

## HSBC Global Investment Funds

# US INCOME FOCUSED

Monthly report 29 February 2024 | Share class AM2HKD

Fund center



### Risk Disclosure

- The Fund mainly invests in fixed income securities and equity securities, money market and cash instruments and other instruments that are related to the USA.
- Asset Backed securities, Mortgage Backed securities and Real Estate (not direct investment) may subject the Fund to additional risks and volatility.
- 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 substantial credit, credit rating, currency, volatility, liquidity, interest rate, valuation, tax, sovereign debt, non-investment grade and unrated debt securities, general equity market, and general debt securities, asset allocation strategy, geographic concentration, emerging market risks, and risk of investment in other collective investment schemes. The Fund may also involve risk of specific investment strategy, and political risks. Investors may suffer substantial loss of their investments in the Fund.
- Portfolio Currency Hedged Share Classes or 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 Fund aims to provide income by investing in a diversified portfolio of assets related to the United States of America (USA).

### Investment strategy

The Fund is actively managed and is not constrained by a benchmark. In normal market conditions, at least 70% of the Fund's exposure is to bonds, shares, money market instruments, cash and other assets from USA related issuers. Other assets include real estate investment trusts (REITs), asset-backed securities, mortgage-backed securities and alternative investment strategies. The Fund gains exposure up to 100% to bonds that are investment grade, non-investment grade and unrated issued by governments, government-related entities, supranational entities and companies. The Fund gains exposure up to 70% in shares issued by companies of any size. Exposures will be achieved through investing directly into markets, derivative instruments or investing in other funds. The Fund may invest up to 30% in securities issued by non-USA based issuers and up to 10% indirectly into commodities issued by non-USA based issuers. The Fund may invest up to 45% in non-investment grade bonds and up to 10% collectively in convertible and contingent convertible bonds. The Fund may invest up to 15% in ABS and MBS, up to 30% in closed-ended REITs and up to 50% in other funds. The Fund's primary currency exposure is to the USD. See the Prospectus for a full description of the investment objectives and derivative usage.

### Share Class Details

#### Key metrics

NAV per Share	<b>HKD 9.68</b>
Sharpe ratio 3 years	<b>0.16</b>

#### Fund facts

UCITS V compliant	<b>Yes</b>
Dividend treatment	<b>Distributing</b>
Distribution Frequency	<b>Monthly</b>
Dividend ex-date	<b>29 February 2024</b>
Dividend annualised yield*	<b>5.59%</b>
Dividend Amount	<b>0.043991</b>
Dealing frequency	<b>Daily</b>
Share Class Base Currency	<b>HKD</b>
Domicile	<b>Luxembourg</b>
Inception date	<b>21 January 2020</b>
Fund Size	<b>USD 480,877,542</b>
Managers	<b>Kate Morrissey Joseph Molloy Mary Gottshall Bowers</b>

#### Fees and expenses

Minimum initial investment (HK) <sup>1</sup>	<b>HKD 10,000</b>
Maximum initial charge (HK)	<b>3.000%</b>
Management fee	<b>1.250%</b>

#### Codes

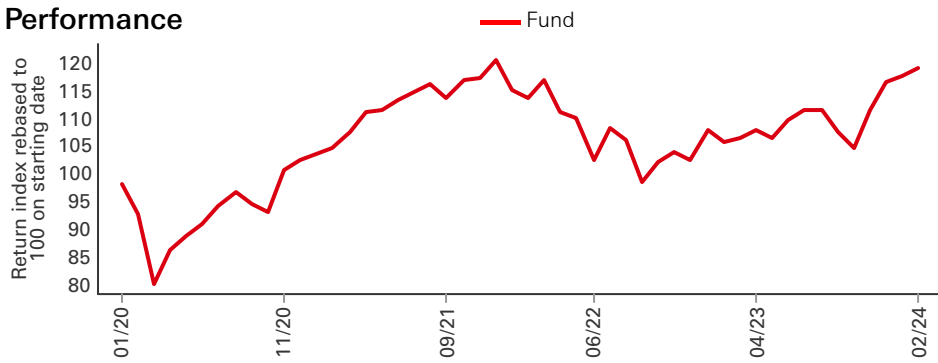
ISIN	<b>LU2083900667</b>
Bloomberg ticker	<b>HUFAM2H LX</b>

<sup>1</sup>Please 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 29 February 2024

Performance

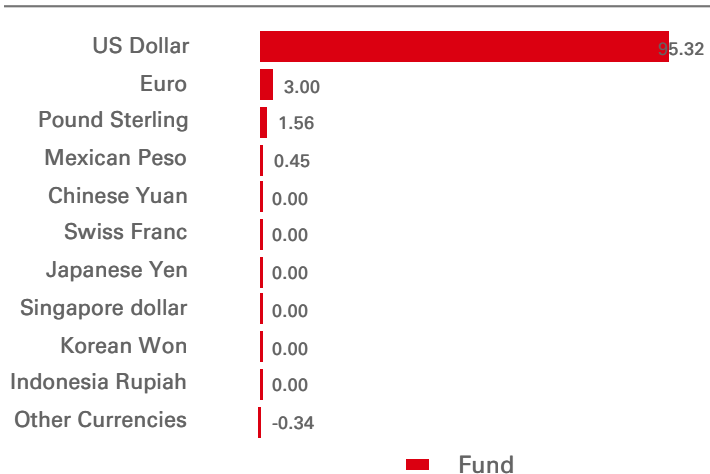


Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years	5 years	Since Inception
AM2HKD	2.02	1.31	6.75	6.88	12.64	13.70	--	18.80

Calendar year performance (%)	2019	2020	2021	2022	2023
AM2HKD	--	2.31	17.50	-14.95	13.90

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 (%)

Asset allocation (%)	Fund
Global Equity	14.60
US Equity	31.45
US Bonds	17.38
US High Yield Bonds	26.67
US Property	7.30
Liquidity	2.59

Top 10 Holdings

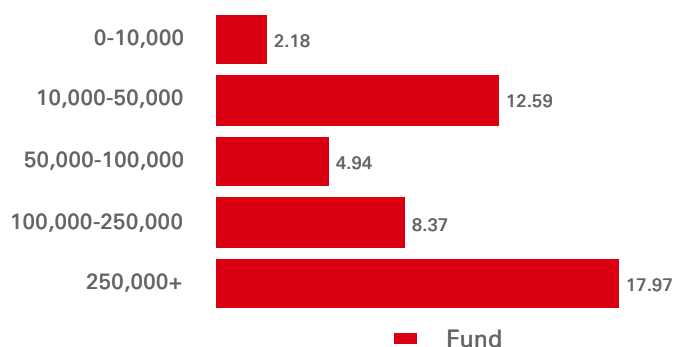
Top 10 Holdings	Weight (%)
GS GLBL ENH EQ INC-E DIS USD	14.60
HSBC GIF-US HIGH YIELD B-ZC	6.24
Microsoft Corp	2.25
Apple Inc	2.02
US TREASURY N/B 4.125 31/07/2028 USD	1.72
NVIDIA Corp	1.20
US TREASURY N/B 4.625 30/09/2028 USD	1.03
Xtrackers MSCI USA Info Tech ETF 1D	1.02
Meta Platforms Inc	0.99
Prologis Inc	0.96

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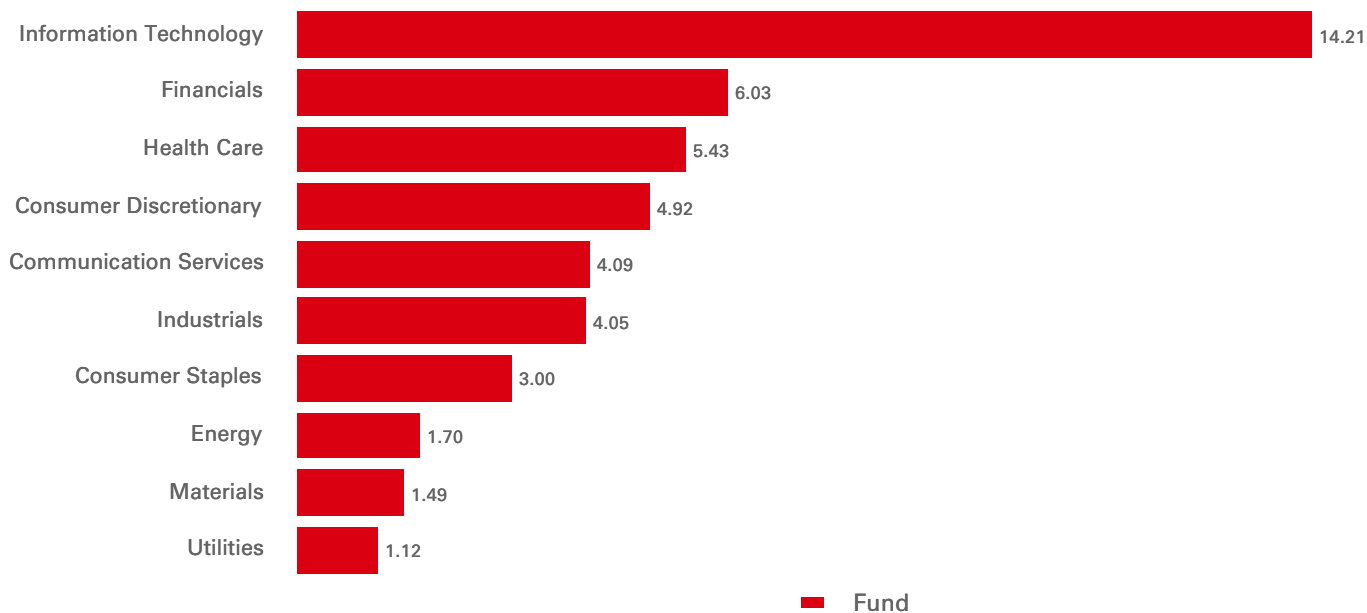
Equity top 10 holdings	Location	Sector	Weight (%)
Microsoft Corp	United States	Information Technology	3.21
Apple Inc	United States	Information Technology	2.95
NVIDIA Corp	United States	Information Technology	1.76
Amazon.com Inc	United States	Consumer Discretionary	1.33
Alphabet Inc	United States	Communication Services	1.32
Meta Platforms Inc	United States	Communication Services	1.22
Broadcom Inc	United States	Information Technology	0.75
Berkshire Hathaway Inc	United States	Financials	0.55
Home Depot Inc/The	United States	Consumer Discretionary	0.55
Johnson & Johnson	United States	Health Care	0.51

Equity characteristics	Fund	Reference benchmark
Average Market Cap (USD Mil)	615,182	--
Price/earning ratio	19.42	--
Portfolio yield	2.35%	--

Market cap allocation (USD Mil %)



Equity sector allocation (%)



Equity geographical allocation (%)

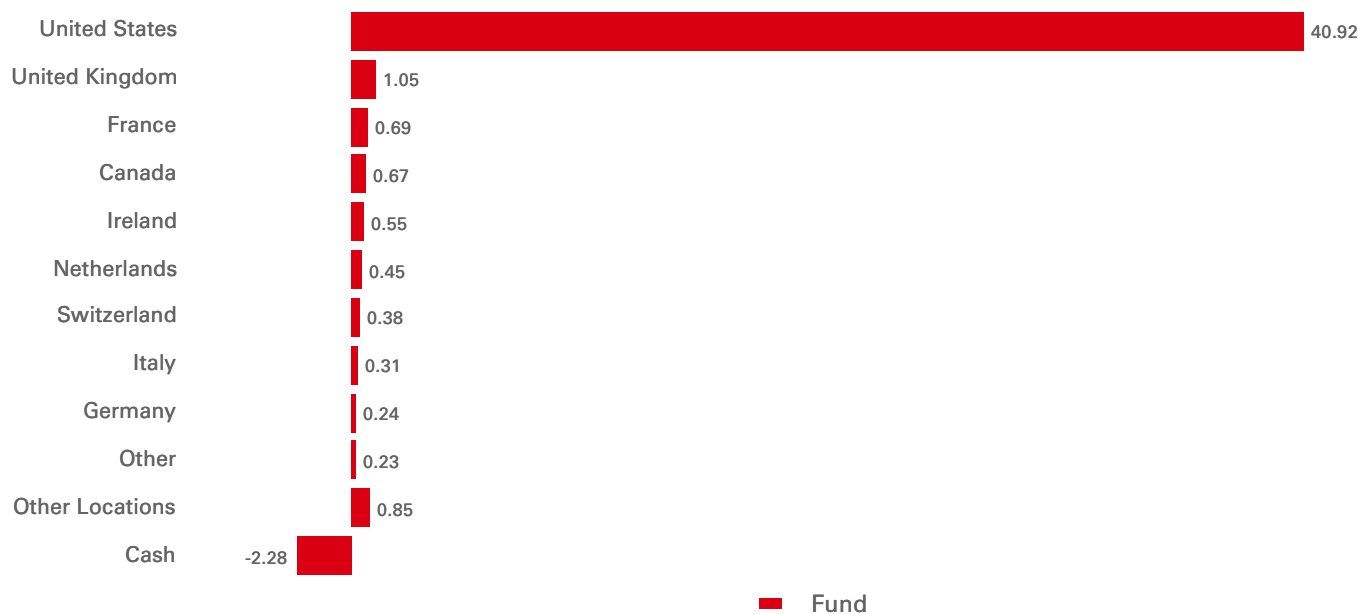
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Fixed Income Characteristics	Reference benchmark			Credit rating (%)	Reference benchmark		
	Fund	Relative	Relative		Fund	Relative	Relative
Portfolio yield	6.35%	--	--	AAA	5.79	--	--
Yield to maturity	6.48%	--	--	AA	8.92	--	--
Effective duration	5.12	--	--	A	1.83	--	--
Average Credit Quality	BBB-/BB+	--	--	BBB	4.38	--	--
				BB	15.06	--	--
				B	9.16	--	--
				CCC	0.91	--	--
				NR	0.29	--	--
				Cash	-2.28	--	--

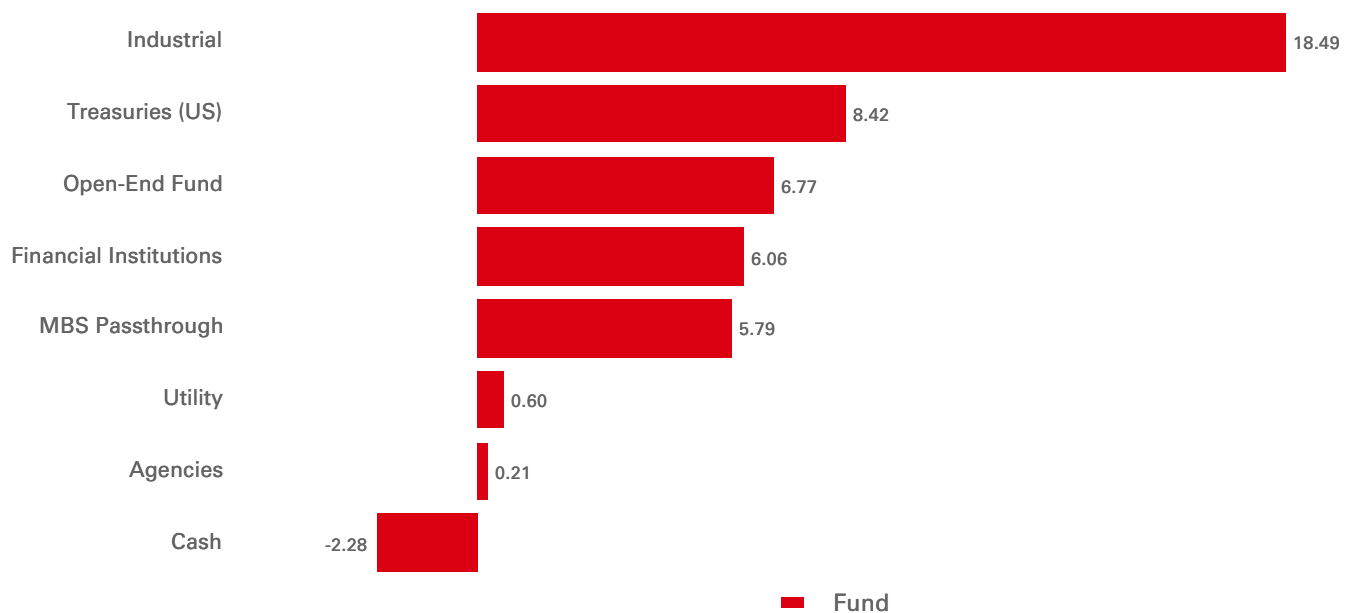
Fixed income top 10 holdings	Location	Instrument type	Weight (%)
TREASURY BILL 0.000 02/05/2024 USD	United States	Treasury Bill	2.87
US TREASURY N/B 4.125 31/07/2028 USD	United States	Treasury Note	1.72
US TREASURY N/B 4.625 30/09/2028 USD	United States	Treasury Note	1.03
US TREASURY N/B 4.625 15/09/2026 USD	United States	Treasury Note	0.64
US TREASURY N/B 4.625 15/11/2026 USD	United States	Treasury Note	0.63
US TREASURY N/B 4.000 15/02/2034 USD	United States	Treasury Note	0.55
US TREASURY N/B 4.375 15/12/2026 USD	United States	Treasury Note	0.52
CARNIVAL HLDGS BM LTD 10.375 01/05/2028 USD	United States	Corporate Bond	0.51
US TREASURY N/B 1.750 15/08/2041 USD	United States	Government Bond	0.43
US TREASURY N/B 5.000 31/08/2025 USD	United States	Treasury Note	0.42

#### Fixed income geographical allocation (%)



Geographical Allocation (Effective duration)	Fund	Reference benchmark	Relative
United States	4.21	--	--
United Kingdom	0.05	--	--
Canada	0.05	--	--
Netherlands	0.04	--	--
France	0.04	--	--
Italy	0.04	--	--
Ireland	0.03	--	--
Germany	0.02	--	--
Australia	0.02	--	--
Belgium	0.01	--	--
Other Locations	0.03	--	--
Cash	--	--	--

**Fixed income sector allocation (%)**



## Monthly performance commentary

### Portfolio performance

Equity and high yield bond markets posted positive returns in February while Treasuries fell modestly. The S& 500 delivered the strongest returns over the month, as US Technology companies continued to rally. On the fixed income side, US High Yield outperformed US Aggregate bonds which posted modest negative returns. The US Income Focused fund delivered positive returns over the period.

US Income Focused is actively positioned against a long term strategic asset allocation. During February, our tilt away from Property and preference for the Technology sector added value. Conversely, our tilt away from equity detracted, as did our preference for higher quality credits within the fund's fixed income allocation.

### Investment Team Views and Portfolio Positioning

The likelihood of a recession in the West has fallen, with the US economy looking particularly strong. However, economic growth is still slowing, and as such we remain selective in our equity holdings. During February we increased our equity allocation. We are tilting towards Technology companies within the US equity market on expectations that increased demand for Artificial Intelligence will support revenues and result in resilient performance despite slowing economic growth.

We maintain an overweight to portfolio duration. With yields sitting at very attractive levels, and increasing signs of an imminent economic slowdown, duration has become more attractive, while equities look more vulnerable.

We continue to have a preference for US Aggregate versus High Yield bonds on concerns around potential corporate defaults.

Follow us on:



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#### Glossary



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**For definition of terms, please refer to the Glossary QR code.**  
**Source: HSBC Asset Management, data as at 29 February 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	USD	Monthly	29 February 2024	0.043687	5.60%
AM2	USD	Monthly	31 January 2024	0.043482	5.61%
AM2	USD	Monthly	28 December 2023	0.044078	5.70%
AM2	USD	Monthly	30 November 2023	0.042502	5.72%
AM2	USD	Monthly	31 October 2023	0.040089	5.73%
AM2	USD	Monthly	27 September 2023	0.041465	5.78%
AM2	USD	Monthly	30 August 2023	0.042079	5.64%
AM2	USD	Monthly	27 July 2023	0.043558	5.73%
AM2	USD	Monthly	27 June 2023	0.045804	6.21%
AM2	USD	Monthly	31 May 2023	0.045080	6.20%
AM2	USD	Monthly	28 April 2023	0.045634	6.19%
AM2	USD	Monthly	29 March 2023	0.044671	6.19%
AM2HKD	HKD	Monthly	29 February 2024	0.043991	5.59%
AM2HKD	HKD	Monthly	31 January 2024	0.043732	5.61%
AM2HKD	HKD	Monthly	28 December 2023	0.044301	5.70%
AM2HKD	HKD	Monthly	30 November 2023	0.042651	5.71%
AM2HKD	HKD	Monthly	31 October 2023	0.040359	5.73%
AM2HKD	HKD	Monthly	27 September 2023	0.041712	5.78%
AM2HKD	HKD	Monthly	30 August 2023	0.042479	5.64%
AM2HKD	HKD	Monthly	27 July 2023	0.043795	5.74%
AM2HKD	HKD	Monthly	27 June 2023	0.046160	6.20%
AM2HKD	HKD	Monthly	31 May 2023	0.045456	6.21%
AM2HKD	HKD	Monthly	28 April 2023	0.046100	6.19%
AM2HKD	HKD	Monthly	29 March 2023	0.045122	6.19%
AM3HAUD	AUD	Monthly	29 February 2024	0.032449	4.27%
AM3HAUD	AUD	Monthly	31 January 2024	0.032909	4.36%
AM3HAUD	AUD	Monthly	28 December 2023	0.033600	4.46%
AM3HAUD	AUD	Monthly	30 November 2023	0.031550	4.36%
AM3HAUD	AUD	Monthly	31 October 2023	0.029338	4.30%
AM3HAUD	AUD	Monthly	27 September 2023	0.029809	4.26%
AM3HAUD	AUD	Monthly	30 August 2023	0.031533	4.33%
AM3HAUD	AUD	Monthly	27 July 2023	0.034179	4.61%
AM3HAUD	AUD	Monthly	27 June 2023	0.033609	4.66%
AM3HAUD	AUD	Monthly	31 May 2023	0.032098	4.51%
AM3HAUD	AUD	Monthly	28 April 2023	0.033152	4.60%
AM3HAUD	AUD	Monthly	29 March 2023	0.033398	4.73%
AM3HCAD	CAD	Monthly	29 February 2024	0.038919	5.08%
AM3HCAD	CAD	Monthly	31 January 2024	0.037763	4.96%
AM3HCAD	CAD	Monthly	28 December 2023	0.038406	5.05%
AM3HCAD	CAD	Monthly	30 November 2023	0.038110	5.22%
AM3HCAD	CAD	Monthly	31 October 2023	0.035626	5.18%
AM3HCAD	CAD	Monthly	27 September 2023	0.036986	5.24%
AM3HCAD	CAD	Monthly	30 August 2023	0.037459	5.10%
AM3HCAD	CAD	Monthly	27 July 2023	0.038617	5.16%
AM3HCAD	CAD	Monthly	27 June 2023	0.038936	5.35%
AM3HCAD	CAD	Monthly	31 May 2023	0.039173	5.47%
AM3HCAD	CAD	Monthly	28 April 2023	0.040254	5.55%

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.

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

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

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Share class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Dividend Amount	Annualised Yield based on ex-dividend date
AM3HCAD	CAD	Monthly	29 March 2023	0.041951	5.91%
AM3HEUR	EUR	Monthly	29 February 2024	0.030298	3.92%
AM3HEUR	EUR	Monthly	31 January 2024	0.028749	3.74%
AM3HEUR	EUR	Monthly	28 December 2023	0.029498	3.85%
AM3HEUR	EUR	Monthly	30 November 2023	0.029959	4.07%
AM3HEUR	EUR	Monthly	31 October 2023	0.027839	4.01%
AM3HEUR	EUR	Monthly	27 September 2023	0.027260	3.83%
AM3HEUR	EUR	Monthly	30 August 2023	0.027512	3.71%
AM3HEUR	EUR	Monthly	27 July 2023	0.027774	3.67%
AM3HEUR	EUR	Monthly	27 June 2023	0.029025	3.95%
AM3HEUR	EUR	Monthly	31 May 2023	0.028540	3.94%
AM3HEUR	EUR	Monthly	28 April 2023	0.027217	3.70%
AM3HEUR	EUR	Monthly	29 March 2023	0.027174	3.78%
AM3HGBP	GBP	Monthly	29 February 2024	0.040300	5.28%
AM3HGBP	GBP	Monthly	31 January 2024	0.039634	5.23%
AM3HGBP	GBP	Monthly	28 December 2023	0.040252	5.32%
AM3HGBP	GBP	Monthly	30 November 2023	0.039322	5.41%
AM3HGBP	GBP	Monthly	31 October 2023	0.037444	5.47%
AM3HGBP	GBP	Monthly	27 September 2023	0.038753	5.52%
AM3HGBP	GBP	Monthly	30 August 2023	0.039200	5.36%
AM3HGBP	GBP	Monthly	27 July 2023	0.039636	5.32%
AM3HGBP	GBP	Monthly	27 June 2023	0.038586	5.32%
AM3HGBP	GBP	Monthly	31 May 2023	0.038025	5.33%
AM3HGBP	GBP	Monthly	28 April 2023	0.037242	5.14%
AM3HGBP	GBP	Monthly	29 March 2023	0.037906	5.35%
AM3HJPY	JPY	Monthly	--	--	--
AM3HRMB	CNH	Monthly	29 February 2024	0.022357	2.86%
AM3HRMB	CNH	Monthly	31 January 2024	0.019392	2.49%
AM3HRMB	CNH	Monthly	28 December 2023	0.020246	2.61%
AM3HRMB	CNH	Monthly	30 November 2023	0.029080	3.92%
AM3HRMB	CNH	Monthly	31 October 2023	0.030916	4.42%
AM3HRMB	CNH	Monthly	27 September 2023	0.022704	3.15%
AM3HRMB	CNH	Monthly	30 August 2023	0.017042	2.27%
AM3HRMB	CNH	Monthly	27 July 2023	0.019644	2.57%
AM3HRMB	CNH	Monthly	27 June 2023	0.024653	3.32%
AM3HRMB	CNH	Monthly	31 May 2023	0.022809	3.12%
AM3HRMB	CNH	Monthly	28 April 2023	0.021487	2.90%
AM3HRMB	CNH	Monthly	29 March 2023	0.026575	3.67%

The above table cites the last dividend paid within the last 12 months only.

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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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