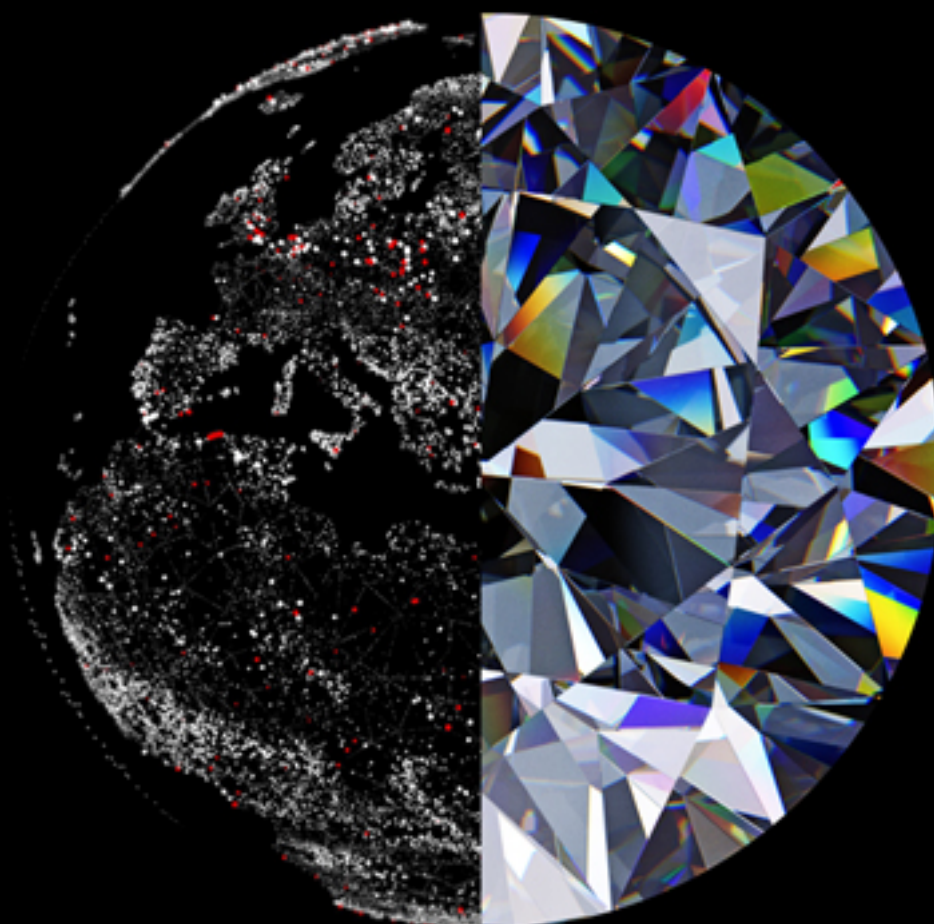


Be SELECTIVE when
Managing your Wealth.

HSBC SELECT BALANCED (A)

Monthly Report
May 2025



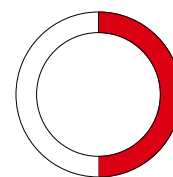
Objective and investment policy

The objective of the mutual fund is to offer flexible, active management on equity and fixed-income 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 50% equities and 50% 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.

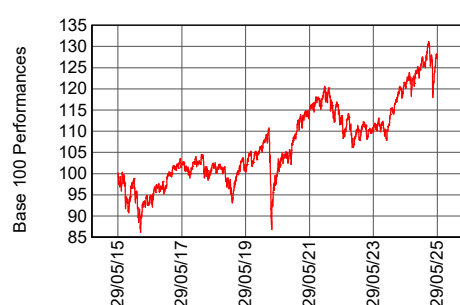


Strategic Allocation

50% Equities

Performance and risk analysis

Fund's performance



Fund Details

Total Asset

Total Asset
EUR 132 449 836.18

Net asset value

(AC)(EUR) 63.31

Number of underlying funds

53

Legal Form

Mutual Fund regulated under French law

Investment horizon

> 5 years

Dividend Policy

(AC): Accumulation Shares

Start Date of Management*

07/01/2009

Net Cumulated performance

	1 month	1 year	3 years	5 years	10 years	07/01/2009*
Portfolio	2.98%	6.53%	12.61%	27.56%	27.87%	116.08%

Indicators & ratios (weekly)

	1 year	3 years	5 years	10 years	07/01/2009*
Fund's volatility	8.64%	7.49%	7.46%	8.76%	8.23%
Sharpe ratio	0.39	0.16	0.48	0.22	0.53

Net performance by calendar year

	2025	2024	2023	2022	2021	2020
Portfolio	1.90%	8.62%	7.14%	-9.75%	8.85%	2.24%
	2019	2018	2017	2016	2015	
Portfolio	13.91%	-7.77%	2.68%	4.27%	4.28%	

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.

returns will depend, inter alia, on market conditions, fund manager's skill, fund risk level and fees. The investment objective has been modified on the 25th September 2014. Performance returns prior to this date have been realized under different circumstances.

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 3 because its price or simulated data has shown low to medium fluctuations historically.

Analysis of the investment strategy

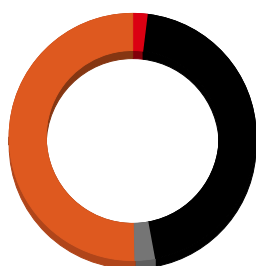
Portfolio Composition

	30/04/2025 % TNA	30/05/2025 % TNA	Variation*
Equities**	48.30%	50.29%	▲
North America	17.98%	18.86%	▲
Europe	18.00%	18.55%	▲
Emerging Markets	7.14%	7.49%	<◇
Global	5.24%	5.26%	<◇
Japan	1.50%	1.22%	<◇
Pacific ex-Japan	0.00%	0.40%	<◇
Asia ex-Japan	-1.56%	-1.49%	<◇
Bonds**	44.89%	47.00%	▲
Europe	26.20%	34.38%	▲
Global	7.82%	6.93%	▼
North America	7.95%	4.90%	▼
Emerging Markets	4.13%	3.80%	<◇
Pacific ex-Japan	2.15%	2.30%	<◇
Asia ex-Japan	-3.35%	-2.36%	▲
Japan	0.00%	-2.95%	▼
Commodities	2.71%	2.61%	<◇
Alternative	2.04%	1.95%	<◇
Global	2.04%	1.95%	<◇
Money Market & Cash	2.06%	-1.86%	▼
Total	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.

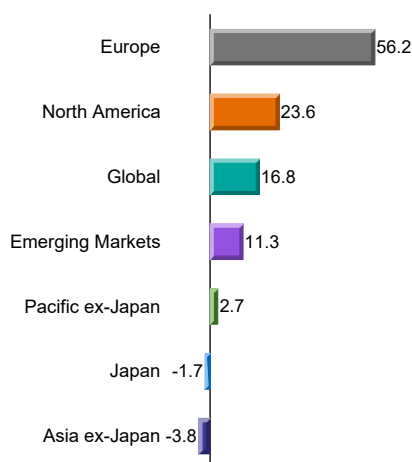
** Including fixed income and equity market exposure via derivatives.

Asset Allocation as at 30/05/2025



Alternative	2,0 %
Bonds & Money Market	45,1 %
Commodities	2,6 %
Equities	50,3 %
Total:	100,0 %

Regional Allocation*** as at 30/05/2025



***except cash

Main Lines

	Asset Class	Weight	Monthly Performance*	Performance Contribution**
1 HSBC S And P 500 UCITS ETF	Equities	9.08%	7.41%	0.65%
2 HSBC Euro Gvt Bond Fund ZC	Bonds	8.76%	0.21%	0.02%
3 HSBC Global Investment Funds - Euro Credit Bond ZC	Bonds	7.04%	0.47%	0.03%
4 HSBC Global Funds ICAV - Multi Factor EMU Equity Fund ZC	Equities	6.17%	5.73%	0.35%
5 HSBC MSCI Emerging Markets UCITS ETF	Equities	4.81%	4.03%	0.18%
Total		35.87%		

* Monthly return in Euro of underlying funds is based on HSBC SELECT BALANCED portfolio at the end of 05/30/2025 and 04/30/2025. 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
▶ ISHR SPAIN GOV	Bonds	Europe
▶ HSBC MSCI CHINA ETF	Equities	North America
▶ HSBC GIF GLOBAL IG SEC CREDIT BD ZQ2HEUR	Bonds	Global

Positions liquidated

◀ HSBC MSCI CHINA A UCITS ETF	Equities	Europe
-------------------------------	----------	--------

Positions added

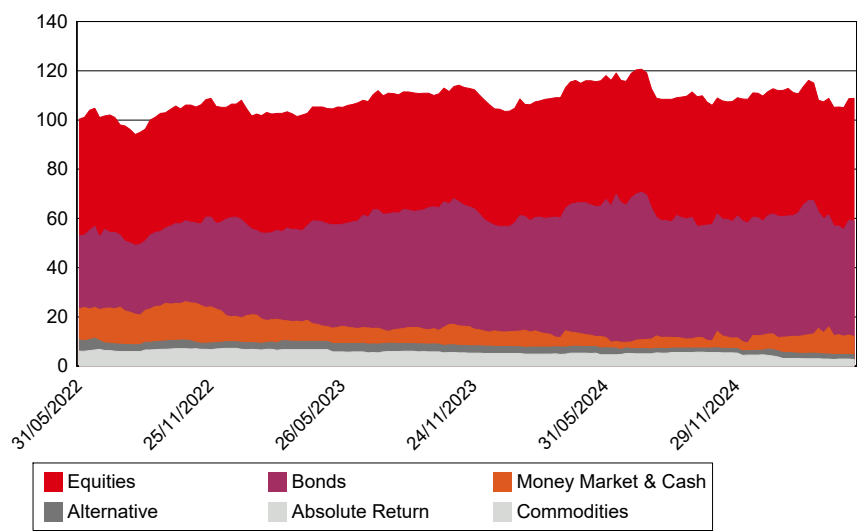
▲ HSBC EURO GVT BOND FUND ZC	Bonds	Europe
▲ AMUNDI US CURVE STPNG 2-10 ETF ACC	Bonds	North America
▲ HSBC S AND P 500 ETF	Equities	North America
▲ ISHARES S AND P 500 GROWTH ETF	Equities	North America
▲ HSBC MSCI EMERG MKTS ETF	Equities	Emerging Markets

Positions reduced

▼ HSBC SRI MONEY ZC	Money Market & Cash	Europe
▼ HSBC US DOLLAR LIQUIDITY W	Money Market & Cash	Global
▼ HSBC GIF GLOBAL CORP BD ZCHEUR	Bonds	Global
▼ HSBC EURO CREDIT SUBORDINATED BD ID	Bonds	Europe
▼ ISH EDG ERP MMTM	Equities	Europe

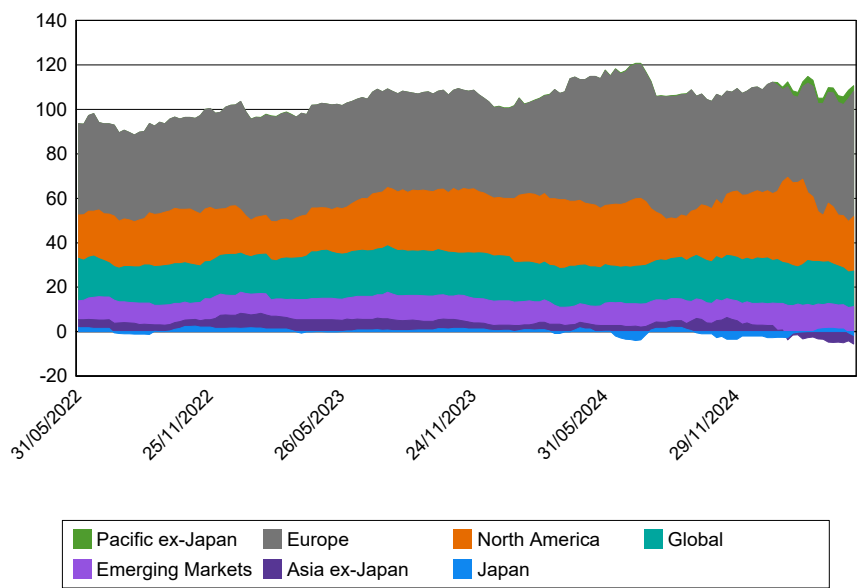
Portfolio's History

Historical Asset Allocation*



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

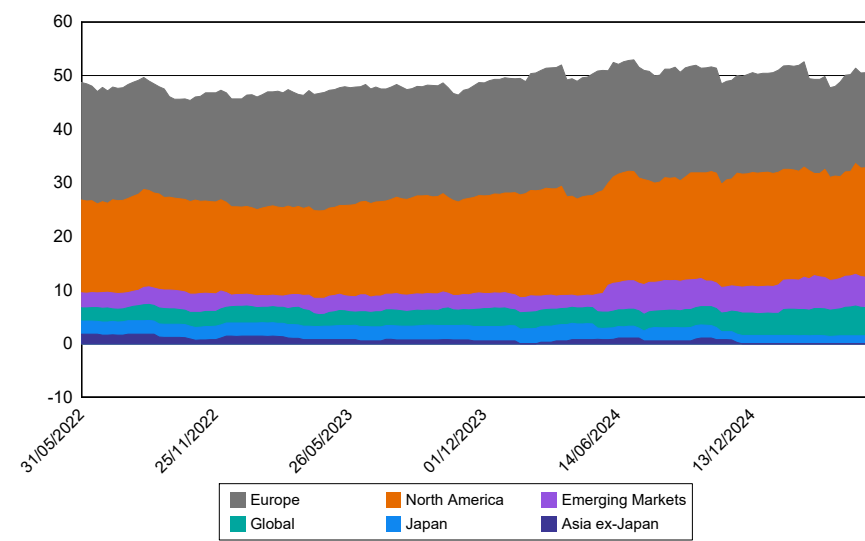
Historical Allocation by Region**



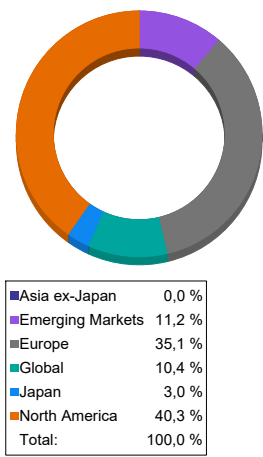
**except cash

Equity component Analysis*

Historical Allocation by Region

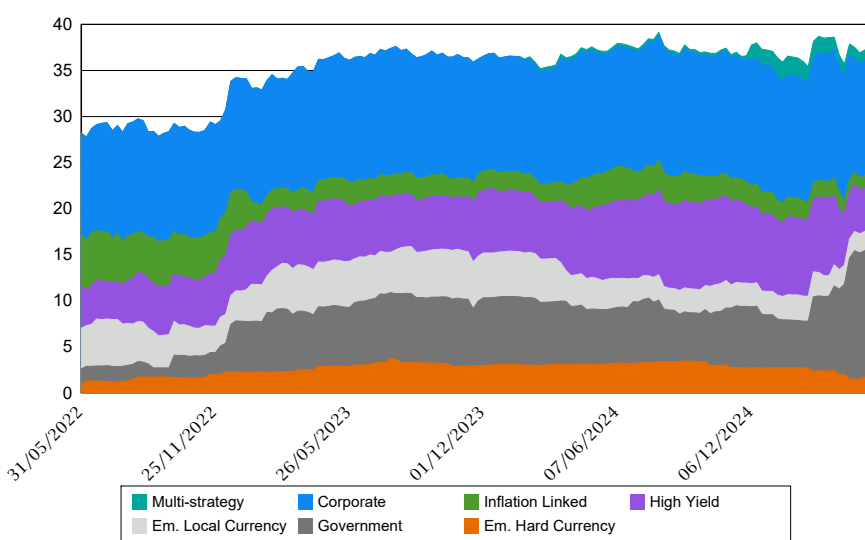


Equity
as at 30/05/2025

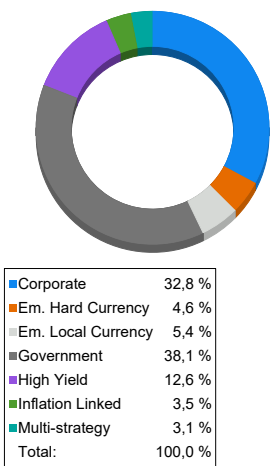


Bond component Analysis*

Historical Allocation by Strategy



Bonds
as at 30/05/2025



*except derivative products' off-balance-sheet commitment

Fund Manager Commentary

Economic Environment

Capital markets remain driven by tariff talks between the United States and its main trading partners, including Europe, China and many emerging countries, in an attempt to reach an agreement with the American President. Global stock markets continued the rebound that began mid-April after Donald Trump announced a 90-day pause in the implementation of reciprocal tariffs.

On the economic front, leading indicators within industry and services in the United States, as well as U.S. consumer confidence surveys, began to rise after the downward trend observed in recent months. In early May, the US Federal Reserve chose to keep its key rates within the 4.25-4.5% range owing to the lack of short-term visibility on inflation caused by future tariffs.

In the Eurozone, activity remains sluggish, and expectations have been lowered in services, with the PMI index at its weakest in 16 months, on account of France and Germany in particular. The European Commission has also revised its growth forecasts for the Eurozone down to +0.9% in 2025 and +1.4% in 2026 (vs. earlier forecasts of +1.3% and +1.6%).

Global equities rose 5.9% in euros, driven by U.S. equities (+6.5%) while emerging equities lagged the market (+4.4% in euros). U.S. rates rebounded during the month from 4.15% to 4.4%, hitting a high at 4.6%, which also lifted rates in other countries. Yields on 10-year German bonds rose 6bps to 2.5%.

Performance & current holdings

Our underexposure to equity markets during the month detracted from the fund's monthly performance. Following a robust corporate earnings season, we have adopted a less cautious view on equities. Our regional allocation, favouring Europe over the United States and emerging markets proved unfavourable. In Europe, outperformance once again stemmed from our country choices, and notably our overexposure to Spain and Italy and our under-exposure to France. In terms of allocation by style, our small-cap investments contributed positively, while our defensive position in low-volatility stocks detracted from performance.

In the U.S., under-performing low-volatility stocks were partly offset by our positions in trend-following and growth stocks. After a robust Q1 earnings season, we have continued to strengthen our exposure to growth stocks. In the emerging space, the portfolio has benefited from its underexposure to Thailand in favour of China. Our funds invested in long-term growth themes performed in line with global indices. We have strengthened our exposure to the strategy invested in defence stocks.

Our funds invested in long-term growth themes performed in line with global indices. We have strengthened our exposure to the strategy invested in defence stocks.

Within our fixed income investments, those with the strongest ties to U.S. debt underperformed. Our preference for Eurozone debt was helpful to performance. We have introduced a new position in Spanish debt. The strategies exposed to private debt benefited from declining credit premiums. We have strengthened our exposure to European credit by selling international credit. Finally, once again, our diversification into hedge funds detracted from performance this month.

Outlook

We expect growth to converge in major economies, inflation to remain slightly above its long-term trend, and monetary easing to continue at a gradual pace. The slowdown in growth and the relative under-performance of U.S. assets (equities, bonds, U.S. dollar) suggest the end of "U.S. exceptionalism" and a return to assets that are still trading at a discount (European and emerging equities).

Within our equity investments, we have therefore maintained a cautious exposure with a slight preference for European markets over Japanese and U.S. equities. In the United States, we favour low-volatility and growth stocks. We are steering clear of small caps as their profitability remains insufficient.

In the Eurozone, our exposure is well-balanced with a bias in favour of value and small caps. Within the latter segment, we prefer German companies. Finally, in emerging markets, diversification remains sizeable, and we favour China, Poland, and Latin America.

Considering the slowdown in global growth, heightened political tensions, and central banks pursuing their rate cutting cycles, we have maintained a positive stance on sovereign debt. Owing to lower inflationary risks and a more accommodative central bank, we prefer European issuances to their U.S. counterparts. We are well positioned on corporate bonds, even though valuations are stretched. We favour investment-grade bonds, as well as financial debt.

Fund Management Team



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.



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.

Important Information

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

The material contained herein is for information only and does not constitute investment advice or a recommendation to any reader of this material to buy or sell investments. There are risks involved with this type of investment. Investors and potential investors should read and note the risk warnings in the prospectus and relevant Key Investor Information Document (KID). Past performance of investments is not necessarily a guide to future performance and the value of investments and any income from them can go down as well as up and you may not get back the amount you originally invested. The rate of currency exchange, where applicable, 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 established markets. You should view this investment as medium to long-term, and should plan to keep it for at least three years.

HSBC Select portfolios are marketed in Malta in terms of the Directive on Undertakings for Collective Investment Schemes in Transferable Securities (UCITS). All applications are made on the basis of the relevant and current HSBC Select prospectus, the KID of the related Fund and the most recent annual and semi-annual reports (when available), which can be obtained upon request free of charge from HSBC Bank Malta p.l.c which is licensed to conduct Investment Services business by the Malta Financial Services Authority.

The Funds are manufactured by HSBC Global Asset Management (France) (the Portfolio Management Company) - RCS n°421 345 489 (Nanterre). The Portfolio Management Company is authorised by the French regulatory body AMF (n° GP-99026). Postal address: 75419 Paris cedex 08. Offices: Immeuble Cœur Défense - 110, esplanade du Général de Gaulle - La Défense 4 - France. The Portfolio Management Company has appointed HSBC Global Asset Management (Malta) Ltd, 80 Mill Street, Qormi, QRM 3101 as the Distributor of the Funds with the right to appoint sub-distributors. In Malta, the Funds are distributed to Investors through HSBC Bank Malta p.l.c. (a sub-distributor of HSBC Global Asset Management (Malta) Ltd). Approved and issued by HSBC Global Asset Management (Malta) Ltd, Business Banking Centre, 80, Mill Street, Qormi QRM 3101. Company Reg No: C26053 which is licensed to provide investment services in Malta by the Malta Financial Services Authority under the Investment Services Act.

The information contained herein is subject to change without notice. All non-authorised reproduction or use of this commentary and analysis will be the responsibility of the user and will be likely to lead to legal proceedings. This document has no contractual value and is not by any means intended as a solicitation, nor an investment advice for the purchase or sale of any financial instrument in any jurisdiction in which such an offer is not lawful. The commentary and analysis presented in this document reflect the opinion of HSBC Global Asset Management (France) on the markets, according to the information available to date. They do not constitute any kind of commitment from HSBC Global Asset Management (France). For illustrative purpose only, the Fund manager commentary and analysis are a global view of the recent evolution of the economic conditions. This is a support which does not constitute neither an investment advice nor a recommendation to buy or sell investment.

This commentary is not the result of investment research. 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. Any forecast, projection or target where provided is indicative only and is not guaranteed in any way. HSBC Global Asset Management (France) accepts no liability for any failure to meet such forecast, projection or target. Consequently, HSBC Global Asset Management (France) will not be held responsible for any investment or disinvestment decision taken on the basis of the commentary and/or analysis produced in this document. All data come from HSBC Global Asset Management (France) unless otherwise specified. Any third party information has been obtained from sources we believe to be reliable, but which we have not independently verified.

Capital is not guaranteed. It is important to remember that the value of investments and any income from them can go down as well as up and is not guaranteed. The performance figures relate to the past performance which should not be seen as an indication of future returns. The capital invested in the Funds can increase or decrease and is not guaranteed. Future returns will depend, inter alia, on market conditions, Fund manager's skill, Funds risk level and fees.

Any subscription to any Fund described in this document must be made on the basis of the information available in the Prospectus, KIID and Factsheet, which may be obtained from all branches of HSBC Bank Malta p.l.c. or by visiting the Distributor's website at www.assetmanagement.hsbc.com.mt

Document updated on 17/06/2025

Copyright © 2025. HSBC Global Asset Management (France). All rights reserved.

Fund Details

Legal Form

Mutual Fund regulated under French law

Investment horizon

> 5 years

Dividend Policy

(AC): Accumulation Shares

*Start Date of Management

07/01/2009

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

(AC): FR0010329391

Bloomberg Ticker

(AC): INTVALR FP

Fees

Real internal management fees

1.10% inc. taxes

Maximum internal management fees

1.10% inc. taxes

Maximum indirect fixed management fees

1.00% inc. taxes