

# the DC funds

Cash – active  
as at 31 December 2017

## fund objective

To protect the absolute value of the investment by investing in deposits and other short-term money market instruments. The fund aims to perform in line with the benchmark.

### fund facts

**Launch date:**  
23 February 2007

**Fund size:**  
£103.31m

**Price per share:**  
189.40p

**Charges:**  
Inv Mgmt Charges: 0.00%  
Additional Charges: 0.00%

**Current underlying fund(s):**  
Legal & General Cash Fund

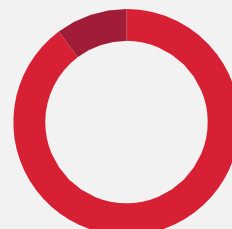
**Benchmark:**  
7 Day LIBID  
Prior to 22 September 2008  
1 Month LIBID

### top 10 holdings

	%
1. Treasury 22/01/18	13.04
2. Bank of Tokyo	9.17
3. United Overseas Bank	9.16
4. Loan	8.44
5. National Bank of Abu Dhabi	7.40
6. BNP Paribas	7.05
7. Standard Chartered Bank	7.05
8. BRED Banque Populaire	5.29
9. ANZ Bank	5.29
10. Sumitomo Mitsui Bank	3.61
<b>Total</b>	<b>75.50</b>

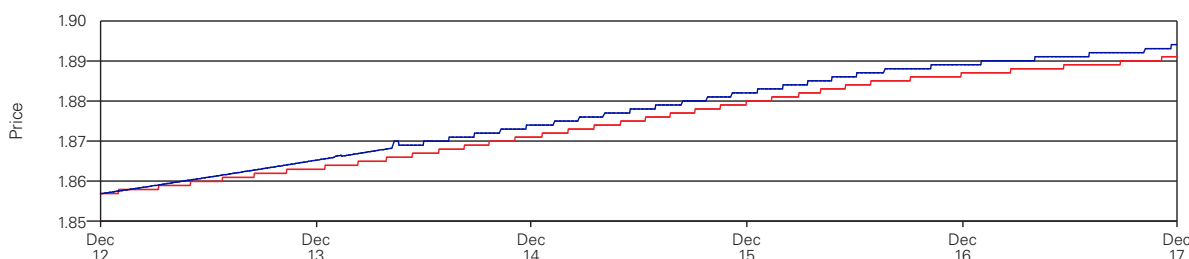
### asset breakdown

	%
■ Term Deposits	89.76
■ Others	10.24
<b>Total</b>	<b>100.00</b>



## fund performance

	31 Dec 2016 - 31 Dec 2017 %	31 Dec 2015 - 31 Dec 2016 %	31 Dec 2014 - 31 Dec 2015 %	31 Dec 2013 - 31 Dec 2014 %	31 Dec 2012 - 31 Dec 2013 %
<b>Fund</b>	0.26%	0.37%	0.43%	0.47%	0.45%
<b>Benchmark</b>	0.24%	0.38%	0.45%	0.42%	0.35%
<b>Relative Performance</b>	0.02%	-0.01%	-0.02%	0.05%	0.10%



Rolling time period	3 months	6 months	1 year	3 year p.a.	5 year p.a.	Since launch
Fund	0.11%	0.16%	0.26%	0.35%	0.40%	14.87%
Benchmark	0.08%	0.13%	0.24%	0.36%	0.37%	14.57%
Relative Performance	0.03%	0.03%	0.02%	-0.01%	0.03%	0.30%

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

In the UK, the Bank of England (BoE) raised interest rates in November for the first time since 2007 by a quarter of a percentage point to 0.5%. On the economic front, the Organisation for Economic Co-operation and Development (OECD) said it expects the UK's growth to worsen over the next two years. It cited weak productivity, inflation due to the cheaper sterling, and ballooning consumer debt as the major causes for a slowdown in consumption. This is another blow for the UK, after sharp cuts to GDP forecasts were unveiled in the budget in November. "Brexit" negotiations also dominated headlines over the quarter. The completion of the first phase of negotiations cheered investors as the deal ruled out a hard border for Northern Ireland and protected the rights of three million European Union (EU) citizens in the UK.

## 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
<b>Capital Risk</b>	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.	Very Low
<b>Inflation Risk</b>	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 High
<b>Pension Conversion Risk</b>	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.	Med

## 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.

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](http://www.futurefocus.staff.hsbc.co.uk)

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

email: [HSBCpension@willistowerswatson.com](mailto:HSBCpension@willistowerswatson.com)

phone: 01737 227 575

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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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