

HSBC Global Investment Funds - Euro High Yield Bond

Share Class ID

As at 31 May 2018



Investment Aim

The Fund aims to provide long-term total return (meaning capital growth and income) by investing in a portfolio of bonds (and other similar securities) issued by companies, governments, government agencies and supranational bodies. Most of the Fund's assets are invested in non-investment grade or unrated (high-yield) bonds, which typically carry more risk. The issuers of these bonds and other securities are based in both developed and emerging markets. The securities the Fund invests in are denominated in Euros, although up to 10% of the Fund's assets can be invested in other currencies from developed countries. The Fund can also invest up to 15% of its assets in contingent convertible securities. These are bonds that convert to equities (carrying higher risk) if the issuer runs into difficulty. However, this exposure is not expected to exceed 10%. The Fund may invest up to 10% of its assets into other funds. The Fund's primary currency exposure is to the Euro. See the Prospectus for a full description of the investment objectives and derivative usage.

Risk Disclosure

It is important to remember that the value of investments can go down as well as up and you may not get back the amount originally invested. Where overseas investments are held the rate of currency exchange may cause the value of such investments to go down as well as up. Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in some established markets. The value of the underlying assets is strongly affected by interest rate fluctuations and by changes in the credit ratings of the underlying issuer of the assets. The fund can invest in sub investment grade bonds, which may produce a higher level of income than investment grade bonds, but carry increased risk of default on repayment. Stock market investments should be viewed as a medium to long term investment and should be held for at least three years. For a full list of risks, please refer to the Prospectus and KIID.

Performance in EUR

| | 31/05/2013 - 31/05/2014 | 31/05/2014 - 31/05/2015 | 31/05/2015 - 31/05/2016 | 31/05/2016 - 31/05/2017 | 31/05/2017 - 31/05/2018 |
|-----------|----------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| Fund | 8.65 | 4.74 | 2.56 | 7.19 | 1.17 |
| Benchmark | 10.28 | 5.19 | 0.69 | 8.91 | 1.48 |

Net returns %

Net returns % for periods ended 31 May

| | Months | | | | Years (Annualised) | | | | Calendar Years | | | |
|-----------|--------|-------|-------|-------|--------------------|------|------|------|----------------|------|------|------|
| | 1 | 3 | 6 | YTD | 1 | 3 | 5 | Inc | 2017 | 2016 | 2015 | 2014 |
| Fund | -1.08 | -1.11 | -1.14 | -1.31 | 1.17 | 3.61 | 4.82 | 6.75 | 5.86 | 7.01 | 1.41 | 6.99 |
| Benchmark | -1.35 | -0.90 | -1.24 | -1.18 | 1.48 | 3.63 | 5.24 | 7.09 | 6.40 | 9.37 | 0.47 | 5.99 |

Past performance is not a reliable indicator of future returns.

The figures are calculated in EUR, and changes in the rate of currency exchange may affect the value of your investment.

Returns are cumulative for all periods of 12 months or less.

Source: HSBC Global Asset Management, performance returns are based on a NAV per share basis, net of fees, with gross income reinvested. BofA Merrill Lynch data is provided by Rimes.

Fund Share Class Details

Performance benchmark

BofA Merrill Lynch Euro High Yield
BB-B Constrained

First price date

27 June 2011

Fund launch date

04 April 2003

Minimum initial investment

1,000,000 USD (or equivalent)

Share class currency

EUR

Dividends

Annually (July) - Distributed

Dealing time

Daily by 10am CET

Valuation time

Daily at 5pm CET

Ongoing charge

0.75%

Where the share class has been priced for at least a full financial year, the ongoing charge figure is based on the actual expenses in the UCITS' annual report for that year. Charges may vary from year to year. Otherwise, the ongoing charge figure displayed would be an estimate.

Management fees

0.55%

Maximum initial charge

3.10%

Financial year end

31 March

Regular savings scheme

Not Available

Lead portfolio manager

Philippe Igigabel

Management company

HSBC Investment Funds
(Luxembourg) S.A.

Investment adviser

HSBC Global Asset Management
(France)

Code

ISIN: LU0165129155

Top Holdings

| Security Name | Fund (%) |
|--|----------|
| 1 ORANGE SA 5.2500 PERP | 2.34 |
| 2 ORSTED A/S 6.2500 26-JUN-13 | 2.19 |
| 3 FAURECIA 3.6250 15-JUN-23 | 2.09 |
| 4 SCHAEFFLER FINANCE BV 2.5000 15-MAY-20 | 2.06 |
| 5 HEIDELBERGCEMENT FIN LUX 8.5000 31-OCT-19 | 1.95 |
| 6 SOLVAY FINANCE 4.1990 PERP | 1.85 |
| 7 TALANX 8.367 C '22 EUR | 1.82 |
| 8 SOCIETE GENERALE 9.3750 PERP | 1.71 |
| 9 ENGIE SA 3.8750 PERP | 1.67 |
| 10 COOPERATIEVE RABOBANK UA 6.8750 19-MAR-20 | 1.62 |
| Total | 19.29 |

The Top Holdings may include short term instruments that are held as cash equivalents.

Fund Characteristics

| | |
|---------------------------------------|----------|
| Fund size (in millions) (EUR) | 1,726.40 |
| Current price (EUR) | 36.02 |
| Tracking error (3 year) % | 1.41 |
| High share price last 12 months (EUR) | 37.05 |
| Low share price last 12 months (EUR) | 35.61 |

Glossary of terms

Tracking Error is a measure of relative risk. It is the standard deviation of the relative returns. Low tracking error indicates correlation to benchmark.

Contact Details

Please speak to your Relationship Manager for further details.

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