



HSBC Global Emerging Markets Fund

An open-ended fund of fund scheme investing in HSBC Global Investment Funds – Global Emerging Markets Equity Fund

October 2022

Investment Objective:

HSBC Global Emerging Markets Fund (Fund of Fund)

The primary investment objective of the Scheme is to provide long term capital appreciation by investing predominantly in units/shares of HSBC Global Investment Funds - Global Emerging Markets Equity Fund. The Scheme may also invest a certain proportion of its corpus in money market instruments and / or units of liquid mutual fund schemes, in order to meet liquidity requirements from time to time. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.

Fund Details



Fund Manager

B. Aswin Kumar (since 06 October 2021)



AUM (as on 30.09.22)

10.32 Cr



Minimum Investment

| Lumpsum | SIP | Additional Purchase |
|---------|-------|---------------------|
| ₹ 5,000 | ₹ 500 | ₹ 1,000 |



Benchmark⁴

MSCI Emerging Markets Index TRI



Inception Date

17 March 2008



| | |
|---------------------------------|--------|
| Standard Deviation ¹ | 18.25% |
| Beta (Slope) ¹ | 0.99 |
| Sharpe Ratio ^{2, 1} | -0.08 |
| R2 | 0.93 |



Exit Load³

In respect of each purchase /switch-in of Units, an Exit Load of 1% is payable if Units are redeemed / switched-out within 1 year from the date of allotment.

No Exit Load will be charged if Units are redeemed/switched - out after 1 year from the date of allotment.

HGIF Global Emerging Markets Fund (HGIF) Underlying fund strategy

- Developed economies have substantial investment capital but depend more on the global growth due to relatively lower internal consumption
- Emerging / developing economies are more dependent on external investments to support strong internal consumption
- Investors may access potential currency adjusted performance benefit through global investments
- The fund follows High conviction Thematic approach with integrated sustainability
- A thematic approach captures investment mega trends and tactical opportunities such as - Climate Change Mega Trend, Impact Investing Mega Trend, Digital Transformation Mega Trend and EM Laggard Banks.

HGMF – Investment Commentary

Contributors to relative performance included Mainland China holding, XINJIANG GOLDWIND SCI&TEC-H(Industrials) with a total effect of 0.47%. Additionally, Mainland China security, ALIBABA GROUP HOLDING(Consumer Discretionary) was in the top two contributors with a total effect of 0.31%.

Detractors included South African security, MTN GROUP (Communication Services) with a total effect of -0.47%, and South African holding ANGLO AMERICAN PLC (Materials) with a total effect of -0.46%.

During this period, positions were initiated in PING AN INSURANCE GROUP CO-H and WUXI BIOLOGICS CAYMAN whilst positions were closed in B3 SA-BRASIL BOLSA BALCAO.

Sector and country allocation effects are residual to stock selection. At the country level, effects were positive, given an underweight exposure to Korea. At the sector level, effects were negative, given an underweight exposure to Consumer Discretionary.

Data as on 30 September 2022, Data as at September 2022, HSBC Asset Management, Bloomberg, HGIF Global EM Fund – underlying funds investment commentary

¹ Statistical Ratios disclosed are as per monthly returns (Annualized) for the last 3 years. ² Risk free rate: 6.17% (FIMMDA-NSE MIBOR) as on September 30, 2022

³ Effective from March 14, 2018 for prospective investments. HSBC Asset Management, Bloomberg, HGIF Global EM Fund – underlying funds investment commentary

⁴ SEBI vide its circular no. SEBI/HO/IMD/IMD-II DF3/P/CIR/2021/652 dated October 27, 2021, on 'Guiding Principles for bringing uniformity in Benchmarks of Mutual Fund Schemes' has introduced two-tiered structure for benchmarking of certain categories of schemes. Accordingly, the benchmark has been classified as Tier 1 benchmark. Furthermore, the same is effective from 01 December 2021

Contributors to relative performance included Mainland China holding, CIMC ENRIC HOLDINGS(Industrials) with a total effect of 0.35%. Additionally, Indian security, RELIANCE INDUSTRIES(Energy) was in the top two contributors with a total effect of 0.13%. Detractors included Mainland China security, ESTUN AUTOMATION CO LTD-A (Industrials) with a total effect of -0.53%, and Mainland China holding XINYI SOLAR HOLDINGS (Information Technology) with a total effect of -0.51%. During this period, positions were initiated in CHROMA ATE and ICICI BANK. Sector and country allocation effects are residual to stock selection. At the country level, effects were negative, given an overweight exposure to Kenya. At the sector level, effects were negative, given an overweight exposure to Information Technology.

HGIF Global Emerging Markets- HEMF – Underlying Fund

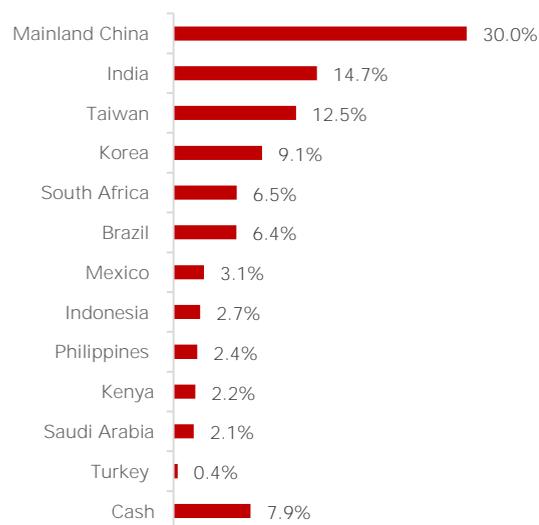
Portfolio

| Instrument | Weight (%) |
|------------------------------|------------|
| TAIWAN SEMICONDUCTOR CO LTD | 5.3% |
| SAMSUNG ELECTRONICS CO LTD | 4.7% |
| ALIBABA GROUP HOLDING LTD | 4.6% |
| RELIANCE INDUSTRIES LTD | 4.6% |
| TENCENT HOLDINGS LTD | 3.8% |
| HINDUSTAN UNILEVER LTD | 3.3% |
| GENERA SAB DE CV | 3.1% |
| HYUNDAI MOTOR CO | 2.9% |
| BANK RAKYAT INDONESIA PERSER | 2.7% |
| BANCO BRADESCO S.A. | 2.6% |
| HON HAI PRECISION INDUSTRY | 2.6% |
| ICICI BANK LTD | 2.5% |
| PLDT INC | 2.4% |
| BANDHAN BANK LTD | 2.4% |
| CENTRAIS ELETRICAS BRASILIER | 2.4% |
| AIRTEL AFRICA PLC | 2.3% |
| CIMC ENRIC HOLDINGS LTD | 2.3% |
| SAFARICOM PLC | 2.2% |
| NARI TECHNOLOGY CO LTD-A | 2.2% |
| BAIDU INC-CLASS A | 2.1% |
| SHENZHEN MINDRAY BIO-MEDIC-A | 2.1% |
| MTN GROUP LTD | 2.1% |
| CHROMA ATE INC | 2.1% |
| SAUDI TADAWUL GROUP HOLDING | 2.1% |
| ANGLO AMERICAN PLC | 2.0% |
| SHRIRAM TRANSPORT FINANCE | 2.0% |
| XINYI SOLAR HOLDINGS LTD | 1.8% |
| MEITUAN-CLASS B | 1.7% |
| XINJIANG GOLDWIND SCI&TEC-H | 1.6% |
| SK HYNIX INC | 1.5% |
| CHINA LONGYUAN POWER GROUP-H | 1.5% |
| WEICHAH POWER CO LTD-H | 1.4% |
| B3 SA-BRASIL BOLSA BALCAO | 1.4% |
| CHINA JUSHI CO LTD -A | 1.3% |
| WIWYNN CORP | 1.1% |
| WUXI BIOLOGICS CAYMAN INC | 1.1% |
| MEDIATEK INC | 0.9% |
| JD.COM INC - CL A | 0.9% |
| ESTUN AUTOMATION CO LTD-A | 0.9% |
| NIO INC - ADR | 0.7% |
| LARGAN PRECISION CO LTD | 0.5% |
| TURKCELL ILETISIM HIZMET AS | 0.4% |
| Cash | 7.9% |
| Total | 100.00% |

Sector Allocation (%)

| Name | End Weight |
|------------------------|------------|
| Information Technology | 20.5% |
| Financials | 18.8% |
| Communication Services | 15.5% |
| Consumer Discretionary | 10.7% |
| Industrials | 8.4% |
| Energy | 4.6% |
| Utilities | 3.8% |
| Materials | 3.3% |
| Consumer Staples | 3.3% |
| Health Care | 3.2% |
| Cash | 7.9% |

Weighting - Country



Data as on 30 September 2022. Source – HSBC Asset Management. The above information are for illustrative purpose only and it should not be considered as investment research, investment recommendation or advice to any reader of this content to buy or sell investments. The Fund may or may not have any future position in these stocks.

HSBC Global Emerging Markets Fund

An open-ended fund of fund scheme investing in HSBC Global Investment Funds – Global Emerging Markets Equity Fund

Portfolio

| Issuer | Industries | % to Net Assets |
|---|----------------------|-----------------|
| EQUITY | | 98.52% |
| HGIF - Global Emerging Markets Equity (Share Class S1D) | Overseas Mutual Fund | 98.52% |
| Cash Equivalent | | 1.48% |
| TREPS* | | 1.82% |
| Net Current Assets: | | -0.34% |
| Total Net Assets as on 30 September 2022 | | 100.00% |

Asset Allocation

| | |
|---|----------------|
| Overseas Mutual Fund | 98.52% |
| Reverse Repos/TREPS | 1.82% |
| Net Current Assets | -0.34% |
| Total Net Assets as on 30-September-2022 | 100.00% |

*TREPS : Tri-Party Repo, Data as on 30 September 2022

HGMF – Quarterly commentary

The fund underperformed the reference benchmark on a gross basis this quarter.

Contributors to relative performance included Indian holding, HINDUSTAN UNILEVER(Consumer Staples) with a total effect of 0.59%. Additionally, Mexican security, GENERA SAB DE CV(Financials) was in the top two contributors with a total effect of 0.5%. Detractors included Mainland China security, XINJIANG GOLDWIND SCI&TEC-H (Industrials) with a total effect of -0.64%, and Mainland China holding WEICHAJ POWER CO LTD-H (Industrials) with a total effect of -0.58%.

During this quarter, positions were initiated in ICICI BANK, CHROMA ATE, B3 SA-BRASIL BOLSA BALCAO, ESTUN AUTOMATION CO LTD-A, and LARGAN PRECISION whilst positions were closed in PING AN INSURANCE GROUP CO-H, INFOSYS, QATAR NATIONAL BANK, and CHINA CONCH VENTURE HOLDINGS.

Sector and country allocation effects are residual to stock selection. At the country level, effects were negative, given an overweight exposure to Philippines. At the sector level, effects were negative, given an overweight exposure to Communication Services.

Who Can Benefit From This Fund?

- Investor who wish to have geographical and sectorial diversification leading to risk reduction
- Investors may access potential currency adjusted performance benefit through global investments

HSBC Global Emerging Markets Fund Riskometer

HSBC Global Emerging Markets Fund



Investors understand that their principal Will be at Very High risk

Fund of Funds (Overseas) - An open ended fund of fund scheme investing in HSBC Global Investment Funds - Global Emerging Markets Equity Fund.

This product is suitable for investors who are seeking:**

- To create wealth over long term
- Investment predominantly in units of HSBC Global Investment Funds – Global Emerging Markets Equity Fund

****Investors should consult their financial advisers if in doubt about whether the product is suitable for them.**

Please note that the above risk-o-meter is as per the product labelling of the scheme available as on the date of this communication/ disclosure. As per SEBI circular dated October 5, 2020 on product labelling (as amended from time to time), risk-o-meter will be calculated on a monthly basis based on the risk value of the scheme portfolio based on the methodology specified by SEBI in the above stated circular. The AMC shall disclose the risk-o-meter along with portfolio disclosure for all their schemes on their respective website and on AMFI website within 10 days from the close of each month. Any change in risk-o-meter shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to unitholders of that particular Scheme.

Benchmark: MSCI Emerging Markets Index TRI



Source: HSBC Asset Management, India

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Mutual fund investments are subject to market risks, read all scheme related documents carefully.