

fund **objective**

To mitigate against pension conversion risk (for non-increasing and fixed increase annuities)

fund **facts**

**Launch date:**  
23 February 2007

**Fund size:**  
£80.73m

**Price per share:**  
281.40p

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

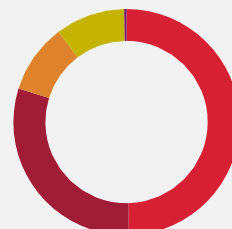
**Current underlying fund(s):**  
Legal & General Pre-Retirement Bond Fund

top 10 **holdings**

	%
1. UK Gilt 4.5% 2042	6.47
2. UK Gilt 4.25% 2046	5.96
3. UK Gilt 4.25% 2049	5.70
4. UK Gilt 4.5% 2034	5.48
5. UK Gilt 4.25% 2027	3.50
6. UK Gilt 4.25% 2055	2.23
7. Engie 5% 2060	0.96
8. Pfizer 2.735% 2043	0.81
9. GSK 5.25% 2042	0.77
10. University of Oxford 2.544% 2117	0.68
<b>Total</b>	<b>32.56</b>

asset **breakdown**

	%
Corporates	49.68
Gilts	30.11
Sub-Sovereigns	9.95
Collateralized	9.94
Sovereigns	0.32
<b>Total</b>	<b>100.00</b>



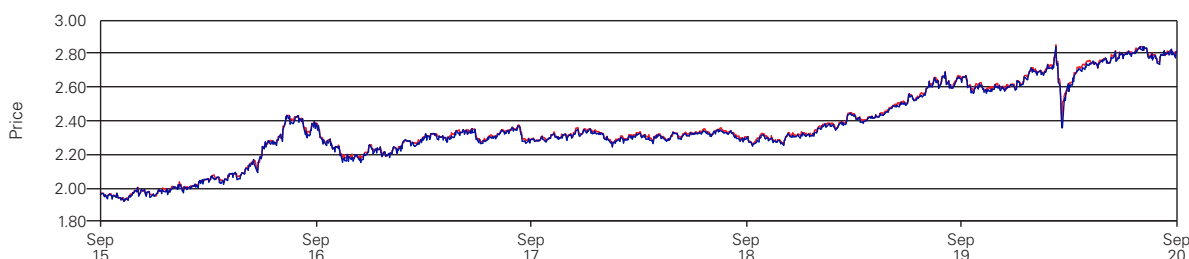
**Benchmark:**

A composite of Gilts and Corporate Bonds

From 4 October 2011 until 25 March 2015 50% FTSE A Over 15 Year Gilt Index and 50% iBoxx £ Non Gilt Over 15 Year Index. Prior to 4 October 2011, FTSE Over 15 Year Gilt Index

fund **performance**

	30 Sep 2019 - 30 Sep 2020 %	30 Sep 2018 - 30 Sep 2019 %	30 Sep 2017 - 30 Sep 2018 %	30 Sep 2016 - 30 Sep 2017 %	30 Sep 2015 - 30 Sep 2016 %
<b>Fund</b>	6.27%	15.68%	0.13%	-4.11%	21.51%
<b>Benchmark</b>	5.78%	15.20%	0.60%	-3.99%	21.49%
<b>Relative Performance</b>	0.49%	0.48%	-0.47%	-0.12%	0.02%



Rolling time period	3 months	6 months	1 year	3 year p.a.	5 year p.a.	Since launch
Fund	0.82%	9.28%	6.27%	7.17%	7.48%	181.40%
Benchmark	0.48%	8.69%	5.78%	7.03%	7.41%	181.82%
Relative Performance	0.34%	0.59%	0.49%	0.14%	0.07%	-0.42%

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 bond markets generated mixed returns across the board. Corporate bonds outperformed government bonds, with high yield credit outperforming investment grade bonds. UK government bond (Gilt) yield curve steepened in Q3. 30-year Gilt yields, which are sensitive to long-term inflation expectations, rose to the highest level since March, while shorter-dated yields remain anchored as Brexit concerns and an accommodative monetary policy boosted demand for government bonds. On the economic front, manufacturing activity expanded at a robust pace in the third quarter of 2020. The UK's Manufacturing PMI remained above the threshold mark of 50.0 for the fourth straight month in September, and touched a two-and-a-half year high of 55.2 in August.

## 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.	Med
<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
<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.	Low

## 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)

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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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