

Investment Monthly

Policy rates will peak soon but rate cuts are not in sight

June 2023



Key takeaways

- ◆ We believe the Fed and BoE are likely to peak policy rates in June while sticky core inflation may push the ECB to hike beyond June. While the imminent end of rate hikes is good news, we do not expect any rate cuts this year. Asia is ahead of the curve due to moderate inflation. A more certain rate outlook favours risk assets including equities, investment grade bonds and EM assets.
- ◆ While the outperformance of tech stocks has led to concerns about their valuations and growth prospects, our optimism is bolstered by over 80% of tech company earnings exceeding expectations in Q1 and AI development. The peak in policy rates is another catalyst that supports our overweight on technology.
- ◆ Given strong growth momentum and the pro-growth policy direction, we have lifted China's 2023 GDP forecast from 5.6% to 6.3%. The return of Chinese tourism and the outbound goods demand also benefit the region, which is projected to deliver a notable GDP growth of 5.1% in 2023, with attractive equity valuations and earnings upgrade expectations. We remain overweight on Asian ex Japan, mainland Chinese and Hong Kong equities, and upgrade Indian equities to overweight to reflect the growth potential from a large and young population and the tech upswing.



Willem Sels
Global Chief Investment Officer,
HSBC Global Private Banking and
Wealth



Lucia Ku
Global Head of Wealth Insights
HSBC Wealth and Personal
Banking

Asset class	6-month view	Comment
Global equities	▶	Despite uncertainties around the growth outlook, the path of inflation and geopolitical tensions, we remain neutral on global equities as the peak in DM policy rates and Asia's recovery momentum provide upside risk to growth.
Government bonds	▼	We see better opportunities in investment grade bonds as credit spreads have widened slightly.
Investment grade (IG) corporate bonds	▲	We prefer quality bonds amid tightening credit conditions and growth slowdown. We maintain a medium duration as we balance yield levels against volatility.
High yield (HY) corporate bonds	▶	We favour investment grade over high yield as reduced bank lending could lead to fears of higher default rates.
Gold	▶	Gold benefits from USD weakness and central bank buying but valuations seems stretched.

▲ "Overweight" implies a positive tilt towards the asset class, within the context of a well-diversified, typically multi-asset portfolio.

▼ "Underweight" implies a negative tilt towards the asset class, within the context of a well-diversified, typically multi-asset portfolio.

▶ "Neutral" implies neither a particularly negative nor a positive tilt towards the asset class, within the context of a well-diversified, typically multi-asset portfolio.

Icons: ↑ View on this asset class has been upgraded; ↓ View on this asset class has been downgraded.

Talking points

Each month, we discuss 3 key issues facing investors

1. What is the rate outlook for developed markets and Asia?

- ◆ With Fed Chair's dovish comment that policy rate may not need to rise as much as it would have to combat inflation, we believe that the US is close to the end of the hiking cycle, with a final 0.25% hike in June.
- ◆ The UK's core inflation in April surprised on the upside. As a result, we are now looking for three further rate hikes of 0.25%, in June, August and September. The UK is seeing stronger labour cost growth than in the Eurozone (7.5% vs 5%) and food inflation is very sticky as well, reaching almost 20%. In Europe, sticky core inflation driven by the services sector and accelerating wage growth may push the ECB to continue raising rates as well, bringing the key deposit rate to 4%.
- ◆ Still, looking across developed markets, monetary policy tightening is largely behind us, but we do not expect any rate cuts until Q2 2024 as inflation will only fall gradually. Easing inflation in Asia allows central banks to end the monetary tightening cycle ahead of the West. In short, as earnings recover in Q3 and Q4, we could see more upside in H2. A more certain rate outlook is generally **supportive of risk assets including equities and EM assets. For investment grade bonds, we prefer medium maturities to lock in attractive yields for longer.**

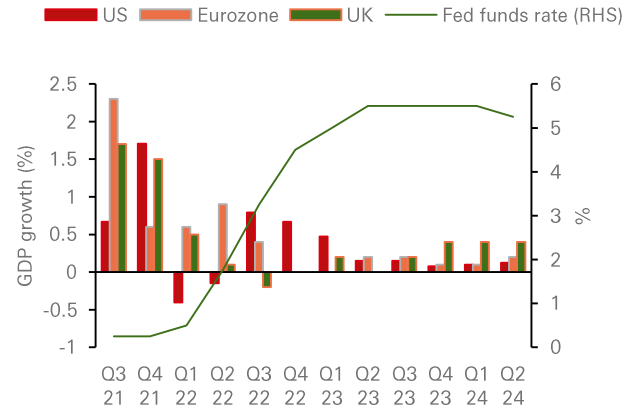
2. Can the tech sector continue to lead equity markets higher?

- ◆ Tech stocks have outperformed the broader market, leading some investors to worry about their valuations and whether the rally should be more broad-based. The strong Q1 earnings season supports the optimism, with 78% of company earnings exceeding expectations, and that ratio reaching 82% in the tech sector.
- ◆ In addition, we believe artificial intelligence (AI) should boost demand for tech firms' goods and services, which will lift earnings expectations and trigger more upgrades. Better earnings means that price/earnings (P/E) ratios will start to look less demanding at current levels. In fact, the current P/E ratio at 26x for the tech sector is still well below the pre-Covid highs of 30x.
- ◆ As central banks should stop their rate hikes soon, this should also be a positive for interest-rate sensitive stocks like tech. **We remain overweight on technology globally and in the US and Europe,** and see many long-term positive structural drivers.

3. How can investors capture the recovery opportunities in Asia?

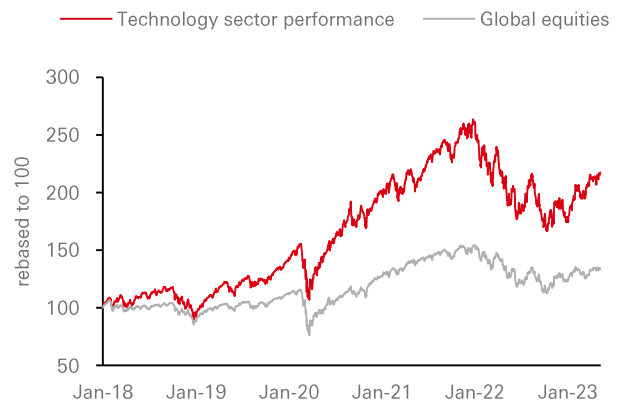
- ◆ Asian growth prospects are spearheaded by its improved fundamentals, and China's robust consumption-led recovery. The Labour Day holiday achieved a new record of 274 million domestic trips in China, 19% above pre-pandemic levels. Given strong growth momentum and the pro-growth policy direction, we have lifted our forecast of China's 2023 GDP growth from 5.6% to 6.3% and expect to see a more balanced recovery with more fiscal and monetary stimulus in H2.
- ◆ The return of Chinese tourism and the outbound goods demand also benefit the region, particularly Hong Kong and Indonesia. India is seeing strong investor interest with its large and young population presenting opportunities in consumption and its tech upswing also attracting foreign investment inflows in high-skilled exports (e.g. IT software services) and digital start-ups. The country's economic and earnings growth are expected to be among the strongest in Asia for this and next year. **We therefore upgrade Indian equities to overweight.**
- ◆ Asia is the only region where we project a notable GDP growth of 5.1% in 2023, with attractive equity valuations and earnings upgrade potential. A well-diversified portfolio will benefit greatly from adding to Asian assets. In addition to having direct exposure to Asia, investors can also tap into the region's growth through DM exports.

Chart 1: We foresee slow growth but a deep recession is unlikely. Peak policy rates should support markets



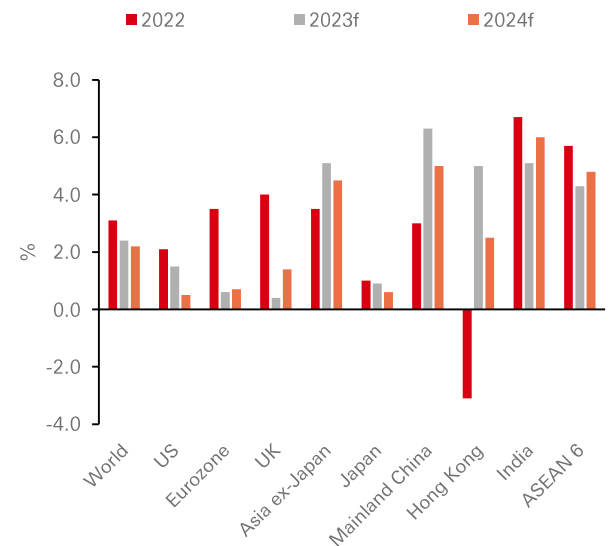
Source: Bloomberg, HSBC Global Research forecasts, HSBC Global Private Banking as at 24 May 2023. Forecasts are subject to change.

Chart 2: Technology-related themes are benefiting from the recovery in the tech sector



Source: Bloomberg, HSBC Global Private Banking and Wealth as at 24 May 2023. Past performance is not a reliable indicator of future performance.

Chart 3: Asia's growth acceleration versus DM slowdown



Source: CEIC, HSBC Global Research Forecasts, HSBC Global Private Banking and Wealth as at 25 May 2023. Forecasts are subject to change

Asset Class Views

Our latest house view on various asset classes

Asset class	6-month view	Comment
Global equities		
Global	▶	Despite uncertainties around the growth outlook, the path of inflation and geopolitical tensions, we remain neutral on global equities as the peak in DM policy rates and Asia's recovery momentum provide upside risk to growth.
United States	▲	We like the diversity and quality character of US stocks, as well as its strong tech sector but near-term volatility will continue amid the overhang from debt-ceiling talks and tightening credit conditions.
United Kingdom	▶	The UK stock market is cheap and the economic cycle seems to have bottomed but inflation remains sticky.
Eurozone	▶	Europe should benefit from China's reopening and easing energy crisis. Tighter credit conditions, elevated inflation and the extent of the hiking cycle create headwinds.
Japan	▶	A weak global outlook remains a key challenge. We now expect the Bank of Japan to widen its Yield Curve Control (YCC) trading band in Q3 2023. JPY strength could drag on exports.
Emerging Markets (EM)	▶	China's reopening and USD weakness are positive for emerging markets, particularly EM Asia, which benefits from a rebound in Chinese demand and tourism.
EM EMEA	▼	The region is impacted by high energy prices and weak growth in Europe.
EM LatAm	▲	A more dovish rate outlook and rising Chinese demand are growth drivers for Brazil and Mexico.
Asian ex Japan equities		
Asia ex-Japan	▲	Asia is expected to drive global growth supported by improved fundamentals, long-term structural opportunities and China's recovery. Most Asian economies have ended the monetary tightening cycle ahead of the West.
Mainland China	▲	We expect to see a more balanced recovery with support of more fiscal and monetary stimulus in H2 and look for opportunities in government-supported areas (e.g. green transition, manufacturing upgrading and technology innovation).
India	▲↑	India's large and young population and the tech upswing present opportunities in domestic consumption, digital economy, green transition and smart manufacturing. Rich valuations are supported by high ROE at 14-15%. We upgrade Indian equities to overweight.
Hong Kong	▲	Consumption and tourism recovery support our revision of Hong Kong's GDP growth forecast from 3.8% to 5% for 2023. Retail landlords, consumption and insurance companies should stand to benefit.
Singapore	▶	Despite manufacturing and trade challenges, we see opportunities in the travel-related sectors, which account for 10% of GDP. Direct flights with China have resumed 50%.
South Korea	▼	Private consumption and trade balance remain weak. The prolonged down cycle in the electronics sector continues to weigh on growth.
Taiwan	▶	GDP surprised on the downside by falling 3% y-o-y in Q1. Domestic consumption boosted by the local pent-up demand and gradual return of tourists is offset by a downturn in global technology demand, which has hampered investment.
Government bonds		
Developed markets (DM)	▼	We see better opportunities in investment grade bonds as credit spreads have widened slightly.
United States	▶	Treasury yields should remain volatile as the markets are monitoring how inflation, growth, and Fed comments unfold.
United Kingdom	▲	Markets have priced in more rate hikes and UK gilts remain attractive. GBP strength vs USD can help returns for foreign investors.
Eurozone	▼	Government bond yields fell on expectations of more rate hikes to tame inflation. We see better opportunities in investment grade credit.
Japan	▼	We expect the Bank of Japan to widen its Yield Curve Control sometime this year as the current pace of government bond purchases is difficult to sustain.
Emerging Markets (Local currency)	▶	Select opportunities exist as some economies are slowing rate hikes but others continue. USD weakness remains a tailwind.
Emerging Markets (Hard currency)	▶	Amid higher Treasury volatility, we still find yield but remain selective and bearish on USD.
Corporate bonds		
Global investment grade (IG)	▲	We prefer quality bonds amid tightening credit conditions and growth slowdown. We maintain a medium duration as we balance yield levels against volatility.
USD investment grade (IG)	▲	As economic growth is slowing, we continue to focus on investment grade bonds while peaking policy rates support our preference for medium maturities to lock in attractive yields. We prefer senior bonds when investing in financials.
EUR and GBP investment grade (IG)	▲	We remain overweight on investment grade which offers attractive yields and better risk-adjusted returns than high yield. Companies with greater revenue exposure to Asia are preferred.
Asia investment grade (IG)	▲	The outlook for Asian credit has improved given a stronger growth recovery in China and resilient fundamentals in the region. We have changed our bond duration to medium to lock in yields at current compelling levels.
Global high-yield (HY)	▶	We favour investment grade over high yield as reduced bank lending could lead to fears of higher default rates.
US high-yield (HY)	▶	While US high-yield companies still enjoy solid credit fundamentals and low default rates, spreads are not particularly generous and markets could price in slightly higher default rates ahead as financial conditions tighten.
EUR and GBP high-yield (HY)	▶	Despite an improved growth outlook, tighter monetary policy remains a challenge. We maintain a neutral stance on high yield due to their higher exposure to growth risks and expectations for rising default rates.
Asia high-yield (HY)	▶	Default rates have improved but we stay cautious on Chinese property high yield and prefer quality state-owned developers due to their stronger financial positions and lower leverage.
Commodities		
Gold	▶	Gold benefits from USD weakness and central bank buying but valuations seems stretched.
Oil	▶	High price levels reflect supply concerns but demand is starting to decline.

Sector Views

Global and regional sector views based on a 6-month horizon

Sector	Global	US	Europe	Asia	Comment
Consumer Discretionary	▲	▲	▲↑	▲	Inflation continues to ease in many regions with rising wages for blue-collar workers offsetting some cost-of-living rises. Discretionary spending is improving, especially in the services segment including airlines, hotels, restaurants and resorts. Automakers are seeing modest improvement in orders while luxury goods continue to benefit from strong demand and pricing power. We upgrade Europe as the likelihood of a recession ebbs. Inflation starts to fall while consumer spending remains resilient.
Financials	▶	▶	▶	▶	Positive momentum in the banking sector in earlier months was sharply reversed with the events surrounding Silicon Valley Bank in the US and Credit Suisse in Europe. The sector appears to be stabilising with attractive valuations and high interest rates fuelling profits for the lenders. However, markets remain cautious especially with interest rate cycle expected to peak soon and investment banking and brokerage revenues being lacklustre.
Industrials	▲	▲	▲	▶	Macro-economic concerns have eased but input costs remain a headwind. China's growth has picked up but demand for commodities and industrial goods remains muted. European industrials continue to perform well on robust demand, trading at a slight discount to their US peers that have lagged on uncertainty around the US debt ceiling. Companies supporting renewable energy, electric vehicle production and digital infrastructure should benefit from rising demand and government initiatives.
Information Technology	▲	▲	▲	▶	The outlook is slowly improving in certain sub-segments including digital, AI and automation as business and consumer sentiment is improving, although certain semiconductor markets remain oversupplied. Cloud computing and digital advertising growth continues to slow. We focus on profitable companies with resilient established business models.
Communications Services	▲	▲	▶	▲	The media & entertainment industry is starting to see some limited signs of a demand recovery. Telecoms services are also likely to continue to benefit from higher digital content demand and roaming fees as consumers travel more and become more socially active. Valuations remain attractive but regulatory concerns remain a headwind to improving sentiment.
Materials	▶	▶	▶↓	▶	Mining stocks are trading on low valuations multiples relative to other sectors. Energy prices and oil/gas feedstock prices remain elevated, affecting the outlook for chemicals and construction materials industries in Q2/Q3. We downgrade Europe as the anticipated pick-up in demand for commodities has failed to materialise. The outlook for copper remains positive given the drive for renewables and electrification.
Real Estate	▼	▼	▼	▶	The sector is challenged by rising interest rates and softening demand in many categories. Long-term structural changes due to differing consumption and usage patterns as a result of secular trends including ecommerce, digital technologies, urbanisation and work-from-home are hitting many existing and new projects. Declining yields and rising regulation are also challenges.
Consumer Staples	▶	▶	▶	▲	Global and European consumer staples face a more challenging pricing environment after last year's above inflation rises, tough YoY comparables and rich valuations. We focus on quality stocks with strong brands and more resilient pricing power. Dividends are also recommended where attractive.
Energy	▶	▶	▲	▶	Sector valuations remain relatively low and dividend yields are attractive for some companies. Quarterly financial statements are likely to show slower YoY revenue and earnings growth after last year's bumper profits. OPEC+ may further tighten oil supplies to put a floor on price declines.
Healthcare	▶	▶	▲	▶	We remain constructive on the sector, especially high quality biotechnology and medical technology stocks with profitable business and good product pipelines, but early stage companies or those with higher leverage or financing costs should be avoided given the elevated interest rates.
Utilities	▶	▶	▲	▶	European sector valuations remain attractive with earnings revisions for the sector also supportive. The sector's stable earnings/cash flow characteristics and high dividend yielding stocks appeal to more cautious investors.

Disclaimer

This document or video is prepared by The Hongkong and Shanghai Banking Corporation Limited ("HBAP"), 1 Queen's Road Central, Hong Kong. HBAP is incorporated in Hong Kong and is part of the HSBC Group. This document or video is distributed and/or made available by HSBC Bank Canada (including one or more of its subsidiaries HSBC Investment Funds (Canada) Inc. ("HIFC"), HSBC Private Investment Counsel (Canada) Inc. ("HPIC") and HSBC InvestDirect division of HSBC Securities (Canada) Inc. ("HIDC")), HSBC Bank (China) Company Limited, HSBC Continental Europe, HBAP, HSBC Bank (Singapore) Limited, HSBC Bank Middle East Limited (UAE), HSBC UK Bank Plc, HSBC Bank Malaysia Berhad (198401015221 (127776-V))/HSBC Amanah Malaysia Berhad (20080100642 1 (807705-X)), HSBC Bank (Taiwan) Limited, HSBC Bank plc, Jersey Branch, HSBC Bank plc, Guernsey Branch, HSBC Bank plc in the Isle of Man, HSBC Continental Europe, Greece, The Hongkong and Shanghai Banking Corporation Limited, India (HSBC India), HSBC Bank (Vietnam) Limited, PT Bank HSBC Indonesia (HBID), HSBC Bank (Uruguay) S.A. (HSBC Uruguay is authorised and oversought by Banco Central del Uruguay), HBAP Sri Lanka Branch, The Hongkong and Shanghai Banking Corporation Limited – Philippine Branch, and HSBC FinTech Services (Shanghai) Company Limited (collectively, the "Distributors") to their respective clients. This document or video is for general circulation and information purposes only.

The contents of this document or video may not be reproduced or further distributed to any person or entity, whether in whole or in part, for any purpose. This document or video must not be distributed in any jurisdiction where its distribution is unlawful. All non-authorised reproduction or use of this document or video will be the responsibility of the user and may lead to legal proceedings. The material contained in this document or video is for general information purposes only and does not constitute investment research or advice or a recommendation to buy or sell investments. Some of the statements contained in this document or video may be considered forward looking statements which provide current expectations or forecasts of future events. Such forward looking statements are not guarantees of future performance or events and involve risks and uncertainties. Actual results may differ materially from those described in such forward-looking statements as a result of various factors. HBAP and the Distributors do not undertake any obligation to update the forward-looking statements contained herein, or to update the reasons why actual results could differ from those projected in the forward-looking statements. This document or video has no contractual value and is not by any means intended as a solicitation, nor a recommendation for the purchase or sale of any financial instrument in any jurisdiction in which such an offer is not lawful. The views and opinions expressed are based on the HSBC Global Investment Committee at the time of preparation, and are subject to change at any time. **These views may not necessarily indicate HSBC Asset Management's current portfolios' composition. Individual portfolios managed by HSBC Asset Management primarily reflect individual clients' objectives, risk preferences, time horizon, and market liquidity.**

The value of investments and the income from them can go down as well as up and investors may not get back the amount originally invested. Past performance contained in this document or video is not a reliable indicator of future performance whilst any forecasts, projections and simulations contained herein should not be relied upon as an indication of future results. Where overseas investments are held the rate of currency exchange may cause the value of such investments to go down as well as up. Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in some established markets. Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be affected adversely by economic conditions in the countries in which they trade. Investments are subject to market risks, read all investment related documents carefully.

This document or video provides a high level overview of the recent economic environment and has been prepared for information purposes only. The views presented are those of HBAP and are based on HBAP's global views and may not necessarily align with the Distributors' local views. It has not been prepared in accordance with legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of its dissemination. It is not intended to provide and should not be relied on for accounting, legal or tax advice. Before you make any investment decision, you may wish to consult an independent financial adviser. In the event that you choose not to seek advice from a financial adviser, you should carefully consider whether the investment product is suitable for you. You are advised to obtain appropriate professional advice where necessary.

The accuracy and/or completeness of any third party information obtained from sources which we believe to be reliable might have not been independently verified, hence Customer must seek from several sources prior to making investment decision.

Important Information about HSBC Global Asset Management (Canada) Limited ("AMCA")

HSBC Asset Management is a group of companies, including AMCA, that are engaged in investment advisory and fund management activities, which are ultimately owned by HSBC Holdings plc. AMCA is a wholly owned subsidiary of, but separate entity from, HSBC Bank Canada.

Important Information about HSBC Investment Funds (Canada) Inc. ("HIFC")

HIFC is the principal distributor of the HSBC Mutual Funds and offers the HSBC Mutual Funds and/or the HSBC Pooled Funds through the HSBC World Selection® Portfolio service. HIFC is a subsidiary of AMCA, and indirect subsidiary of HSBC Bank Canada, and provides its products and services in all provinces of Canada except Prince Edward Island. Mutual fund investments are subject to risks. Please read the Fund Facts before investing.

®World Selection is a registered trademark of HSBC Group Management Services Limited.

Important Information about HSBC Private Investment Counsel (Canada) Inc. ("HPIC")

HPIC is a direct subsidiary of HSBC Bank Canada and provides services in all provinces of Canada except Prince Edward Island. The Private Investment Counsel service is a discretionary portfolio management service offered by HPIC. Under this discretionary service, assets of participating clients will be invested by HPIC or its delegated portfolio manager, AMCA, in securities, including but not limited to, stocks, bonds, mutual funds, pooled funds and derivatives. The value of an investment in or purchased as part of the Private Investment Counsel service may change frequently and past performance may not be repeated.

Important Information about HSBC InvestDirect ("HIDC")

HIDC is a division of HSBC Securities (Canada) Inc., a direct subsidiary of, but separate entity from, HSBC Bank Canada. HIDC is an order execution only service. HIDC will not conduct suitability assessments of client account holdings or of the orders submitted by clients or from anyone authorized to trade on the client's behalf. Clients have the sole responsibility for their investment decisions and securities transactions.

Important Information about the Hongkong and Shanghai Banking Corporation Limited, India ("HSBC India")

HSBC India is a branch of The Hongkong and Shanghai Banking Corporation Limited. HSBC India is a distributor of mutual funds and referrer of investment products from third party entities registered and regulated in India. HSBC India does not distribute investment products to those persons who are either the citizens or residents of United States of America (USA), Canada, Australia or New Zealand or any other jurisdiction where such distribution would be contrary to law or regulation.

The following statement is only applicable to HSBC Bank (Taiwan) Limited with regard to how the publication is distributed to its customers: HSBC Bank (Taiwan) Limited ("the Bank") shall fulfill the fiduciary duty act as a reasonable person once in exercising offering/conducting ordinary care in offering trust services/ business. However, the Bank disclaims any guarantee on the management or operation performance of the trust business.

The following statement is only applicable to PT Bank HSBC Indonesia ("HBID"): PT Bank HSBC Indonesia ("HBID") is licensed and supervised by Indonesia Financial Services Authority ("OJK"). Customer must understand that historical performance does not guarantee future performance. Investment product that are offered in HBID is third party products, HBID is a selling agent for third party product such as Mutual Fund and Bonds. HBID and HSBC Group (HSBC Holdings Plc and its subsidiaries and associates company or any of its branches) does not guarantee the underlying investment, principal or return on customer investment. Investment in Mutual Funds and Bonds is not covered by the deposit insurance program of the Indonesian Deposit Insurance Corporation (LPS).

THE CONTENTS OF THIS DOCUMENT OR VIDEO HAVE NOT BEEN REVIEWED BY ANY REGULATORY AUTHORITY IN HONG KONG OR ANY OTHER JURISDICTION.

YOU ARE ADVISED TO EXERCISE CAUTION IN RELATION TO THE INVESTMENT AND THIS DOCUMENT OR VIDEO. IF YOU ARE IN DOUBT ABOUT ANY OF THE CONTENTS OF THIS DOCUMENT OR VIDEO, YOU SHOULD OBTAIN INDEPENDENT PROFESSIONAL ADVICE.

© Copyright 2023. The Hongkong and Shanghai Banking Corporation Limited, ALL RIGHTS RESERVED.

No part of this document or video may be reproduced, stored in a retrieval system, or transmitted, on any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior written permission of The Hongkong and Shanghai Banking Corporation Limited.

Important information on sustainable investing

"Sustainable investments" include investment approaches or instruments which consider environmental, social, governance and/or other sustainability factors (collectively, "sustainability") to varying degrees. Certain instruments we include within this category may be in the process of changing to deliver sustainability outcomes.

There is no guarantee that sustainable investments will produce returns similar to those which don't consider these factors. Sustainable investments may diverge from traditional market benchmarks.

In addition, there is no standard definition of, or measurement criteria for sustainable investments, or the impact of sustainable investments ("sustainability impact"). Sustainable investment and sustainability impact measurement criteria are (a) highly subjective and (b) may vary significantly across and within sectors.

HSBC may rely on measurement criteria devised and/or reported by third party providers or issuers. HSBC does not always conduct its own specific due diligence in relation to measurement criteria. There is no guarantee: (a) that the nature of the sustainability impact or measurement criteria of an investment will be aligned with any particular investor's sustainability goals; or (b) that the stated level or target level of sustainability impact will be achieved.

Sustainable investing is an evolving area and new regulations may come into effect which may affect how an investment is categorised or labelled. An investment which is considered to fulfil sustainable criteria today may not meet those criteria at some point in the future.

Catatan Penting

Dokumen atau video ini disiapkan oleh The Hongkong and Shanghai Banking Corporation Limited ('HBAP'), 1 Queen's Road Central, Hong Kong. HBAP didirikan di Hong Kong dan merupakan bagian dari HSBC Group. Dokumen atau video ini didistribusikan dan/atau disediakan oleh HSBC Bank Canada (termasuk satu atau lebih anak perusahaannya HSBC Investment Funds (Canada) Inc. ("HIFC"), HSBC Private Investment Counsel (Canada) Inc. ("HPIC") dan divisi HSBC InvestDirect dari HSBC Securities (Canada) Inc. ("HIDC")), HSBC Bank (China) Company Limited, HSBC Continental Europe, HBAP, HSBC Bank (Singapore) Limited, HSBC Bank Middle East Limited (UEA), HSBC UK Bank Plc, HSBC Bank Malaysia Berhad (127776-V)/HSBC Amanah Malaysia Berhad (807705-X), HSBC Bank (Taiwan) Limited, HSBC Bank plc, Cabang Jersey, HSBC Bank plc, Cabang Guernsey, HSBC Bank plc di Pulau Man, HSBC Continental Europe, Yunani, The Hongkong and Shanghai Banking Corporation Limited, India (HSBC India), HSBC Bank (Vietnam) Limited, PT Bank HSBC Indonesia (HBID), HSBC Bank (Uruguay) S.A. (HSBC Uruguay disahkan dan diawasi oleh Banco Central del Uruguay), Cabang HBAP Sri Lanka, The Hongkong and Shanghai Banking Corporation Limited – Cabang Filipina dan HSBC Savings Bank (Filipina), Inc., dan HSBC FinTech Services (Shanghai) Company Limited (secara bersama-sama disebut "Distributor") kepada masing-masing Nasabahnya. Dokumen atau video ini hanya untuk tujuan sirkulasi dan informasi umum.

Isi dokumen atau video ini tidak diperbolehkan diproduksi ulang atau didistribusikan lebih lanjut kepada orang atau entitas mana pun, baik seluruhnya atau sebagian, untuk tujuan apa pun. Dokumen atau video ini tidak boleh didistribusikan di yurisdiksi mana pun di mana distribusinya melanggar hukum. Semua produksi ulang atau penggunaan yang tidak sah dari dokumen atau video ini akan menjadi tanggung jawab pengguna dan dapat berakibat hukum. Materi yang terkandung dalam dokumen atau video ini hanya untuk tujuan informasi umum dan bukan merupakan penelitian investasi atau saran atau rekomendasi untuk membeli atau menjual investasi. Beberapa pernyataan yang terkandung dalam dokumen atau video ini dapat dianggap sebagai pernyataan berwawasan ke depan yang memberikan prakiraan saat ini atau prakiraan peristiwa masa depan. Pernyataan berwawasan ke depan tersebut bukanlah jaminan atas kinerja atau kejadian di masa depan dan melibatkan risiko dan ketidakpastian. Hasil aktual mungkin berbeda secara materi dari yang dijelaskan dalam pernyataan berwawasan ke depan tersebut karena berbagai faktor. HBAP dan Distributor tidak berkewajiban untuk memperbarui pernyataan berwawasan ke depan yang terkandung pada dokumen atau video ini, atau memperbarui alasan mengapa hasil aktual dapat berbeda dari yang diproyeksikan dalam pernyataan berwawasan ke depan. Dokumen atau video ini tidak memiliki nilai kontraktual dan sama sekali tidak dimaksudkan sebagai ajakan, atau rekomendasi untuk pembelian atau penjualan instrumen keuangan apa pun di yurisdiksi mana pun di mana penawaran semacam itu tidak sah. Pandangan dan pendapat yang diungkapkan didasarkan pada HSBC Global Investment Committee pada saat persiapan, dan dapat berubah sewaktu-waktu. **Pandangan ini belum tentu menunjukkan komposisi portofolio HSBC Asset Management saat ini. Portofolio individu yang dikelola oleh HSBC Asset Management terutama mencerminkan tujuan, preferensi risiko, dan durasi investasi masing-masing Nasabah, dan likuiditas pasar.**

Nilai investasi dan pendapatan dari investasi tersebut bisa turun dan juga naik dan ada kemungkinan investor kehilangan nilai pokok yang diinvestasikan. Kinerja masa lalu yang terkandung dalam dokumen atau video ini bukan merupakan indikator yang dapat diandalkan untuk kinerja di masa mendatang, sedangkan prakiraan, proyeksi, dan simulasi apa pun yang terkandung di sini tidak dapat diandalkan sebagai indikasi hasil di masa mendatang. Jika ada investasi luar negeri, nilai tukar mata uang dapat menyebabkan nilai investasi tersebut turun dan juga naik. Investasi di pasar negara berkembang pada dasarnya berisiko lebih tinggi dan berpotensi lebih tidak stabil daripada investasi di pasar negara maju. Perekonomian di pasar negara berkembang umumnya sangat bergantung pada perdagangan internasional dan, oleh karena itu, telah dan kemungkinan dapat terpengaruh oleh hambatan perdagangan, pengawasan bursa, penyesuaian terkelola dalam nilai mata uang relatif, dan tindakan protektif lainnya yang diterapkan atau dinegosiasikan oleh negara tempat terjadinya perdagangan. Negara-negara ini juga telah dan mungkin dapat terpengaruh oleh kondisi negatif ekonomi di negara-negara mitra dagang mereka. Investasi memiliki risiko pasar, Nasabah wajib membaca semua dokumen terkait investasi dengan cermat.

Dokumen atau video ini memberikan ikhtisar tingkat tinggi tentang kondisi ekonomi terkini dan disiapkan hanya untuk tujuan informasi. Pandangan yang disajikan adalah pandangan HBAP dan didasarkan pada pandangan global HBAP dan belum tentu selaras dengan pandangan distributor lokal. Dokumen atau video ini belum disiapkan sesuai dengan persyaratan hukum yang dirancang untuk mendorong independensi penelitian investasi dan tidak ada larangan bertransaksi sebelum pendistribusian. Dokumen atau video ini tidak bertujuan untuk menyediakan dan diandalkan untuk nasihat akuntansi, hukum atau pajak. Sebelum Anda membuat keputusan investasi, Anda dapat berkonsultasi dengan penasihat keuangan. Jika Anda memilih untuk tidak meminta saran dari penasihat keuangan, Anda harus mempertimbangkan dengan cermat apakah produk investasi tersebut cocok untuk Anda. Anda disarankan untuk mendapatkan saran profesional yang sesuai jika diperlukan.

Akurasi dan/atau kelengkapan informasi pihak ke tiga diambil dari sumber yang kami yakini dapat diandalkan mungkin belum diverifikasi secara independen, oleh karena itu Nasabah wajib mencari dari berbagai sumber sebelum membuat keputusan investasi.

Informasi Penting tentang HSBC Global Asset Management (Canada) Limited ("AMCA")

HSBC Asset Management adalah grup perusahaan, termasuk AMCA, yang bergerak di bidang penasihat investasi dan pengelolaan dana, yang pada akhirnya dimiliki oleh HSBC Holdings plc. AMCA adalah anak perusahaan yang dimiliki sepenuhnya oleh, namun merupakan entitas terpisah dari, HSBC Bank Canada.

Informasi Penting tentang HSBC Investment Funds (Canada) Inc. ("HIFC")

HIFC adalah distributor utama HSBC Mutual Funds dan menawarkan HSBC Mutual Funds dan/atau HSBC Pooled Funds melalui layanan HSBC World Selection® Portfolio. HIFC adalah anak perusahaan AMCA, dan anak perusahaan tidak langsung dari HSBC Bank Canada, dan menyediakan produk dan layanannya di seluruh provinsi di Kanada kecuali Prince Edward Island. Investasi reksa dana memiliki risiko. Silakan baca Fund Facts sebelum berinvestasi.

*World Selection adalah merek dagang terdaftar dari HSBC Group Management Services Limited.

Informasi Penting tentang HSBC Private Investment Counsel (Canada) Inc. ("HPIC")

HPIC adalah anak perusahaan langsung dari HSBC Bank Canada dan menyediakan layanan di seluruh provinsi di Kanada kecuali Prince Edward Island. Layanan Private Investment Counsel adalah layanan manajemen portofolio pilihan yang ditawarkan oleh HPIC. Pada layanan ini, aset Nasabah yang berpartisipasi akan diinvestasikan oleh HPIC atau manajer portofolio yang didelegasikan, AMCA, pada efek, termasuk namun tidak terbatas pada, saham, obligasi, reksa dana, dana gabungan, dan derivatif. Nilai investasi pada layanan Private Investment Counsel atau yang dibeli sebagai bagian dari layanan Private Investment Counsel dapat berubah sewaktu-waktu dan kinerjanya di masa lalu mungkin tidak dapat terulang kembali.

Informasi Penting tentang HSBC InvestDirect ("HIDC")

HIDC adalah divisi dari HSBC Securities (Canada) Inc., anak perusahaan langsung, namun merupakan entitas terpisah dari, HSBC Bank Canada. HIDC adalah layanan untuk menjalankan instruksi pesanan saja. HIDC tidak akan melakukan penilaian kesesuaian atas kepemilikan rekening Nasabah atau atas instruksi yang diajukan oleh Nasabah atau dari siapa pun yang berwenang untuk bertransaksi atas nama Nasabah. Nasabah memiliki tanggung jawab penuh atas keputusan investasi dan transaksi efek mereka.

Informasi Penting tentang The Hongkong and Shanghai Banking Corporation Limited, India ("HSBC India")

HSBC India merupakan cabang dari The Hongkong and Shanghai Banking Corporation Limited. HSBC India merupakan distributor Reksa Dana dan pemberi referensi produk investasi dari entitas pihak ketiga yang terdaftar dan diawasi di India. HSBC India tidak mendistribusikan produk investasi kepada perorangan yang berkewarganegaraan atau bertempat tinggal Amerika Serikat (AS), Kanada, Australia atau Selandia Baru atau yurisdiksi mana pun di mana distribusi tersebut melanggar hukum atau peraturan.

Pernyataan berikut ini hanya berlaku untuk HSBC Bank (Taiwan) Limited terkait cara pendistribusian publikasi kepada Nasabahnya: HSBC Bank (Taiwan) Limited ("Bank") wajib melaksanakan hukum terkait kewajiban fidusia sebagai pihak yang logis dalam melakukan penawaran/memberikan perhatian dengan cermat dalam menawarkan layanan/bisnis perwaliananatan. Namun, Bank tidak menjamin apa pun atas kinerja manajemen atau operasi dari bisnis perwaliananatan tersebut.

Pernyataan berikut ini hanya berlaku untuk PT Bank HSBC Indonesia ("HBID") : PT Bank HSBC Indonesia ("HBID") merupakan Bank yang berizin dan diawasi oleh Otoritas Jasa Keuangan ("OJK"). Nasabah wajib memahami bahwa kinerja masa lalu tidak menjamin kinerja masa yang akan datang. Produk investasi yang ditawarkan oleh HBID diterbitkan oleh pihak ketiga dan HBID merupakan agen penjual untuk produk pihak ketiga seperti Reksa Dana dan obligasi. HBID dan HSBC Group (HSBC Holdings PLC dan anak perusahaan serta perusahaan asosiasi atau cabang-cabangnya) tidak memberikan jaminan atas dasar transaksi investasi, nilai pokok atau tingkat pengembalian atas investasi Nasabah. Investasi di Reksa Dana dan obligasi tidak termasuk dalam cakupan program penjaminan simpanan oleh Lembaga Penjamin Simpanan (LPS).

ISI DOKUMEN ATAU VIDEO INI BELUM DITINJAU OLEH OTORITAS REGULATOR DI HONG KONG ATAU YURISDIKSI LAINNYA.

ANDA DISARANKAN UNTUK BERHATI-HATI SEHUBUNGAN DENGAN INVESTASI DAN DOKUMEN ATAU VIDEO INI. JIKA ANDA RAGU TENTANG ISI DOKUMEN ATAU VIDEO INI, ANDA DAPAT MENCARI NASIHAT INDEPENDEN DARI PROFESIONAL.

© Hak cipta 2023. The Hongkong and Shanghai Banking Corporation Limited, HAK CIPTA DILINDUNGI.

Tidak ada bagian dari dokumen atau video ini yang diperbolehkan untuk diproduksi ulang, disimpan dalam sistem pengambilan, atau disebarluaskan, dalam bentuk apa pun atau dengan cara apa pun, baik secara elektronik, mekanik, fotokopi, rekaman, atau lainnya, tanpa izin tertulis sebelumnya dari The Hongkong and Shanghai Banking Corporation Limited.

Informasi penting terkait investasi berkelanjutan

"Investasi berkelanjutan" meliputi pendekatan atau instrumen investasi yang mempertimbangkan lingkungan, sosial, tata kelola dan/atau faktor berkelanjutan lainnya (secara kolektif, "berkelanjutan") untuk berbagai tingkat. Instrumen tertentu yang kami masukkan dalam kategori ini mungkin saja masih dalam proses perubahan untuk memberikan hasil berkelanjutan. Tidak ada jaminan bahwa investasi berkelanjutan akan menghasilkan pengembalian yang mirip dengan investasi yang tidak mempertimbangkan faktor berkelanjutan. Investasi berkelanjutan mungkin dapat menyimpang dari tolok ukur pasar tradisional.

Sebagai tambahan, tidak ada definisi standar, atau kriteria pengukuran untuk investasi berkelanjutan, atau dampak investasi berkelanjutan ("dampak berkelanjutan"). Kriteria pengukuran investasi berkelanjutan dan dampak berkelanjutan dapat (a) sangat subyektif dan (b) dapat bervariasi secara signifikan lintas dan di dalam sektor. HSBC dapat bergantung pada kriteria pengukuran yang dibuat dan/atau dilaporkan oleh penyedia atau penerbit pihak ketiga. HSBC tidak selalu melakukan uji tuntas khusus terkait dengan kriteria pengukuran. Tidak ada jaminan: (a) bahwa sifat dampak berkelanjutan atau kriteria pengukuran sebuah investasi akan selaras dengan tujuan berkelanjutan investor tertentu; atau (b) bahwa tingkat atau target tingkat dampak berkelanjutan yang dinyatakan akan tercapai. Investasi berkelanjutan adalah bidang yang terus berkembang dan peraturan baru dapat diberlakukan yang dapat mempengaruhi cara suatu investasi dikategorikan atau diberi label. Investasi yang dianggap memenuhi kriteria berkelanjutan saat ini mungkin tidak memenuhi kriteria tersebut di masa mendatang.