

AiPEX6

AI Powered US Equity Index 6



Monthly Performance Report - May 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

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	0.63%
YTD	0.01%
1Y	2.64%
3Y	-7.19%
5Y	2.41%
10Y	29.62%
10Y Annualized Volatility	5.92%
10Y Sharpe Ratio	-0.46
Cumulative Return	124.01%

Top 10 Holdings: As of 5/31/2024

	Index Weight(%)	Sector
MORGAN STANLEY	5.3%	Finance
AMERICAN EXPRESS CO	5.2%	Finance
AMAZON.COM INC	4.4%	Retail Trade
SCHWAB (CHARLES) CORP	3.3%	Finance
EXXON MOBIL CORP	3.3%	Energy Minerals
GENERAL MOTORS CO	2.9%	Consumer Durables
CINTAS CORP	2.8%	Consumer Services
BLACKSTONE INC	2.5%	Finance
REPUBLIC SERVICES INC	2.3%	Industrial Services
CHARTER COMMUNICATIONS INC	2.3%	Consumer Services
Total	34.3%	

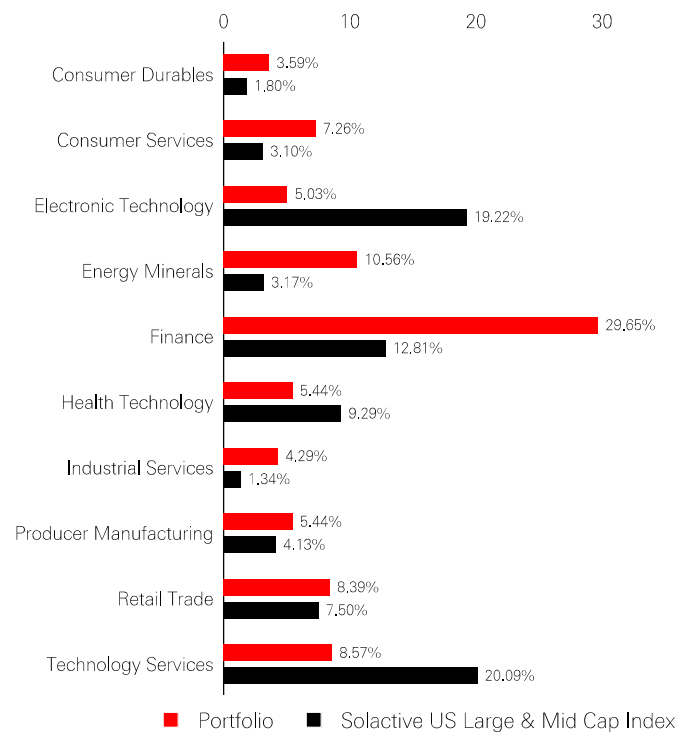
Annual Index Performance: Historical & Simulated*

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%

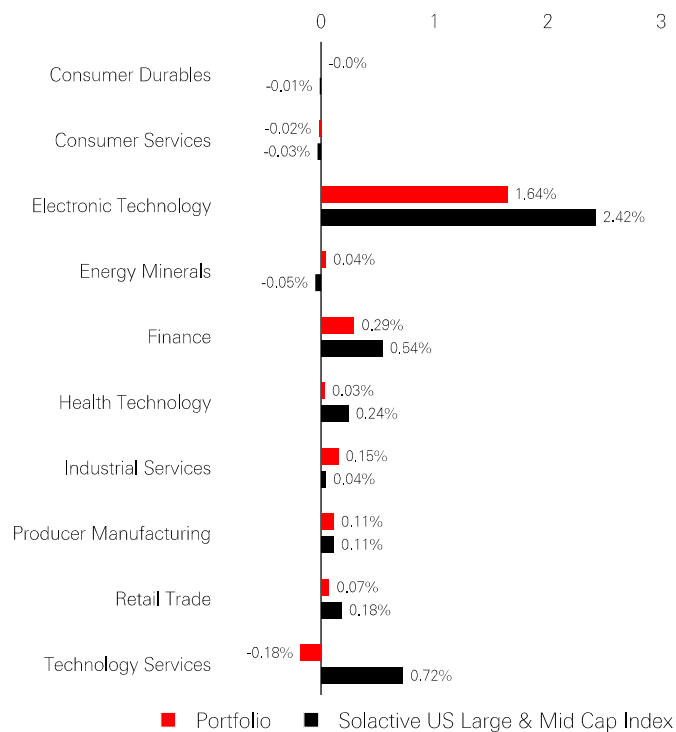
* Source: Solactive, EquBot, HSBC, Bloomberg, from 04/30/2004 to 5/31/2024. The graph and tables above set forth the hypothetical back-tested performance of the Index from April 30, 2004 through November 19, 2019 and actual index performance thereafter. See the risk factors and "Use of Simulated Returns" herein.

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Top 10 Sector Allocations



Contributions to Return



Daily Risk Control Allocation - Historical & Simulated*

	As of 5/31/2024	3Y Average	5Y Average	10Y Average
Equity Portfolio	44.86%	34.05%	32.94%	41.17%
Cash	55.14%	65.95%	67.06%	58.83%

* Source: Solactive, EquBot, HSBC, Bloomberg, from 04/30/2004 to 5/31/2024. 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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Use of Simulated Returns

Any historical performance information included in this document prior to November 19, 2019 represents only hypothetical historical results. No representation is being made that the AI Powered US Equity Index will achieve a performance record similar to that shown. In fact, there may often be sharp differences between hypothetical performance and actual performance. Back-testing and other statistical analysis material provided to you in connection with the explanations of the potential returns associated with an investment in a debt obligation or certificate of deposit linked to the AI Powered US Equity Index use simulated analysis and hypothetical assumptions in order to illustrate the manner in which the AI Powered US Equity Index may have performed in periods prior to the actual existence of the AI Powered US Equity Index. Alternative modelling techniques or assumptions may produce different hypothetical information that might prove to be more appropriate and that might differ significantly from the hypothetical information set forth above.

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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