

HSBC Global Funds ICAV

Shariah Multi Asset Fund

Monthly report 31 December 2023 | Share class BC



Investment objective

The Fund aims to provide long term capital growth.



Investment strategy

The Fund is actively managed and does not track a benchmark.

The Fund will invest in range of instruments which may include, but are not limited to: shares and bonds, funds and other transferable securities. The Fund has the flexibility to allocate investments between these asset classes.

The Fund may invest in: shares including common stocks and other transferable securities in companies of any size that are listed or traded on recognised markets worldwide; investment grade, below investment grade and unrated bonds which can have fixed or floating rates.

The Fund may invest Sukuk and in bonds issued by the Islamic Liquidity Management

Corporation (ILMC), governments, government-related entities and companies in emerging market countries and denominated in the currencies of emerging market countries

The Fund may invest up to 100% in shares of Shariah compliant funds, including exchange traded funds, with up to 20% in a single fund. The Fund may invest substantially in emerging market countries and up to 10% of its NAV in cash.

The Fund will maintain adherence to Shariah principles as interpreted by the Shariah Committee and advised to the Investment Manager and the Management Company.

See the Prospectus for a full description of the investment objectives and derivative usage."



Main risks

- The Fund invests in bonds whose value generally falls when interest rates rise. This risk is typically greater the longer the maturity of a bond investment and the higher its credit quality. The issuers of certain bonds, could become unwilling or unable to make payments on their bonds and default. Bonds that are in default may become hard to sell or worthless.
- 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.

Share class details

Key metrics

NAV per share **USD 10.99**

Fund facts

UCITS V compliant **Yes**

ISA eligible **Yes**

Dividend treatment **Accumulating**

Dealing frequency **Daily**

Valuation time **23:00 Ireland**

Share class base currency **USD**

Domicile **Ireland**

Inception date **2 October 2023**

Fund size **USD 5,494,404**

Managers **Nicholas McLoughlin
Kim Kooner**

Fees and expenses

Minimum initial investment¹ **USD 5,000**

Ongoing charge figure² **0.850%**

Codes

ISIN **IE000X4Z8R03**

Bloomberg ticker **HSGSMBC ID**

SEDOL **BR846W6**

¹Please note that initial minimum subscription may vary across different distributors

²Ongoing Charges Figure is an estimate as the share class has not been priced for a full financial year.

Past performance does not predict future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.

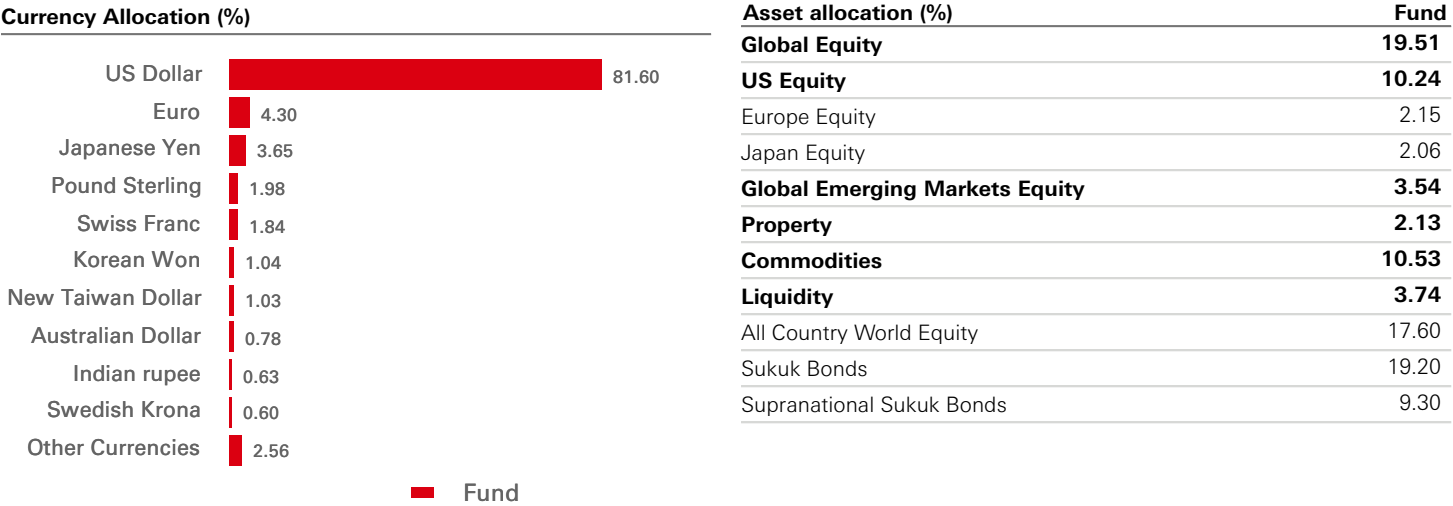
This is a marketing communication. Please refer to the prospectus and to the KIID before making any final investment decisions.

For definition of terms, please refer to the Glossary QR code and Prospectus.

Performance figures will only be published once the share class has achieved a twelve months track record.

Source: HSBC Asset Management, data as at 31 December 2023

| Performance (%) | YTD | 1 month | 3 months | 6 months | 1 year | 3 years ann | 5 years ann | Since inception |
|-------------------------|-----|---------|-------------------|----------|-------------------|-------------------|-------------------|-------------------|
| BC | -- | -- | -- | -- | -- | -- | -- | -- |
| 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 |
| BC | | | -- | | -- | -- | -- | -- |

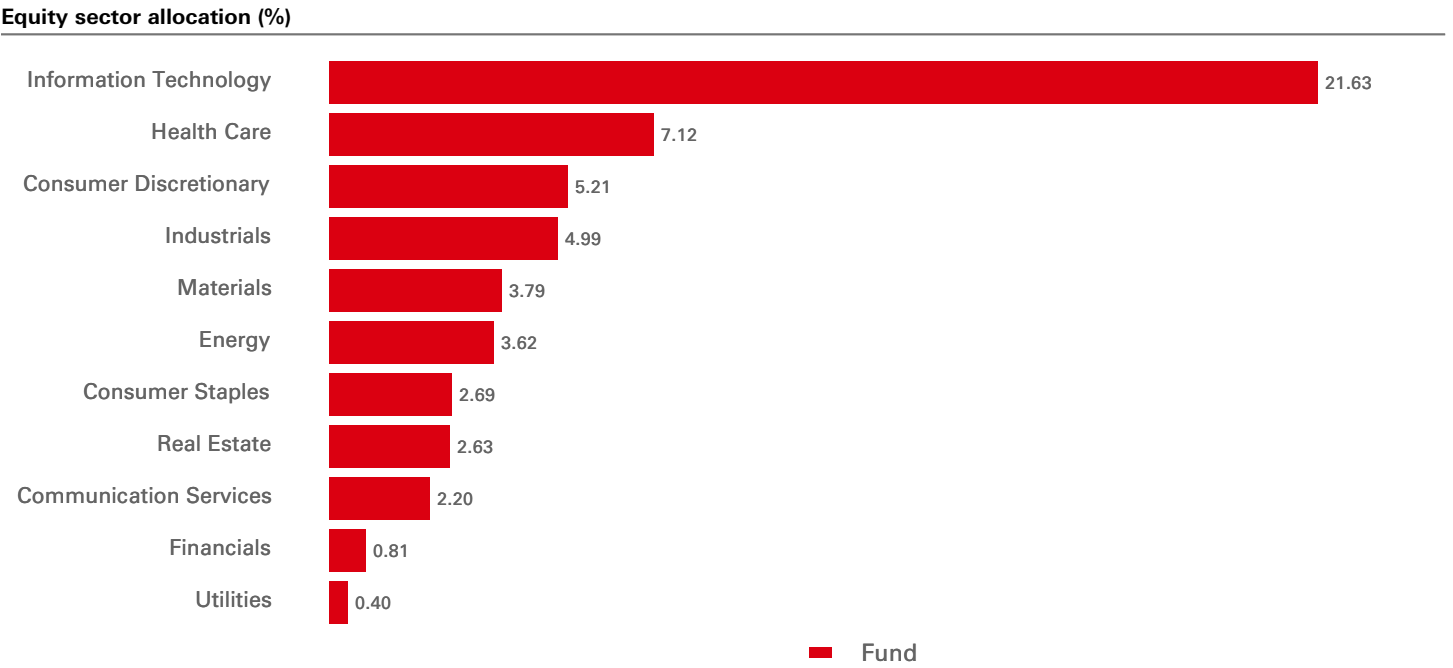
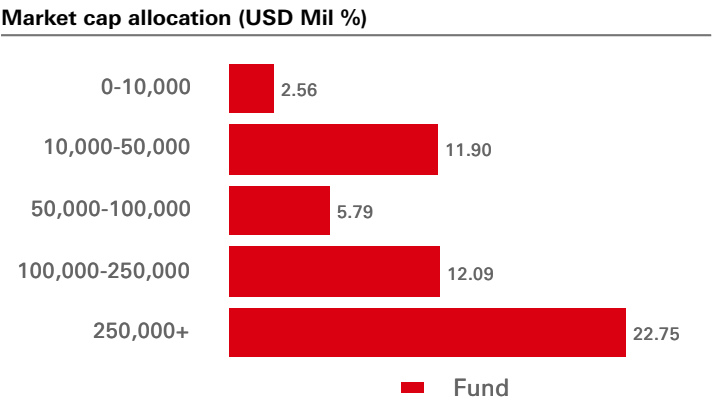


| Top 10 holdings | Weight (%) |
|--|------------|
| HSBC MSCI World Islamic ESG ETF USD Acc | 19.51 |
| HSBC Global Sukuk UCITS ETF ZC | 19.20 |
| HSBC Islamic Global Equity Index ZC | 17.60 |
| HSBC MSCI USA Islamic ESG ETF USD (Acc) | 10.24 |
| iShares Physical Gold ETC | 7.59 |
| ISDB TRUST NO 2 4.906 03/10/2028 USD | 4.75 |
| IILM 2 SA 5.850 03/10/2024 USD | 4.55 |
| HSBC MSCI EM Islamic ESG ETF USD Acc | 3.54 |
| WisdomTree Metal Securities Lt | 2.94 |
| HSBC MSCI Europe Islamic ESG ETF EUR Acc | 2.15 |

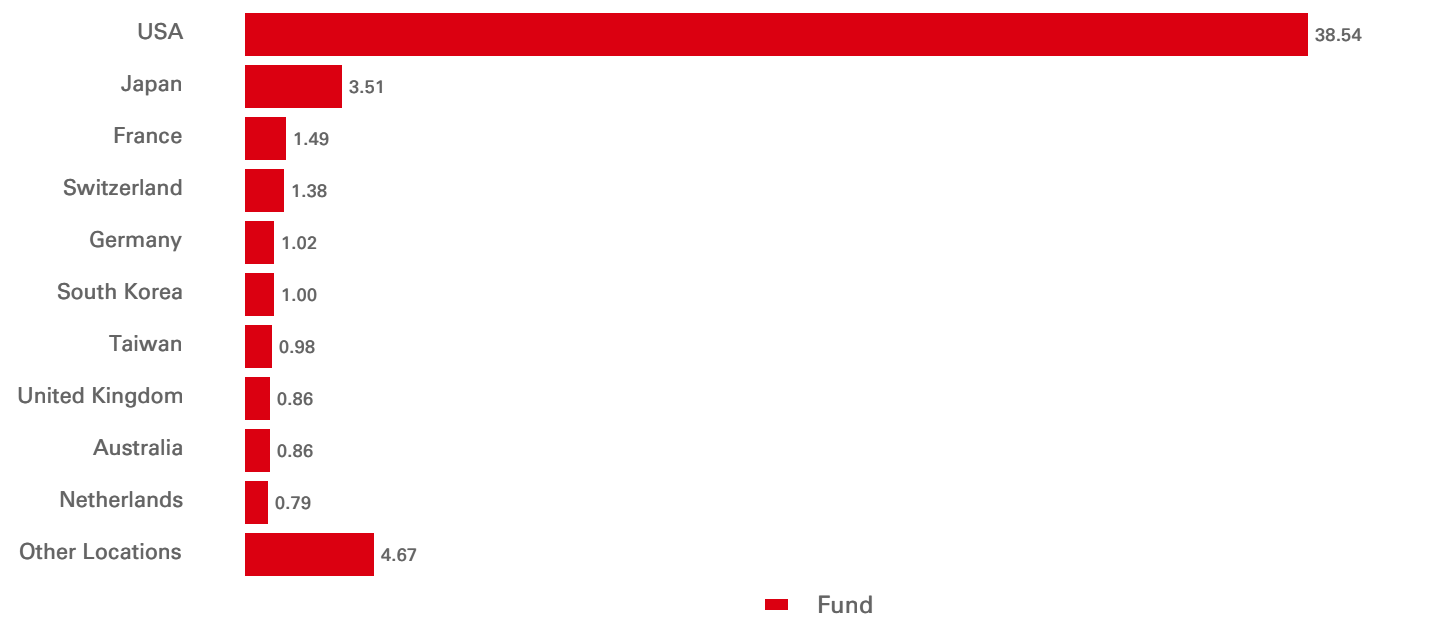
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 Source: HSBC Asset Management, data as at 31 December 2023

| Equity top 10 holdings | Location | Sector | Weight (%) |
|----------------------------|---------------|------------------------|------------|
| Microsoft Corp | United States | Information Technology | 7.19 |
| Tesla Inc | United States | Consumer Discretionary | 1.76 |
| Apple Inc | United States | Information Technology | 1.31 |
| Adobe Inc | United States | Information Technology | 1.16 |
| Alphabet Inc | United States | Communication Services | 1.14 |
| Salesforce Inc | United States | Information Technology | 1.09 |
| Amazon.com Inc | United States | Consumer Discretionary | 1.03 |
| Advanced Micro Devices Inc | United States | Information Technology | 1.01 |
| Exxon Mobil Corp | United States | Energy | 1.00 |
| Johnson & Johnson | United States | Health Care | 0.94 |

| Equity characteristics | Fund | Reference Benchmark |
|------------------------------|---------|---------------------|
| Average market cap (USD Mil) | 636,283 | -- |
| Price/earning ratio | 18.86 | -- |
| Portfolio yield | 1.67% | -- |



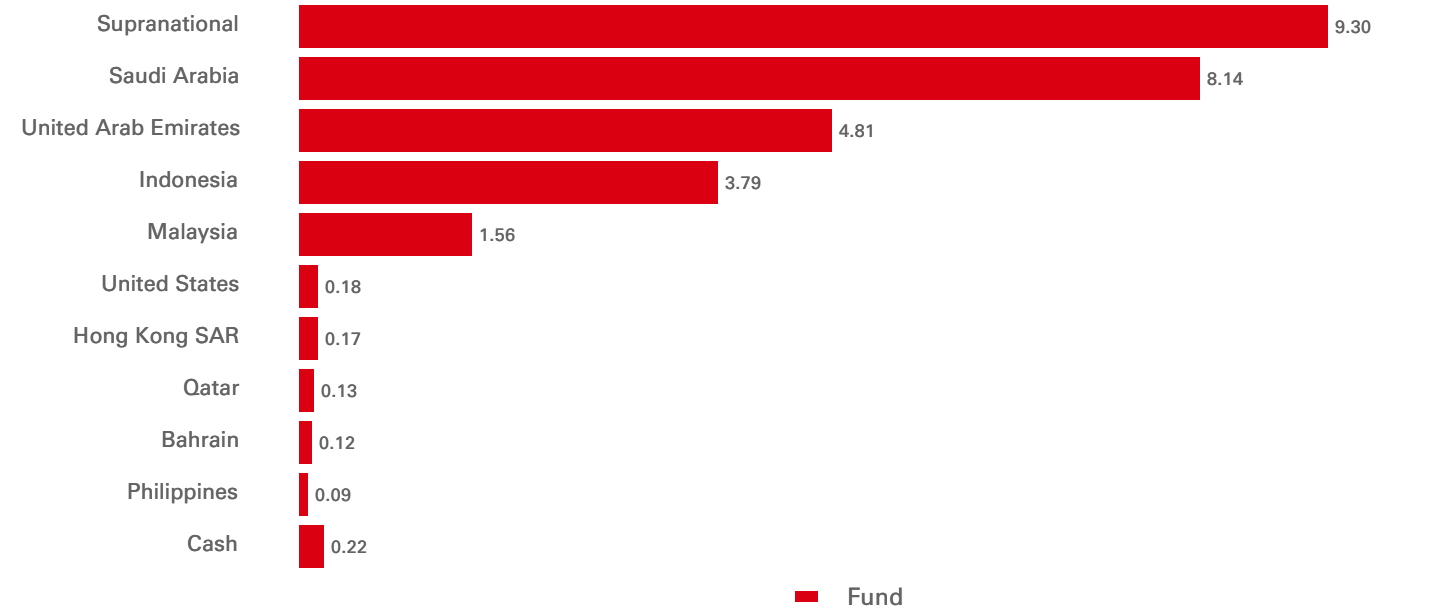
Equity geographical allocation (%)



| Fixed Income Characteristics | Fund | Reference Benchmark | Relative | Credit rating (%) | Fund | Reference Benchmark | Relative |
|------------------------------|-------|---------------------|----------|-------------------|------|---------------------|----------|
| Yield to worst | 4.88% | -- | -- | AAA | 4.72 | -- | -- |
| Yield to maturity | 4.88% | -- | -- | AA | 0.60 | -- | -- |
| Option adjusted duration | 4.02 | -- | -- | A | 9.94 | -- | -- |
| Rating average | A+/A | -- | -- | BBB | 7.00 | -- | -- |
| | | | | BB | 1.45 | -- | -- |
| | | | | NR | 4.58 | -- | -- |
| | | | | Cash | 0.22 | -- | -- |

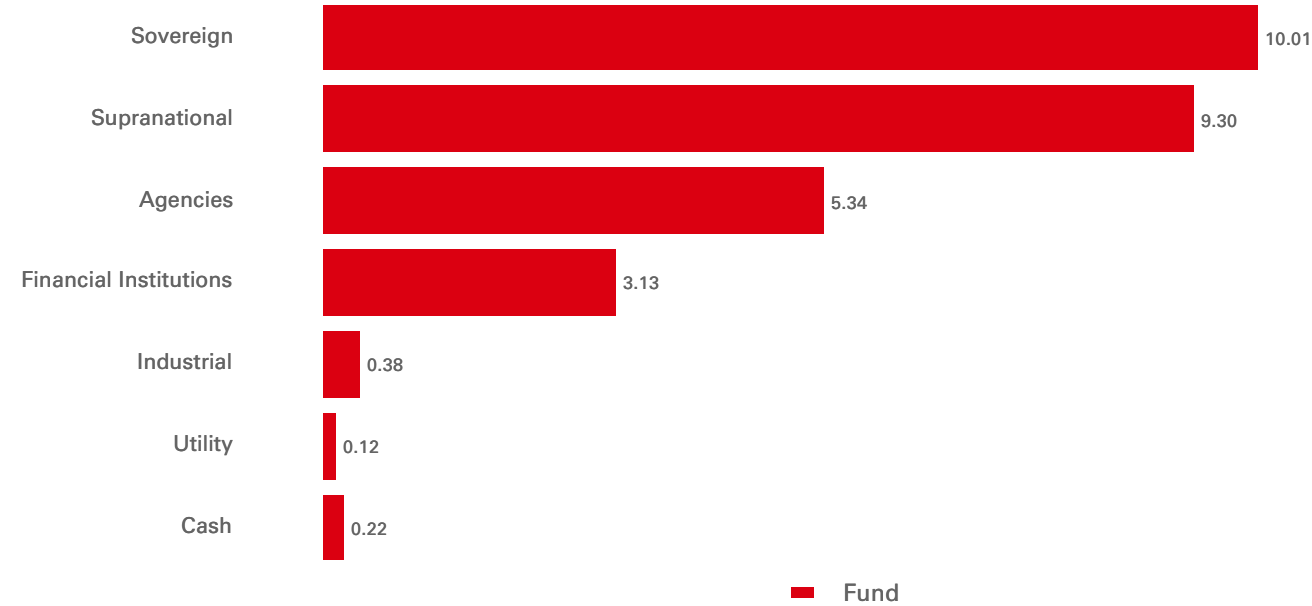
| Fixed income top 10 holdings | Location | Instrument type | Weight (%) |
|---|----------------------|-----------------------|------------|
| KSA SUKUK LTD 3.628 20/04/2027 USD | Saudi Arabia | Euro Medium Term Note | 1.09 |
| KSA SUKUK LTD 5.268 25/10/2028 USD | Saudi Arabia | Corporate Bond | 0.90 |
| KSA SUKUK LTD 4.274 22/05/2029 USD | Saudi Arabia | Corporate Bond | 0.64 |
| KSA SUKUK LTD 4.511 22/05/2033 USD | Saudi Arabia | Corporate Bond | 0.62 |
| SA GLOBAL SUKUK LTD 2.694 17/06/2031 USD | Saudi Arabia | Corporate Bond | 0.47 |
| SA GLOBAL SUKUK LTD 1.602 17/06/2026 USD | Saudi Arabia | Corporate Bond | 0.44 |
| SHARJAH SUKUK PROGRAM 2.942 10/06/2027 USD | United Arab Emirates | Corporate Bond | 0.42 |
| PERUSAHAAN PENERBIT SBSN 4.700 06/06/2032 USD | INDONESIA | Corporate Bond | 0.40 |
| PERUSAHAAN PENERBIT SBSN 4.325 28/05/2025 USD | INDONESIA | Corporate Bond | 0.38 |
| DIB SUKUK LTD 2.950 16/01/2026 USD | United Arab Emirates | Euro Medium Term Note | 0.37 |

Fixed income geographical allocation (%)



| Geographical allocation (Option adjusted duration) | Fund | Reference Benchmark | Relative |
|--|------|---------------------|----------|
| Saudi Arabia | 1.50 | -- | -- |
| Supranational | 0.81 | -- | -- |
| United Arab Emirates | 0.68 | -- | -- |
| Indonesia | 0.63 | -- | -- |
| Malaysia | 0.31 | -- | -- |
| United States | 0.02 | -- | -- |
| Hong Kong SAR | 0.02 | -- | -- |
| Philippines | 0.01 | -- | -- |
| Bahrain | 0.01 | -- | -- |
| Qatar | 0.01 | -- | -- |
| Cash | 0.00 | -- | -- |

Fixed income sector allocation (%)



Monthly performance commentary

Portfolio performance

Equity and bond markets continued to rally in December, resulting in positive absolute returns for the HSBC Shariah Multi Asset fund.

The Shariah Multi Asset fund is actively positioned against a long-term strategic asset allocation. During December, the cautious positioning of the portfolios detracted, with the tilt away from Equity and Property delivering negative contributions. Conversely, our preference for Government Bonds and our Gold position added value. Within intra-equity allocation, our decision to be underweight Japan and Emerging market equity added value.

Investment Team Views and Portfolio Positioning

We see economic activity slowing due to high interest rates and tight financial conditions. As a result, the portfolios are tilted away from growth sensitive asset classes such as Global equity and Property. Property markets are expected to underperform given the negative impact of higher interest rates on financing costs.

The portfolios hold a preference for Sukuk bonds as they tend to outperform when growth turns negative, additionally yields are currently at appealing levels.

We also hold an underweight to Emerging market equity exposure, in anticipation of slowing export demand as the developed world enters a slowdown.

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.
- Where overseas investments are held the rate of currency exchange may cause the value of such investments to go down as well as up.
- Further information on the potential risks can be found in the Key Information Document (KID) and/or the Prospectus or Offering Memorandum.

Important information

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Further information about the UCITS including the Prospectus, the most recent annual and semi-annual reports of the UCITS and the latest prices of shares, may be obtained free of charge, in English, from the Administrator by emailing ifsinvestorqueries@hsbc.com, or by visiting www.global.assetmanagement.hsbc.com. The Prospectus, annual and semi-annual reports are prepared for the entire UCITS.

The most recent Prospectus is available in English and French. Key Investor Information Document (KIID) are available in the local language where they are registered.

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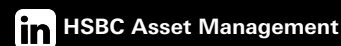
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Further Information can be found in the prospectus and in our Key Investor Information Documents published in our Fund Centre at www.assetmanagement.hsbc.co.uk

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.

Source: HSBC Asset Management, data as at 31 December 2023

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www.assetmanagement.hsbc.com/uk

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Glossary

