

# HSBC ETFs PLC - HSBC MSCI AC Far East ex Japan UCITS ETF

HMAF LN

30 Jun 2020

## Fund Objective and Strategy

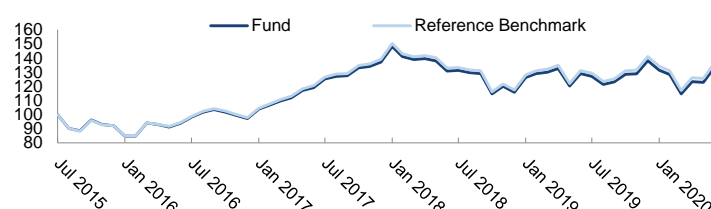
### Investment Objective

The Fund aims to track as closely as possible the returns of the MSCI AC Far East ex Japan Index (the "Index"). The Fund will invest in or gain exposure to shares of companies which make up the Index.

### Investment Policy

The Index is made up of large and medium sized companies in China, Hong Kong, Indonesia, Korea, Malaysia, Philippines, Singapore, Taiwan and Thailand, as defined by the Index provider. The Fund will be passively managed and will utilise an investment technique called optimisation, which seeks to minimise the difference in return between the Fund and the Index by taking into account tracking error and trading costs when constructing a portfolio. The Fund will not necessarily invest in every company that comprises the Index, or invest proportionally to each company's weight in the Index. It can also invest in companies outside the Index but which are expected to provide similar performance and risk characteristics to certain Index constituents. If the Fund cannot invest directly in the companies, it may gain exposure by using other investments such as depositary receipts. The Fund may invest in China A-shares, and up to 10% of its assets in other funds. See the Prospectus for a full description of the investment objectives and derivative usage.

## Performance (%)



Performance (%)	YTD	1M	3M	1Y	3Y <sup>1</sup>	5Y <sup>1</sup>
Fund	-3.52	8.62	16.28	3.33	3.82	4.29
Reference Benchmark	-3.36	8.53	16.34	3.95	4.20	4.81
Tracking Difference	-0.16	0.09	-0.06	-0.62	-0.37	-0.51
Tracking Error	-	-	-	0.31	0.28	0.34

Rolling Performance (%)	30 Jun 2019-30 Jun 2020	30 Jun 2018-30 Jun 2019	30 Jun 2017-30 Jun 2018	30 Jun 2016-30 Jun 2017	30 Jun 2015-30 Jun 2016
Fund	3.33	-1.36	9.80	27.00	-13.18
Reference Benchmark	3.95	-1.38	10.36	27.81	-12.53

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 30 June 2020

## Fund Details

UCITS V Compliant	Yes
UK Reporting Status	Yes
ISA Eligible	Yes
Distribution Type	Accumulating
Ongoing Charge Figure <sup>2</sup>	0.450%
Share Class Base Currency	USD
Domicile	Ireland
ISIN	IE00BBQ2W338
Share Class Inception Date	27 Sep 2013
NAV per Share	USD 46.93
Shares Outstanding	9,350,000
Fund Size	USD 438,830,741
SEDOL	BW31FS6
Manager	HSBC Index and Systematic Equity Portfolio Management Team
Replication Method	Physical- Sample
SIPP Eligible	Yes
Issuer	HSBC ETFs PLC
Custodian	HSBC France, Dublin Branch
Fund Administrator	HSBC Securities Services (Ireland) DAC
Listing Date	27 Sep 2013
Fiscal Year End	31 December

## Reference Benchmark Information

Index Name	MSCI AC Far East ex Japan Net
Index Currency	USD
Benchmark Type	Total Return Net
Index Rebalancing Frequency	Quarterly
TR Index Bloomberg ticker	NDEUCFEX
TR Index Reuters RIC	.dMIFX0000NUS

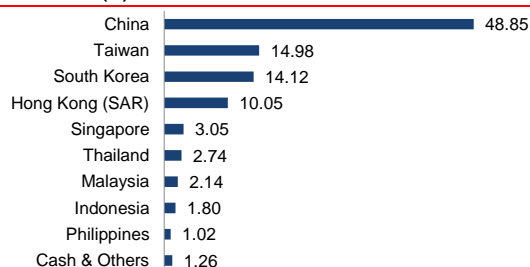
<sup>1</sup>Result is annualised when calculation period is over one year.

<sup>2</sup>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.
- Investing in assets denominated in a currency other than that of the investor's own currency exposes the value of the investment to exchange rate fluctuations.
- 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 value of investible securities can change over time due to a wide variety of factors, including but not limited to: political and economic news, government policy, changes in demographics, cultures and populations, natural or human-caused disasters etc.
- 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.

**Sector Allocation (%)**

**Geographical Allocation (%)**

**Top 10 Holdings (%)**

ALIBABA GROUP HOLDING LTD	8.45
Tencent Holdings Ltd	7.81
Taiwan Semiconductor Co Ltd	5.55
Samsung Electronics Co Ltd	5.17
AIA Group Ltd	2.43
China Construction Bank Corp	1.69
Meituan Dianping	1.59
Ping An Ins Grp Co of China Ltd	1.25
HK Exchanges & Clearing Ltd	1.14
China Mobile Ltd	0.92

**Characteristics**

Characteristics	Fund	Reference Benchmark
Number of Holdings ex Cash	567	1,093
Avg Market Cap (USD mil)	150,089	148,877
P/E Ratio <sup>3</sup>	14.56	14.63

<sup>3</sup>Price Earnings (P/E) Ratio: the price paid for a share divided by the annual profit earned by the firm per share.

Source: HSBC Global Asset Management, data as at 30 June 2020

Exchange Name	Listing Date	Trading Currency	Trading Hours	Bloomberg Ticker	Reuters RIC	iNAV Bloomberg	iNAV Reuters
BORSA ITALIANA SPA	16 January 2019	EUR	09:00 - 17:35	HMAF IM	HMAF.MI	HMADEUIV	HMADEUiv.P
SIX SWISS EXCHANGE	5 June 2014	USD	09:00 - 17:30	HMAF SW	HMAF.S	HMADUSIV	HMADUSiv.P
DEUTSCHE BOERSE AG- XFRA	27 September 2013	EUR	08:00 - 20:00	H411 GR	H411.DE	HMADEUIV	HMADEUiv.P
DEUTSCHE BOERSE AG-XETRA	27 September 2013	EUR	09:00 - 17:30	H411 GY	H411.DE	HMADEUIV	HMADEUiv.P
LONDON STOCK EXCHANGE	27 September 2013	GBP	08:00 - 16:30	HMAF LN	HMAF.L	HMADGBIV	HMADGBiv.P
LONDON STOCK EXCHANGE	27 September 2013	USD	08:00 - 16:30	HMAD LN	HMAD.L	HMADUSIV	HMADUSiv.P

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Further Information can be found in the prospectus and in our Key Investor Information Documents published in our Fund Centre at [www.assetmanagement.hsbc.com/uk](http://www.assetmanagement.hsbc.com/uk)

## Contact Information

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## Terms of Glossary

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**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

**Developed Markets:** countries with relatively high levels of personal income and established economies

**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

**Equities:** shares issued by a company

**Growth:** the increase in the value of investments

**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

**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

**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)

**Tracking Difference:** the difference between the return of the fund and that of the tracking index

**Tracking Error:** the volatility of the difference between the return of a fund and the return of the index or indices it tracks. In general, the lower the tracking error, the more consistent a fund's performance is relative to the index, and vice-versa