

Objective

The Fund seeks long-term capital growth and income mainly by investing in a concentrated portfolio of investments in equity and equity equivalent securities of companies listed on a major stock exchange or other regulated market in Brazil, Russia, India and China (including Hong Kong SAR) (“BRIC”), as well as companies with significant operations or carry out a preponderant part of their business activities in these countries.

Manager’s review and comments

Market review

- ▶ BRIC Markets modestly underperformed GEM and developed markets in July in strong market conditions.
- ▶ BRIC equities rose, on better-than-expected economic data from Europe, hopes of a shift in Chinese monetary policy and good corporate results from the US.
- ▶ Strong commodity prices and positive regional earnings boosted Brazilian stocks. India underperformed the other BRIC’s as interest rates rose by more than expected.

Fund strategy

- ▶ The Fund rose strongly in July in absolute terms, buoyed up by the performance of Russia and Brazil.
- ▶ India was the market that struggled over the month of July.
- ▶ The Fund’s underweight exposure to India made the greatest contribution to relative Fund performance.

Market outlook

- ▶ We remain a positive long-term outlook on BRIC markets as we continue to see strong growth prospects and supportive economic and earnings data.
- ▶ However, we continue to monitor monetary policy in China and watch developments in Europe and elsewhere with regards sovereign debt issues.
- ▶ The market where we see great value is Russia, as it is currently at a discount to emerging markets. The Fund remains relatively underweight in India.

Fund details

Fund size	: US\$1,879.28 million
Fund prices (NAV)	: US\$23.335 (Class M2C) [*] S\$31.765 EUR17.900
Launch date	: 1 April 2005 (Class M2C) [*]
Minimum investment	: US\$(Base)/EUR/S\$1,000 [*]
Dealing	: Daily
Initial charge	: Up to 5.25% (Cash only)
Management fee	: 1.0% per annum (Class M2C) [*]
Financial year-end	: 31 March
ISIN code	: LU0214875030 (Class M2C) [*] (Base Currency only)

Please refer to the offering document for details of other fees.

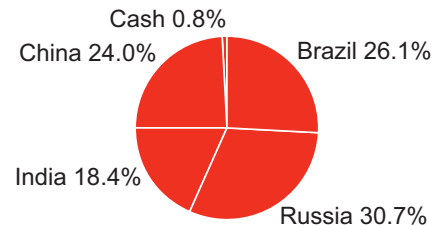
Dividend of the Fund is not guaranteed and is subject to the Fund manager’s discretion.

^{*} New investors will be subscribing into Class AC starting from 1 April 2010. Class M2C is not available to new subscription from 1 April 2010 onwards, except for investors with existing regular savings plans.

^{*} Please note that initial minimum subscription may vary across different distributors.

Source: HSBC Global Asset Management (Singapore) Limited as at 30 July 2010.

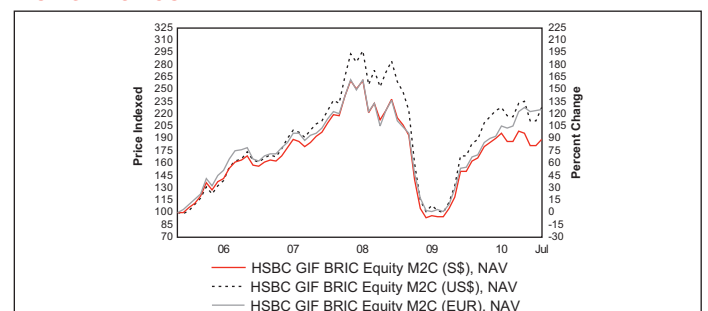
Sector allocation



Top 10 holdings

Securities	Industry	Country	Holdings
Gazprom ADR	Oil & gas producers	Russia	5.1%
Lukoil	Oil & gas producers	Russia	4.6%
Sberbank of Russia	Banks	Russia	4.5%
Gazprom	Oil & gas producers	Russia	4.1%
Maruti Suzuki India	Automobiles & parts	India	3.5%
Itau Unibanco Holdings	Banks	Brazil	2.5%
China Mobile	Telecommunications	China	2.5%
China Construction Bank	Banks	China	2.3%
OAO Rosneft Oil	Oil & gas producers	Russia	2.3%
Petroleo Brasileiro	Oil & gas producers	Brazil	2.2%

Performance



		3 mths	1 yr	Annualised		
				3 yrs	5 yrs Inception	
US\$ (%)	Fund*	-8.3	16.8	-3.1	14.5	16.1
	Fund	-3.2	23.3	-1.3	15.7	17.2
S\$ (%)	Fund*	-9.0	10.1	-6.5	10.0	11.8
	Fund	-4.0	16.2	-4.8	11.2	13.0
EUR (%)	Fund*	-6.4	27.1	-1.4	12.9	15.9
	Fund	-1.2	34.1	0.4	14.1	17.1

Fund Source: HSBC Global Asset Management & Morningstar, div reinvested.
The Fund is actively managed without reference to any benchmark.
^{*}Net of sales charge

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The past performance of any fund and the manager and any economic and market trends/forecast are not necessarily indicative of the future or likely performance of the fund. Value of investment and units may go down as well as up, and the investor may not get back the original sum invested. Investors and potential investors should read the Singapore prospectus (including the risk warnings) which is available at <http://www.assetmanagement.hsbc.com/sg> or its authorised distributors, before investing. Changes in rates of currency exchange may affect significantly the value of the investment.

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