HSBC SELECT DYNAMIC
FCP under French law

Annual Report as at 29 December 2023

HSBC Asset Management

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Macroeconomic overview

During the first quarter of 2023, economic indicators gave conflicting signals, shifting between deteriorating financial conditions and resilient activity with persistent inflationary pressure. Amid the central banks' monetary tightening, the financial sector reached a breaking point in early March, with the collapse of a US regional bank (Silicon Valley Bank), and the hasty resolution of the Credit Suisse situation. Interventions by the US Federal Reserve (Fed) and the Swiss authorities, as well as press releases from banking supervision and deposit insurance institutions in Europe, the United States and Asia, helped to stem the loss of confidence and stabilise risk indicators. However, the impact of past monetary tightening will continue to spread via the credit channel, and will then affect activity and employment with a lag of several months, which is difficult to estimate precisely. The real estate market and manufacturing sector are in a recession. In contrast, the services sector remains buoyant, still supported by the post-pandemic consumption shift at the expense of goods, which has contributed to the resilience of the labour market and wage growth. Inflation also tells a conflicting story. With the fall in energy prices and negative base effects, headline inflation fell, particularly in the United States (from 7.1% in November to 6.0% in February) and the eurozone (from 9.2% in December and 6.9% in March). On the other hand, core inflation (excluding energy and food), driven by persistent growth in the price of services, fell very slowly in the United States (from 6.0% in November to 5.5% in February) and continued to rise in the eurozone (from 5.2% in December to 5.7% in March). Ultimately, economic and inflationary trends remained difficult to predict. The consensus view[1] anticipates a soft landing in the United States (GDP +1.0% on average in 2023 and 2024) and the eurozone (GDP +0.5% in 2023 and +1.2% in 2024), with a moderation of inflation (around 2.5% by Q3 2024). However, this average conceals significant disparities in forecasts with upside risks to inflation. Financial turmoil has complicated guidance surrounding monetary policy, which is always geared towards combating excessively high inflation, and inflation expectations that could lead to a wage-price spiral. Finally, emerging economies are being hobbled by high inflation. Foreign demand and emerging market exports are both falling due to lower consumption of goods and the industrial recession in developed countries. However, these adverse impacts are expected to be partly offset by the reopening of the Chinese economy this quarter, after three years of public health restrictions.

In the second quarter of 2023, inflation generally fell between March and June thanks to negative base effects on energy prices (compared to 2022), and a slowdown in the prices of some foods and non-energy industrial goods. This reflects the slowdown in producer prices, and the easing of supply bottlenecks. However, services inflation remains stubborn, driven by the catch-up linked to the post-pandemic reopening, particularly in tourism. Employment also held up well this quarter. The monetary tightening by central bankers over the past year impacts the broader economy between 12 and 18 months later. However, this situation has shown that companies that continue to face hiring challenges are holding onto their workers. In this transition phase, companies have generally preserved their operating margins by raising their selling prices. Despite some resilience in Q1, growth in the United States (quarterly annualised GDP growth +2.0%) surprised upwards. In other developed economies, the picture is mediocre: quasi-stagnation in the United Kingdom (+0.1% qoq, quarterly change) and France (+0.2% qoq) and a contraction in Germany

1 Bloomberg consensus as at 31/03/2023.

(-0.3% qoq) and Ireland (-4.6%), which dragged the eurozone down (-0.1% qoq). Economists' projections for 2024 continue to vary widely, from stagnation to recession to soft landing, depending on monetary and fiscal policy expectations, and commodity price trends. For example, while the OECD, IMF and European Central Bank (ECB) forecast 2024 GDP growth of around 1.5% in the eurozone (1.1% in the United States), the consensus view[2] anticipates only 0.9% growth in the eurozone (0.5% in the United States). In Asia, the post-pandemic opening of the Chinese economy has led to a rebound in services activity. However, geopolitical tension between China and the United States is leading to the redeployment and diversification of production chains, which has stifled manufacturing growth and exports. In contrast, India continued to benefit from an economy driven by services exports, the development of high-tech sectors and public investment in infrastructure. Similarly in Latin America, economic growth remained supported by the strength of agricultural activity and the increase in foreign investment, particularly in Mexico. Finally, faster disinflation than in developed economies should allow central banks to cut interest rates by the end of the year.

The third quarter of 2023 saw increased decoupling, with the strength of the US economy contrasting with the slowdown in China and Europe. US Q2 GDP came in better than expected, driven by household consumption and infrastructure investment that offset the slowdown in the housing market. In the eurozone, quasi-stagnant GDP growth in Q2 (0.1% q/q) and sluggish domestic demand account for the divergences in the region, with a contraction of GDP in Italy (-0.4% q/q) and the Netherlands (-0.2% q/q), stagnation in Germany and an expansion in France (+0.5% q/q) and Spain (+0.5% q/q). Fiscal policies aimed at supporting the energy transition and the development of high-tech industries have partly contributed to these divergences. In the United States, the Inflation Reduction Act and Chips Act have led to USD 240 billion in investment projects in the manufacturing sector, or about half of the target. Spain continues to benefit from subsidies from the European Union’s Next Generation EU programme. In Italy, the gradual reduction of subsidies for residential energy renovation has led to a decline in construction investment. In the emerging markets, economic reports in China continued to disappoint despite new credit support measures and the easing of regulatory restrictions on the property market. Growth forecasts[3] were revised downwards in Q3 for China (5.0% for 2023 and 4.5% for 2024, compared to 5.5% and 4.9% at the end of June) as well as the eurozone (0.5% in 2023 and 0.8% in 2024, compared to 0.6% and 1.0% at the end of June). In contrast, the United States saw its growth forecast raised to 2.1% in 2023 and 0.9% in 2024 (compared to 1.3% and 0.8% respectively at the end of June). Persistent high inflation in the United States (3.7% in August compared to 4.0% in June) and the eurozone (5.2% in August compared to 5.5% in June) did not reassure central bankers in a context of rising oil prices and sustained wage growth (+4.3% y/y in the United States and +5.5% y/y in the eurozone). Despite restrictive monetary conditions, real incomes are indeed trending upwards and helping to support consumption, which increases the risks of second-round effects. As such, the median forecasts of the US Federal Reserve governors signal a soft landing for the US economy (with GDP growth of 2.1% in 2023 and 1.5% in 2024, which is higher than the consensus of economists), which implies postponing the cycle of rate cuts to the second half of 2024.

In the fourth quarter (Q4) of 2023, the “soft landing” scenario was seen as more likely than a recession. Central banks seem to have been able to win the fight against inflation without further monetary tightening and the risk of a sharp recession. China’s growth surprised to the upside in Q3 (4.9% year-on-year versus 4.5% forecast).

2 Bloomberg consensus as at 30/06/2023.
3 Bloomberg consensus as at 30/09/2023.

US GDP once again beat expectations in Q3 (+4.9% q/q annualised vs. 4.5% expected). In the United States, household consumption and business investment accelerated in Q3 compared to Q2, while the labour market remained relatively strong (unemployment rate at 3.7% in November after an all-time low of 3.4% in April), as did wages (+4% year-on-year in November), while productivity also improved. In Europe, purchasing managers' surveys have been pointing to a contraction in activity since the summer. The economy continued to deteriorate in Q3: UK GDP was down -0.1% quarter-on-quarter (q/q) in Q3 (vs. +0.1% q/q in Q2). Eurozone GDP fell -0.1% q/q (vs. +0.1% q/q in Q2), dragged down by a slowdown in inventories and contractions in Germany, France, the Netherlands and Ireland. Against this backdrop, the sharp deceleration in inflation surprised during the quarter (annual change in November) at 3.1% in the United States, 2.4% in the eurozone, and 3.9% in the United Kingdom. GDP growth forecasts[4] were revised upwards in the United States (2.4% in 2023; 1.3% in 2024). On the other hand, the eurozone has seen its GDP growth outlook erode in 2024 (GDP +0.7%), as has the United Kingdom (GDP +0.3%). However, these forecasts do not show the divide among economists. Some anticipate a relatively rapid recovery, driven by private consumption, an improvement in real household incomes and a return to monetary easing by central banks, with inflation averaging around 2.5%-3% in 2024. However, some economists expect the economic slowdown to continue, due to the lagged effect of monetary tightening, the rise in business bankruptcies and higher unemployment, which would trigger a decline in consumption. This scenario projects a recession phase with a slow recovery that should push inflation below 2% by the end of 2024.

Financial overview

In the first quarter (Q1) of 2023, markets experienced high volatility due to uncertainties in the US banking sector, which led to a -12.6% fall (quarter-on-quarter) in the benchmark stock market index (MSCI US Banking), a rally in gold (+8.0% q/q at USD 1,969 per ounce) and a weakening of the US dollar (DXY index[6] -1.0% t/t). Central bankers continued to raise their key interest rates (+50bp in the US, +75bp in the UK, and +100bp in the eurozone), but were cautious about the outlook. All in all, markets quickly began anticipating a monetary policy pivot, pricing in significant easing in the US (up to -75bp this year), and moderating the expected tightening in the eurozone (+50bp vs. +100bp previously). In sovereign bonds, 10-year yields fell sharply in Q1: -41bp to 3.47% in the US, -28bp to 2.29% in Germany, -33bp to 2.79% and -61bp to 4.10% in Italy, with 2-10 year yield curves continuing to invert. Overall credit market performance varied. Credit spreads tightened in the risky segment (high yield) due to a reduction in securities issuances and central bank expectations of a reversal. In contrast, spreads widened in the US banking sector, and to a lesser extent in the less risky corporate bond segments (investment grade). Despite this uncertainty, the stock markets (MSCI World) ended the quarter higher: +7.2% quarter-on-quarter (q/q), with an increase of 15% from October 2022’s lows. Eurozone equities (MSCI Eurozone +12.3% q/q) outperformed the overall stock index, benefiting from a more resilient economy than expected thanks to the fall in energy prices (natural gas -36% q/q; Brent oil -7.1% q/q). Emerging markets (MSCI EM +3.8% q/q) underperformed developed markets (+7.6% q/q), primarily due to declines in India, Brazil, and Turkey (linked to idiosyncratic factors), and despite a recovery in China (+5.1% q/q) after public health restrictions were lifted.

4 Bloomberg consensus as at 31/12/2023.

In the second quarter (Q2) of 2023, bond markets in developed countries were hit by central banks' U-turn in favour of extended restrictive monetary policies given the slow pace of disinflation and the beginning of an inflationary regime that is structurally higher than in the 2008-2019 period. In the United States, the banking sector's difficulties were quickly resolved. Then the negotiations around raising the US debt ceiling took several weeks, contributing to some caution on the part of the US Federal Reserve (Fed), which only raised its rates by 25bp in Q2. In Europe, central banks have generally been more hawkish with rate hikes between 50bp (eurozone) and 75bp (UK, Sweden and Norway). Central bankers' remarks at the Sintra Forum at the end of June clearly marked a change in market expectations, which as of May were still counting on the end of monetary tightening, or even rate cuts at the end of the year. Against this backdrop, sovereign bond yields rallied, but did not reach the levels seen in Q1 as yield curve inversion strengthened. Despite the rise in sovereign yields, risky markets have performed well in this transition phase. On the corporate bond side, credit spreads narrowed further in the riskiest segment (High Yield). In equity markets, Q2 delivered gains for the world index (MSCI* World +7% quarter-on-quarter), with developed markets outperforming (MSCI* DM +7.3% q/q) relative to emerging markets (MSCI* EM +1.8% q/q), mainly driven down by Chinese equities (MSCI -8.9% q/q). The enthusiasm for technology stocks, particularly related to artificial intelligence, and the resilience of domestic demand in the United States boosted the US equity market (MSCI* US +8.7% q/q). The reopening of the Japanese economy and the redeployment of investments outside China was generally positive for certain stock markets in India (+12.2% q/q), Japan (+15.6% q/q) and Brazil (+14.9% q/q). In currency markets against the US dollar, the Japanese yen depreciated by 8% q/q, followed by the Chinese renminbi (-5% q/q), the South African rand (-5.6% q/q) and the Turkish lira (-26.3% q/q), while the Brazilian real and the Mexican peso gained 6.5% q/q and 5.4% q/q respectively. Finally, prices generally fell on commodity markets, notably for natural gas (-21% q/q), wheat (-9.2% q/q), copper (-7.5% q/q) and oil (WTI -6.6%), due to uncertainties about global demand and a disappointing recovery in China.

In the third quarter of 2023, investors continued to push back their expectations for the timing and extent of policy rate cuts, which hampered both developed and emerging bond markets. At the same time, concerns about the sustainability of US and European debt have contributed to the rise in long-term rates, and a smaller inversion of 2-10 year yield curves. Thus, the increase in term premiums reflected the higher compensation demanded by investors for holding securities with long maturities in an environment where inflation is likely to be stickier. It also helps the continued normalisation of central banks' balance sheets. The US Federal Reserve (Fed) continues to actively sell sovereign bonds on its balance sheet, and the European Central Bank has stopped reinvesting all of its maturing securities as part of its regular program. Against this backdrop, 10-year sovereign yields jumped in Q3, nearing 2007 levels in the United States (+73 bp in Q3 to 4.57% at the end of September). In the eurozone, sovereign yields returned to their 2011 levels, in Germany (2.84% at the end of September, or +45bp in Q3) and in France (+47bp to 3.40%). Budgets released in the eurozone, with optimistic economic forecasts and insufficient efforts on the debt trajectory, led to a faster rise in yields on bonds in the eurozone periphery compared to Germany, especially in Italy (+71bp, 4.78%), Greece (+69bp, 4.34%) and Spain (+55bp, 3.93%). On the credit markets, credit spreads narrowed across the board, with the exception of the US High Yield segment, which has been weakened by the prospect of higher for longer interest rates. Difficulties in the Chinese real estate sector and tighter financial conditions contributed to a -2.4% quarter-on-quarter (q/q) decline in equity markets (MSCI World Index*), with

China (MSCI -4.5% q/q), Taiwan (-7.1% q/q) and South Korea (-6.6% q/q) underperforming. Oil prices (WTI) jumped +29% q/q to USD 90.8 a barrel following a drop in crude inventories in the United States and announcements that Saudi Arabia and Russia will extend their production cuts until the end of the year. Finally, on the foreign exchange markets, the resilience of the US economy, which is undergoing decoupling amidst a more pronounced slowdown in China and Europe, has favoured the rise of the US dollar against the currencies of its trading partners (DXY index[6] +3.2% q/q).

In the fourth quarter (Q4) of 2023, markets sharply rebounded (MSCI* World Index +9.5% q/q; +22.2% y/y) on reports of lower-than-expected inflation despite rising geopolitical risks in the Middle East. These regional events pushed up the price of gold (+11.6% q/q) and wheat (9.5% q/q) but did not trigger runaway energy prices. On the contrary, WTI oil was down -21.7% q/q to USD 71.7 a barrel and gas prices fell -7% q/q. Positive inflation surprises in the US and Europe dominated the headlines despite the economic slowdown, suggesting a “soft landing” scenario rather than a sharp recession. The prevailing soft landing scenario has led equity markets in the developed countries (MSCI DM Index +10% q/q; +23.7% y/y) to outperform those in the emerging markets (MSCI EM Index +5.6% q/q; +10.3% y/y). The Chinese stock market decline (MSCI index -4.8% q/q; -10.3% y/y) weighed on the regional index despite strong rebounds in Mexico (MSCI index +15.8% q/q; +23% y/y), Brazil (MSCI index +14.6% q/q; +22.7% y/y) and India (MSCI index +22% q/q; +12% y/y). Against the backdrop of faster-than-expected disinflation, markets witnessed a doveish shift in central bank rate expectations. The US Federal Reserve (Fed) confirmed this more accommodative bias in December with new median forecasts for official rates that include 75bp of cuts for 2024. However, this more accommodating shift is less clear in Europe. The European Central Bank (ECB) has remained rather vigilant on the inflation outlook due to wage increases and the risks of lost productivity. In the UK, the Bank of England maintained a restrictive monetary policy bias. Ultimately, markets priced in expectations for around 150bp of monetary easing in 2024, much higher than those suggested by central bank communications. Against this backdrop, bond markets performed well in Q4. In credit markets, the riskiest bond segments (High Yield (HY)) in the US and Europe outperformed the less risky segments (Investment Grade (IG)). 10-year sovereign bond yields have fallen overall, especially in developed markets: -69 bp in the US at 3.88%; -81 bp in Germany at 2.02%; -84 bp in France at 2.56%, -90 bp in the UK at 3.54% and -108.2 bp in Italy at 3.70%. The Fed’s more accommodative turn led to a decline in the US dollar against its trading partners’ currencies (DXY index -4.6% q/q), with outperformance by the Swiss franc (+8.8% q/q) and the yen (+5.9%), against a backdrop of geopolitical tension.

* MSCI equity market indexes expressed in local currencies.
[6] DXY Index: an index of the US dollar against six other currencies: the euro, the Japanese yen, the British pound, the Canadian dollar, the Swiss franc and the Swedish krona.
Source: Bloomberg data as at 31/12/2023.

Investment policy

Markets

The year 2023 surprised investors positively. As expected, the European and US central banks sharply tightened financial conditions (1% increase in key rates by the Fed and 2% by the ECB).
Inflation converged sharply over the period, falling from 6.5% at the end of December 2022 to 3.1% at the end of November 2023 in the United States and from 9.2% to 2.4% over the same period in the eurozone.
There were many negative factors that stirred up the markets. The continuation of the Russia-Ukraine war, the escalation of the Israeli-Palestinian conflict, the collapse of US regional banks and Credit Suisse and disappointment over Chinese growth were the main ones.
However, growth expectations have been revised upwards continuously in the major developed economies as a dynamic services sector has counteracted weak manufacturing activity. Consumers have benefited from the savings accumulated during the Covid crisis.
At the end of the year, the Fed announced that the rate hike phase may be over, allowing asset prices to soar.
In 2023, equity markets rose by 18.9%. Emerging markets underperformed, dragged down by China (MSCI China; -11.09% in euros). The differences in performance were significant, with a marked underperformance of mid-sized companies and another record year for the big names on the Nasdaq, which rose by 50.18% in euros.
Long-term yields have been particularly volatile and have tightened for most of the year, reaching 5% for the US 10-year yield. Beginning in October, the approach of the end of the monetary tightening cycle triggered a major rally. Yields at the end of the year are finally comparable to those at the beginning of the year, at around 3.9%. Despite a significant rise in European key rates, the German 10-year yield ended the year even below its end-2022 level at 2.02%.
Following equity assets, credit premiums contracted and the Bloomberg Barclays Euro Aggregate Index gained 7.19%.
Commodity prices fell on average following crude oil (Brent -13.19% in euros).

Performance

The Fund was penalised throughout the year by our cautious approach to the equity markets, partially offset by advantageous management of bond sensitivity.
Nonetheless, HSBC Select Dynamic (A unit) benefited from the strong performance of the majority of asset classes, rising 8.17% in 2023.
Our average equity exposure was 61% and ranged from 55% in January to 65% at the beginning of December, allowing us to benefit from the year-end rebound.
Our preference for developed market equities over the emerging markets, which have been hurt by tighter monetary conditions and sluggish Chinese growth, was largely beneficial. We reduced exposure to emerging market equities from 15% of the equity portfolio at the end of January to an average of 11% for the rest of the year. Given the resilience of the US economy and positive corporate results in the first quarter, we increased the share of US equities from 31% to 43% at the expense of European equities, which were reduced from 47% to 34%.
We kept the thematic component close to 5%, as developing companies are being hit by the deterioration in credit conditions. In addition to our positions in gold mining companies, which benefited from higher gold prices, our positions in technological innovation stocks (including semiconductors) benefited from the buzz around AI. We favoured them over green transition stocks, which underperformed significantly in 2023.
In the developed markets, we stayed away from small cap stocks until the middle of the 4th quarter, when they benefited from the easing of financial conditions.

In Europe, we favoured quality stocks throughout the year with a focus on value stocks in the first half of the year, on which we took profits in the third quarter to return to growth stocks that had underperformed. In the United States, we overweighted quality stocks combined with growth stocks. Finally, our allocation to emerging markets benefited from our underexposure to China in favour of “frontier” countries (Gulf countries and Southeast Asia) and Latin America.
The management of our bond sensitivity helped to protect the portfolio during most periods of interest rate pressure. The sensitivity of the portfolio was reduced from 1.21 years at the end of 2022 to 1.05 years on average in the first quarter, increasing to 1.27 years in the second and third quarters and reaching 1.56 years on the last quarter.
The credit component benefited from our positions in variable rates and short durations at the beginning of the year. The recovery in credit sensitivity with a preference for high-quality issuers was favourable in the second half of the year. Our overexposure to international debt to the detriment of euro-denominated debt cost us some performance over the period. We should also note the underperformance of our European instruments, both in investment grade and high yield credit.
Finally, emerging market debt made a positive contribution, particularly local currency debt, the share of which was increased at the end of the year.
Diversification into alternative asset classes had little impact on performance, both for commodity and absolute return funds.

Outlook
After a major cycle of interest rate hikes (+525 bp for the Fed since 2022), there are uncertainties about the speed and extent of the monetary easing phase as well as the resilience of economic activity.
While investors expect an initial rate cut[1] by the Fed as early as March with an estimated 150 bp[1] reduction for the year, we consider these forecasts to be too optimistic.
The ECB has also given indications that inflation persists and disinflation is slowing. Although down sharply, inflation is still above central banks’ 2% target and the US labour market remains buoyant. We expect rates to fall from the second quarter onwards.
We expect activity to decline in 2024 as household savings shrink and the impact of tighter financial conditions spreads.
The expected growth in corporate earnings in 2024 (10.8%[2] for the S&P 500 and 5.4%[2] for MSCI Europe) does not reflect our expectations of a slowdown in the US and a mild recession in Europe. The valuation of the main equity markets is no longer a support, especially for US mega caps.
In view of this over-optimism, we have reduced our sensitivity to interest rates in anticipation of more attractive levels. We are favouring high-quality credit and maintaining a position on investments with a close maturity.
We are maintaining a cautious stance on equities with a preference for developed markets over emerging economies.
Our choice of investments remains diverse. We reduced the weight of growth stocks in favour of discounted stocks after the year-end rally. We are maintaining positions in quality stocks and defensive sectors.
In emerging markets, we favour Latin America, “frontier” markets and some Asian countries (including India) over China. We will await an improvement in the Chinese economy before reinforcing our positions.
We are taking profits on new technologies to reinforce green transition stocks, which we believe are undervalued.

Performance

At the end of the fiscal year, the Fund posted a performance of 8.17% for A units. B, H and R units are inactive.

Past performance is not an indicator of the Fund's future performance.

Information on Environmental, Social, and Governance (ESG) criteria

In accordance with Article L.533-22-1 of the French Monetary and Financial Code, the policy on considering environmental, social, and governance quality (ESG) criteria in the investment strategy is available on the management company's website at www.assetmanagement.hsbc.fr.

Non-consideration of criteria for environmentally sustainable economic activities under Regulation (EU) 2020/852

The Fund does not promote environmental or social characteristics within the meaning of Article 8 of Regulation (EU) 2019/2088 of 27 November 2019 on sustainability-related disclosures in the financial services sector ("SFDR") or does not have a sustainable investment objective within the meaning of Article 9 of this EU regulation.

In this context, the underlying investments of the Fund do not take into account the European Union criteria for environmentally sustainable economic activities within the meaning of Regulation (EU) 2020/852 of 18 June 2020 on the establishment of a framework to promote sustainable investment and amending Regulation (EU) 2019/2088 ("Taxonomy Regulation").

Incidents affecting the Fund during the fiscal year

- **1 July 2023**

The **Fees** section was updated in the prospectus in accordance with the new doctrine of the Autorité des marchés financiers (AMF) on modernising the conditions applicable to the presentation, content and levying of administrative fees external to the management company.
An exhaustive list of fees for the second block of the fee table, renamed **Operating and other service fees** (formerly Administrative fees external to the management company), is now detailed below the table and is no longer exhaustive.

In addition, recurring costs and performance scenarios have been updated in the Key Information Documents.

- **28 September 2023**

The introduction of a mechanism to cap redemption requests known as GATES has been inserted into the regulatory documentation.

Information on remuneration aspects

In accordance with the applicable regulations, HSBC Global Asset Management (France) has chosen to disclose the information relating to the remuneration of its personnel for all the AIFs and UCITS under French law that it manages.

The remuneration paid by HSBC Global Asset Management (France) consists of fixed remuneration and may, if economic conditions permit, include a variable component in the form of a discretionary bonus. The variable remuneration is not linked to the performance of the vehicles managed, nor is there any incentivisation on the basis of capital gains.

HSBC Global Asset Management (France) applies the HSBC Group's remuneration policy.

This Group policy incorporates a large number of the principles set out in the AIFM regulations as well as the UCITS regulations.

From 2014 onwards, HSBC Global Asset Management (France) has made adjustments to this remuneration policy in order to comply with specific rules in the AIFM regulation and then the UCITS regulation concerning the management of funds compliant with these respective regulations.

In particular, HSBC Global Asset Management (France) has introduced a mechanism for indexation of financial instruments on the basis of an index indexed to a representative basket of all UCIs for which HSBC Global Asset Management (France) is the management company with the exception of employee shareholding mutual funds (FCPE) for all employees who are entitled to deferred remuneration under the AIFM regulation and the UCITS regulations.

The remuneration policy of HSBC Global Asset Management (France) has no impact on the risk profile of AIFs and UCITS.

The full HSBC Global Asset Management (France) remuneration policy is available on its website at www.assetmanagement.hsbc.fr.

Breakdown of the company's fixed and variable remuneration for fiscal year 2023

Information on the total remuneration paid by the management company to its staff and the aggregate amount between senior managers and staff members that have an impact on the risk profile is provided in the table below.

The beneficiaries of remuneration for fiscal year 2023 represent 316 people.

In 2023, and as defined in the remuneration policy of HSBC Global Asset Management (France), 42 people were identified as "Risk Takers" for all portfolios managed.

The employees identified as Risk Takers are:
- Members of the Board of Directors,
- Responsible officers and members of the Executive Committee,
- Heads of Investment and Trading,
- Sales, product and marketing managers,
- Heads of control functions (risk, compliance and internal control),
- Legal and finance managers and heads of support and administrative functions.

	2023				
	Fixed remuneration paid in 2023	**Variable remuneration paid in March 2023 (for 2022 performance) + Deferred variable compensation vested in 2023**	**of which non-deferred variable remuneration**	**of which deferred variable remuneration (*)**	**Total €**
All AMFR staff including seconded in and branches (excl. seconded out) - 316 persons	€28,044,672	€11,624,581	€10,338,975	€1,285,606	€39,669,253
Of which staff having an impact on the AIF risk profile (42 persons)**	€7,364,899	€5,389,839	€4,158,019	€1,231,820	€12,754,738
Of which senior management (15 persons)**	€2,544,612	€1,584,813	€1,230,486	€354,327	€4,129,425

(*) Includes deferred shares fully vested in 2023 and the indexed deferred cash amount paid in 2023. (**) Takes into account seconded or assigned people prorated based on the proportion of time they are at the company.

Variable remuneration does not include any payments received by employees under profit-sharing agreements or incentive schemes in 2023.

Information relating to efficient portfolio management techniques and derivatives used by the Fund, pursuant to AMF position No. 2013-06

Efficient portfolio management techniques

As of the close of the fiscal year, the Fund did not use efficient portfolio management techniques.

Derivatives

As of the close of the fiscal year, the Fund did not use derivatives.

Aggregate exposure

The management company used the absolute VaR calculation method to measure the overall risk of the Fund it manages.

VaR is calculated according to a parametric methodology. A short-term risk model is used to represent the dynamics of market risk parameters (volatility and correlations). This model is based on data history sets covering at least 250 days.

VaR is calculated for a one-sided confidence interval of 99% and a holding period of one day (99% 1-day VaR). The 99% 1-day VaR is converted to a VaR with a 99% confidence interval and 20-day holding period (99% 20-day VaR) according to the method recommended by the regulator.

Over the year, VaR (99% 1 month) represented:
- on average: 7.14%
- at least: 5.01%
- At most: 8.36%

In addition to monitoring VaR, the Fund's leverage is also calculated.

For information purposes, leverage, calculated as the sum of the nominal positions on the financial contracts used, represented (over the year):

- on average: 44.75%
- at least: 37.99%
- At most: 57.84%

Main movements in the portfolio during the fiscal year

Securities	Movements ("Accounting currency")	
	Acquisitions	Disposals
SPDR S&P 400 MID	5,002,911.83	3,231,283.63
ISHARES EDGE MSCI EUROPE MIN VOL	3,387,687.00	3,013,062.00
ISHARES EDGE MSCI USA VALUE	3,441,624.73	2,936,776.18
HSBC EUROLAND EQUITY Z CAP.	3,221,334.76	2,837,701.00
iShares VI PLC - iShares Edge S P 500 Minimum Volatility UCI	2,771,169.50	3,269,555.82
ISHARES EDGE MSCI USA QUALITY FACTOR UCITS ETF	3,414,682.62	2,055,696.21
ISH EDGE MSCI EU QLTY FACTOR UCTS ETF	1,961,862.10	2,945,845.70
SPDR S&P EURO DVD ARISTOCRAT	2,377,658.50	2,316,422.00
HSBC GIF MULTI ASSET STYLE FACTORS ZC		4,581,070.96
HSBC EURO EQUITY VOLATILITY FOCUSED Z	2,559,767.15	1,951,399.72

Transparency of securities financing transactions and the reuse of financial instruments – SFTR – in the accounting currency of the UCI (EUR)

The UCI did not carry out any transactions covered by the SFTR during the fiscal year.

Regulatory information

Risk monitoring report

General observation:

Over the period under review, the risk assessment and monitoring procedures established to manage the fund did not identify any (significant) anomaly regarding its exposure to market risk, credit risk, counterparty risk, or liquidity risk.

In addition, no material misstatements in terms of valuation risks were identified over that period.

	Significant anomalies identified relating to the closure of the Fund	Observations
1	Market Risk	None
2	Credit Risk	None
3	Counterparty Risk	None
4	Liquidity Risk	None
5	Valuation Risk	None

Financial intermediary selection and assessment procedure

The management company selects brokers or counterparties according to a procedure that complies with the regulations applicable to it. As part of this selection, the management company fulfils its best execution obligation at all times.

The objective selection criteria used by the management company specifically include the quality of order executions, the rates applied, and the financial soundness of each broker or counterparty.

The counterparties, investment companies, and service providers of HSBC Global Asset Management (France) are selected according to a specific evaluation process intended to ensure that quality service is provided to the company. This is a key element in the general decision-making process that incorporates the impact of the service quality of the broker across all our departments: Management, Financial and Credit Analysis, Trading and Middle Office, and Legal.

Counterparty selection can involve an entity linked to the HSBC Group or the Fund’s depositary.

The “Best Execution and Best Selection Policy” is detailed on the management company’s website at www.assetmanagement.hsbc.fr.

Report on brokerage fees

In accordance with Article 321-122 of the General Regulations of the AMF, and if the terms of this article are met, the report on brokerage fees for the previous fiscal year is available on the management company's website: www.assetmanagement.hsbc.fr.

Exercise of voting rights

The management company's voting policy, as well as the report on the conditions in which the voting rights were exercised, may be consulted on the management company's website: www.assetmanagement.hsbc.fr.

Use of financial instruments managed by the management company or a related company

The table of financial instruments managed by the management company or a related company can be found in the notes to the Fund's annual financial statements.

Conflict of interest policy

Because of its global reach and the wide range of financial services offered, the HSBC Group, or its affiliated companies (referred to below as HSBC), could have interests that differ from time to time from those of its clients or that conflict with its duties toward its clients. There may be conflicts between the interests of HSBC, its affiliated companies, or its employees, on the one hand, and the interests of its clients, on the other hand, or even conflicts between the clients themselves.

HSBC has defined procedures to identify and manage such conflicts, notably organisational and administrative arrangements intended to protect clients' interests. This policy is based on a simple principle: persons taking part in various activities posing a conflict of interest are required to execute these activities independently of each other.

Where applicable, HSBC implements measures to restrict the transmission of information to certain employees in order to protect clients' interests and to prevent any undue access to information concerning clients.

HSBC may also act on its own account and have a client as counterparty or even "match" the orders of its clients. Procedures are in place to protect clients' interests in this scenario.

In some cases, HSBC's procedures and controls may not be sufficient to ensure that a potential conflict will not damage a client's interests. In these circumstances, HSBC informs the client of the potential conflict of interest in order to obtain the client's express consent to continue the activity. In any event, HSBC may refuse to intervene in circumstances where there would ultimately be a residual risk of harming a client's interests.

Statutory auditor's certification on the annual financial statements

HSBC Select Dynamic

Fiscal year ended 29 December 2023

Statutory auditor's report on the annual financial statements

ERNST & YOUNG and Other

ERNST & YOUNG and Other
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HSBC Select Dynamic

Fiscal year ended 29 December 2023

Statutory auditor's report on the annual financial statements

To unit holders of the HSBC Select Dynamic fund,

Opinion

In compliance with the assignment entrusted to us by your board of directors, we have audited the accompanying annual financial statements of the HSBC Select Dynamic undertaking for collective investment established in the form of a mutual fund for the period ended 29 December 2023, as included in the present report.

We certify that the annual financial statements are, with respect to French accounting rules and principles, legal and truthful and provide an accurate picture of the results of the operations of the past fiscal year and of the financial situation and assets of the fund at the end of the fiscal year.

Basis of our audit opinion

Audit reference standard

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Our responsibilities according to these standards are described in the "Statutory auditor's responsibilities for the audit of the annual financial statements" section of this report

Independence

We conducted our audit in accordance with the rules of independence provided for in the French Commercial Code and in the professional code of ethics for statutory auditors over the period from 31 December 2022 to the issue date of our report.

Justification of Assessments – Key Audit Matters

Pursuant to the provisions of Articles L. 821-53 and R. 821-180 of the French Commercial Code concerning the basis for our assessments, we hereby inform you that, in our professional judgement, the most significant assessments that we conducted pertained to the appropriateness of the accounting principles applied, in particular as regards the financial instruments in the portfolio and the overall presentation of the financial statements, in view of the accounting system applicable to open-ended undertakings for collective investments.

These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Specific verifications

We also performed the specific verifications required by the applicable laws and regulations in accordance with the professional standards required by the applicable laws and regulations.

We have no comments to make as to the fairness and consistency with the annual financial statements of the information given in the management report prepared by the management company.

Management company's responsibilities for the annual financial statements

Management is responsible for preparing annual financial statements presenting a true and fair view in accordance with French accounting rules and principles and implementing the internal controls that it deems necessary for the preparation of annual financial statements free of any material misstatements, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The financial statements were approved by the Board of Directors.

Statutory auditor's responsibilities for the audit of the annual financial statements

It is our responsibility to prepare a report on the annual financial statements. Our goal is to obtain reasonable assurance that the annual financial statements taken as a whole do not contain any material misstatements. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with the professional standards will always detect a material misstatement when it exists. Misstatements may arise as a result of fraud or error and must be regarded as being material if it can reasonably be expected that they, individually or in the aggregate, will affect the financial decisions made by users of the financial statements on the basis of the financial statements.

As specified in Article L. 821-55-1 of the French Commercial Code (code de commerce), our audit does not include assurance on the viability or the quality of management of your fund.

As part of an audit conducted in accordance with professional standards applicable in France, we exercise professional judgement throughout the audit.

In addition, we:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control;

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as the overall presentation of the financial statements;

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the SICAV's ability to continue as a going concern. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;

- Evaluate the overall presentation of the financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Paris-La Défense, 15 April 2024

The Statutory Auditor
ERNST & YOUNG and Other

YOUSSEF
BOUJANOUI

Digitally signed by YOUSSEF BOUJANOUI
DN: cn= YOUSSEF BOUJANOUI,
c=FR, o=EY et ASSOCIES,
ou=0002 817723687, email=youssef.boujanoui@fr.ey.com
Date: 2024.04.15 13 17:36:43 +02:00

Youssef Boujanoui

Annual Financial Statements

FCP HSBC SELECT DYNAMIC

Balance Sheet – Assets

Balance Sheet – Assets as at 29/12/2023
Portfolio: 1658 HSBC SELECT DYNAMIC

	29/12/2023	30/12/22
NET FIXED ASSETS		
DEPOSITS		
FINANCIAL INSTRUMENTS	**116,321,039.21**	**113,791,347.01**
Equities and equivalent securities		
Traded on a regulated or equivalent market		
Not traded on a regulated or equivalent market		
Bonds and equivalent securities		
Traded on a regulated or equivalent market		
Not traded on a regulated or equivalent market		
Debt instruments		
Traded on a regulated or equivalent market		
Negotiable debt instruments		
Other debt securities		
Not traded on a regulated or equivalent market		
Undertakings for collective investment	**115,537,872.32**	**112,646,301.07**
UCITS and retail alternative investment funds intended for non- professional investors and equivalents in other countries	107,674,694.23	108,320,786.65
Other funds for retail investors and equivalents in other EU Member States		
Professional general investment funds and equivalents in other EU Member States and listed securitisation funds		
Other professional investment funds and equivalent in other EU Member States and non-listed securitisation funds	4,584,001.88	3,539,794.11
Other non-European vehicles	3,279,176.21	785,720.31
Repos and reverse repos		
Receivables under repurchase agreements		
Receivables representing lent securities		
Borrowed securities		
Securities delivered under repurchase agreements		
Other temporary transactions		
Financial futures	**783,166.89**	**1,145,045.94**
Transactions on a regulated or equivalent market	783,166.89	1,145,045.94
Other transactions		
Other financial instruments		
RECEIVABLES	**1,533,023.30**	**4,123,613.18**
Forward foreign currency transaction		1,942,105.46
Other	1,533,023.30	2,181,507.72
FINANCIAL ACCOUNTS	**8,634,982.30**	**11,733,086.05**
Cash and cash equivalents	8,634,982.30	11,733,086.05
TOTAL ASSETS	**126,489,044.81**	**129,648,046.24**

Balance Sheet – Liabilities & Equity

Balance Sheet – Liabilities & Equity as at 29/12/2023
Portfolio: 1658 HSBC SELECT DYNAMIC

	29/12/2023	30/12/22
EQUITY		
Capital	120,395,317.13	116,747,438.39
Prior net gains and losses not distributed (a)		
Retained earnings (a)		
Net gains and losses for the period (a,b)	-941,043.82	-442,008.80
Profit for the fiscal year (a,b)	-565,539.03	-277,810.52
TOTAL EQUITY *	**118,888,734.28**	**116,027,619.07**
** Amount representing net assets*		
FINANCIAL INSTRUMENTS	**774,926.86**	**1,142,334.20**
Disposals of financial instruments		
Repos and reverse repos		
Payables under repurchase agreements		
Payables representing borrowed securities		
Other temporary transactions		
Financial futures	774,926.86	1,142,334.20
Transactions on a regulated or equivalent market	774,926.86	1,142,334.20
Other transactions		
PAYABLES	**129,623.08**	**2,089,414.43**
Forward foreign currency transactions		1,934,931.55
Other	129,623.08	154,482.88
FINANCIAL ACCOUNTS	**6,695,760.59**	**10,388,678.54**
Current bank facilities	6,695,760.59	10,388,678.54
Loans		
TOTAL LIABILITIES	**126,489,044.81**	**129,648,046.24**

(a) Including accruals

(b) Minus interim payments for the fiscal year

Off-balance sheet commitments

Off-balance sheet commitments as at 29/12/2023
Portfolio: 1658 HSBC SELECT DYNAMIC

	29/12/2023	30/12/22
HEDGING TRANSACTIONS		
Commitments on regulated or equivalent markets		
Futures contracts		
FGBL BUND 10A 0323		3,323,250.00
US 10YR NOTE 0323		4,734,935.00
EURO BTP 0324	1,906,400.00	
SP E-MINI FIN 0324	954,159.69	
DJS 600 MED 0324	653,920.00	
DJE 600 INSUR 0324	313,740.00	
XEUR FSMI SWI 0324	1,311,078.84	
CONSUMER DISC 0324	661,567.01	
XAPXAP CONSUM 0324	331,552.98	
DJE 600 EUROP 0324	719,700.00	
DJS 600 CHEM 0324	913,500.00	
SP EMINI COM 0324	522,111.08	
SP E-MINI HEA 0324	756,239.53	
DAX 30 PERF 0324	1,353,040.00	
SP E-MINI MAT 0324	664,246.59	
DJS F&B FUT 0324	799,260.00	
ST600 RETAIL 0324	851,970.00	
DJE 600 REAL 0324	308,660.00	
DJ STOXX HC 0324	423,000.00	
AEX FUT 0124	946,824.00	
XEUR FSTN DJ 0324	1,373,500.00	
SET50 FUTURES 0324	986,575.08	
FCI FTSE Burs 0124	858,172.93	
SP 500 MINI 0323		2,170,625.44
MME MSCI EMER 0323		404,525.65
NIKKEI 225 0323		1,292,197.11
NIKKEI 225 0324	1,716,521.58	
DJE 600 EUROP 0323		6,064,630.00
EURO STOXX 50 0323		9,727,450.00
EURO STOXX 50 0324	6,451,060.00	
Commitments on over-the-counter markets		
Other commitments		

Off-balance sheet commitments

Off-balance sheet commitments as at 29/12/2023
Portfolio: 1658 HSBC SELECT DYNAMIC

	29/12/2023	30/12/22
OTHER TRANSACTIONS		
Commitments on regulated or equivalent markets		
Futures contracts		
XEUR FBTP BTP 0323		1,633,800.00
TU CBOT UST 2 0323		2,113,712.24
EURO BUND 0324	6,449,340.00	
US 10YR NOTE 0324	4,087,833.25	
FTSE 100 FUT 0324	537,060.76	
MME MSCI EMER 0324	46,788.58	
FTSE/MIB 0324	1,220,840.00	
DJES BANKS 0324	917,840.00	
XEUR FSTU DJ 0324	843,660.00	
DJS TECH FUT 0324	727,130.00	
SP EMIN UTILI 0324	291,947.68	
SP E-MIN INDU 0324	1,156,112.80	
XAK TECHNOLOG 0324	888,245.15	
STOXX 600 P&H 0324	406,840.00	
XAE ENERGY SE 0324	1,283,736.93	
DJS TELECOM 0324	405,285.00	
DJE 600 OIL G 0324	1,120,770.00	
HHI HANG SENG 0124	537,553.26	
CAC 40 FUT 0124	755,500.00	
FTSE 250 I 0324	413,311.41	
DJE 600 INDUS 0324	426,965.00	
OMXS30 FUT 0124	862,789.13	
MEFF IBEX35 E 0124	504,310.00	
IFSC NIFTY 50 0124	356,015.93	
DJE SML200 0324	1,659,430.00	
STOXX 600 FIN 0324	467,025.00	
FTSE TAIWAN I 0124	673,733.76	
XEUR EUFF AUS 0323		408,655.00
DJES BANKS 0323		986,562.50
CAC 40 FUT 0123		1,682,330.00
XEUR EUFF DAX 0323		419,640.00
AEX FUT 0123		413,790.00
SP 500 MINI 0324	1,745,349.21	
XEUR FSTU DJ 0323		823,400.00
HHI HANG SENG 0123		1,339,039.72
DJ STOXX HC 0323		643,955.00

Off-balance sheet commitments

Off-balance sheet commitments as at 29/12/2023
Portfolio: 1658 HSBC SELECT DYNAMIC

	29/12/2023	30/12/22
MEFF IBEX35 E 0123		737,487.00
IN NSE SP CN 0123		990,334.04
SP E-MINI FIN 0323		198,875.61
SP E-MINI HEA 0323		906,638.56
SP E-MINI MAT 0323		466,282.50
XAE ENERGY SE 0323		862,403.37
XAPXAP CONSUM 0323		708,737.41
SP EMIN UTILI 0323		335,535.25
XAK TECHNOLOG 0323		355,137.03
CONSUMER DISC 0323		123,138.91
DJS BAS R FUT 0323		2,041,050.00
DJE 600 INSUR 0323		831,220.00
DJE 600 OIL G 0323		1,013,915.00
MSCI CHIN A50 0123		1,377,132.82
NQ USA NASDAQ 0323		826,216.91
XEUR FSTN DJ 0323		765,000.00
DJS 600 MED 0323		718,960.00
STOXX 600 FIN 0323		564,600.00
DJS F&B FUT 0323		260,925.00
DJE 600 INDUS 0323		635,800.00
OMXS30 FUT 0123		495,798.21
STOXX 600 P&H 0323		766,400.00
XEUR FSMI SWI 0323		431,657.30
DJE 600 REAL 0323		437,625.00
FTSE/MIB 0323		474,160.00
DJ STX600 AUT 0323		290,840.00
CBOE VIX FUT 0123		129,855.80
DJS TELECOM 0323		634,155.00
RE SELECT SEC 0323		684,000.94
SPI 200 FUT 0324	468,528.01	
FTSE 100 FUT 0323		504,885.88
Options		
HANG SENG CHINA ENT 02/2023 CALL 7300		459,468.54
DJ EURO STOXX 50 01/2023 CALL 4100		172,393.65
HANG SENG CHINA ENT 02/2024 CALL 6500	277,677.33	
HANG SENG CHINA ENT 03/2024 CALL 6400	938,283.63	
DJ EURO STOXX 50 01/2024 PUT 4300	312,319.87	
DJ EURO STOXX 50 01/2024 CALL 4700	301,251.72	
Commitments on over-the-counter markets		
Other commitments		

Income Statement

Income Statement as at 29/12/2023
Portfolio: 1658 HSBC SELECT DYNAMIC

	29/12/2023	30/12/22
Income from financial transactions		
Income from deposits and financial accounts	235,681.29	51,525.20
Income from equities and equivalent securities	976,379.23	
Income from bonds and equivalent securities		1,409,822.43
Income from debt instruments		
Income from repos and reverse repos		
Income from financial futures		
Other financial income	-10,320.56	-34,615.67
TOTAL (1)	**1,201,739.96**	**1,426,731.96**
Expenses on financial transactions		
Expenses from repos and reverse repos		
Expenses from financial futures		
Expenses from financial debts	300,586.60	210,506.15
Other financial expenses		
TOTAL (2)	**300,586.60**	**210,506.15**
RESULT FROM FINANCIAL TRANSACTIONS (1 - 2)	**901,153.36**	**1,216,225.81**
Other income (3)		
Management fees and amortisation allowance (4)	1,487,663.64	1,489,918.68
NET INCOME FOR THE PERIOD (L. 214-17-1) (1 - 2 + 3 - 4)	**-586,510.28**	**-273,692.87**
Accrued income for the fiscal year (5)	20,971.25	-4,117.65
Interim dividends paid during the fiscal year (6)		
RESULT (1 - 2 + 3 - 4 + 5 - 6)	**-565,539.03**	**-277,810.52**

Appendices

1. Accounting policies

The annual financial statements are presented in the form prescribed by ANC regulation 2014-01, as amended.

General accounting principles are applied:
- true and fair view, comparability, going concern;
- accuracy, reliability;
- prudence;
- consistency of accounting methods from one period to the next.

The interest cash basis is used to recognise revenue from fixed-income securities.

Securities bought and sold are recognised excluding costs. The euro is the reference currency for the portfolio's accounting. The duration of the reporting period is 12 months.

Asset valuation rules

Financial instruments are recognised according to the historical cost method and are entered in the balance sheet at their present value, which is determined by the last-known market value or, if no market exists, by any external means or through the use of financial models.
Differences between the present values used when calculating the net asset value and the historical costs of the securities upon their entry into the portfolio are recorded in "Valuation differentials" accounts.
Securities that are not in the portfolio's currency are recognised in accordance with the principle set forth below then converted into the portfolio's currency according to the exchange rates in effect on the day of the valuation.

Deposits:

Deposits with a residual maturity of 3 months or less are valued according to the straight-line method.

Equities, bonds and other securities traded on a regulated or equivalent market:

For the calculation of the net asset value, equities and other securities traded on a regulated or equivalent market are valued on the basis of the day's last market price.
Bonds and equivalent securities are valued at the closing price supplied by various financial services providers. Interest accrued on bonds and equivalent securities is calculated up to the net asset value date.

Equities, bonds, and other securities not traded on a regulated or equivalent market:

Securities not traded on a regulated market are valued under the responsibility of the management company using methods based on the asset value and the yield, taking into consideration the prices used in recent significant transactions.

Negotiable debt instruments:

Negotiable debt instruments and equivalent securities for which transaction amounts are not significant are valued on an actuarial basis according to a reference rate defined below, plus any differential representative of the issuer's intrinsic characteristics:

- Negotiable debt instruments with a maturity of 1 year or less: Interbank rate offered in euros (Euribor);
- Negotiable debt instruments with a maturity of more than 1 year: Yield on normalised annual interest Treasury bonds (BTAN) or fungible Treasury bonds (OAT) with similar maturity for the longest durations.

Negotiable debt instruments with a residual maturity of 3 months or less may be valued according to the straight-line method.

Treasury bonds are valued at the market rate communicated daily by Banque de France or treasury bond specialists.

UCIs held:

UCI units or shares are valued at the last known net asset value.

Repos and reverse repos:

Securities borrowed under repurchase agreements are recorded in assets under "receivables under repurchase agreements" for the amount specified in the contract plus accrued interest receivable.

Securities delivered under repurchase agreements are recorded in the long portfolio for their present value. The payable under repurchase agreements is recorded in the short portfolio at the value set in the contract plus accrued interest payable.

Lent securities are measured at their present value and are recorded under assets in "receivables representing lent securities" at the present value plus accrued interest receivable.

Borrowed securities are recorded in assets under "borrowed securities" for the amount specified in the contract and in liabilities under "payables representing borrowed securities" for the amount specified in the contract plus accrued interest payable.

Financial futures:

Financial futures traded on a regulated or equivalent market:

Financial futures traded on regulated markets are valued at the day's settlement price.

Financial futures not traded on a regulated or equivalent market:

Swaps:

Interest rate and/or currency swaps are valued at their market value based on the price calculated by discounting future interest flows at the market interest and/or exchange rates. This price is adjusted to take into account the issuer's creditworthiness risk.

Index swaps are valued on an actuarial basis according to a reference rate provided by the counterparty.

Other swaps are valued at their market value or at a value estimated according to the methods established by the management company.

Off-balance-sheet commitments:

Futures appear in off-balance-sheet commitments for their market value at the price used in the portfolio.
Options are converted into the underlying equivalent.
Commitments on swaps are shown at their nominal value or, in the absence of a nominal value, for an equivalent amount.

Management fees

Management fees and running costs cover all costs relating to the UCI: financial, administrative and accounting management, custodianship, distribution, audit fees, etc.
These fees are charged to the income statement of the UCI.
Management fees do not include transaction fees. For more information on the costs actually billed to the UCI, please see the prospectus.

They are recognised on a pro rata basis each time the net asset value is calculated.

The aggregate of these fees complies with the maximum fee rate as a percentage of the net assets given in the prospectus or the rules of the fund:
FR0010329359 - HSBC SELECT DYNAMIC A unit: Maximum fee of 1.20% incl. taxes.
Operating and other service fees are 0.30% max. including VAT.

Indirect costs are 1% max. including VAT.

Appropriation of distributable amounts

Definition of distributable amounts

Distributable amounts consist of the following:

Result:

Retained earnings are added to net income, and the balance of accrued income is added or subtracted as appropriate.
Net income for the fiscal year is equal to the amount of interest, arrears, dividends, premiums and bonuses, remuneration and any income related to the securities comprising the UCI's portfolio, plus the income from any amounts temporarily available, less management fees and borrowing costs.

Capital gains and losses:

Capital gains realised, net of costs, minus realised losses, net of costs, recognised during the fiscal year, plus net gains of the same type recognised in previous fiscal years that were not distributed or accumulated, plus or minus the balance of accrued gains.

Appropriation of distributable amounts:

Unit(s)	*Appropriation of net income*	*Appropriation of realised net capital gains or losses*
HSBC SELECT DYNAMIC A unit	Accumulation	Accumulation

2. Change in Net Assets

Change in Net Assets as at 29/12/2023
Portfolio: 1658 HSBC SELECT DYNAMIC

	29/12/2023	30/12/22
BEGINNING NET ASSETS	**116,027,619.07**	**125,333,301.28**
Subscriptions (including subscription fees paid into the UCI)	7,110,462.64	14,081,648.84
Redemptions (after deducting redemption fees paid into the UCI)	-13,463,269.13	-9,222,271.69
Capital gains realised on deposits and financial instruments	3,325,392.53	3,155,555.04
Capital losses realised on deposits and financial instruments	-1,714,379.13	-5,468,575.22
Capital gains realised on financial futures	6,761,461.25	9,642,203.85
Capital losses realised on financial futures	-9,103,174.00	-10,365,394.07
Transaction fees	-69,780.22	-77,800.27
Foreign exchange gains/losses	-1,461,698.63	2,911,086.80
Changes in the valuation differential of deposits and financial instruments	12,130,199.16	-14,118,963.86
Valuation differential period N	*11,275,477.76*	*-854,721.40*
Valuation differential period N-1	*854,721.40*	*-13,264,242.46*
Changes in the valuation differential of financial futures	-67,588.98	430,521.24
Valuation differential period N	*313,156.27*	*380,745.25*
Valuation differential period N-1	*-380,745.25*	*49,775.99*
Prior-year distribution on net gains and losses		
Prior-year distribution on earnings		
Net income for the period before accruals	-586,510.28	-273,692.87
Current-year interim distribution(s) on net gains and losses		
Current-year interim distribution(s) on earnings		
Other Items		
ENDING NET ASSETS	**118,888,734.28**	**116,027,619.07**

3. Additional information

3.1. BREAKDOWN OF FINANCIAL INSTRUMENTS BY LEGAL OR ECONOMIC NATURE

	Amount	%
ASSETS		
BONDS AND EQUIVALENT SECURITIES		
TOTAL BONDS AND EQUIVALENT SECURITIES		
DEBT INSTRUMENTS		
TOTAL DEBT INSTRUMENTS		
LIABILITIES & EQUITY		
DISPOSALS OF FINANCIAL INSTRUMENTS		
TOTAL DISPOSALS OF FINANCIAL INSTRUMENTS		
OFF-BALANCE SHEET COMMITMENTS		
HEDGING TRANSACTIONS		
Equities	23,870,399.31	20.08
Fixed income	1,906,400.00	1.60
TOTAL HEDGING TRANSACTIONS	**25,776,799.31**	**21.68**
OTHER TRANSACTIONS		
Equities	20,546,300.16	17.28
Fixed income	10,537,173.25	8.87
TOTAL OTHER TRANSACTIONS	**31,083,473.41**	**26.15**

3.2. BREAKDOWN OF ASSETS, LIABILITIES AND OFF-BALANCE-SHEET ITEMS BY RATE TYPE

	Fixed rate	%	Variable rate	%	Adjustable rate	%	Other	%
ASSETS								
Deposits								
Bonds and equivalent securities								
Debt instruments								
Repos and reverse repos								
Financial accounts							8,634,982.30	7.26
LIABILITIES & EQUITY								
Repos and reverse repos								
Financial accounts							6,695,760.59	5.63
OFF-BALANCE SHEET COMMITMENTS								
Hedging transactions	1,906,400.00	1.60						
Other transactions	10,537,173.25	8.86						

3.3. BREAKDOWN OF ASSETS, LIABILITIES, AND OFF-BALANCE SHEET COMMITMENTS BY RESIDUAL MATURITY(*)

	< 3 months	%	[3 months - 1 year]	%	[1 - 3 years]	%	[3 - 5 years]	%	> 5 years	%
ASSETS										
Deposits										
Bonds and equivalent securities										
Debt instruments										
Repos and reverse repos										
Financial accounts	8,634,982.30	7.26								
LIABILITIES & EQUITY										
Repos and reverse repos										
Financial accounts	6,695,760.59	5.63								
OFF-BALANCE SHEET COMMITMENTS										
Hedging transactions									1,906,400.00	1.60
Other transactions									10,537,173.25	8.86

(*) Forward-rate positions are presented according to the maturity of the underlying assets.

3.4. BREAKDOWN OF ASSETS, LIABILITIES, AND OFF-BALANCE SHEET COMMITMENTS BY LISTING CURRENCY OR VALUATION CURRENCY (EXCLUDING EURO)

	Currency 1 USD		Currency 2 GBP		Currency 3 HKD		Currency N OTHER(S)	
	Amount	%	Amount	%	Amount	%	Amount	%
ASSETS								
Deposits								
Equities and equivalent securities								
Bonds and equivalent securities								
Debt instruments								
UCIs	48,612,917.87	40.89	3,315,725.00	2.79			1,179,515.27	0.99
Repos and reverse repos								
Receivables	397,385.60	0.33	45,633.84	0.04	156,343.62	0.13	278,487.13	0.23
Financial accounts	310,755.14	0.26	245,725.22	0.21	37,529.42	0.03	1,842,833.19	1.55
LIABILITIES & EQUITY								
Disposals of financial instruments								
Repos and reverse repos								
Payables								
Financial accounts	3,938,002.93	3.31	938,441.54	0.79	296,848.77	0.25	1,522,467.35	1.28
OFF-BALANCE SHEET COMMITMENTS								
Hedging transactions	3,889,876.88	3.27					4,872,348.43	4.10
Other transactions	10,529,763.29	8.86	950,372.17	0.80	1,753,514.22	1.47	1,331,317.14	1.12

3.5. RECEIVABLES AND PAYABLES: BREAKDOWN BY TYPE

	Debit/credit type	29/12/2023
RECEIVABLES		
	Cash security deposits	1,503,841.35
	Coupons and dividends in cash	29,181.95
TOTAL RECEIVABLES		**1,533,023.30**
PAYABLES		
	Fixed management fees	129,623.08
TOTAL PAYABLES		**129,623.08**
TOTAL PAYABLES AND RECEIVABLES		**1,403,400.22**

3.6. EQUITY

3.6.1. Number of securities issued or redeemed

	Units	Amount
Units subscribed during the fiscal year	119,659.3581	7,110,462.64
Units redeemed during the fiscal year	-226,434.0894	-13,463,269.13
Net balance of subscriptions/redemptions	-106,774.7313	-6,352,806.49
Number of units outstanding at year-end	1,919,692.5521	

3.6.2. Subscription and/or redemption fees

	Amount
Total fees earned	
Subscription fees earned	
Redemption fees earned	

3.7. MANAGEMENT FEES

	29/12/2023
Guarantee commissions	
Fixed management fees	1,487,663.64
Percentage of fixed management fees	1.26
Retrocession of management fees	

3.8. COMMITMENTS RECEIVED AND GIVEN

3.8.1. Guarantees received by the UCI:

None.

3.8.2. Other commitments received and/or given:

None.

3.9. OTHER INFORMATION

3.9.1. Present value of borrowed financial instruments

	29/12/2023
Securities under a repurchase agreement	
Borrowed securities	

3.9.2. Present value of financial instruments constituting security deposits

	29/12/2023
Financial instruments given as collateral and maintained in their original line item	
Financial instruments received as collateral and not recorded on the balance sheet	

3.9.3. Financial instruments held, issued and/or managed by the Group

	ISIN code	Holding	29/12/2023
Equities			
Bonds			
Negotiable debt instruments			
UCIs			56,779,397.68
	LU0164899485	ASIA EX JAPAN EQUITY SMALLER COMPANIES Z	785,754.76
	LU0362711912	EUROLAND GROWTH ZC	1,670,620.63
	LU0234594694	Global Emerging Markets Local Debt Z Cap	1,500,620.71
	DE000A0H0RA1	HSBC EURO CREDIT SUBORDINATED BOND ID	1,008,854.00
	FR0013261229	HSBC EURO EQUITY VOLATILITY FOCUSED Z	2,956,483.95
	FR0013216165	HSBC EURO GVT BOND FUND ZC	1,072,504.39
	LU0165100685	HSBC EUROLAND EQUITY Z CAP.	2,371,491.02
	IE0030819498	HSBC EURO LIQUIDITY FD.CL.C	1,209,225.58
	FR0013015534	HSBC EURO SHORT TERM BOND FUND ZC EUR unit	750,211.40
	LU0165108829	HSBC GIF-EURO CREDIT BD-ZC	1,258,896.89
	LU0708657001	HSBC GIF FRONTIER MARKETS ZC	797,284.21
	LU1240778420	HSBC GIF-GL SD HY B-ZQ1HEUR	1,849,223.22
	LU1449948840	HSBC GIF MULTI ASSET STYLE FACTORS ZC	108,244.96
	LU0692311367	HSBC GIF-RMB FIXED INCOME Z USD CAP	959,229.81
	LU1464646964	HSBC GI GL HYBD ZHC EUR C.	978,224.84
	LU0165093617	HSBC GL.INV.EUR.CURR.H.Y.Z C.	3,369,038.46
	LU1406816527	HSBC-GLB CORP BD-ZCHEUR	695,807.92
	LU1732775397	HSBC GLB INV-ASIA BD-ZDHEUR	1,485,455.53
	LU0996084637	HSBC GL EM M LOC.CUR.USD ZC C	2,211,745.59
	LU0780248877	HSBC GL INV-IND FIX IN-ZD	969,665.01
	LU1464645487	HSBC GLOB GL EM ZHC EUR C.	3,736,723.72
	IE00B5SSQT16	HSBC MSCI EMERGING MARKETS UCITS ETF	2,973,071.13
	IE00B5VX7566	HSBC MSCI JAPAN	2,736,696.00
	FR0013437183	HSBC RESP INV FUNDS EUROPE EQUITY GREEN TRANSITION	1,191,062.06
	IE00B5KQNG97	HSBC S AND P 500 ETF	16,722,325.92
	FR0000971277	HSBC SRI MONEY ZC	1,410,935.97
Financial futures			
Total group securities			**56,779,397.68**

3.10. APPROPRIATION OF DISTRIBUTABLE AMOUNTS

Appropriation of the share of distributable amounts relating to earnings

	29/12/2023	30/12/22
Amounts remaining to be appropriated		
Retained earnings		
Result	-565,539.03	-277,810.52
Interim payments on the result for the period		
Total	**-565,539.03**	**-277,810.52**

	29/12/2023	30/12/22
Appropriation		
Distribution		
Retained earnings for the period		
Accumulation	-565,539.03	-277,810.52
Total	**-565,539.03**	**-277,810.52**

Appropriation of the share of distributable amounts relating to net gains and losses

	29/12/2023	30/12/22
Amounts remaining to be appropriated		
Prior net gains and losses not distributed		
Net gains and losses for the period	-941,043.82	-442,008.80
Interim payments on net gains and losses for the period		
Total	**-941,043.82**	**-442,008.80**

	29/12/2023	30/12/22
Appropriation		
Distribution		
Net gains and losses not distributed		
Accumulation	-941,043.82	-442,008.80
Total	**-941,043.82**	**-442,008.80**

3.11. RESULTS AND OTHER CHARACTERISTIC FEATURES OF THE ENTITY DURING THE LAST FIVE FISCAL YEARS

	31/12/19	31/12/20	31/12/21	30/12/22	29/12/23
Net assets in EUR	94,422,317.78	106,916,246.58	125,333,301.28	116,027,619.07	118,888,734.28
Number of securities	1,678,356.3004	1,865,159.9397	1,944,978.6518	2,026,467.2834	1,919,692.5521
Net asset value per unit	56.25	57.32	64.43	57.25	61.93
Accumulation unit on +/- net values	1.00	0.76	4.42	-0.21	-0.49
Accumulation unit on result	-0.26	-0.29	-0.38	-0.13	-0.29

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS

Name of security	Currency	Qty No. or nominal	Present value	% net assets
Undertakings for collective investment				
UCITS and retail alternative investment funds intended for non- professional investors and equivalents in other countries				
GERMANY				
HSBC EURO CREDIT SUBORDINATED BOND ID	EUR	15,400	1,008,854.00	0.85
iShares III PLC - iShares MSCI Japan Small Cap UCITS ETF	JPY	32,300	1,179,515.27	0.99
TOTAL GERMANY			**2,188,369.27**	**1.84**
FRANCE				
HSBC EURO EQUITY VOLATILITY FOCUSED Z	EUR	2,135	2,956,483.95	2.49
HSBC EURO GVT BOND FUND ZC	EUR	1,093.823	1,072,504.39	0.90
HSBC EURO SHORT TERM BOND FUND ZC (EUR) unit	EUR	748.057	750,211.40	0.63
HSBC RESP INV FUNDS EUROPE EQUITY GREEN TRANSITION	EUR	823	1,191,062.06	1.01
HSBC SRI MONEY ZC	EUR	1,000.791	1,410,935.97	1.18
TOTAL FRANCE			**7,381,197.77**	**6.21**
IRELAND				
HSBC GBF ICAV MLTFAC E E ZC	EUR	611,675.715	7,053,599.68	5.93
HSBC GLOBAL FUNDS ICAV CROSS ASSET TREND FUND S1CH EUR ACC	EUR	12,132.542	117,018.37	0.10
HSBC MSCI EMERGING MARKETS UCITS ETF	USD	321,272	2,973,071.13	2.50
HSBC MSCI JAPAN	EUR	80,800	2,736,696.00	2.31
HSBC S AND P 500 ETF	USD	381,010	16,722,325.92	14.06
INVESCO EQQQ NASDAQ-100 UCITS ETF	GBP	6,200	2,321,878.71	1.95
ISHARES BLOOMBERG ROLL SELECT COMMODITY SWAP UCITS ETF	USD	300,416	1,917,968.44	1.62
ISHARES DJ EURO STOXX	EUR	66,500	3,590,335.00	3.02
ISHARES EDGE MSCI EUROPE MIN VOL	EUR	23,300	1,274,976.00	1.08
iShares Edge MSCI Europe Value Factor UCITS ETF EUR (Acc)	EUR	240,800	1,914,841.60	1.61
ISHARES EDGE MSCI USA MMNTM	USD	101,600	1,030,578.01	0.86
ISHARES EDGE MSCI USA QUALITY FACTOR UCITS ETF	USD	245,200	2,705,268.64	2.27
ISHARES EDGE MSCI USA VALUE	USD	245,300	2,048,515.37	1.73
iShares Global Clean Energy UCITS ETF USD (Dist)	GBP	121,000	993,846.29	0.84
iShares Gold Producers UCITS ETF USD (Acc)	USD	75,863	950,133.17	0.80
iShares IV PLC - iShares Automation & Robotics UCITS ETF	USD	44,000	523,785.81	0.44
iShares VI PLC - iShares Edge S P 500 Minimum Volatility UCI	USD	33,000	2,465,776.49	2.08
ISH EDGE MSCI EU MOMENTUM FCTR UCTS ETF	EUR	96,200	915,439.20	0.77
ISH EDGE MSCI EU QLTY FACTOR UCTS ETF	EUR	221,300	2,150,372.10	1.81
L&G Cyber Security UCITS ETF	USD	23,200	512,661.93	0.43
PASSIM STR CRS AST TRD STR B	EUR	12,477.4387	1,313,999.07	1.10
SPDR S&P 400 MID	USD	22,700	1,755,543.38	1.47
TOTAL IRELAND			**57,988,630.31**	**48.78**
LUXEMBOURG				
Amundi Index Solutions SICAV - Amundi Floating Rate Euro Cor	EUR	6,042	626,959.61	0.53
ASIA EX JAPAN EQUITY SMALLER COMPANIES Z	USD	50,700	785,754.76	0.66

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS

Name of security	Currency	Qty No. or nominal	Present value	% net assets
db x-trackers SICAV - db x-trackers MSCI EMU INDEX UCITS ETF	EUR	160,126	7,710,066.90	6.48
EUROLAND GROWTH ZC	EUR	84,747.153	1,670,620.63	1.40
Global Emerging Markets Local Debt Z Cap	USD	147,426.242	1,500,620.71	1.26
HSBC EUROLAND EQUITY Z CAP.	EUR	30,934.778	2,371,491.02	1.99
HSBC EURO LIQUIDITY FD.CL.C	EUR	971,200	1,209,225.58	1.02
HSBC GIF-EURO CREDIT BD-ZC	EUR	113,844.899	1,258,896.89	1.06
HSBC GIF FRONTIER MARKETS ZC	USD	87,200	797,284.21	0.67
HSBC GIF-GL SD HY B-ZQ1HEUR	EUR	230,490.243	1,849,223.22	1.55
HSBC GIF MULTI ASSET STYLE FACTORS ZC	EUR	9,432.29	108,244.96	0.09
HSBC GIF-RMB FIXED INCOME Z USD CAP	USD	93,655.048	959,229.81	0.80
HSBC GI GL HYBD ZHC EUR C.	EUR	89,400.918	978,224.84	0.83
HSBC GL.INV.EUR.CURR.H.Y.Z C.	EUR	60,608.388	3,369,038.46	2.84
HSBC-GLB CORP BD-ZCHEUR	EUR	67,593.542	695,807.92	0.58
HSBC GLB INV-ASIA BD-ZDHEUR	EUR	186,990.878	1,485,455.53	1.25
HSBC GL EM M LOC.CUR.USD ZC C	USD	237,897.251	2,211,745.59	1.87
HSBC GL INV-IND FIX IN-ZD	USD	121,969.99	969,665.01	0.82
HSBC Global Investment Funds - Asia High Yield Bond ZQ1HEUR	EUR	19,085.47	92,908.07	0.07
HSBC GLOB GL EM ZHC EUR C.	EUR	422,467.351	3,736,723.72	3.14
LYXOR CORE MSCI JAPAN DR	EUR	37,100	552,010.90	0.47
MULTI-UNITS LUXEMBOURG - Lyxor Euro Government Inflation Lin	EUR	12,284	2,028,456.92	1.71
MULTI-UNITS LUXEMBOURG - Lyxor US Curve Steepening 2-10 UCIT	USD	14,901	1,260,309.08	1.06
STRUCTURED INVESTMENTS SICAV GS CROSS ASSET TREND PORTFOLIO	EUR	180,048.865	1,888,532.54	1.59
TOTAL LUXEMBOURG			**40,116,496.88**	**33.74**
TOTAL UCITS and AIF for retail investors and equivalents in other countries			**107,674,694,23**	**90,57**
Professional general investment funds and equivalents in other EU member states and listed securitisation funds				
IRELAND				
Invesco AT1 Capital Bond ETF EUR Hedged Dist	EUR	57,476	915,592.68	0.77
L&G Multi-Strategy Enhanced Commodities UCITS ETF	USD	115,148	1,393,888.62	1.17
LEGAL AND GENERAL UCITS ETF PLC LG CLEAN WATER UCITS ETF	USD	46,300	708,425.84	0.59
LG Ecommerce Logistics UCITS ETF	USD	28,000	419,398.00	0.35
VANECK VECTORS UCITS ETFS PLC VANECK VECTORS SEMICONDUCTOR U	USD	23,700	721,791.74	0.61
TOTAL IRELAND			**4,159,096.88**	**3.49**
LUXEMBOURG				
Lyxor Index Fund - Lyxor MSCI Millennials ESG Filtered (DR)	EUR	32,500	424,905.00	0.36
TOTAL LUXEMBOURG			**424,905.00**	**0.36**
TOTAL Professional general investment funds and equivalents in other EU member states and listed securitisation funds			**4,584,001.88**	**3.85**
Other non-European vehicles				

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS

Name of security	Currency	Qty No. or nominal	Present value	% net assets
UNITED STATES				
ISHARES SP 500 GROWTH INDEX FD	USD	26,100	1,774,417.24	1.49
ISHS SP LATIN AMERN INDEX FUND	USD	57,200	1,504,758.97	1.27
TOTAL UNITED STATES			**3,279,176.21**	**2.76**
TOTAL Other non-European vehicles			**3,279,176.21**	**2.76**
TOTAL Undertakings for collective investment			**115,537,872.32**	**97.18**
Financial futures				
Futures, forwards, and swaps				
Futures, forwards and swaps on regulated or equivalent markets				
AEX FUT 0124	EUR	-6	-3,024.00	-0.01
CAC 40 FUT 0124	EUR	10	-1,920.00	
CONSUMER DISC 0324	USD	-4	-20,241.71	-0.01
DAX 30 PERF 0324	EUR	-16	5,262.50	
DJE 600 EUROP 0324	EUR	-30	-2,570.00	-0.01
DJE 600 INDUS 0324	EUR	11	8,475.00	0.01
DJE 600 INSUR 0324	EUR	-18	4,590.00	
DJE 600 OIL G 0324	EUR	63	5,040.00	
DJE 600 REAL 0324	EUR	-46	-17,250.00	-0.01
DJES BANKS 0324	EUR	154	-9,394.00	-0.01
DJE SML200 0324	EUR	101	46,405.00	0.03
DJS 600 CHEM 0324	EUR	-14	-31,325.00	-0.02
DJS 600 MED 0324	EUR	-32	-3,200.00	
DJS F&B FUT 0324	EUR	-22	-3,345.00	
DJS TECH FUT 0324	EUR	19	285.00	
DJS TELECOM 0324	EUR	41	-10,660.00	
DJ STOXX HC 0324	EUR	-8	-7,890.00	-0.01
EURO BTP 0324	EUR	-16	-61,920.00	-0.05
EURO BUND 0324	EUR	47	169,200.00	0.14
EURO STOXX 50 0324	EUR	-142	45,275.00	0.04
FCI FTSE Burs 0124	MYR	-60	6,205.80	0.01
FTSE/MIB 0324	EUR	8	-2,960.00	
FTSE 100 FUT 0324	GBP	6	13,380.65	0.01
FTSE 250 I 0324	GBP	9	22,921.93	0.02
FTSE TAIWAN I 0124	USD	12	13,796.23	0.01
HHI HANG SENG 0124	HKD	16	10,758.48	0.01
IFSC NIFTY 50 0124	USD	9	5,456.93	0.01
MEFF IBEX35 E 0124	EUR	5	-5,040.00	-0.01
MME MSCI EMER 0324	USD	1	2,285.79	0.01
NIKKEI 225 0324	JPY	-16	-15,889.32	-0.01
OMXS30 FUT 0124	SEK	40	23,326.30	0.02
SET50 FUTURES 0324	THB	-213	-7,179.51	-0.01
SP 500 MINI 0324	USD	8	57,864.48	0.05
SP EMINI COM 0324	USD	-6	-16,023.17	-0.02
SP E-MINI FIN 0324	USD	-9	-40,329.52	-0.03

3.12. DETAILED INVENTORY OF FINANCIAL INSTRUMENTS

Name of security	Currency	Qty No. or nominal	Present value	% net assets
SP E-MINI HEA 0324	USD	-6	-22,477.71	-0.02
SP E-MINI MAT 0324	USD	-8	-30,851.40	-0.03
SP E-MIN INDU 0324	USD	11	53,084.69	0.04
SP EMIN UTILI 0324	USD	5	1,674.74	
SPI 200 FUT 0324	AUD	4	3,242.94	0.01
ST600 RETAIL 0324	EUR	-42	-8,650.00	-0.01
STOXX 600 FIN 0324	EUR	13	15,600.00	0.02
STOXX 600 P&H 0324	EUR	8	-3,480.00	-0.01
US 10YR NOTE 0324	USD	40	141,447.52	0.11
XAE ENERGY SE 0324	USD	16	32,734.35	0.03
XAK TECHNOLOG 0324	USD	5	26,478.98	0.02
XAPXAP CONSUM 0324	USD	-5	-9,912.64	-0.01
XEUR FSMI SWI 0324	CHF	-11	-8,163.92	-0.01
XEUR FSTN DJ 0324	EUR	-41	-46,740.00	-0.03
XEUR FSTU DJ 0324	EUR	43	-2,900.00	
TOTAL Futures, forwards and swaps on regulated or equivalent markets			**321,455.41**	**0.27**
TOTAL Futures, forwards and swaps			**321,455.41**	**0.27**
Options				
Options traded on a regulated market				
DJ EURO STOXX 50 01/2024 CALL 4700	EUR	100	3,200.00	0.01
DJ EURO STOXX 50 01/2024 PUT 4300	EUR	90	5,040.00	
HANG SENG CHINA ENT 02/2024 CALL 6500	HKD	65	-14,021.97	-0.01
HANG SENG CHINA ENT 03/2024 CALL 6400	HKD	120	28,901.83	0.02
TOTAL Options traded on a regulated market			**23,119.86**	**0.02**
TOTAL Options			**23,119.86**	**0.02**
TOTAL Financial futures			**344,575.27**	**0.29**
Margin call				
CACEIS margin call	THB	270,700	7,179.51	0.01
CACEIS MARGIN CALL	HKD	-221,150.01	-25,638.35	-0.03
CACEIS MARGIN CALL	CHF	7,590	8,163.92	0.01
CACEIS MARGIN CALL	AUD	-5,250	-3,242.94	
CACEIS MARGIN CALL	USD	-215,392.97	-194,987.53	-0.17
CACEIS MARGIN CALL	MYR	-31,500	-6,205.80	
CACEIS MARGIN CALL	SEK	-259,680	-23,326.30	-0.02
CACEIS MARGIN CALL	JPY	2,474,500	15,889.32	0.01
CACEIS MARGIN CALL	EUR	-77,864.49	-77,864.49	-0.06
CACEIS MARGIN CALL	GBP	-31,458	-36,302.58	-0.03
TOTAL Margin call			**-336,335.24**	**-0.28**
Receivables			**1,533,023.30**	**1.29**
Payables			**-129,623.08**	**-0.11**
Financial accounts			**1,939,221.71**	**1.63**
Net assets			**118,888,734.28**	**100.00**

HSBC SELECT DYNAMIC A UNIT	**EUR**	**1,919,692.5521**	**61.93**