

# HSBC Managed Growth Fund

Monthly report 29 February 2024 | Share class P



## Investment objective

The objective of the Fund is to achieve long-term capital growth by investing in a diversified portfolio with a bias towards global equities through direct investment and/or other collective investment schemes that the Fund may invest in.



## Main risks

- The Fund invests mainly in global equities and bonds, with a bias towards equities. The Fund may get the exposure through direct investments and/or collective investment schemes.
- Fund may have asset allocation strategy risk. The investments of the Fund may be periodically rebalanced and therefore the Fund may incur greater transaction costs.
- 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, currency, volatility, liquidity, interest rate, tax and political risks and risks related to general equity market, emerging markets and investment in other collective investment schemes. Investors may suffer substantial loss of their investments in the Fund.
- Investors should not invest solely based on factsheet and should read the offering documents for details.

## Share Class Details

### Key metrics

NAV per Share	<b>HKD 31.96</b>
Performance 1 month	<b>3.70%</b>
Sharpe ratio 3 years	<b>-0.33</b>

### Fund facts

UCITS V compliant	<b>No</b>
Dividend treatment	<b>Accumulating</b>
Dividend ex-date	<b>31 July 2002</b>
Dividend Amount	<b>0.140000</b>
Dealing frequency	<b>Daily</b>
Share Class Base Currency	<b>HKD</b>
Domicile	<b>Hong Kong SAR</b>
Inception date	<b>1 April 1997</b>
Fund Size	<b>HKD 1,042,959,895</b>
Managers	<b>Jimmy Choong Jessica Cheung</b>

### Fees and expenses

Minimum initial investment (HK)	<b>HKD 10,000</b>
Maximum initial charge (HK)	<b>3.000%</b>
Management fee	<b>0.750%</b>

### Codes

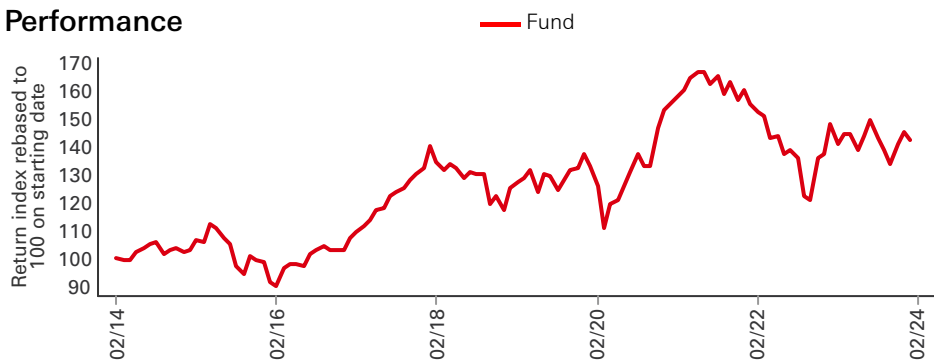
ISIN	<b>HK0000434339</b>
Bloomberg ticker	<b>HSBMNGP HK</b>

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

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## Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years	5 years
P	1.72	3.70	4.72	3.20	5.20	-6.44	16.01

Calendar year performance (%)	2019	2020	2021	2022	2023
P	17.46	11.40	4.71	-14.47	5.90

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

Asset allocation (%)	Actual	Target	Strategic	Overweight/Underweight between Target & Strategic Asset Allocation
Asia Pacific ex Japan HK (SAR) & mainland China Equity	14.13	9.00	12.00	-3.00
Brazil Equity	--	0.60	0.00	0.60
European Equity	17.65	15.00	18.00	-3.00
Global Equity	0.64	0.00	0.00	0.00
Hong Kong (SAR) & mainland China Equity	26.39	28.70	30.00	-1.30
Indonesia Equity	--	0.80	0.00	0.80
Japanese Equity	13.22	13.20	12.00	1.20
North America Equity	18.88	17.60	18.00	-0.40
Spain Equity	--	1.10	0.00	1.10
Taiwan Equity	--	1.10	0.00	1.10
Euro Government Bond	--	1.00	0.00	1.00
Global Government Bond	3.24	3.20	7.00	-3.80
Government Bond	3.10	2.10	0.00	2.10
China A Shares	--	0.50	0.00	0.50
China Tech	--	1.10	0.00	1.10
European Bank	--	0.80	0.00	0.80
GEM Debt	2.07	1.00	0.00	1.00
Indian Fixed Income	--	1.10	0.00	1.10
Liquidity	0.68	0.80	3.00	-2.20
US Pharmaceutical	--	0.60	0.00	0.60
US Tech	--	0.70	0.00	0.70

The strategic allocation is the portfolio's reference or neutral allocation set by HSBC Asset Management. The management team also adjusts target exposure higher (overweight) or lower (underweight) to an asset type - relative to the strategic asset allocation - depending on the team's current market outlook. Positive values (overweights) in the chart reflect asset types the portfolio management team have a positive outlook on. Negative values (underweights) reflect asset types the portfolio management team have a negative outlook on. The actual exposure is a screen shot of the portfolio at the end of the month based on market value in each asset type.

Top 10 Holdings	Weight (%)
Tracker Fund of Hong Kong	4.67
TENCENT HOLDINGS LTD	2.06
HSBC HOLDINGS PLC	1.99
ALIBABA GROUP HOLDING LTD	1.96
MICROSOFT CORP	1.16
CHINA CONSTRUCTION BANK-H	1.16
AIA GROUP LTD	1.09
iShares MSCI Taiwan ETF	1.09
Amundi ETF MSCI Spain	1.07

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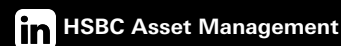
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## Monthly performance commentary

### Portfolio Review

Global equities were up in February, driven by strong earnings reports and a rebound in Chinese equities. Fixed income markets fell over the month, with yields rising, following strong labour market and inflation data. Across equities, emerging markets outperformed developed markets. This was driven by strong returns from China, following a number of supportive steps taken by the CCP to maintain market stability and another cut to mortgage policy rates. Other Asian markets associated with the Technology sector such as Taiwan and South Korea also rallied. Within developed markets, the US outperformed, driven by strong earnings reports from some of the “Magnificent 7” companies. The UK and Europe-ex UK equities underperformed the broader developed markets. In Japan, Yen weakness benefitted equity returns given the export-driven nature of the stock market. Within fixed income, US Treasuries prices fell over the month as inflation numbers came in stronger than anticipated while job numbers were also robust. This led to an increase in yields, as investors re-assessed the pace and timing of rate cuts. In the UK, Gilts sold off on continuing wage growth pressures despite data showing the economy fell into a technical recession during the second half of 2023. The US dollar gained modestly over the period, boosted by the higher yields and the broadly resilient economic data. The Euro and the Sterling fell against the US dollar given the relative strength of the US economy in comparison. In the commodity markets, Brent Oil pushed higher on elevated geopolitical risk. Gold ended the month lower, facing downward pressure from hawkish economic data and the pushback on timing of policy rate cuts.

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#### Glossary



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## Supplemental information sheet

Share class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Dividend Amount	Annualised Yield based on ex-dividend date
A	HKD	Annually	--	--	--
P	HKD	--	--	--	--

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:  $((1 + (\text{dividend amount} / \text{ex-dividend NAV}))^n)^{1/n} - 1$ , 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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