

HSBC MSCI EM FAR EAST UCITS ETF

Physical optimisation

Ticker: HMFE

August 2019

For UK professional clients only

The HSBC MSCI EM FAR EAST UCITS ETF is an open ended UCITS V compliant exchange-traded fund incorporated in Ireland.

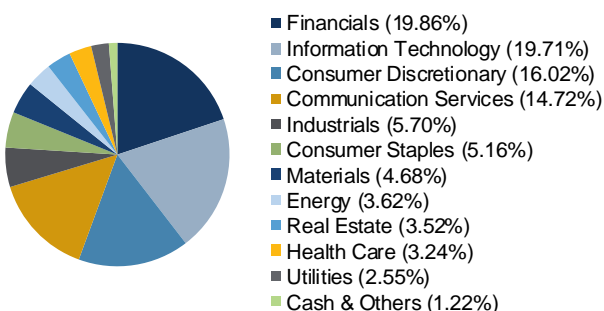
Fund objective

The investment objective of the Fund is to replicate the performance of the MSCI EM Far East Index (the "Index"), while minimising as far as possible the tracking error between the Fund's performance and that of the Index. The Index is a market-capitalisation weighted index designed to measure the performance of the largest companies in China (as accessible through the Hong Kong market), Indonesia, Korea, Malaysia, Philippines, Taiwan and Thailand, as defined by the Index Provider. The markets in which the issuers are based are considered to be emerging markets and accordingly, are subject to specific risk factors.

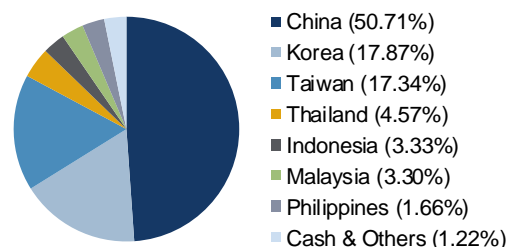
Key facts

- Physical optimisation approach
- Listed on London Stock Exchange, Euronext Paris, SIX Swiss Exchange and Xetra Deutsche Börse
- Multi currency listing in GBP, EUR and USD
- Fund registered in several European countries: UK, France, Germany, Italy, Ireland, Netherlands, Spain, Sweden, Switzerland

Sector allocation of the Fund



Geographical Allocation of the Fund



Fund details

UCITS V compliant	Yes
Fund domicile	Ireland
UK reporting fund status (UKRF)	Yes
ISA eligible	Yes
SIPP eligible	Yes
Issuer	HSBC ETFs Plc
Fund manager	HSBC Global Asset Management (UK) Ltd
Depository	HSBC Institutional Trust Services (Ireland) DAC
Fund administrator	HSBC Securities Services (Ireland) DAC
Benchmark	MSCI EM Far East Index
Number of holdings	440
<i>Published daily on etf.hsbc.com website</i>	
Replication method	Physical optimisation
Base currency	USD
Fund inception date	24/09/2010
Listing date	28/09/2010
Fiscal year end	31 December
Ongoing charge figure (OCF)*	0.60%
Entry/Exit/Performance fees	No
Net asset value (NAV) per share	\$42.39
Shares outstanding	280,000
Assets under management	\$11,869,893
Dividend treatment	Distribution
Dividend frequency	Semi-annual
Dividend currency	USD
Dividend per share	\$0.3506
Dividend yield**	1.92%
Dividend ex date	25/07/2019

*The ongoing charges figure is based on expenses over a year. The figure excludes transaction costs **Gross trailing 12 month yield.

ISIN	IE00B5LP3W10
Index Information	
Index name	MSCI EM Far East Index
Index currency	USD
Benchmark type	Total Return (Net)
Index rebalancing frequency	Quarterly
TR index Bloomberg ticker	NDUEEGFF
TR index Reuters RIC	.dMIMF00000NUS
PR index Bloomberg Ticker	MSEUEGFF
PR index Reuters RIC	.dMIMF00000PUS

Source: HSBC Global Asset Management (UK) Limited.
All data as at 31/08/2019

About the Index

The Fund will aim to replicate the performance of the Index as calculated by MSCI Inc.

The Index offers a representation of the emerging Pacific equity markets (China – as accessible through the Hong Kong market), Indonesia, Korea, Malaysia, Philippines, Taiwan and Thailand by targeting all companies with a market capitalization within the top 85% of their investable equity universe, subject to a global minimum size requirement. It is based on MSCI's Global Investable Market Indices methodology.

The composition of the Index is reviewed on a quarterly basis and carried out according to the published rules governing the management of the Index as set out by MSCI Inc.

Top 10 holdings of the Fund

Alibaba Group Holding Ltd	7.37%	China Construction Bank Corp	2.15%
Tencent Holdings	7.01%	China Mobile Ltd	1.53%
Taiwan Semiconductor Manufacturing Co Ltd	5.94%	Industrial & Commercial Bank of China Ltd	1.27%
Samsung Electronics Co Ltd	5.85%	SK Hynix Inc	1.09%
Ping An Insurance Group Co of China Ltd	2.15%	Bank of China Ltd	0.93%

Source: HSBC Global Asset Management (UK) Limited.
All data as at 31/08/2019

Yearly fund performance (%)

	31/08/14- 31/08/15	31/08/15- 31/08/16	31/08/16- 31/08/17	31/08/17- 31/08/18	31/08/18- 31/08/19
HSBC MSCI EM FAR EAST UCITS ETF	-18.81	14.51	26.11	1.69	-7.77
MSCI EM FAR EAST	-18.03	14.50	26.72	2.16	-7.31

Fund and Index performance (%)

	1 month	3 months	1 year	3 years ann.	5 years ann.	Since inception ann.
HSBC MSCI EM FAR EAST UCITS ETF	-4.04	1.81	-7.77	5.76	1.91	3.54
MSCI EM FAR EAST	-3.88	2.10	-7.31	6.28	2.41	4.05
Tracking difference ¹	-0.16	-0.29	-0.47	-0.51	-0.49	-0.50
Tracking error ²	N/A	N/A	0.34	0.31	0.39	0.39

¹ The tracking difference Net is the difference between the return of the fund (NAV) and that of the underlying index, after management fees (OCF).

² The tracking error also known active risk, is the standard deviation of the tracking difference i.e. how variable is the tracking difference over time. The optimal tracking error would be close to zero.

Source: HSBC Global Asset Management (UK) Limited. All data as at 31/08/2019

Past performance is not an indicator of future returns.

Performance is shown using the net asset value of the fund, calculated from the closing price of the underlying securities.

Performance is shown after fees including re-invested dividends in the base currency of the fund and does not take into account any currency exposure that may exist against the trading currency of the fund, where this is different.

Listing and trading information

	Listing date	Trading currency	Trading hours (local time)	Bloomberg ticker	Reuters RIC	iNAV Bloomberg	iNAV Reuters
London Stock Exchange	28/09/2010	GBP	08:00 - 16:30	HMFE LN	HMFE.L	HMFDGBIV	HMFDGBiv.P
London Stock Exchange	28/09/2010	USD	08:00 - 16:30	HMFD LN	HMFD.L	HMFDUSIV	HMFDUSiv.P
Euronext Paris	05/11/2010	EUR	09:00 - 17:30	MEM FP	MEM.PA	HMFEUIV	HMFEUiv.P
SIX Swiss Exchange	19/04/2011	USD	09:00 - 17:30	HMFE SW	HMFE.S	HMFDUSIV	HMFDUSiv.P
SIX Swiss Exchange	N/A	EUR	09:00 - 17:30	N/A	N/A	N/A	N/A
Xetra Deutsche Börse	14/10/2010	EUR	09:00 - 17:30	H4ZI GY & H4ZI GR	H4ZI.DE	HMFEUIV	HMFEUiv.P

Further information on HSBC ETFs

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Emerging market risk: Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in established markets.

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