

## HSBC Global Investment Funds

# EUROLAND EQUITY SMALLER COMPANIES

Monthly report 31 March 2023 | Share class ACHUSD

### Investment objective

The Fund aims to provide long term capital growth and income by investing in a portfolio of Eurozone shares, while promoting environmental, social and governance (ESG) characteristics. The Fund qualifies under Article 8 of SFDR.

### Investment strategy

The Fund is actively managed. In normal market conditions, the Fund will invest at least 90% of its assets in shares (or securities similar to shares) of smaller and medium sized companies, that are based in any Eurozone member country. These companies are defined as having a market value of less than EUR 10 billion as well as being constituents of the MSCI EMU SMID Index. The Fund includes the identification and analysis of a company's ESG Credentials as an integral part of the investment decision making process to reduce risk and enhance returns. The Fund will not invest in companies with involvement in specific excluded activities, such as: companies involved in the production of controversial weapons and tobacco; companies with more than 10% revenue generated from thermal coal extraction; and companies with more than 10% revenue generated from coal-fired power generation. 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.
- Different investment styles typically go in and out of favour depending on market conditions and investor sentiment.

### Share Class Details

#### Key metrics

NAV per Share	<b>USD 12.83</b>
Performance 1 month	<b>-3.35%</b>
Volatility 3 years	<b>18.98%</b>

#### Fund facts

UCITS V compliant	<b>Yes</b>
Subscription mode	<b>Cash</b>
Dividend treatment	<b>Accumulating</b>
Dealing frequency	<b>Daily</b>
Valuation Time	<b>17:00 Luxembourg</b>
Share Class Base Currency	<b>USD</b>
Domicile	<b>Luxembourg</b>
Inception date	<b>31 March 2016</b>
Fund Size	<b>EUR 109,218,855</b>
Managers	<b>Eve Navarre</b>

#### Fees and expenses

Minimum initial investment (SG) <sup>1</sup>	<b>USD 1,000</b>
Maximum initial charge (SG)	<b>5.000%</b>
Management fee	<b>1.500%</b>

#### Codes

ISIN	<b>LU1050473120</b>
Bloomberg ticker	<b>HSEUSAC LX</b>

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

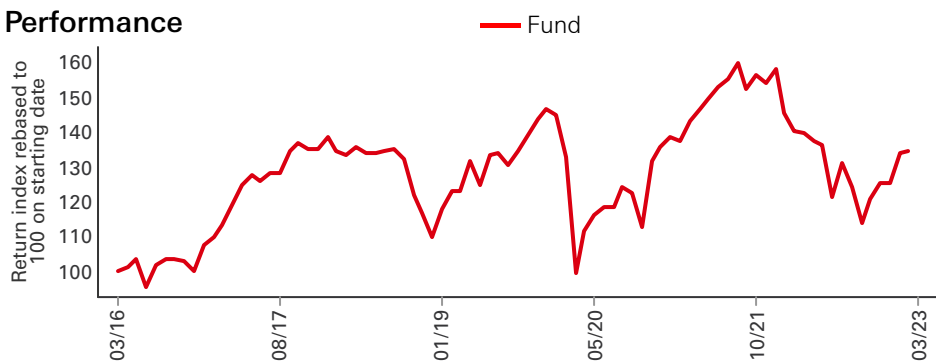
Performance is annualised when calculation period is over one year. Past performance does not predict future returns. Fund return: NAV-to-NAV basis. For comparison with benchmark

\*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.

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

Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann
<b>ACHUSD</b>	<b>4.23</b>	<b>-3.35</b>	<b>4.23</b>	<b>14.50</b>	<b>-6.73</b>	<b>9.51</b>	<b>-0.42</b>
ACHUSD (Net)*	-0.73	-7.95	-0.73	9.04	-11.17	7.74	-1.39

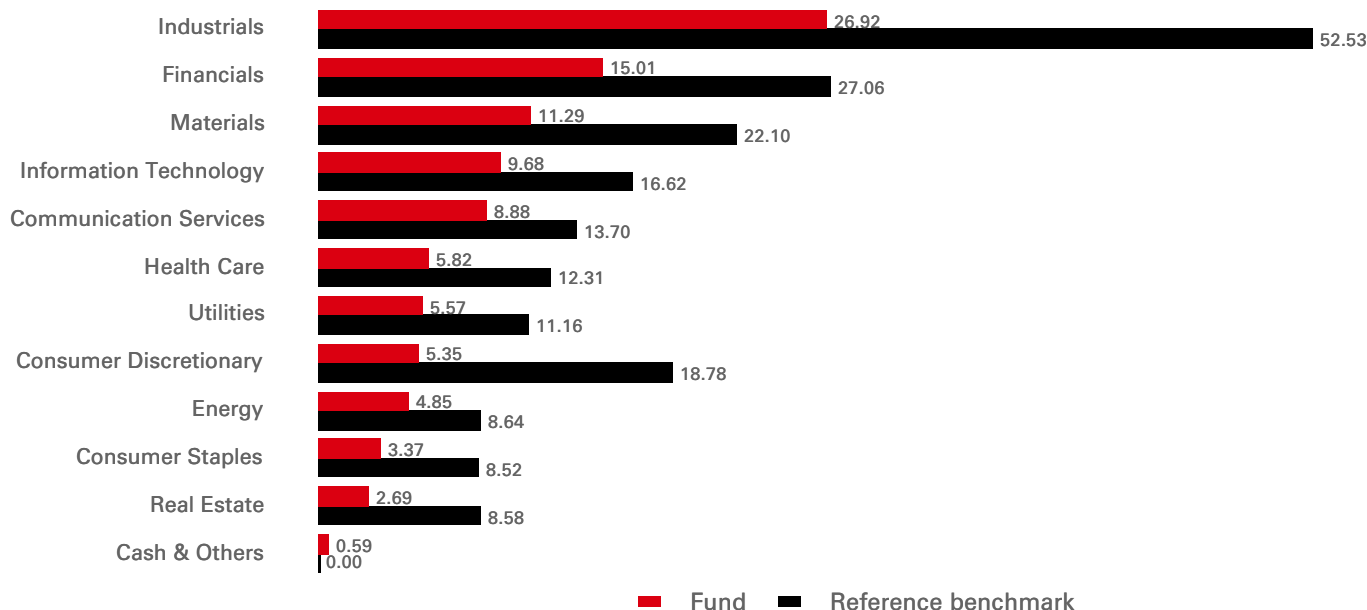
Calendar year performance (%)	2018	2019	2020	2021	2022
<b>ACHUSD</b>	<b>-18.55</b>	<b>33.60</b>	<b>-7.49</b>	<b>16.29</b>	<b>-20.91</b>
ACHUSD (Net)*	-22.43	27.23	-11.89	10.76	-24.68

Carbon footprint	Fund	Reference benchmark	MSCI ESG Score	ESG score	E	S	G
Carbon intensity emissions	77.06	166.33	Fund	7.5	6.8	5.2	6.6
			Reference benchmark	7.3	6.5	5.1	6.5

Carbon Intensity measures the quantity of carbon emission of a company (tonnes CO<sub>2</sub>e/USD million)  
Source of analytics: Trucost

Equity characteristics	Fund	Reference benchmark	3-Year Risk Measures	ACHUSD	Reference benchmark
No. of holdings ex cash	51	1,124	Volatility	18.98%	--
Average Market Cap (EUR Mil)	7,510	8,482	Beta	--	--

Sector Allocation (%)



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

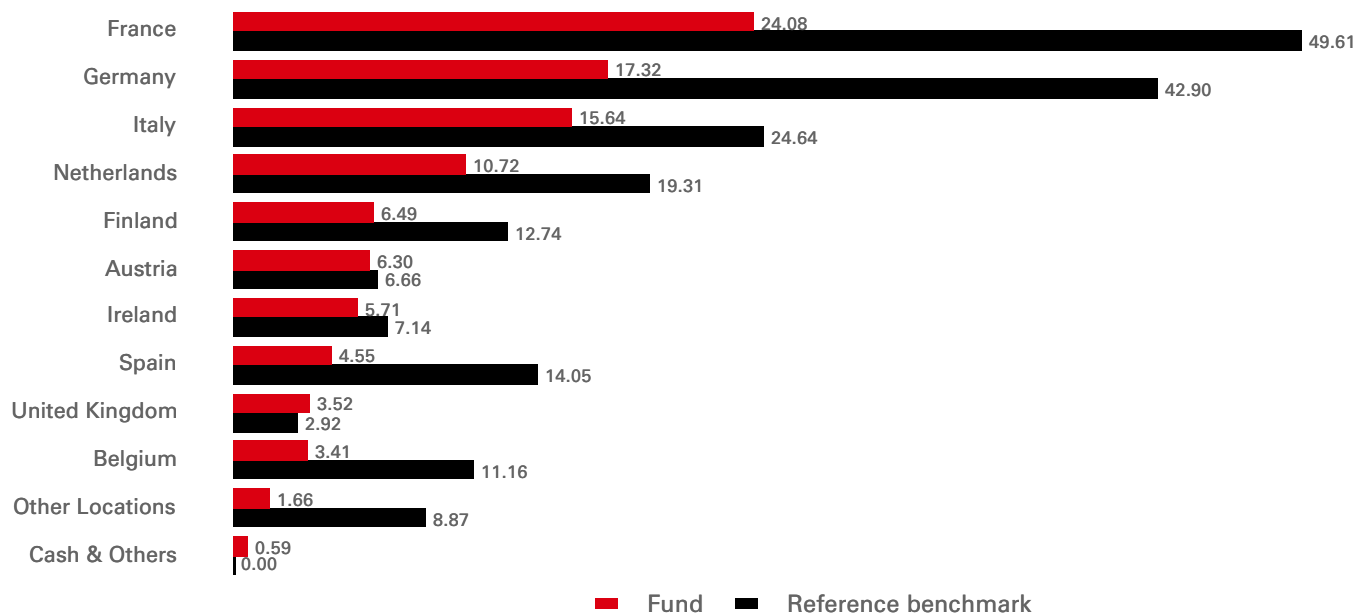
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The benchmark data is that of the reference benchmark of the fund, as this data is calculated at fund level rather than share class level. The reference benchmark of the fund is 100% SCI EMU SMID

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

### Geographical Allocation (%)



Top 10 Holdings	Location	Sector	Weight (%)
Symrise AG	Germany	Materials	3.79
Brenntag SE	Germany	Industrials	3.73
Smurfit Kappa Group PLC	Ireland	Materials	3.48
FinecoBank Banca Fineco SpA	Italy	Financials	3.35
CNH Industrial NV	United Kingdom	Industrials	3.13
Teleperformance	France	Industrials	3.08
ASM International NV	Netherlands	Information Technology	3.07
Eurofins Scientific SE	France	Health Care	3.04
Euronext NV	Netherlands	Financials	2.97
RAI Way SpA	Italy	Communication Services	2.84

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

## Monthly performance commentary

### Performance Review

The fund delivered a negative performance in March, in line with its benchmark index. The stock allocation made a slightly negative contribution, and the stock selection made a slightly positive contribution.

In terms of allocation, the fund's performance was penalised by our overweights on the property development and management and insurance sectors.

In terms of the stock selection, the biggest performance contributor was ASM International (semiconductors, the Netherlands), which rose more than 15% over the period and continues to present a very solid outlook. Kinopolis (media and entertainment, Belgium), up nearly 14%, was also a major contributor, has gradually demonstrated its ability to play a part in sector consolidation. Andritz (industry, Austria), up more than 10%, also made a significant contribution to the fund's performance. The company reported strong 2022 results and its outlook remains solid.

The main detractors include BAWAG (banking, Austria), down more than 24%, due to specific fears relating to its exposure to the US commercial property market. Another detractor was Finecobank (Italy), which fell more than 13% over the period.

### Investment policy

In March, we took profits on Andritz (industry, Austria) and ASM International (semiconductors, Netherlands), and reduced our holdings in Coface (insurance, France) and Nexi (financial services, Italy) in order to adjust our investment positions.

We also added Hugo Boss (consumer durables, Germany) in view of its restructuring potential (renewed impetus in sales and streamlining of costs) and its attractive valuation. We also added Iveco (industry, Italy), likewise on the back of its restructuring potential, which consists of strengthening its solid product ranges (light commercial vehicles, city buses) and taking the pragmatic step of streamlining unprofitable ranges such as trucks.

## Risk Disclosure

- 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.
- 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.

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## 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 the reference benchmark will not be used as a universe from which to select securities. The deviation of the Fund's performance relative to the benchmark is monitored, but not constrained, to a defined range.

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

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### Glossary



## Important Information

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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

Should there be any discrepancy, the English version shall prevail. This advertisement or publication has not been reviewed by the Monetary Authority of Singapore.

## Supplemental information sheet

Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann
AC EUR	3.43	-3.64	3.43	12.32	-9.97	7.32	-2.71
AC EUR (Net)*	-1.50	-8.22	-1.50	6.97	-14.26	5.59	-3.65
AC USD	5.29	-1.28	5.29	24.56	-12.09	6.97	-5.09
AC USD (Net)*	0.27	-5.98	0.27	18.63	-16.27	5.24	-6.01
ACHUSD USD	4.23	-3.35	4.23	14.50	-6.73	9.51	-0.42
ACHUSD USD (Net)*	-0.73	-7.95	-0.73	9.04	-11.17	7.74	-1.39
AD SGD	4.37	-2.49	4.37	15.42	-13.63	4.55	-4.82
AD SGD (Net)*	-0.60	-7.14	-0.60	9.92	-17.75	2.87	-5.75
AD USD	5.29	-1.28	5.29	24.56	-12.09	6.97	-5.09
AD USD (Net)*	0.27	-5.98	0.27	18.63	-16.27	5.24	-6.01

Calendar year performance (%)	2018	2019	2020	2021	2022
AC EUR	-20.59	29.93	-9.05	15.26	-23.52
AC EUR (Net)*	-24.37	23.74	-13.38	9.77	-27.16
AC USD	-24.40	27.58	-0.86	7.13	-28.22
AC USD (Net)*	-28.00	21.51	-5.58	2.02	-31.64
ACHUSD USD	-18.55	33.60	-7.49	16.29	-20.91
ACHUSD USD (Net)*	-22.43	27.23	-11.89	10.76	-24.68
AD SGD	-22.89	25.87	-2.55	9.27	-28.59
AD SGD (Net)*	-26.57	19.87	-7.19	4.07	-31.99
AD USD	-24.40	27.58	-0.86	7.13	-28.22
AD USD (Net)*	-28.00	21.51	-5.58	2.03	-31.64

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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	--	--	--	--
ACHUSD	USD	--	--	--	--
AD	EUR	Annually	8 July 2020	0.322607	0.49%

Share class	Inception date	ISIN	Share Class Base Currency	Minimum Initial Investment	NAV per Share	Management fee	Distribution type
AC	12 May 2003	LU0165073775	EUR	USD 5,000	71.14	1.500%	Accumulating
ACHUSD	31 March 2016	LU1050473120	USD	USD 5,000	12.83	1.500%	Accumulating
AD	7 April 2003	LU0165073858	EUR	USD 5,000	67.32	1.500%	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