

HSBC Index Tracker Investment Funds

Sterling Corporate Bond Index Fund

Monthly report 31 July 2024 | Share class Acc S

Investment objective

The Fund aims to track the performance of the Markit iBoxx GBP Non-Gilts Index (the "Index") before the deduction of charges and tax.

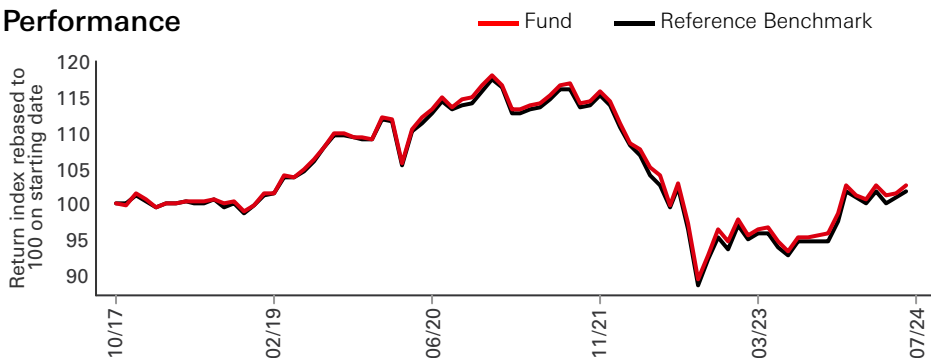
Investment strategy

The Fund will invest in a representative sample of the Sterling denominated bonds that make up the Index. The Fund may also invest in Sterling denominated bonds that are no longer or not yet part of part of the Index, as well as bonds issued by the UK Government (gilts). The Fund does not intend to use bonds that are not part of the Index extensively and their use will be consistent with the risk profile of the Fund. The Fund's performance is measured against the Index, because the Fund intends to track the performance of the Index. The Index consists of various types of bond that have a credit rating of investment grade and are issued globally by companies (corporates), other large organisations and governments, other than the UK Government, as defined by the Index provider.

Main risks

- The value of investments and any income from them can go down as well as up and you may not get back the amount originally invested.
- Where overseas investments are held the rate of currency exchange may cause the value of such investments to go down as well as up.
- 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.

Performance



Share class details

Key metrics

NAV per share	GBP 1.07
Performance 1 month	1.47%
Yield to maturity	5.00%

Fund facts

UCITS V compliant	Yes
UK reporting fund status (UKRS)	Yes
ISA eligible	Yes
Dividend treatment	Accumulating
Dividend ex-date	16 August 2019
Dealing frequency	Daily
Valuation time	12:00 United Kingdom

Share class base currency	GBP
Domicile	United Kingdom
Inception date	10 October 2017
Fund size	GBP 96,414,460
Reference benchmark	100% Markit iBoxx GBP Non-Gilts Index
Managers	HSBC Passive Fixed Income Team

Fees and expenses

Minimum initial investment ¹	GBP 10,000,000
Ongoing charge figure ²	0.110%

Codes

ISIN	GB00BZ01ZG88
Bloomberg ticker	HSBCBAS LN
SEDOL	BZ01ZG8

¹Please note that initial minimum subscription may vary across different distributors
²Ongoing 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.

Past performance does not predict future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.

This is a marketing communication. Please refer to the prospectus and to the KID before making any final investment decisions.

For definition of terms, please refer to the Glossary QR code and Prospectus.

Source: HSBC Asset Management, data as at 31 July 2024

Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	10 years ann	Since inception ann
Acc S	1.43	1.47	3.08	2.83	9.42	-3.73	-0.71	--	0.67
Reference Benchmark	1.50	1.57	3.23	2.42	9.16	-3.87	-0.90	--	0.54

Rolling performance (%)	31/07/23-31/07/24	31/07/22-31/07/23	31/07/21-31/07/22	31/07/20-31/07/21	31/07/19-31/07/20	31/07/18-31/07/19	31/07/17-31/07/18	31/07/16-31/07/17	31/07/15-31/07/16	31/07/14-31/07/15
Acc S	9.42	-7.36	-11.97	1.42	6.65	7.71	--	--	--	--
Reference Benchmark	9.16	-7.67	-11.85	1.61	5.88	7.90	--	--	--	--

3-Year Risk Measures	Acc S	Reference Benchmark	5-Year Risk Measures	Acc S	Reference Benchmark
Volatility	9.02%	8.99%	Volatility	8.23%	8.17%
Sharpe ratio	-0.78	-0.80	Sharpe ratio	-0.34	-0.37
Tracking error	1.14%	--	Tracking error	1.05%	--
Information ratio	0.12	--	Information ratio	0.18	--

Fixed Income Characteristics	Fund	Reference Benchmark	Relative
No. of holdings ex cash	494	1,250	--
Average coupon rate	3.95	4.05	-0.10
Yield to worst	4.91%	4.99%	-0.08%
Current yield	4.04%	4.15%	-0.10%
Option adjusted duration	5.57	5.56	0.02
Option adjusted spread duration	5.53	5.55	-0.02
Average maturity	7.78	7.88	-0.10
Rating average	A+/A	A+/A	--

Credit rating (%)	Fund	Reference Benchmark	Relative
AAA	20.68	20.92	-0.25
AA	13.68	13.08	0.60
A	28.62	30.07	-1.44
BBB	36.44	35.85	0.59
BB	0.23	0.08	0.14
Cash	0.36	--	0.36

Geographical allocation (Option adjusted duration)	Fund	Reference Benchmark	Relative
UK	2.95	2.89	0.06
Europe-ex UK	1.20	1.22	-0.02
North America	0.82	0.83	-0.01
Supranational	0.46	0.46	0.00
Asia	0.08	0.10	-0.02
Latam	0.05	0.04	0.01
Middle East	0.02	0.01	0.01
Total	5.57	5.56	0.02

**Maturity Breakdown
 (Option adjusted
 duration)**

	Fund	Reference Benchmark	Relative
0-2 years	0.18	0.23	-0.05
2-5 years	1.31	1.17	0.14
5-10 years	1.34	1.34	-0.01
10+ years	2.75	2.81	-0.07
Total	5.57	5.56	0.02

Sector allocation (%)	Fund	Reference Benchmark	Relative
Financials	30.37	30.61	-0.24
Utilities	12.23	11.61	0.63
Supranationals	11.57	11.77	-0.20
Agencies	8.66	8.56	0.10
Consumer Services	5.79	5.25	0.54
Housing Associations	4.34	4.58	-0.24
Consumer Goods	4.16	4.86	-0.70
Public Banks	3.85	3.46	0.39
Telecommunications	3.56	4.01	-0.45
Industrials	2.64	2.48	0.16
Other Sectors	12.47	12.81	-0.34
Cash	0.36	--	0.36

Top 10 holdings

	Weight (%)
INT BK RECON&DEV 1.250 13/12/28	0.84
KFW 3.750 30/07/27	0.82
KFW 0.875 15/09/26	0.78
CPPIB CAPITAL 1.250 07/12/27	0.66
HSBC HOLDINGS 8.201 16/11/34	0.64
NATWEST MARKETS 6.375 08/11/27	0.63
E.ON INTL FIN BV 6.375 07/06/32	0.57
BNP PARIBAS 6.000 18/08/29	0.55
ASIAN DEV BANK 3.875 22/07/27	0.51
NED WATERSCHAPBK 0.875 30/09/26	0.48

Risk disclosures

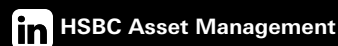
- The Fund may be concentrated in a limited number of securities, economic sectors and/or countries and as a result, may be more volatile and have a greater risk of loss than more broadly diversified funds.
- To the extent that the Fund seeks to replicate index performance by holding individual securities, 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.
- Liquidity is a measure of how easily the Fund's holdings can be quickly converted to cash. The value of the Fund's holdings may be significantly impacted by liquidity risk during adverse market conditions.
- Further information on the potential risks can be found in the Key Information Document (KID) and/or the Prospectus or Offering Memorandum.

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Source: HSBC Asset Management, data as at 31 July 2024

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Glossary



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