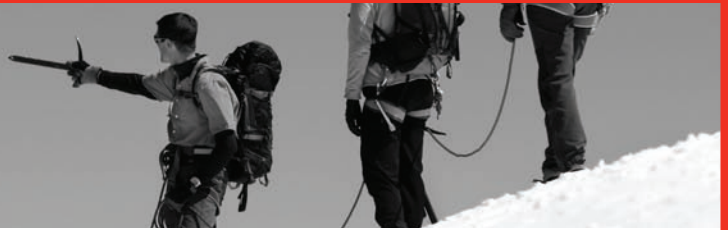


# Global Focus Portfolio Service

## Specialist Services



### At a Glance

- ▶ High conviction portfolio of long term growth and undervalued stocks
- ▶ Focus on the identification of current and emerging themes which characterise evolving dominant growth areas
- ▶ Global equity team of experienced fund managers
- ▶ Strong record of benchmark outperformance

### Overview

We aim to deliver superior equity returns by investing in a limited number of high conviction stocks that reflect current and emerging themes and characterise evolving, dominant growth areas.

Having identified these macro and industrial themes, we look for companies which provide exposure to them and analyse whether this is reflected in their valuation. Consequently, we are not constrained by the need to buy stocks just because they comprise a large part of an index. Our stock selection process enables us to discover long term growth and undervalued stocks.

The optimal construction of your portfolio is ultimately the responsibility of the head of the global equity team who has 26 years of experience of managing global equity portfolios. The construction process ensures diversification across industries and geographies as well as by macro and micro themes.

### Highlights

**Theme-driven approach** – stock selection is based on finding stocks which benefit from the identified current and emerging themes.

**Benchmark aware, not benchmark driven.**

**Strong performance** – long term record of outperformance of benchmark MSCI All Country World Index.<sup>†</sup>

<sup>†</sup>Data available on request

### Investment Process

There are three key stages to our investment process. In the first stage, we analyse the macro economic environment to identify key macro themes. For example, the long term theme of emerging economies growing faster than developed economies.

Next, we analyse the industrial environment in which a company operates and identify key current and future sectoral themes. For example, within the consumer discretionary sector we are seeing a strong trend for consumers to reduce their spending on luxury goods and switching into lower priced products and services i.e. downmarket substitution.

The final stage is where we drill down to look at stocks which stand to benefit from the previously identified themes and analyse them on a fundamental and valuation basis.

The aim of the investment process is to pick stocks which are 'best in class' on a global basis and this in turn drives regional asset allocation.

Investment recommendations discovered by this process are then debated and challenged by the global equity team before final approval is given. We meet regularly to discuss and review the themes and stocks.

### Contact Us

To learn more, speak to your HSBC relationship manager or contact us at:

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