

# HSBC Global Investment Funds - BRIC Equity

Share Class AD

31 Jan 2021

## Fund Objective and Strategy

### Investment Objective

The Fund aims to provide long term capital growth and income by investing in a portfolio of shares from Brazil, Russia, India and China (including Hong Kong SAR).

### Investment Policy

In normal market conditions, the Fund will invest at least 90% of its assets in shares (or securities similar to shares) of companies of any size, that are based in, or carry out most of their business in Brazil, Russia, India and/or China (including Hong Kong SAR). The Fund can invest up to 50% of its assets in China A and China B-shares. For China A-shares, up to 40% through the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect, and up to 30% in CAAPs. The Fund may invest up to 10% of its net assets in other funds, including HSBC funds. See the Prospectus for a full description of the investment objectives and derivative usage.

Performance (%)	YTD	1M	3M	1Y	3Y <sup>1</sup>	5Y <sup>1</sup>
AD	-1.63	-1.63	24.03	7.00	1.96	17.88
Reference Benchmark	-1.20	-1.20	22.72	6.79	3.52	17.29

Rolling Performance (%)	31 Jan 2020-31 Jan 2021	31 Jan 2019-31 Jan 2020	31 Jan 2018-31 Jan 2019	31 Jan 2017-31 Jan 2018	31 Jan 2016-31 Jan 2017
AD	7.00	8.92	-9.05	36.62	57.20
Reference Benchmark	6.79	10.91	-6.35	37.44	45.62

3-Year Risk Measures	AD	Reference Benchmark	Characteristics	Fund	Reference Benchmark
Volatility	24.52%	23.27%	Number of Holdings ex Cash	43	870
Information Ratio	-0.47	-	Avg Market Cap (USD mil)	108,688	185,058
Beta	1.04	-			

**Past performance is not an indicator of future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.**

**UCITS HAVE NO GUARANTEED RETURN AND PAST PERFORMANCE DOES NOT GUARANTEE THE FUTURE ONES**

Source: HSBC Global Asset Management, data as at 31 January 2021

### Risk Disclosure

- The Fund's unit value can go up as well as down, and any capital invested in the Fund may be at risk.
- The value of investible securities can change over time due to a wide variety of factors, including but not limited to: political and economic news, government policy, changes in demographics, cultures and populations, natural or human-caused disasters etc.
- The Fund may invest in Emerging Markets, these markets are less established, and often more volatile, than developed markets and involve higher risks, particularly market, liquidity and currency risks.
- The Fund may be concentrated in a limited number of securities, economic sectors and/or countries and as a result, may be more volatile and have a greater risk of loss than more broadly diversified funds.
- Derivatives may be used by the Fund, and these can behave unexpectedly. The pricing and volatility of many derivatives may diverge from strictly reflecting the pricing or volatility of their underlying reference(s), instrument or asset.
- Investment Leverage occurs when the economic exposure is greater than the amount invested, such as when derivatives are used. A Fund that employs leverage may experience greater gains and/or losses due to the amplification effect from a movement in the price of the reference source.
- Further information on the Fund's potential risks can be found in the Key Investor Information Document and Prospectus.
- UCITS HAVE NO GUARANTEED RETURN AND PAST PERFORMANCE DOES NOT GUARANTEE THE FUTURE ONES.

Share Class Details	
UCITS V Compliant	Yes
Distribution Type	Distributing
Distribution Frequency	Annually
Dividend ex-date	08 Jul 2020
Dividend Yield <sup>2</sup>	1.70%
Last Paid Dividend	0.4760
Dealing Frequency	Daily
Valuation Time	17:00 Luxembourg
Min. Initial Investment	USD 5,000
Ongoing Charge Figure <sup>3</sup>	1.851%
Share Class Base Currency	USD
Domicile	Luxembourg
ISIN	LU0449509289
Share Class Inception Date	08 Apr 2010
NAV per Share	USD 27.97
Fund Size	USD 286,707,667
Bloomberg Ticker	HSBRICA LX
Reference Benchmark	25% MSCI Brazil Net, 25% MSCI China Net, 25% MSCI Russia Net, 25% MSCI India Net
Manager	Stephanie WU

<sup>1</sup>Result is annualised when calculation period is over one year.

<sup>2</sup>Dividend Yield: represents the ratio of distributed income over the last 12 months to the fund's current Net Asset Value. □

<sup>3</sup>Ongoing Charges Figure, is based on expenses over a year. The figure includes annual management charge but not the transaction costs. Such figures may vary from time to time.

### Monthly Performance Commentary

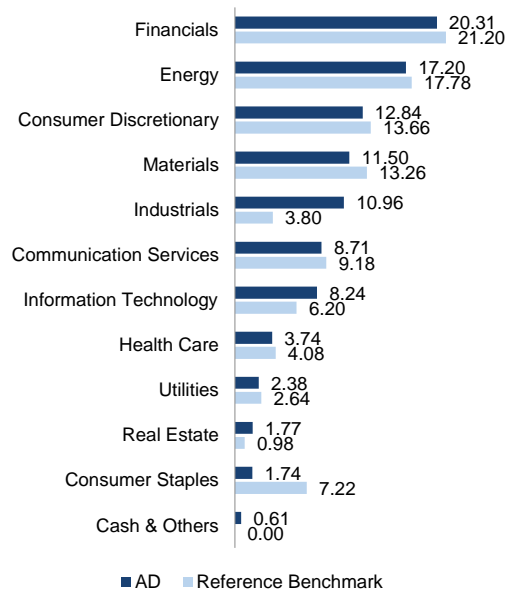
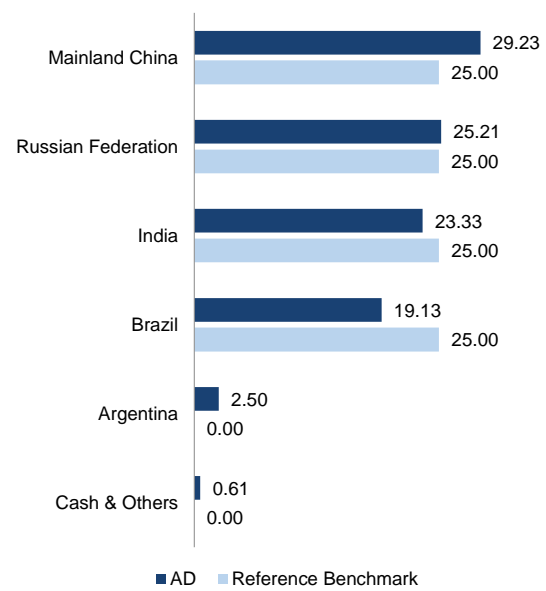
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Contributors to relative performance included Mainland China holding, CHINA LONGYUAN POWER GROUP-H (Utilities) with a total effect of 0.98%. Additionally, Mainland China security, WEICHAJ POWER CO LTD-H (Industrials) was in the top two contributors with a total effect of 0.97%.

Detractors included Indian security, BANDHAN BANK LTD (Financials) with a total effect of -0.65%, and Mainland China holding XINYI SOLAR HOLDINGS LTD (Information Technology) with a total effect of -0.42%.

During this period, positions were initiated in KLABIN SA - UNIT, CHINA OVERSEAS LAND & INVEST, B2W CIA DIGITAL, and CHINA JINMAO HOLDINGS GROUP whilst positions were closed in BANCO DO BRASIL S.A.

Sector and country allocation effects are residual to stock selection. At the country level, effects were positive, given an underweight exposure to Brazil. At the sector level, effects were positive, given an overweight exposure to Industrials.

**Sector Allocation (%)**

**Geographical Allocation (%)**


Top 10 Holdings (%)	Location	Sector	Weight (%)
Sberbank of Russia PJSC	Russian Federation	Financials	5.80
LUKOIL PJSC	Russian Federation	Energy	5.55
Reliance Industries Ltd	India	Energy	5.27
Alibaba Group Holding Ltd	Mainland China	Consumer Discretionary	4.78
MMC Norilsk Nickel PJSC	Russian Federation	Materials	4.10
Tencent Holdings Ltd	Mainland China	Communication Services	4.03
Gazprom PJSC	Russian Federation	Energy	3.69
Banco Bradesco SA	Brazil	Financials	3.59
Weichai Power Co Ltd	Mainland China	Industrials	3.34
Yandex NV	Russian Federation	Communication Services	3.34

Source: HSBC Global Asset Management, data as at 31 January 2021

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## Terms of Glossary

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**Accumulation Share:** a type of share where the income earned by the Fund is retained in the Fund

**ACD:** HSBC Global Asset Management (UK) Limited, the Authorised Corporate Director of the Company

**Actively Managed:** where the fund manager uses their expertise to pick investments to achieve the fund's objectives

**Beta:** an historical measure of volatility to measure how a fund moves versus its benchmark (i.e. an Index)

**Collective Investment Scheme:** a fund that more than one person contributes to with the aim of increasing the value of their investments or receiving income from a pooled investment. A fund manager will invest the pooled money into one or more types of asset, such as stocks, bonds or property

**Developed Markets:** countries with relatively high levels of personal income and established economies

**Emerging Markets (EM):** countries that are progressing toward becoming advanced, usually shown by some development in financial markets, the existence of some form of stock exchange and a regulatory body

**Equities:** shares issued by a company

**Futures:** a financial contract obligating the buyer to purchase an asset (or the seller to sell an asset), such as a physical commodity or a financial instrument, at a predetermined future date and price

**Growth:** the increase in the value of investments

**Hedge Funds:** an investment fund that pools money from investors and invests in a variety of assets, often with complex investment strategies and risk management techniques

**Hedge or Hedging:** using derivative type investments as a way to reduce risk

**Income:** money generated by a fund, such as interest from a bond or a dividend from a share, which can be paid out to its investors or paid back into the fund and reinvested

**Income Share:** the type of Share where the income earned by the Fund is paid out to you

**Information Ratio:** a measure of the risk-adjusted return of a fund against its benchmark

**Market Capitalisation:** the total dollar market value of a company's outstanding shares. Commonly referred to as "market cap", it is calculated by multiplying a company's shares outstanding by the current market price of one share

**Net Asset Value (NAV):** the value of the scheme property of a fund less the liabilities of the fund

**Ongoing Charges Figure:** a measure of what it costs to invest in a fund. It includes the fee paid to the ACD and other operating costs

**Price Earnings (P/E) Ratio:** the price paid for a share divided by the annual profit earned by the firm per share

**Preference Shares:** shares of a company which entitle the holder to a fixed dividend, whose payment takes priority over that of ordinary share dividends. Preference shares may be convertible to the ordinary shares of a company

**Property-related securities:** shares of property companies that own, manage or develop property and Real Estate Investment Trusts (REITs), which are investment companies that own buildings and land

**Return(s):** the money made or lost on an investment

**Share(s):** an equally valued holding in a fund of a company, representing part ownership of that fund, (including larger denomination shares and smaller denomination shares)

**Sharpe ratio:** a measure for calculating risk-adjusted return, and this ratio has become the industry standard for such calculations

**Volatility:** a measure of the size and frequency of changes in the value of an investment over a short space of time

**Yield:** the income from an investment, usually stated as a percentage of the value of the investment