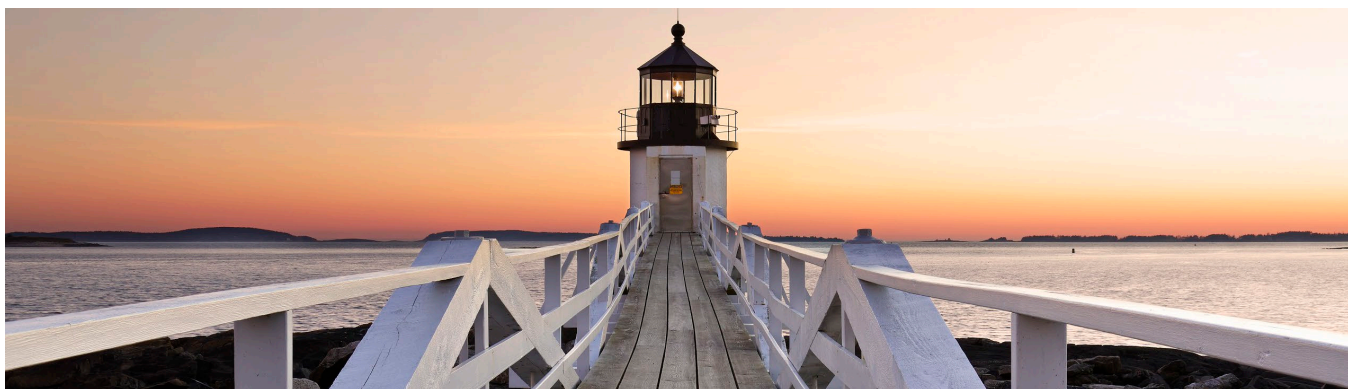


Upgrading Hong Kong stocks while managing the global news flow.



- A flurry of recent headlines has caused some volatility but none of them is of sufficient concern to end the bull market. It is much more likely that we see some short-term consolidation followed by further upside for risk assets.
- Last month, we listed some strategies that can serve as partial hedges for specific risks, and we add some further tweaks this month to manage the potential of dips.
- We already diversified the US AI-trade with overweight positions in financials and industrials, and now also upgrade US utility stocks to mildly overweight, as rapidly rising electricity demand could create a bottleneck.
- In credit, we reduce high yield (HY) to a mild underweight due to tight spreads and rising volatility. We upgrade EM local currency bonds to mildly overweight for their weaker correlation to risk assets and attractive fundamentals and continue to prefer investment grade over HY. That said, we are not overly worried about the idiosyncratic news flow in private credit, putting the emphasis on manager selection and diversification.
- We upgrade Hong Kong stocks to mildly overweight, due to attractive valuations, liquidity inflow and increased local IPO activity. The stabilisation in residential housing and a positive wealth effect boost the outlook for consumption. The move aligns our positive view on Hong Kong with that of Mainland China.

Watch a summary of our latest views



[Click](#) on the image to hear from our **Global Chief Investment Officer, Willem Sels**

Priority #1

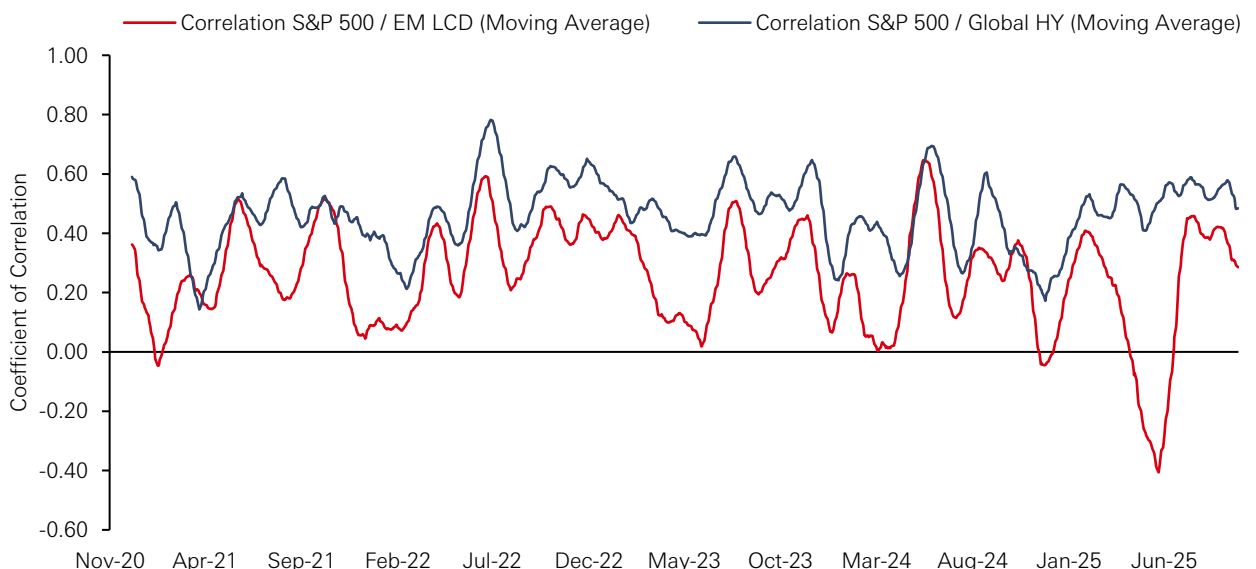
Add to quality bonds to position for diversification and income generation

- With the Fed shifting its focus from inflation to growth risks amid mounting labour market concerns—as evident from the recent dovish comments from Fed Chair Powell—we continue to expect two more 25bps rate cuts this year (October and December), after which it should pause.
- As cash rates fall, bond yields should come down too, so we want to lock them in now and put cash to work.
- Quality bonds would do well if disappointing growth were to hurt equities, or the government shut-down were to continue for a lot longer. Income from bonds can also help stabilise returns.
- We believe spreads have now tightened enough and volatility should persist in the near term. Hence, we cut our position on High Yield to a mild underweight. We also upgrade EM local currency bonds to mild overweight as they offer diversification along with attractive carry.

Our Focus:

- We stay with quality bonds with our preference for IG over HY.
- USD IG bonds are our preferred choice to benefit from the Fed rate cuts. But FX diversification is important too, with opportunities in other markets like EUR and AUD.
- We overweight EM Local currency bonds, which benefit from rate cuts, attractive carry, and USD depreciation.
- We have cut our preferred duration exposure to 5-7 years across Treasuries and US IG following the recent rally, as we only expect two more Fed cuts, which is less dovish than the market consensus.
- Given the uncertainties surrounding the economic implications of the US tariff policy, active credit selection remains crucial.

EM LC Debt offers a low correlation to risk assets and a good risk-adjusted return



Source: Bloomberg, HSBC Private Bank as at 20 October 2025. Past performance is not a reliable indicator of future performance.

Priority #2

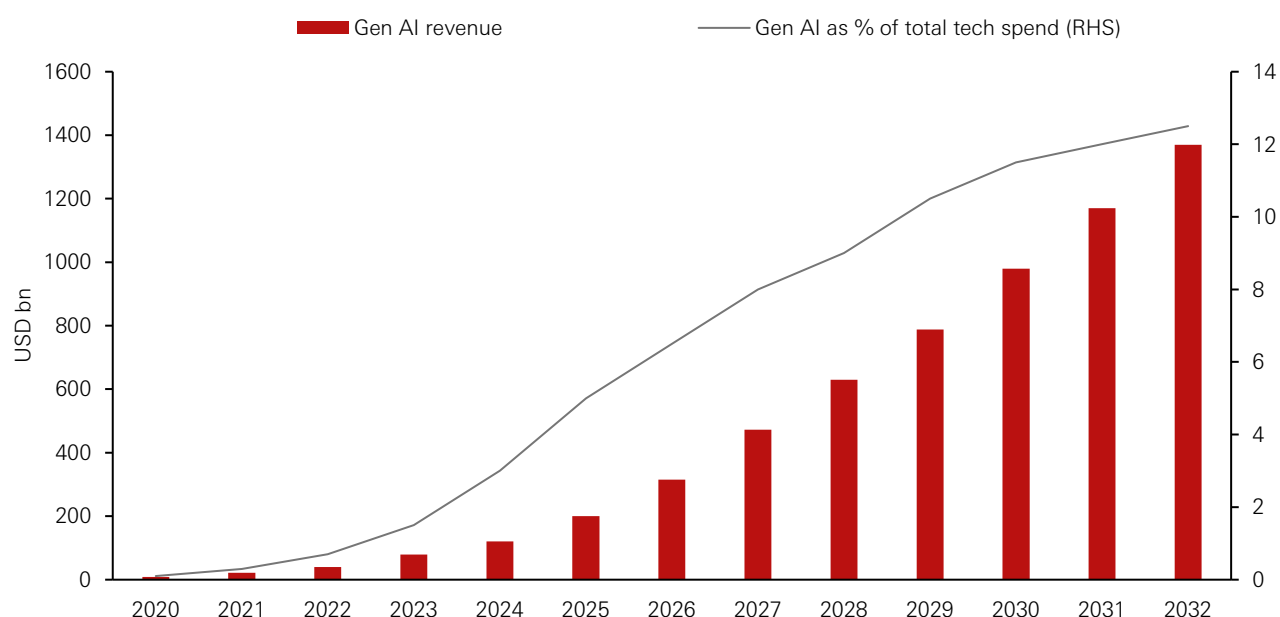
Capture expanding global opportunities in AI adoption and monetisation

- The second quarter earnings season was full of examples of AI boosting revenues, allowing companies to cut costs or accelerate the roll-out of new products and services. We're starting to see the same in the Q3 season.
- AI-led innovation is a strong structural driver of investment activity, economic activity and rapid productivity gains, and should therefore continue to lead markets higher. The recent news around circular deals by hyperscalers is not a concern, as it is not unusual for suppliers to invest in their clients. We believe both the adoption and the monetisation of AI will increase rapidly, helping the cash flow of LLM, hyperscalers and infrastructure providers.
- Investment activity in AI ecosystem remains strong, and cloud-related activities far exceed expectations. Demand for datacentres also remain on the rise as evident from rising datacentre rents and the bulk of the new datacentre construction already being pre-leased well before it is completed.

Our Focus:

- The big US AI players benefit from their strong positions and network effects and should continue to do well.
- We believe AI liftoff should benefit the entire AI ecosystem. So, we see opportunities across, specifically in chips, software, cloud services networks and infrastructure.
- Our themes around Aerospace & Security, Streaming and Subscribing and Energy Security are all benefiting from AI too.
- This priority action is not limited to US Big Tech, as the AI ecosystem spans across regions. Chinese tech stocks are trading at a discount to their global peers, and China's AI innovation remains supported by distinctive cost advantages, outstanding engineering capabilities, and rapid commercialisation opportunities.

Gen AI revenue and investment is considerable



Source: HSBC Global Investment Research, HSBC Private Bank as at 20 October 2025. Forecasts are subject to change.

Priority #3

Mitigate currency and portfolio risks with alternatives, multi-asset and volatility strategies

- While we do not think that the current concerns will end the bull market, they may lead to a period of consolidation with dips, followed by further upside later on. Even bullish investors like us should manage these risks.
- Given that there is a wide range of risks, there is no single diversifier that is the perfect bullet. So we think that investors should consider a range of diversifiers within their portfolios.
- We manage volatility by 'diversifying our diversifiers' with alternatives, multi-asset and volatility strategies. We diversify our USD exposure to address fears of currency debasement and Fed independence.

Our Focus:

- Beyond bonds, we diversify portfolios by including gold, hedge funds, private credit, private equity and infrastructure.
- We stick to a multi-asset approach to achieve diversification.
- We are neutral on hedge funds but retain a substantial core allocation.
- While private equity fundraising and deal flow have softened, leading GPs continue to generate decent returns in resilient sectors such as technology, healthcare, and services. As confidence returns and funding costs fall, a rebound in deal activity should benefit the asset class. The recent bankruptcy news around First Brands and Tricolor doesn't represent any widespread private credit market issues, but we reiterate manager selection and diversification remain important.
- Infrastructure helps provide defensive exposure and steady and inflation-hedged cash flows.
- We use volatility spikes and falls to generate income or protect against the downside.

Among the diversifiers we like most, there is no silver bullet, so we like to combine them to address all key risk scenarios and our income objective

	Current common investor concerns				Investor objective
	DM Debt sustainability	US Tech valuations	Inflation risks	DM growth risks	Income requirement
Quality bonds					
Gold					
Infrastructure					
Private credit					
Currency Diversification					
Financials					
Industrials					
China stocks					
Singapore stocks					

Source: HSBC Private Bank as at 22 October 2025. Green areas represent scenarios where we think the asset should perform well, while red areas are scenarios where we think they would perform more poorly. White areas denote flat performance.

Priority #4

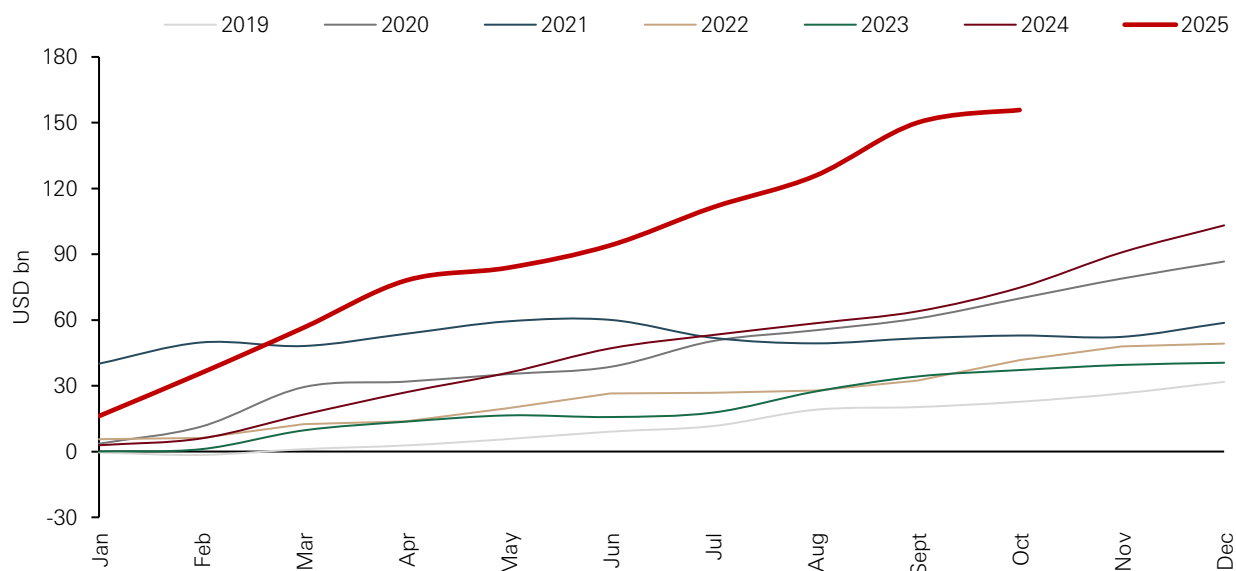
Ride on Asia's policy tailwinds and structural trends

- Asian economies and markets remain resilient on the back of solid domestic demand, policy stimulus, trade diversification, the AI investment boom and structural reforms.
- Policy tailwinds (central bank rate cuts, China's demand-side stimulus) and structural growth trends (AI innovation, China's supply-side reforms 2.0, anti-involution, corporate governance reforms across Asia) offer supportive drivers for Asian equities and bonds. Fed rate cuts should further support the region.
- The recent 100% tariff announcement from Mr Trump on all Chinese goods can create uncertainty but negotiations are already underway and upcoming meeting between both Presidents is seen as a positive sign.
- This month, we upgrade Hong Kong equities to mild overweight, benefitting from attractive valuations, south-bound liquidity inflow and increased local IPO activity along with improving primary sales in housing markets.

Our Focus:

- Our overweight positions in mainland China, Hong Kong and Singapore and our High Conviction themes - China's Innovation Champions, Power Up Asian Shareholder Returns, Asia's Enduring Titans and High Quality Asian Credit should benefit from policy tailwinds and structural trends in Asia.
- Mainland China benefits from targeted stimulus and impressive innovation driven by tech and AI, while Singapore's defensive market with high dividend income, are attractive features in the current environment. Asia ex-Japan ROE remains on a steady uptrend, while corporate governance reforms continue to improve shareholder returns.
- Hong Kong equity markets stand to benefit from wealth effects, improving sentiment and strong IPO markets.

Hong Kong stocks are well supported as sentiment improves. This shows in southbound flows, which are much stronger than usual this year



Source: Wind, HSBC Private Bank as at 21 October 2025.

Risk Disclosures

Risks of investment in fixed income

There are several key issues that one should consider before making an investment into fixed income. The risk specific to this type of investment may include, but are not limited to:

Credit risk

Investor is subject to the credit risk of the issuer. Investor is also subject to the credit risk of the government and/or the appointed trustee for debts that are guaranteed by the government.

Risks associated with high yield fixed income instruments

High yield fixed income instruments are typically rated below investment grade or are unrated and as such are often subject to a higher risk of issuer default. The net asset value of a high-yield bond fund may decline or be negatively affected if there is a default of any of the high yield bonds that it invests in or if interest rates change. The special features and risks of high-yield bond funds may also include the following:

- Capital growth risk - some high-yield bond funds may have fees and/ or dividends paid out of capital. As a result, the capital that the fund has available for investment in the future and capital growth may be reduced; and
- Dividend distributions - some high-yield bond funds may not distribute dividends, but instead reinvest the dividends into the fund or alternatively, the investment manager may have discretion on whether or not to make any distribution out of income and/ or capital of the fund. Also, a high distribution yield does not imply a positive or high return on the total investment.
- Vulnerability to economic cycles - during economic downturns such instruments may typically fall more in value than investment grade bonds as (i) investors become more risk averse and (ii) default risk rises.

Risks associated with subordinated debentures, perpetual debentures, and contingent convertible or bail-in debentures

- Subordinated debentures - subordinated debentures will bear higher risks than holders of senior debentures of the issuer due to a lower priority of claim in the event of the issuer's liquidation.
- Perpetual debentures - perpetual debentures often are callable, do not have maturity dates and are subordinated. Investors may incur reinvestment and subordination risks. Investors may lose all their invested principal in certain circumstances. Interest payments may be variable, deferred or cancelled. Investors may face uncertainties over when and how much they can receive such payments.
- Contingent convertible or bail-in debentures - Contingent convertible and bail-in debentures are hybrid debt-equity instruments that may be written off or converted to common stock on the occurrence of a trigger event. Contingent convertible debentures refer to debentures that contain a clause requiring them to be written off or converted to common stock on the occurrence of a trigger event. These debentures generally absorb losses while the issuer remains a going concern (i.e. in advance of the point of non-viability). "Bail-in" generally refers to (a) contractual mechanisms (i.e. contractual bail-in) under which debentures contain a clause requiring them to be written off or converted to common stock on the occurrence of a trigger event, or (b) statutory mechanisms (i.e. statutory bail-in) whereby a national resolution authority writes down or converts debentures under specified conditions to common stock. Bail-in debentures generally absorb losses at the point of non viability. These features can introduce notable risks to investors who may lose all their invested principal.

Contingent convertible securities (CoCos) or bail-in debentures are highly complex, high risk hybrid capital instruments with unusual loss-absorbency features written into their contractual terms.

Investors should note that their capital is at risk and they may lose some or all of their capital.

Changes in legislation and/or regulation

Changes in legislation and/or regulation could affect the performance, prices and mark-to-market valuation on the investment.

Nationalisation risk

The uncertainty as to the coupons and principal will be paid on schedule and/or that the risk on the ranking of the bond seniority would be compromised following nationalisation.

Reinvestment risk

A decline in interest rate would affect investors as coupons received and any return of principal may be reinvested at a lower rate. Changes in interest rate, volatility, credit spread, rating agencies actions, liquidity and market conditions may have a negative effect on the prices, mark-to-market valuations and your overall investment.

Risk disclosure on Dim Sum Bonds

Although sovereign bonds may be guaranteed by the China Central Government, investors should note that unless otherwise specified, other renminbi bonds will not be guaranteed by the China Central Government.

Renminbi bonds are settled in renminbi, changes in exchange rates may have an adverse effect on the value of that investment. You may not get back the same amount of Hong Kong Dollars upon maturity of the bond.

There may not be active secondary market available even if a renminbi bond is listed. Therefore, you need to face a certain degree of liquidity risk.

Renminbi is subject to foreign exchange control. Renminbi is not freely convertible in Hong Kong. Should the China Central Government tighten the control, the liquidity of renminbi or even renminbi bonds in Hong Kong will be affected and you may be exposed to higher liquidity risks. Investors should be prepared that you may need to hold a renminbi bond until maturity.

Alternative Investments

Hedge Fund - Please note Hedge Funds often engage in leveraging and other speculative investment practices that may increase the risk of investment loss. They can also be highly illiquid, are not required to provide periodic pricing or valuation information to investors, and may involve complex tax structures and delays in distributing important information. Alternative investments are often not subject to the same regulatory requirements as, say, mutual funds, and often charge high fees that may potentially offset trading profits when they occur.

Private Equity - Please note Private Equity is generally illiquid, involving long term investments that do not display the liquid or transparency characteristics often found in other investments (e.g. Listed securities). It can take time for money to be invested (cash drag) and for investments to produce returns after initial losses.

Risks of investing in private markets

The value of investments and any income from them can go down as well as up and investors may not get back the amount originally invested. Past performance information presented is not indicative of future performance. The return and costs may increase or decrease as a result of currency fluctuations.

• **Liquidity Risk** - Investors may be unable to dispose of an investment quickly and at a price that's closely related to recent similar transactions. There is no guarantee of distributions and no established secondary market.

• **Event Risk** - A significant event may cause a substantial decline in the market value of all securities.

- **Long-term Horizon** - Investors should expect to be locked-in for the full term of the investment, which is subject to extensions.
- **No Capital Protection** - Investors may lose the entirety of invested capital.
- **Unpredictable Cashflows** - Capital may be called and distributed at short notice.
- **Economic Conditions** - Ability to realise/divest from existing investments depends on market conditions and the regulatory environment.
- **Risk of Forfeiture** - Failure to make call payments could result in forfeiture of commitment, including invested capital, without compensation.
- **Default Risk** - in the event of default investors risk losing their entire remaining interest in the vehicle and may be subject to legal proceedings to recover unfunded commitments.
- **Reliance on Third-party Management Teams** - Underlying investments will be managed by various third-party management teams that will in aggregate determine the eventual returns for the investor.

The risk factors listed above are not exhaustive, always refer to product specific documentation for full details and risk disclosures.

Risk disclosure on Emerging Markets

Investment in emerging markets may involve certain, additional risks which may not be typically associated with investing in more established economies and/or securities markets. Such risks include (a) the risk of nationalisation or expropriation of assets; (b) economic and political uncertainty; (c) less liquidity in so far of securities markets; (d) fluctuations in currency exchange rate; (e) higher rates of inflation; (f) less oversight by a regulator of local securities market; (g) longer settlement periods in so far as securities transactions and (h) less stringent laws in so far the duties of company officers and protection of Investors.

Risk disclosure on FX Margin

The price fluctuation of FX could be substantial under certain market conditions and/or occurrence of certain events, news or developments and this could pose significant risk to the Customer.

Leveraged FX trading carry a high degree of risk and the Customer may suffer losses exceeding their initial margin funds. Market conditions may make it impossible to square/close-out FX contracts/options. Customers could face substantial margin calls and therefore liquidity problems if the relevant price of the currency goes against them.

The leverage of a product can work against you and losses can exceed those of a direct investment. If the market value of a portfolio falls by a certain amount, this could result in a situation where the value of collateral no longer covers all outstanding loan amounts. This means that investors might have to respond promptly to margin calls. If a portfolio's return is lower than its financing cost then leverage would reduce a portfolio's overall performance and even generate a negative return.

Currency risk – where product relates to other currencies

When an investment is denominated in a currency other than your local or reporting currency, changes in exchange rates may have a negative effect on your investment.

Chinese Yuan ("CNY") risks

There is a liquidity risk associated with CNY products, especially if such investments do not have an active secondary market and their prices have large bid/offer spreads.

CNY is currently not freely convertible and conversion of CNY through banks in Hong Kong and Singapore is subject to certain

restrictions. CNY products are denominated and settled in CNY deliverable in Hong Kong and Singapore, which represents a market which is different from that of CNY deliverable in Mainland China.

There is a possibility of not receiving the full amount in CNY upon settlement, if the Bank is not able to obtain sufficient amount of CNY in a timely manner due to the exchange controls and restrictions applicable to the currency.

Illiquid markets/products

In the case of investments for which there is no recognised market, it may be difficult for investors to sell their investments or to obtain reliable information about their value or the extent of the risk to which they are exposed.

Environmental, Social and Governance ("ESG") Customer Disclosure

In broad terms "ESG and sustainable investing" products include investment approaches or instruments which consider environmental, social, governance and/or other sustainability factors to varying degrees. Certain instruments we classify as ESG or sustainable investing products may be in the process of changing to deliver sustainability outcomes. There is no guarantee that ESG and Sustainable investing products will produce returns similar to those which don't have any ESG or sustainable characteristics. ESG and Sustainable investing products may diverge from traditional market benchmarks. In addition, there is no standard definition of, or measurement criteria for, ESG and Sustainable investing or the effect of ESG and Sustainable investing products. ESG and Sustainable investing and related measurement criteria are (a) highly subjective and (b) may vary significantly across and within sectors.

HSBC may rely on measurement criteria devised and reported by third party providers or issuers. HSBC does not always conduct its own specific due diligence in relation to measurement criteria. There is no guarantee: (a) that the nature of the ESG / sustainability effect of, or measurement criteria for, an investment will be aligned with any particular investor's sustainability goals; or (b) that the stated level or target level of ESG / sustainability effect will be achieved. ESG and Sustainable investing is an evolving area and new regulations and coverage are being developed which will affect how investments can be categorised or labelled in the future.

An investment which is considered to fulfil sustainable criteria today may not meet those criteria at some point in the future. When we allocate an HSBC ESG and Sustainable Investing (SI) classification: HSBC ESG Enhanced, HSBC Thematic or HSBC Impact (this is known as HSBC Purpose in the UK) to an investment product, this does not mean that all individual underlying holdings in the investment product or portfolio individually qualify for the classification. Similarly, when we classify an equity or fixed income under an HSBC ESG Enhanced, HSBC Thematic or HSBC Impact (this is known as HSBC Purpose in the UK) category, this does not mean that the underlying issuer's activities are fully aligned with the relevant ESG or sustainable characteristics attributable to the classification. Not all investments, portfolios or services are eligible to be classified under our ESG and SI classifications. This may be because there is insufficient information available or because a particular investment product does not meet HSBC's SI classifications criteria.

Today we finance a number of industries that significantly contribute to greenhouse gas emissions. We have a strategy to help our customers to reduce their emissions and to reduce our own. For more information, visit www.hsbc.com/sustainability.

Important notice

This is a marketing communication issued by **HSBC Private Bank**. HSBC Private Bank is the principal private bank business of the HSBC Group. Private Bank may be carried out internationally by different HSBC legal entities according to local regulatory requirements. Different companies within HSBC Private Bank or the HSBC Group may provide the services listed in this document. Members of the HSBC Group may trade in products mentioned in this publication.

This document does not constitute independent investment research under the European Markets in Financial Instruments Directive ('MiFID'), or other relevant law or regulation, and is not subject to any prohibition on dealing ahead of its distribution. Any references to specific financial instruments or issuers do not represent HSBC Private Bank's views, opinions or recommendations, express or implied, and are provided for information only. The information contained within this document is intended for general circulation to HSBC Private Bank clients. The content of this document may not be suitable for your financial situation, investment experience and investment objectives, and HSBC Private Bank does not make any representation with respect to the suitability or appropriateness to you of any financial instrument or investment strategy presented in this document.

This document is for information purposes only and does not constitute and should not be construed as legal, tax or investment advice or a solicitation and/or recommendation of any kind from the Bank to you, nor as an offer or invitation from the Bank to you to subscribe to, purchase, redeem or sell any financial instruments, or to enter into any transaction with respect to such instruments.

HSBC Private Bank has based this document on information obtained from sources it believes to be reliable, but which may not have been independently verified. While this information has been prepared in good faith including information from sources believed to be reliable, no representation or warranty, expressed or implied, is or will be made by HSBC Private Bank or any part of the HSBC Group or by any of their respective officers, employees or agents as to or in relation to the accuracy or completeness of this document.

It is important to note that the capital value of, and income from, any investment may go down as well as up and you may not get back the original amount invested. Past performance is not a guide to future performance. Forward-looking statements, views and opinions expressed, and estimates given constitute HSBC Private Bank's best judgement at the time of publication, are solely expressed as general commentary and do not constitute investment advice or a guarantee of returns and do not necessarily reflect the views and opinions of other market participants and are subject to change without notice. Actual results may differ materially from the forecasts/estimates. Some HSBC Offices listed may act only as representatives of HSBC Private Bank and are therefore not permitted to sell products and services, or offer advice to customers. They serve as points of contact only. Further details are available on request.

In the United Kingdom, this document has been approved for distribution by HSBC UK Bank plc whose Private Bank office is located at 8 Cork Street, London W1S 3LJ and whose registered office is at 1 Centenary Square, Birmingham, B1 1HQ. HSBC UK Bank plc is registered in England under number 09928412. Clients should be aware that the rules and regulations made under the Financial Services and Markets Act 2000 for the protection of investors, including the protection of the Financial Services Compensation Scheme, do not apply to investment business undertaken with the non-UK offices of the HSBC Group. This publication is a Financial Promotion for the purposes of Section 21 of the Financial Services & Markets Act 2000 and has been approved for distribution in the United Kingdom in accordance with the Financial Promotion Rules by HSBC UK Bank plc, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the

Prudential Regulation Authority.

In Guernsey, this material is distributed by HSBC Private Bank(C.I.), which is the trading name of HSBC Private Bank (Suisse) SA, Guernsey Branch, with registered office in Arnold House, St Julian's Avenue, St Peter Port, Guernsey, GY1 3NF. HSBC Private Bank (Suisse) SA, Guernsey Branch is licensed by the Guernsey Financial Services Commission for Banking, Credit, Insurance Intermediary and Investment Business. HSBC Private Bank (Suisse) SA is registered in Switzerland under UID number CHE-101.727.921, with registered office in Quai des Bergues 9-17, 1201 Geneva (GE), Switzerland. HSBC Private Bank (Suisse) SA is licensed as a Bank and Securities Dealer by the Swiss Financial Market Supervisory Authority FINMA.

In Jersey, this material is issued by HSBC Bank plc, Jersey Branch, HSBC House, Esplanade, St. Helier, Jersey, JE1 1HS. HSBC Bank plc, Jersey Branch is regulated by the Jersey Financial Services Commission. HSBC Bank plc is registered in England and Wales, number 14259. Registered office 8 Canada Square, London, E14 5HQ. HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

In Isle of Man, this material is issued by HSBC Bank PLC, Clinch's Suite 2.4, Lord Street, Douglas IM1 4LN.. HSBC Bank plc is licensed and regulated by the Isle of Man Financial Services Authority. HSBC Bank plc is registered in England and Wales, number 14259. Registered office 8 Canada Square, London, E14 5HQ. HSBC Bank plc is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority.

In France, this material is distributed by HSBC Private Bank Luxembourg French Branch - SIREN 911 971 083 RCS Paris. HSBC Private Bank in France is subject to approval and control by the Autorité de Contrôle Prudentiel et de Résolution [Prudential Control and Resolution Authority]. HSBC Private Bank is a Branch of HSBC Private Bank (Luxembourg) S.A. 18 Boulevard de Kockelscheuer L-1821 Luxembourg, Public Limited Luxembourg Company with share capital of : 160.000.000 euros, RCS Luxembourg : B52461, Trade and Companies Register of Paris Bank and Insurance Intermediary registered with the Organisme pour le Registre des Intermédiaires en Assurances [Organisation for the Register of Insurance Intermediaries] under no. 2011CM008 (www.orias.fr) - Intra-community VAT number: FR34911971083. HSBC Private Bank in France - Registered office: 38, avenue Kléber 75116 Paris- FRANCE

In or from Switzerland, this marketing material is distributed by HSBC Private Bank (Suisse) SA, a bank regulated by the Swiss Financial Market Supervisory Authority FINMA, whose office is located at Quai des Bergues 9-17, 1201 Geneva, Switzerland. This document does not constitute independent financial research and has not been prepared in accordance with the Swiss Bankers Association's "Directive on the Independence of Financial Research", or any other relevant body of law.

In Abu Dhabi Global Markets (ADGM), this material is distributed by, HSBC Bank Middle East Limited, ADGM Branch, Al Sila Tower, The Executive Centre, Level 12, PO BOX 764648, Abu Dhabi, which is regulated by the ADGM Financial Services Regulatory Authority (FSRA) and lead regulated by the Dubai Financial Services Authority (DFSA). Contents in this document are directed at FSRA defined Professional Clients and only a Person meeting this criteria should act upon it.

In Dubai International Financial Centre (DIFC), this material is distributed by HSBC Private Bank (Suisse) SA, DIFC Branch, P.O. Box 506553 Dubai, UAE which is regulated by the Dubai Financial Services Authority (DFSA) and Swiss Financial Market Supervisory Authority FINMA. Contents in this document are directed at DFSA defined Professional Clients and only a Person meeting this criteria should act upon it.

In South Africa, this material is distributed by HSBC Private Bank (Suisse) SA, South Africa Representative Office approved by the South African Reserve Board (SARB) under registration no. 00252 and authorized as a financial services provider (FSP) for the provision of Advice and Intermediary Services by the Financial Sector Conduct Authority of South Africa (FSCA) under registration no. 49434. The Representative Office has its registered address at 2 Exchange Square, 85 Maude Street, Sandown, Sandton.

In Bahrain, this communication is distributed by HSBC Bank Middle East Limited, Bahrain Branch, a member of the HSBC Group, which comprises HSBC Holdings Plc and each of its subsidiaries and includes entities providing private bank services. HSBC Bank Middle East Limited, Bahrain Branch may refer clients to HSBC Group entities providing private bank services as well as, to the extent permissible, refer certain private bank financial products and services to clients in Bahrain. However, such private bank financial products and services shall be governed by the terms and conditions and laws and regulations applicable to relevant HSBC Group entity that will provide the financial products or services.

HSBC Bank Middle East Limited, Bahrain Branch, is regulated by the Central Bank of Bahrain and is lead regulated by the Dubai Financial Services Authority.

In Qatar, this communication is distributed by HSBC Bank Middle East Limited, Qatar Branch, P.O. Box 57, Doha, Qatar, which is licensed and regulated by the Qatar Central Bank and is lead regulated by the Dubai Financial Services Authority.

HSBC Bank Middle East Limited, Qatar Branch may refer clients to HSBC Group entities providing private bank services as well as, to the extent permissible, refer certain private bank financial products and services to clients in Qatar. However, such private bank financial products and services shall be governed by the terms and conditions and laws and regulations applicable to relevant HSBC Group entity that will provide the financial products or services.

In Lebanon, this material is distributed by HSBC Financial Services (Lebanon) S.A.L. ("HFLB"), licensed by the Capital Markets Authority as a financial intermediation company Sub N°12/8/18 to carry out Advising and Arranging activities, having its registered address at Centre Ville 1341 Building, 4th floor, Patriarche Howayek Street, Beirut, Lebanon, P.O. Box Riad El Solh 9597.

In Hong Kong and Singapore, THE CONTENTS OF THIS DOCUMENT HAVE NOT BEEN REVIEWED OR ENDORSED BY ANY REGULATORY AUTHORITY IN HONG KONG OR SINGAPORE. HSBC Private Bank is a division of Hongkong and Shanghai Bank Corporation Limited. In Hong Kong, this document has been distributed by The Hongkong and Shanghai Bank Corporation Limited in the conduct of its Hong Kong regulated business. In Singapore, the document is distributed by the Singapore Branch of The Hongkong and Shanghai Bank Corporation Limited. Both Hongkong and Shanghai Bank Corporation Limited and Singapore Branch of Hongkong and Shanghai Bank Corporation Limited are part of the HSBC Group. This document is not intended for and must not be distributed to retail investors in Hong Kong and Singapore. The recipient(s) should qualify as professional investor(s) as defined under the Securities and Futures Ordinance in Hong Kong or accredited investor(s) or institutional investor(s) or other relevant person(s) as defined under the Securities and Futures Act in Singapore. Please contact a representative of The Hong Kong and Shanghai Bank Corporation Limited or the Singapore Branch of The Hong Kong and Shanghai Bank Corporation Limited respectively in respect of any matters arising from, or in connection with this report.

In Thailand, this material is distributed by The Hongkong and Shanghai Bank Corporation Limited, Bangkok branch. Registered and incorporated in Hong Kong SAR. Registered office: 1 Queen's

Road Central, Hong Kong SAR and registered as a branch office in Thailand having registered number: 0100544000390. Bangkok branch registered office: No. 968 Rama IV Road, Si Lom Sub-district, Bang Rak District, Bangkok Metropolis. Authorized and supervised by the Bank of Thailand and the Securities and Exchange Commission, Thailand.

In Luxembourg, this material is distributed by HSBC Private Bank (Luxembourg) S.A RCS B52461, which is located at 18 Boulevard de Kockelscheuer L-1821 Luxembourg and is regulated by the Commission de Surveillance du Secteur Financier ("CSSF").

In the United States, "HSBC Private Bank" is the marketing name for the private bank business. HSBC Private Bank offers bank products and services through HSBC Bank USA, N.A. ("HSBC Bank"), Member FDIC. Investment, annuities, and variable life insurance products are offered by HSBC Securities (USA) Inc. ("HSBC Securities"), member NYSE/FINRA/SIPC. In California, HSBC Securities conducts insurance business as HSBC Securities Insurance Services. License #: **OE67746**. HSBC Securities is an affiliate of HSBC Bank. Whole life, universal life, term life, and other types of insurance are offered by HSBC Insurance Agency (USA) Inc., a wholly owned subsidiary of HSBC Bank. Products and services may vary by state and are not available in all states. California license #: **OD36843**.

Investments, Annuity and Insurance Products: Are not a deposit or other obligation of the bank or any of its affiliates; Not FDIC insured or insured by any federal government agency; Not guaranteed by the bank or any of its affiliates; and may lose value

All decisions regarding the tax implications of your investment(s) should be made in consultation with your independent tax advisor.

In Australia, this document is issued by HSBC Bank Australia Limited ABN 48 006 434 162, AFSL/ACL 232595 (HBAU). It is prepared by The Hongkong and Shanghai Bank Corporation Limited (**HBAP**), 1 Queen's Road Central, Hong Kong. HBAP is incorporated in Hong Kong and is part of the HSBC Group. HBAP has a Sydney Branch ARBN 117 925 970 AFSL 301737. The document is current and is subject to change at any time.

The statements contained in this document is general in nature and does not constitute investment research or a recommendation, or a statement of opinion (financial product advice) to buy or sell investments. This document has not taken into account your personal objectives, financial situation and needs. Because of that, before acting on the document you should consider its appropriateness to you, having regard to your objectives, financial situation or needs.

This document is not by any means intended as a solicitation, nor a recommendation to purchase financial products in any jurisdiction in which such an offer is not lawful.

Some of the statements contained in this document may be considered forward looking statements which provide current expectations or forecasts of future events. Such forward looking statements are not guarantees of future performance or events and involve risks and uncertainties. Actual results may differ materially from those described in such forward-looking statements. HBAU, HBAP and the HSBC Group of companies do not give any warranty or make any representation as to the accuracy or completeness of the forward-looking statements contained herein, or as to changes in the statements after the publication.

The value of investments and the income from them can go down as well as up and investors may not get back the amount originally invested. Past performance contained in this document or video is not a reliable indicator of future performance whilst any forecasts, projections and simulations contained herein should not be relied upon as an indication of future results.

Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in some established markets. Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have been and may continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be affected adversely by economic conditions in the countries in which they trade. Investments are subject to market risks, read all investment related documents carefully.

HBAU, HBAP and the HSBC Group of companies accepts no responsibility for the accuracy and/or completeness of any third-party information obtained from sources we believe to be reliable but which have not been independently verified.

© Copyright 2025. The Hongkong and Shanghai Bank Corporation Limited, ALL RIGHTS RESERVED.

No part of this document may be reproduced, stored in a retrieval system, or transmitted, on any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior written permission of The Hongkong and Shanghai Bank Corporation Limited.

In mainland China, this material is distributed by HSBC Bank (China) Company Limited ("HBCN") to its customers for general reference only. This document has no contractual value and is not and should not be construed as an offer or the solicitation of an offer or a recommendation for the purchase or sale of any investment or subscribe for, or to participate in, any services. HBCN is not recommending or soliciting any action based on it.

In UAE, this material is distributed by HSBC Bank Middle East Limited UAE Branch, which is regulated by the Central Bank of UAE, the Securities and Commodities Authority in the UAE under license number 602004 and for the purpose of this promotion and lead regulated by the Dubai Financial Services Authority.

In Kuwait, this material is distributed by HSBC Bank Middle East Limited, Kuwait Branch (HBME KUWAIT) which is regulated by the Central Bank of Kuwait, Capital Markets Authority for licensed Securities Activities and lead regulated by the Dubai Financial Services Authority. This document is directed to clients of HBME KUWAIT and should not be acted upon by any other person. HBME KUWAIT is not responsible for any loss, damage or other consequences of any kind that you may incur or suffer arising from or relating to your use of or reliance on this document. The content of this document does not constitute the offering of advice or recommendation to invest and should not be used as the basis for any decision to buy or sell investments.

In HSBC India, this material is distributed by Hongkong and Shanghai Bank Corporation Limited, India ("HSBC India"). HSBC India is a branch of the Hongkong and Shanghai Bank Corporation Limited. HSBC India is an AMFI-registered Mutual Fund Distributor of select mutual funds and a referrer of other 3rd party investment products. Mutual Fund investments are subject to market risks, read all scheme related documents carefully. HSBC India does not distribute investment products to those persons who are either the citizens or residents of United States of America (USA), Canada or any other jurisdiction where such distribution would be contrary to law or regulation. HSBC India, will receive commission from HSBC Asset Management (India) Private Limited, in its capacity as a AMFI registered mutual fund distributor of HSBC Mutual Fund. The Sponsor of HSBC Mutual Fund is HSBC Securities and Capital Markets (India) Private Limited (HSCI), a member of the HSBC Group. Please note that HSBC India and the Sponsor being part of the HSBC Group, may give rise to real, perceived, or potential conflicts of interest. HSBC India has a policy in place to identify, prevent and manage such conflict of interest. HSBC India provides non-discretionary portfolio advisory services for select Private Bank customers under the SEBI (Portfolio Managers) Regulations, 2020 ("PMS Regulations") vide registration no. INP000000795. Performance of each portfolio may vary for each investor because of 1) the timing of inflows and outflows of funds; and 2) differences in the portfolio composition because of restrictions and other constraints.

For SAA/TAA

This is an illustrative approach of a globally diversified portfolio allocation strategy across asset classes; the strategy and the underlying fulfilment options are not applicable to India customers.

Where your location of residence differs from that of the HSBC entity where your account is held, please go to **HSBC Private Bank website > Disclaimer > Cross Border Disclaimer** for disclosure of cross-border considerations regarding your location of residence.

No part of this publication may be reproduced, stored in a retrieval system, or transmitted, on any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior written permission of HSBC.

A complete list of private bank entities is available on our HSBC Private Bank website.

©Copyright HSBC 2025

ALL RIGHTS RESERVED