HSBC

Investment Monthly

Differentiation matters as the market rally continues

June 2026

Key takeaways

- We expect the market rebound in April to continue as significant investments in AI, security and energy independence should keep activity going, supporting margins and earnings. However, the lagged impact of the Middle East conflict may create short-term volatility. To build portfolio resilience, we employ a multi-asset strategy and add alternative assets to enhance diversification.
- As high energy prices have raised inflation expectations, we favour the US and mainland China over oil-importing markets and prefer energy stocks to consumer staples stocks across regions. In addition to higher inflation and lower growth risks, political uncertainty over the UK government leadership and fiscal concerns weigh on UK gilts. As a result, we downgrade gilts to neutral and expect two 0.25% rate hikes by the Bank of England this year.

Willem Sels
Global Chief Investment Officer, HSBC Private Bank and Premier Wealth

Lucia Ku
Global Head of Wealth Insights, HSBC International Wealth and Premier Banking

- The US-China summit concluded with a potential tariff reduction in "non-critical and non-strategic" areas, along with China's purchases of aircraft, energy products and agricultural goods, as well as the establishment of a Board of Investment to boost China's overseas direct investment in the US. The summit has helped restore some degree of business confidence and is aligned with China's pro-growth stance. The improved bilateral relations further reinforce our overweight position on Chinese equities.

Asset class	6-month view	Comment
Global equities	▲	Despite ongoing geopolitical uncertainty and inflation concerns, we expect global equities to remain supported by resilient earnings and structural growth drivers. The US and Asia remain our top picks.
Government bonds	▶	Markets now see less scope for rate cuts amid higher inflation expectations. We expect government bond yields to trade within a range and downgrade UK gilts to neutral.
Investment grade (IG) corporate bonds	▲	We focus on coupon income rather than capital gains and continue to favour investment grade credit for its attractive yields and diversification benefits.
High yield (HY) corporate bonds	▼	Signs of some stress in credit markets are emerging, and potential spread widening if equity volatility picks up remains a headwind for high yield bonds.
Gold	▲	Gold continues to offer diversification benefits and potential upside, making it an essential component to build portfolio resilience amid market uncertainty. Central banks continue to diversify their currency exposure by adding to gold holdings.

▲ "Overweight" implies a positive tilt towards the asset class, within the context of a well-diversified, typically multi-asset portfolio.
▼ "Underweight" implies a negative tilt towards the asset class, within the context of a well-diversified, typically multi-asset portfolio.
▶ "Neutral" implies neither a particularly negative nor a positive tilt towards the asset class, within the context of a well-diversified, typically multi-asset portfolio.
Icons: ↑ View on this asset class has been upgraded; ↓ View on this asset class has been downgraded.

Talking points

Each month, we discuss 3 key issues facing investors

1. Can April's market rally go further?

- While expectations of a lasting ceasefire and strong earnings results pushed markets to rebound in April, we will keep an eye on vulnerable markets. Meanwhile, the full impact on growth and inflation is also yet to be seen.
- That said, we believe significant government and corporate investments in AI, defence and energy independence should keep the global economy going, supporting margins and earnings. However, until a final deal is reached, market consolidation, especially in cyclical sectors, may persist.
- Both the commitment to high capital expenditure and the rapid monetisation of these investments should foster optimism over the long-term market outlook. We maintain a multi-asset strategy across asset classes, sectors, regions and currencies. While bonds and gold are not perfect diversifiers in complex market conditions, they remain essential in diversified portfolios for managing downside risks. Our exposure to alternative assets has worked well, given their lower correlation with traditional assets.

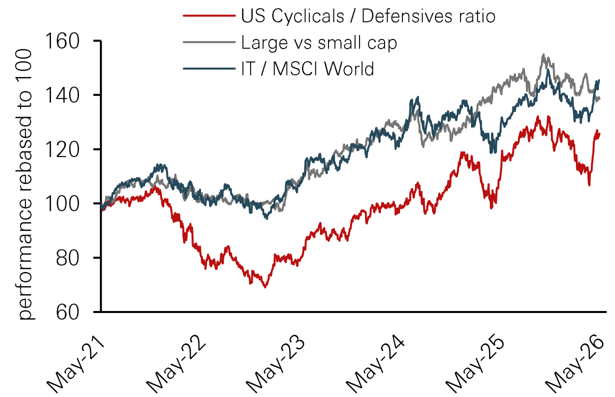
2. How can investors identify winners amid high energy prices?

- As higher energy prices have raised inflation expectations and bond yields since the Middle East conflict in March, it is important to differentiate winners from losers based on the relative impact of energy prices.
- Geographically, we prefer the US to Europe, and North Asia to South Asia, given that the US is an oil exporter, while mainland China has managed its reserves carefully, and Hong Kong benefits from it. From a sector perspective, we remain overweight on energy and underweight on consumer staples across regions.
- On the bond side, elevated oil prices linked to supply-chain disruption are limiting the Bank of England's flexibility to ease policy. Uncertainty over government leadership and fiscal credibility has put further pressure on UK gilts, leading us to downgrade gilts to neutral and reduce the duration of GBP investment grade to medium (5-7 years), in line with the benchmark. We also anticipate that policymakers in the Eurozone will focus on mitigating similar risks. As a result, we now expect three 0.25% rate hikes by the ECB and two 0.25% rate hikes by the Bank of England by the end of 2026 (we foresee no hikes by the US Fed). We remain overweight on EUR investment grade credit, with a medium-to-long duration preference.

3. What are the key takeaways from the US-China summit?

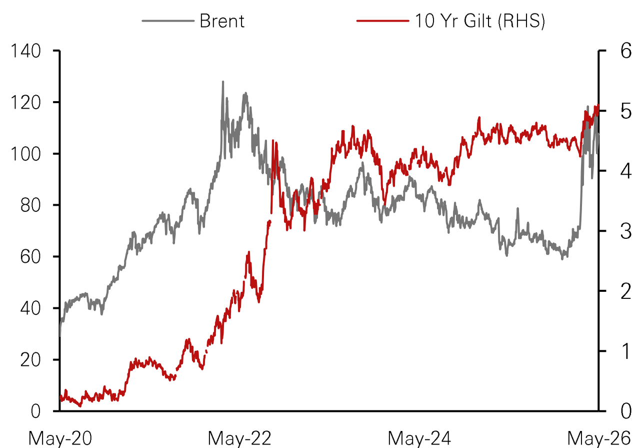
- The US-China summit concluded with a potential tariff reduction in "non-critical and non-strategic" areas, which account for around 10% of US imports from China. Additionally, China has committed to purchasing aircraft, energy products and agricultural goods. The establishment of a Board of Investment is expected to boost China's overseas direct investment (ODI) in the US. The summit has helped restore some degree of business confidence and is aligned with China's pro-growth stance. The improved bilateral relations further reinforce our bullish view on Chinese equities.
- Hong Kong should be well-positioned to benefit from mainland China's positive market outlook. Driven by increased consumption and investment, Hong Kong's Q1 GDP rose by 5.9% y-o-y, marking the fastest pace of growth since Q2 2021. The economy continues to demonstrate resilience, supported by energy mainly imported from mainland China, government support for AI, and projects such as the North Metropolis. Attractive valuations, liquidity inflows, increased IPO activity and an improved outlook for consumption and the property market remain positive for Hong Kong equities.

Chart 1: Cyclicals may consolidate, and we prefer large-cap stocks and exposure to profitable tech



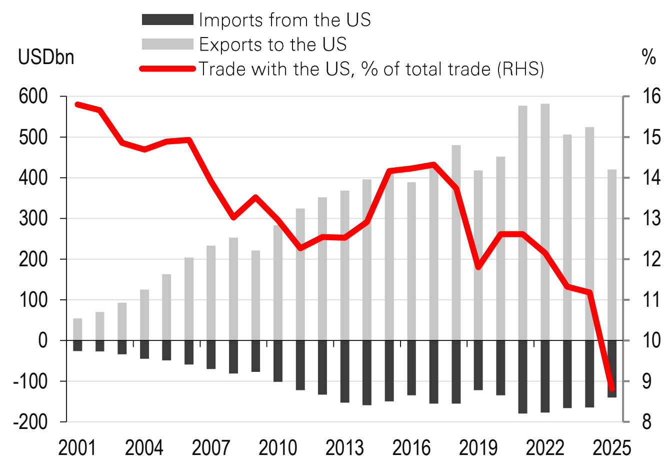
Source: Bloomberg, HSBC Private Bank and Premier Wealth as at 12 May 2026. Past performance is not a reliable indicator of future performance.

Chart 2: Energy-driven inflation fears have pushed gilt yields higher



Source: Bloomberg, HSBC Private Bank and Premier Wealth as at 13 May 2026.

Chart 3: One key goal of the US-China summit was to help address the sharp fall in US-China trade



Source: China General Administration of Customs, HSBC Private Bank and Premier Wealth as at 18 May 2026.

Asset Class Views

Our latest house view on various asset classes

Asset class	6-month view	Comment
Global equities		
Global	▲	Despite ongoing geopolitical uncertainty and inflation concerns, we expect global equities to remain supported by resilient earnings and structural growth drivers. The US and Asia remain our top picks.
United States	▲	The macro backdrop is supported by economic resilience, structural growth drivers in AI and innovation, and a stable labour market. Q1 earnings growth remains strong, led by Technology and Communications, keeping valuations supportive.
United Kingdom	▶	The value style of UK stocks offers global diversification, but growth is challenged by subdued consumer confidence, stagnant house price growth and lower job vacancies. Political uncertainty has added another layer of uncertainty.
Europe ex-UK	▼	Despite improving earnings momentum and attractive valuations, the region continues to face energy-related challenges as an oil importer. We prefer most European markets over France.
Japan	▶	While policy stimulus, corporate governance reforms and AI development remain positive drivers, higher energy prices are impacting profit margins, leading to a more conservative earnings outlook. Valuations appear less attractive.
Emerging Market (EM)	▶	While fundamentals remain resilient, elevated energy prices remain a headwind for oil-importing markets.
EM EMEA	▶	The region's improving structural fundamentals are clouded by the impact of the Middle East conflict in the near term.
EM LatAm	▶	Elections offer two-way risks, but stronger commodity prices and trade flows with China are supportive.
Asia ex-Japan equities		
Asia ex-Japan	▲	Asia continues to offer strong structural growth opportunities, backed by expanding AI ecosystems and policy support, and benefits from supply chain realignment as trade and investment intensify.
China	▲	With undemanding valuations and a sustainable pro-growth policy stance, we remain positive on Chinese stocks. Favourable fiscal policies, liquidity support and new financing policy tools will continue to drive innovation and domestic consumption.
India	▼	While valuations have moderated, weak investor sentiment due to higher oil prices and limited exposure to the AI investment cycle weigh on performance. We favour large-cap stocks, preferring the financials and industrials sectors.
Hong Kong	▲	Strong Q1 GDP growth of 5.9% y-o-y has raised our full-year forecast to 3.8% for 2026 (previously 2.7%). We prefer banks, insurance, telecom and utilities offering stable income, and developers with strong balance sheets and competitive positions.
Singapore	▲	Reasonable valuations and attractive yields, along with the presence of large and profitable banks, improving shareholder returns and supportive regulatory initiatives, remain tailwinds for the equity market.
South Korea	▲	South Korea offers strong exposure to technology and AI, while corporate governance reforms remain a positive driver.
Taiwan	▶	Despite improved performance driven by high exposure to AI and semiconductors, valuations and earnings momentum remain less competitive than regional peers.
Government bonds		
Developed markets (DM)	▶	Markets now see less scope for rate cuts amid higher inflation expectations. We expect government bond yields to trade within a range and downgrade UK gilts to neutral.
United States	▶	Given the mandate to manage inflation while maintaining full employment, we believe the Fed will keep the federal funds target range unchanged through 2026 and 2027. Yields are likely to remain range bound in the near term.
United Kingdom	▶↓	With higher inflation risk, we now expect two 0.25% policy rate hikes in 2026. Uncertainty over government leadership and fiscal credibility has put UK gilts under pressure, leading us to downgrade UK gilts to neutral.
Eurozone	▶	Amid higher inflation expectations, we now expect the ECB to hike rates three times this year.
Japan	▶	A strong directional stance on JGBs is unlikely amid elevated inflation expectations and heightened growth uncertainty, while near-term range-bound trading and curve volatility are likely to persist.
EM (Local currency)	▲	There is still scope for selective EM rate cuts. The USD may see renewed weakness versus some EM currencies. Yields are attractive and rating upgrades are possible.
EM (Hard currency)	▶	The US dollar could remain volatile. While yields remain attractive, we focus on quality bonds.
Corporate bonds		
Global investment grade (IG)	▲	We focus on coupon income rather than capital gains and continue to favour investment grade credit for its attractive yields and diversification benefits.
USD investment grade	▲	While overall yields are still attractive, we keep our preference for medium duration (5-7 years).
EUR investment grade	▲	The medium-to-long duration of EUR investment grade credit still offers a more attractive risk-return trade-off.
GBP investment grade	▲	We cut our duration exposure from medium-to-long (7-10 years) to medium (5-7 years) to reflect a neutral stance on duration.
Asian investment grade	▲	Backed by sovereign ownership and robust local demand, Asian credit has shown resilience and continues to offer attractive yields. We prefer Australian IG bonds, Asian financials and Chinese hard currency bonds.
Global high yield (HY)	▼	Signs of some stress in credit markets are emerging, and potential spread widening if equity volatility picks up remains a headwind for high yield bonds.
USD high yield	▼	Despite a below-average default rate and a resilient economic outlook, spreads do not sufficiently compensate for the risks.
EUR high yield	▼	Europe's large oil imports and the low share of energy companies in the high yield space make the asset class vulnerable.
GBP high yield	▼	Credit spreads have widened as risk sentiment has soured recently. Quality credit offers a more attractive risk-reward profile.
Asian high yield	▼	Less attractive valuations and increased spread volatility reinforce our cautious stance on Asian high yield.
Commodities		
Gold	▲	Gold continues to offer diversification benefits and potential upside, making it an essential component to build portfolio resilience amid market uncertainty. Central banks continue to diversify their currency exposure by adding to gold holdings.
Oil	▶	Oil prices remain elevated and volatile as they move with the news flow.

Sector Views

Global and regional sector views based on a 6-month horizon

Sector	Global	US	Europe	Asia	Comment
Consumer Discretionary	▼	▶	▼	▶	The consumer discretionary segment is under pressure due to geopolitical events, higher energy and labour costs, competition, and a weaker pricing environment. As inflationary pressures build, interest rates may rise, further hurting sentiment. Airlines and travel companies have raised prices to offset higher fuel prices, potentially weighing on demand. The hospitality segment is seeing some signs of reduced bookings. In contrast, electric vehicle demand has risen sharply in many markets as consumers look to mitigate higher fuel prices.
Financials	▲	▲	▲	▲	Market sentiment is mixed this year even though results have been above market expectations. Volatile capital markets have favoured trading activities, while corporate advisory (M&A and IPOs) and debt issuance businesses are also booming. Net interest income may stay elevated, with an upside risk that interest rates may be raised further to combat inflationary pressures. The insurance sector outlook is more mixed, given the rise in weather-related and other catastrophic events.
Industrials	▲	▲	▲	▶	Industrials are benefitting from the multi-year roll-out of new technologies, including infrastructure (energy, digital and AI), aerospace, defence, electric transportation, automation and robotics. Order books continue to grow, with companies committing capital to new and upgraded production. Limited excess capacity is providing a supportive pricing environment. Tariff concerns have eased considerably.
Information Technology	▲	▲	▲	▲	Despite a sustained period of underperformance, strong quarterly results and growth forecasts in the US continue to exceed the rest of the market. Valuations are particularly attractive, with the sector now trading in line with the broader equity market rather than at a historical premium. Demand for AI software, related hardware and semiconductors is driving robust growth as companies in every sector deploy AI-enabled products and services. Earnings visibility continues to improve in Europe.
Communications Services	▲	▲	▲	▲	Media and entertainment continue to report above-average sales and earnings growth, combined with undemanding valuations, although consumer demand may be affected by rising energy prices and other costs. Asia remains attractive, although relative valuations are less compelling. The telecom services segment has attractive defensive qualities, supported by improving fundamentals, low valuations, high dividend yields and low exposure to tariffs.
Materials	▲	▲	▲	▲	Miners continue to benefit from a supportive macroeconomic backdrop, steady demand and sustainable price rises. Construction materials are seeing early signs of improvement. In contrast, margins in the chemicals industry are under pressure from higher energy and feedstock prices. Speciality materials/miners, including rare earth metals used in high technology products, are seeing robust demand.
Real Estate	▶	▶	▶	▶	The uncertainty regarding interest rate policy and the direction of potential changes is weighing on sentiment. Demand for high-quality office space and high-tech facilities, including data centres and specialist manufacturing, remains solid. Retail real estate remains challenged. The US market is particularly benefitting from reshoring trends and an improving residential market.
Consumer Staples	▼	▼	▼	▼	Sentiment is weak as margins are squeezed by rising costs (including energy, labour, and soft commodities). The pricing environment is challenging as inflation is changing consumer demand patterns. Valuations reflect the sector's limited growth potential.
Energy	▲	▲	▲	▲	Regional conflicts are causing severe disruption to global energy supply chains with damage to energy infrastructure delaying any swift return to normality. Energy producers and refiners have been benefitting from elevated energy prices for several quarters. Valuations, free cash flow and dividend yields remain very attractive. Energy service companies may be less impacted by the immediate dynamics of the conflict.
Healthcare	▶	▶	▶	▲	The US government's healthcare policies remain in flux, affecting the sector's sales and profits. M&A activity has picked up as companies seek to offset pricing pressure on older medicines with new innovative products. Healthcare companies in Asia, particularly in China, are benefitting from new product launches, improving demand dynamics and relatively low valuations. New technologies in drug discovery, testing, patient records and diagnosis are set to transform the sector.
Utilities	▲	▲	▲	▶	Utilities are managing a multi-year surge in demand for electricity as many segments of the economy transition away from fossil fuels, while IT-related demand for electricity continues to soar. With limited spare capacity, substantial capital investment is required to upgrade generation capacity and transmission infrastructure. Valuations and yields remain attractive.

Disclaimer

This document or video is prepared by The Hongkong and Shanghai Banking Corporation Limited ('HBAP'), 1 Queen's Road Central, Hong Kong. HBAP is incorporated in Hong Kong and is part of the HSBC Group. This document or video is distributed and/or made available by HSBC Bank (China) Company Limited, HSBC Bank (Singapore) Limited, HSBC Bank Middle East Limited (UAE), HSBC UK Bank Plc, HSBC Bank Malaysia Berhad (198401015221 (127776-V))/HSBC Amanah Malaysia Berhad (20080100642 1 (807705-X)), HSBC Bank (Taiwan) Limited, HSBC Bank plc, Jersey Branch, HSBC Bank plc, Guernsey Branch, HSBC Bank plc in the Isle of Man, HSBC Continental Europe, Greece, The Hongkong and Shanghai Banking Corporation Limited, India (HSBC India), HSBC Bank (Vietnam) Limited, PT Bank HSBC Indonesia (HBID), HSBC Bank (Uruguay) S.A. (HSBC Uruguay is authorised and oversought by Banco Central del Uruguay), The Hongkong and Shanghai Banking Corporation Limited – Philippine Branch, HSBC Investment and Insurance Brokerage, Philippines Inc, HSBC Insurance Brokerage Company Limited, HSBC Mexico, S.A. Multiple Banking Institution HSBC Financial Group (collectively, the "Distributors") and HSBC Bank Middle East Limited Qatar Branch, P.O. Box 57, Doha, Qatar (regulated by Qatar Central Bank for the purpose of this promotion and lead regulated by the Dubai Financial Services Authority) to their respective clients. This document or video is for general circulation and information purposes only.

The contents of this document or video may not be reproduced or further distributed to any person or entity, whether in whole or in part, for any purpose. This document or video must not be distributed in any jurisdiction where its distribution is unlawful. All non-authorised reproduction or use of this document or video will be the responsibility of the user and may lead to legal proceedings. The material contained in this document or video is for general information purposes only and does not constitute investment research or advice or a recommendation to buy or sell investments. Some of the statements contained in this document or video 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 as a result of various factors. HBAP and the Distributors do not undertake any obligation to update the forward-looking statements contained herein, or to update the reasons why actual results could differ from those projected in the forward-looking statements. This document or video has no contractual value and is not by any means intended as a solicitation, nor a recommendation for the purchase or sale of any financial instrument in any jurisdiction in which such an offer is not lawful. The views and opinions expressed are based on the HSBC Global Investment Committee at the time of preparation and are subject to change at any time. **These views may not necessarily indicate HSBC Asset Management's current portfolios' composition. Individual portfolios managed by HSBC Asset Management primarily reflect individual clients' objectives, risk preferences, time horizon, and market liquidity.**

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. Where overseas investments are held the rate of currency exchange may cause the value of such investments to go down as well as up. 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.

This document or video provides a high-level overview of the recent economic environment and has been prepared for information purposes only. The views presented are those of HBAP and are based on HBAP's global views and may not necessarily align with the Distributors' local views. It has not been prepared in accordance with legal requirements designed to promote the independence of investment research and is not subject to any prohibition on dealing ahead of its dissemination. It is not intended to provide and should not be relied on for accounting, legal or tax advice. Before you make any investment decision, you may wish to consult an independent financial adviser. In the event that you choose not to seek advice from a financial adviser, you should carefully consider whether the investment product is suitable for you. You are advised to obtain appropriate professional advice where necessary.

The accuracy and/or completeness of any third-party information obtained from sources which we believe to be reliable might have not been independently verified; hence customers must seek several sources prior to making investment decisions.

The following statement is only applicable to HSBC Mexico, S.A. Multiple Banking Institution HSBC Financial Group with regard to how the publication is distributed to its customers: This publication is distributed by Wealth Insights of HSBC México, and its objective is for informational purposes only and should not be interpreted as an offer or invitation to buy or sell any security related to financial instruments, investments or other financial product. This communication is not intended to contain an exhaustive description of the considerations that may be important in making a decision to make any change and/or modification to any product, and what is contained or reflected in this report does not constitute, and is not intended to constitute, nor should it be construed as advice, investment advice or a recommendation, offer or solicitation to buy or sell any service, product, security, merchandise, currency or any other asset.

Receiving parties should not consider this document as a substitute for their own judgment. The past performance of the securities or financial instruments mentioned herein is not necessarily indicative of future results. All information, as well as prices indicated, are subject to change without prior notice; Wealth Insights of HSBC Mexico is not obliged to update or keep it current or to give any notification in the event that the information presented here undergoes any update or change. The securities and investment products described herein may not be suitable for sale in all jurisdictions or may not be suitable for some categories of investors.

The information contained in this communication is derived from a variety of sources deemed reliable; however, its accuracy or completeness cannot be guaranteed. HSBC México will not be responsible for any loss or damage of any kind that may arise from transmission errors, inaccuracies, omissions, changes in market factors or conditions, or any other circumstance beyond the control of HSBC. Different HSBC legal entities may carry out distribution of Wealth Insights internationally in accordance with local regulatory requirements.

Important Information about the Hongkong and Shanghai Banking Corporation Limited, India ("HSBC India"): HSBC India is a branch of The Hongkong and Shanghai Banking Corporation Limited. HSBC India does not distribute or refer 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 or referral would be contrary to law or regulation.

HSBC India is an AMFI-registered Mutual Fund Distributor of select mutual funds and a referrer of other 3rd party investment products. 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. For more information related to investments in the securities market, please visit the SEBI Investor Website: https://investor.sebi.gov.in/ and the SEBI Saa₹thi Mobile App. **Mutual Fund investments are subject to market risks, read all scheme related documents carefully.** Issued by The Hongkong and Shanghai Banking Corporation Limited India. Incorporated in Hong Kong SAR with limited liability. HSBC Bank ARN - 0022 with validity from 19-Feb-2024 to 18-Feb-2027. Date of initial registration: 19-Feb-2002.

The following statement is only applicable to HSBC Bank (Taiwan) Limited with regard to how the publication is distributed to its customers: HSBC Bank (Taiwan) Limited ("the Bank") shall fulfill the fiduciary duty act as a reasonable person once in exercising offering/conducting ordinary care in offering trust services/ business. However, the Bank disclaims any guarantee on the management or operation performance of the trust business.

The following statement is only applicable to PT Bank HSBC Indonesia ("HBID"): HBID is licensed and supervised by Indonesia Financial Services Authority ("OJK"). Investment products that are offered in HBID are third party products, HBID is a selling agent for third party products such as Mutual Funds and Bonds. HBID and HSBC Group (HSBC Holdings Plc and its subsidiaries and associates company or any of its branches) do not guarantee the underlying investment, principal or return on customer's investment. You must read and understand the investment policy of each investment product to see if a product contains ESG and sustainability elements and is classified as an ESG and sustainable investment. Investment in Mutual Funds and Bonds are not covered by the deposit insurance program of the Indonesian Deposit Insurance Corporation ("LPS").

Important information on ESG and sustainable investing

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.

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 sustainable 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 consider these factors. 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 impact of ESG and Sustainable investing products. ESG and Sustainable investing and related impact 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 impact or measurement criteria of an investment will be aligned with any particular investor's sustainability goals; or (b) that the stated level or target level of ESG / sustainability impact will be achieved. ESG and Sustainable investing is an evolving area and new regulations are being developed which will affect how investments can be categorised or labelled. An investment which is considered to fulfil sustainable criteria today may not meet those criteria at some point in the future.

THE CONTENTS OF THIS DOCUMENT OR VIDEO HAVE NOT BEEN REVIEWED BY ANY REGULATORY AUTHORITY IN HONG KONG OR ANY OTHER JURISDICTION.

YOU ARE ADVISED TO EXERCISE CAUTION IN RELATION TO THE INVESTMENT AND THIS DOCUMENT OR VIDEO. IF YOU ARE IN DOUBT ABOUT ANY OF THE CONTENTS OF THIS DOCUMENT OR VIDEO, YOU SHOULD OBTAIN INDEPENDENT PROFESSIONAL ADVICE.

© Copyright 2026. The Hongkong and Shanghai Banking Corporation Limited, ALL RIGHTS RESERVED.

No part of this document or video 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 Banking Corporation Limited.

IM28MAY2026