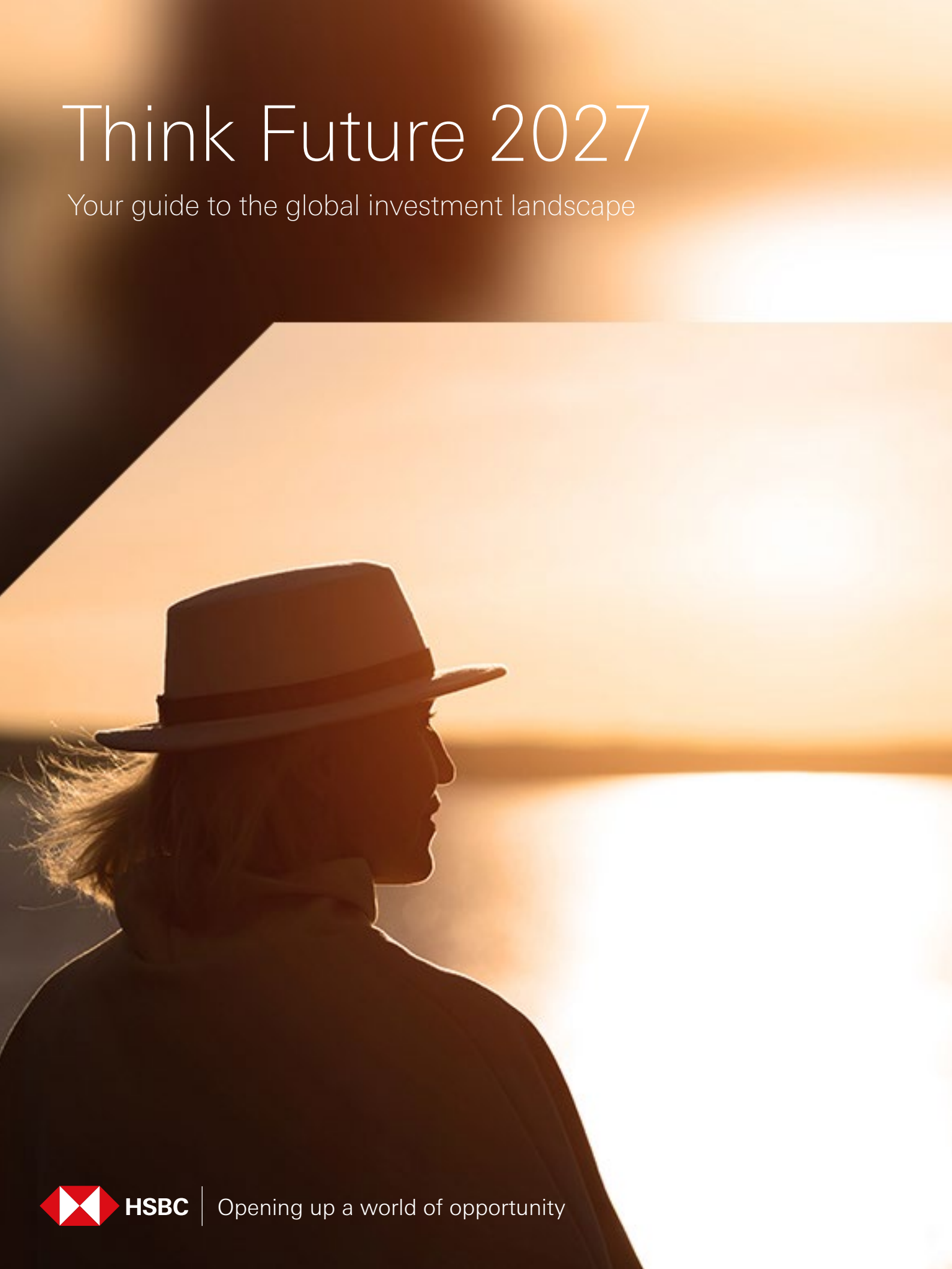
Think Future 2027

Your guide to the global investment landscape



HSBC | Opening up a world of opportunity

Contents

Foreword 3

Key data to watch 4

Global calendar 5

Four investment themes to help shape your portfolio 6

AI: From capabilities to commercialisation 8

Looking beyond bonds for income opportunities 10

Glossary 12

Contributors 13

Broadening AI horizons



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

As we take stock of 2026 and look forward to 2027, it's clear that artificial intelligence (AI) remains the key driving force for markets, although the shape and form of its impact are evolving. At the same time, macro uncertainties, shifting headlines and geopolitical developments could also take markets by surprise. As these two forces remain in a tug of war, capturing opportunities and safeguarding portfolio resilience are equally important.

We're witnessing a technological revolution in AI on a historic scale, which presents two sides of the equation across multiple dimensions. It creates both growth and debt, innovation and disruption, as well as excitement and resistance. The interplay of these dynamics will shape market trends, setting the scene for our Q1 market outlook.

What does this mean for investors?

The recent equity sell-off triggered by concerns over the earnings growth of semiconductor companies has delivered a clear message: concentrating on a single theme within AI carries risks, and rotation will continue across the AI ecosystem. So how can we find the right balance between capturing the opportunities and managing the risks?

A favourable backdrop for AI adoption to accelerate

On the opportunity side, AI adoption is still low today, leaving ample room for acceleration and the potential to unlock productivity growth, innovation and new revenue streams. More powerful models, falling token costs and broader deployment will turbocharge productivity growth. We also expect to see exciting breakthroughs and discoveries in robotics, healthcare and life sciences.

As capital spending on AI remains very substantial and borrowing costs have risen, companies will increasingly be judged by their ability to monetise AI investments, with greater differentiation between winners and laggards. Therefore, from both diversification and growth perspectives, it makes sense to broaden our horizons and pick the best opportunities across sectors and regions. We continue to favour the US, which should continue to demonstrate strong earnings growth momentum after the midterm elections, while selectively tapping into opportunities in attractive Asian markets, including Japan, South Korea and Hong Kong.

Beyond AI, structural themes, including defence, energy independence and re-onshoring, offer long-term growth opportunities and are inherently less sensitive to interest rates. Both governments and corporates will need to seek funding through bond issuance, keeping bond yields elevated and allowing investors to lock in attractive income at current levels. As inflation remains elevated, central banks are unlikely to cut rates. The resulting high-for-longer interest rate environment will provide investors with appealing income opportunities. We prefer quality issuers over weaker companies that struggle with high borrowing costs.

Quality and selectivity are key

Investors can add portfolio stability by securing other reliable sources of income beyond bonds. We see strategic value in infrastructure, as it capitalises on AI and other structural themes, including data centres, electricity generation and cloud services, while offering stable income and protection against inflation. Dividends are particularly attractive in Asia, where corporate governance reforms are providing a boost.

Our multi-asset exposure builds further resilience through gold and alternative assets, which we see as complementary tools for mitigating concentration risks. Therefore, our four investment themes for Q1 are well balanced between growth and income opportunities, with diversification at the core of our strategy.

We remain optimistic about the market outlook for the new year, while recognising that quality and selectivity will be critical to success. To supplement our investment themes, we've also included two feature articles in this publication – one looks at the opportunities emerging from AI monetisation, while the other explores the role of income in greater depth.

As we turn the page to 2027, we hope our insights will help you look towards the new horizon of opportunities with confidence.

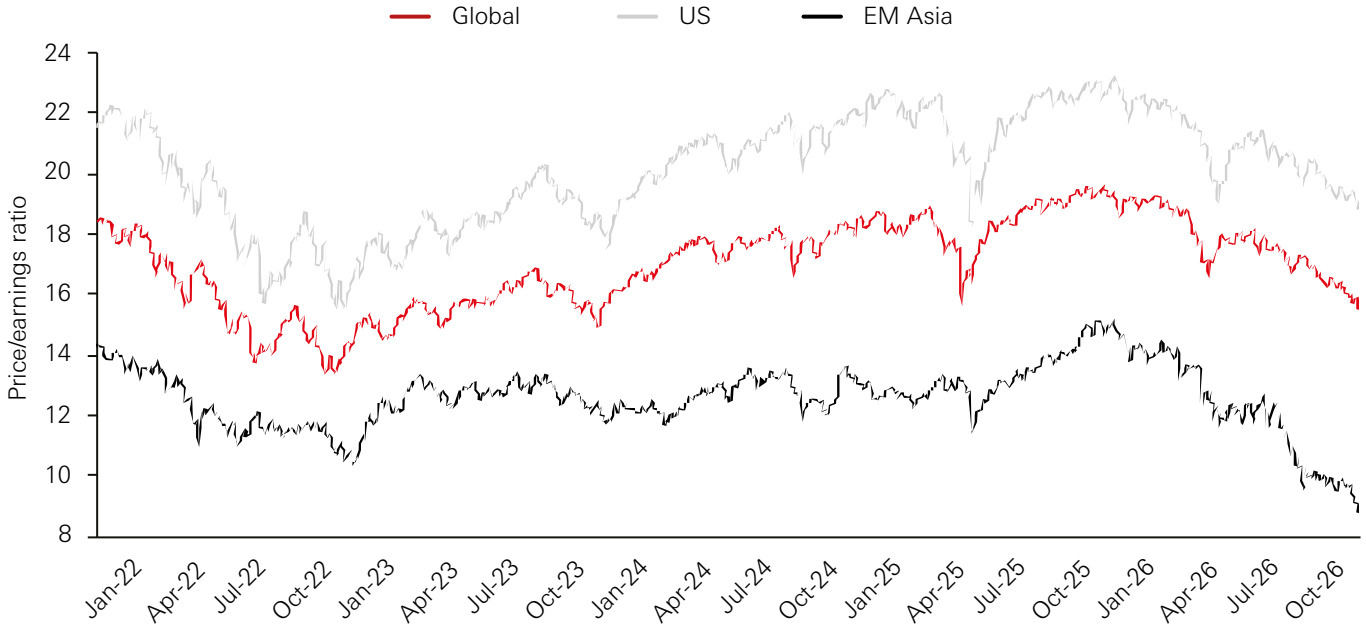
Key data to watch

The K-shaped economy and elevated inflation in some markets present both opportunities and risks

	GDP growth		Inflation	
	2026f	2027f	2026f	2027f
World	2.7	2.7	3.8	3.3
US	2.3	2.3	3.5	2.9
Eurozone	1.0	1.0	3.1	3.2
UK	1.4	1.1	3.2	3.8
Japan	0.8	0.9	2.1	1.8
China	4.6	4.7	0.9	1.1
India	7.7	6.8	5.1	4.9

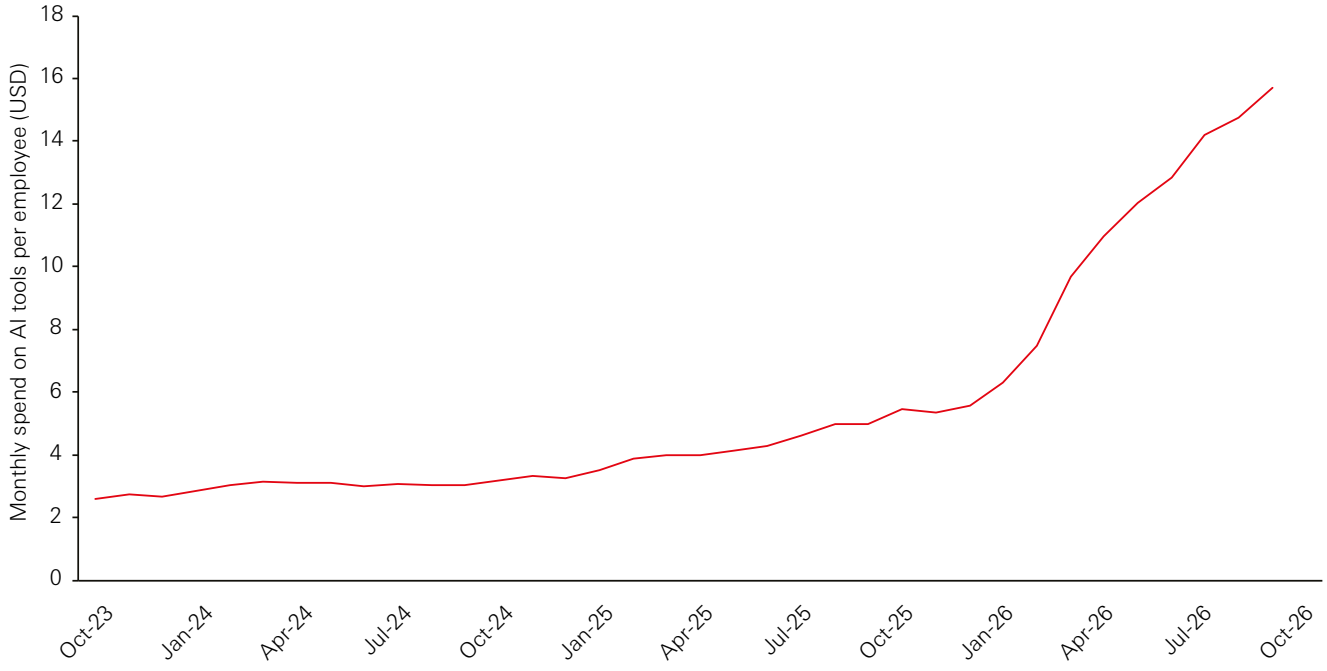
Source: HSBC Global Investment Research as at 6 November 2026. Estimates and forecasts are subject to change. India's inflation forecasts are based on the fiscal year.

Global equity valuations reflect high-for-longer rates, while quality and selective stock-picking remain essential



Sources: Bloomberg, HSBC Private Bank and Premier Wealth as at 12 November 2026. Past performance isn't a reliable indicator of future performance.

AI investment is accelerating, but monetisation will increasingly separate the winners from the laggards



Sources: Bloomberg, HSBC Private Bank and Premier Wealth as at 12 November 2026. Past performance isn't a reliable indicator of future performance.

Global calendar

Key events – first half of 2027			
27 Jan	Federal Open Market Committee (FOMC) policy decision	**28 Apr**	FOMC policy decision
4 Feb	Bank of England (BoE) and European Central Bank (ECB) policy decisions	**29 Apr**	BoE and ECB policy decisions
17 Mar	FOMC policy decision	**9 Jun**	FOMC policy decision
18 Mar	BoE and ECB policy decisions	**10 Jun**	ECB policy decision
Mar (date TBC)	The National People's Congress of the People's Republic of China	**12-14 Jun**	G7 Summit
Mar (date TBC)	The National Committee of the Chinese People's Political Consultative Conference	**17 Jun**	BoE policy decision

Four investment themes to help shape your portfolio

1 Monetise AI deployment

AI adoption continues to accelerate rapidly, as more powerful models drive productivity gains and open up a wider range of applications across sectors. Token costs are expected to decline while demand rises, reinforcing earnings growth, fuelling capital investment and unleashing a wave of innovation.

Rotation within the AI ecosystem is likely to persist. Monetisation is both a natural outcome that helps identify winners and a key driver of further deployment in advanced manufacturing, robotics and life sciences. As deployment shifts from chatbots to AI agents and physical AI, it raises the prospect of breakthroughs and new discoveries in many industries along the way. Hyperscalers' sales growth is expected to exceed their capex growth in 2027, which should ease market concerns over excessive spending.

Geographically, the US and Asia offer the best innovation-led growth opportunities. The US technology sector boasts the strongest earnings growth, which also helps make valuations less demanding compared with historical averages. Despite mainland China's scale in advanced manufacturing, we don't see Chinese competition as a threat to the US; rather, we believe there is room for multiple models to co-exist to meet strong global demand. North Asia continues to demonstrate unique strength in semiconductor manufacturing.

- **We maintain an overweight position in Technology across regions, looking beyond semiconductors to include cloud services, AI adopters and AI-enabled applications.**
- **We remain bullish on the US and selective in Asia, preferring Japan, South Korea and Hong Kong. We combine innovation with quality high-dividend stocks in mainland China to achieve a balanced strategy.**

2 Invest in strategic infrastructure and capacity

Outside the AI stack, structural opportunities lie in defence, energy, resource security and re-onshoring, which remain strategic priorities for nations and are therefore well supported by significant investment from governments and corporates. These areas aren't only benefitting from AI innovation; their strategic nature makes them less vulnerable to global uncertainty and funding costs, offering diversification beyond AI.

Companies that operate in areas with economic bottlenecks often benefit from solid demand growth and healthy profit margins. Beyond energy and resources, this also includes AI bottlenecks, such as data centres and cloud services. As expansion in these areas hinges on infrastructure, the sector stands to be a major beneficiary.

Globally, AI infrastructure is expected to require more than USD6 trillion in capital investment by 2030[1]. These investments are set to create opportunities in Materials and Industrials as well, while Financials play a pivotal role in financing and capital market activity.

- **We look for strong players throughout the AI value chain, including Materials, Energy and Financials across regions.**
- **Globally and in selected regions, Industrials (the US and Europe), Healthcare (Europe and Asia) and Communications (the US and Asia) present attractive opportunities and diversification benefits.**

Sources: 1. Bloomberg Intelligence, HSBC Private Bank and Premier Wealth, October 2026

3 Capture income opportunities

At a time when economic surprises and shifting headlines continue to drive market volatility, stable income remains a powerful contributor to portfolio resilience. We believe the best approach is to diversify the sources of that income.

As inflation may remain above target for a prolonged period, central banks will keep rates elevated, resulting in a high-for-longer interest rate environment. Persistent inflation, deficits and concerns over the volume of AI-related bond supply have pushed bond yields up to attractive levels. Markets have priced in more Federal Reserve rate hikes than we expect, creating an opportunity for investors to lock in attractive returns at current levels.

As earnings momentum is broadening, investors seeking income opportunities can also consider dividend stocks and infrastructure. In fixed income, high borrowing costs could weigh on weaker companies, reinforcing our preference for quality issuers. And coming back to infrastructure, it not only provides growth opportunities but can also deliver stable income streams.

- **In global investment-grade credit, we target a duration of 5-7 years in USD and GBP, and favour a longer duration in EUR at 7-10 years. In Asia, we prefer high yield to investment-grade credit due to improving fundamentals.**
- **Beyond bonds, we also explore income from high-quality dividend stocks, particularly in Asia.**

4 Enhance resilience with multi-asset diversification

While equities can capture growth and bonds add income, these two asset classes alone aren't sufficient to withstand unexpected market shocks. We see a need to strengthen multi-asset portfolios further by adding less-correlated sources of return.

With inflation likely to remain elevated, hard assets, such as gold and infrastructure, remain in favour. While gold doesn't generate income, its safe-haven appeal is reinforced by supportive fundamentals, central bank purchases, and geopolitical and fiscal uncertainties.

Exposure to alternative assets – where appropriate – can help add a new dimension to portfolio resilience and growth, with hedge funds offering flexible strategies to take advantage of varying market conditions. Private assets can enhance sector or style diversification by tapping into otherwise inaccessible investment opportunities and emerging trends. Together, they can help mitigate concentration risks in tech-heavy equity portfolios while unlocking long-term growth potential.

- **Gold provides a valuable source of diversification, complementing traditional equities and bonds.**
- **We add alternative assets where appropriate to manage downside risk while capturing upside potential.**

AI: From capabilities to commercialisation

HSBC Global Investment Research

Key takeaways

- AI is moving from coding tools and pilots into commercial, agent-driven applications embedded in enterprise workflows.
- Investors increasingly want proof of recurring revenue, customer growth, productivity gains and improving economics.
- Rising AI adoption is supporting demand for cloud, compute and data infrastructure, while increasing cybersecurity requirements.

The AI megacycle is only just beginning

AI is beginning to move from an investment narrative to company financial statements. While many businesses still report AI adoption through indicators such as usage, bookings or customer commitments, a growing number are providing evidence of AI-linked revenue and earnings in their results.

Software will likely remain the principal channel through which businesses deploy and monetise AI, even as AI reshapes how it's developed and used. The clearest evidence of adoption is currently concentrated in coding and AI-assisted research, where these tools are becoming embedded in the daily workflows of technical organisations.

More broadly, 2026 may mark a transition from building AI capability to productising it, as agent-driven functionality becomes integrated into enterprise workflows. For investors, the central question is no longer simply whether businesses are adopting AI, but whether that adoption is creating durable revenue and profit opportunities.

They're also paying closer attention to the near-term trade-offs, including margin pressure from higher AI usage and the capital intensity associated with infrastructure investment. The result is likely to be greater dispersion across the sector, with outcomes determined by execution rather than narrative.

Adoption continues to support infrastructure investment

As AI becomes embedded in enterprise workflows, demand for compute capacity should continue to grow, supporting a long-term investment cycle for compute providers.

These investments are also generating demand across the broader AI ecosystem, from software platforms that operationalise AI to hyperscalers, data centres and suppliers of networking, optical and connectivity equipment.

Capital expenditure remains necessary to meet rising AI demand. However, as markets focus more on investment levels, companies are increasingly being judged on whether their spending is disciplined, productive and supported by credible demand.

Power demand continues to trend higher

The AI infrastructure build-out is also increasing demand for electricity. The International Energy Agency's base case suggests that global data-centre electricity consumption could triple or quadruple by 2035, contributing to around 10% growth in total global electricity demand. Data-centre growth is expected to be highly concentrated, with 85% of new capacity additions over the next decade in the US, Europe and China.

The cost of AI is becoming more visible

The cost of AI is increasingly apparent in corporate income statements. Application software vendors scaling AI usage have highlighted pressures on the cost of goods sold, particularly from inference and token costs.

For many companies, the immediate priority is to drive adoption and build AI-related revenue. Gross-margin improvement may follow as usage scales, model costs decline and unit economics mature.

The important offset is that management expects AI offerings to support commercial momentum through new recurring revenue, higher customer attach and expansion, and stronger renewals. These benefits may support upselling and increase a company's share of wallet over time.

Despite margin pressures, operating income and earnings can prove more resilient, supported by disciplined operating expenditure, price increases, and explicit AI-driven productivity gains from internal deployment.

Investment opportunities in various industries

Cloud platforms and data infrastructure

Cloud platforms and data infrastructure remain among the clearest beneficiaries of AI moving from pilot programmes to scaled enterprise deployment. AI workloads should support higher cloud utilisation and consumption, reinforcing the case for continued investment by major cloud providers and demand across the wider supply chain.

Software as a Service (SaaS) and workflow platforms

Investors remain selective on SaaS and workflow platforms, distinguishing between companies with early AI commercialisation and those demonstrating sustained enterprise adoption.

The clearest signal is that AI is increasingly being sold and deployed as a workflow-embedded capability rather than treated as a proof-of-concept activity, with management teams beginning to support that shift with reported metrics.

Cybersecurity and security platforms

Cybersecurity is also becoming more important as enterprises deploy AI applications and autonomous agents. These systems can create new exposure points involving permissions, tool access, data connectors and automated workflows.

This is increasing the need for controls that can monitor AI activity, restrict unauthorised actions and contain incidents. Reported incidents involving rogue agents, alongside the emergence of new models, have increased the urgency to invest and brought spending decisions forward.

Conclusion

Markets are assessing the risk of AI-driven disruption while waiting for broader evidence that productisation is translating into durable adoption and attractive economics. As evidence of monetisation builds, we think there's scope for confidence to improve, with dispersion increasingly driven by execution rather than narrative.

The companies best placed to benefit are those that can demonstrate genuine enterprise usage, measurable customer and revenue benefits, improving AI unit economics, disciplined capital investment and a credible path to durable profit growth.

Looking beyond bonds for income opportunities

Samuel John Meakin, Head of Equity Funds, Global Investment and Manager Selection
Lucia Ku, Global Head of Wealth Insights

Key takeaways

- The search for portfolio income can go beyond cash and bonds to include high-quality dividend-paying stocks. A carefully designed approach can allow investors to seek both income and growth.
- Quality matters more than headline yield. A very high yield can signal risk rather than opportunity. Companies with strong balance sheets, durable cash flows and good governance may be better placed to sustain and grow their dividends.
- Asia offers a large and diverse corporate universe with multiple structural growth drivers, while dividends have historically been a major driver of Asian equity returns.

Amid today's increasingly complex and evolving financial landscape, income plays a strategic role in strengthening portfolio resilience. The search for portfolio income needn't stop at cash and bonds. High-quality dividend-paying companies can offer another source of regular income alongside exposure to long-term economic growth.

The key message is straightforward: this isn't simply a choice between income and growth. A carefully designed approach can seek both, combining dividends, potential dividend growth and equity market participation.

Why look beyond bonds?

Bonds pay fixed coupons, as long as the issuer can meet its obligations. Equity dividends, by contrast, can rise or fall, while equities carry greater capital risk. The two therefore play different roles in a portfolio. That's why comparing a bond yield directly with a dividend yield can be misleading. The fuller picture for income stocks should include the level and durability of income, the potential for income growth and the possibility of capital appreciation. The good news is that improving earnings expectations and stronger free cash flow are encouraging companies to raise dividends globally.

Quality matters more than headline yield

The highest available yield isn't necessarily the most attractive income opportunity. This is because a very high yield may reflect a mature business, or perhaps weak market sentiment or concerns about whether the dividend is sustainable. Conversely, a company with a moderate yield, strong earnings growth and a healthy balance sheet may be able to increase its dividend meaningfully over time.

This is where quality becomes important. Companies with durable competitive advantages, sound financial positions, robust cash flows and effective governance tend to sustain their dividends through different market conditions, while still investing for future growth.

An effective income strategy therefore looks beyond a single yield figure. This broader lens can help avoid limiting equity income exposure to defensive sectors or traditional value stocks. It may also allow investors to remain exposed to growth areas such as technology, semiconductors, consumer services and the energy transition.

Asia's breadth becomes an advantage

Asia offers a large and diverse corporate universe with multiple structural growth drivers. Dividends have historically been a major driver of Asian equity returns, and research suggests that they have contributed between 40% and 65% of total returns over the long term, depending on the methodology and markets covered. Corporate governance reforms in Japan, South Korea and China are encouraging companies to allocate capital more efficiently, improve transparency and reward shareholders, creating an even more fertile environment for investors seeking income.

The opportunity set spans financials, telecommunications, real estate investment trusts (REITs) and regional consumer businesses, alongside technology companies. Some chipmakers, for example, allow investors to tap into AI opportunities for potential capital gains while receiving higher shareholder payouts.

The region's diversity matters because income opportunities don't appear at the same time or in the same form across markets. Dividend payment dates vary, economic cycles differ and corporate capital-allocation policies evolve. A portfolio that can assess a wide range of companies and adjust as opportunities change may be better placed than one relying on a static list of high-yielding stocks.

Systematic investing can bring breadth, consistency and discipline to this process. By analysing company fundamentals, market signals and alternative data at scale, a systematic strategy can assess more companies across more markets than traditional analysis would typically cover.

For income investors, this can help in three ways:

1. **Identifying quality dividend opportunities** by examining factors such as fundamentals, valuations and dividend potential.
2. **Recognising changing income conditions** as companies move from recovery to growth, or from growth to stable maturity.
3. **Adjusting portfolios dynamically** as dividend opportunities emerge, mature or become less attractive.

Investors may also consider investment instruments that use options to generate additional income. While this may limit potential gains when markets rise, it can provide a cushion if markets fall. Ultimately, the key is to select an income strategy that aligns with investors' objectives, taking into account regular cash flow, income growth, long-term total return and investment exposure. These considerations also determine how the income strategy should sit alongside bonds and other assets for diversification.

Glossary

Alternative investments: A broad term referring to investments other than traditional cash and bonds. They may include real estate, hedge funds, private equities and commodities investments, among other things. Some of these investments may offer diversification benefits within a portfolio.

Asset allocation: The allocation of funds held on behalf of an investor to various categories of assets, such as equities and bonds, based on their investment objectives.

Asset class: A group of securities that show similar characteristics, behave similarly in the marketplace and are subject to the same laws and regulations. The main asset classes are equities, fixed income and commodities.

Company fundamentals: The intrinsic value of a company as analysed by looking at its revenue, expenses, assets, liabilities and other financial aspects.

Diversification: Often referred to as "not putting all your eggs in one basket", diversification means to invest in a variety of different sectors, asset classes and regions to spread the risk of loss.

Fiscal policy: The use of government spending and tax policies to influence macroeconomic conditions, such as aggregate demand, employment, inflation and economic growth.

Inflation: The rise in the general price levels of goods and services in an economy over a period of time.

Investment strategy: The internal guidelines that a fund follows in investing the money received from its investors.

Monetary policy: The process by which the authorities of a country control the supply of money. This often involves targeting a rate of interest for the purpose of promoting economic growth and stability.

Quantitative easing: Also known as large-scale asset purchases, a monetary policy whereby a central bank buys government securities or other financial assets from the market in order to increase the money supply and encourage lending and investment.

Strategic asset allocation: A practice of maintaining a mix of asset classes that aims to meet an investor's risk and return objectives over a long-term horizon, rather than to take advantage of short-term market opportunities.

Tactical asset allocation: An active management strategy that deviates from the long-term strategic asset allocation in order to capitalise on economic or market conditions that may offer near-term opportunities.

Tapering: The reduction of the interest rate at which a central bank accumulates new assets on its balance sheet under a policy of quantitative easing.

Volatility: A term for the fluctuation in the price of financial instruments over time.

Contributors



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



Ivy Suen
Global Wealth Insights Commercialisation Lead
HSBC International Wealth and Premier Banking



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

Our CIO team is also supported by a network of regional CIOs and investment experts



Desmond Kuang
Chief Investment Officer, Asia
HSBC Private Bank and Premier Wealth



Patrick Ho
Chief Investment Officer, North Asia
HSBC Private Bank and Premier Wealth



Jose Rasco
Chief Investment Officer, Americas
HSBC Private Bank and Premier Wealth



Kevin Lyne Smith
Global Head of Equities
HSBC Private Bank and Premier Wealth



Neha Sahni
Head of Investment Thought Leadership – Global Market Strategist
HSBC Private Bank and Premier Wealth



Belle Liang
Chief Investment Officer, China
HSBC Private Bank and Premier Wealth



Jonathan Sparks
Chief Investment Officer, UK
HSBC Private Bank and Premier Wealth



Georgios Leontaris
Chief Investment Officer, EMEA and Switzerland
HSBC Private Bank and Premier Wealth



Laurent Lacroix
Global Head of Fixed Income
HSBC Private Bank and Premier Wealth



Rodolphe Bohn
Currencies and Commodities Strategist
HSBC Private Bank and Premier Wealth

Disclosure appendix

1. The article "AI: From capabilities to commercialisation" is dated as at 12 November 2026.

2. All market data included in this report are dated as at close 11 November 2026, unless a different date and/or a specific time of day is indicated in the report.

3. HSBC has procedures in place to identify and manage any potential conflicts of interest that arise in connection with its Research business. HSBC's analysts and its other staff who are involved in the preparation and dissemination of Research operate and have a management reporting line independent of HSBC's Investment Banking business.

Information Barrier procedures are in place between the Investment Banking, Principal Trading, and Research businesses to ensure that any confidential and/or price sensitive information is handled in an appropriate manner.

4. You are not permitted to use, for reference, any data in this document for the purpose of (i) determining the interest payable, or other sums due, under loan agreements or under other financial contracts or instruments, (ii) determining the price at which a financial instrumentmay be bought or sold or traded or redeemed, or the value of a financial instrument, and/or (iii) measuring the performance of a financial instrument.

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 Customer must seek from several sources prior to making investment decision.

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 and an AMFI-registered Specialized Investment Fund (SIF) Distributor. HSBC India distributes select mutual fund schemes and SIF strategies of empaneled Asset Management Companies, and acts as a referrer of other third-party investment products. Mutual Fund investments are subject to market risks, read all scheme-related documents carefully. AMFI-registered Mutual Fund Distributor | Date of Initial Registration: 19 Feb 2002 | ARN-0022 I Validity of ARN: 18 Feb 2027. AMFI-registered SIF Distributor I Date of initial registration: 27 Oct 2025 | ARN-0022 I Validity of ARN: 26 Oct 2028.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. 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.