

## HSBC Global Investment Funds

# GLOBAL EMERGING MARKETS BOND

Monthly report 30 November 2023 | Share class ZBFIX8.5HJPY



### Investment objective

The Fund aims to provide long term capital growth and income by investing in a portfolio of emerging market bonds.



### Investment strategy

The Fund is actively managed. In normal market conditions, the Fund will mostly invest its assets in investment grade and non-investment grade bonds issued by governments, government-related entities, supranational entities and companies based in emerging markets. The Fund may invest up to 30% of its assets in securities issued by a single government issuer with a non-investment grade credit rating. The Fund may invest up to 10% of its assets in onshore Chinese bonds which are issued within the People's Republic of China and traded on the China Interbank Bond Market. The Fund may invest up to 10% in convertible bonds. The Fund may also invest up to 10% of its assets in contingent convertible securities. The Fund may invest up to 10% of its assets in total return swaps and up to 10% in other funds. The Fund's primary currency exposure is to US dollars. See the Prospectus for a full description of the investment objectives.



### Main risks

- The value of investments and any income from them can go down as well as up and you may not get back the amount originally invested.
- Investing in assets denominated in a currency other than that of the investor's own currency exposes the value of the investment to exchange rate fluctuations
- 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.

### Share class details

#### Key metrics

|                     |                     |
|---------------------|---------------------|
| NAV per share       | <b>JPY 5,625.51</b> |
| Performance 1 month | <b>5.33%</b>        |
| Yield to maturity   | <b>10.02%</b>       |

#### Fund facts

|                                 |   |
|---------------------------------|---|
| UCITS V compliant               | <b>Yes</b>                                |
| UK reporting fund status (UKRS) | <b>Yes</b>                                |
| ISA eligible                    | <b>No</b>                                 |
| Dividend treatment              | <b>Distributing</b>                       |
| Distribution frequency          | <b>Semi-Monthly</b>                       |
| Dividend ex-date                | <b>31 October 2023</b>                    |
| Dividend yield <sup>1</sup>     | <b>8.93%</b>                              |
| Last paid dividend              | <b>78.320090</b>                          |
| Dealing frequency               | <b>Daily</b>                              |
| Valuation time                  | <b>17:00 Luxembourg</b>                   |
| Share class base currency       | <b>JPY</b>                                |
| Domicile                        | <b>Luxembourg</b>                         |
| Inception date                  | <b>16 January 2020</b>                    |
| Fund size                       | <b>USD 1,139,484,478</b>                  |
| Managers                        | <b>Scott Davis<br/>Jaymeson Paul Kumm</b> |

#### Fees and expenses

|   |                      |
|---|----------------------|
| Minimum initial investment <sup>2</sup> | <b>USD 1,000,000</b> |
| Ongoing charge figure <sup>3</sup>      | <b>0.272%</b>        |

#### Codes

|                  |                     |
|------------------|---------------------|
| ISIN             | <b>LU2080400653</b> |
| Bloomberg ticker | <b>HSEMBZJ LX</b>   |
| SEDOL            | <b>BLOKWY4</b>      |

<sup>1</sup>Dividend Yield: represents the ratio of distributed income over the last 12 months to the fund's current Net Asset Value.

<sup>2</sup>Please note that initial minimum subscription may vary across different distributors

<sup>3</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 does not predict 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: JP Morgan EMBI Global Diversified since 8 Dec 2020. Previously JP Morgan EMBI Global from 1 Jan 2000 to 7 Dec 2020. Prior to that, the benchmark was JP Morgan EMBI.

Source: HSBC Asset Management, data as at 30 November 2023

| Performance (%) | YTD  | 1 month | 3 months | 6 months | 1 year | 3 years ann | 5 years ann | Since inception ann |
|-----------------|------|---------|----------|----------|--------|-------------|-------------|---------------------|
| ZBFIX8.5HJPY    | 0.82 | 5.33    | 0.31     | 1.03     | 0.97   | -8.00       | --          | -6.29               |

| Rolling performance (%) | 30/11/22-30/11/23 | 30/11/21-30/11/22 | 30/11/20-30/11/21 | 30/11/19-30/11/20 | 30/11/18-30/11/19 |
|-------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| ZBFIX8.5HJPY            | 0.97              | -21.26            | -2.06             | --                | --                |

| 3-Year Risk Measures | ZBFIX8.5HJPY | Reference Benchmark | 5-Year Risk Measures | ZBFIX8.5HJPY | Reference Benchmark |
|----------------------|--------------|---------------------|----------------------|--------------|---------------------|
| Volatility           | 10.94%       | --                  | Volatility           | --           | --                  |
| Sharpe ratio         | -0.73        | --                  | Sharpe ratio         | --           | --                  |

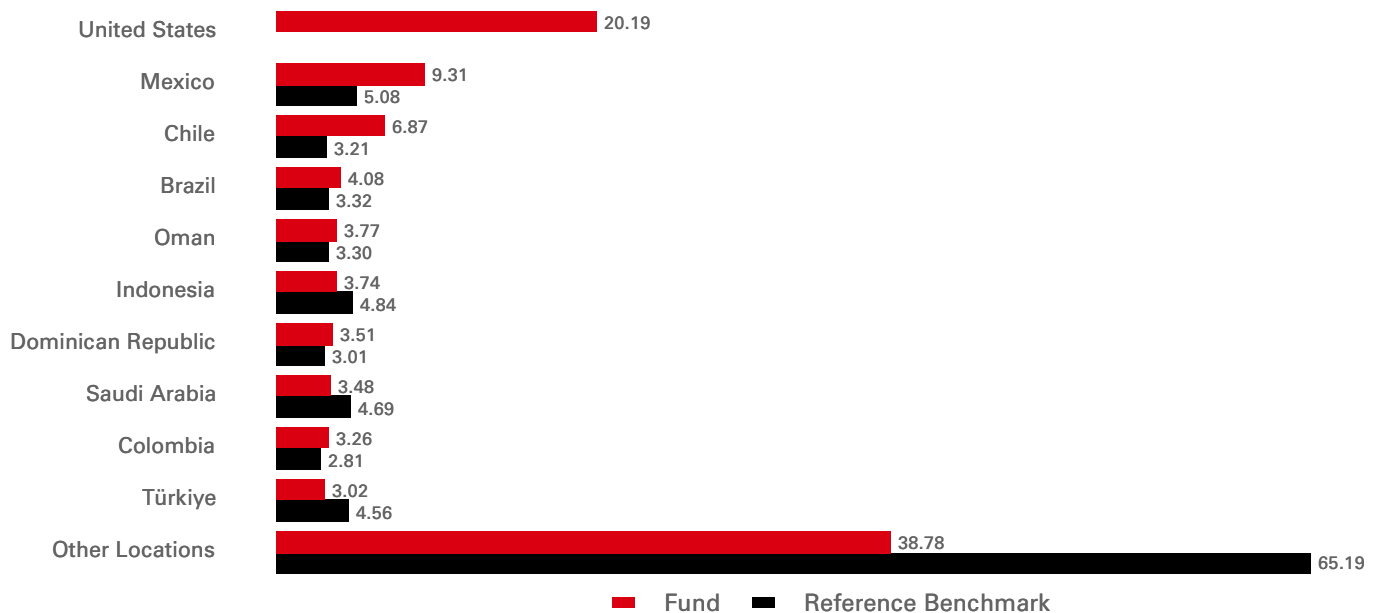
| Fixed Income Characteristics    | Fund   | Reference Benchmark | Relative |
|---------------------------------|--------|---------------------|----------|
| No. of holdings ex cash         | 279    | 937                 | --       |
| Average coupon rate             | 6.11   | 5.32                | 0.79     |
| Yield to worst                  | 10.02% | 8.63%               | 1.39%    |
| Option adjusted duration        | 6.74   | 6.44                | 0.31     |
| Modified duration to worst      | 6.96   | 6.60                | 0.35     |
| Option adjusted spread duration | 5.61   | 6.52                | -0.90    |
| Average maturity                | 11.03  | 11.12               | -0.09    |
| Rating average                  | BB+/BB | BBB-/BB+            | --       |

| Credit rating (%) | Fund  | Reference Benchmark | Relative | Maturity Breakdown (%) | Fund  | Reference Benchmark | Relative |
|-------------------|-------|---------------------|----------|------------------------|-------|---------------------|----------|
| AAA               | 14.86 | --                  | 14.86    | 0-2 years              | 3.99  | 10.56               | -6.57    |
| AA                | 4.40  | 6.55                | -2.15    | 2-5 years              | 35.61 | 25.56               | 10.05    |
| A                 | 7.56  | 15.95               | -8.39    | 5-10 years             | 25.66 | 29.52               | -3.86    |
| BBB               | 23.95 | 27.54               | -3.59    | 10+ years              | 34.73 | 34.36               | 0.37     |
| BB                | 24.81 | 22.04               | 2.77     |                        |       |                     |          |
| B                 | 20.60 | 19.39               | 1.21     |                        |       |                     |          |
| CCC               | 4.74  | 5.33                | -0.58    |                        |       |                     |          |
| CC                | 0.42  | 0.80                | -0.38    |                        |       |                     |          |
| C                 | 0.17  | 0.04                | 0.13     |                        |       |                     |          |
| D                 | 2.65  | 2.24                | 0.41     |                        |       |                     |          |
| NR                | -3.30 | 0.13                | -3.43    |                        |       |                     |          |
| Cash              | 5.03  | --                  | 5.03     |                        |       |                     |          |
| Cash Offset       | -5.90 | --                  | -5.90    |                        |       |                     |          |

Past performance does not predict 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 EMBI Global Diversified  
Source: HSBC Asset Management, data as at 30 November 2023

| Currency Allocation (%) | Fund  | Reference Benchmark | Relative |
|-------------------------|-------|---------------------|----------|
| USD                     | 98.62 | 100.00              | -1.38    |
| BRL                     | 1.06  | --                  | 1.06     |
| MXN                     | 0.28  | --                  | 0.28     |
| EUR                     | 0.02  | --                  | 0.02     |
| SGD                     | 0.02  | --                  | 0.02     |
| CHF                     | 0.01  | --                  | 0.01     |
| AUD                     | 0.01  | --                  | 0.01     |
| ZAR                     | 0.00  | --                  | 0.00     |
| PLN                     | 0.00  | --                  | 0.00     |
| HKD                     | 0.00  | --                  | 0.00     |
| Other Currencies        | -0.02 | --                  | -0.02    |

#### Geographical allocation (%)



| Sector allocation (%)     | Fund  | Reference Benchmark | Relative |
|---------------------------|-------|---------------------|----------|
| Government                | 74.84 | 82.62               | -7.78    |
| Energy                    | 14.43 | 8.05                | 6.37     |
| Basic Materials           | 4.08  | 1.84                | 2.23     |
| Financial                 | 4.00  | 3.40                | 0.60     |
| Utilities                 | 3.36  | 2.37                | 1.00     |
| Industrial                | 1.69  | 0.91                | 0.77     |
| Consumer Non cyclical     | 1.45  | 0.67                | 0.78     |
| Communications            | 0.32  | --                  | 0.32     |
| Consumer Cyclical         | --    | 0.14                | -0.14    |
| credit default swap index | -3.30 | --                  | -3.30    |
| Other Sectors             | -5.90 | --                  | -5.90    |
| Cash                      | 5.03  | --                  | 5.03     |

| Top 10 holdings                 | Weight (%) |
|---------------------------------|------------|
| DOMINICAN REPUB 5.500 22/02/29  | 1.85       |
| IVORY COAST-PDI 6.125 15/06/33  | 1.57       |
| CODELCO INC 5.125 02/02/33      | 1.19       |
| PETROLEOS MEXICA 7.690 23/01/50 | 1.18       |
| BRAZIL NTN-F 10.000 01/01/33    | 1.16       |
| TURKIYE REP OF 9.875 15/01/28   | 1.15       |
| TURKIYE REP OF 9.375 14/03/29   | 1.00       |
| OMAN INTRNL BOND 7.375 28/10/32 | 1.00       |
| QATAR STATE OF 5.103 23/04/48   | 0.99       |
| BRAZIL REP OF 6.250 18/03/31    | 0.99       |

Risk disclosures

- 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.
- 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 30 November 2023

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 Lines are open 9am to 5pm Monday to Friday (excluding public holidays). To help the ACD and the Administrator continually improve their services and in the interests of security, they may monitor and/or record your communications with them.

Glossary



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