

HSBC Collective Investment Trust

HSBC India Multi Income Fund

Monthly report 31 January 2024 | Share class AM30-CAD

Fund center



Risk Disclosure

- The fund will be invested in fixed income securities, equities securities, money market and cash instruments and other instruments that are related to India.
- The Fund is subject to the geographic concentration and emerging market risks of investing in a single emerging market, as well as India market risks.
- The Fund may invest in other collective investment schemes, and need to bear the underlying funds' fees and expenses on top of the Fund's own fees and expenses.
- The Fund may pay dividends out of capital or gross of expenses. Dividend is not guaranteed and may result in capital erosion and reduction in net asset value.
- The Fund may invest in financial derivative instruments for investment purpose which may lead to higher volatility to its net asset value.
- The Fund's investments may involve credit, credit rating, currency, volatility, liquidity, general debt securities, non-investment grade and unrated debt securities, general equity market, investment strategy risk on multi-asset income, sovereign debt, risk associated with small/mid-capitalisation companies, tax and political risks. Investors may suffer substantial loss of their investments in the Fund.
- Base Currency Hedged Share Classes and RMB denominated Class are subject to higher currency and exchange rate risks.
- Investors should not invest solely based on factsheet and should read the offering documents for details.



Investment objective

The Sub-Fund aims to provide income and moderate growth through an active asset allocation in a diversified portfolio of fixed income securities and equity securities, money market and cash instruments and other instruments that are related to India.



Investment strategy

The Manager's approach is to consider the qualitative and quantitative fundamental factors such as economic outlook, market valuations, income (e.g. coupons, interest and dividends) for the different asset classes and use these to decide the Sub-Fund's asset allocation, favouring assets with high income potential and superior long term expected returns. The Manager assesses risk using long term volatilities and correlations between asset classes to forecast the portfolio volatility from different asset allocation mixes with the aim to fit an allocation that is aligned with the Sub-Fund's risk tolerance. The assumptions underlying the asset allocation and expected returns are reviewed continuously to ensure they remain the Manager's best estimates within the overall research framework. The Fund would adopt a flexible approach to asset allocation with a bias towards income-generating securities.

Share Class Details

Fund facts

UCITS V compliant	No
Dividend treatment	Distributing
Distribution Frequency	Monthly
Dealing frequency	Daily
Share Class Base Currency	CAD
Domicile	Hong Kong SAR
Inception date	12 January 2024
Managers	Gloria Jing Danni Zhang

Fees and expenses

Minimum initial investment (HK) ¹	CAD 1,000
Maximum initial charge (HK)	3.000%
Management fee	1.600%

Codes

ISIN	HK0000959855
Bloomberg ticker	HCLMAMO HK

¹Please note that initial minimum subscription may vary across different distributors

Past performance does not predict future returns. The figures are calculated in the share class base currency, NAV to NAV basis with dividend reinvested, net of fees. If investment performance is not denominated in HKD or USD, HKD or USD based investors are exposed to exchange rate fluctuations. *The fund may pay dividends out of capital or gross of expenses.

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

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

Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years	5 years	Since Inception
AM30-CAD	--	--	--	--	--	--	--	--

Calendar year performance (%)	2019	2020	2021	2022	2023
AM30-CAD	--	--	--	--	--

The calendar year return of the first year is calculated between share class inception date and calendar year end of first year if the share class has less than 5-year history.
 Results are cumulative

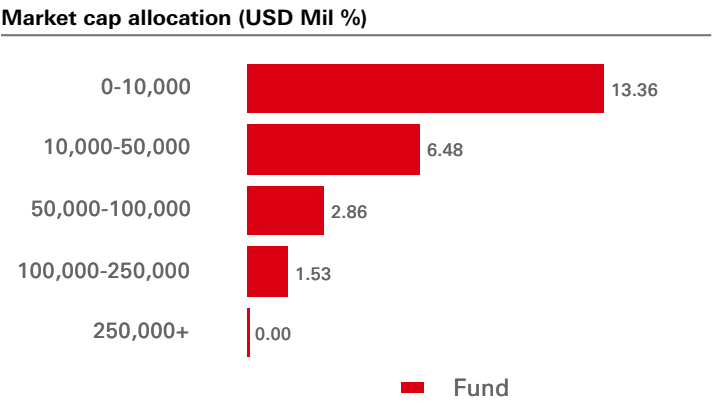
Currency Allocation (%)	Asset allocation (%)	Fund
	Equity	24.24
	Cash	3.09
	Forward	-0.05
	Bond	72.73
Indian rupee		98.14
Hong Kong Dollar	1.23	
US Dollar	0.42	
Pound Sterling	0.20	
Chinese Yuan	0.06	
Australian Dollar	-0.05	

Fund

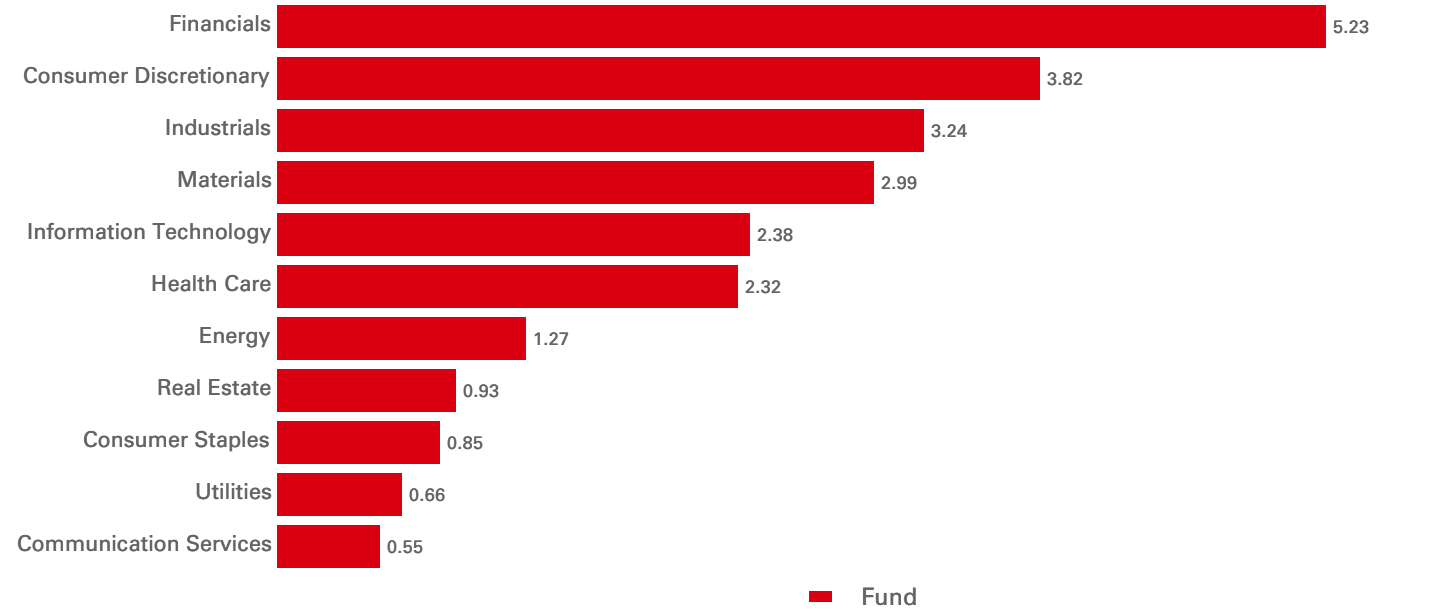
Top 10 Holdings	Weight (%)
INDIA GOVERNMENT BOND 7.180 24/07/2037 INR	6.51
INDIA GOVERNMENT BOND 7.180 14/08/2033 INR	5.80
INDIA GOVERNMENT BOND 7.300 19/06/2053 INR	4.72
INDIA GOVERNMENT BOND 7.260 06/02/2033 INR	3.88
INDIA GOVERNMENT BOND 7.320 13/11/2030 INR	3.83
BAJAJ FINANCE LTD ZCB 0.000 18/02/2026 INR 1000000.000	3.06
ONGC VIDESH VANKORNEFT 3.750 27/07/2026 USD	3.00
KOTAK MAHINDRA PRIME LTD 8.255 22/06/2026 INR	2.94
MAHARASTRA 7.710 08/11/2033 INR	2.86
SMALL IND DEV BNK OF IND 7.830 24/11/2028 INR	2.86

Equity top 10 holdings	Location	Sector	Weight (%)
ICICI Bank Ltd	India	Financials	1.05
Reliance Industries Ltd	India	Energy	0.80
HDFC Bank Ltd	India	Financials	0.74
Larsen & Toubro Ltd	India	Industrials	0.65
Infosys Ltd	India	Information Technology	0.62
Cognizant Technology Solutions	United States	Information Technology	0.60
Tata Motors Ltd	India	Consumer Discretionary	0.58
Bharti Airtel Ltd	India	Communication Services	0.55
Sun Pharmaceutical Industries	India	Health Care	0.47
NTPC Ltd	India	Utilities	0.47

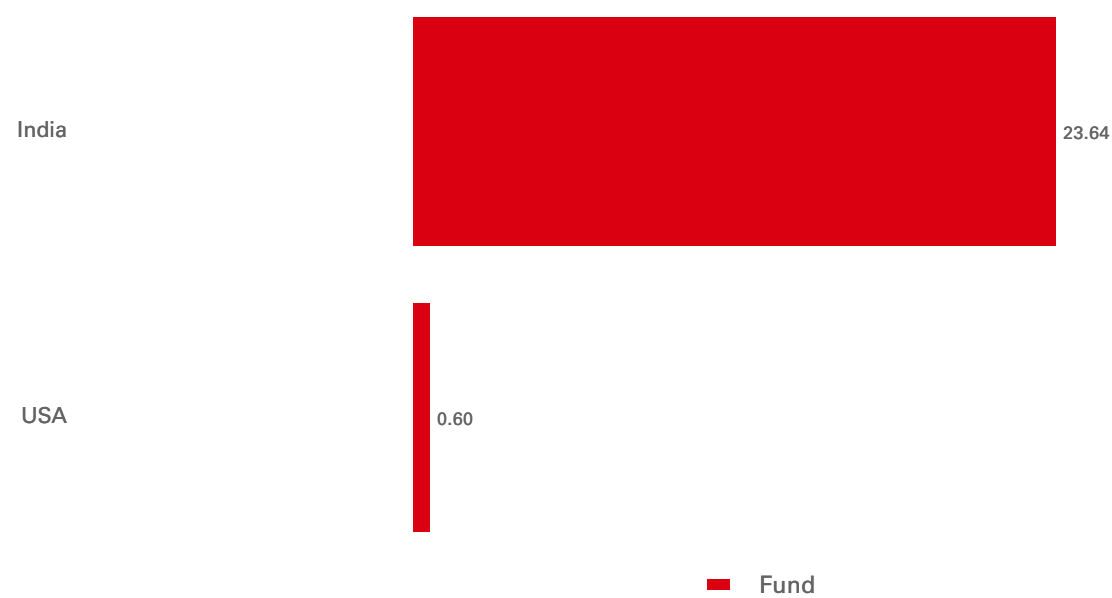
Equity characteristics	Fund	Reference benchmark
Average Market Cap (USD Mil)	30,229	--
Price/earning ratio	28.24	--
Portfolio yield	0.74%	--



Equity sector allocation (%)



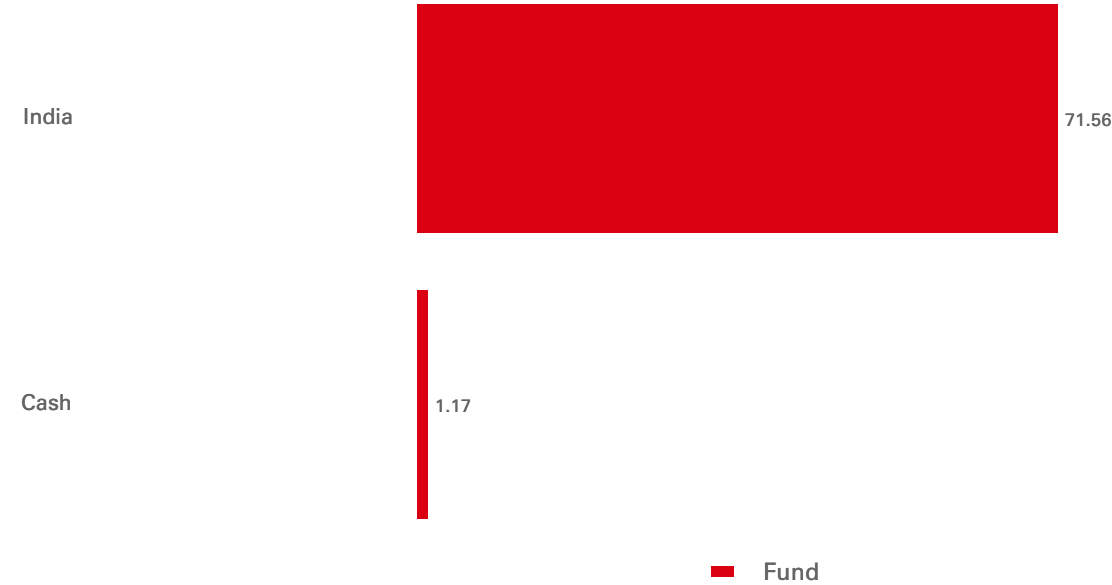
Equity geographical allocation (%)



Fixed Income Characteristics	Fund	Reference benchmark	Relative	Credit rating (%)	Fund	Reference benchmark	Relative
Portfolio yield	7.39%	--	--	AAA	0.00	--	--
Yield to maturity	7.39%	--	--	BBB	49.32	--	--
Effective duration	5.37	--	--	BB	5.00	--	--
Average Credit Quality	BBB-/BB+	--	--	B	1.31	--	--
				NR	15.93	--	--
				Cash	1.17	--	--

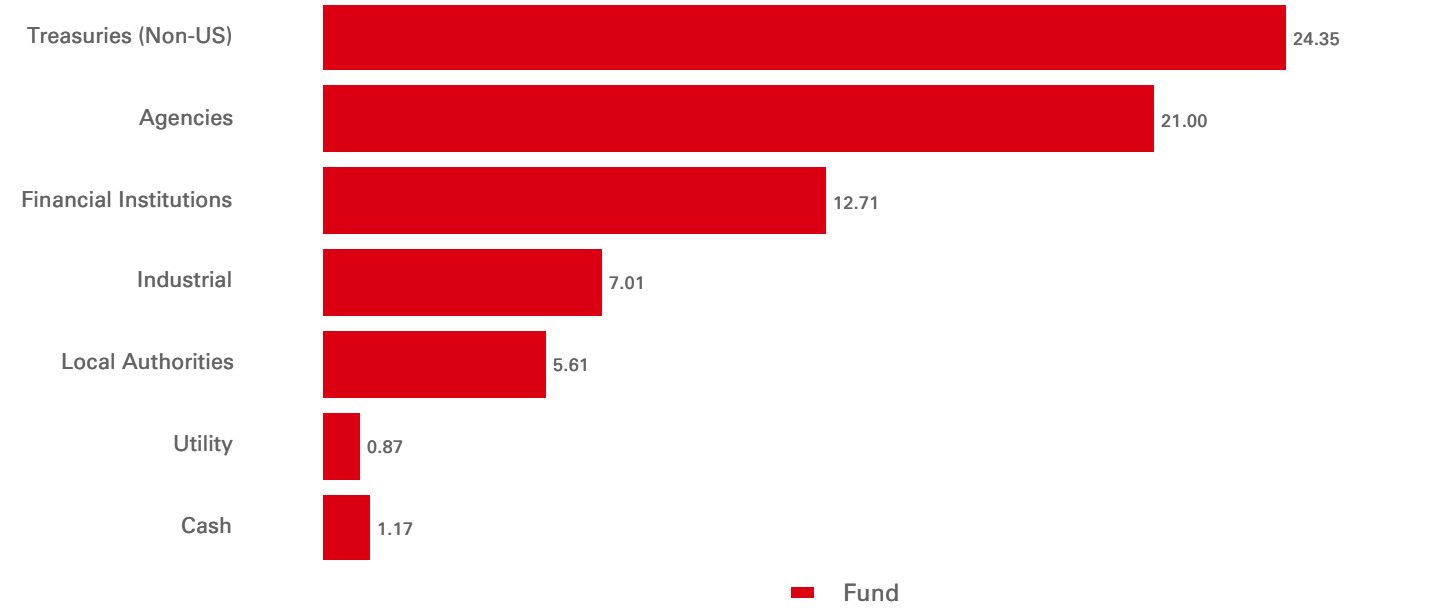
Fixed income top 10 holdings	Location	Instrument type	Weight (%)
INDIA GOVERNMENT BOND 7.180 24/07/2037 INR	India	Government Bond	6.51
INDIA GOVERNMENT BOND 7.180 14/08/2033 INR	India	Government Bond	5.80
INDIA GOVERNMENT BOND 7.300 19/06/2053 INR	India	Government Bond	4.72
INDIA GOVERNMENT BOND 7.260 06/02/2033 INR	India	Government Bond	3.88
INDIA GOVERNMENT BOND 7.320 13/11/2030 INR	India	Government Bond	3.83
BAJAJ FINANCE LTD ZCB 0.000 18/02/2026 INR 1000000.000	India	Corporate Bond	3.06
ONGC VIDESH VANKORNEFT 3.750 27/07/2026 USD	India	Corporate Bond	3.00
KOTAK MAHINDRA PRIME LTD 8.255 22/06/2026 INR	India	Corporate Bond	2.94
MAHARASTRA 7.710 08/11/2033 INR	India	Municipal Bond	2.86
SMALL IND DEV BNK OF IND 7.830 24/11/2028 INR	India	Corporate Bond	2.86

Fixed income geographical allocation (%)



Geographical Allocation (Effective duration)	Fund	Reference benchmark	Relative
India	5.36	--	--
Cash	0.00	--	--

Fixed income sector allocation (%)



Monthly performance commentary

Portfolio Review

MSCI India rose 2.95% in January and outperformed the Asia region. Indian equities have rallied since the provincial election results came out in early December, with the Bharatiya Janata Party (BJP) putting itself in a strong position to win national elections in April-May which should likely ensure the policy continuity that investors are looking for. The lower-than-expected December CPI inflation data gave a boost to Indian bonds in January. The Indian Rupee (INR) has continued to exhibit resilience against the US dollar and outperformed other Asian currencies.

The fund generated an attractive yield and returned positively in January for the period since its inception. Indian equities were the main contributing asset class to positive returns. Within equity, top sector contributors were Industrials and Energy. Indian fixed income markets were also positive across the board with both India INR corporate bonds and India offshore USD bonds contributing positively to the performance. India government bonds ended January higher amid the downward shift in the Indian sovereign yield curve over the month.

Glossary



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

Supplemental information sheet

Share class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Dividend Amount	Annualised Yield based on ex-dividend date
AM2-HKD	HKD	Monthly	--	--	--
AM2-USD	USD	Monthly	--	--	--
AM30-AUD	AUD	Monthly	--	--	--
AM30-CAD	CAD	Monthly	--	--	--
AM30-EUR	EUR	Monthly	--	--	--
AM30-GBP	GBP	Monthly	--	--	--
AM30-RMB	CNH	Monthly	--	--	--
AM30-SGD	SGD	Monthly	--	--	--

The above table cites the last dividend paid within the last 12 months only.
Dividend is not guaranteed and may be paid out of capital, which will result in capital erosion and reduction in net asset value. A positive distribution yield does not imply a positive return. Past distribution yields and payments do not represent future distribution yields and payments. Historical payments may be comprised of both distributed income and capital.
The calculation method of annualised yield from August 2019 is the compound yield calculation: $((1 + (\text{dividend amount} / \text{ex-dividend NAV}))^n) - 1$, n depends on the distributing frequency. Annually distribution is 1; semi-annually distribution is 2; quarterly distribution is 4; monthly distribution is 12.
The annualised dividend yield is calculated based on the dividend distribution on the relevant date with dividend reinvested, and may be higher or lower than the actual annual dividend yield.
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Source: HSBC Asset Management, data as at 31 January 2024