

# HSBC Global Investment Funds - Global Equity Volatility Focused

Share Class ACOEUR

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 worldwide.

### Investment Policy

In normal market conditions, the Fund will invest at least 90% in shares of companies of any size that are based in, or carry out the larger part of their business activities in, both developed markets and emerging markets. The Fund aims for a lower portfolio volatility than MSCI All Country World Index. It uses a technique called portfolio optimisation to lower portfolio volatility by selecting stocks that are less correlated to one another to create diversification. The Fund can invest up to 20% in China A and China B-shares. For China A-shares, up to 10% through the Shanghai-Hong Kong Stock Connect and/or the Shenzhen-Hong Kong Stock Connect, and up to 10% in CAAPs. The Fund may invest up to 10% in a combination of participation notes and convertible securities, and may also invest up to 10% in securities issued or guaranteed by single sovereign issuers with a non-investment grade rating. The Fund may invest up to 10% in Real Estate Investment Trusts, and invest up to 10% in other 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>
ACOEUR	-3.23	-3.23	16.51	7.74	2.60	6.73

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
ACOEUR	7.74	12.14	-10.62	18.27	8.42

3-Year Risk Measures	ACOEUR
Volatility	18.73%

Characteristics	Fund
Number of Holdings ex Cash	58
Avg Market Cap (USD mil)	203,916

**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.
- Different investment styles typically go in and out of favour depending on market conditions and investor sentiment.
- 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	Accumulating
Dealing Frequency	Daily
Valuation Time	17:00 Luxembourg
Min. Initial Investment	USD 5,000
Ongoing Charge Figure <sup>2</sup>	1.875%
Share Class Base Currency	EUR
Domicile	Luxembourg
ISIN	LU1066052207
Share Class Inception Date	25 Aug 2014
NAV per Share	EUR 12.37
Fund Size	USD 133,398,306
Bloomberg Ticker	HSBGLER LX
Manager	Angus Parker

<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.

### **Monthly Performance Commentary**

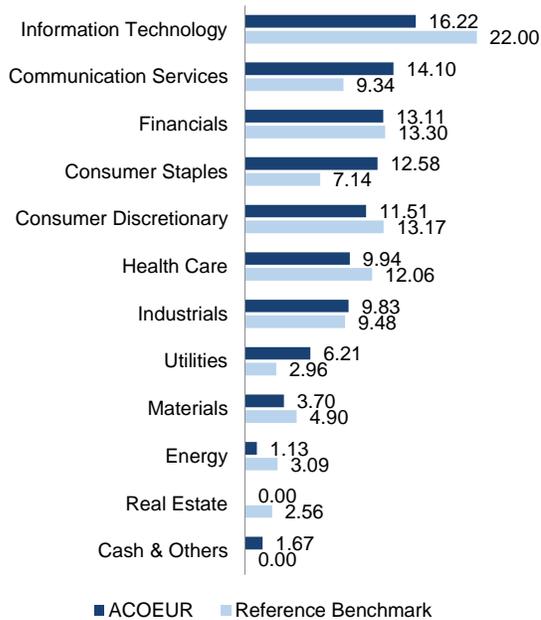
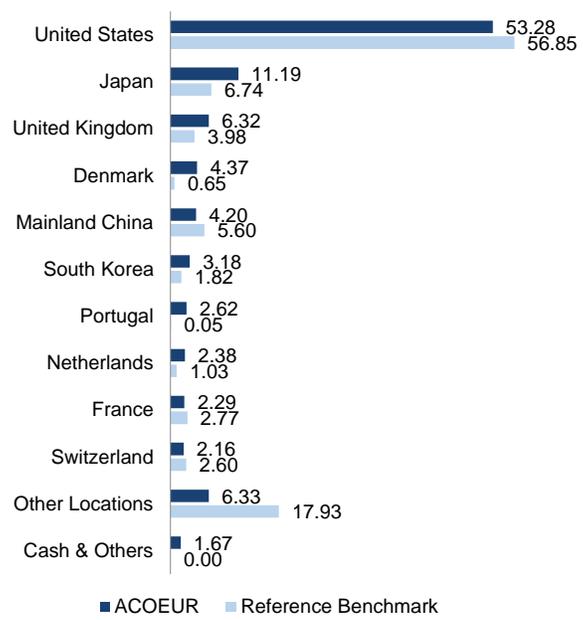
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Contributors to relative performance included USA holding, APPLE INC (Information Technology) with a total effect of 0.1%. Additionally, Australian security, BHP GROUP LTD (Materials) was in the top two contributors with a total effect of 0.09%.

Detractors included USA security, KROGER CO (Consumer Staples) with a total effect of -0.21%, and USA holding WALT DISNEY CO/THE (Communication Services) with a total effect of -0.18%.

During this period, positions were initiated in SOFTBANK GROUP CORP, CAMPBELL SOUP CO, KROGER CO, CLOROX COMPANY, and NOVOZYMES A/S-B SHARES whilst positions were closed in INFINEON TECHNOLOGIES AG, IQVIA HOLDINGS INC, BRENNTAG AG, MUENCHENER RUECKVER AG-REG, and RENTOKIL INITIAL PLC.

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

**Sector Allocation (%)**

**Geographical Allocation (%)**


The benchmark data is that of the reference benchmark of the fund, MSCI Singapore Gross, as this data is calculated at fund level rather than share class level.

Top 10 Holdings (%)	Location	Sector	Weight (%)
EDP - Energias de Portugal SA	Portugal	Utilities	2.62
Accenture PLC	United States	Information Technology	2.38
Microsoft Corp	United States	Information Technology	2.34
Orsted AS	Denmark	Utilities	2.29
Capgemini SE	France	Information Technology	2.29
Walt Disney Co/The	United States	Communication Services	2.27
UnitedHealth Group Inc	United States	Health Care	2.23
Johnson & Johnson	United States	Health Care	2.23
Home Depot Inc/The	United States	Consumer Discretionary	2.20
Tokyo Electron Ltd	Japan	Information Technology	2.17

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

## **Important Information**

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[www.assetmanagement.hsbc.com/fr](http://www.assetmanagement.hsbc.com/fr).

## 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