

## HSBC Global Investment Funds

# GLOBAL SHORT DURATION BOND

Monthly report 29 February 2024 | Share class XCHEUR



## Investment objective

The Fund aims to provide long term capital growth and income by investing in a portfolio of short duration bonds, while promoting environmental, social and governance (ESG) characteristics within the meaning of Article 8 of SFDR. The Fund aims to have a higher ESG rating than its reference benchmark.



## Investment strategy

The Fund is actively managed. In normal market conditions, the Fund invests a minimum of 70% in investment grade bonds and non-investment grade bonds issued by governments, government-related entities, supranational entities and companies that are based in developed or emerging markets. The Fund's average duration is expected to be between six months and three years with up to 10% of assets in bonds with a maturity longer than five years. The Fund will not invest in bonds issued by companies with involvement in specific excluded activities, such as: companies involved in the production of controversial weapons and tobacco. The Fund may invest up to 30% in bonds issued in emerging markets, up to 20% in non-investment grade bonds; up to 10% in onshore Chinese bonds; up to 30% in asset-backed securities; 10% in contingent convertible securities and up to 10% in other funds. The Fund's primary currency exposure is to USD. See the Prospectus for a full description of the investment objectives and derivative usage.



## 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	EUR 9.83
Performance 1 month	-0.57%
Yield to maturity	5.16%

### Fund facts

UCITS V compliant	Yes
UK reporting fund status (UKRS)	Yes
ISA eligible	No
Dividend treatment	Accumulating
Dealing frequency	Daily
Valuation time	17:00 Luxembourg
Share class base currency	EUR
Domicile	Luxembourg
Inception date	21 May 2021
Fund size	USD 2,116,986,633
Managers	Oliver Boulind Ernst Josef Osiander

### Fees and expenses

Minimum initial investment <sup>1</sup>	USD 10,000,000
Ongoing charge figure <sup>2</sup>	0.332%

### Codes

ISIN	LU2265813670
Bloomberg ticker	HSSDXCH LX
SEDOL	BNDTD72

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

<sup>2</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.

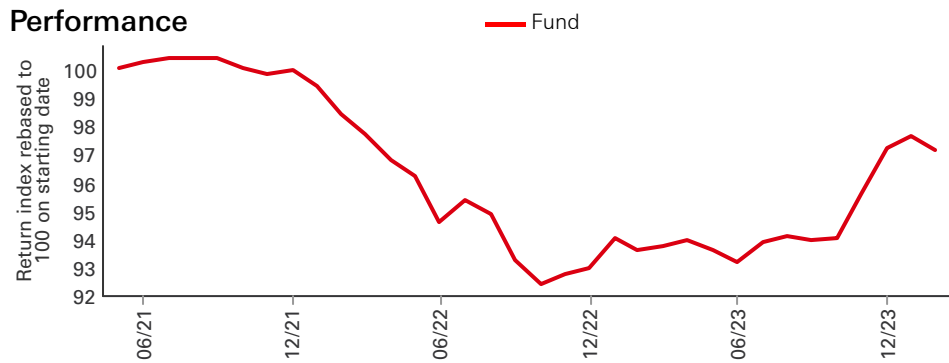
Past performance does not predict future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.

This is a marketing communication. Please refer to the prospectus and to the 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 29 February 2024

## Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	Since inception ann
XCHEUR	-0.08	-0.57	1.62	3.20	3.76	--	--	-1.04

Rolling performance (%)	28/02/23-29/02/24	28/02/22-28/02/23	28/02/21-28/02/22	29/02/20-28/02/21	28/02/19-29/02/20
XCHEUR	3.76	-4.88	--	--	--

Carbon footprint	Fund	Reference benchmark	MSCI ESG Score	ESG score	E	S	G
Carbon intensity emissions	238.47	274.97	Fund	6.6	6.6	5.9	5.9
Carbon Intensity measures the quantity of carbon emission of a company (tonnes CO <sub>2</sub> e/USD million revenue) Source: S&P Global Trucost			Reference benchmark	6.0	5.2	6.6	6.0

3-Year Risk Measures	XCHEUR	Reference Benchmark	5-Year Risk Measures	XCHEUR	Reference Benchmark
Volatility	--	--	Volatility	--	--
Sharpe ratio	--	--	Sharpe ratio	--	--

Fixed Income Characteristics	Fund	Reference Benchmark	Relative
No. of holdings ex cash	382	7,956	--
Average coupon rate	4.10	2.34	1.76
Yield to worst	5.06%	3.78%	1.28%
Option adjusted duration	2.61	1.79	0.82
Modified duration to worst	2.65	1.79	0.86
Option adjusted spread duration	2.80	1.81	0.98
Average maturity	3.34	1.88	1.46
Rating average	A+/A	AA-/A+	--

Credit rating (%)	Fund	Reference Benchmark	Relative
AAA	18.84	14.56	4.27
AA	13.57	38.36	-24.79
A	23.19	33.32	-10.13
BBB	33.18	13.76	19.42
BB	7.26	--	7.26
B	0.64	--	0.64
NR	0.83	--	0.83
Cash	2.50	--	2.50

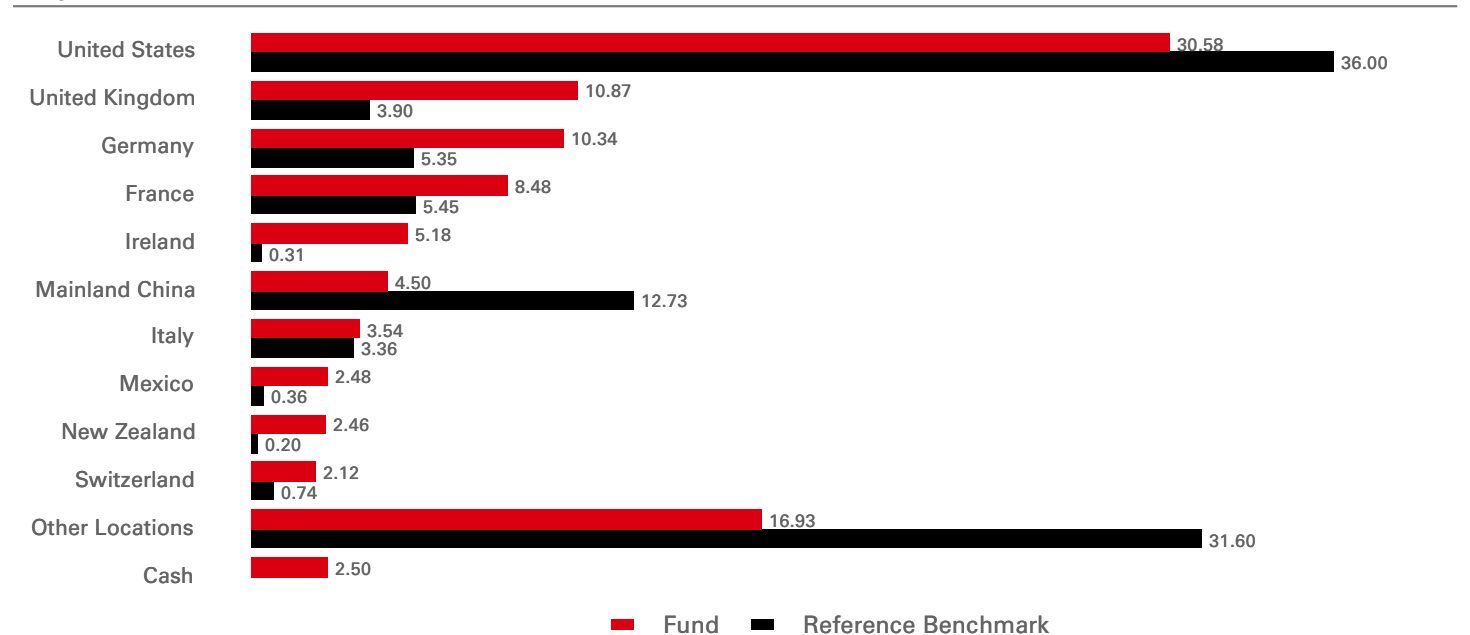
Maturity Breakdown (Option adjusted duration)	Fund	Reference Benchmark	Relative
0-1 year	0.03	0.00	0.02
1-3 years	1.66	1.78	-0.13
3-5 years	0.90	--	0.90
5+ years	0.03	--	0.03
<b>Total</b>	<b>2.61</b>	<b>1.79</b>	<b>0.82</b>

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% Bloomberg Global Aggregate 1-3 Years Hedged USD  
Source: HSBC Asset Management, data as at 29 February 2024

Duration by currency bloc (Option adjusted duration)	Fund	Reference Benchmark	Relative
Dollar	1.47	0.84	0.63
Euro	0.69	0.45	0.23
EM Local Currency	0.27	0.26	0.01
UK	0.16	0.07	0.09
Japan	0.02	0.16	-0.15
<b>Total</b>	<b>2.61</b>	<b>1.79</b>	<b>0.82</b>

Currency Allocation (%)	Fund	Reference Benchmark	Relative
USD	94.43	100.00	-5.57
CNY	4.51	--	4.51
JPY	1.87	--	1.87
MXN	1.07	--	1.07
AUD	0.95	--	0.95
INR	0.94	--	0.94
IDR	0.46	--	0.46
EUR	0.16	--	0.16
GBP	0.11	--	0.11
NZD	0.03	--	0.03
Other Currencies	-4.53	--	-4.53

#### Geographical allocation (%)



Sector allocation (%)	Fund	Reference Benchmark	Relative
Treasuries	30.41	56.48	-26.07
Corp Fin	27.06	10.09	16.97
Corp Non-fin	22.46	9.53	12.93
Collateralised	14.50	4.60	9.90
Supra/agencies	5.58	18.25	-12.67
US Agency Mbs	--	1.05	-1.05

Top 10 holdings	Weight (%)
US TREASURY N/B 1.500 31/01/27	4.42
DEUTSCHLAND REP 0.250 15/02/27	3.93
BUNDESOBL-184 0.000 09/10/26	3.47
US TREASURY N/B 2.250 15/02/27	2.92
US TREASURY N/B 4.000 15/01/27	1.94
CHINA GOVT BOND 3.010 13/05/28	1.46
CHINA GOVT BOND 2.400 15/07/28	1.31
NEW ZEALAND GVT 0.250 15/05/28	1.19
MEXICAN BONOS 8.500 31/05/29	1.05
MEXICAN BONOS 7.500 03/06/27	1.01

## Ten lowest carbon intensity issuers

Fund	Carbon intensity emissions (tonnes CO <sup>2</sup> e/USD million)	Reference benchmark	Carbon intensity emissions (tonnes CO <sup>2</sup> e/USD million)
PHOENIX GRP HLD PLC	0.42	SVEGNO 0.01 11/11/26 EMTN	0.06
SYNCHRONY BANK	0.64	SBAB 0.125 08/27/26 EMTN	0.06
ALD SA	0.71	SBAB 0.5 06/11/25 146	0.06
HISCOX LTD	0.77	FRPTT 0.625 10/21/26 EMTN	0.08
MASSMUTUAL GLOBAL FUNDIN	0.81	CNPFP V4.25 06/05/45	0.08
QBE INSURANCE GROUP LTD	1.29	FRLBP 0.25 07/12/26 EMTN	0.08
CREDIT SUISSE AG LONDON	1.48	LBPSFH 0.5 01/30/26 EMTN	0.08
HEATHROW FUNDING LTD	1.83	SRBANK 0.01 10/08/26 EMTN	0.09
ATHENE GLOBAL FUNDING	1.88	SRBANK 0.25 11/09/26 EMTN	0.09
JACKSON NATL LIFE GLOBAL	2.13	JUSTLN V7 04/15/31	0.11

## Ten highest carbon intensity issuers

Fund	Carbon intensity emissions (tonnes CO <sup>2</sup> e/USD million)	Reference benchmark	Carbon intensity emissions (tonnes CO <sup>2</sup> e/USD million)
SAUDI ELECTRICITY SUKUK	11,107.54	NTPCIN 2.75 02/01/27 EMTN	17,616.66
SOUTHERN CO	2,906.91	KALLPA 4.875 05/24/26 REGS	7,276.37
COLUMBIA PIPELINE HOLDCO	2,019.07	CPXCN 4.986 01/23/26 MTN	7,088.87
VEOLIA ENVIRONNEMENT SA	754.61	VST 3.7 01/30/27 144A	6,920.55
DIGITAL DUTCH FINCO BV	741.14	GDHJIN 1.875 06/23/25	6,812.49
OCCIDENTAL PETROLEUM COR	612.95	CNL 3.743 05/01/26	5,516.85
ENEL SPA	392.81	GZGETH 2.85 01/19/27	5,485.99
ENEL FINANCE INTL NV	392.81	HKE 2.875 05/03/26 EMTN	4,913.81
PETROBRAS GLOBAL FINANCE	384.29	EVRG 2.55 07/01/26	4,775.06
ENERGEAN ISRAEL FINANCE	346.66	EVRG 3.65 08/15/25	4,775.06

## 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.
- 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.

## Index disclaimer

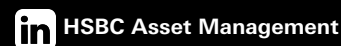
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## Benchmark disclosure

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 performance relative to the benchmark is monitored, but not constrained, to a defined range.

**Source: HSBC Asset Management, data as at 29 February 2024**

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wholesale.clientservices@hsbc.com  
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.

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## Glossary



## Important information

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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 Investor Information Document (KIID) are available in the local language where they are registered.

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Further Information can be found in the prospectus and in our Key Investor Information Documents published in our Fund Centre at [www.assetmanagement.hsbc.co.uk](http://www.assetmanagement.hsbc.co.uk)

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>