

# the DC funds

Cash – active  
as at 31 March 2020

## 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:**  
£133.11m

**Price per share:**  
192.10p

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

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

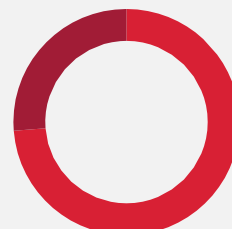
**Benchmark:**  
7 Day LIBID  
Prior to 22 September 2008 1 Month LIBID

### top 10 holdings

|                               | %            |
|-------------------------------|--------------|
| 1. UK Treasury                | 17.54        |
| 2. Credit Agricole CIB London | 8.72         |
| 3. Bank of Montreal           | 8.72         |
| 4. DZ Bank                    | 8.72         |
| 5. Bank of Tokyo-Mitsub       | 8.15         |
| 6. National Bank of Canada    | 8.14         |
| 7. PMC Loan                   | 8.14         |
| 8. Bred - Banque Populaire    | 7.56         |
| 9. Sumitomo Mitsui Banking    | 7.47         |
| 10. Landesbank Hessen-Thurin  | 5.82         |
| <b>Total</b>                  | <b>88.98</b> |

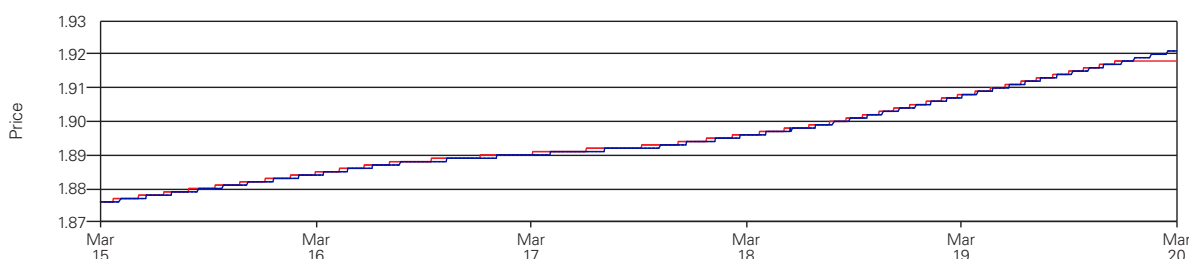
### asset breakdown

|                 | %             |
|-----------------|---------------|
| ■ Term Deposits | 73.78         |
| ■ Others        | 26.22         |
| <b>Total</b>    | <b>100.00</b> |



## fund performance

|                             | 31 Mar 2019 -<br>31 Mar 2020<br>% | 31 Mar 2018 -<br>31 Mar 2019<br>% | 31 Mar 2017 -<br>31 Mar 2018<br>% | 31 Mar 2016 -<br>31 Mar 2017<br>% | 31 Mar 2015 -<br>31 Mar 2016<br>% |
|-----------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| <b>Fund</b>                 | 0.73%                             | 0.58%                             | 0.32%                             | 0.32%                             | 0.43%                             |
| <b>Benchmark</b>            | 0.54%                             | 0.62%                             | 0.29%                             | 0.32%                             | 0.46%                             |
| <b>Relative Performance</b> | 0.19%                             | -0.04%                            | 0.03%                             | 0.00%                             | -0.03%                            |



| Rolling time period  | 3 months | 6 months | 1 year | 3 year p.a. | 5 year p.a. | Since launch |
|----------------------|----------|----------|--------|-------------|-------------|--------------|
| Fund                 | 0.16%    | 0.37%    | 0.73%  | 0.54%       | 0.48%       | 16.51%       |
| Benchmark            | 0.11%    | 0.26%    | 0.54%  | 0.42%       | 0.37%       | 16.02%       |
| Relative Performance | 0.05%    | 0.11%    | 0.19%  | 0.12%       | 0.11%       | 0.49%        |

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) began to buy £200 billion of assets to support the economy as the rapid spread of COVID-19 paralysed the major economies, resulting in a demand shock much larger than a typical recession. Thirty-year UK government bond (Gilt) yields dropped more than 0.25 percentage points, representing the biggest one-day price gain since the BoE first began quantitative easing in March 2009. The BoE also cut interest rates, setting borrowing costs at their lowest point in history. The UK left the European Union on 31 January; attention now turns to negotiations over their future trade deal. The UK government wants to conclude negotiations this year, although this timetable is highly uncertain, and a no-deal exit at the end of 2020 remains a possibility.

## 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.

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](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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