

## HSBC Global Investment Funds

# EUROLAND VALUE

Monthly report 31 December 2023 | Share class AC

### Investment objective

The Fund aims to provide long term capital growth and income by investing in a portfolio of Eurozone shares, while promoting environmental, social and governance (ESG) characteristics. The Fund qualifies under Article 8 of SFDR.

### Investment strategy

The Fund is actively managed. In normal market conditions, the Fund will invest at least 90% of its assets in shares (or securities similar to shares) of companies of any size, that are based in, or carry out most of their business in any European Monetary Union member country. The Fund includes the identification and analysis of a company's ESG Credentials as an integral part of the investment decision making process to reduce risk and enhance returns. The Fund will not invest in companies with involvement in specific excluded activities, such as: companies involved in the production of controversial weapons and tobacco; companies with more than 10% revenue generated from thermal coal extraction; and companies with more than 10% revenue generated from coal-fired power generation. The Fund may invest up to 10% in Real Estate Investment Trusts, and may also invest up to 10% in other funds, including HSBC funds. 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 value of investible securities can change over time due to a wide variety of factors, including but not limited to: political and economic news, government policy, changes in demographics, cultures and populations, natural or human-caused disasters etc.

### Share class details

Key metrics	
NAV per share	<b>EUR 54.54</b>
Performance 1 month	<b>3.43%</b>
Volatility 3 years	<b>15.78%</b>
Fund facts	
UCITS V compliant	<b>Yes</b>
UK reporting fund status (UKRS)	<b>Yes</b>
ISA eligible	<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>4 April 2003</b>
Fund size	<b>EUR 208,557,417</b>
Reference benchmark	<b>100% MSCI EMU Net</b>
Managers	<b>Jeanne Follet Samir Essafri</b>
Fees and expenses	
Minimum initial investment <sup>1</sup>	<b>USD 5,000</b>
Ongoing charge figure <sup>2</sup>	<b>1.850%</b>
Codes	
ISIN	<b>LU0165074666</b>
Bloomberg ticker	<b>HSBEURQ LX</b>
SEDOL	<b>B03QV12 B8JTZF3</b>

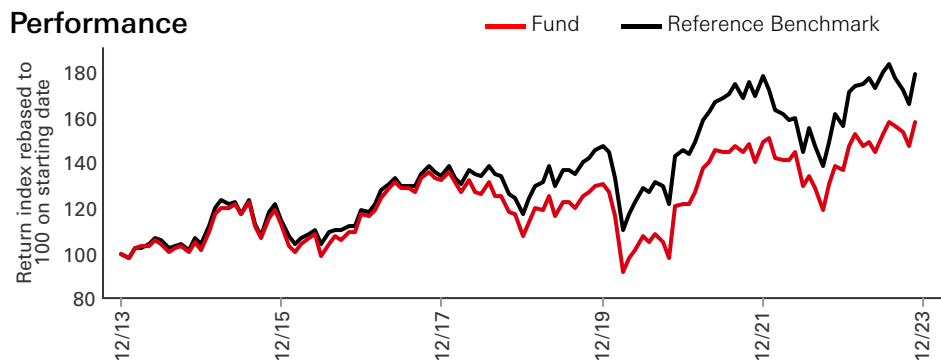
<sup>1</sup>Please note that initial minimum subscription may vary across different distributors  
<sup>2</sup>Ongoing Charges Figure is based on expenses over a year. The figure includes annual management charge but not the transaction costs. Such figures may vary from time to time.

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 KIID 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 December 2023

Performance



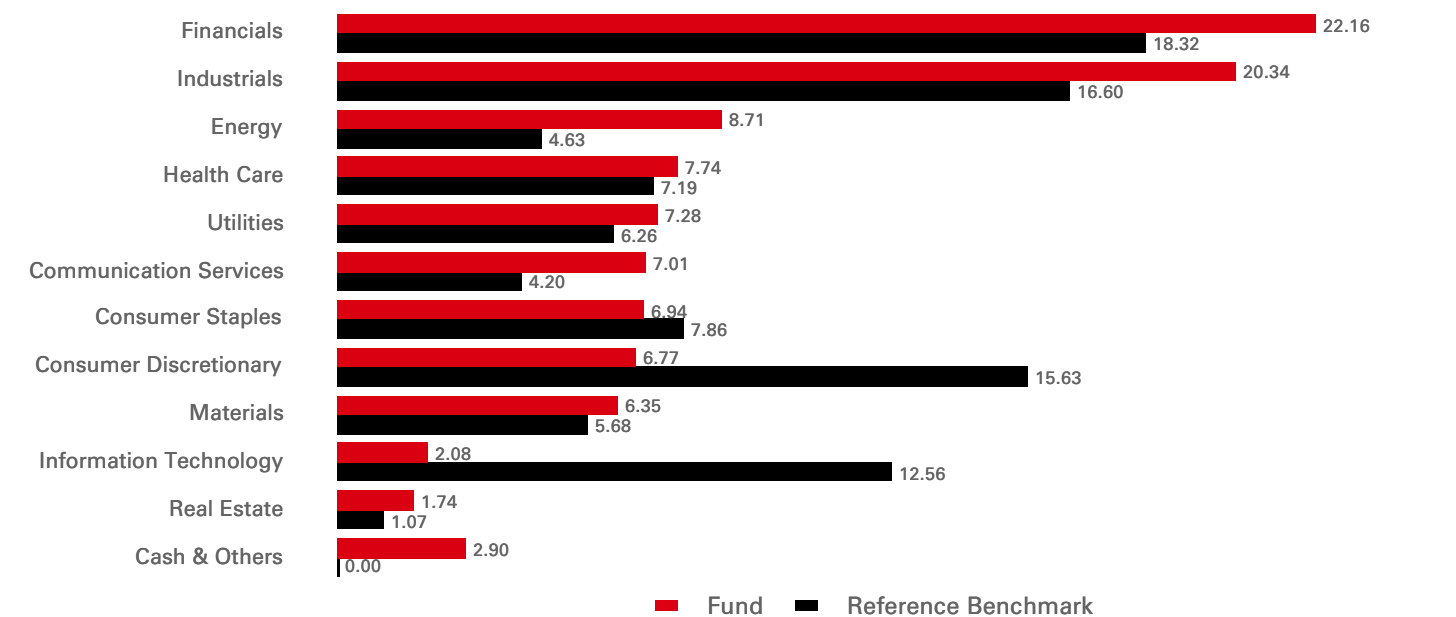
Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	10 years ann
<b>AC</b>	<b>18.88</b>	<b>3.43</b>	<b>6.01</b>	<b>7.02</b>	<b>18.88</b>	<b>10.28</b>	<b>8.63</b>	<b>5.01</b>
Reference Benchmark	18.78	3.22	7.75	3.03	18.78	8.29	9.54	6.35

Rolling performance (%)	31/12/22-31/12/23	31/12/21-31/12/22	31/12/20-31/12/21	31/12/19-31/12/20	31/12/18-31/12/19	31/12/17-31/12/18	31/12/16-31/12/17	31/12/15-31/12/16	31/12/14-31/12/15	31/12/13-31/12/14
<b>AC</b>	<b>18.88</b>	<b>-7.92</b>	<b>22.50</b>	<b>-7.04</b>	<b>21.34</b>	<b>-18.66</b>	<b>12.95</b>	<b>3.85</b>	<b>10.83</b>	<b>1.94</b>
Reference Benchmark	18.78	-12.47	22.16	-1.02	25.47	-12.71	12.49	4.37	9.81	4.31

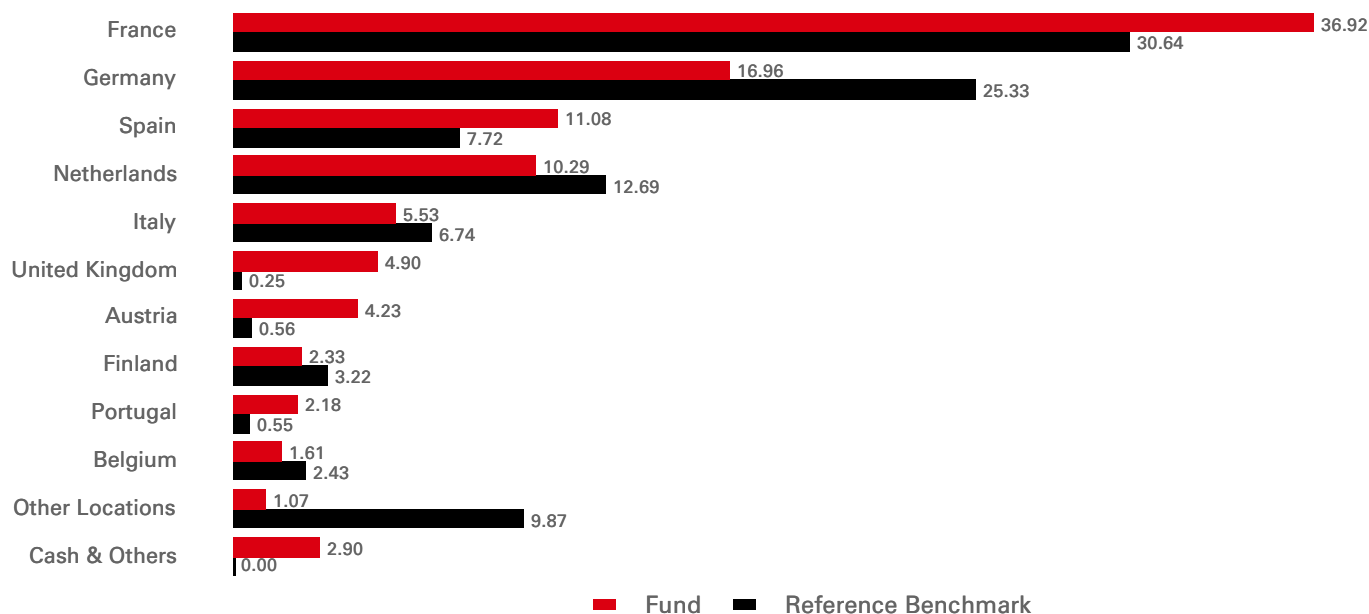
Carbon footprint	Fund	Reference benchmark	MSCI ESG Score	ESG score	E	S	G
Carbon intensity emissions	117.21	102.53	Fund	7.9	7.6	5.7	6.1
Carbon Intensity measures the quantity of carbon emission of a company (tonnes CO <sub>2</sub> e/USD million revenue) Source: S&P Global Trucost			Reference benchmark	7.8	7.2	5.6	6.2

Equity characteristics	Fund	Reference Benchmark	3-Year Risk Measures	AC	Reference Benchmark
No. of holdings ex cash	50	228	Volatility	15.78%	15.69%
Average market cap (EUR Mil)	44,912	89,463	Information ratio	0.30	--
			Beta	0.92	--

Sector allocation (%)



**Geographical allocation (%)**



Top 10 holdings	Location	Sector	Weight (%)
Allianz SE	Germany	Financials	4.25
TotalEnergies SE	France	Energy	3.81
Iberdrola SA	Spain	Utilities	3.53
AXA SA	France	Financials	3.13
ING Groep NV	Netherlands	Financials	2.75
Siemens AG	Germany	Industrials	2.74
ACS Actividades de Construcción	Spain	Industrials	2.71
Michelin	France	Consumer Discretionary	2.63
Crh Plc	United Kingdom	Materials	2.61
Engie SA	France	Utilities	2.52

## Monthly performance commentary

Equity markets ended 2023 on a positive note. The US Federal Reserve hinted at rates cuts for 2024 as inflation, albeit still too high, is expected to come down further. That dovish tone rekindled investors' optimism. Value names slightly outperformed the market.

Sector biases had a negative impact. The fund benefited from its underweighting in luxury and IT services, and its overweighting in real estate. However, the fund was penalized by an underweighting in semiconductors and financial services, as well as an overweighting in energy and food retail.

Stock selection was successful across the board, and especially in materials (CRH, Arcelor) and insurance (Allianz, Poste Italiane). We also made good choices within capital goods (Saint-Gobain, ACS, Prysmian, Signify), automobiles & components (Forvia, Michelin, Stellantis) and food and beverages (Heineken). We can also highlight the good returns of Grifols, Vonovia, Publicis and Seb.

Over the month, we adjusted our portfolio by continuing to favour companies with adequate ESG practices that are attractively valued in relation to their expected profitability in the business cycle. With this in mind, we unwound our residual position on Solvay, after the spin-off of Syensqo, and reduced our positions on Merck, CRH and Relx. Conversely, we reinforced our positions in Metso, KPN, Syensqo and Téléperformance.

We maintain our overweighting in Industrials, Energy, Communication Services and Financials; however, we remain underweight in Consumer Discretionary and IT.

<b>HSBC ESG Score</b>	<b>ESG score</b>	<b>E</b>	<b>S</b>	<b>G</b>
Fund	6.2	7.6	5.7	6.1
Reference benchmark	6.2	7.2	5.6	6.2

## Risk disclosures

- 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.

Follow us on:



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UK Investor/Adviser E-mail:  
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



## 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 the reference benchmark will not be used as a universe from which to select securities. 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 December 2023

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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>