

## HSBC Global Investment Funds

# GEM DEBT TOTAL RETURN

Monthly report 31 May 2024 | Share class N1CHEUR



### Investment objective

The Fund aims to provide long term capital growth and income by investing in a portfolio of emerging markets bonds and other similar securities or instruments.



### Investment strategy

The Fund is actively managed.

The Fund employs a Total Return strategy which has a flexible allocation across the emerging market debt universe. Through seeking multiple sources of return the strategy aims, over an investment cycle, to achieve risk-adjusted returns above those of the investment universe.

In normal market conditions, the Fund will mostly invest its assets in investment grade bonds and non-investment grade bonds issued by governments, government-related entities, supranational entities and companies that are based in or carry out the larger part of their business in emerging markets.

Companies and/or issuers considered for inclusion within the Fund's portfolio will be subject to excluded activities in accordance with HSBC Asset Management's Responsible Investment Policies.

The Fund may invest up to 10% in onshore Chinese bonds.

The Fund may invest up to 25% in convertible bonds, up to 10% in contingent convertible securities, up to 10% in other funds, and may invest up to 49% in cash, cash instruments and money market instruments issued by governments in developed markets.

The Fund's primary currency exposure is to US dollars (USD).

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 Fund invests in bonds whose value generally falls when interest rates rise. This risk is typically greater the longer the maturity of a bond investment and the higher its credit quality. The issuers of certain bonds, could become unwilling or unable to make payments on their bonds and default. Bonds that are in default may become hard to sell or worthless.
- 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.

### Share Class Details

#### Key metrics

NAV per Share **EUR 8.42**

Performance 1 month **1.31%**

Yield to maturity **8.52%**

#### Fund facts

UCITS V compliant **Yes**

Dividend treatment **Accumulating**

Dealing frequency **Daily**

Valuation Time **17:00 Luxembourg**

Share Class Base Currency **EUR**

Domicile **Luxembourg**

Inception date **13 July 2016**

Fund Size **USD 29,289,203**

Managers **Bryan Carter**

**Hugo Novaro**

#### Fees and expenses

Ongoing Charge Figure<sup>1</sup> **0.870%**

#### Codes

ISIN **LU0954272356**

Bloomberg ticker **HSN1CHE LX**

<sup>1</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.

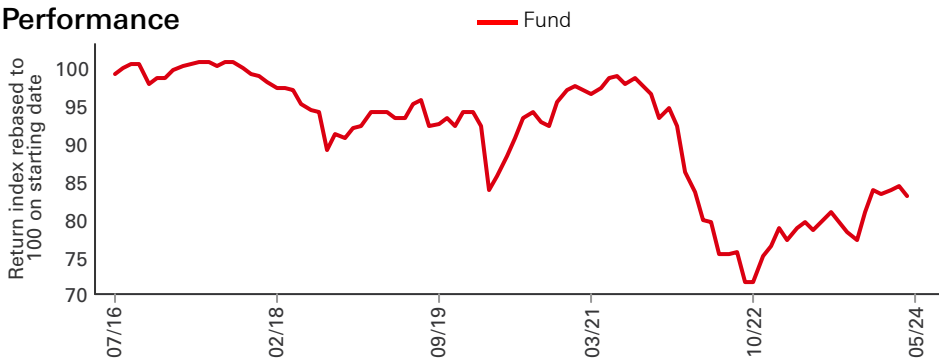
Past performance is not an indicator of future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.

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

For definition of terms, please refer to the Glossary QR code and Prospectus.

Source: HSBC Asset Management, data as at 31 May 2024

Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	10 years ann	Since inception ann
N1CHEUR	0.59	1.31	0.55	4.00	7.33	-5.09	-2.05	--	-2.15

Calendar year performance (%)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
N1CHEUR	--	--	--	0.21	-6.67	2.18	3.06	-2.51	-19.23	9.57

3-Year Risk Measures	N1CHEUR	Reference benchmark	5-Year Risk Measures	N1CHEUR	Reference benchmark
Volatility	9.00%	--	Volatility	9.07%	--
Sharpe ratio	-0.74	--	Sharpe ratio	-0.31	--

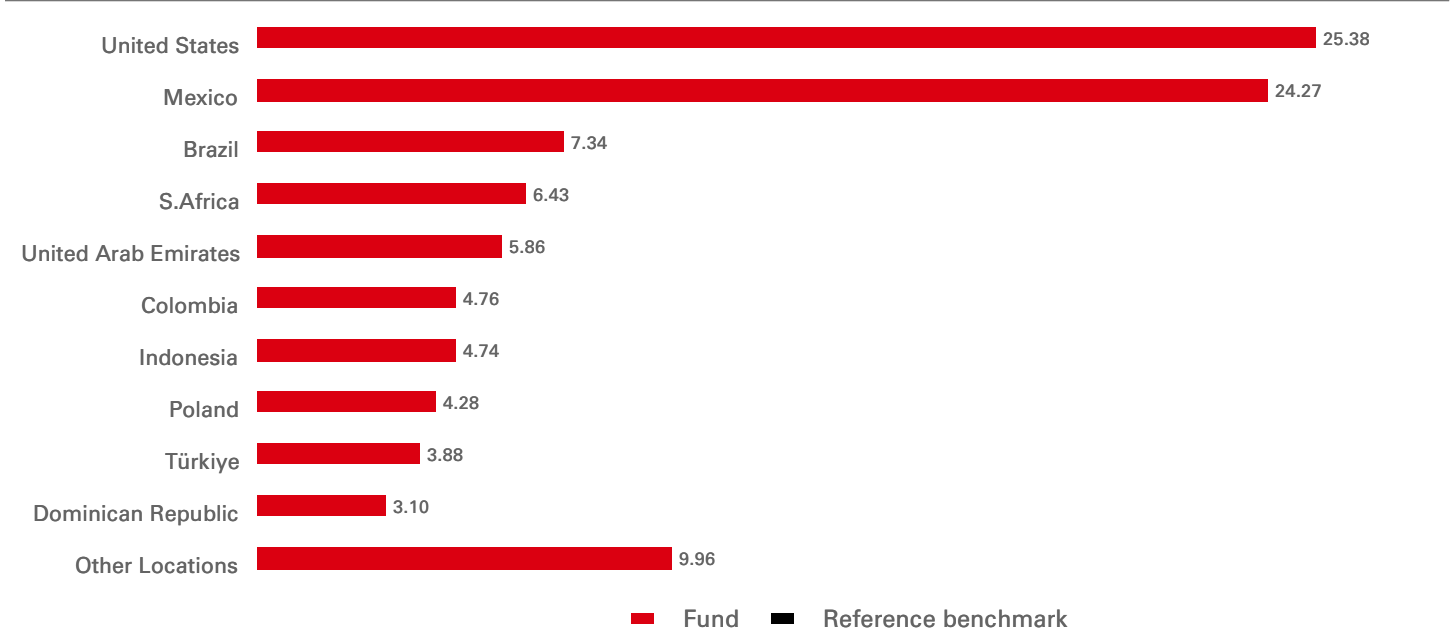
Fixed Income Characteristics	Fund	Reference benchmark	Relative
No. of holdings ex cash	87	--	--
Yield to worst	8.51%	--	--
Option Adjusted Duration	5.31	--	--
Modified Duration to Worst	5.44	--	--
Option Adjusted Spread Duration	3.18	--	--
Average maturity	6.81	--	--
Rating average	BB+/BB	--	--

Credit rating (%)	Fund	Reference benchmark	Relative	Maturity Breakdown (%)	Fund	Reference benchmark	Relative
AAA	27.08	--	--	0-2 years	20.40	--	--
AA	2.70	--	--	2-5 years	58.83	--	--
A	-19.32	--	--	5-10 years	-9.10	--	--
BBB	27.08	--	--	10+ years	29.88	--	--
BB	26.84	--	--				
B	18.13	--	--				
CCC	2.90	--	--				
C	1.44	--	--				
D	2.16	--	--				
NR	-3.39	--	--				
Cash	14.13	--	--				
Cash Offset	0.25	--	--				

Past performance is not an indicator of future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.  
 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% Secured Overnight Financing Rate (SOFR)  
 Source: HSBC Asset Management, data as at 31 May 2024

Currency Allocation (%)	Fund	Reference benchmark	Relative
USD	63.96	--	--
MXN	6.37	--	--
BRL	4.62	--	--
IDR	3.88	--	--
ZAR	3.46	--	--
PLN	3.28	--	--
UYU	3.00	--	--
CZK	2.54	--	--
MYR	2.47	--	--
PYG	1.77	--	--
Other Currencies	4.65	--	--

Geographical Allocation (%)



Sector Allocation (%)	Fund	Reference benchmark	Relative
Government	47.41	--	--
Energy	13.51	--	--
Financial	10.20	--	--
Basic Materials	8.09	--	--
Utilities	3.10	--	--
Industrial	2.80	--	--
Communications	2.03	--	--
Consumer Non cyclical	1.44	--	--
Consumer Cyclical	0.92	--	--
Other Sectors	-3.89	--	--
Cash	14.13	--	--
Cash Offset	0.25	--	--

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 Source: HSBC Asset Management, data as at 31 May 2024

Top 10 Holdings	Weight (%)
URUGUAY 9.750 20/07/33	4.46
INDONESIA GOV'T 7.500 15/05/38	3.17
REPUBLIC OF PERU 6.900 12/08/37	2.72
KAZMUNAYGAS NAT 6.375 24/10/48	2.23
MEXICAN BONOS 8.500 18/11/38	2.13
REP SOUTH AFRICA 9.000 31/01/40	2.13
ECOPETROL SA 8.375 19/01/36	2.09
TBC BANK JSC 10.250	2.05
SAMARCO MINERACA 9.000 30/06/31	1.99
CODELCO INC 5.125 02/02/33	1.98

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.
- Further information on the potential risks can be found in the Key Information Document (KID) and/or the Prospectus or Offering Memorandum.

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Source: HSBC Asset Management, data as at 31 May 2024

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Glossary



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Shares of the Company may not be offered or sold for sale or sold to any "U.S. Person within the meaning of the Articles of Incorporation, i.e. a citizen or resident of the United States of America (the "United States"), a partnership organised or existing under the laws of any state, territory or possession of the United States, or a corporation organised or existing under the laws of the United States or of any state, territory or possession thereof, or any estate or trust, other than an estate or trust the income of which from sources outside the United States is not includible in gross income for purposes of computing United States income tax payable by it.

Further information about the Company including the Prospectus, the most recent annual and semi-annual reports of the Company and the latest share prices, may be obtained free of charge, in English, from the Registrar and Transfer Agent by emailing [amgtransferagency@lu.hsbc.com](mailto:amgtransferagency@lu.hsbc.com), or by visiting [www.global.assetmanagement.hsbc.com](http://www.global.assetmanagement.hsbc.com).

The most recent Prospectus is available in English and German. Key Information Document (PRIIPs KID) are available in the local language where they are registered.

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Term: The management company cannot terminate the Fund unilaterally. The Board of Directors may furthermore decide to liquidate the Fund in certain circumstances set out in the prospectus and articles of incorporation of the Fund. Further additional and complete information (including but not limited to) investor rights, costs and charges, please refer to the prospectus