

HSBC Global Investment Funds - Turkey Equity

Share Class AC

30 Jun 2021

Fund Objective and Strategy

Investment Objective

The Fund aims to provide long term capital growth and income by investing in a portfolio of Turkish shares.

Investment Policy

In normal market conditions, the Fund will primarily invest in shares (or securities similar to shares) of companies of any size, that are based in, or carry out most of their business in Turkey. See the Prospectus for a full description of the investment objectives and derivative usage.

Performance (%)	YTD	1M	3M	1Y	3Y ¹	5Y ¹	Since Inception ¹
AC EUR	-15.93	-3.26	-3.57	-8.20	-4.52	-5.01	3.59
AC EUR (Net) ²	-19.94	-7.87	-8.16	-12.57	-6.06	-5.93	3.28
Reference Benchmark EUR	-16.78	-3.94	-7.01	-10.31	-9.38	-10.72	1.02

Calendar Year Performance (%)	2016	2017	2018	2019	2020
AC EUR	-5.36	31.40	-31.92	20.31	-1.31
AC EUR (Net) ²	-9.86	25.15	-35.16	14.58	-6.01
Reference Benchmark EUR	-7.54	24.81	-40.50	12.23	-3.88

3-Year Risk Measures	AC	Reference Benchmark	Characteristics	Fund	Reference Benchmark
Volatility	37.63%	38.48%	Number of Holdings ex Cash	44	100
Information Ratio	1.26	-	Avg Market Cap (EUR mil)	2,798	90,861
Beta	0.97	-			

Share Class Details	
UCITS V Compliant	Yes
Subscription Mode	Cash / SRS (Supplementary Retirement Scheme)
Distribution Type	Accumulating
Dealing Frequency	Daily
Valuation Time	17:00 Luxembourg
Min. Initial Investment	EUR 1,000
Max. Initial Charge	5.00%
Management Fee	1.75%
Share Class Base Currency	EUR
Domicile	Luxembourg
ISIN	LU0213961682
Share Class Inception Date	29 Mar 2005
NAV per Share	EUR 17.48
Fund Size	EUR 36,938,621
Bloomberg Ticker	HSHTKLC LX
Reference Benchmark	BIST 100
Manager	Emin Yigit Onat

Past performance is not an indicator of future returns. The figures are calculated in the share class base currency, NAV-to-NAV basis or Bid-to-Bid basis, dividend reinvested.

Source: HSBC Global Asset Management, data as at 30 June 2021

¹Result is annualised when calculation period is over one year.

²Net of relevant prevailing sales charge on a single pricing (NAV) basis.

Risk Disclosure

- The Fund's unit value can go up as well as down, and any capital invested in the Fund may be at risk.
- 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.
- The Fund may invest in Emerging Markets, these markets are less established, and often more volatile, than developed markets and involve higher risks, particularly market, liquidity and currency risks.
- The Fund may be concentrated in a limited number of securities, economic sectors and/or countries and as a result, may be more volatile and have a greater risk of loss than more broadly diversified funds.
- 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 Fund's potential risks can be found in the Prospectus and Product Highlights Sheet, or Information Memorandum, as applicable.

Reference Performance Benchmark: BIST100 since 1 Jan 2020. Prior to that the benchmark was MSCI Turkey 10/40 Net from 31 Dec 2014 to 31 Dec 2019. Prior to that the benchmark was MSCI Turkey Gross.

Monthly Performance Commentary

MSCI Turkey Index was down 0.7%, underperforming MSCI EM Index which was flat. The Lira lost 0.8% against the basket (0.5 EUR + 0.5 USD). We saw short end bond yields easing by 0.2pp to 18.4%, while long end declined 1pp to 17.0%.

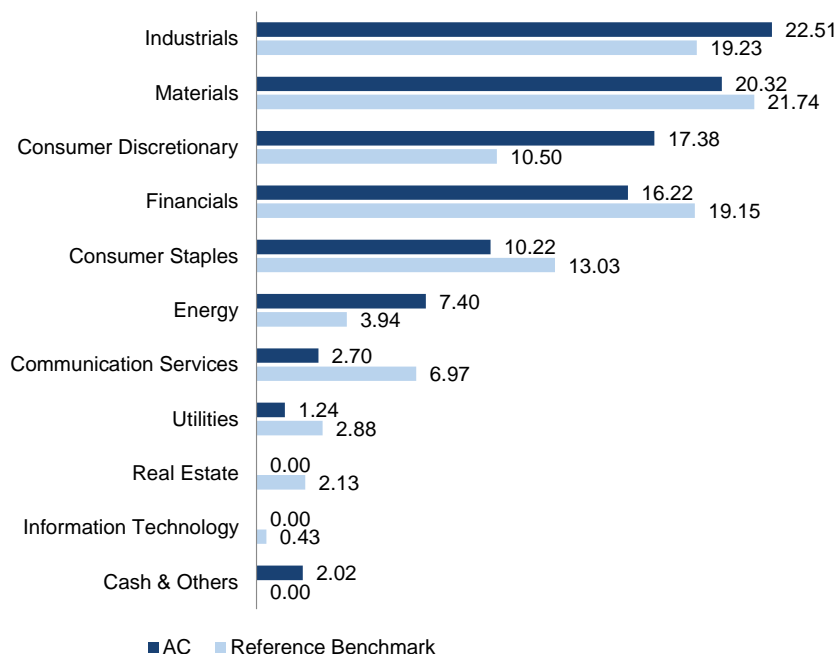
Looking at the sector breakdown, Financials and Telcos outperformed while Materials and Industrials lagged.

Leading positive contributors of the month were overweight position in Oyak Yatirim and Mavi, underweights in Bera and Gubretas. On the flipside, overweights in Kardemir and Pegasus and underweights in Turkcell and Halkbank were the top negative contributors.

Outlook

Turkish equities traded weaker in June amid depreciation of TRL. Financial stocks continued outperformance third month in a row. FX names still outperforming on the non-financial side. Moving forward, the impact of vaccinations on new COVID19 cases and will be closely followed by the market. We remain invested in companies with strong earnings outlook, cash generation ability and financial visibility.

Sector Allocation (%)



Top 10 Holdings (%)	Sector	Weight (%)
EREGLI DEMIR VE CELIK FABRIK	Materials	8.94
TURK SISE VE CAM FABRIKALARI	Industrials	7.79
KARDEMIR KARABUK DEMIR-CL D	Materials	7.56
TUPRAS-TURKIYE PETROL RAFINE	Energy	6.52
TURKIYE GARANTI BANKASI	Financials	6.51
PEGASUS HAVA TASIMACILIGI AS	Industrials	4.40
TOFAS TURK OTOMOBIL FABRIKA	Consumer Discretionary	4.33
BIM BIRLESIK MAGAZALAR AS	Consumer Staples	3.99
COCA-COLA ICECEK AS	Consumer Staples	3.90
TURK HAVA YOLLARI AO	Industrials	3.82

Source: HSBC Global Asset Management, data as at 30 June 2021

Index Disclaimer

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Terms of Glossary

Accumulation Share: a type of share where the income earned by the Fund is retained in the Fund

ACD: HSBC Global Asset Management (UK) Limited, the Authorised Corporate Director of the Company

Actively Managed: where the fund manager uses their expertise to pick investments to achieve the fund's objectives

Beta: an historical measure of volatility to measure how a fund moves versus its benchmark (i.e. an Index)

Collective Investment Scheme: a fund that more than one person contributes to with the aim of increasing the value of their investments or receiving income from a pooled investment. A fund manager will invest the pooled money into one or more types of asset, such as stocks, bonds or property

Developed Markets: countries with relatively high levels of personal income and established economies

Emerging Markets (EM): countries that are progressing toward becoming advanced, usually shown by some development in financial markets, the existence of some form of stock exchange and a regulatory body

Equities: shares issued by a company

Futures: a financial contract obligating the buyer to purchase an asset (or the seller to sell an asset), such as a physical commodity or a financial instrument, at a predetermined future date and price

Growth: the increase in the value of investments

Hedge Funds: an investment fund that pools money from investors and invests in a variety of assets, often with complex investment strategies and risk management techniques

Hedge or Hedging: using derivative type investments as a way to reduce risk

Income: money generated by a fund, such as interest from a bond or a dividend from a share, which can be paid out to its investors or paid back into the fund and reinvested

Income Share: the type of Share where the income earned by the Fund is paid out to you

Information Ratio: a measure of the risk-adjusted return of a fund against its benchmark

Market Capitalisation: the total dollar market value of a company's outstanding shares. Commonly referred to as "market cap", it is calculated by multiplying a company's shares outstanding by the current market price of one share

Net Asset Value (NAV): the value of the scheme property of a fund less the liabilities of the fund

Ongoing Charges Figure: a measure of what it costs to invest in a fund. It includes the fee paid to the ACD and other operating costs

Price Earnings (P/E) Ratio: the price paid for a share divided by the annual profit earned by the firm per share

Preference Shares: shares of a company which entitle the holder to a fixed dividend, whose payment takes priority over that of ordinary share dividends. Preference shares may be convertible to the ordinary shares of a company

Property-related securities: shares of property companies that own, manage or develop property and Real Estate Investment Trusts (REITs), which are investment companies that own buildings and land

Return(s): the money made or lost on an investment

Share(s): an equally valued holding in a fund of a company, representing part ownership of that fund, (including larger denomination shares and smaller denomination shares)

Sharpe ratio: a measure for calculating risk-adjusted return, and this ratio has become the industry standard for such calculations

Volatility: a measure of the size and frequency of changes in the value of an investment over a short space of time

Yield: the income from an investment, usually stated as a percentage of the value of the investment

HSBC Global Investment Funds - Turkey Equity

Supplement Information Sheet

30 Jun 2021

Performance (%)	Return Currency	YTD	1M	3M	6M	1Y	3Y ¹	5Y ¹	Since Inception ¹
AC EUR	EUR	-15.93	-3.26	-3.57	-15.93	-8.20	-4.52	-5.01	3.59
AC EUR (Net) ²	EUR	-19.94	-7.87	-8.16	-19.94	-12.57	-6.06	-5.93	3.28
AC SGD	SGD	-17.13	-4.52	-2.66	-17.13	-6.61	-4.48	-3.79	1.75
AC SGD (Net) ²	SGD	-21.08	-9.06	-7.29	-21.08	-11.05	-6.02	-4.72	1.45
AC USD	USD	-18.52	-6.17	-2.70	-18.52	-3.07	-4.03	-3.76	3.05
AC USD (Net) ²	USD	-22.40	-10.64	-7.33	-22.40	-7.69	-5.57	-4.70	2.74
AD EUR	EUR	-15.93	-3.26	-3.57	-15.93	-8.20	-4.48	-4.99	3.69
AD EUR (Net) ²	EUR	-19.93	-7.87	-8.16	-19.93	-12.57	-6.03	-5.91	3.38
AD SGD	SGD	-17.13	-4.51	-2.66	-17.13	-6.60	-4.44	-3.76	1.79
AD SGD (Net) ²	SGD	-21.07	-9.06	-7.29	-21.07	-11.05	-5.98	-4.70	1.48
AD USD	USD	-18.52	-6.17	-2.70	-18.52	-3.07	-3.99	-3.74	3.09
AD USD (Net) ²	USD	-22.40	-10.63	-7.34	-22.40	-7.69	-5.54	-4.67	2.78

Calendar Year Performance (%)	Return Currency	2016	2017	2018	2019	2020
AC EUR	EUR	-5.36	31.40	-31.92	20.31	-1.31
AC EUR (Net) ²	EUR	-9.86	25.15	-35.16	14.58	-6.01
AC SGD	SGD	-6.42	38.38	-33.90	16.55	5.73
AC SGD (Net) ²	SGD	-10.87	31.80	-37.05	11.00	0.69
AC USD	USD	-8.11	49.60	-35.19	18.14	7.57
AC USD (Net) ²	USD	-12.48	42.48	-38.28	12.51	2.45
AD EUR	EUR	-5.37	31.41	-31.83	20.30	-1.32
AD EUR (Net) ²	EUR	-9.88	25.15	-35.08	14.57	-6.02
AD SGD	SGD	-6.43	38.39	-33.81	16.54	5.72
AD SGD (Net) ²	SGD	-10.89	31.80	-36.96	10.99	0.69
AD USD	USD	-8.12	49.60	-35.10	18.13	7.56
AD USD (Net) ²	USD	-12.50	42.48	-38.19	12.50	2.44

¹ Result is annualised when calculation period is over one year.

² Net of relevant prevailing sales charge on a single pricing (NAV) basis.

Past performance is not an indicator of future returns. The figures are calculated in the share class base currency, NAV-to-NAV basis or Bid-to-Bid basis, dividend reinvested.

Share Class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Last Paid Dividend	Annualised Yield
AC	EUR	-	-	-	-
AD	EUR	Annually	08 Jul 2020	0.088815	0.65%

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 comprise of distributed income, capital, or both.

The calculation method of annualised yield prior to August 2019 is the simple yield calculation: (dividend amount / NAV per share or units as of ex-dividend date) x n; 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.

Investors and potential investors should refer to the details on dividend distributions of the Fund, which are available on HSBC Global Asset Management (Singapore) Limited website.

Share Class	Share Class Inception Date	ISIN	Share Class Base Currency	Min. Initial Investment	NAV per Share	Annual Management Fee	Distribution Type
AC	29 Mar 2005	LU0213961682	EUR	EUR 1,000	17.48	1.75%	Accumulating
AD	19 Apr 2005	LU0213961765	EUR	EUR 1,000	12.47	1.75%	Distributing

Different classes may have different performances, dividend yields and expense ratios. For hedged classes, the effects of hedging will be reflected in the net asset values of such classes. Expenses arising from hedging transactions may be significant and will be borne by the relevant hedged classes. Hedged class performs the required hedging on a best efforts basis.

Source: HSBC Global Asset Management, data as at 30 June 2021