

the DC funds

Diversified Assets – **active**
as at 30 June 2020

fund objective

To provide long-term capital growth in excess of UK price inflation. The fund aims to have less capital risk than an equities based fund by investing in a broad range of asset classes including equities, bonds, and a range of alternative assets. The fund aims to perform in line with the benchmark, over the long-term.

fund facts

Launch date:

4 October 2011

Fund size:

£530.39m

Price per share:

132.90p

Charges:

Inv Mgmt Charges: 0.00%

Additional Charges: 0.06%

Current underlying fund(s):

BlackRock Aquila Life Market Advantage Fund

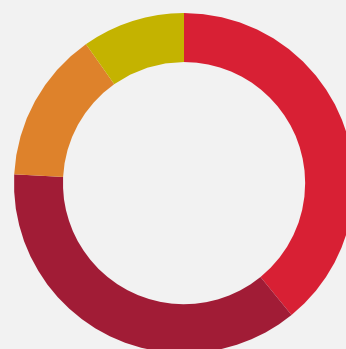
Ninety-One Diversified Growth Fund

Benchmark:

Retail Prices Index +4% per annum

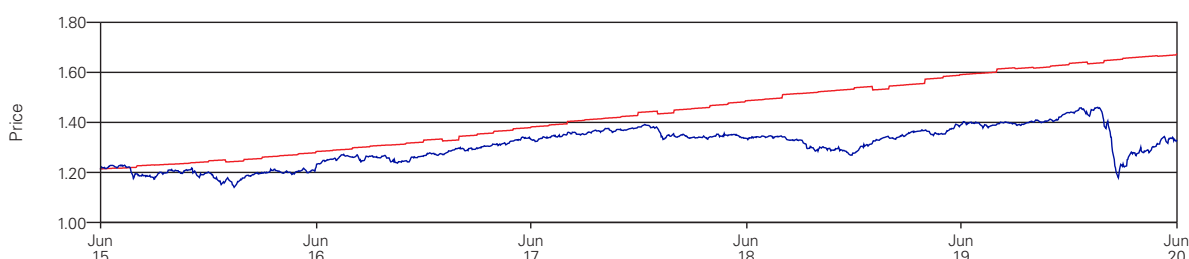
asset breakdown

	%
■ Bonds	39.12
■ Equities	36.70
■ Alternatives	14.40
■ Cash	9.78
Total	100.00



fund performance

	30 Jun 2019 - 30 Jun 2020 %	30 Jun 2018 - 30 Jun 2019 %	30 Jun 2017 - 30 Jun 2018 %	30 Jun 2016 - 30 Jun 2017 %	30 Jun 2015 - 30 Jun 2016 %
Fund	-4.18%	3.74%	0.38%	9.09%	0.49%
Benchmark	5.11%	6.98%	7.50%	7.62%	5.68%
Relative Performance	-9.29%	-3.24%	-7.12%	1.47%	-5.19%



Rolling time period	3 months	6 months	1 year	3 year p.a.	5 year p.a.	Since launch
Fund	7.61%	-7.58%	-4.18%	-0.08%	1.81%	32.90%
Benchmark	1.02%	2.26%	5.11%	6.53%	6.58%	73.38%
Relative Performance	6.59%	-9.84%	-9.29%	-6.61%	-4.77%	-40.48%

Past performance isn't a guide to future performance. The figures are shown in sterling and have been calculated using actual returns since the introduction of the current DC fund range.

Source: Morningstar, FIL Life Insurance Ltd. Single priced (i.e. no bid/offer spread), gross income reinvested and gross of fees. Indicative prices have been used if a portfolio valuation fell on a non-trading day.

for members of the HSBC Bank (UK) Pension Scheme



HSBC Bank Pension Trust (UK) Limited, 8 Canada Square London E14 5HQ
Registration number: 489775

market commentary

Global equities generated positive returns, driven by substantial monetary and fiscal policy measures unveiled globally to mitigate the economic impact of the COVID-19 pandemic. News around progress on potential vaccines and treatments for the virus, and easing of lockdown restrictions in several economies also provided support. However, risks of a potential second wave of infections after loosening of restrictions and a rise in US-China tensions kept markets volatile. Against this global backdrop, all key regional markets ended higher, with US and Pacific ex Japan equities rising significantly. Emerging markets also gained, but underperformed developed markets. From a sector perspective, information technology (IT), consumer discretionary and materials were the leading gainers.

risk rating

Very Low Low Low/Medium Medium Medium/High High Very High

All investments carry a level of risk. You need to decide how much of each type of risk you're prepared to take. The table below gives an overview of some of the risks associated with this fund.

risk type	description of risk	level of risk for this fund
Capital Risk	This is the risk that the value of your investments will fall. The younger you are, the less worried you might be about capital risk, because your investments have time to recover their value before your retire.	Med
Inflation Risk	This is the risk that the value of your investments will grow more slowly than prices rise. Inflation can be a problem for pension savings invested in cash funds particularly if the interest you're earning is less than the rate of inflation.	Med
Pension Conversion Risk	The price of an annuity changes on a regular basis. This means that the amount of income you can secure with the same amount of money will change. Pension conversion risk is the risk that the amount of income you can buy drops before you retire, because your money is invested differently to annuity funds. That's why putting more of your DC pension pot into bonds to try to match annuity prices as you get closer to retirement age can help protect against this risk.	High

About the factsheet

It is important to remember that the price of units can go down as well as up. There's no guarantee that you'll get back the amount that goes into your DC pension pot. Changes in rates of currency exchange, particularly where overseas securities are held, could also affect the value of your investment.

Although the funds can typically be bought and sold on a daily basis, if an exceptional amount of withdrawals are requested, the fund manager may need to delay when you can access your holdings. All funds are provided through FIL Life Insurance Ltd and may invest in securities issued by or hold deposits with HSBC Holdings plc and associated companies.

The Trustee can change the underlying managers or funds at any time without member consent or prior notification.

Valuation time: Business days at 5:00pm (UK time)

Dealing Process: The cut off time for switch instructions is 2:00pm each business day.

Contact us

You can find more Scheme information at:

www.futurefocus.staff.hsbc.co.uk

If you have any questions contact the HSBC Administration Team at:

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Issued June 2020

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Charges

HSBC pays the investment management charges – not you. However, there may be costs within some of the funds and these will be reflected in the unit price. These nominal costs are variable and are likely to be between nil and 0.2% a year.

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