

Fund Highlights

- ▶ Seeking to deliver long-term capital growth by focusing on around 100-120 'blue chip' Japanese stocks and operating within a rigorously applied risk management framework
- ▶ An active quantitative investment style employing valuation and momentum signals to identify and exploit valuation anomalies
- ▶ Targeting excess returns by concentrating on three uncorrelated performance sources; dynamic sector allocation, active quantitative stock selection and management of market exposure

Investment Objective

The sub-fund seeks long-term capital growth by investing at least two thirds of its total non-cash assets in a well diversified portfolio of investments in equity and equity equivalent securities of companies which have their registered office in, and with an official listing on a major stock exchange or other Regulated Market of Japan as well as those companies which carry out the greater part of their business activities in Japan.

Fund Statistics (30/10/2009)

Fund size in millions (JPY)	7,851.19
Portfolio Turnover *	1.21
Volatility **	27.85
Tracking Error **	3.89
Information Ratio **	-1.16

Volatility measures the relative rate at which the price of a security moves up and down.

Tracking error measures the volatility of the difference between a portfolio's performance and the benchmark.

Information ratio represents the value added of the manager (excess return) divided by the tracking error

* Source: HSBC, calculation uses the lesser of sales and purchases over the past year.

** Source: HSBC, based on monthly returns over the past three years where available.

Fund Manager - Bénédicte Mougeot

Deputy Head of Global Equity, SINOPIA Asset Management.

Bénédicte Mougeot is Deputy Head of Global Equity for SINOPIA and has been working in the industry since 1996 when she joined SINOPIA as an assistant fixed income portfolio manager. Bénédicte holds a degree from the University of Paris IX-Dauphine and a Masters degree in Finance from ESSEC.



Performance in JPY (% Change) *

Rolling time period	30/09/2008 - 30/09/2009	30/09/2007 - 30/09/2008	30/09/2006 - 30/09/2007	30/09/2005 - 30/09/2006	30/09/2004 - 30/09/2005
HSBC GIF JAPANESE EQUITY	-21.3	-38.0	6.9	16.2	28.7

Rolling time period	1 month	3 months	6 months	1 year	3 years	5 years	2009	2008	2007	2006
Fund	-1.6	-5.6	5.8	-0.4	-49.1	-22.1	1.5	-46.7	-10.9	4.6
Morningstar mean	-1.8	-5.2	8.5	6.4	-46.7	-20.2	7.3	-44.5	-13.6	0.1
Benchmark	-1.7	-5.1	7.5	5.3	-41.7	-11.2	6.1	-40.6	-11.1	2.2
Fund rank	105/269	147/266	190/262	202/254	136/220	94/175	199/259	193/289	55/281	61/239
Quartile rank	2	3	3	4	3	3	4	3	1	2

* The above performance figures refer to the past and are not a reliable indicator of future returns. The value of investments and any income from them, can go down as well as up.

Source: Morningstar, bid to bid, gross income reinvested. Performance information is up to 30/10/2009, Morningstar run date 09/11/2009. Morningstar Sector used Offshore and International Funds, Eq Japan. Benchmark source: Datastream. Please note quartile rank is a term widely used in financial services to denote performance of a fund within its sector. For example a ranking of 1 denotes a Fund in the top 25% of its peer group sector, with a ranking of 4 denoting a fund in the bottom 25% of its peer group sector. Total return, sector median performance and ranks - Data Source - © Copyright 2009 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Fund details

- ▶ **Annual charge** 1.00%
- ▶ **Maximum initial charge** 5.54%
- ▶ **Dealing** daily by 10:00am (CET)
- ▶ **Valuation** daily at 11:00am (CET)
- ▶ **Minimum initial investment** (USD) 50,000 *
- ▶ **Financial year end** 31st March
- ▶ **Benchmark** TOKYO (SE) TOPIX
- ▶ **Management Company** HSBC Investment Funds (Luxembourg) S.A.
- ▶ **Investment Advisor** Sinopia Asset Management (Asia Pacific) Limited
- ▶ **Dividends** annual (July)
- ▶ **Regular savings scheme** not available
- ▶ **Start date** 16/01/1987
- ▶ **Launch price** (in JPY) 10
- ▶ **ISIN code** LU0011818076
- ▶ **Total number of holdings** 151

* or equivalent.

Top 10 holdings (30/10/2009)

Stock	Weight	Industry Sector
1 Toyota Motor Corp	4.52%	Automobiles
2 Honda Motor Co	2.66%	Automobiles
3 Mitsub Tokyo Fin	2.52%	Commercial Banks
4 CANON INC NPV	2.43%	Office Electronics
5 SONY CORP NPV	1.75%	Household Durables
6 SUMITOMO MITSUI FG NPV	1.74%	Commercial Banks
7 MITSUBISHI CORP NPV	1.55%	Trading Companies &
8 East Japan Railway Co	1.50%	Road & Rail
9 Takeda Chem Inds	1.49%	Pharmaceuticals
10 MIZUHO FINL GP NPV	1.44%	Commercial Banks
	21.60%	

Portfolio composition (30/10/2009)

Sector	Fund
Consumer Discretionary	20.02%
Industrials	19.72%
Financials	15.34%
Information Technology	13.17%
Materials	8.50%
Consumer Staples	6.57%
Health Care	5.36%
Utilities	5.08%
Telecommunication Services	4.73%
Others	1.50%
	100.00%

Contact

Further information about HSBC Global Asset Management, details of our individual funds performance and prices can be found at www.assetmanagement.hsbc.com

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Alternatively, contact your local sales and client services representatives.

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