

HSBC GIF TURKEY EQUITY

January 2010

Fund Highlights

- ▶ **The fund offers investors access to the potentially exciting investment long-term investment opportunities in Turkish equities**
- ▶ **It aims to exploit market inefficiencies and identify sectors/stocks which the managers research has identified are likely to outperform over the long-term**
- ▶ **The locally based management team invests on an active fundamental basis with decisions made by a small group of key individuals backed by over 200 emerging markets investment professionals located in 14 countries**

Investment Aim

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

Please refer to the Prospectus for the full Investment Objective of this fund.

Fund Statistics (31/12/2009)

Fund size in millions (EUR)	19.40
Portfolio Turnover *	1.82
Volatility **	39.08
Tracking Error **	19.42
Information Ratio **	-0.17

'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

Fund Manager - Namik Aksel

Chief Investment Officer (Turkey), HSBC Global Asset Management.

Namik Aksel is the Chief Investment Officer for HSBC Global Asset Management (Turkey) and has been working in the industry since 1993. Prior to joining HSBC Asset Management in 2004, he worked for Yapi Kredi Asset Management. He holds a BA in Business Administration from Bogazici University and is a member of the Turkish Institutional Investment Managers Association.



* 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.

Performance in EUR (% Change) *

Rolling time period	1 month	3 months	6 months	1 year	3 years	Inception	2009	2008	2007	2006
Fund	19.9	9.0	40.7	101.5	29.9	76.5	101.5	-48.3	24.7	-4.8
Morningstar mean	21.5	9.3	41.3	97.6	17.3		97.6	-60.0	48.6	-11.6
Benchmark	18.8	8.2	37.4	81.2	43.3		81.2	-43.1	39.0	-6.7
Fund rank	14/16	9/15	10/15	3/15			3/15	0/13		
Quartile rank	4	3	3	1			1	1		

*** 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. The above performance figures are calculated in EUR, and changes in the rate of currency exchange may affect the value of your investment.**

Source: Morningstar, bid to bid, gross income reinvested. Performance information is up to 31/12/2009. Morningstar Sector used Offshore and International Funds, Asset Alloc Turkey Neutral. 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** 1.75%
- ▶ **Maximum initial charge** 5.54%
- ▶ **Dealing** daily by 5.00pm (Jersey time)
- ▶ **Valuation** daily at 11:00am (CET)
- ▶ **Minimum initial investment**(\$/£/Euro) 10,000
- ▶ **Financial year end** 31st March
- ▶ **Benchmark** MSCI TURKEY **
- ▶ **Management Company** HSBC Investment Funds (Luxembourg) S.A.
- ▶ **Investment Advisor** HSBC Portfoy Yonetimi A.S.
- ▶ **Dividends** annual (July)
- ▶ **Regular savings scheme** min. monthly (\$/£/Euro) 250
- ▶ **Start date** 22/03/2005 ^
- ▶ **Launch price** (in EUR) 10
- ▶ **ISIN code** LU0213961682
- ▶ **Total number of holdings** 32

^ Prior to 11/07/2008 the fund was called Turkish Convergence. As at 11/07/2008 the fund's strategy changed to pure equity based fund. Previously the fund invested in both fixed income and equity instruments. ** Source: MSCI. The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used to create any financial instruments or products or any indices. The MSCI information is provided on an 'as is' basis and the user of this information assumes the entire risk of any use it may make or permit to be made of this information. Neither MSCI, any of its affiliates or any other person involved in or related to compiling, computing or creating the MSCI information (collectively, the 'MSCI Parties') makes any express or implied warranties or representations with respect to such information or the results to be obtained by the use thereof, and the MSCI Parties hereby expressly disclaim all warranties (including, without limitation, all warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential or any other damages (including, without limitation, lost profits) even if notified of, or if it might otherwise have anticipated, the possibility of such damages.

Top 10 holdings (31/12/2009)

Stock	Weight	Industry Sector
1 Turkiye Garanti Bankasi	9.90%	Banks
2 Turkiye Is Bankasi	9.52%	Banks
3 AKBANK	7.50%	Banks
4 Turkiye Halk Bankasi	6.68%	Banks
5 Turkcell Iletisi	5.64%	Mobile Telecommunications
6 Aksigorta	4.84%	Nonlife Insurance
7 Eregli Demir Celik	4.73%	Industrial Metals
8 Asya Katilim Bankasi	4.10%	Banks
9 Tekfen Holding	4.08%	General Financial
10 Yapi ve Kredi Bankasi	3.47%	Banks
	60.45%	

Portfolio composition (31/12/2009)

	Fund
Equities	98.99%
Cash Balances	1.01%
	100.00%

Contact

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