HSBC Asset Management

HSBC OpenFunds

Global Property Fund

Monthly report 29 February 2024 | Share class Acc C

Investment objective

The Fund aims to provide growth in the long term, which is a period of five years or more.

Investment strategy

To achieve its objective, the Fund will invest at least 80% of its value in property-related securities and collective investment schemes that, in turn, invest in direct property (physical buildings) and property-related securities. There will be no geographical restrictions. The Fund is actively managed and is not managed with reference to a benchmark. The performance of the Fund from 1 December 2021 is shown against the performance of a combination of a 20% weighting to the Investment Association UK Direct Property Sector average and an 80% weighting to the Investment Association Property Other Sector average for comparison purposes only. A different combination of the sector averages was used prior to this date.

Main risks

- The value of investments and any income from them 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.
- The Fund invests in bonds whose value generally falls when interest rates rise. This risk is generally 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.

Share class details

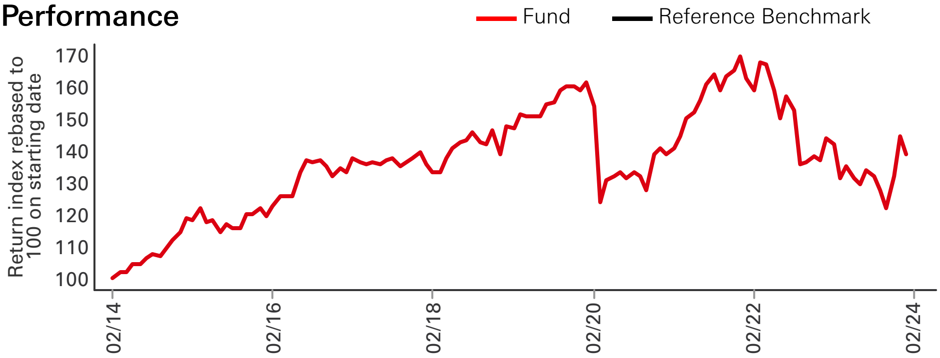
Key metrics	
NAV per share	**GBP 1.76**
Performance 1 month	**-1.95%**
Volatility 3 years	**14.69%**
Fund facts	
UCITS V compliant	**No**
UK reporting fund status (UKRS)	**No**
ISA eligible	**Yes**
Dividend treatment	**Accumulating**
Dividend ex-date	**16 April 2018**
Dealing frequency	**Daily**
Valuation time	**12:00 United Kingdom**
Share class base currency	**GBP**
Domicile	**United Kingdom**
Inception date	**3 September 2012**
Fund size	**GBP 32,196,470**
Reference benchmark	**20% 80% Investment Association Property sector**
Managers	**Nick Leming**
Fees and expenses	
Minimum initial investment[1]	**GBP 1,000,000**
Ongoing charge figure[2]	**0.930%**
Codes	
ISIN	**GB00B84L7Q94**
Bloomberg ticker	**HSOGPCA LN**
SEDOL	**B84L7Q9**

[1]Please note that initial minimum subscription may vary across different distributors
[2]Ongoing Charges Figure is based on expenses over a year. The figure includes annual management charge but not the transaction costs. Such figures may vary from time to time.

FE ALPHA MANAGER 2017 DR. GUY MORRELL
FE ALPHA MANAGER 2018 DR. GUY MORRELL
ALPHA MANAGER 2019 Dr Guy Morrell
ALPHA MANAGER 2020 Dr. Guy Morrell
ALPHA MANAGER 2021 Dr. Guy Morrell

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 KID before making any final investment decisions.
For definition of terms, please refer to the Glossary QR code and Prospectus.
Period from launch up to 31 August 2018:IA Property sector
Period from 1 September 2018 to 30 November 2021: A 50% weighting to the IA Direct Property sector average and a 50% weighting to the IA Property Other sector average
Source: HSBC Asset Management, data as at 29 February 2024

Performance



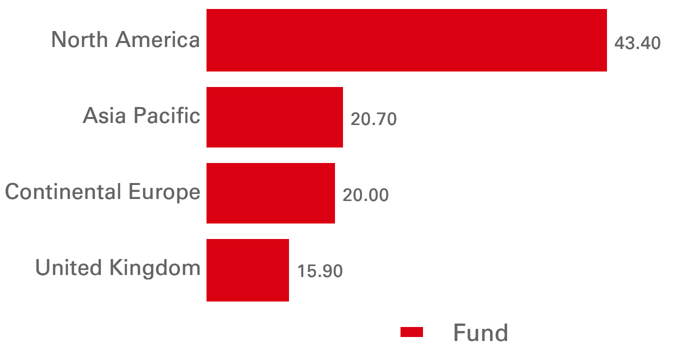
Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	10 years ann
Acc C	**-5.53**	**-1.95**	**3.32**	**3.13**	**-3.76**	**-1.09**	**-1.45**	**3.16**
Reference Benchmark	-4.49	-1.46	1.78	2.16	-2.31	-1.17	-0.52	3.18

Rolling performance (%)	28/02/23-29/02/24	28/02/22-28/02/23	28/02/21-28/02/22	29/02/20-28/02/21	28/02/19-29/02/20	28/02/18-28/02/19	28/02/17-28/02/18	29/02/16-28/02/17	28/02/15-29/02/16	28/02/14-28/02/15
Acc C	**-3.76**	**-10.81**	**12.75**	**-8.50**	**4.99**	**10.37**	**-3.17**	**12.27**	**3.75**	**17.92**
Reference Benchmark	-2.31	-10.07	9.89	-3.59	4.70	7.60	0.41	11.59	2.01	14.15

3-Year Risk Measures	Acc C	Reference Benchmark
Volatility	14.69%	--
Information ratio	--	--
Beta	--	--

Top 5 holdings	Weight (%)
AXA WF Global Flexible Property Fund	18.20
iShares Asia Property Yield Fund	11.27
iShares US Property Yield ETF	10.06
Kempen Global Property Fund	8.19
AXA WF Framlington Global Real Estate Securities Fund	8.00

Geographical allocation (%)



Portfolio asset allocation (%)

Fund manager focus

AXA WF Global Flexible Property Fund: The fund manager, Frederic Tempel, seeks to capture global unleveraged direct real estate performance over the long term in a liquid format by investing across the full spectrum of listed property companies' capital structure. The asset allocation is dynamic and Tempel adjusts the balance between equities, bonds and cash in response to changes in market conditions and outlook, using a variety of hedging strategies to control risk. We believe this unusual strategy offers diversification benefits relative to pure listed real estate equity strategies.
Kempen Global Property Fund: The Fund is managed by a team of dedicated real estate securities specialists based in Amsterdam. The research process seeks to identify companies that are mispriced relative to their quality by using large amounts of real estate and company data. We believe the strategy, which has performed well relative to the broader index of global real estate equities, complements the other listed holdings of the Fund well.
BMO European Real Estate Securities Fund: The Fund invests in Pan-European real estate securities and can hold both long and short positions. Managed by Marcus Phayre-Mudge and Alban Lhonneur, the Fund targets an outperformance of the benchmark and traditional long only funds in all market conditions through the active management of risk, volatility and overall net exposure.

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Source: HSBC Asset Management, data as at 29 February 2024

Monthly performance commentary

Market returns

Following a strong end to 2023, it has been a disappointing start to 2024 for Listed Real Estate driven by a push back from central banks regarding the timing of interest rate cuts, alongside stickier than expected inflation and robust job numbers. The FTSE EPRA Nareit Developed Total Return Index (GBP) returned 0.1% during the month, with only the US posting positive returns (2.3%). Continental Europe returned -7.5%, the UK returned -6.7%, while Asia returned -1.8% in GBP. Over the 12 months ended February 2024, the FTSE EPRA Nareit Developed Total Return Index recorded a GBP return of -2.8%.

The MSCI UK Monthly Capital Value Index returned -0.4% in February, resulting in a total return for the month of 0.1%. Over the 12 months to end-February 2024 the Index recorded a total return of 0.7%. Daily dealt UK direct property funds perform differently from this measure for various reasons, including cash drag and the impact of fees. The Investment Association UK Direct Property Sector return was -0.9% in February and -1.8% over the previous 12 months.

Portfolio positioning

The Fund remains biased towards real estate equities relative to direct property funds due to our view that listed property markets are priced to deliver superior prospective long run returns and offer higher liquidity. As at end February 2024, the weighting to real estate equities was 99.2% and cash accounted for 0.8%. Unlike direct property funds, the HSBC Global Property Fund has never had to suspend or defer dealing since its launch in November 2007.

Fund Manager Focus

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The stocks mentioned are for illustrative purposes only and are not investment advice, investments have risks.
Source: HSBC Asset Management, data as at 29 February 2024

Risk disclosures

- Investing in other funds involves certain risks an investor would not face if investing in markets directly. Governance of underlying assets can be the responsibility of third-party managers.
- 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.
- Real estate and related investments can be negatively impacted by any factor that makes an area or individual property less valuable.
- Liquidity is a measure of how easily the Fund's holdings can be quickly converted to cash. The value of the Fund's holdings may be significantly impacted by liquidity risk during adverse market conditions.
- Further information on the potential risks can be found in the Key Information Document (KID) and/or the Prospectus or Offering Memorandum.

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Source: HSBC Asset Management, data as at 29 February 2024

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Glossary

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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