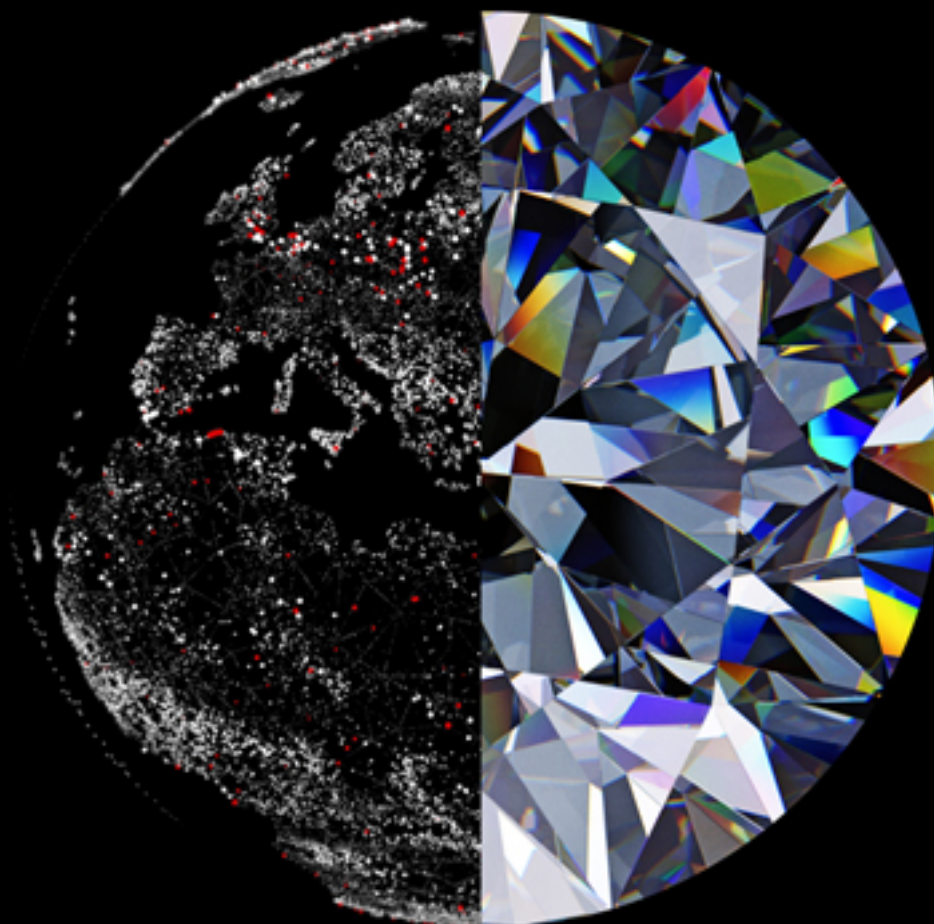


**Be SELECTIVE** when  
Managing your Wealth.

# HSBC SELECT EQUITY (B)

Monthly Report  
July 2025



**HSBC**  
Asset Management

This monthly report is not a marketing document and is exclusively reserved  
for unit holders and/or shareholders of the named product.

Document can be intended for non professional investors as defined by MIFID.

Non contractual document.

## Objective and investment policy

The objective of the mutual fund is to offer flexible management, primarily invested in equity markets, over a minimum investment period of five years. Despite operating within larger allocation limits, the mutual fund's profile may be compared with an allocation made up of 95% equities and 5% public and private bonds on average, exposed in developed markets with a euro bias as well as in emerging markets.

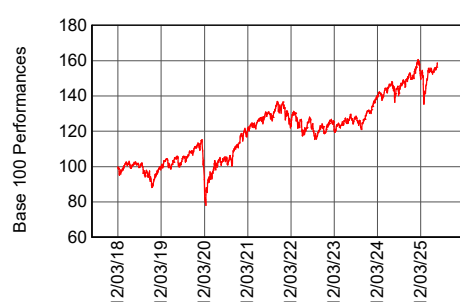
The mutual fund is managed actively without any reference to a benchmark index.

The investment strategy is discretionary and is based on a portfolio management process organised around three pillars:

- a medium/long-term strategic asset allocation depending on the manager's level of conviction (asset classes, geographical areas, sectors),
- a tactical allocation resulting from the manager's short-term convictions in order to strive to take advantage of market opportunities,
- a selection of undertakings for collective investment (UCI) and managers able to, according to us, generate performance over time.

## Performance and risk analysis

Fund's performance



### Net Cumulated performance

	1 month	1 year	3 years	5 years	7 years	12/03/2018*
Portfolio	2.59%	8.89%	26.68%	57.23%	55.28%	58.20%

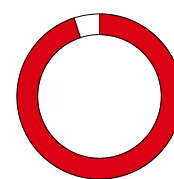
### Indicators & ratios (weekly)

	1 year	3 years	5 years	12/03/2018*
Fund's volatility	12.33%	10.72%	11.27%	14.51%
Sharpe ratio	0.62	0.51	0.70	0.38

### Net performance by calendar year

	2025	2024	2023	2022	2021	2020
Portfolio	5.60%	13.54%	10.80%	-11.95%	19.21%	2.72%
	2019	2018				
Portfolio	22.36%	-9.73%				

The performance figures relate to the past performance which should not be seen as an indication of future returns. The capital invested in the fund can increase or decrease and is not guaranteed. Future returns will depend, inter alia, on market conditions, fund manager's skill, fund risk level and fees.



**Strategic Allocation**  
**95% Equities**

## Fund Details

### Total Asset

EUR 263 498 685.64

### Net asset value

(BC)(EUR) 158.20

### Number of underlying funds

46

### Legal Form

Mutual Fund regulated under French law

### Investment horizon

> 5 years

### Dividend Policy

(BC): Accumulation Shares

### Start Date of Management\*

12/03/2018

## Risk and Reward Profile



**Do not run any unnecessary risk. Read the Key Information Document (KID).**

The risk and reward indicator is based on price volatility over the last five years, and is an indicator of absolute risk. Historical data may not be a reliable indication for the future. The value of an investment, and any income from it, may fall as well as rise, and you may not get back the amount you originally invested. The category is not guaranteed to remain unchanged and the categorisation may shift over time. The lowest category does not mean a risk-free investment. This Mutual Fund is classified in category 4 because its price or simulated data has shown medium fluctuations historically.

## Analysis of the investment strategy

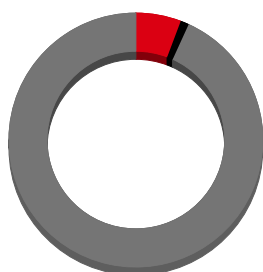
### Portfolio Composition

	30/06/2025 % TNA	31/07/2025 % TNA	Variation*
<b>Equities**</b>	91.19%	93.18%	▲
North America	35.02%	38.14%	▲
Europe	30.27%	28.96%	▼
Global	15.50%	15.45%	◁▷
Emerging Markets	12.15%	11.55%	▼
Pacific ex-Japan	0.70%	0.70%	◁▷
Japan	-0.04%	-0.05%	◁▷
Asia ex-Japan	-2.42%	-1.56%	▲
<b>Bonds**</b>	3.64%	3.57%	◁▷
Europe	1.54%	1.51%	◁▷
Emerging Markets	1.04%	1.03%	◁▷
Global	0.92%	0.89%	◁▷
North America	0.15%	0.14%	◁▷
<b>Commodities</b>	1.06%	1.07%	◁▷
<b>Money Market &amp; Cash</b>	4.11%	2.17%	▼
<b>Total</b>	100.00%	100.00%	

\* There is a change over the period if the difference in weighting is greater than 0.5% in absolute value terms.

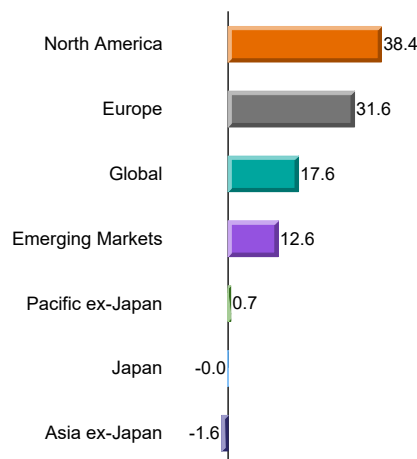
\*\* Including fixed income and equity market exposure via derivatives.

### Asset Allocation as at 31/07/2025



■ Bonds & Money Market	5,7 %
■ Commodities	1,1 %
■ Equities	93,2 %
<b>Total:</b>	<b>100,0 %</b>

### Regional Allocation\*\*\* as at 31/07/2025



\*\*\*except cash

## Main Lines

	Asset Class	Weight	Monthly Performance*	Performance Contribution**	
1	HSBC S And P 500 UCITS ETF	Equities	16.94%	5.42%	0.87%
2	HSBC Global Funds ICAV - Multi Factor EMU Equity Fund ZC	Equities	8.92%	0.35%	0.03%
3	HSBC MSCI Emerging Markets UCITS ETF	Equities	7.74%	3.27%	0.26%
4	HSBC Global Funds ICAV - Multi Factor US Equity Fund Equities ZC USD Acc		6.17%	5.42%	0.33%
5	HSBC Global Investment Funds - Global Sustainable Long Term Equity ZC	Equities	5.90%	1.77%	0.10%
Total		45.68%			

\* Monthly return in Euro of underlying funds is based on HSBC SELECT EQUITY portfolio at the end of 07/31/2025 and 06/30/2025. The return is calculated with the following formula : end of month valuation ÷ preceding end of month valuation -1.

\*\* The performance contribution is calculated as follows : monthly return x monthly average weight.

## Main decisions taken during the month

### New positions

	Asset Class	Regional Zone
▶ VANECK SEMICONDUCTOR ETF	Equities	Global
▶ HSBC STANDARD EURO MONEY MARKET Z	Money Market & Cash	Europe
▶ HSBC DIG LE-ZC	Equities	Global

### Positions liquidated

◀ AMUNDI MSCI MILLENNIALS ETF ACC	Equities	Global
◀ HSBC SRI MONEY ZC	Money Market & Cash	Europe

### Positions added

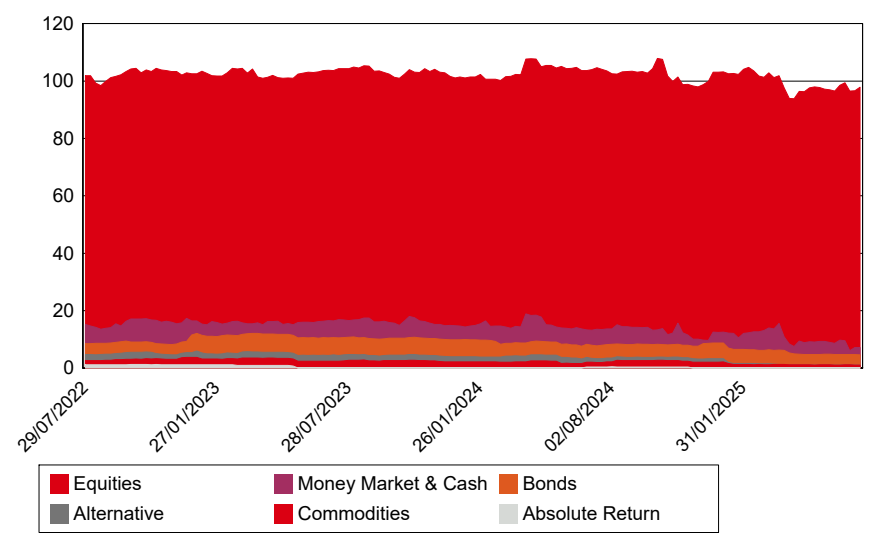
▲ HSBC S AND P 500 ETF	Equities	North America
▲ XTRACKERS MSCI EMU ETF 1D	Equities	Europe
▲ ISHARES EURO TOTAL MKT GR LG ETF DIST	Equities	Europe
▲ HSBC GIF FRONTIER MARKETS ZC	Equities	Emerging Markets
▲ VANECK DEFENSE ETF A USD ACC	Equities	Global

### Positions reduced

▼ HSBC EURO EQUITY VOLATILITY FOCUSED Z	Equities	Europe
▼ HB-GB INFR EQ-ZC	Equities	Global
▼ HSBC MULTI FACTOR EMU EQUITY ZC	Equities	Europe
▼ HSBC GIF EUROLAND VALUE ZC	Equities	Europe
▼ ISHARES MSCI EMU SMALL CAP ETF EUR ACC	Equities	Europe

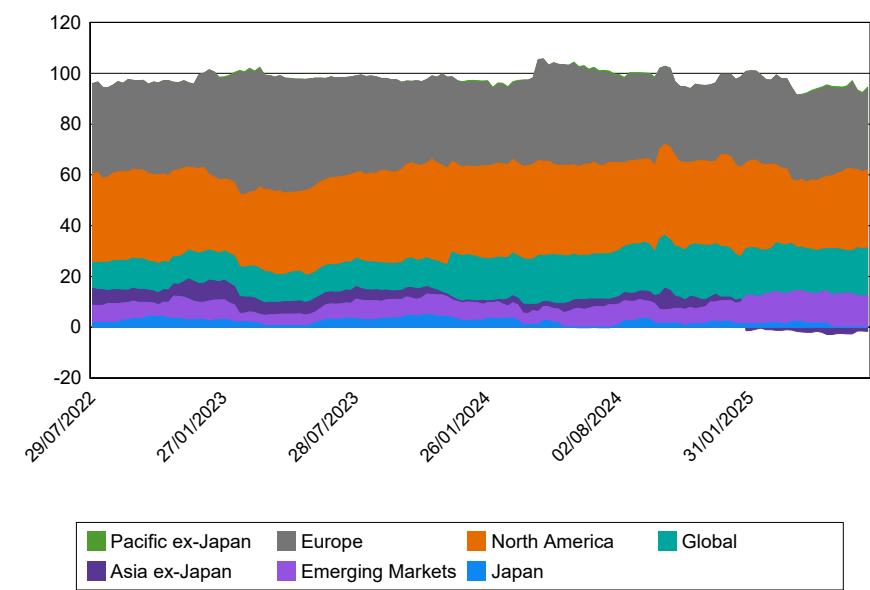
Sub-Fund's History

Historical Asset Allocation\*



\*derivative products' off-balance-sheet commitment included (except options)

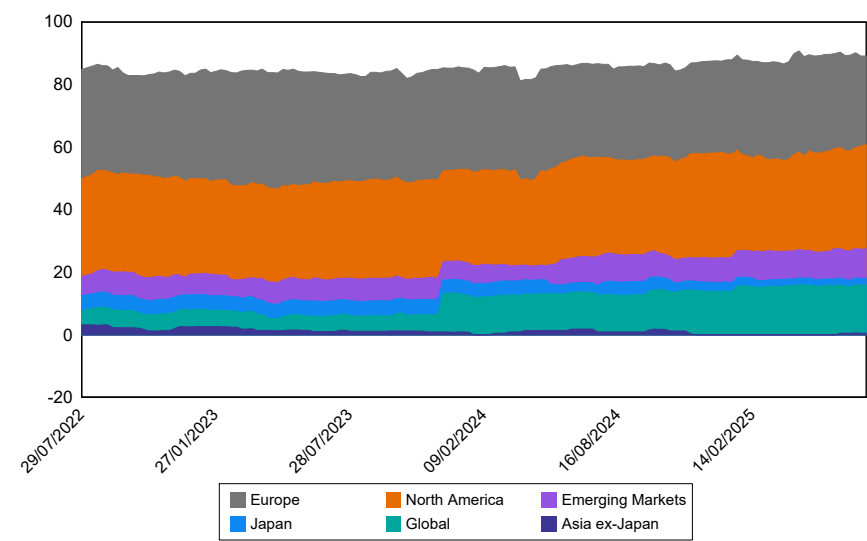
Historical Allocation by Region\*\*



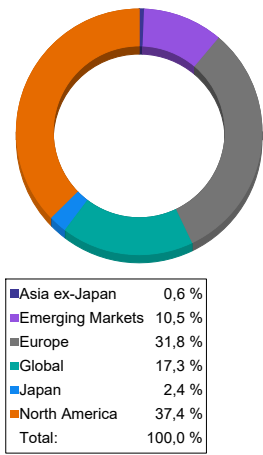
\*\*except cash

Equity component Analysis\*

Historical Allocation by Region

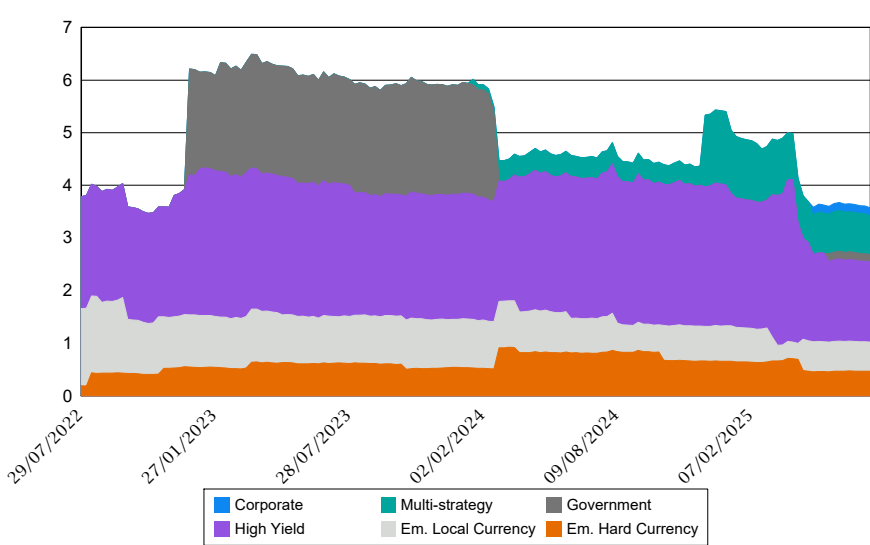


Equity  
as at 31/07/2025

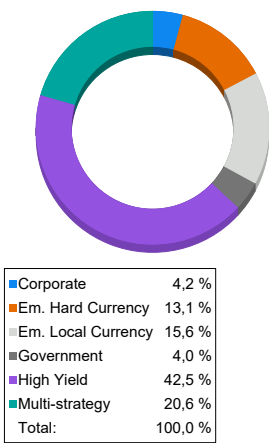


Bond component Analysis\*

Historical Allocation by Strategy



Bonds  
as at 31/07/2025



\*except derivative products' off-balance-sheet commitment

## Fund Manager Commentary

### Economic Environment

In the United States, growth forecasts for the second quarter showed a recovery, with GDP growing at a rate of 3%. However, inflation, as measured by the PCE index, rose to 2.6% year-on-year in June, reflecting the impact of recent tariffs. The Federal Reserve has kept rates unchanged but remains vigilant about the potential slowdown in growth and the labor market.

In the euro area, growth stagnated in the second quarter, following a first quarter buoyed by anticipated exports., PMIs showed signs of improvement, reaching their highest levels of the year.

Fueled by progress on tariffs with the agreement with the European Union in particular, global equities performed strongly, with the MSCI World in euros recording an increase of 4.4% over the month. In the United States, the S&P 500 rose 5.29%, driven by better-than-expected profits from large technology companies.

Emerging markets also performed well (+5.04%), while the MSCI index for the euro area was more stable at +1.06%.

Currencies were also influenced by uncertainties about the US economic outlook, with the US dollar depreciating by 3.15% against the euro.

### Performance & current holdings

There have been notable upward pressures on US rates amid inflationary fears. The yield on US 10-year rates went up at 4.38% (+15 bps) followed, to a lesser extent, by European rates at 2.70% for the German 10-year.

The portfolio benefited from its overweight in equities and our tactical exposure to the U.S. market. Within U.S. equities, we have benefited from our under-exposure to the consumption staples and materials sectors against growth sectors.

In Europe, our sectors choices have been favorable with over-exposure to financial sectors at the expense of more cyclical sectors such as media or automobile. This more than compensated for our choices of countries that were penalized by the Netherlands' underperformance.

In emerging markets, our absence from the Thai market, which bounced back strongly in July, was unfavorable. We are strengthening our position in frontier market against global emerging markets. Within the thematic pocket, we have increased the share of technology innovation funds by debit of our infrastructure support.

Finally, holdings on alternatives, including commodities, has generally supported performance.

### Outlook

The US is expected to experience moderating growth in 2025, while emerging markets are benefiting from more favorable dynamics. These include lower inflationary pressures and accommodative monetary policy in some regions, such as Asia, supported by a weakening US dollar.

On the monetary front, the Fed is maintaining a cautious approach and awaiting an assessment of the economic impacts of the tariff hike. The ECB is likely to resume cutting interest rate in September and fiscal support is increasing in the eurozone.

In equity markets, we maintain a tactical preference for the US following the strong corporate earnings season. We remain more neutral on Europe, which benefits from attractive valuations and stimulative fiscal policies at the expense of Japan. We have increased the share of growth stocks in the United States and favor undervalued and small market capitalization stocks in the euro area.

## Fund Management Team



### **Laurence Jobert**

Fund manager

Laurence Jobert has been a multi-asset fund manager since December 2014. She joined HSBC in 2007 as an equity fund manager then as a relationship manager. Prior to joining HSBC, Laurence worked for La Banque Postale Asset Management as quantitative equity fund manager from 1999 to 2007. Laurence holds an Applied Mathematics Master's Degree I from Paris I and Paris VII University and a Master's Degree II in Quantitative Methods for Management from Paris X Nanterre University. She also holds a SFAF (Société des Analystes Financiers) financial analyst degree and a CIIA (Certified International Investment Analyst) degree.



### **Stéphane Mesnard**

Fund manager

Stéphane Mesnard has been a multi-asset fund manager since November 2012 and he has been working in this sector since he joined the HSBC group in 2005. Before taking up his current position, he worked in the financial engineering department at Louvre Gestion (formerly Banque du Louvre), an investment management firm dedicated to the HSBC group's private banking activities in France. He gained a Master's degree in finance from Paris II - Panthéon Assas University and qualified as a Chartered Financial Analyst (CFA) in 2009.

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## Fund Details

### Legal Form

Mutual Fund regulated under French law

### Investment horizon

> 5 years

### Dividend Policy

(BC): Accumulation Shares

### \*Start Date of Management

12/03/2018

### Base Currency

EUR

### Valuation

Daily

### Subscriptions & Redemptions

Ten thousandths of share

### Dealing / Payment Date

Daily - D (Business Day) before 12:00 pm (Paris) / D+2 (Business Day)

### Initial Fee / Exit Fee

2.00% / Nil

### Minimum Initial Investment

Whole shares

### Portfolio Management Company

HSBC Global Asset Management (France)

### Custodian

Caceis Bank

### Central Paying Agent

Caceis Bank

### ISIN Code

(BC): FR0013313988

### Fees

Real internal management fees

0.65% inc. taxes

Maximum internal management fees

0.65% inc. taxes

Maximum indirect fixed management fees

1.00% inc. taxes