

# US Select Growth

September 2010

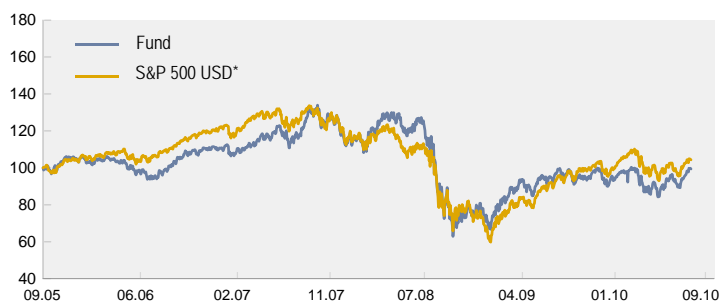
Equity fund - large-cap U.S. growth stocks  
Share | Usd



## Fund overview from 1st to 30th September 2010

- ▶ Equity markets continued their sharp rebound in September spurred on amongst other things by improved macroeconomic indicators which dispelled the fears of recession that had emerged during August. The S&P 500 gained a total of 8.9%, its strongest rise for 18 months.
- ▶ Advanced indicators in the industry reported faster growth in activity following several months of decline. There was a rebound in household consumption during the summer after a further dip in spring. On the other hand, the employment market remains depressed with 54 000 job losses in August.
- ▶ End of year company results were not downgraded despite some macroeconomic uncertainties. The initial third quarter results were encouraging (Oracle, Nike).
- ▶ All sectors reported a positive performance during the month. The technology (12.1%) and manufacturing (11.2%) sectors showed the strongest increases. The lowest were utilities (2.6%) and non-cyclical consumption (5.4%).
- ▶ The fund outperformed the S&P 500 in September due mainly to the good performances in two sectors: technology and cyclical consumption.
- ▶ In technology, **Oracle** (4.9%, up 23%) in line with good results and **Qualcomm** (4.9%, up 18%) put in the best performances.
- ▶ In cyclical consumption, it was the Internet sector which did well with **Amazon.com** (3.9%, up 26%) and **Priceline.com** (5%, up 20%).
- ▶ On the other hand, investments in the energy sector, **SouthWestern Energy** (2.5%, up 2%) and materials, **Praxair** (4.6% up 5%) lagged.
- ▶ Over the month, the manager sold the position in **Vestas Wind** due to poorer than expected results.

## Performance chart as of 30th September 2010



NAV (30.09.10)	2003.36 USD
Fund size	759.96 M USD
Net equity exposure	97.7%
Number of stocks in ptf	22

In Dollars	Fund	S&P 500 USD*
<b>1 month</b>	11.4%	8.9%
<b>YTD</b>	1.9%	3.9%
<b>Since inception</b>	-1.0%	2.8%
<b>2009</b>	27.9%	26.5%
<b>2008</b>	-39.6%	-37.0%
<b>2007</b>	15.0%	5.5%
<b>2006</b>	6.4%	15.8%

Source : HSBC Private Wealth Managers

## Fund details

**ISIN code(s):** LU0304955940 | EUR LU0304955437 A EUR  
LU0225244705 | USD LU0073868852 A USD  
LU0225245348 | EUR Hedged LU0138007074 A EUR Hedged

**HSBC Private Wealth Managers Category:** Equity United States

**Recommended investment period:** 5 years

**Investment management company:** LGI

**Investment adviser and manager:** Edgewood Management LLC

**Custodian :** BNP Paribas Securities Services

**Subscription/redemption deadline:** 12h00

**Front/end load:** 3.00% / 0.00%

**Investment advice and management fee (tax included):** 1.40%

**Launch date:** 21/09/2005

**Authorisation for sale in France:** 01/07/1997

**Contact :** contact.hsbcprivatebankfrance@hsbc.fr

## Risk scale



The risk scale which includes five levels of risk is calculated from the UCITS volatility over a 5 year period. (see details on the next page).

## Benchmark\*

None. However, and for ex-post performance comparison purposes, the investor is advised to use the S&P 500 (USD) Index.

		STYLE		
		V	B	G
CAPITALISATION	L			Large
	M			Mid
	S			Small
		Value Blend Growth		

## Risk statistics (3 years)

	Fund	S&P 500 USD*
<b>Volatility</b>	28.9%	27.1%
<b>Sharpe ratio</b>	-0.18	-0.20
<b>Information ratio</b>	0.03	
<b>Tracking error</b>	9.93	
<b>Beta</b>	1.00	
<b>Alpha</b>	0.01%	

## Portfolio composition

Top 10 holdings	Perf. 1 month USD
APPLE	16.7%
CELGENE CORP	11.9%
CME GROUP CLASS A	5.0%
COGNIZANT TECHNOLOGY SLTS A	11.9%
ORACLE CORP	22.9%
PRICELINE.COM	19.5%
QUALCOMM INC	17.8%
RESEARCH IN MOTION	13.7%
T ROWE PRICE GROUP	14.3%
VISA CLASS A	7.7%
<b>% portfolio: 52.6%</b>	
Other	Weight
Unit trusts**	0.0%
Fixed income	0.0%
Cash (remunerated)	2.3%

\*\* HSBC Private Wealth Managers classification

\* The performance of the benchmark have included reinvested dividends since 30/12/2005.

**Past performance is no guarantee of future performance.**

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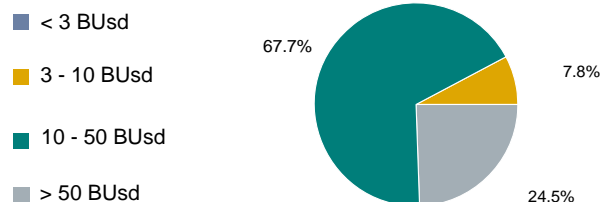
## Portfolio activity\*

VESTAS WIND SY.ADR

Sell

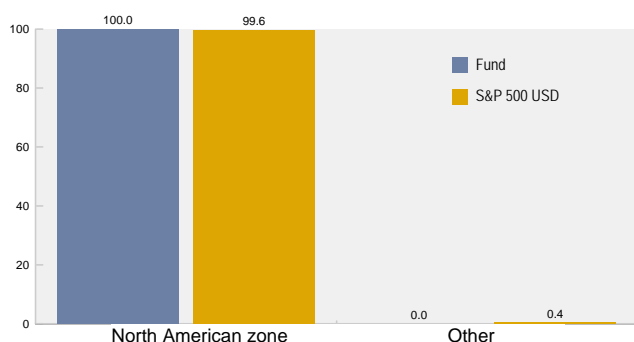
## Market capitalisation breakdown\*

Base 100



## Region breakdown (%)\*

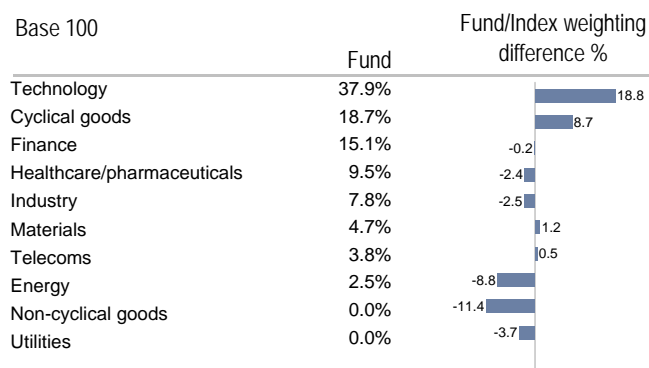
Base 100



\* Excluding off balanced sheet exposures

## Sector breakdown\*

Base 100



MSCI classification

## Note to readers

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Past performance is no guarantee of future performance. The value of a fund may decline at any time. The NAV currency being different from EUR, the value of your investment may be affected by currency fluctuations.

If the fund does not have 5 years history, the level of risk is calculated from an indicator of reference volatility or target volatility of the strategy. HSBC PWM maintains the possibility to adjust the level of calculated risk depending upon specific risks of the fund. This risk scale is developed from internal methodology ; it is provided only for information purposes and may be modified without advance warning. This scale is defined for normal market conditions. Please note: « Very low » or « Low » risk does not mean no risk.

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