

The DC Funds

Asia Pacific (ex Japan) Equities – passive as at 30 September 2021

Fund objective

To provide long-term capital growth in excess of UK price inflation by investing predominantly in Asia Pacific (ex Japan) listed shares. The fund aims to perform in line with the benchmark as closely as possible.

Fund Facts

Launch Date:
1/3/2018

Fund size:
£16.17m

Price Per Share:
252.80p

Base Currency:
GBP

Does this fund form part of an HSBC default strategy?
No

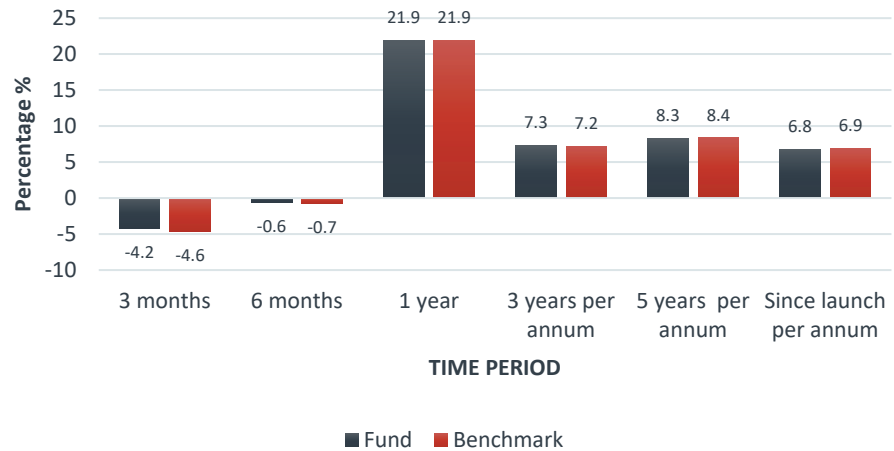
Charges:
Inv Mgmt Charges: 0.00%
Additional Charges: 0.00%

Current Underlying Fund(s):
100% L&G Asia Pacific (Ex Japan) Equity Index Fund

Current Benchmark:
FTSE Developed Asia Pacific ex Japan Index

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.

Fund Performance



Note

Past performance is not 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: FIL Life Insurance Ltd. Single priced (i.e. no bid/offer spread), gross income reinvested and net of fees. Indicative prices have been used if a portfolio valuation fell on a non-trading day. The fund was launched on 1st March 2018, but links to an underlying fund which has been in existence for a number of years. Before 1st March 2018, performance is simulated based on data provided by L&G, the underlying fund provider. Thereafter, returns are produced by Fidelity on a monthly basis.

For members of the HSBC Bank (UK) Pension Scheme

Fund performance (continued)

	30 Sept 2020 - 30 Sept 2021	30 Sept 2019 - 30 Sept 2020	30 Sept 2018 - 30 Sept 2019	30 Sept 2017 - 30 Sept 2018	30 Sept 2016 - 30 Sept 2017
	%	%	%	%	%
Fund	21.9	-2.8	4.3	5.4	14.6
Benchmark	21.9	-2.8	3.9	6.4	14.1
Relative Performance	0.0	0.0	0.4	-1.0	0.5

Past performance is not 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: FIL Life Insurance Ltd. Single priced (i.e. no bid/offer spread), gross income reinvested and net of fees. Indicative prices have been used if a portfolio valuation fell on a non-trading day. The fund was launched on 1st March 2018, but links to an underlying fund which has been in existence for a number of years. Before 1st March 2018, performance is simulated based on data provided by L&G, the underlying fund provider. Thereafter, returns are produced by Fidelity on a monthly basis.

Market Commentary

Asia Pacific ex Japan equities came under pressure amid worries over a fluid COVID-19 situation in the region and regulatory risks in China. Chinese stocks were clouded by regulatory tightening targeting specific sectors such as education, property, consumer and information technology (IT), among others. More recently, news flows around liquidity issues at Chinese property developer Evergrande Real Estate Group and a potential wider contagion effect on China and the global economy triggered a sell-off in property developers, banks and related industries. To soothe investor concerns, the People's Bank of China injected significant liquidity in the financial market. Equities in Korea and Taiwan was subdued during the period. An evolving COVID-19 situation weighed on equities in Thailand and the Philippines. On a positive note, the Indian market was the best performer in the region over the year-to-date period and during the quarter, driven by strong domestic demand and improving macroeconomic conditions. Indonesian equities gained momentum following an upbeat GDP reading for the second quarter. At a sector level, consumer discretionary and communication services were the weakest performers, while energy, utilities and materials recorded positive returns. Source: Fidelity. This is general market commentary and should not be considered as advice.

TOP 10 HOLDINGS

1	Samsung Electronics Co Ltd	9.20%
2	Alia Group Ltd	4.39%
3	Commonwealth Bank of Australia	4.20%
4	CSL Ltd	3.03%
5	BHP Group Ltd	2.51%
6	Hong Kong Exchanges & Clear	2.46%
7	Westpac Banking Corp	2.16%
8	National Australia Bank Ltd	2.08%
9	Australia & NZ Banking Group	1.81%
10	Samsung Electronics Pref	1.56%
	TOTAL	33.40%

GEOGRAPHICAL BREAKDOWN

1	Australia	39.74%
2	Korea	33.71%
3	Hong Kong	18.50%
4	Singapore	6.20%
5	New Zealand	1.60%
6	China	0.14%
7	Taiwan	0.05%
8	India	0.04%
9	Malaysia	0.01%
10	Indonesia	0.01%
	TOTAL	100.00%

INDUSTRY SECTOR BREAKDOWN




1	Financials	27.73%
2	Technology	17.72%
3	Consumer Services	10.29%
4	Industrials	9.92%
5	Basic Materials	8.91%
6	Real Estate	7.62%
7	Health Care	7.21%
8	Consumer Goods	4.18%
9	Other	3.90%
10	Utilities	2.52%
	TOTAL	100.00%

For members of the HSBC Bank (UK) Pension Scheme

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. Investors in higher capital risk funds should expect to see above average growth over the long term, but might see big falls in value in the short term. The younger you are, the less worried you might be about capital risk, because your investments have time to recover their value before you retire. Higher capital risk funds may be less suitable if you are close to retirement and want more certainty.	
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 or bond funds particularly if the interest you're earning is less than the rate of inflation and you are some way from retirement.	
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, if you wish to buy an annuity to provide a regular income through retirement, 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. If you wish to continue investing your pension savings during retirement and access drawdown then this is less of a concern.	

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, fund managers may need to delay when you can access your holdings in a fund(s) due to exceptional market circumstances. 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 within this fund, or decide to withdraw or replace the fund at any time, without member consent or prior notification. This factsheet should be read alongside the investment guide.

Making fund choices is an important decision that could have a significant effect on your benefits. This factsheet has been produced to provide you with fund information and is not designed to provide advice or a recommendation on the suitability of an investment for your personal financial circumstances. The Trustee cannot give you financial advice about your fund choices. Consider taking independent financial advice before making any investment decisions.

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 Scheme Administrator, Willis Towers Watson, at: Email: HSBCpension@willistowerswatson.com

Phone: 01737 227 575

Issued by HSBC Bank Pension Trust (UK) Limited 2021

© Copyright HSBC Bank Pension Trust (UK) Limited 2021. All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of HSBC Bank Pension Trust (UK) Limited. Members of the pension scheme may, however, copy appropriate extracts in connection with their own benefits under the Scheme.