

HSBC Global Investment Funds - Economic Scale Global Equity

Share Class AD

28 Feb 2021

Fund Objective and Strategy

Investment Objective

The Fund aims to provide long term capital growth and income by investing in a portfolio of developed market shares.

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 the larger part of their business activities in, developed markets. The Fund's investment process identifies and invests in companies according to their economic scale, measured by their contribution to Gross National Product. This is also referred to as Value Added - the difference between a company's outputs and inputs. The Fund may invest up to 10% in Real Estate Investment Trusts, and may also invest up to 10% of its 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 ¹	5Y ¹	Since Inception ¹
AD USD	4.17	4.23	8.42	25.32	4.98	10.65	5.11
AD USD (Net) ²	-0.79	-0.74	3.26	19.36	3.29	9.57	4.94
Reference Benchmark USD	1.70	2.56	5.85	29.34	10.77	14.60	7.82

Calendar Year Performance (%)	2016	2017	2018	2019	2020
AD USD	8.62	21.32	-13.03	22.85	4.64
AD USD (Net) ²	3.45	15.54	-17.17	17.00	-0.35
Reference Benchmark USD	10.18	22.32	-9.35	28.28	15.99

3-Year Risk Measures	AD	Reference Benchmark	Characteristics	Fund	Reference Benchmark
Volatility	19.96%	18.10%	Number of Holdings ex Cash	1,326	1,588
Information Ratio	-1.23	-	Avg Market Cap (USD mil)	120,440	294,813
Beta	1.07	-			

Past performance is not an indicator of future returns. The figures are calculated in the share class base currency, NAV-to-NAV basis or Bid-to-Bid basis, dividend reinvested.

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.
- 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 Prospectus and Product Highlights Sheet, or Information Memorandum, as applicable.

Share Class Details	
UCITS V Compliant	Yes
Subscription Mode	Cash / SRS (Supplementary Retirement Scheme)
Distribution Type	Distributing
Distribution Frequency	Annually
Dealing Frequency	Daily
Valuation Time	17:00 Luxembourg
Min. Initial Investment	USD 1,000
Max. Initial Charge	5.00%
Management Fee	0.60%
Share Class Base Currency	USD
Domicile	Luxembourg
ISIN	LU0039216626
Share Class Inception Date	03 Dec 1990
NAV per Share	USD 43.07
Fund Size	USD 96,519,756
Bloomberg Ticker	HSBIMEI LX
Reference Benchmark	MSCI World Net
Manager	HSBC Index and Systematic Equity Portfolio Management Team

¹Result is annualised when calculation period is over one year.

²Net of relevant prevailing sales charge on a single pricing (NAV) basis.

Historically the comparative investment benchmark has been: FTSE World Gross from launch until 31/12/2000; MSCI World Net from 01/01/2001 until 16/02/2015; HSBC Economic Scale World Index from 17/02/2015 until 25/10/2017. Prior to 25/10/2017 the fund was named HSBC Global Investment Funds - Economic Scale Index Global Equity; Prior to 17/02/2015 the fund was named Global Equity.

Monthly Performance Commentary

Market Review

Global equities rose in February as investors grew optimistic over the global economic recovery, with worldwide COVID-19 cases and deaths falling, hopes of US fiscal stimulus increasing and global corporate earnings beating market expectations, although rising bond yields tapered sentiment towards the end of the month. US stocks rose on the back of solid corporate earnings results, raised hopes of Congress passing through US fiscal stimulus and an improving labor market as unemployment claims fell to the lowest level since November 2020. Jay Powell, the US Federal Reserve Chairperson, pledged to keep monetary policy loose during the recovery. The 10 year US treasury yield rose to 1.5% in the month as investors weighed the prospect of rising inflation concerns, which caused equities to pull back towards the end of the month. European stocks moved higher amid corporate earnings that beat market expectations and continued optimism of an economic recovery. Investors also grew more bullish on Italy, after the former European Central Bank President, Mario Draghi, stepped in to form a new government under his leadership to stabilise political tensions. In the UK, the COVID-19 vaccine programme made significant progress across the population and the government announced a timeline to exit lockdowns, boosting hopes of resuming economic activity. Asian stocks generally advanced as investors grew positive over the global recovery and progress around US stimulus talks. Indian equities performed strongly following the announcement of a pro-growth 2021 government budget and Japanese equities also posted solid gains as it began its COVID-19 vaccination programme.

Fund Commentary

Both our asset allocation and stock selection contributed to performance.

Sectors

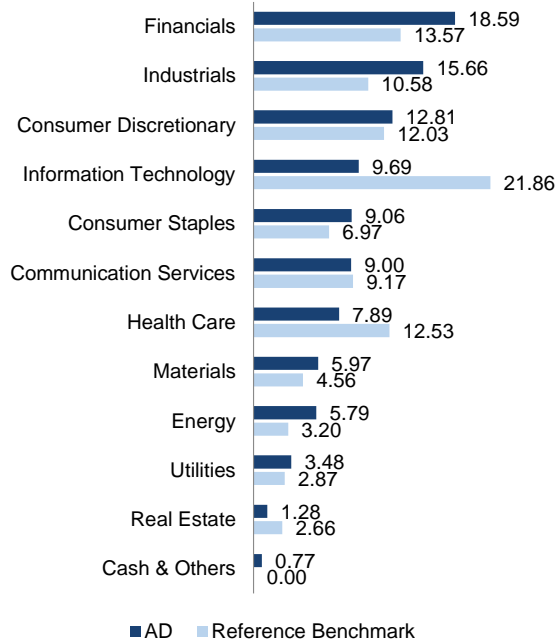
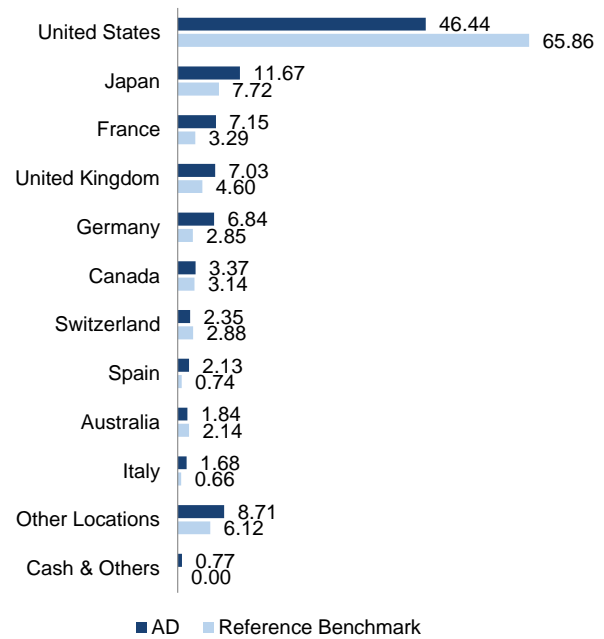
On a sector basis, our overweight allocations to Financials and Energy coupled with our underweight exposures to Health Care and Information Technology contributed to performance. Conversely, our overweight allocations to Consumer Staples and Utilities weighed on performance.

Countries

On a country basis, our overweight allocations to France, Japan, Spain and Italy coupled with an underweight exposure to Switzerland contributed to performance. Conversely, our overweight allocations to the UK, Germany and Belgium weighed on performance.

Stock Level

On a stock level basis, our underweight exposures to Apple Inc (Information Technology, USA), Tesla Inc (Consumer Discretionary, USA) and Amazon.com Inc (Consumer Discretionary, USA) contributed to performance. Conversely, our overweight allocations to Walmart Inc (Consumer Staples, USA) and Tokyo Electric Power Company (Utilities, Japan) coupled with an underweight exposure to Alphabet Inc (Communication Services, USA) weighed on performance.

Sector Allocation (%)

Geographical Allocation (%)


Top 10 Holdings (%)	Location	Sector	Weight (%)
Walmart Inc	United States	Consumer Staples	1.47
Apple Inc	United States	Information Technology	0.94
Wells Fargo & Co	United States	Financials	0.93
JPMorgan Chase & Co	United States	Financials	0.91
General Electric Co	United States	Industrials	0.91
Volkswagen AG	Germany	Consumer Discretionary	0.86
Royal Dutch Shell PLC	United Kingdom	Energy	0.84
Bank of America Corp	United States	Financials	0.82
AT&T Inc	United States	Communication Services	0.74
Exxon Mobil Corp	United States	Energy	0.61

Source: HSBC Global Asset Management, data as at 28 February 2021

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Terms of Glossary

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

HSBC Global Investment Funds - Economic Scale Global Equity

Supplement Information Sheet

28 Feb 2021

Performance (%)	Return Currency	YTD	1M	3M	6M	1Y	3Y ¹	5Y ¹	Since Inception ¹
AD EUR	EUR	5.57	4.32	6.85	16.78	13.41	5.15	8.22	5.71
AD EUR (Net) ²	EUR	0.54	-0.65	1.76	11.22	8.01	3.45	7.17	5.54
AD SGD	SGD	4.72	4.43	7.61	16.56	19.40	5.16	9.41	4.22
AD SGD (Net) ²	SGD	-0.26	-0.54	2.49	11.01	13.71	3.46	8.35	4.05
AD USD	USD	4.17	4.23	8.42	19.13	25.32	4.98	10.65	5.11
AD USD (Net) ²	USD	-0.79	-0.74	3.26	13.46	19.36	3.29	9.57	4.94

Calendar Year Performance (%)	Return Currency	2016	2017	2018	2019	2020
AD EUR	EUR	11.87	6.56	-8.66	25.38	-4.70
AD EUR (Net) ²	EUR	6.54	1.49	-13.01	19.41	-9.23
AD SGD	SGD	10.61	12.22	-11.10	21.26	2.65
AD SGD (Net) ²	SGD	5.35	6.88	-15.34	15.49	-2.24
AD USD	USD	8.62	21.32	-13.03	22.85	4.64
AD USD (Net) ²	USD	3.45	15.54	-17.17	17.00	-0.35

¹ Result is annualised when calculation period is over one year.

² Net of relevant prevailing sales charge on a single pricing (NAV) basis.

Past performance is not an indicator of future returns. The figures are calculated in the share class base currency, NAV-to-NAV basis or Bid-to-Bid basis, dividend reinvested.

Share Class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Last Paid Dividend	Annualised Yield
AD	USD	Annually	08 Jul 2020	0.616341	1.83%

The above table cites the last dividend paid within the last 12 months only.

Dividend is not guaranteed and may be paid out of capital, which will result in capital erosion and reduction in net asset value. A positive distribution yield does not imply a positive return. Past distribution yields and payments do not represent future distribution yields and payments. Historical payments may comprise of distributed income, capital, or both.

The calculation method of annualised yield prior to August 2019 is the simple yield calculation: (dividend amount / NAV per share or units as of ex-dividend date) x n; The calculation method of annualised yield from August 2019 is the compound yield calculation: $((1 + (\text{dividend amount} / \text{ex-dividend NAV}))^n) - 1$, n depends on the distributing frequency. Annually distribution is 1; semi-annually distribution is 2; quarterly distribution is 4; monthly distribution is 12.

The annualised dividend yield is calculated based on the dividend distribution on the relevant date with dividend reinvested, and may be higher or lower than the actual annual dividend yield.

Investors and potential investors should refer to the details on dividend distributions of the Fund, which are available on HSBC Global Asset Management (Singapore) Limited website.

Share Class	Share Class Inception Date	ISIN	Share Class Base Currency	Min. Initial Investment	NAV per Share	Annual Management Fee	Distribution Type
AD	03 Dec 1990	LU0039216626	USD	USD 1,000	43.07	0.60%	Distributing

Different classes may have different performances, dividend yields and expense ratios. For hedged classes, the effects of hedging will be reflected in the net asset values of such classes. Expenses arising from hedging transactions may be significant and will be borne by the relevant hedged classes. Hedged class performs the required hedging on a best efforts basis.

Source: HSBC Global Asset Management, data as at 28 February 2021