

## HSBC Global Investment Funds

# GLOBAL HIGH INCOME BOND

Monthly report 31 May 2023 | Share class BCHEUR



### Investment objective

The Fund aims to provide income by investing in a portfolio of higher yielding bonds, while promoting environmental, social and governance (ESG) characteristics. The Fund qualifies under Article 8 of SFDR.



### Investment strategy

The Fund is actively managed. The Fund may invest in investment grade rated and high yield bonds, Asian and Emerging Market debt instruments and may invest in bonds issued by governments, government agencies in developed and emerging markets. The Fund's asset allocation is managed with regard to the following neutral positions: 25% USD Emerging Market bonds, 17.5% US based investment grade corporate bonds, 17.5% US based high yield bonds, 15% Euro denominated investment grade corporate bonds hedged to USD, 15% Euro denominated high yield bonds hedged to USD, 10% Global Securitised. The Fund includes the identification and analysis of a company's ESG Credentials as an integral part of the investment decision making process. The Fund will not invest in bonds issued by companies with involvement in specific excluded activities, such as, tobacco and controversial weapons. The Fund may invest up to 10% in onshore Chinese bonds, up to 10% in convertible bonds, up to 10% in contingent convertible securities and up to 20% in asset backed securities and mortgage-backed securities. 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	<b>EUR 9.01</b>
Performance 1 month	<b>-0.95%</b>
Yield to maturity	<b>7.23%</b>

#### Fund facts

UCITS V compliant	<b>Yes</b>
Dividend treatment	<b>Accumulating</b>
Dealing frequency	<b>Daily</b>
Valuation Time	<b>17:00 Luxembourg</b>
Share Class Base Currency	<b>EUR</b>
Domicile	<b>Luxembourg</b>
Inception date	<b>7 December 2017</b>
Fund Size	<b>USD 750,172,848</b>
Managers	<b>Jerry Samet Ricky Liu Andrew John Jackson Jaymeson Paul Kumm Jean Olivier Neyrat</b>

#### Fees and expenses

Ongoing Charge Figure <sup>1</sup>	<b>0.898%</b>
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#### Codes

ISIN	<b>LU0954274998</b>
Bloomberg ticker	<b>HSBCHX LX</b>

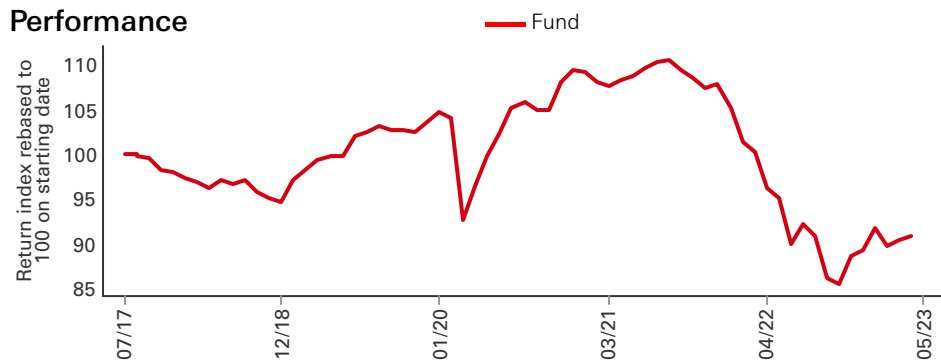
<sup>1</sup>Ongoing Charges Figure, is based on expenses over a year. The figure includes annual management charge but not the transaction costs. Such figures may vary from time to time.

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 KIID before making any final investment decisions.  
 Reference Performance Benchmark: Bloomberg Barclays Global Aggregate Corporate USD Hedged since 1 Sep 2019. Prior to that, was 35% Bloomberg Barclays USD Emerging Markets 20% Bloomberg Barclays US Aggregate Corporate Baa 15% Bloomberg Barclays US High Yield Baa 15% Bloomberg Barclays Euro Aggregate Corporate Baa Hedged USD 15% Bloomberg Barclays Euro High Yield BB Hedged USD.

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

## Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	10 years ann	Since inception ann
BCHEUR	0.87	-0.95	0.26	1.60	-5.31	-3.34	-1.44	--	-1.89

Calendar year performance (%)	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
BCHEUR	--	--	--	--	--	-5.22	9.39	5.77	-1.50	-17.25

3-Year Risk Measures	BCHEUR	Reference benchmark	5-Year Risk Measures	BCHEUR	Reference benchmark
Volatility	7.36%	--	Volatility	8.24%	--
Sharpe ratio	-0.46	--	Sharpe ratio	-0.16	--

Fixed Income Characteristics	Fund	Reference benchmark	Relative
No. of holdings ex cash	576	15,492	--
Average coupon rate	4.45	3.39	1.07
Yield to worst	7.09%	5.13%	1.97%
Option Adjusted Duration	4.89	6.06	-1.17
Modified Duration to Worst	5.21	6.07	-0.86
Option Adjusted Spread Duration	4.88	6.21	-1.34
Average maturity	7.24	8.68	-1.44
Rating average	BBB+/BBB	A-/BBB+	--
Number of issuers	349	2093	--

Credit rating (%)	Fund	Reference benchmark	Relative	Asset allocation (%)	Fund	Reference benchmark	Relative
AAA	10.51	0.93	9.58	USD Corporates	30.38	64.38	-34.00
AA	2.34	7.60	-5.26	EUR Corporates	22.44	22.90	-0.46
A	11.31	42.95	-31.64	EMD	22.12	3.90	18.22
BBB	38.10	48.52	-10.42	ABS	8.35	0.01	8.35
BB	21.73	--	21.73	US Treasuries	6.87	--	6.87
B	7.81	--	7.81	Others	3.22	8.81	-5.59
CCC	1.03	--	1.03	Cash	6.61	--	6.61
CC	0.21	--	0.21				
C	0.13	--	0.13				
D	0.01	--	0.01				
NR	0.21	--	0.21				
Cash	6.61	--	6.61				

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% Bloomberg Global Aggregate Corporate Bond Index USD Hedged  
Source: HSBC Asset Management, data as at 31 May 2023

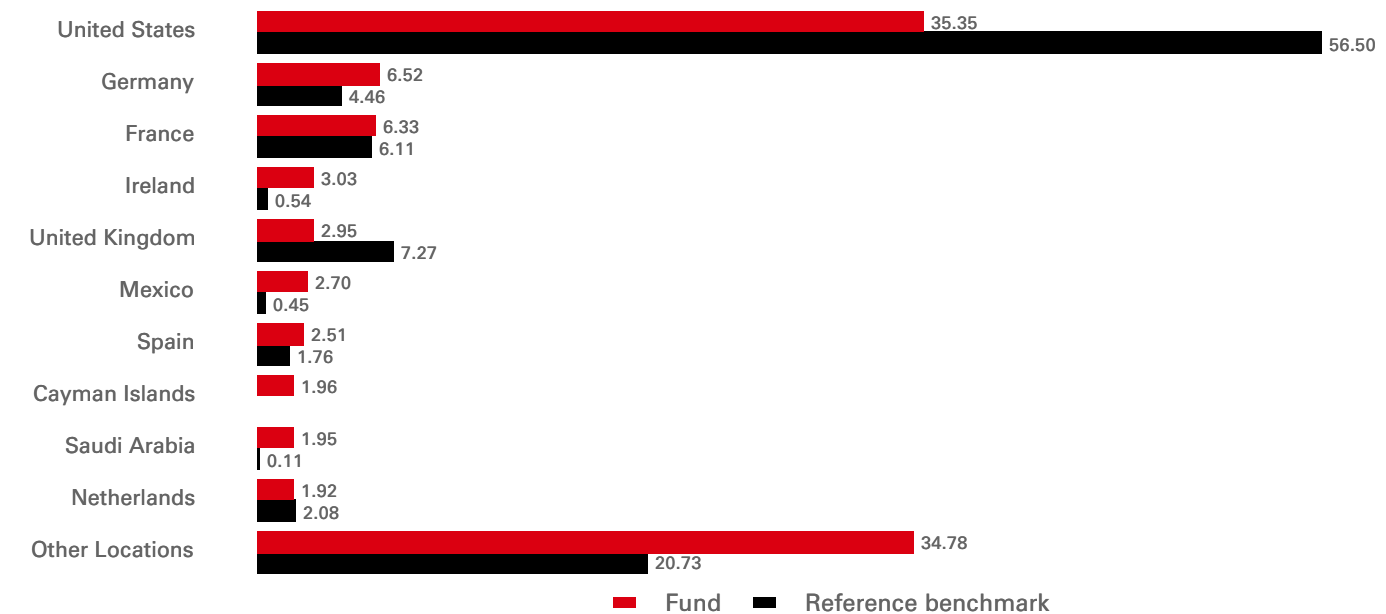
**Maturity Breakdown  
(Option Adjusted  
Duration)**

	Fund	Reference benchmark	Relative
0-2 years	0.20	0.17	0.02
2-5 years	1.07	1.08	-0.02
5-10 years	1.82	1.75	0.06
10+ years	1.81	3.05	-1.24
<b>Total</b>	<b>4.89</b>	<b>6.06</b>	<b>-1.17</b>

**Currency Allocation  
(%)**

	Fund	Reference benchmark	Relative
USD	99.11	100.00	-0.89
EUR	0.96	--	0.96
GBP	0.02	--	0.02
AUD	0.01	--	0.01
SGD	0.00	--	0.00
HKD	0.00	--	0.00
ZAR	0.00	--	0.00
CAD	0.00	--	0.00
Other Currencies	-0.10	--	-0.10

**Geographical Allocation (%)**



**Sector Allocation (%)**

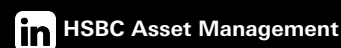
	Fund	Reference benchmark	Relative
Financial	23.96	39.49	-15.54
Government	19.87	0.01	19.86
Energy	9.59	5.77	3.82
Communications	6.84	8.31	-1.47
Consumer Non cyclical	5.71	16.26	-10.56
Consumer Cyclical	5.44	6.56	-1.12
Utilities	4.60	8.59	-3.98
Mortgage Securities	4.33	--	4.33
Basic Materials	4.20	2.77	1.43
Asset Backed Securities	3.94	--	3.94
Other Sectors	4.91	12.24	-7.33
Cash	6.61	--	6.61

Top 10 Holdings	Weight (%)
BUNDESSCHATZANW 2.500 13/03/25	2.83
US TREASURY N/B 2.750 15/08/32	1.52
US TREASURY N/B 4.375 31/10/24	1.05
GLB AIR LEASE CO 6.500 15/09/24	0.88
AMERICAN AIRLINE 5.500 20/04/26	0.78
UNTD AIR 20-1 A 5.875 15/10/27	0.66
CCO HOLDINGS LLC 7.375 01/03/31	0.65
CRED SUIS NY 3.625 09/09/24	0.64
INTESA SANPAOLO 3.875 14/07/27	0.61
SOLVAY FIN 5.425	0.58

## 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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For more information please contact us at Tel: +352404646767.  
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[amgtransferagency@lu.hsbc.com](mailto:amgtransferagency@lu.hsbc.com)  
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## Glossary



## Index Disclaimer

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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 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 deviation of the Fund's underlying investments' weightings relative to the benchmark are monitored, but not constrained, to a defined range.

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

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