

# AiPEX6

## AI Powered US Equity Index 6



### Monthly Performance Report - January 2024

#### About AiPEX6

The AI Powered US Equity Indexes are the first and only rules-based equity strategies to use IBM Watson's Artificial Intelligence ("AI") capabilities to turn data into investment insight. AiPEX6 is a risk controlled, excess return index, developed by HSBC and EquBot Inc. AiPEX6 is comprised of publicly traded companies, selected using objective artificial intelligence techniques to dynamically create the portfolio on a monthly basis.

#### Index Return Summary: Historical & Simulated\*



#### Index Overview

Website: [aipex6.gbm.hsbc.com](https://aipex6.gbm.hsbc.com)

Bloomberg Ticker: **AIPEX6 Index**

Geographical Focus: **United States**

Launch Date: **11/19/2019**

Type of Return: **Excess Return**

Index Sponsor: **EquBot, Inc.**

Index Calculation Agent: **Solactive AG**

Index Fee: **0.85% per year**

#### Index Performance: Historical & Simulated\*

1 Month	-1.00%
YTD	-1.00%
1Y	-1.07%
3Y	-5.33%
5Y	1.24%
10Y	31.94%
10Y Annualized Volatility	5.90%
10Y Sharpe Ratio	-0.42
Cumulative Return	121.75%

#### Top 10 Holdings: As of 1/31/2024

	Index Weight(%)	Sector
ELI LILLY & CO	7.5%	Health Technology
NVIDIA CORP	6.6%	Electronic Technology
TESLA INC	5.6%	Consumer Durables
MONGODB INC	4.3%	Technology Services
MARSH & MCLENNAN COS	3.3%	Finance
MONSTER BEVERAGE CORP	2.4%	Consumer Non-Durables
AIR PRODUCTS & CHEMICALS INC	2.4%	Process Industries
LAS VEGAS SANDS CORP	1.8%	Consumer Services
ARCH CAPITAL GROUP LTD	1.5%	Finance
WARNER BROS DISCOVERY INC	1.4%	Consumer Services
<b>Total</b>	<b>36.9%</b>	

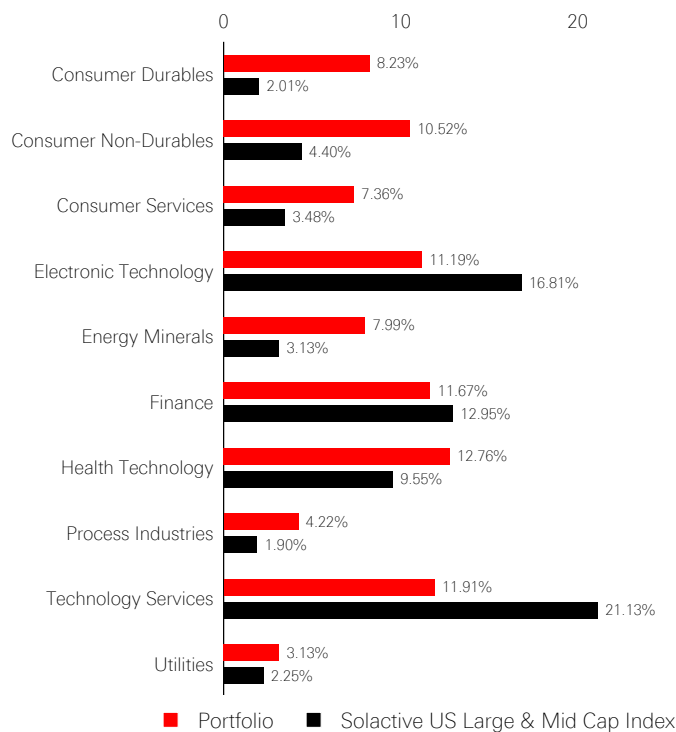
#### Annual Index Performance: Historical & Simulated\*

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
7.8%	-5.6%	12.3%	8.8%	-0.5%	4.9%	19.3%	5.8%	-0.5%	5.6%	17.0%	-2.5%	5.7%	3.3%	2.4%	-7.6%	0.9%

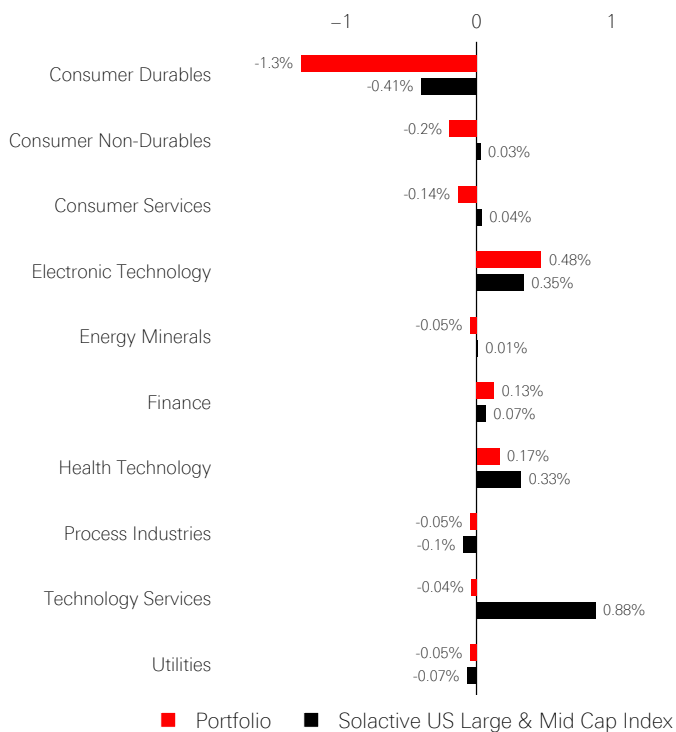
\* Source: Solactive, EquBot, HSBC, Bloomberg, from 04/30/2004 to 1/31/2024. The graph and tables above set forth the hypothetical back-tested performance of the Index from April 30, 2004 through November 19, 2019 and actual index performance thereafter. See the risk factors and "Use of Simulated Returns" herein.

# Monthly Performance Report - January 2024

## Top 10 Sector Allocations



## Contributions to Return



## Daily Risk Control Allocation - Historical & Simulated\*

	As of 1/31/2024	3Y Average	5Y Average	10Y Average
Equity Portfolio	41.44%	32.32%	32.66%	41.15%
Cash	58.56%	67.68%	67.34%	58.85%

\* Source: Solactive, EquBot, HSBC, Bloomberg, from 04/30/2004 to 1/31/2024. The graph and tables above set forth the hypothetical back-tested performance of the Index from April 30, 2004 through November 19, 2019 and actual index performance thereafter. See the risk factors and "Use of Simulated Returns" herein.

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The Index may be partially uninvested. The strategy tracks the excess return of a notional dynamic basket of equities and cash over a change in the ICE LIBOR USD 3 Month interest rate. The weight of a Cash Investment (if any) for a Monthly Reference Portfolio at any given time represents the portion of the Monthly Reference Portfolio that is uninvested in the applicable equity basket at that time. As such, any allocation to a Cash Investment within the Index, which also accrues at the ICE LIBOR USD 3 Month interest rate, will not affect the level of the Index. The Index will reflect no return for any uninvested portion (i.e., any portion represented by a Cash Investment). Accordingly, to the extent that the Index is allocated to the Cash Investment, it may not reflect the full increase of any relevant equity component. Under certain circumstances, the Index may be 100% allocated to the Cash Investment.

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The back-tested data was produced by applying the AI Powered US Equity Index methodology to historical data, including information and sources available at each specific point of time in history. New information and sources were incorporated one timestep at a time and only information with validated time stamps was considered.

The results obtained from "back-testing" information should not be considered indicative of actual results that might be obtained from an investment or participation in a financial instrument or transaction referencing the AI Powered US Equity Index. You should not place undue reliance on the "back-testing" information, which is provided for illustrative purposes only. HSBC provides no assurance or guarantee that the AI Powered US Equity Index will operate or would have operated in the past in a manner consistent with the results presented in these materials.

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