

# HSBC Global Investment Funds

# TURKEY EQUITY

Monthly report 31 March 2023 | Share class AC

## Investment objective

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

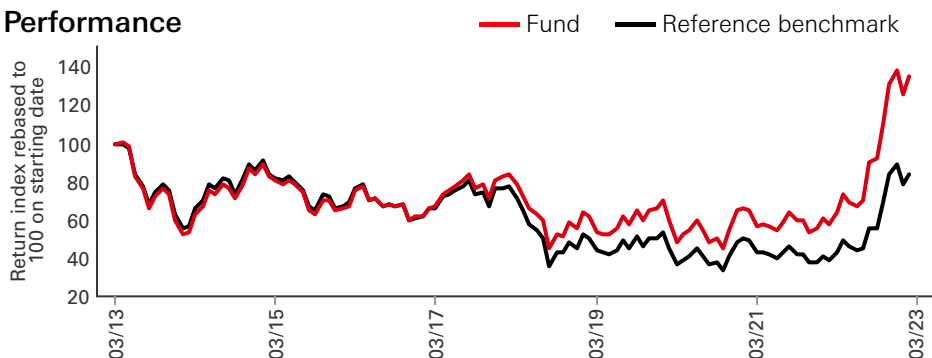
## Investment strategy

The Fund is actively managed. In normal market conditions, the Fund will primarily invest in shares (or securities similar to shares) of companies of any size, that are based in, or carry out most of their business in Turkey. The Fund may 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.

## Main risks

- 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.

## Performance



## Share Class Details

### Key metrics

NAV per Share **EUR 40.95**

Performance 1 month **-3.91%**

Volatility 3 years **35.11%**

### Fund facts

UCITS V compliant **Yes**

Subscription mode **Cash / SRS  
(Supplementary Retirement Scheme)**

Dividend treatment **Accumulating**

Dealing frequency **Daily**

Valuation Time **17:00 Luxembourg**

Share Class Base Currency **EUR**

Domicile **Luxembourg**

Inception date **29 March 2005**

Fund Size **EUR 99,347,576**

Reference benchmark **100% BIST 100**

Managers **Murat Ignebekcili**

### Fees and expenses

Minimum initial investment (SG)<sup>1</sup> **EUR 1,000**

Maximum initial charge (SG) **5.000%**

Management fee **1.750%**

**Codes**

ISIN **LU0213961682**

Bloomberg ticker **HSHTRK LX**

<sup>1</sup>Please note that initial minimum subscription may vary across different distributors

Performance is annualised when calculation period is over one year. Past performance does not predict future returns.

Fund return: NAV-to-NAV basis. For comparison with benchmark

\*Share class denoted with "(Net)" refers to fund return net of maximum initial charge (SG) on a single pricing (NAV) basis. No redemption charge is levied.

This is a marketing communication. Please refer to the prospectus and to the KIID before making any final investment decisions.

Reference Performance Benchmark: BIST100 since 1 Jan 2020. Prior to that the benchmark was MSCI Turkey 10/40 Net from 31 Dec 2014 to 31 Dec 2019. Prior to that the benchmark was MSCI Turkey Gross.

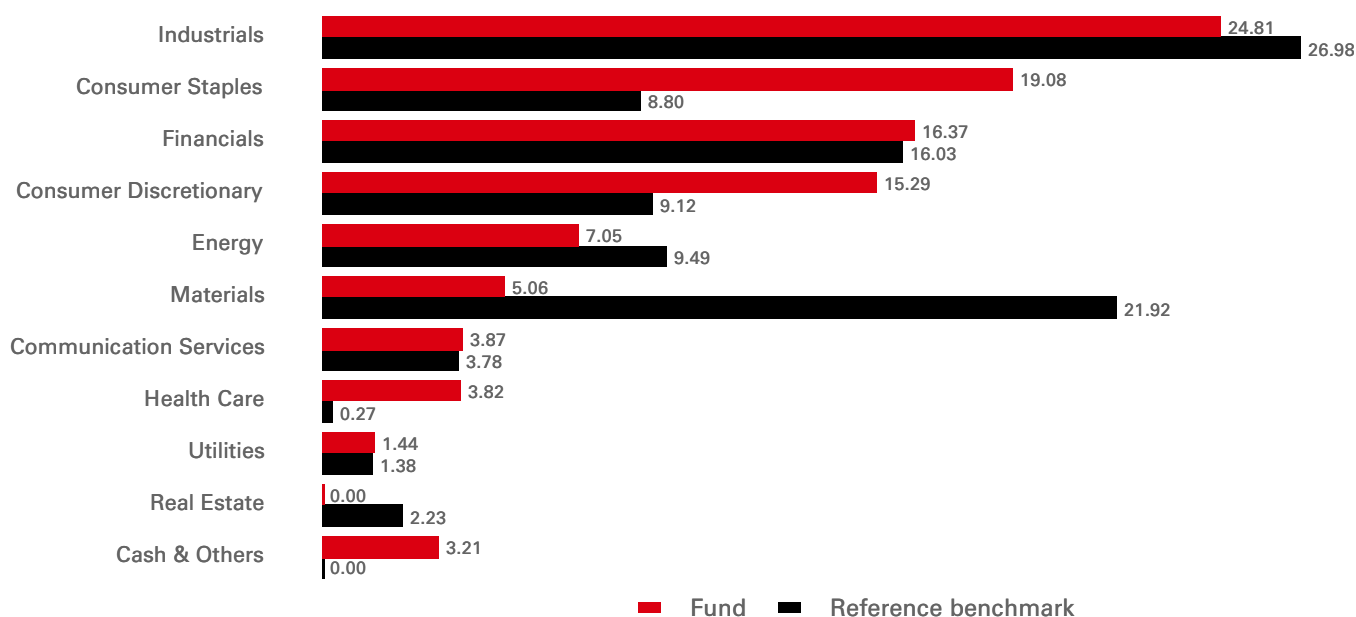
Source: HSBC Asset Management, data as at 31 March 2023

Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann
<b>AC</b>	<b>-6.12</b>	<b>-3.91</b>	<b>-6.12</b>	<b>40.08</b>	<b>102.02</b>	<b>38.33</b>	<b>10.53</b>
AC (Net)*	-10.59	-8.49	-10.59	33.41	92.40	36.10	9.46
Reference benchmark	-15.37	-10.78	-15.37	33.44	72.94	26.65	1.08

Calendar year performance (%)	2018	2019	2020	2021	2022
<b>AC</b>	<b>-31.92</b>	<b>20.31</b>	<b>-1.31</b>	<b>-15.38</b>	<b>147.91</b>
AC (Net)*	-35.16	14.58	-6.01	-19.41	136.10
Reference benchmark	-40.50	12.23	-3.88	-21.69	131.68

Equity characteristics	Fund	Reference benchmark	3-Year Risk Measures	AC	Reference benchmark
No. of holdings ex cash	36	100	Volatility	35.11%	35.49%
Average Market Cap (EUR Mil)	4,397	125,958	Information ratio	1.72	--
			Beta	0.97	--

### Sector Allocation (%)



<b>Top 10 Holdings</b>	<b>Sector</b>	<b>Weight (%)</b>
TOFAS TURK OTOMOBIL FABRIKA	Consumer Discretionary	9.18
PEGASUS HAVA TASIMACILIGI AS	Industrials	7.93
BIM BIRLESIK MAGAZALAR AS	Consumer Staples	7.18
TURK HAVA YOLLARI AO	Industrials	7.15
MIGROS TICARET A.S	Consumer Staples	5.41
FORD OTOMOTIV SANAYI AS	Consumer Discretionary	4.43
KOC HOLDING AS	Industrials	4.40
AKBANK T.A.S.	Financials	4.03
TURKIYE IS BANKASI-C	Financials	3.88
TURKCELL ILETISIM HIZMET AS	Communication Services	3.87

Top 10 holdings exclude holdings in cash and cash equivalents and money market funds.

## Monthly performance commentary

In March, HSBC GIF Turkey Equity was up 0.1% in TRL terms (net) (-3.9% in EUR), outperforming its benchmark (BIST-100 Net Total Return) by 7.2%.

MSCI Turkey Index was down 10.6% in EUR terms, underperforming MSCI EM Index which was up 2.7%. The Lira lost 2.8% against the basket (0.5 EUR + 0.5 USD). We saw short end bond yields rise 2.6pp to 13.1%, while long-end rose by 3.3pp to 10.9%.

Consumer staples and financials outperformed while Materials and Industrials lagged.

Among Overweight positions; Tofas (+144bps) Migros (+91bps) contributed, Pegasus (-28bps) Kimpur (-22bps) dragged.

Among Underweight positions; Erdemir (+66bps) Hektas (+49bps) contributed, CCI (-12bps) Tupras (-8bps) dragged.

### Outlook

In March, Turkish equities remained weak as returns in alternative TRY instruments, particularly in time deposit increased, thereby reducing the attractiveness of stock market. Outflows from domestic mutual funds caused a drag on the market, while foreigners continued to stay on the sidelines ahead of general elections in mid-May. We remain invested in companies with strong earnings outlook, cash generation ability and financial visibility.

## Risk Disclosure

- 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.
- 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.
- Investment involves risk. Past performance figures shown are not indicative of future performance. Investors should read the prospectus (including the risk warnings) and the product highlights sheets, before investing. Daily price change percentage is based on bid-bid price.

## Index Disclaimer


Borsa Istanbul does not benchmark in accordance with this Agreement, shall state that Borsa Istanbul does not sponsor, guarantee or provide surety for the use of the Index/Indices by the Licensee, nor does it guarantee the sequence, accuracy and/or the entirety of the data used in calculating the Index. nor can it be held responsible for any loss or damage to the Licensee or to third parties arising from any faults, failures, delays, omissions, inaccuracy in data transmission or stopping of data dissemination due to any reasons, for any errors, omissions, delays and/or negligence in the calculation and/or dissemination of the Indices, or for the use of the Indices as benchmark for collective investment instruments.

## Benchmark disclosure

The Investment Advisor will use its discretion to invest in securities not included in the reference benchmark based on active investment management strategies and specific investment opportunities. It is foreseen that a significant percentage of the Fund's investments will be components of the reference benchmark. However, their weightings may deviate materially from those of the reference benchmark. The reference benchmark has a high level of concentration. This means that a small number of securities make up a significant proportion of the benchmark.

**Source: HSBC Asset Management, data as at 31 March 2023**

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### Glossary



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Performance is annualised when calculation period is over one year. Net of relevant prevailing sales charge on a single pricing (NAV) basis, calculated on the basis that dividends are reinvested.

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Company Registration No. 198602036R

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## Supplemental information sheet

Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann
AC EUR	-6.12	-3.91	-6.12	40.08	102.02	38.33	10.53
AC EUR (Net)*	-10.59	-8.49	-10.59	33.41	92.40	36.10	9.46
AC SGD	-5.26	-2.78	-5.26	43.94	93.79	34.76	8.12
AC SGD (Net)*	-9.77	-7.41	-9.77	37.09	84.56	32.59	7.07
AC USD	-4.43	-1.56	-4.43	55.35	97.26	37.87	7.82
AC USD (Net)*	-8.98	-6.25	-8.98	47.95	87.87	35.65	6.78
AD EUR	-6.12	-3.91	-6.12	40.08	101.98	38.33	10.56
AD EUR (Net)*	-10.59	-8.49	-10.59	33.41	92.37	36.10	9.48
AD SGD	-5.26	-2.78	-5.26	43.94	93.76	34.76	8.15
AD SGD (Net)*	-9.77	-7.41	-9.77	37.09	84.53	32.58	7.10
AD USD	-4.43	-1.56	-4.43	55.35	97.23	37.87	7.85
AD USD (Net)*	-8.98	-6.25	-8.98	47.95	87.84	35.65	6.80

Calendar year performance (%)	2018	2019	2020	2021	2022
AC EUR	-31.92	20.31	-1.31	-15.38	147.91
AC EUR (Net)*	-35.16	14.58	-6.01	-19.41	136.10
AC SGD	-33.90	16.55	5.73	-19.78	131.46
AC SGD (Net)*	-37.05	11.00	0.69	-23.60	120.44
AC USD	-35.19	18.14	7.57	-21.35	132.66
AC USD (Net)*	-38.28	12.51	2.45	-25.10	121.58
AD EUR	-31.83	20.30	-1.32	-15.37	147.87
AD EUR (Net)*	-35.08	14.57	-6.02	-19.40	136.06
AD SGD	-33.81	16.54	5.72	-19.76	131.42
AD SGD (Net)*	-36.96	10.99	0.69	-23.59	120.40
AD USD	-35.10	18.13	7.56	-21.34	132.62
AD USD (Net)*	-38.19	12.50	2.44	-25.09	121.54

Performance is annualised when calculation period is over one year. Past performance does not predict future returns. Fund return: NAV-to-NAV basis. For comparison with benchmark

\*Share class denoted with "(Net)" refers to fund return net of maximum initial charge (SG) on a single pricing (NAV) basis. No redemption charge is levied.

Source: HSBC Asset Management, data as at 31 March 2023

## Supplemental information sheet

Share class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Last Paid Dividend	Annualised Yield based on ex-dividend date
AC	EUR	--	--	--	--
AD	EUR	Annually	6 July 2022	0.320846	2.16%

Share class	Inception date	ISIN	Share Class Base Currency	Minimum Initial Investment	NAV per Share	Management fee	Distribution type
AC	29 March 2005	LU0213961682	EUR	USD 5,000	40.95	1.750%	Accumulating
AD	19 April 2005	LU0213961765	EUR	USD 5,000	28.34	1.750%	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.**

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 Asset Management (Singapore) Limited website.

Source: HSBC Asset Management, data as at 31 March 2023