

# HSBC Global Investment Funds - Frontier Markets

Share Class AC

28 Feb 2021

## Fund Objective and Strategy

### Investment Objective

The Fund aims to provide long term capital growth and income by investing in a diversified portfolio of shares and securities similar to shares.

### Investment Policy

In normal market conditions, the Fund will invest in shares of companies of any size, that are based in, or carry out most of their business in Frontier Markets. The Fund may invest at least 51% of its assets in shares. 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>
AC	3.15	2.40	10.41	3.87	-2.84	5.39
Reference Benchmark	0.75	0.11	5.65	4.66	0.12	6.75
MSCI FM (FRONTIER MARKETS) Net	2.60	2.89	7.94	7.92	-0.65	7.48

Rolling Performance (%)	29 Feb 2020- 28 Feb 2021	28 Feb 2019- 29 Feb 2020	28 Feb 2018- 28 Feb 2019	28 Feb 2017- 28 Feb 2018	29 Feb 2016- 28 Feb 2017
AC	3.87	1.70	-13.18	17.56	20.60
Reference Benchmark	4.66	3.79	-7.62	20.66	14.47
MSCI FM (FRONTIER MARKETS) Net	7.92	7.23	-15.26	29.23	13.16

3-Year Risk Measures	AC	Reference Benchmark	Characteristics	Fund	Reference Benchmark
Volatility	20.80%	17.62%	Number of Holdings ex Cash	61	144
Information Ratio	-0.49	-	Avg Market Cap (USD mil)	6,472	10,841
Beta	1.14	-			

Share Class Details	
UCITS V Compliant	Yes
Distribution Type	Accumulating
Dealing Frequency	Monday - Thursday
Valuation Time	17:00 Luxembourg
Min. Initial Investment	USD 5,000
Ongoing Charge Figure <sup>2</sup>	2.251%
Share Class Base Currency	USD
Domicile	Luxembourg
ISIN	LU0666199749
Share Class Inception Date	29 Feb 2008
NAV per Share	USD 106.40
Fund Size	USD 179,722,259
Bloomberg Ticker	HSGIFMA LX
Reference Benchmark	Bloomberg Barclays Global Aggregate Corporate USD Hedged index
Manager	Ramzi Sidani Jennifer Passmoor

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

<sup>2</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.

**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 28 February 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.
- 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.

Reference Performance Benchmark: MSCI Select Frontier & Emerging Markets Capped Net since 31 May 2014. Before that, the benchmark was MSCI Frontier Emerging Markets Capped Net.

### Monthly Performance Commentary

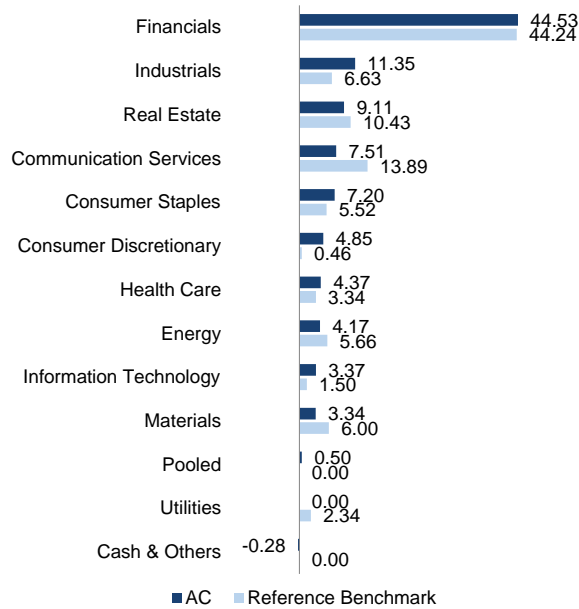
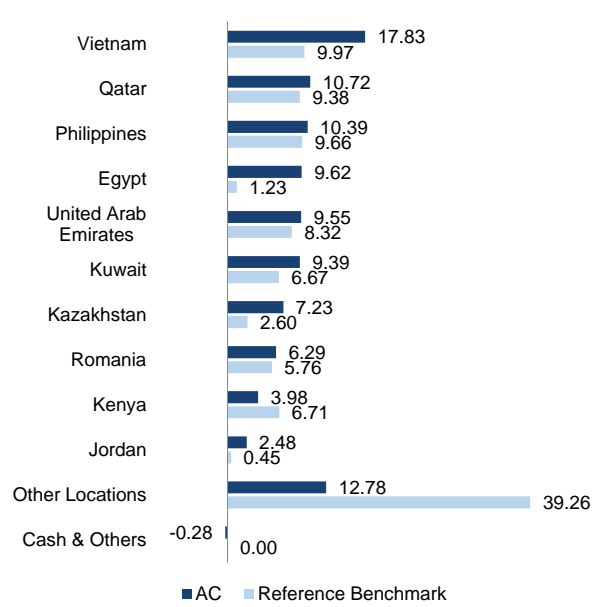
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Contributors to relative performance included Lebanon holding, SOLIDERE (Real Estate) with a total effect of 1.14%. Additionally, Vietnamese security, VIETNAM PROSPERITY JSC BANK (Financials) was in the top two contributors with a total effect of 0.63%.

Detractors included Kuwait security, AGILITY (Industrials) with a total effect of -0.59%, and United Arab Emirates holding ARAMEX PJSC (Industrials) with a total effect of -0.45%.

During this period, positions were initiated in Vietnam Enterprise Ord and VIETNAM JS COMMERCIAL BANK whilst positions were closed in MEGAWORLD CORP, YOMA STRATEGIC HLDGS LTD, and NATIONAL BANK OF KUWAIT.

Sector and country allocation effects are residual to stock selection. At the country level, effects were positive, given an exposure to Lebanon. At the sector level, effects were positive, given an overweight exposure to Information Technology.

**Sector Allocation (%)**

**Geographical Allocation (%)**


Top 10 Holdings (%)	Location	Sector	Weight (%)
Halyk Savings Bank of Kazakhst	Kazakhstan	Financials	5.92
Agility Public Warehousing Co	Kuwait	Industrials	5.26
Aramex PJSC	United Arab Emirates	Industrials	4.34
Commercial Bank PSQC/The	Qatar	Financials	4.24
Metropolitan Bank & Trust Co	Philippines	Financials	3.96
Qatar National Bank QPSC	Qatar	Financials	3.77
Converge ICT Solutions Inc	Philippines	Communication Services	3.76
Banca Transilvania SA	Romania	Financials	3.45
Hoa Phat Group JSC	VIETNAM	Materials	3.34
Vietnam Dairy Products JSC	VIETNAM	Consumer Staples	3.00

Source: HSBC Global Asset Management, data as at 28 February 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