

HSBC Global Emerging Markets

Equity Fund – GEM

Monthly Factsheet

as of 30 June 2017

Profile

The fund seeks to provide long-term capital growth by investing in a diversified portfolio of shariah-compliant companies with an official listing on a major stock exchange or other regulated markets of emerging countries, as well as in shares of companies listed in other stock exchanges and regulated markets which carry out a substantial part of their economic activities in any emerging market country.

Top Holdings (as of 1st valuation day of 2nd Quarter 2017)

Stock	Weight %	Country/Territory
Tencent Holdings Ltd.	9	China
Alibaba Grp HLD-ADR	7	China
Taiwan Semiconductor	6	Taiwan
China Mobile Ltd.	3	China
Infosys Ltd. ADR	3	India
Novatek PJSC – Spons GDR	3	Russia
Baidu.Com Spon ADR	2	China
Yandex NV	2	Russia
Wipro ADR	2	India
PT Telekomunikasi	2	Indonesia

Top Fund Composition (as end of June 2017)

Country/Territory	Weight %
China	36.6
India	17.4
Taiwan	13.2
Brazil	9.0
Russia	6.8
South Africa	4.3
Malaysia	3.1
Indonesia	2.7
Thailand	2.6
Mexico	2.0

Contact Details

HSBC Saudi Arabia Limited

Local and International Investors

Toll Free Number: 920022688

Website: www.hsbcSaudi.com

Email: mohammedaalsuwayied@hsbcsa.com



Fund Details

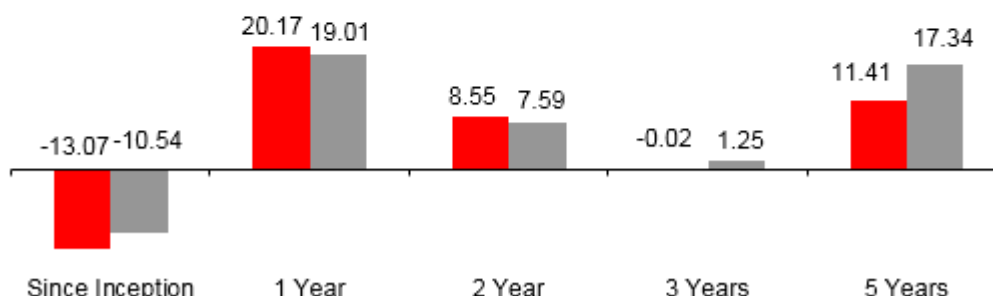
Fund Manager	HSBC Saudi Arabia
Inception Date	06 March 2008
Inception Price	USD 10
Fund Type	Open ended
Investment Policy	Active Management
Base Currency of the fund	US Dollar
Risk/Return Profile	High
Benchmark	A composite Benchmark incorporating the Dow Jones Islamic Market Emerging Markets Index and the Dow Jones Islamic Market BRIC (Brazil, Russia, India, and China) Index
Bloomberg Code	AMANEMR AB
Zawya Code	HSBGEME.MF
Fund Size (USD)	19 Million
Minimum Initial Investment	USD 5,000
Minimum Additional Investment	USD 2,500
Valuation Day	Tuesday & Thursday
Cut off Time	Before 12 pm, Riyadh time; On Monday for Tuesday valuation, and on Wednesday for Thursday valuation
Redeemed Funds Payment	Four Business Days after valuation day
Annual Management Fee	2.3%
Subscription Fee	Up to 2%

2nd Quarter 2017 Financial Indicators

Percentage of Management fees and charges of 2Qtr17 to the average of the Fund's Net Asset Value	0.58%
Amount & percentage of profits distributed in the 2 nd Quarter	NA
Fund manager's investment and percentage to the AUM of the Fund as end of June 2017	NA
Amount & percentage of 2Qtr17 dealing expenses to the Fund's average NAV	10,486 (0.06%)
Percentage of borrowings to Fund's NAV as end of June 2017	NA

Performance as of 22 June 2017

	Since Inception	1 Year	3 Years	5 Years
	% Chg	% Chg	% Chg	% Chg
 HSBC Global Emerging Markets Equity Fund	-13.07	20.17	-0.02	11.41
 GEM Composite Benchmark	-10.54	19.01	1.25	17.34



	2nd Qtr 17
Standard Deviation	0.76%
Sharpe Ratio	6.85

Please note that the above figures refer to past performance and that past performance is not a reliable indicator of future results. The investment performance of the fund is calculated on a total return basis (i.e. with the cash dividend reinvested), while the investment performance of the benchmark is calculated on a price return basis (i.e. does not include the cash dividend paid). The data is based on the last calculated NAV of the Fund for each month and the value of the benchmark on the corresponding day.

* A composite Benchmark incorporating the Dow Jones Islamic Market Emerging Markets Index and the Dow Jones Islamic Market BRIC (Brazil, Russia, India and China) Index.

Fund manager comments

Global equities had a strong performance in 2nd quarter of 2017, boosted by robust global macro data and generally upbeat corporate earnings. Investors tend to shrug off concerns over a “hard-Trump” policy agenda and were responding to generally positive global economic news. Emerging markets outperformed during the 2nd quarter of 2017. The global economic scenario of a synchronized world recovery was favorable for emerging economies which tend to show cyclical patterns. The EM outlook has improved in 2017 despite concerns over US protectionism and monetary tightening.

In China, stocks fell early in the quarter on disappointing economic data but, midway through the period, gained a recovery momentum. However, looking forward, China’s tighter financial regulations as well as soft April macro releases point to a shallow slow down for 2017 and 2018, which may weigh on the Region’s outlook. In India, equities rose solidly over the quarter, with much of the outperformance due to a countrywide goods and services tax. In Brazil, a political scandal engulfing reformist President Michel Temer significantly raised downside risks to much needed reforms being implemented, and triggered profit taking at the end of the period on the Brazilian Equities as well as the Brazilian Real. During the 2nd quarter of the year, the Fund returned 6.44%; whereas, the Benchmark returned 5.46%.

HSBC Saudi Arabia has issued this document for information purposes only. This document is not and should not be construed as an offer to sell or solicitation of an offer or an advice to purchase or subscribe in any investment. Any member of the HSBC SA, directors, officers and employees may have traded for their own account as principal, underwritten an issue within the last 36 months, or have a long or short position in any related instrument mentioned in this material.

Prior to entering into a transaction or if you require investment advice or wish to discuss the suitability of any investment and trading decision, you should seek such investment, financial, legal or tax advice from your professional advisers as appropriate not upon any view expressed by HSBC Saudi Arabia. All information and statistical data in this document are up-to-date as of 30 June 2017. Information and statistical data in this document were obtained from sources or third parties, which HSBC Saudi Arabia believes to be reliable but which it has not independently verified.

HSBC SA makes no guarantees, representations or warranties and accepts no responsibility or liability as to its accuracy or completeness of all information and statistical data or for not achieving any mentioned returns and does not take responsibility of any losses incurred by investors HSBC Saudi Arabia might submit over the past twelve months services to issuers or securities-related, in which Funds may invest from time to time. Expressions of opinion in this document are subject to change without notice. Any projection, forecast, estimate or other ‘forward-looking’ statement in this document only illustrates hypothetical performance under specified assumptions of events or conditions, such projections, forecasts, estimates or other ‘forward-looking’ statements are not reliable indicators of future performance. As with any mathematical model that calculates results from inputs, results may vary significantly according to the values input. Prospective investors should understand the assumptions and evaluate whether they are appropriate for their purposes.

This type of investment may not be suitable for all types of investors and it may involve substantial risks (but are not limited to) When an investment is denominated in a currency other than your local or reporting currency, changes in exchange rates may have an adverse effect on the value, price or income of that investment, so the investment value is changeable and may increase or decrease and it may be difficult for investors to sell their investments or converted into immediate cash. Therefore the investor should visit the risk warning section in Terms and Conditions or other relevant and appropriate risk disclosure document, for more details about the risks relating to the Fund and it should be read before proceeding with any investment. All fees and charges are applying in the Terms and Conditions and you can get them for free and for more details you can visit any HSBC SA centers or through our website www.hsbcSaudi.com. Also you can get the financial reports of the fund by visiting www.tadawul.com.sa site.