

# AiPEX5

## AI Powered US Equity Index 5



### Monthly Performance Report - February 2024

#### About AiPEX5

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. HSBC and San Francisco based asset manager EquBot have developed the AI Powered US Equity Index 5 ("AiPEX5"), a risk controlled, excess return index. AiPEX5 is comprised of approximately 250 U.S. publicly traded companies, selected monthly based on a 3-step equity selection process that utilizes objective artificial intelligence techniques to dynamically select the underlying constituents. The investment process is intended to provide growth through a variety of market conditions.

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



#### Index Overview

Website: [aipex5.gbm.hsbc.com](http://aipex5.gbm.hsbc.com)

Bloomberg Ticker: AIPEX5 Index

Geographical Focus: United States

Launch Date: 5/4/2020

Index Type: Excess Return

Index Sponsor: EquBot, Inc.

Index Calculation Agent: Solactive AG

Index Fee: 0.85% per year

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

1 Month	1.41%
YTD	0.56%
1Y	1.44%
3Y	-4.11%
5Y	1.27%
10Y	25.38%
10Y Annualized Volatility	4.91%
10Y Sharpe Ratio	-0.62
Cumulative Return	93.79%

#### Top 10 Holdings: As of 2/29/2024

	Index Weight(%)	Sector
JOHNSON & JOHNSON	3.7%	Health Technology
ELEVANCE HEALTH INC	3.7%	Health Services
APPLE INC	3.6%	Electronic Technology
MCDONALDS CORP	3.6%	Consumer Services
MICROSOFT CORP	3.0%	Technology Services
AMERICAN ELECTRIC POWER COMPANY INC	2.8%	Utilities
GILEAD SCIENCES INC	2.3%	Health Technology
NVIDIA CORP	1.7%	Electronic Technology
AMAZON.COM INC	1.5%	Retail Trade
UNITEDHEALTH GROUP INC	1.4%	Health Services
Total	27.3%	

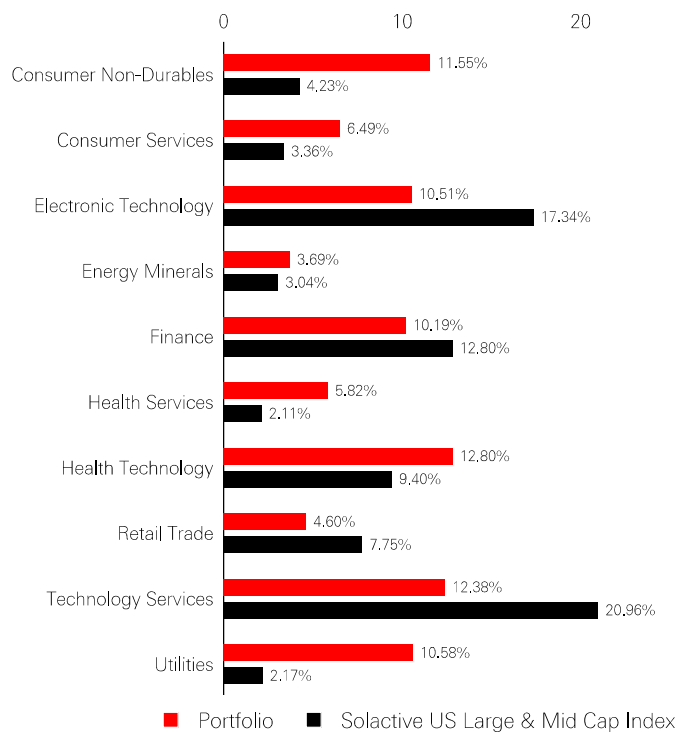
#### Annual Index Performance: Historical & Simulated\*

2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
6.4%	-4.7%	10.1%	7.1%	-0.5%	4.0%	15.8%	4.8%	-0.5%	4.6%	14.0%	-2.1%	4.6%	2.7%	1.9%	-6.4%	0.8%

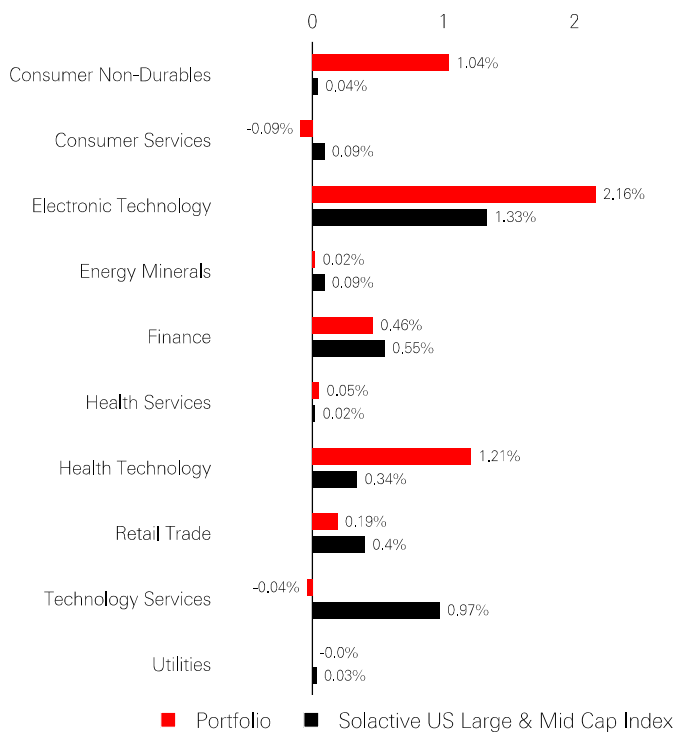
\* Source: Solactive, EquBot, HSBC, Bloomberg, from 4/30/2004 to 2/29/2024. The graph and tables above set forth the hypothetical back-tested performance of the Index from April 30, 2004 through May 4, 2020 and actual index performance thereafter. See the risk factors and "Use of Simulated Returns" herein.

# Monthly Performance Report - February 2024

## Top 10 Sector Allocations



## Contributions to Return



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

	As of 2/29/2024	3Y Average	5Y Average	10Y Average
Equity Portfolio	37.89%	27.23%	27.40%	34.35%
Cash	62.11%	72.77%	72.60%	65.65%

\* Source: Solactive, EquBot, HSBC, Bloomberg, from 4/30/2004 to 2/29/2024. The graph and tables above set forth the hypothetical back-tested performance of the Index from April 30, 2004 through May 4, 2020 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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