

**HSBC Global Investment Funds**

# GLOBAL EMERGING MARKETS ESG LOCAL DEBT

Monthly report 31 March 2024 | Share class ECOEUR



## Investment objective

The Fund aims to provide long term capital growth and income by investing in a portfolio of emerging market bonds (denominated in local currencies), 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 will normally invest at least 70% of its assets in investment grade and non-investment grade rated bonds, and other similar securities, issued by governments, government related entities or companies of emerging markets, as well as currency forwards and non-deliverable forwards. These are issued by issuers meeting certain ESG rating and lower carbon intensity criteria. ESG and Lower Carbon Criteria are based on specific measures such as: electricity produced by renewable energy sources and carbon emissions as provided by the Sustainable Accounting Standards Board.

The Fund will invest in sustainable bonds such as: sustainability-linked bonds, transition bonds, social bonds and green bonds. The average maturity of the Fund is normally between 4 and 10 years.

The Fund may invest up to 20% of its assets in onshore Chinese bonds, up to 10% in convertible bonds, up to 10% in other funds and up to 10% in total return swaps.

The Fund's primary currency exposure is to emerging market currencies.

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 8.13</b>
Performance 1 month	<b>-0.48%</b>
Yield to maturity	<b>6.61%</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>29 July 2016</b>
Fund Size	<b>USD 281,103,263</b>
Managers	<b>Hugo Novaro Tadashi Sueyoshi</b>

### Fees and expenses

Ongoing Charge Figure <sup>1</sup>	<b>1.925%</b>
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### Codes

ISIN	<b>LU1002282207</b>
Bloomberg ticker	<b>HSELECH 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.

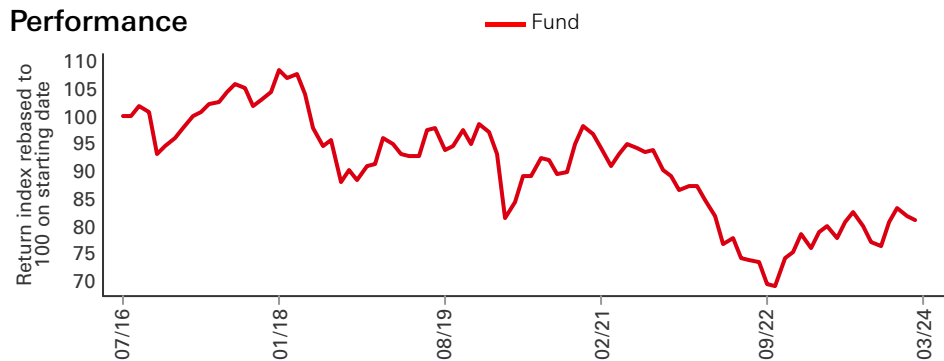
Past performance is not an indicator of future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.

This is a marketing communication. Please refer to the prospectus and to the 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 March 2024

## Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	10 years ann	Since inception ann
ECOEUR	-3.27	-0.48	-3.27	4.70	2.09	-3.89	-2.86	--	-2.78

Calendar year performance (%)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
ECOEUR	--	--	--	10.49	-12.72	8.10	-0.43	-11.04	-13.67	10.50

Carbon footprint	Fund	Reference benchmark	MSCI ESG Score	ESG score	E	S	G
Carbon intensity emissions	566.48	772.11	Fund	5.4	5.8	6.4	6.1
Carbon Intensity measures the quantity of carbon emission of a company (tonnes CO <sub>2</sub> e/USD million)			Reference benchmark	4.6	5.5	6.1	5.8

Source of analytics: Trucost

3-Year Risk Measures	ECOEUR	Reference benchmark	5-Year Risk Measures	ECOEUR	Reference benchmark
Volatility	10.82%	--	Volatility	12.12%	--
Sharpe ratio	-0.48	--	Sharpe ratio	-0.28	--

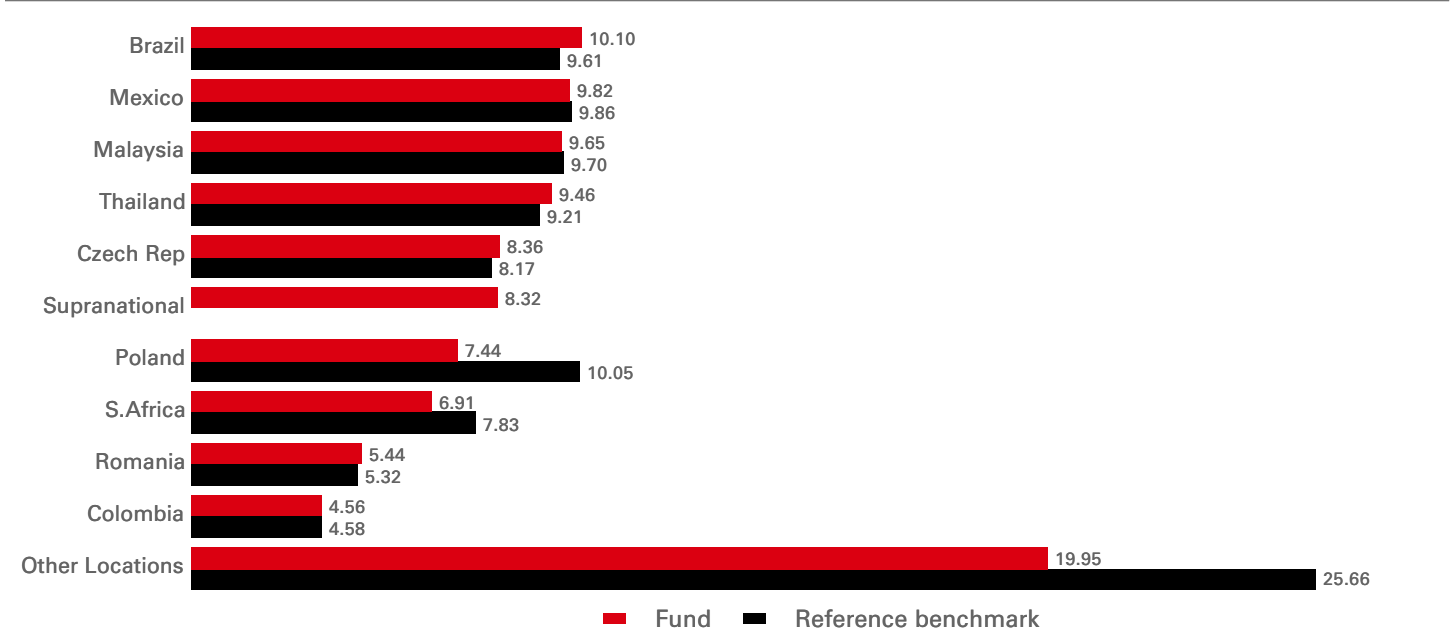
Fixed Income Characteristics	Fund	Reference benchmark	Relative
No. of holdings ex cash	95	334	--
Average coupon rate	5.27	5.12	0.16
Yield to worst	6.61%	6.53%	0.08%
Option Adjusted Duration	5.07	4.98	0.09
Modified Duration to Worst	4.95	4.89	0.06
Option Adjusted Spread Duration	0.26	0.00	0.26
Average maturity	7.07	6.96	0.10
Rating average	A-/BBB+	BBB+/BBB	--

Credit rating (%)	Fund	Reference benchmark	Relative	Maturity Breakdown (%)	Fund	Reference benchmark	Relative
AAA	13.92	--	13.92	0-2 years	16.01	16.60	-0.58
AA	9.27	8.17	1.09	2-5 years	27.35	31.79	-4.45
A	19.29	30.50	-11.21	5-10 years	31.56	30.90	0.66
BBB	39.49	42.23	-2.73	10+ years	25.08	20.71	4.37
BB	16.71	17.98	-1.27				
B	0.52	0.55	-0.03				
NR	--	0.57	-0.57				
Cash	2.12	--	2.12				
Cash Offset	-1.32	--	-1.32				

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% JP Morgan ESG GBI-EM Global Diversified  
Source: HSBC Asset Management, data as at 31 March 2024

Currency Allocation (%)	Fund	Reference benchmark	Relative
IDR	10.62	9.54	1.09
BRL	10.10	9.61	0.49
PLN	10.04	10.05	-0.01
MXN	9.82	9.86	-0.03
MYR	9.65	9.70	-0.05
THB	9.46	9.21	0.25
ZAR	8.77	7.83	0.94
CZK	8.34	8.17	0.17
RON	5.44	5.32	0.12
COP	4.56	4.58	-0.02
Other Currencies	13.19	16.12	-2.93

Geographical Allocation (%)



Sector Allocation (%)	Fund	Reference benchmark	Relative
Government	94.88	100.00	-5.12
Financial	4.29	--	4.29
Over The counter	0.03	--	0.03
Cash	2.12	--	2.12
Cash Offset	-1.32	--	-1.32

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

Top 10 Holdings	Weight (%)
COLOMBIA TES 7.000 26/03/31	4.32
MEXICAN BONOS 7.500 03/06/27	3.83
THAILAND GOVT 1.585 17/12/35	3.57
BRAZIL NTN-F 10.000 01/01/29	3.54
ROMANIA GOVT 5.800 26/07/27	2.94
MEXICAN BONOS 8.500 18/11/38	2.78
REP SOUTH AFRICA 9.000 31/01/40	2.76
BRAZIL NTN-F 10.000 01/01/33	2.67
KFW 0.625 25/07/25	2.61
POLAND GOVT BOND 1.750 25/04/32	2.33

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.
- Where overseas investments are held the rate of currency exchange may cause the value of such investments to go down as well as up.
- 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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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 performance and underlying investments' weightings relative to the benchmark are monitored, but not constrained, to a defined range.

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

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[www.assetmanagement.hsbc.com/uk](http://www.assetmanagement.hsbc.com/uk)  
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 To help improve our service and in the interests of security we may record and/or monitor your communication with us.

Glossary



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Before subscription, investors should refer to Key investor document (KID) of the fund as well as its complete prospectus. For more detailed information on the risks associated with this fund, investors should refer to the complete prospectus of the fund

The shares of HSBC Global Investment Funds have not been and will not be offered for sale or sold in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or to United States Persons.

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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Further Information can be found in the prospectus.

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

Detailed information for article 8 and 9 sustainable investment products, as categorised under the Sustainable Finance Disclosure Regulation (SFDR), including; description of the environmental or social characteristics or the sustainable investment objective; methodologies used to assess, measure and monitor the environmental or social characteristics and the impact of the selected sustainable investments and; objectives and benchmark information, can be found at: <https://www.assetmanagement.hsbc.co.uk/en/intermediary/investment-expertise/sustainable-investments/sustainable-investment-product-offering>