HSBC Global Funds ICAV - Global Government Bond Index Fund

Share Class ACH

28 Feb 2021

Fund Objective and Strategy

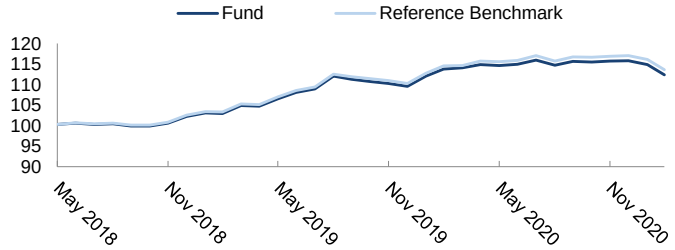
Investment Objective

The Fund aims to provide long-term regular income and capital growth by tracking as closely as possible the performance of the FTSE World Government Bond Index (total return hedged to US dollars) (the Index).

Investment Policy

The Index is comprised of investment grade bonds; it includes fixed-rate local currency government bonds from developed and emerging markets issuers.The Fund will be passively managed and will invest in bonds issued by governments, government-related entities and supranational entities based in developed and emerging markets, all of which are Index constituents. It uses an investment technique called optimisation, which seeks to minimise the difference in return between the Fund and the Index by considering tracking error (the risk that the Fund return varies from the Index return) and trading costs when constructing a portfolio. The Fund will not necessarily invest in every Index constituent or invest proportionally to each constituents' Index weight may invest in assets outside of the Index, such as: bonds with a credit rating of Ba1, BB+ and below; as well as cash, money market instruments and funds.The Fund's primary currency exposure is to USD.See the Prospectus for a full description of the investment objectives and derivative usage.

Since Inception Performance (%)



Performance (%)	YTD	1M	3M	1Y	3Y[1]	5Y[1]	Since Inception[1]
ACH	-2.94	-2.17	-2.88	-1.24	-	-	4.21
Reference Benchmark	-2.89	-2.16	-2.76	-0.82	-	-	4.62

Rolling Performance (%)	29 Feb 2020-28 Feb 2021	28 Feb 2019-29 Feb 2020	28 Feb 2018-28 Feb 2019	28 Feb 2017-28 Feb 2018	29 Feb 2016-28 Feb 2017
ACH	-1.24	10.53	-	-	-
Reference Benchmark	-0.82	10.88	-	-	-

Past performance is not an indicator of future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.
Source: HSBC Global Asset Management, data as at 28 February 2021

Share Class Details	
UCITS V Compliant	Yes
Distribution Type	Accumulating
Dealing Frequency	Daily
Valuation Time	23:00 Ireland
Min. Initial Investment	USD 5,000
Ongoing Charge Figure [2]	0.450%
Share Class Base Currency	USD
Domicile	Ireland
ISIN	IE00BF5F9F21
Valoren	41181582
Share Class Inception Date	02 May 2018
NAV per Share	USD 11.24
Fund Size	USD 2,254,353,915
Bloomberg Ticker	HSGIACH ID
Reference Benchmark	FTSE World Government Hedged USD
Manager	HSBC Passive Fixed Income Team

[1]Result is annualised when calculation period is over one year.
[2]Ongoing Charges Figure, is based on expenses over a year. The figure includes annual management charge but not the transaction costs. Such figures may vary from time to time.

Risk Disclosure

• The Fund's unit value can go up as well as down, and any capital invested in the Fund may be at risk.
• The Fund invests in bonds whose value generally falls when interest rates rise. This risk is typically greater the longer the maturity of a bond investment and the higher its credit quality. The issuers of certain bonds, could become unwilling or unable to make payments on their bonds and default. Bonds that are in default may become hard to sell or worthless.
• The Fund may invest in Emerging Markets, these markets are less established, and often more volatile, than developed markets and involve higher risks, particularly market, liquidity and currency risks.
• To the extent that the Fund seeks to replicate index performance by holding individual securities, there is no guarantee that its composition or performance will exactly match that of the target index at any given time ("tracking error").
• Derivatives may be used by the Fund, and these can behave unexpectedly. The pricing and volatility of many derivatives may diverge from strictly reflecting the pricing or volatility of their underlying reference(s), instrument or asset.
• Investment Leverage occurs when the economic exposure is greater than the amount invested, such as when derivatives are used. A Fund that employs leverage may experience greater gains and/or losses due to the amplification effect from a movement in the price of the reference source.
• Further information on the Fund's potential risks can be found in the Key Investor Information Document and Prospectus.

HSBC Global Asset Management

3-Year Risk Measures	ACH	Reference Benchmark
Volatility	-	-
Sharpe Ratio	-	-
Tracking Error	-	-
Information Ratio	-	-

5-Year Risk Measures	ACH	Reference Benchmark
Volatility	-	-
Sharpe Ratio	-	-
Tracking Error	-	-
Information Ratio	-	-

Characteristics	Fund	Reference Benchmark	Relative
Number of Holdings ex Cash	730	1,083	-
Average Coupon	1.86	2.00	-0.15
Option Adjusted Duration (OAD)	8.74	8.76	-0.02
Yield to Worst (Gross)	0.51	0.52	-0.01

Characteristics	Fund	Reference Benchmark	Relative
Modified Duration to Worst	8.58	8.60	-0.02
Option Adjusted Spread Duration (OASD)[3]	8.55	8.57	-0.02
Rating Average[4]	AA/AA-	AA/AA-	-
Maturity Average	10.04	10.21	-0.17

Credit Quality Rating Allocation (Market Value %)	Fund	Reference Benchmark	Relative
AAA	48.00	48.54	-0.54
AA	18.29	18.28	0.00
A	24.41	24.45	-0.03
BBB	8.66	8.73	-0.07
Cash	0.64	-	0.64

Sorted from highest to lowest rating. Cash is not included in any rating.

Sector Allocation (Market Value %)	Fund	Reference Benchmark	Relative
Treasuries	99.36	100.00	-0.64
Cash	0.64	-	0.64

Sorted from largest to smallest per market values of weight.

Maturity Breakdown (Option Adjusted Duration)	Fund	Reference Benchmark	Relative
0-2 years	0.18	0.20	-0.02
2-5 years	0.94	0.95	-0.01
5-10 years	1.86	1.81	0.04
10+ years	5.77	5.80	-0.03
Total	**8.74**	**8.76**	**-0.02**

Sorted from shortest to longest per the length of maturity.

Geographical Allocation (Market Value %)	Fund	Reference Benchmark	Relative
United States	35.31	35.78	-0.46
Japan	17.33	17.36	-0.02
France	8.85	8.86	-0.01
Italy	8.01	8.07	-0.06
Germany	6.36	6.38	-0.02
United Kingdom	5.47	5.48	-0.01
Spain	5.08	5.04	0.04
Belgium	2.14	2.12	0.02
Australia	1.89	1.89	0.00
Canada	1.63	1.63	0.00
Other Locations	7.28	7.40	-0.12
Cash	0.64	-	0.64

Only top 10 breakdowns are displayed. Other breakdowns are included in Others.

Currency Allocation (Market Value %)	Fund	Reference Benchmark	Relative
USD	99.94	100.00	-0.06
EUR	0.15	-	0.15
PLN	0.03	-	0.03
CAD	0.01	-	0.01
ZAR	0.00	-	0.00
NOK	0.00	-	0.00
SEK	0.00	-	0.00
ILS	-0.01	-	-0.01
SGD	-0.01	-	-0.01
MYR	-0.01	-	-0.01
Other Currencies	-0.09		-0.09

Only top 10 breakdowns are displayed. Other breakdowns are included in Others.

Top 10 Holdings (%)	Weight (%)
US TREASURY N/B 2.750 15/11/23	1.02
US TREASURY N/B 3.125 15/11/28	0.63
US TREASURY N/B 1.875 31/03/22	0.57
US TREASURY N/B 0.125 15/01/24	0.56
US TREASURY N/B 0.125 30/04/22	0.53
US TREASURY N/B 2.250 31/10/24	0.52
DEUTSCHLAND REP 0.500 15/02/25	0.50
US TREASURY N/B 0.875 15/11/30	0.50
US TREASURY N/B 5.375 15/02/31	0.49
US TREASURY N/B 1.875 28/02/22	0.47

[3]Spread duration excludes interest rate futures and bond futures. We can force the local government spread duration to zero for certain funds on request.

[4]Average credit rating uses 'Index rating' which is an average of S&P, Fitch, Moody's. The average fund and benchmark rating does not include securities rated NR or NA.

Source: HSBC Global Asset Management, data as at 28 February 2021

Index Disclaimer

FTSE International Limited ("FTSE") © FTSE 2021. "FTSE®" is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under licence. All rights in the FTSE indices and / or FTSE ratings vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and / or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

Important Information

This document has no contractual value and is not by any means intended as a solicitation, nor a recommendation for the purchase or sale of any financial instrument. (Potential) investors are kindly asked to consult the latest issued Key Investor Information Document (KIID), prospectus, articles of incorporation and the (semi-)annual report of the fund which may be obtained free of charge at the head office of the representative: HSBC Global Asset Management (Switzerland) AG, Gartenstrasse 26, Postfach, CH-8002 Zürich, Schweiz. Paying agent: HSBC Private Bank (Suisse) S.A., Quai des Bergues 9-17, P. O. Box 2888, CH-1211 Geneva 1. Investors and potential investors should read and note the risk warnings in the prospectus and relevant KIID. Before subscription, investors should refer to the prospectus for general risk factors and to the KIID for specific risk factors associated with this fund. Issue and redemption expenses are not taken into consideration in the calculation of performance data.

Further Information can be found in the prospectus.

Terms of Glossary

Accumulation Share: a type of share where the income earned by the Fund is retained in the Fund
ACD: HSBC Global Asset Management (UK) Limited, the Authorised Corporate Director of the Company
Actively Managed: where the fund manager uses their expertise to pick investments to achieve the fund's objectives
Beta: an historical measure of volatility to measure how a fund moves versus its benchmark (i.e. an Index)
Bond(s): a loan, usually to a company or government, that pays interest
Bond Index Futures: a contract stating that the holder agrees to purchase a bond index at a particular price on a specified future date
Collective Investment Scheme: a fund that more than one person contributes to with the aim of increasing the value of their investments or receiving income from a pooled investment. A fund manager will invest the pooled money into one or more types of asset, such as stocks, bonds or property
Credit Rating: an assessment of the credit risk of a company, government or other organisation. It seeks to measure how likely it is that the issuer of a bond will be able to continue to make interest payments and repay the money loaned to it
Developed Markets: countries with relatively high levels of personal income and established economies
Duration: a measure of how long it takes in years for an investor in a bond to recoup the price they paid for the bond from its interest payments. It provides an indication of how much bond prices are likely to change if and when interest rates change
Emerging Markets (EM): countries that are progressing toward becoming advanced, usually shown by some development in financial markets, the existence of some form of stock exchange and a regulatory body
Futures: a financial contract obligating the buyer to purchase an asset (or the seller to sell an asset), such as a physical commodity or a financial instrument, at a predetermined future date and price
Growth: the increase in the value of investments
Government Bond or Gilt: a loan to a national government in return for regular payments (known as the coupon) and a promise that the original investment (principal) is paid back at a specified date. Gilts are loans to the UK government
Hedge Funds: an investment fund that pools money from investors and invests in a variety of assets, often with complex investment strategies and risk management techniques
Hedge or Hedging: using derivative type investments as a way to reduce risk
High yield bond: a bond paying a higher level of interest but which has a lower credit rating than investment grade
Income: money generated by a fund, such as interest from a bond or a dividend from a share, which can be paid out to its investors or paid back into the fund and reinvested
Income Share: the type of Share where the income earned by the Fund is paid out to you
Information Ratio: a measure of the risk-adjusted return of a fund against its benchmark
Investment Grade: a credit rating that indicates the issuer of a bond has a relatively low risk of being unable to make interest payments and repay the money to it
Maturity: the period of time left for a bond or gilt to remain outstanding before the original loan and any final interest is repaid to the lender
Net Asset Value (NAV): the value of the scheme property of a fund less the liabilities of the fund
Ongoing Charges Figure: a measure of what it costs to invest in a fund. It includes the fee paid to the ACD and other operating costs
Option adjusted duration (OAD): a duration value based on the probability of early redemption call by the bond issuer
Option adjusted spread duration (OASD): estimates the price sensitivity of a bond to a 100 basis-point movement (either widening or narrowing) in its spread relative to treasuries, taking into account the likelihood of early redemption
Property-related securities: shares of property companies that own, manage or develop property and Real Estate Investment Trusts (REITs), which are investment companies that own buildings and land
Return(s): the money made or lost on an investment
Share(s): an equally valued holding in a fund of a company, representing part ownership of that fund, (including larger denomination shares and smaller denomination shares)
Sharpe ratio: a measure for calculating risk-adjusted return, and this ratio has become the industry standard for such calculations
Volatility: a measure of the size and frequency of changes in the value of an investment over a short space of time
Yield: the income from an investment, usually stated as a percentage of the value of the investment
Yield to Maturity: the total return anticipated on a bond if the bond is held until the end of its lifetime, excluding strategic currency hedges for Portfolio/Benchmark calculations. Number is shown in percentage
Yield to Worst: the lowest potential yield that can be received on a bond without the issuer actually defaulting, excluding strategic currency hedges for Portfolio/Benchmark calculations. Number is shown in percentage