	2017	2018	2019	2020	2021
AM2	--	--	--	2.53	16.81

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 (%)



Asset allocation (%)

Asset allocation (%)	Fund
Global Equity	4.39
US Equity	38.98
US Bonds	16.83
US High Yield Bonds	28.82
US Property	9.68
Liquidity	1.30

Top 10 Holdings

Top 10 Holdings	Weight (%)
GS GLBL ENH EQ INC-E DIS USD	14.94
HSBC GIF-US HIGH YIELD B-ZC	4.82
Apple Inc	2.17
Microsoft Corp	1.78
Alphabet Inc	0.91
US TREASURY N/B 2.250 15/02/2052 USD	0.83
Amazon.com Inc	0.78
US TREASURY N/B 2.625 31/07/2029 USD	0.77
Public Storage	0.66
Realty Income Corp	0.64

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.

The data displayed in above sections 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.

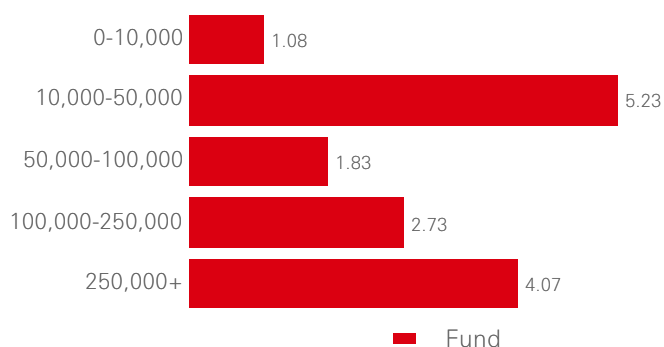
For definition of terms, please refer to the Glossary QR code.

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

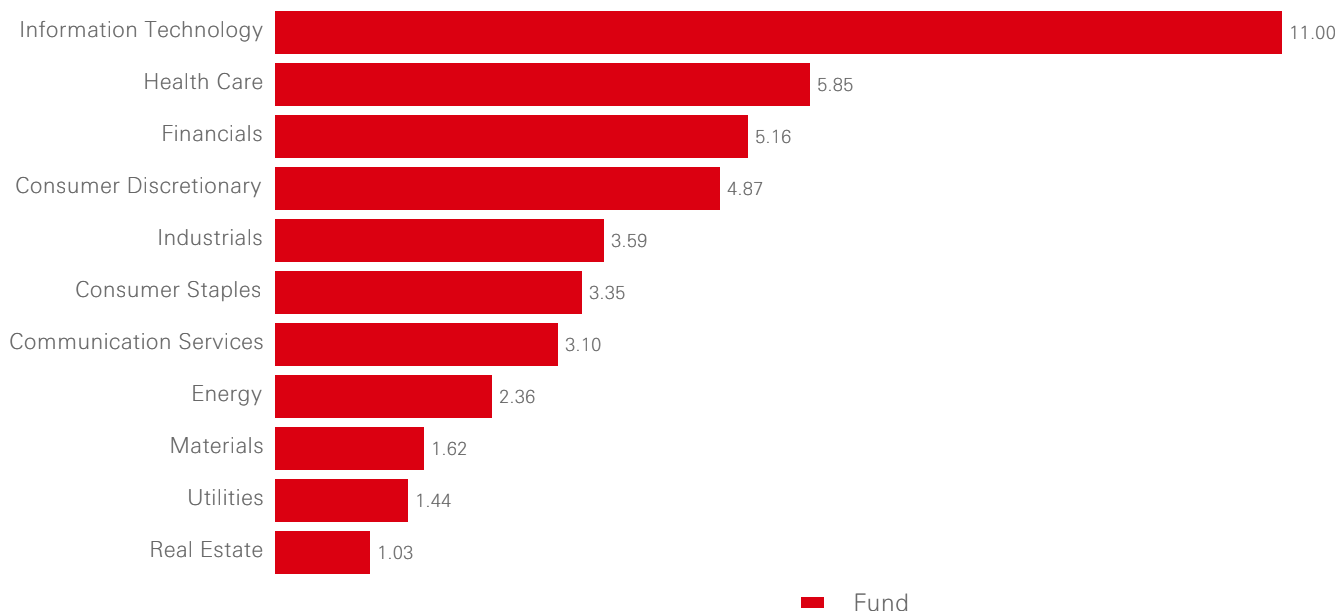
Equity top 10 holdings	Location	Sector	Weight (%)
Apple Inc	United States	Information Technology	2.98
Microsoft Corp	United States	Information Technology	2.43
Alphabet Inc	United States	Communication Services	1.33
Amazon.com Inc	United States	Consumer Discretionary	1.14
Tesla Inc	United States	Consumer Discretionary	0.66
Johnson & Johnson	United States	Health Care	0.63
JPMorgan Chase & Co	United States	Financials	0.54
Home Depot Inc/The	United States	Consumer Discretionary	0.50
Exxon Mobil Corp	United States	Energy	0.49
Mastercard Inc	United States	Information Technology	0.46

Equity characteristics	Fund	Reference benchmark
Average Market Cap (USD Mil)	373,703	--
Price/earning ratio	15.84	--
Portfolio yield	2.58%	--

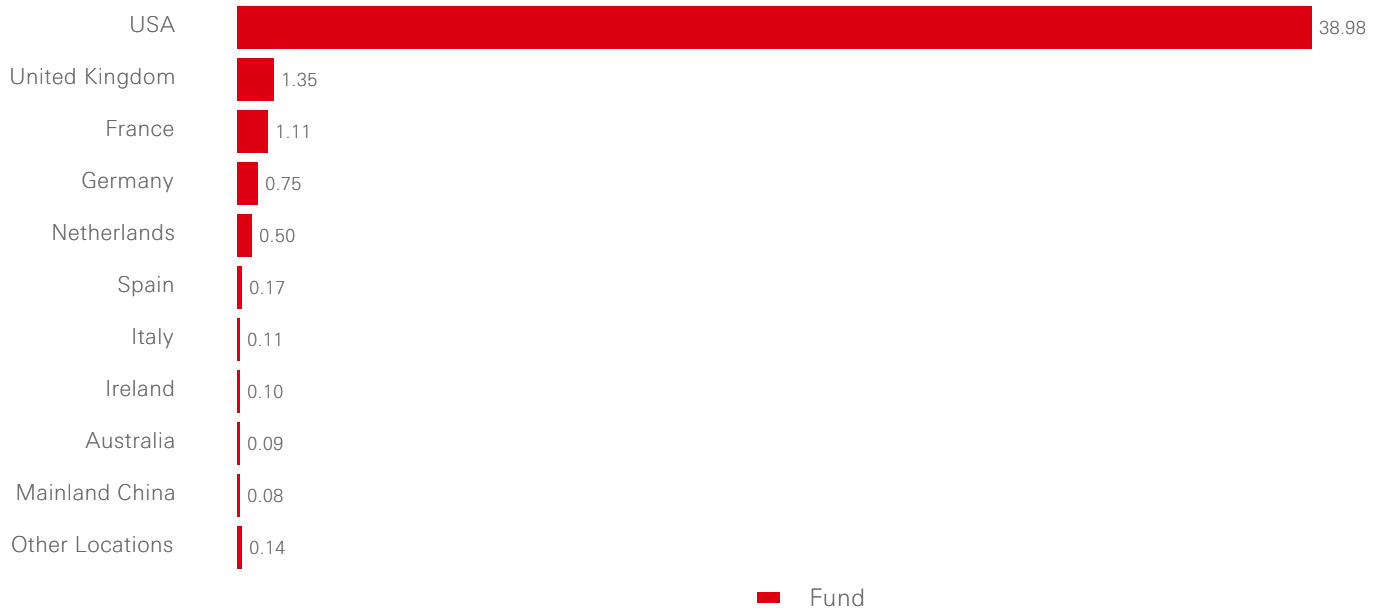
Market cap allocation (USD Mil %)



Equity sector allocation (%)



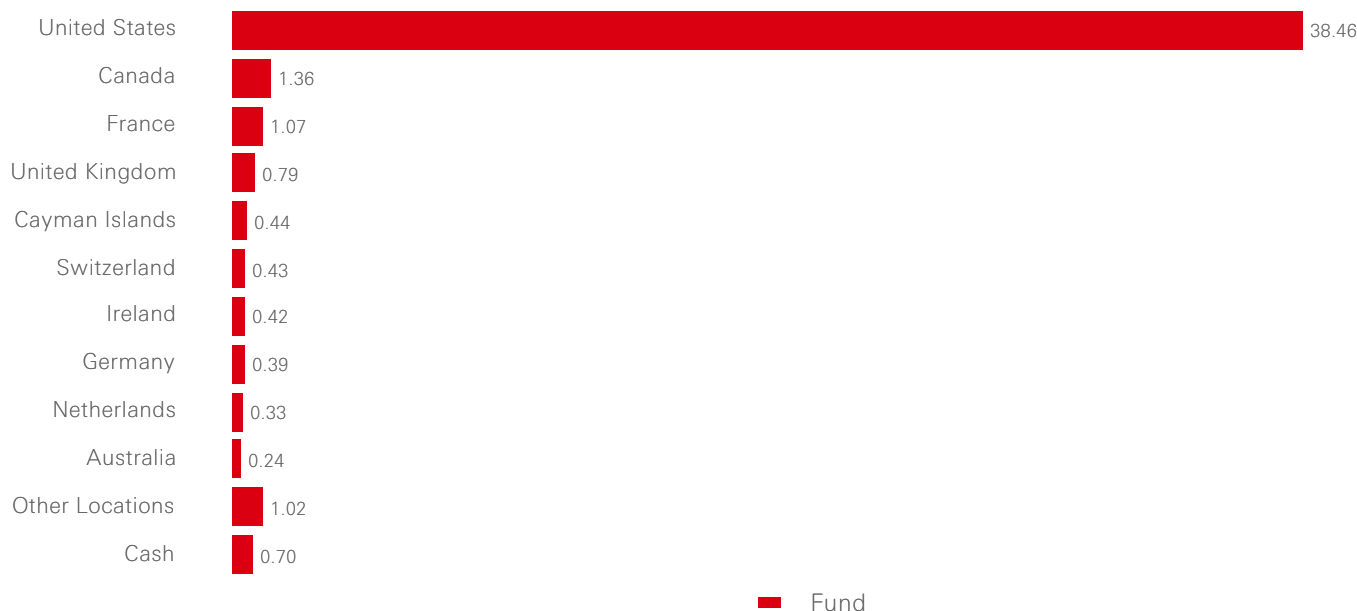
Equity geographical allocation (%)



Fixed Income Characteristics	Reference benchmark			Credit rating (%)	Reference benchmark		
	Fund	Relative	Relative		Fund	Relative	Relative
Portfolio yield	6.70%	--	--	AAA	9.13	--	--
Yield to maturity	6.81%	--	--	AA	0.43	--	--
Effective duration	5.23	--	--	A	3.10	--	--
Average Credit Quality	BBB/BBB-	--	--	BBB	4.15	--	--
				BB	9.69	--	--
				B	10.77	--	--
				CCC	2.78	--	--
				CC	0.07	--	--
				NR	4.83	--	--
				Cash	0.70	--	--

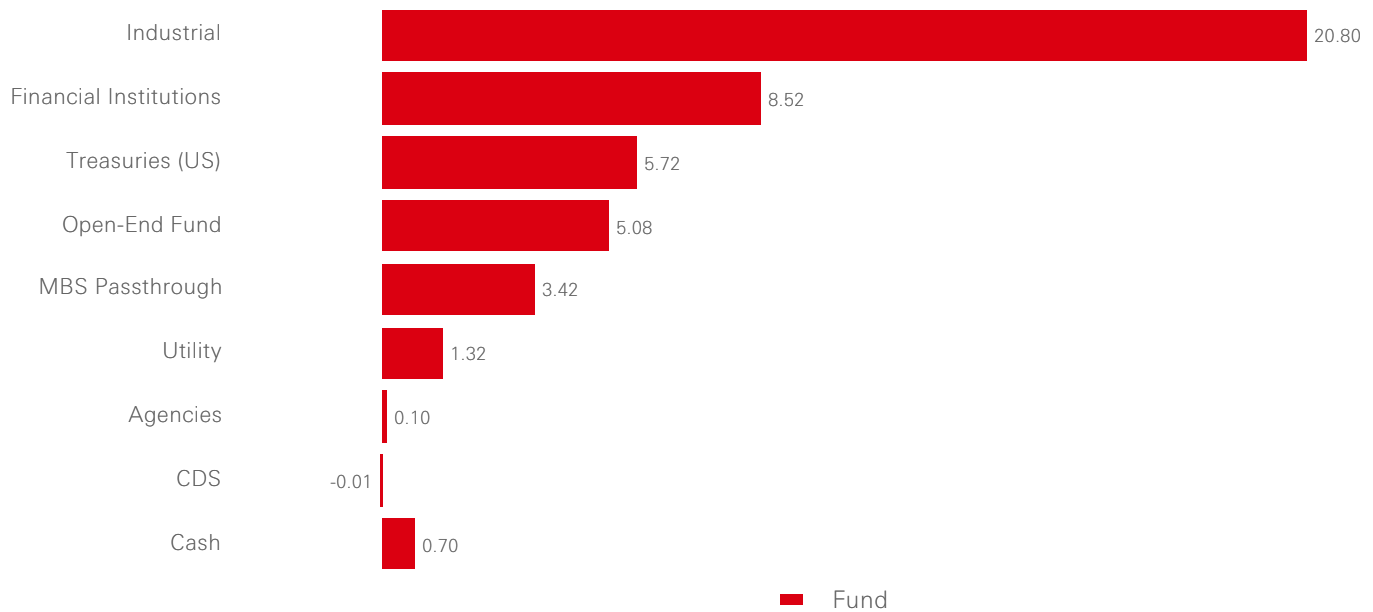
Fixed income top 10 holdings	Location	Instrument type	Weight (%)
US TREASURY N/B 2.250 15/02/2052 USD	United States	Government Bond	0.83
US TREASURY N/B 2.625 31/07/2029 USD	United States	Treasury Note	0.77
US TREASURY N/B 1.375 31/12/2028 USD	United States	Treasury Note	0.62
US TREASURY N/B 1.750 15/08/2041 USD	United States	Government Bond	0.51
GLOBAL AIR LEASE CO LTD 6.500 15/09/2024 USD	Cayman Islands	Corporate Bond	0.51
OCCIDENTAL PETROLEUM COR 8.875 15/07/2030 USD	United States	Corporate Bond	0.50
SOCIETE GENERALE 3.264 21/01/2026 USD	France	Floating Rate Note	0.50
US TREASURY N/B 2.375 31/03/2029 USD	United States	Treasury Note	0.43
US TREASURY N/B 2.750 31/05/2029 USD	United States	Treasury Note	0.42
US TREASURY N/B 2.250 15/05/2041 USD	United States	Government Bond	0.40

Fixed income geographical allocation (%)



Geographical Allocation (Effective duration)	Fund	Reference benchmark	Relative
United States	4.45	--	--
France	0.07	--	--
Netherlands	0.05	--	--
Italy	0.04	--	--
United Kingdom	0.04	--	--
Germany	0.03	--	--
Ireland	0.02	--	--
Canada	0.02	--	--
Turkey	0.02	--	--
Cayman Islands	0.02	--	--
Other Locations	0.04	--	--
Cash	--	--	--

Fixed income sector allocation (%)



Monthly performance commentary

Portfolio performance

August saw a fall in global asset markets and as a result marginally negative returns for the fund. Our defensive positioning supported the fund over the month with the headline underweight to equities, and overweight to bonds and cash adding value. Furthermore, the intra-fixed income preference for Investment grade over high yield bonds also added value.

Current Positioning and Trades

Headline Asset Allocation - The US Income Focused portfolio is currently positioned underweight risk.

Equity Positioning - We remain underweight in equity. We maintain our preference for Covered Calls over US Equity given the elevated volatility risk premium.

Fixed Income Positioning - We remain underweight US High Yield and overweight US Aggregate bonds versus our long-term neutral positioning.

Alternatives - We continue to be marginally overweight US property

Outlook

Central banks have shown a commitment to continued policy tightening, raising the likelihood that inflation will begin to cool towards the end of the year. Tighter monetary policy opens up the possibility of a recession in the US, while the prospect of a winter energy crisis raises possibility of a recession in Europe. Our view is that the depth and duration of any recession could be limited as a result of healthy private sector balance sheets and moderate fiscal support.

We expect a total of 325bps of Fed rate hikes in 2022, leaving policy moderately restrictive by the end of the year. Further US rate hikes are likely in early 2023 with policy makers adopting a 'hike-and-see' approach. Market expectations for European rates have also moved materially higher over the last month.

As a result of the above, we have become increasingly selective with where we take risk in portfolios: focusing on regional and style allocations in equities (e.g. value and quality factors), and inflation protection (e.g. REITs).

Important Information

The material contained herein is for marketing purposes and is for your information only. This document is not contractually binding nor are we required to provide this to you by any legislative provision. It does not constitute legal, tax or investment advice or a recommendation to any reader of this material to buy or sell investments. You must not, therefore, rely on the content of this document when making any investment decisions.

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.

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 Asset Management accepts no liability for any failure to meet such forecast, projection or target. HSBC Asset Management has based this document on information obtained from sources it reasonably believes to be reliable. However, HSBC Asset Management 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 2022. All rights reserved. This document is issued by HSBC Global Asset Management (Hong Kong) Limited.

Investor should be aware that the Fund differs from a typical unit trust. Investor should refer to the offering document for details of these differences and the fees and expenses involved in investing in the Fund. Investor should note that the market price of the Fund's unit on the exchange may be different from the net asset value per unit of the Fund and the units may be delisted from the stock exchange.

These indicative values should not be viewed as "real time" updates of the NAV per unit of the Fund. The indicative NAV per unit of the Fund and the actual NAV per unit of the Fund (to published on the following dealing day) may differ.

Indicative NAV

Indicative NAV calculations as shown on HSBC Global Asset Management (Hong Kong) Limited Website (the "data") are provided by ICE Data Indices, see ICE Terms of Use, and is updated during SEHK trading hours.

Indicative NAV is indicative and for reference purposes only. All information provided by ICE Data Indices, LLC and its affiliates ("ICE Data") is owned by or licensed to ICE Data and its affiliates. The ICE Data are for informational purposes only and are not intended for trading purposes. In no event shall any user publish, retransmit, redistribute or otherwise reproduce any ICE Data Information in any format to anyone, and no user shall use any ICE Data Information in or in connection with any business or commercial enterprise, including, without limitation, any securities, investment, accounting, banking, legal or media business or enterprise. The ICE Data are provided on an "as is" basis. ICE Data, its affiliates and their respective third party suppliers make no warranty, express or implied, relating to the ICE Data, or as to results to be attained by user and the funds or other form the use of ICE Data, including, but not limited to, express or implied warranties of merchantability, fitness for a particular purpose or use.

Prior to the execution of a security trade based upon the ICE Data Information, you are advised to consult with your broker or other financial representative to verify pricing information.

Delayed Data


Delayed data as shown on this website (the "data") are provided by the data provider, ICE Data. ICE Data and HKEx Information Services Limited, and their respective holding companies and/or any subsidiaries of such holding companies, do not guarantee the accuracy or reliability of the data provided and accept no liability (whether in tort or contract or otherwise) for any loss or damage you may suffer or incur arising out of or in connection with your use of the data, including loss or damage which arises out of the data being inaccurate, incomplete or delayed, and however such loss or damage arises. You acknowledge that the data is provided for information only and should not be relied upon for any purpose.

The Fund is not sponsored, endorsed, sold or marketed by ICE Data Indices, LLC, its affiliates ("ICE Data") or their respective Third Party Suppliers.

ICE DATA OR ITS THIRD PARTY SUPPLIERS MAKE NO EXPRESS OR IMPLIED WARRANTIES, AND HEREBY EXPRESSLY DISCLAIM ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE INDICATIVE OPTIMIZED PORTFOLIO VALUES, FUND OR ANY FUND DATA INCLUDED THEREIN. IN NO EVENT SHALL ICE DATA HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, DIRECT, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

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

Follow us on:

 **HSBC Asset Management**

For more information please contact us at Tel: 852 2284 1111.

Website:

www.assetmanagement.hsbc.com/hk

Glossary



<https://>

[www.assetmanagement.hsbc.com.hk/
api/v1/download/document/
lu0164865239/hk/en/glossary](https://www.assetmanagement.hsbc.com.hk/api/v1/download/document/lu0164865239/hk/en/glossary)

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	26 August 2022	0.041199	5.32%
AM2	USD	Monthly	27 July 2022	0.040654	5.35%
AM2	USD	Monthly	30 June 2022	0.042254	5.73%
AM2	USD	Monthly	25 May 2022	0.041756	5.40%
AM2	USD	Monthly	28 April 2022	0.041156	5.09%
AM2	USD	Monthly	30 March 2022	0.035195	4.09%
AM2	USD	Monthly	25 February 2022	0.038262	4.59%
AM2	USD	Monthly	28 January 2022	0.035829	4.23%
AM2	USD	Monthly	30 December 2021	0.034965	3.89%
AM2	USD	Monthly	30 November 2021	0.035121	4.01%
AM2	USD	Monthly	29 October 2021	0.034939	3.97%
AM2	USD	Monthly	30 September 2021	0.033004	3.84%
AM2HKD	HKD	Monthly	26 August 2022	0.041606	5.32%
AM2HKD	HKD	Monthly	27 July 2022	0.041069	5.35%
AM2HKD	HKD	Monthly	30 June 2022	0.042665	5.73%
AM2HKD	HKD	Monthly	25 May 2022	0.042161	5.39%
AM2HKD	HKD	Monthly	28 April 2022	0.041478	5.08%
AM2HKD	HKD	Monthly	30 March 2022	0.035387	4.08%
AM2HKD	HKD	Monthly	25 February 2022	0.038393	4.58%
AM2HKD	HKD	Monthly	28 January 2022	0.035966	4.23%
AM2HKD	HKD	Monthly	30 December 2021	0.035079	3.89%
AM2HKD	HKD	Monthly	30 November 2021	0.035161	4.00%
AM2HKD	HKD	Monthly	29 October 2021	0.035002	3.97%
AM2HKD	HKD	Monthly	30 September 2021	0.033032	3.84%
AM3HAUD	AUD	Monthly	26 August 2022	0.035211	4.63%
AM3HAUD	AUD	Monthly	27 July 2022	0.037318	5.01%
AM3HAUD	AUD	Monthly	30 June 2022	0.036004	4.97%
AM3HAUD	AUD	Monthly	25 May 2022	0.035335	4.64%
AM3HAUD	AUD	Monthly	28 April 2022	0.035769	4.50%
AM3HAUD	AUD	Monthly	30 March 2022	0.031335	3.70%
AM3HAUD	AUD	Monthly	25 February 2022	0.035405	4.32%
AM3HAUD	AUD	Monthly	28 January 2022	0.031835	3.82%
AM3HAUD	AUD	Monthly	30 December 2021	0.031093	3.51%
AM3HAUD	AUD	Monthly	30 November 2021	0.032511	3.76%
AM3HAUD	AUD	Monthly	29 October 2021	0.032507	3.75%
AM3HAUD	AUD	Monthly	30 September 2021	0.029964	3.54%
AM3HCAD	CAD	Monthly	26 August 2022	0.039755	5.20%
AM3HCAD	CAD	Monthly	27 July 2022	0.040320	5.38%
AM3HCAD	CAD	Monthly	30 June 2022	0.042896	5.90%
AM3HCAD	CAD	Monthly	25 May 2022	0.041392	5.42%
AM3HCAD	CAD	Monthly	28 April 2022	0.041830	5.24%
AM3HCAD	CAD	Monthly	30 March 2022	0.035263	4.15%
AM3HCAD	CAD	Monthly	25 February 2022	0.038939	4.73%
AM3HCAD	CAD	Monthly	28 January 2022	0.032842	3.91%
AM3HCAD	CAD	Monthly	30 December 2021	0.032076	3.60%
AM3HCAD	CAD	Monthly	30 November 2021	0.035016	4.03%
AM3HCAD	CAD	Monthly	29 October 2021	0.034698	3.98%

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 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
AM3HCAD	CAD	Monthly	30 September 2021	0.032897	3.87%
AM3HEUR	EUR	Monthly	26 August 2022	0.019082	2.45%
AM3HEUR	EUR	Monthly	27 July 2022	0.020314	2.66%
AM3HEUR	EUR	Monthly	30 June 2022	0.025888	3.51%
AM3HEUR	EUR	Monthly	25 May 2022	0.027870	3.60%
AM3HEUR	EUR	Monthly	28 April 2022	0.029216	3.61%
AM3HEUR	EUR	Monthly	30 March 2022	0.026323	3.07%
AM3HEUR	EUR	Monthly	25 February 2022	0.030526	3.67%
AM3HEUR	EUR	Monthly	28 January 2022	0.023755	2.80%
AM3HEUR	EUR	Monthly	30 December 2021	0.023195	2.58%
AM3HEUR	EUR	Monthly	30 November 2021	0.028111	3.21%
AM3HEUR	EUR	Monthly	29 October 2021	0.027723	3.16%
AM3HEUR	EUR	Monthly	30 September 2021	0.025968	3.03%
AM3HGBP	GBP	Monthly	26 August 2022	0.032672	4.26%
AM3HGBP	GBP	Monthly	27 July 2022	0.034499	4.59%
AM3HGBP	GBP	Monthly	30 June 2022	0.039553	5.44%
AM3HGBP	GBP	Monthly	25 May 2022	0.041154	5.39%
AM3HGBP	GBP	Monthly	28 April 2022	0.040949	5.13%
AM3HGBP	GBP	Monthly	30 March 2022	0.036103	4.25%
AM3HGBP	GBP	Monthly	25 February 2022	0.038760	4.71%
AM3HGBP	GBP	Monthly	28 January 2022	0.031177	3.72%
AM3HGBP	GBP	Monthly	30 December 2021	0.030451	3.42%
AM3HGBP	GBP	Monthly	30 November 2021	0.034126	3.94%
AM3HGBP	GBP	Monthly	29 October 2021	0.033360	3.83%
AM3HGBP	GBP	Monthly	30 September 2021	0.031504	3.71%
AM3HRMB	CNH	Monthly	26 August 2022	0.038274	4.96%
AM3HRMB	CNH	Monthly	27 July 2022	0.045817	6.07%
AM3HRMB	CNH	Monthly	30 June 2022	0.050770	6.95%
AM3HRMB	CNH	Monthly	25 May 2022	0.061957	8.14%
AM3HRMB	CNH	Monthly	28 April 2022	0.059578	7.47%
AM3HRMB	CNH	Monthly	30 March 2022	0.061919	7.32%
AM3HRMB	CNH	Monthly	25 February 2022	0.056014	6.80%
AM3HRMB	CNH	Monthly	28 January 2022	0.059870	7.18%
AM3HRMB	CNH	Monthly	30 December 2021	0.058395	6.59%
AM3HRMB	CNH	Monthly	30 November 2021	0.059687	6.92%
AM3HRMB	CNH	Monthly	29 October 2021	0.065993	7.64%
AM3HRMB	CNH	Monthly	30 September 2021	0.056808	6.71%

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 31 August 2022