

Product Note

HSBC Brazil Fund

An Open-Ended Fund of Funds Scheme investing in HSBC Global Investments Fund - Brazil Equity Fund.
September 2023

Fund Category	Fund Manager	Benchmark ¹	Inception Date	AUM
Fund of Funds (Domestic)	Sonal Gupta	MSCI Brazil 10/40 Index TRI	06 May 2011	Rs. 36.65 Cr

Investment Objective

The primary investment objective of the Scheme is to provide long term capital appreciation by investing predominantly in units/shares of HSBC Global Investment Funds (HGIF) Brazil Equity Fund. The Scheme may, at the discretion of the Investment Manager, also invest in the units of other similar overseas mutual fund schemes, which may constitute a significant part of its corpus. The Scheme may also invest a certain proportion of its corpus in money market instruments and/or units of liquid mutual fund schemes, in order to meet liquidity requirements from time to time. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.

Risk Ratios ²	
Standard Deviation	32.29%
Beta	0.95
Sharpe Ratio ³	0.04
R2	0.97%

Load / Expenses ⁵	
Entry Load	NA
Exit Load - (i) In respect of each purchase / switch-in of units, an Exit Load of 1% is payable if Units are redeemed / switched-out within 1 year from the date of allotment. (ii) No Exit Load will be charged, if units are redeemed / switched-out after 1 year from the date of allotment. ⁴	
Expense ratio (Other than Direct) ⁴	2.42%
Expense ratio (Direct)	1.69%
Underlying Fund's Expense ratio	0.85%

Who Can Benefit From This Fund?

- Investor who wish to have geographical and sectorial diversification
- It helps in diversifying a predominantly domestic portfolio
- Different geographical economies may deliver varying and contrasting risk adjusted performance in various economic & investment cycles
- Provides opportunities to invest in various themes

Investment commentary - HGIF Global Brazil- HBF – Underlying Fund

- At sector level, stock selection was negative for the month. Positive performance came from Consumer Discretionary and Communication Services, though this was offset by negative stock selection in Consumer Staples and Industrials.
- Consumer Discretionary security, MERCADOLIBRE INC with total effect 0.34% is the top contributor. Additionally, Consumer Staples security, SENDAS DISTRIBUIDORA SA was the second largest contributor with total effect 0.10%. Utilities security, CIA SANEAMENTO BASICO DE SP also contributed with total effect 0.06%.
- On the other side, detractors included Health Care security REDE D'OR SAO LUIZ SA with total effect -0.22%, Consumer Staples holding, ATACADAO SA with total effect -0.22%, and Industrials holding, WEG SA with total effect -0.10%.
- During this period, positions were initiated in ITAUSA SA.
- No positions were closed.
- Sector allocation effects are residual to stock selection. At sector level, effects were positive, given an overweight exposure to Consumer Staples.

Data as on 31 August 2023,

¹ As per clause 1.9 of the SEBI Master Circular dated May 19, 2023, on 'Guiding Principles for bringing uniformity in Benchmarks of Mutual Fund Schemes' has introduced two-tiered structure for benchmarking of certain categories of schemes. Accordingly, the benchmark has been classified as Tier 1 benchmark. Furthermore, the same is effective from 01 December 2021

² Statistical Ratios disclosed are as per monthly returns (Annualized) for the last 3 years.

³ Risk free rate: 6.69% (FIMMDA-NSE MIBOR) as on August 31, 2023

⁴ Continuing plans

⁵ Investors should note that the expenses to be borne by the investor include the recurring expenses of the Underlying scheme in which Fund of Funds Scheme makes investments subject to the maximum limits prescribed under sub-regulation 6 & 6A of Regulation 52 of the SEBI Regulations.

Stock specific information provided above is based on Portfolio details as on July 31, 2023. The scheme may or may not have future positions in this stock. The above should not be construed as an investment advice or research report or recommendation to buy or sell any stock mentioned above. Past performance may or may not sustain and doesn't guarantee the future performance.

HGIF Global Brazil- HBF – Underlying Fund

Portfolio

Instrument	Weight (%)
PETROBRAS - PETROLEO BRAS	8.9%
BANCO BRADESCO S.A.	8.3%
VALE SA	7.6%
WEG SA	5.9%
BANCO BTG PACTUAL SA-UNIT	5.4%
ITAU UNIBANCO HOLDING S-PREF	4.7%
CENTRAIS ELETRICAS BRASILIER	4.6%
LOCALIZA RENT A CAR	4.4%
B3 SA-BRASIL BOLSA BALCAO	4.2%
AMBEV SA	3.7%
SUZANO PAPEL E CELULO-PREF A	3.2%
PRIO SA	3.1%
GERDAU SA-PREF	3.1%
TOTVS SA	3.0%
COSAN LTD-CLASS A SHARES	2.7%
CIA SANEAMENTO BASICO DE SP	2.6%
REDE D'OR SAO LUIZ SA	2.5%
HAPVIDA PARTICIPACOES E INVE	2.4%
MERCADOLIBRE INC	2.1%
BANCO DO BRASIL S.A.	1.8%
ENERGISA SA-UNITS	1.8%
ITAUSA SA	1.7%
LOJAS RENNER S.A.	1.4%
ATACADAO SA	1.4%
RAIA DROGASIL SA	1.1%
iShares MSCI Brazil ETF (DE)	1.1%
Pooled	1.1%
NATURA COSMETICOS SA	1.0%
VIBRA ENERGIA SA	0.8%
JBS SA	0.8%
BB SEGURIDADE PARTICIPACOES	0.7%
INTER & CO INC - BDR	0.7%
MAGAZINE LUIZA SA	0.6%
KLABIN SA - UNIT	0.5%
BRF SA	0.2%
Cash	1.9%
Total	100.00%

Sector Allocation (%)

Name	End Weight
Financials	27.6%
Energy	14.8%
Materials	14.4%
Industrials	10.3%
Utilities	9.1%
Consumer Staples	8.2%
Consumer Discretionary	4.9%
Health Care	4.8%
Information Technology	3.0%
Pooled	1.1%
Cash	1.9%

Data as on 31 August 2023, Source – HSBC Asset Management

Source – HSBC Asset Management, Data as on 31 August 2023, The above information should not be considered as investment research, investment recommendation or advice to any reader of this content to buy or sell investments. The Fund may or may not have any future position in these stocks.

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An Open-Ended Fund of Funds Scheme investing in HSBC Global Investments Fund - Brazil Equity Fund.

Fund of Funds - Portfolio

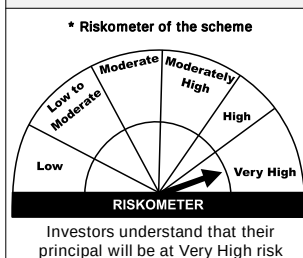
Issuer	Industries	% to Net Assets
Mutual Fund Units		95.68%
HSBC GIF BRAZIL EQUITY S3D	Overseas Mutual Fund	95.68%
Cash Equivalent		4.32%
TREPS*		4.49%
Net Current Assets:		-0.17%
Total Net Assets as on 31-August-2023		100.00%

*TREPS : Tri-Party Repo
Data as of 31 August 23

Asset Allocation – Fund of Fund

International - Mutual Fund Units	95.68%
Reverse Repos/TREPS	4.49%
Net Current Assets	-0.17%
Total Net Assets as on 31-August-2023	100.00%

HSBC Brazil Fund

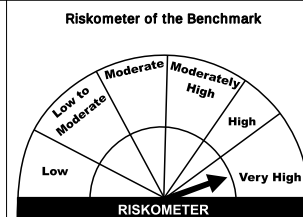


Fund of Funds (Overseas) - An Open-Ended Fund of Funds Scheme investing in HSBC Global Investments Fund - (HGIF) Brazil Equity Fund.

This product is suitable for investors who are seeking*:

- To create wealth over long term
- Invests in equity and equity related securities through feeder route in Brazilian markets

Benchmark: MSCI Brazil 10/40 Index TRI



* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Note on Risk-o-meters: Please note that the above risk-o-meter is as per the product labelling of the scheme available as on the date of this communication/ disclosure. Any change in risk-o-meter shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to unitholders of that particular Scheme.

Past performance is not an indicator of future returns. Source: HSBC Mutual Fund, Data as at 31 August 2023 unless otherwise given

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Mutual fund investments are subject to market risks, read all scheme related documents carefully.