

# HSBC OpenFunds

Interim Report and Accounts

**15 October 2020**

# Company Information

## Company

HSBC OpenFunds  
Registered in England  
with Company Number IC000488

## Registered Office

8 Canada Square  
London E14 5HQ

## Directors

The Authorised Corporate Director (the "ACD") is HSBC Global Asset Management (UK) Limited which is the sole director.

HSBC Global Asset Management (UK) Limited is authorised and regulated by the Financial Conduct Authority (FCA) and is a member of The Investment Association (IA).

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## HSBC Global Asset Management (UK) Limited - Directors

R.E.W. Apenbrink (appointed 1 July 2020)

C.S. Cheetham (resigned 30 June 2020)

A.S. Clark (resigned 27 April 2020)

A.C. Corfield (resigned 27 April 2020)

P.G.P. Dew

M.G. McDonald

T.J. Palmer

J.R. Paterson

S. White (appointed 27 April 2020)

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# Market Review

**Welcome to the Interim Report for the HSBC OpenFunds Open-Ended Investment Company (OEIC). The report covers the period 16 April 2020 to 15 October 2020.**

**Please do take the time to look through the report and if you have any questions, contact our Customer Services on 0800 358 3011\*.**

**To help us continually improve our service, and in the interests of security, we may monitor and/or record your communications with us.**

**\*Lines are open 9am to 5pm Monday to Friday (excluding public holidays). If you also have shares in another HSBC OEIC, you will receive a separate statement and report when it is due.**

## Global Equities

This was a strong period for global equities as they recovered from the Covid-19-induced shock in the first quarter of 2020. Having bottomed out in late March, global equities rallied to end the period much higher, in aggregate. They made a full recovery from the coronavirus-led downturn, with the MSCI World and FTSE World indices achieving new all-time highs in early September.

Markets were encouraged by global governments' measures to support their respective economies and the extension of easy monetary policy by global central banks. Business and social activity began to recover during the summer months as restrictions were eased in most countries. However, as autumn approached, there were signs of a second wave of the pandemic across many countries, especially in the West; consequently, lockdown restrictions were widely re-imposed, largely at the local level, by the end of the period.

Economic data showed signs of recovery, but not before recessions had been confirmed in nearly all economies. The US economy contracted 31.4% over the second quarter of 2020, on an annualised basis, while the UK fell a massive 19.8% on a quarterly basis, over the same period. The UK was also impacted by the uncertainties surrounding the state of its future relationship with the EU. Meanwhile, recessions were confirmed in Germany, France and Japan.

By the end of the period, optimism about a quick economic recovery from Covid-19 and confidence in a potentially imminent vaccine were waning, weakening investor sentiment.

## US Equities

The US market continued to outperform other world equity markets, supported by substantial government financial measures and signs of economic recovery. Having plummeted in February and March, the S&P 500 and Nasdaq indices recovered quickly and set new all-time highs in early September. The rally was led by technology stocks, which were regarded as major beneficiaries of the global pandemic, as remote and online working habits called for technological solutions.

GDP fell 5.0% on an annualised basis in the first quarter of 2020. This was followed by a fall of 31.4% – the worst figure ever recorded – in the second quarter, indicating the devastating effects of Covid-19 on the economy. Employment data, which had hitherto been robust, worsened substantially. By early May, jobless claims had surged to over 30 million, close to one quarter of the entire US workforce, as the impact of the pandemic became clearer. However, by the end of the period, non-farm payrolls and private sector job creation had risen again, and unemployment had fallen to 7.9% in September – the fifth consecutive decline from the April peak of 14.7%.

Tensions with Mainland China were never far from the surface on a host of issues, particularly over Hong Kong. However, Mainland China and the US agreed to honour the 'phase one' trade agreement that had been signed in January.

Regarding monetary policy, the US Federal Reserve (Fed) chairman Jerome Powell stated that the Fed would, in setting its strategy, target average inflation rather than stick rigidly to its inflation target of 2%. This could allow consumer inflation to rise for a period before interest rates were raised, allowing growth and inflation to recover.

Rising new cases of Covid-19 in several states of the US fuelled concern that a second lockdown might be required. The first signs of this came in Florida, California and Texas, causing the market to sell off in early June. Despite this, and reflecting renewed economic growth and improving investor sentiment, US equities continued to rally.

## Europe ex-UK Equities

European equities recovered in tandem with other global equity markets, following the spread of Covid-19 in the first quarter of 2020, as governmental and central bank support supported sentiment. The EU committed €750 billion through its Recovery Fund to distribute to struggling economies, which followed measures by the European Central Bank (ECB) in March to boost its bond purchasing programme and extend monetary easing. Towards the end of the period, the ECB signalled that it was considering further increasing liquidity in the system. The easing of restrictions across Europe in the spring and summer months buoyed markets by allowing businesses and social activity to function more fully.

The European economy fell into recession as the severe economic implications of the coronavirus were felt across the region. Eurozone GDP was down 3.7% quarter on quarter, in the first quarter, and then fell by 11.8% in the second quarter – the steepest drop since records began. Italy, France and Germany all fell into recession. The eurozone unemployment rate moved steadily higher as staff layoffs occurred across the region, particularly in southern European nations such as Spain, which saw its unemployment rate rise to 16.2% in August. Consumer inflation fell into negative territory, with September's drop of 0.3%, on a yearly basis, the weakest figure since April 2016.

Brexit negotiations simmered in the background, with the likelihood of a no-deal outcome growing as positions appeared to harden on both sides. The euro strengthened further over the period, rising to nine-year highs. Worries grew about the euro's strength and its impact on export growth. However, the ECB shied away from direct intervention to weaken the currency.

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## UK Equities

The UK market was a notable laggard over the period. While UK equities enjoyed a modest recovery, it was relatively weak compared to global equities' gains. This partly reflected the pandemic's deeper impact on the UK's more consumer-centric economy alongside the ongoing worries about Brexit.

UK economic growth dropped markedly as Covid-19 hit UK shores. A recession in the UK was confirmed as GDP fell by a record 19.8%, on a quarterly basis, in the second quarter of 2020 – the worst performance of any major economy. While unemployment remained close to generational lows of 3.8–4.0% early in the period, expectations grew that unemployment would rise substantially, as Chancellor Rishi Sunak's furlough scheme was due to be replaced at the end of October by a less generous job support scheme. Indeed, unemployment rose to 4.5% in the three months to the end of August. UK consumer inflation remained subdued, falling to a growth rate of just 0.2% in August – a near five-year low. Meanwhile, UK national debt climbed to over £2 trillion – a record high, amounting to around 100% of GDP.

Elsewhere, there were tensions with Mainland China over the UK's decision to cut Huawei out of its 5G network, as well as the UK's offer of residency to millions of eligible Hong Kong residents. Brexit, which had faded into the background during the height of the coronavirus in the first half of the period, became a much greater factor behind market movements in the final weeks, as negotiations became more tense and positions on each side seemed to become more entrenched.

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## Japan Equities

Japanese equities rose over the period but underperformed other global equity markets, in aggregate. Covid-19 had a big impact on the country's economy, its business and social activities. Prime Minister Shinzo Abe had declared a state of emergency in early April and locked down several large city areas, preventing all but local travel. Conditions eased in the summer.

Domestic economic indicators were generally bleak. A recession was confirmed by the announcement of a decline in first-quarter GDP of 0.6% on a quarter-on-quarter basis. Second-quarter GDP dropped by 7.9% – the steepest fall ever recorded. The much-followed Bank of Japan (BoJ) Tankan survey – a quarterly indicator of sentiment across the economy – initially continued to deteriorate. In the second quarter, the headline large manufacturing diffusion index touched -34 – the worst figure for 11 years. The third-quarter figure, published at the end of September, showed a recovery to -27.

The BoJ maintained its loose monetary policy, targeting -0.1% short-term interest rates, while stating that the long-term inflation target of 2.0% was unlikely to be met in the near future. The inflation rate was subdued for most of the period, growing at a rate of just 0.1% year on year, in three consecutive months from April to June. In late April, the central bank extended its quantitative easing programme, raising the limit for corporate bond purchases substantially.

The country was surprised when Prime Minister Shinzo Abe announced his resignation due to ill-health in late August, in the very week that he became the longest-serving Japanese prime minister. He was replaced by Yoshihide Suga, who won an overwhelming victory and was announced as both head of the LDP party and as prime minister. He vowed to continue Abe's policy of fighting deflation, which encouraged the market.

## Asia ex-Japan Equities

Asia ex-Japan equity markets performed strongly over the period, recovering from the February to March selloff as Covid-related restrictions were eased, and as Asian nations appeared more in control of the crisis than Western nations. Mainland China's strict lockdown regulations seemed to pay dividends when it was one of the first countries to emerge from lockdown and to see the number of new cases ease significantly.

Mainland China's GDP growth rate continued to slow. The first quarter of 2020 saw the country's GDP slip 6.8% on a year-on-year basis, reflecting the negative impact of the coronavirus on business activity, before recovering by 3.2% in the second quarter. The People's Bank of China kept reserve requirement levels steady for its commercial banks at 12.5%, having temporarily lowered them in May, while also keeping the loan prime rate unchanged at 3.85%.

Hong Kong's economy slumped into a technical recession for the first time since the global financial crisis, as the pro-democracy protests took their toll on business and leisure activity in the province. Mainland China's proposed introduction of a national security law in late May only added to the uncertainty and upheaval. As a result of this action, the US revoked Hong Kong's favoured trading nation status. Despite the tensions with the US, both nations agreed to honour the 'phase one' trade agreement that had been signed in January.

Nearly all Asian markets suffered Covid-19-driven economic falls of varying magnitude. In India, GDP dropped by an annual 23.9% in the second quarter – the largest such number ever recorded. This reflected the high numbers of Covid-19 cases across the country, given the country's vast population and difficulty in enforcing social distancing. South Korea's GDP contracted by just 2.7%, on an annual basis, in the second quarter, albeit still the largest fall since 1998, while GDP fell just 0.6% in Taiwan on the same basis, in the second quarter.

## Emerging Market Equities

Emerging equity markets recovered strongly from the initial outbreak of Covid-19 in the first quarter of 2020, rising steadily through the spring and summer months, and again late in the period after a setback in early autumn. In the early months, economies gradually reopened as the global pandemic and new coronavirus cases eased. Increased optimism about the prospects of an eventual global economic recovery – which led to strengthening commodity prices and a weaker US dollar – supported emerging-market equities. Additionally, various central banks, both in developed and the local markets, adopted an increasingly dovish stance to monetary policy. Towards the end of the period, outbreaks of Covid-19 had led to renewed lockdown measures being imposed in certain countries.

Mainland China's GDP growth rate continued to slow. The first quarter of 2020 saw the country's GDP slip 6.8% on a year-on-year basis, reflecting the negative impact of the coronavirus on business activity, before recovering by 3.2% in the second quarter. The People's Bank of China kept reserve requirement levels steady for its commercial banks at 12.5%, having temporarily lowered them in May, while also keeping the loan prime rate unchanged at 3.85%.

India was one of the strongest performing markets. The country had been severely affected by the pandemic given a heavily urbanised population of 1.3 billion residents and a massively underfunded health system. However, the government lifted restrictions against expectations, allowing business and social activity to recover. The Reserve Bank of India unexpectedly cut its benchmark repurchase rate by 40 basis points to 4% at an emergency meeting in May but, with inflation still elevated, has kept it at that level since. GDP dropped by an annual 23.9% in the second quarter – the largest such number ever recorded.

Latin American equity markets recovered strongly, especially Argentina. The country's default on US\$65 billion of foreign debt led to it successfully negotiating an agreement with its creditors to avoid a more costly 'hard' default. In Brazil, signs of a global economic recovery (leading to higher commodity prices) initially supported equities, despite the rapid spread of the coronavirus.

Turkish equities were relatively weak, in sterling terms, and fell as the lira steadily weakened; the currency continued to depreciate because of concerns about falling foreign exchange reserves, rising inflation, the current account deficit and tensions with Greece.

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## UK Bonds

UK bond markets produced a positive return over the period as yields fell further, reflecting falling interest rates, economic recession and the widespread uncertainty caused by the global pandemic. UK yields continued to edge down as they have for approximately two years. The onset of the coronavirus provided a further boost to the 'risk-off' trade, causing yields to fall still further. The 10-year gilt yield fell to a new all-time low of below 0.1% in August. The uncertainties over the UK's future trading relationship with the EU also kept yields low. Yields on UK corporate bonds followed government bond yields lower.

The Bank of England's (BoE) governor, Andrew Bailey, stated that aggressive action was needed to reduce the risk of a sharp economic downturn. By the end of the period, media reports suggested that the BoE was considering introducing negative interest rates, which are now a feature of several government bond markets.

On the economic front, the UK fell into recession as a 2.5% quarterly drop in GDP, in the first quarter of 2020, was followed by a dramatic 19.8% fall in the second quarter, reflecting the devastating impact of Covid-19 on all aspects of the UK economy. Annual consumer price inflation fell to just 0.2% in August – the lowest rate for nearly five years. A fall in prices in restaurants and cafes – arising from the government's 'Eat Out to Help Out' discount scheme – as well as lower air fares and clothing prices caused consumer price inflation to fall.

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## Global Bonds

Global bond markets benefited from the effect of the Covid-19 pandemic on the global economy and the resulting recessions. Investors were attracted by the relatively stable nature of fixed income, leading to higher prices and lower yields. As a result of the coronavirus outbreak, several central banks in developed and emerging countries adopted increasingly dovish monetary policies, with many announcing steep interest-rate cuts and other measures; huge fiscal stimulus packages have also been commonplace.

Government bond yields fell to new lows in several countries. The 10-year UK gilt yield fell to below 0.1% for the first time in early August, while the US 10-year Treasury yield dropped close to the all-time low level set in March. Equivalent yields in the German and Swiss bond markets went further into negative territory.

The gradual reopening of economies in the late spring, following an easing in the pandemic, coupled with improving economic data, led to an improvement in investor risk appetite, causing bond yields to rise.

Since the pandemic began, the US government's relief packages have amounted to nearly US\$3 trillion. This extra economic stimulus has led to concerns about the country's growing budget deficit, and its elevated level of federal debt, with record volumes of US Treasuries being issued. With global growth already softening before the coronavirus outbreak, the Fed has adopted an increasingly dovish stance, recently announcing the idea of average inflation targeting – which would allow inflation to rise ahead of the target rate for some time, without the Fed taking any remedial action.

The ECB, like other central banks worldwide, became increasingly accommodative, with the eurozone economy's annual GDP contracting substantially in the second quarter. At the headline level, consumer prices fell 0.3% year on year in September, compared with the ECB's 2% target. In the UK, the BoE began to discuss the logistics of negative interest rates with local banks, as markets became increasingly convinced that this would be introduced in the UK.

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## Property

After the significant declines experienced during March 2020 caused by the pandemic, global real estate equities staged a partial recovery. The FTSE EPRA Nareit Developed Total Return Index (GBP) rose by 9.3% over the 6 months ended 15 October. Europe ex UK saw strongest performance with a return of 19.3%, followed by 9.1% in the US, both in sterling terms. The UK underperformed the global average with a return of 3.3%.

UK direct property underperformed real estate equity markets during the 6 months ended 30 September 2020. The MSCI UK Monthly Index recorded a total return of -1.6% during this period. An income return of 2.8% was offset by falls in capital values. Unsurprisingly given the impact of Covid-19 lockdown measures, retail property underperformed other sectors, with a total return of -5.8% over this 6-month period. The industrial sector, which includes distribution warehouses that have benefitted from increased e-commerce, outperformed the All Property average with a total return of 1.7%. Many daily-dealt UK direct property funds, which had suspended dealing following the material uncertainty clauses that were introduced by the funds' independent valuers, remained suspended during the review period.

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*Property figures quoted are sourced from MSCI in respect of the MSCI UK Monthly Property Index in sterling terms and Refinitiv in respect of the FTSE EPRA Nareit Developed Total Return index, HSBC Global Asset Management. Data as at 15 October 2020 unless otherwise stated. All other information is provided by HSBC Global Asset Management (UK) Limited 15 October 2020.*

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns. Information provided by HSBC Global Asset Management (UK) Limited 15 October 2020.*

# Global Property Fund

## Investment Objective

The Fund aims to provide growth in the long-term, which is a period of five years or more.

## Investment Policy

To achieve its objective, the Fund will invest at least 80% of its value in property-related securities and collective investment schemes that, in turn, invest in direct property (physical buildings) and property-related securities. There will be no geographical restrictions.

The Fund may also invest up to 20% of its value in money market instruments, deposits, cash and collective investment schemes that invest in such assets to manage day-to-day cash flow requirements.

The collective investment schemes in which the Fund may invest will, where possible, be those managed or operated by the HSBC Group.

The Fund may invest in derivatives for efficient portfolio management purposes, including hedging. This means investment techniques that aim to reduce risks, reduce costs or generate growth and income. On giving 60 days' notice to Shareholders the Fund may also use derivatives for broader investment purposes to help the Fund meet its objective. The Fund does not intend to use derivatives extensively and their use will be consistent with the risk profile of the Fund.

## Investment Strategy

The investment strategy aims to provide capital growth by investment into property-related securities in the UK and globally, and in collective investment schemes that invest in direct property (physical buildings) and shares of property-related securities. The Fund will not buy physical buildings directly. The balance between direct property (through collective investment schemes), property-related securities, and cash, and the geographic composition of the portfolio, will vary over time depending on our view of prospective returns.

By investing in collective investment schemes that hold direct property (physical buildings) and property-related securities, the fund manager is able to access specialist, local skills. This also provides the scope to change the composition of the Fund quickly and reduce the risk of investing in any one manager.

## Use of Benchmark

The Fund is actively managed and is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of a combination of a 50% weighting to the Investment Association UK Direct Property Sector and a 50% weighting to the Investment Association Property Other Sector for comparison purposes only. Prior to 1 September 2018, the performance was compared to the Investment Association Property Sector.

This has been selected to enable investors to assess the performance of the Fund because it consists of funds similar to the Fund. Many funds sold in the UK are grouped into sectors by the Investment Association (the trade body that represents UK investment managers), to help investors to compare funds with broadly similar characteristics.

## Use of Derivatives

The Fund may invest in exchange traded and over-the-counter derivatives in accordance with Part C and Part D of Appendix 3 in the Prospectus. In particular, currency forward contracts may be used with the aim of hedging against movements in the rate of exchange between sterling and the currency in which assets of the Fund may be denominated.

### Portfolio Activity

Having reduced significantly the weighting to UK direct property funds prior to the outbreak of Covid-19, the manager made few changes to the top-down composition of the Fund during the review period. As at 15 October 2020, the allocation to direct property funds stood at 9.7%, 0.1% point lower than on 16 April 2020. The allocation to real estate equities stood at 87.1% compared with 84.8% in April, reflecting a view that the publicly-quoted real estate markets offered higher prospective returns and greater liquidity than UK direct property funds. Cash and liquidity accounted for 3.2%. The Fund's bias towards real estate equities ensured it remained open for dealing when UK daily-dealt direct property funds were forced to suspend due to Covid-19.

The most significant purchase during the review period arose from the increase in weighting to the iShares Asia Property Yield Fund. This reflected a view that many markets in the region were successfully dealing with the pandemic and, as a result, occupier demand was recovering quickly relative to western markets. The largest disposals were from the BMO European Real Estate Securities Fund (to maintain concentration at acceptable levels) and the iShares US Property Yield Fund.

### Investment Performance

During the 6 months to 15 October 2020, the Fund's C and Retail share accumulation units rose by 2.9% and 2.5% respectively.

Source: Morningstar, income reinvested, single price.

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

### Fund Particulars

as at 16 October 2020 (unaudited)

	Retail Accumulation	Institutional A Accumulation	Income C	Accumulation C
Price	163.1p	134.0p	137.6p xd	172.2p
Distribution payable (on 15 December 2020) per share net	1.220000p	1.540000p	1.450000p	1.800000p
Current net estimated yield	1.47%	2.45%	2.26%	2.22%
Annual ACD charge	1.30%	0.38%	0.60%	0.60%

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Asia-Pacific Equities - 21.07% (15.32%)</b>			
^Advance Residence	395	850	0.33
^CapitaLand Commercial Trust	847,802	791	0.31
^CapitaLand Mall Trust	523,538	575	0.23
^Dexus	173,881	884	0.35
^General Property Group	353,084	807	0.32
^GLP J Real Estate Investment Trust	762	913	0.36
^Hong Kong Land (Singapore registered US\$)	212,135	620	0.24
^Hysan Development	106,227	265	0.10
^*tiShares Asia Property Yield UCITS ETF	2,329,768	42,914	16.90
^Japan Real Estate Investment Trust	216	830	0.33
^Link Real Estate Investment Trust	116,750	714	0.28
^Nippon Building Real Estate Investment Trust	200	818	0.32
^Nippon Prologis Real Estate Investment Trust	349	889	0.35
^Swire Properties	294,327	610	0.24
^United Urban Investment	841	757	0.30
^Vicinity Centres Real Estate Investment Trust	379,674	291	0.11
<b>Total Asia-Pacific Equities</b>		<b>53,528</b>	<b>21.07</b>
<b>Direct Property Funds - 9.67% (9.84%)</b>			
Aegon Property Income Fund	11,279,725	9,916	3.90
Janus Henderson UK Property PAIF	3,475,656	3,799	1.50
Legal & General UK Property Fund	9,953,144	5,392	2.12
Threadneedle UK Property Authorised Investment Fund	7,698,663	5,455	2.15
<b>Total Direct Property Funds</b>		<b>24,562</b>	<b>9.67</b>
<b>European (Including UK) Equities - 24.86% (27.73%)</b>			
^BMO Commercial Property Trust	4,670,811	2,915	1.15
*†BMO Real Estate Securities Fund	289,128	6,985	2.75
^British Land Real Estate Investment Trust	143,017	518	0.21
^Derwent London Real Estate Investment Trust	23,123	641	0.25
^Deutsche Wohnen	35,118	1,416	0.56
^Gecina	10,245	1,034	0.41
^Great Portland Real Estate Investment Trust	98,879	612	0.24
^Inmobiliaria Colonial	136,419	845	0.33
^*tiShares UK Property UCITS ETF	2,740,959	13,495	5.31
^Kleipierre	37,002	424	0.17
^Land Securities	95,959	518	0.20
^Leg Immobilien	9,328	1,050	0.41
Premier Pan European Property Fund	30,152,457	21,924	8.63
^Segro Real Estate Investment Trust	104,080	968	0.38
^TR Property Investment Trust	2,347,209	8,556	3.37
^Unite Group	55,324	476	0.19
^Vonovia	9,366	498	0.20
^Warehouses De Pauw	9,363	258	0.10
<b>Total European (Including UK) Equities</b>		<b>63,133</b>	<b>24.86</b>

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Global Property Equities Funds - 24.19% (21.23%)</b>			
*AXA World Framlington Global Flexible Property Fund	342,314	36,583	14.40
*AXA World Framlington Global Real Estate Securities Fund	88,667	12,558	4.95
*Kempen Global Property Fund	14,283	12,289	4.84
<b>Total Global Property Equities Funds</b>		<b>61,430</b>	<b>24.19</b>
<b>Money Markets - 1.30% (2.07%)</b>			
+HSBC Global Sterling Liquidity Fund	3,291,020	3,291	1.30
<b>Total Money Markets</b>		<b>3,291</b>	<b>1.30</b>
<b>North American Equities - 16.99% (20.54%)</b>			
^Alexandria Real Estate Equities	8,002	1,004	0.39
^Allied Properties Real Estate Investment Trust	42,382	861	0.34
^AvalonBay Communities	8,509	1,010	0.40
^Boston Properties Real Estate Investment Trust	11,543	711	0.28
^Camden Property Trust	17,587	1,287	0.51
^Cousins Properties Real Estate Investment Trust	41,761	913	0.36
^CubeSmart	50,704	1,370	0.54
^Cyrusone	8,187	482	0.19
^Douglas Emmett	42,504	819	0.32
^Duke Realty	67,147	2,026	0.80
^Equity Residential	24,527	994	0.39
^Essex Property Real Estate Investment Trust	6,210	985	0.39
^Federal Realty Investment Trust	10,661	629	0.25
^First Industrial	26,460	867	0.34
^Healthcare Real Estate Investment Trust	48,467	973	0.38
^Healthpeak Properties	46,274	990	0.39
^Hudson Pacific Properties Real Estate Investment Trust	48,853	805	0.32
^Invitation Homes Real Estate Investment Trust	56,059	1,236	0.49
^*iShares US Property Yield UCITS ETF	765,685	14,506	5.71
^Kimco Realty	69,109	595	0.23
^National Retail Properties	40,573	1,091	0.43
^Prologis	24,790	2,016	0.79
^Public Storage	7,441	1,351	0.53
^Realty Income	23,218	1,087	0.43
^Regency Centers	20,718	618	0.24
^RioCan Real Estate Investment Trust	59,251	510	0.20
^Simon Property Group	7,097	358	0.14
^Store Capital	51,247	1,089	0.43
^Ventas	29,485	995	0.39
^Welltower Real Estate Investment Trust	23,178	988	0.39
<b>Total North American Equities</b>		<b>43,166</b>	<b>16.99</b>

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Forward Foreign Exchange Contracts - 0.00% (0.66%)			
Portfolio of investments		249,110	98.08
Net other assets		4,880	1.92
Net assets		253,990	100.00

\*offshore fund

†Dublin ICVC

+related party

^listed

Figures in brackets denote comparative percentage holdings as at 15 April 2020.

Unless otherwise stated, all investments are listed securities.

Total purchases for the period, including transaction charges, were £27,402,524.

Total sales for the period, net of transaction charges, were £97,952,540.

## Comparative Tables

<b>Retail Income#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	N/A	158.50p	143.10p	152.70p
Return before operating charges*	N/A	13.64p	20.56p	(4.70p)
Operating charges**	N/A	(1.64p)	(2.03p)	(1.98p)
Return after operating charges*	N/A	12.00p	18.53p	(6.68p)
Distributions on income shares	N/A	(1.50p)	(3.13p)	(2.92p)
Cancellation price	N/A	(169.00p)	-	-
Closing net asset value per share	N/A	0.00p	158.50p	143.10p
*after direct transaction costs of:***	N/A	0.03p	0.03p	0.01p
<b>Performance</b>				
Return after charges	N/A	7.57%	12.95%	(4.37%)
<b>Other information</b>				
Closing net asset value	N/A	N/A	£637,048	£560,792
Closing number of shares	N/A	N/A	401,812	391,823
Operating charges - OCF	N/A	N/A	1.83%	1.88%
Direct transaction costs	N/A	N/A	0.02%	0.01%
<b>Prices</b>				
Highest share price	N/A	169.00p	161.40p	153.50p
Lowest share price	N/A	157.20p	144.10p	143.10p

<b>Retail Accumulation</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	156.00p	185.80p	164.40p	172.00p
Return before operating charges*	7.87p	(27.29p)	23.75p	(5.36p)
Operating charges**	(1.07p)	(2.51p)	(2.35p)	(2.24p)
Return after operating charges*	6.80p	(29.80p)	21.40p	(7.60p)
Distributions on accumulation shares	(1.22p)	(2.97p)	(3.61p)	(3.31p)
Retained distributions on accumulation shares	1.22p	2.97p	3.61p	3.31p
Closing net asset value per share	162.80p	156.00p	185.80p	164.40p
*after direct transaction costs of:***	0.01p	0.03p	0.03p	0.01p
<b>Performance</b>				
Return after charges	4.36%	(16.04%)	13.02%	(4.42%)
<b>Other information</b>				
Closing net asset value	£1,698,386	£4,881,201	£11,375,980	£13,124,257
Closing number of shares	1,043,320	3,129,823	6,122,840	7,985,745
Operating charges - OCF	1.82%	1.83%	1.83%	1.88%
Direct transaction costs	0.01%	0.02%	0.02%	0.01%
<b>Prices</b>				
Highest share price	172.90p	203.90p	187.40p	173.90p
Lowest share price	150.40p	138.70p	165.50p	162.60p

#The Retail Income share class converted to Income C class on 17 January 2020. The class closed on 7 February 2020.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Institutional A Income#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	122.80p	148.80p	134.40p	143.40p
Return before operating charges*	5.75p	(21.61p)	19.09p	(4.55p)
Operating charges**	(0.45p)	(1.17p)	(1.11p)	(1.09p)
Return after operating charges*	5.30p	(22.78p)	17.98p	(5.64p)
Distributions on income shares	-	(3.22p)	(3.58p)	(3.36p)
Cancellation price	(128.10p)	-	-	-
Closing net asset value per share	-	122.80p	148.80p	134.40p
*after direct transaction costs of:***	0.01p	0.02p	0.02p	0.01p
<b>Performance</b>				
Return after charges	4.32%	(15.31%)	13.38%	(3.93%)
<b>Other information</b>				
Closing net asset value	N/A	£128,181	£329,071	£430,800
Closing number of shares	N/A	104,417	221,115	320,615
Operating charges - OCF	N/A	1.28%	1.28%	1.34%
Direct transaction costs	N/A	0.02%	0.02%	0.01%
<b>Prices</b>				
Highest share price	136.30p	162.30p	151.80p	144.30p
Lowest share price	118.50p	110.40p	135.30p	134.60p

<b>Institutional A Accumulation##</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	127.50p	150.60p	149.80p	N/A
Return before operating charges*	6.58p	(22.46p)	0.85p	N/A
Operating charges**	(0.28p)	(0.64p)	(0.05p)	N/A
Return after operating charges*	6.30p	(23.10p)	0.80p	N/A
Distributions on accumulation shares	(1.54p)	(3.75p)	(1.76p)	N/A
Retained distributions on accumulation shares	1.54p	3.75p	1.76p	N/A
Closing net asset value per share	133.80p	127.50p	150.60p	N/A
*after direct transaction costs of:***	0.01p	0.02p	0.03p	N/A
<b>Performance</b>				
Return after charges	4.94%	(15.34%)	0.53%	N/A
<b>Other information</b>				
Closing net asset value	£21,698,044	£25,397,603	£40,214	N/A
Closing number of shares	16,221,641	19,916,588	26,702	N/A
Operating charges - OCF	0.90%	0.93%	0.93%	N/A
Direct transaction costs	0.01%	0.02%	0.02%	N/A
<b>Prices</b>				
Highest share price	141.60p	166.50p	151.90p	N/A
Lowest share price	123.10p	113.30p	149.70p	N/A

#The Institutional A Income share class converted to Income C class on 1 October 2020.

##The Institutional A Accumulation share class launched on 15 March 2019.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Income C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	132.30p	160.50p	144.90p	154.60p
Return before operating charges*	6.91p	(23.49p)	20.65p	(4.93p)
Operating charges**	(0.46p)	(1.09p)	(1.05p)	(1.02p)
Return after operating charges*	6.45p	(24.58p)	19.60p	(5.95p)
Distributions on income shares	(1.45p)	(3.62p)	(4.00p)	(3.75p)
Closing net asset value per share	137.30p	132.30p	160.50p	144.90p
*after direct transaction costs of:***	0.01p	0.03p	0.03p	0.01p
<b>Performance</b>				
Return after charges	4.88%	(15.31%)	13.53%	(3.85%)
<b>Other information</b>				
Closing net asset value	£44,549,698	£44,137,133	£54,826,316	£30,827,080
Closing number of shares	32,456,543	33,349,138	34,164,966	21,280,150
Operating charges - OCF	1.15%	1.18%	1.18%	1.24%
Direct transaction costs	0.01%	0.02%	0.02%	0.01%
<b>Prices</b>				
Highest share price	147.00p	175.10p	163.80p	155.60p
Lowest share price	127.80p	119.10p	145.90p	145.20p

<b>Accumulation C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	164.00p	194.10p	170.80p	177.80p
Return before operating charges*	8.37p	(28.78p)	24.54p	(5.82p)
Operating charges**	(0.57p)	(1.32p)	(1.24p)	(1.18p)
Return after operating charges*	7.80p	(30.10p)	23.30p	(7.00p)
Distributions on accumulation shares	(1.80p)	(4.41p)	(4.73p)	(4.34p)
Retained distributions on accumulation shares	1.80p	4.41p	4.73p	4.34p
Closing net asset value per share	171.80p	164.00p	194.10p	170.80p
*after direct transaction costs of:***	0.01p	0.03p	0.03p	0.01p
<b>Performance</b>				
Return after charges	4.76%	(15.51%)	13.64%	(3.94%)
<b>Other information</b>				
Closing net asset value	£186,044,018	£241,919,378	£313,158,627	£256,544,376
Closing number of shares	108,267,905	147,522,921	161,344,308	150,204,089
Operating charges - OCF	1.15%	1.18%	1.18%	1.24%
Direct transaction costs	0.01%	0.02%	0.02%	0.01%
<b>Prices</b>				
Highest share price	182.00p	214.20p	195.80p	180.50p
Lowest share price	158.20p	145.70p	172.00p	169.00p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Statement of Total Return

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		12,093		14,264
Revenue	4,328		5,724	
Expenses	(951)		(1,237)	
Net revenue before taxation	3,377		4,487	
Taxation	(116)		(241)	
Net revenue after taxation		3,261		4,246
Total return before distributions		15,354		18,510
Distributions		(3,265)		(4,240)
Change in net assets attributable to shareholders from investment activities		12,089		14,270

## Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		316,463		380,367
Amounts receivable on creation of shares	13,499		25,694	
Amounts payable on cancellation of shares	(90,424)		(56,636)	
		(76,925)		(30,942)
Dilution adjustment		152		111
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		12,089		14,270
Retained distribution on accumulation shares		2,211		3,531
Closing net assets attributable to shareholders		253,990		367,337

## Balance Sheet

as at 15 October 2020 (unaudited)

	15.10.20		15.4.20	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments		249,110		309,100
Current assets				
Debtors	3,584		6,922	
Cash and bank balances	3,434		7,397	
Total current assets		7,018		14,319
Total assets		256,128		323,419
<b>Liabilities</b>				
Investment liabilities		-		(891)
Creditors				
Distribution payable on income shares	(471)		(560)	
Other creditors	(1,667)		(5,505)	
Total creditors		(2,138)		(6,065)
Total liabilities		(2,138)		(6,956)
Net assets attributable to shareholders		253,990		316,463

**Distribution Table (pence per share)**

for the six months ended 15 October 2020 (unaudited)

Group 1: Shares purchased prior to 16 April 2020				
Group 2: Shares purchased from 16 April 2020 to 15 October 2020				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.12.20</i>	<i>Distribution paid 15.12.19</i>
<b>Retail Income#</b>				
Group 1	N/A	-	N/A	1.500000
Group 2	N/A	N/A	N/A	1.500000
<b>Retail Accumulation</b>				
Group 1	1.220000	-	1.220000	1.760000
Group 2	1.050000	0.170000	1.220000	1.760000
<b>Institutional A Income##</b>				
Group 1	N/A	-	N/A	1.740000
Group 2	N/A	N/A	N/A	1.740000
<b>Institutional A Accumulation</b>				
Group 1	1.540000	-	1.540000	1.990000
Group 2	0.810000	0.730000	1.540000	1.990000
<b>Income C</b>				
Group 1	1.450000	-	1.450000	1.950000
Group 2	0.840000	0.610000	1.450000	1.950000
<b>Accumulation C</b>				
Group 1	1.800000	-	1.800000	2.350000
Group 2	0.850000	0.950000	1.800000	2.350000
#The Retail Income share class converted to Income C class on 17 January 2020. The class closed on 7 February 2020.				
##The Institutional A Income share class converted to Income C class on 1 October 2020.				

# World Selection - Adventurous Portfolio

## Investment Objective

To provide capital growth through investment in a range of asset classes across global markets with a bias towards asset classes that focus on equity investment strategies.

## Investment Policy\*

This is one of a range of actively managed World Selection Portfolios offered at five different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is rated as 5, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long-term risk profile therefore any potential returns are likely to be limited by the risk profile of the Fund.

To achieve its objective the Fund invests substantially in collective investment schemes that in turn invest in equities, fixed income securities, alternative asset classes and derivatives. Typically the Fund will primarily invest in asset classes that focus on equity investment strategies.

The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may, in addition to its other investment powers, use exchange traded and over-the-counter derivatives and forward currency contracts for investment purposes.

Using these investment powers for investment purposes means, in particular, maintaining positions in these investments for the long-term rather than just for tactical short-term purposes.

Where the use of derivatives is for investment purposes in addition to hedging it is envisaged that the use of such instruments will not affect the overall risk profile of the Fund.

\*The full policy can be found in the prospectus.

## Investment Strategy\*

The starting point for the World Selection Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook.

Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class.

Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective.

Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in sterling.

\*The full strategy can be found in the prospectus.

## Portfolio Activity

At the start of the period, the portfolio was positioned in a cautious stance, after we had reduced our risk exposure through the worst of the volatility seen in Q1 2020. In April, we tilted our US exposure towards IT, healthcare and consumer staples. These sectors display higher quality characteristics which we believe offer potential outperformance in a range of scenarios.

As markets rebounded and confidence returned, we looked to add back to risk assets in a controlled way. The sell-off had seen valuations improve, with forward-looking returns for risk assets looking more attractive. Changes to the long-term target allocations were introduced through May and June in numerous tranches, increasing exposure to equities and credit asset classes, including Asian high yield bonds, while ensuring the portfolio remained within its risk profile.

In July, we increased our allocation to Eurozone equity on the back of better political integration in the EZ around their Covid-19 response policies. This coupled with attractive valuations indicated potential outperformance. As part of this trade, we reduced our exposures to the UK and Japan.

August saw the Portfolio Management team make a further adjustment to the equity allocation, tilting exposure slightly towards emerging markets, away from developed markets, while leaving the overall equity exposure in a neutral position. Asian emerging markets had done a better job of containing the pandemic and opening up their economies, leading to potentially higher returns.

We also adjusted our currency positioning in August. The US dollar appeared expensive and, with the upcoming election creating potential volatility, we increased exposures to the euro and Japanese yen to limit the impact of potential dollar depreciation.

In October, we increased our exposure the US quality sectors which were introduced in April. These sectors had added value to the portfolios and our initial thesis remained intact, we therefore increased the exposure, funded from US equity more broadly.

Major purchases included: HSBC Multi Factor Worldwide Equity UCITS ETF, Xtrackers MSCI USA Information Technology UCITS ETF, Xtrackers MSCI USA Health Care UCITS ETF, HSBC GIF Asia High Yield Bond Fund and Xtrackers MSCI USA Consumer Staples UCITS ETF.

Major disposals included: HSBC Global Sterling Liquidity Fund, iShares Core S&P 500 UCITS ETF and HSBC GIF Global High Yield Bond Fund.

### Investment Performance

During the period under review the value of the shares in the Fund increased by 15.91%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

### Fund Particulars

as at 16 October 2020 (unaudited)

	Institutional Income	Institutional Accumulation	Income C	Accumulation C	Accumulation P
Price	154.3p xd	169.0p	154.4p xd	167.2p	170.5p
Distribution payable (on 15 December 2020) per share net	2.470000p	2.670000p	2.010000p	2.150000p	2.470000p
Current net estimated yield	1.95%	1.92%	1.43%	1.41%	1.71%
Annual ACD charge	0.00%	0.00%	0.55%	0.55%	0.25%

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Asia-Pacific (excluding Japan) Equities - 2.02% (1.83%)</b>			
*iShares Core MSCI Pacific ex Japan UCITS ETF GBP	3,796	421	0.37
*iShares Core MSCI Pacific ex Japan UCITS ETF USD	17,077	1,900	1.65
<b>Total Asia-Pacific (Excluding Japan) Equities</b>		<b>2,321</b>	<b>2.02</b>
<b>European Equities - 17.17% (7.14%)</b>			
+HSBC European Index Fund	678,206	7,026	6.11
*Xtrackers MSCI USA Consumer Staples UCITS ETF	70,612	1,985	1.73
*Xtrackers MSCI USA Health Care UCITS ETF	109,387	3,684	3.20
*Xtrackers MSCI USA Information Technology UCITS ETF	134,316	5,789	5.03
*Xtrackers S&P Europe ex UK UCITS ETF	27,169	1,264	1.10
<b>Total European Equities</b>		<b>19,748</b>	<b>17.17</b>
<b>Japanese Equities - 2.84% (4.14%)</b>			
+HSBC Japan Index Fund	2,318,765	3,274	2.84
<b>Total Japanese Equities</b>		<b>3,274</b>	<b>2.84</b>
<b>Global Emerging Markets Equities - 8.39% (8.51%)</b>			
*+HSBC GIF Economic Scale Index GEM Equity Fund	358,658	2,558	2.22
*iShares Core MSCI Emerging Markets IMI UCITS ETF USD	298,704	7,099	6.17
<b>Total Global Emerging Markets Equities</b>		<b>9,657</b>	<b>8.39</b>
<b>Global Emerging Markets Debt - 3.10% (5.30%)</b>			
*+HSBC GIF Global Emerging Markets Bond Fund	230,584	1,704	1.48
*+HSBC GIF Global Emerging Markets Local Debt Fund	274,906	1,860	1.62
<b>Total Global Emerging Markets Debt</b>		<b>3,564</b>	<b>3.10</b>
<b>Global Equities - 26.60% (27.62%)</b>			
+HSBC FTSE All-World Index Fund	10,021,569	20,163	17.53
*+HSBC GIF Economic Scale Index Global Equity Fund	45,456	1,354	1.18
*+HSBC Multi Factor Worldwide Equity UCITS ETF	564,540	9,073	7.89
<b>Total Global Equities</b>		<b>30,590</b>	<b>26.60</b>
<b>Global Property Equities Funds - 7.47% (4.26%)</b>			
*+HSBC GIF Global Real Estate Equity Fund	1,199,272	8,591	7.47
<b>Total Global Property Equities Funds</b>		<b>8,591</b>	<b>7.47</b>
<b>US Equities - 19.93% (26.71%)</b>			
+HSBC American Index Fund	2,471,857	19,627	17.06
+iShares Core S&P 500 UCITS ETF	12,194	3,294	2.87
<b>Total US Equities</b>		<b>22,921</b>	<b>19.93</b>
<b>UK Equities - 1.73% (2.62%)</b>			
+HSBC FTSE 100 Index Fund	997,424	1,995	1.73
<b>Total UK Equities</b>		<b>1,995</b>	<b>1.73</b>

**Portfolio Statement**

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Global High Yield Bonds - 1.92% (1.07%)</b>			
*+HSBC GIF Asia High Yield Bond Fund	68,039	531	0.46
*+HSBC GIF Global High Yield Bond Fund	211,983	1,676	1.46
<b>Total Global High Yield Bonds</b>		<b>2,207</b>	<b>1.92</b>
<b>Money Markets - 3.69% (2.60%)</b>			
*+HSBC Global Sterling Liquidity Fund	4,241,823	4,242	3.69
<b>Total Money Markets</b>		<b>4,242</b>	<b>3.69</b>
<b>Liquid Alternatives - 2.53% (5.87%)</b>			
*AQR Managed Future UCITS Fund	36,097	2,912	2.53
<b>Total Liquid Alternatives</b>		<b>2,912</b>	<b>2.53</b>
<b>Forward Foreign Exchange Contracts - 0.03% (0.27%)</b>			
#JPY Forward Currency Contract settled 22 October 2020	JPY 271,465,377	1,998	1.74
#GBP Forward Currency Contract settled 22 October 2020	(GBP 2,001,321)	(2,002)	(1.74)
#CHF Forward Currency Contract settled 22 October 2020	CHF 666,362	565	0.49
#GBP Forward Currency Contract settled 22 October 2020	(GBP 570,897)	(571)	(0.50)
#EUR Forward Currency Contract settled 22 October 2020	EUR 1,545,697	1,401	1.23
#GBP Forward Currency Contract settled 22 October 2020	(GBP 1,422,946)	(1,423)	(1.24)
#GBP Forward Currency Contract settled 22 October 2020	GBP 11,711,378	11,711	10.18
#USD Forward Currency Contract settled 22 October 2020	(USD 15,055,468)	(11,663)	(10.14)
#USD Forward Currency Contract settled 22 October 2020	USD 3,269,837	2,533	2.20
#GBP Forward Currency Contract settled 22 October 2020	(GBP 2,520,261)	(2,520)	(2.19)
<b>Total Forward Foreign Exchange Contracts</b>		<b>29</b>	<b>0.03</b>
<b>Futures - (0.03)% (0.11%)</b>			
CME S&P 500 E-Mini Index Future December 2020	17	(21)	(0.02)
EUX EURO Stock 50 December 2020	39	(44)	(0.03)
ICF FTSE 100 Index Future December 2020	4	(8)	(0.01)
NYF MSCI Emerging Market December 2020	41	34	0.03
<b>Total Futures</b>		<b>(39)</b>	<b>(0.03)</b>
<b>Portfolio of investments</b>		<b>112,012</b>	<b>97.38</b>
<b>Net other assets</b>		<b>3,018</b>	<b>2.62</b>
<b>Net assets</b>		<b>115,030</b>	<b>100.00</b>

\*offshore funds

+related party

#unlisted

Figures in brackets denote comparative percentage holdings as at 15 April 2020.

Unless otherwise stated, all holdings are authorised investment funds.

The counterparty for the futures is HSBC.

The counterparties for the forward foreign exchange contracts are Citigroup, HSBC and Royal Bank of Scotland.

Total purchases for the period, including transaction charges, were £35,465,249.

Total sales for the period, net of transaction charges, were £33,775,752.

## Comparative Tables

<b>Retail Income#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	N/A	141.60p	130.80p	127.80p
Return before operating charges*	N/A	14.68p	14.00p	6.13p
Operating charges**	N/A	(1.48p)	(1.82p)	(1.81p)
Return after operating charges*	N/A	13.20p	12.18p	4.32p
Distributions on income shares	N/A	(1.30p)	(1.38p)	(1.32p)
Cancellation price	N/A	(153.50p)	-	-
Closing net asset value per share	N/A	-	141.60p	130.80p
*after direct transaction costs of:***	N/A	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	N/A	9.32%	9.31%	3.38%
<b>Other information</b>				
Closing net asset value	N/A	N/A	£205,446	£169,861
Closing number of shares	N/A	N/A	145,120	129,875
Operating charges - OCF	N/A	N/A	1.45%	1.44%
Direct transaction costs	N/A	N/A	0.00%	0.00%
<b>Prices</b>				
Highest share price	N/A	153.50p	144.20p	141.30p
Lowest share price	N/A	137.60p	125.70p	125.90p

<b>Retail Accumulation##</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	N/A	150.40p	137.50p	132.90p
Return before operating charges*	N/A	15.67p	14.82p	6.46p
Operating charges**	N/A	(1.57p)	(1.92p)	(1.86p)
Return after operating charges*	N/A	14.10p	12.90p	4.60p
Distributions on accumulation shares	N/A	(1.35p)	(1.45p)	(1.39p)
Retained distributions on accumulation shares	N/A	1.35p	1.45p	1.39p
Cancellation price	N/A	(164.50p)	-	-
Closing net asset value per share	N/A	-	150.40p	137.50p
*after direct transaction costs of:***	N/A	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	N/A	9.38%	9.38%	3.46%
<b>Other information</b>				
Closing net asset value	N/A	N/A	£6,562,072	£5,676,980
Closing number of shares	N/A	N/A	4,364,241	4,129,226
Operating charges - OCF	N/A	N/A	1.45%	1.44%
Direct transaction costs	N/A	N/A	0.00%	0.00%
<b>Prices</b>				
Highest share price	N/A	164.50p	151.60p	148.50p
Lowest share price	N/A	146.10p	133.50p	130.90p

#The Retail Income share class converted to Income C class on 17 January 2020.

##The Retail Accumulation share class converted to Accumulation C class on 17 January 2020.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Institutional Income###</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	133.20p	146.10p	136.20p	N/A
Return before operating charges*	22.79p	(9.99p)	10.41p	N/A
Operating charges**	(0.02p)	(0.04p)	(0.02p)	N/A
Return after operating charges*	22.77p	(10.03p)	10.39p	N/A
Distributions on income shares	(2.47p)	(2.87p)	(0.49p)	N/A
Closing net asset value per share	153.50p	133.20p	146.10p	N/A
*after direct transaction costs of:***	0.00p	0.00p	0.00p	N/A
<b>Performance</b>				
Return after charges	17.09%	(6.87%)	7.63%	N/A
<b>Other information</b>				
Closing net asset value	£2,190,699	£1,802,638	£3,089,860	N/A
Closing number of shares	1,427,293	1,353,209	2,115,096	N/A
Operating charges - OCF	0.13%	0.13%	0.16%	N/A
Direct transaction costs	0.00%	0.00%	0.00%	N/A
<b>Prices</b>				
Highest share price	157.50p	160.20p	146.70p	N/A
Lowest share price	133.30p	122.40p	129.70p	N/A

<b>Institutional Accumulation###</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	143.60p	154.40p	143.50p	N/A
Return before operating charges*	24.52p	(10.75p)	10.92p	N/A
Operating charges**	(0.02p)	(0.05p)	(0.02p)	N/A
Return after operating charges*	24.50p	(10.80p)	10.90p	N/A
Distributions on accumulation shares	(2.67p)	(3.04p)	(0.52p)	N/A
Retained distributions on accumulation shares	2.67p	3.04p	0.52p	N/A
Closing net asset value per share	168.10p	143.60p	154.40p	N/A
*after direct transaction costs of:***	0.00p	0.00p	0.00p	N/A
<b>Performance</b>				
Return after charges	17.06%	(6.99%)	7.60%	N/A
<b>Other information</b>				
Closing net asset value	£10,487,372	£8,915,993	£11,186,676	N/A
Closing number of shares	6,240,052	6,210,661	7,245,751	N/A
Operating charges - OCF	0.13%	0.13%	0.16%	N/A
Direct transaction costs	0.00%	0.00%	0.00%	N/A
<b>Prices</b>				
Highest share price	169.80p	172.00p	154.50p	N/A
Lowest share price	143.70p	131.40p	136.60p	N/A

###The Institutional Income and Accumulation share classes launched on 23 November 2018.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Income C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	133.30p	146.10p	134.70p	131.10p
Return before operating charges*	22.71p	(9.77p)	14.39p	6.35p
Operating charges**	(0.50p)	(1.01p)	(0.96p)	(0.94p)
Return after operating charges*	22.21p	(10.78p)	13.43p	5.41p
Distributions on income shares	(2.01p)	(2.02p)	(2.03p)	(1.81p)
Closing net asset value per share	153.50p	133.30p	146.10p	134.70p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	16.66%	(7.38%)	9.97%	4.13%
<b>Other information</b>				
Closing net asset value	£6,569,066	£5,897,896	£6,887,354	£6,288,676
Closing number of shares	4,279,220	4,425,918	4,713,940	4,667,654
Operating charges - OCF	0.73%	0.78%	0.80%	0.79%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	157.10p	160.00p	148.80p	145.30p
Lowest share price	133.30p	122.10p	129.60p	129.20p

<b>Accumulation C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	142.50p	154.10p	140.00p	134.50p
Return before operating charges*	24.34p	(10.53p)	15.10p	6.47p
Operating charges**	(0.54p)	(1.07p)	(1.00p)	(0.97p)
Return after operating charges*	23.80p	(11.60p)	14.10p	5.50p
Distributions on accumulation shares	(2.15p)	(2.14p)	(2.11p)	(1.86p)
Retained distributions on accumulation shares	2.15p	2.14p	2.11p	1.86p
Closing net asset value per share	166.30p	142.50p	154.10p	140.00p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	16.70%	(7.53%)	10.07%	4.09%
<b>Other information</b>				
Closing net asset value	£70,742,996	£60,409,196	£55,275,692	£42,254,422
Closing number of shares	42,551,942	42,406,699	35,879,830	30,183,498
Operating charges - OCF	0.73%	0.78%	0.80%	0.79%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	167.90p	170.80p	154.60p	151.00p
Lowest share price	142.50p	130.40p	136.60p	132.50p
**The operating charges include all costs borne by the Fund, except for direct transaction costs.				
***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.				

## Comparative Tables

<b>Accumulation P</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	145.00p	156.30p	141.60p	135.50p
Return before operating charges*	24.76p	(10.77p)	15.19p	6.58p
Operating charges**	(0.26p)	(0.53p)	(0.49p)	(0.48p)
Return after operating charges*	24.50p	(11.30p)	14.70p	6.10p
Distributions on accumulation shares	(2.47p)	(2.69p)	(2.63p)	(2.37p)
Retained distributions on accumulation shares	2.47p	2.69p	2.63p	2.37p
Closing net asset value per share	169.50p	145.00p	156.30p	141.60p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	16.90%	(7.23%)	10.38%	4.50%
<b>Other information</b>				
Closing net asset value	£25,039,774	£19,954,109	£16,087,003	£8,189,756
Closing number of shares	14,771,860	13,762,301	10,291,850	5,784,998
Operating charges - OCF	0.41%	0.43%	0.45%	0.44%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	171.20p	173.80p	156.50p	152.60p
Lowest share price	145.10p	132.70p	138.40p	133.50p
**The operating charges include all costs borne by the Fund, except for direct transaction costs.				
***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.				

## Statement of Total Return

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		15,005		1,597
Revenue	1,872		1,625	
Expenses	(290)		(289)	
Interest payable and similar charges	(1)		-	
Net revenue before taxation	1,581		1,336	
Taxation	-		-	
Net revenue after taxation		1,581		1,336
Total return before distributions		16,586		2,933
Distributions		(1,577)		(1,330)
Change in net assets attributable to shareholders from investment activities		15,009		1,603

## Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		96,980		99,294
Amounts receivable on creation of shares	7,219		8,432	
Amounts payable on cancellation of shares	(5,624)		(5,385)	
		1,595		3,047
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		15,009		1,603
Retained distribution on accumulation shares		1,446		1,216
Closing net assets attributable to shareholders		115,030		105,160

## Balance Sheet

as at 15 October 2020 (unaudited)

	15.10.20		15.4.20	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments		112,117		95,150
Current assets				
Debtors	3,235		486	
Cash and bank balances	730		1,825	
Total current assets		3,965		2,311
Total assets		116,082		97,461
<b>Liabilities</b>				
Investment liabilities		(105)		(60)
Creditors				
Distribution payable on income shares	(121)		(16)	
Other creditors	(826)		(405)	
Total creditors		(947)		(421)
Total liabilities		(1,052)		(481)
Net assets attributable to shareholders		115,030		96,980

**Distribution Table (pence per share)**

for the six months ended 15 October 2020 (unaudited)

Group 1: Shares purchased prior to 16 April 2020				
Group 2: Shares purchased from 16 April 2020 to 15 October 2020				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.12.20</i>	<i>Distribution paid 15.12.19</i>
<b>Retail Income#</b>				
Group 1	N/A	-	N/A	1.300000
Group 2	N/A	N/A	N/A	1.300000
<b>Retail Accumulation##</b>				
Group 1	N/A	-	N/A	1.350000
Group 2	N/A	N/A	N/A	1.350000
<b>Institutional Income†</b>				
Group 1	2.470000	-	2.470000	2.330000
Group 2	2.380000	0.090000	2.470000	2.330000
<b>Institutional Accumulation†</b>				
Group 1	2.670000	-	2.670000	2.460000
Group 2	1.830000	0.840000	2.670000	2.460000
<b>Income C</b>				
Group 1	2.010000	-	2.010000	1.830000
Group 2	1.100000	0.910000	2.010000	1.830000
<b>Accumulation C</b>				
Group 1	2.150000	-	2.150000	1.930000
Group 2	1.010000	1.140000	2.150000	1.930000
<b>Accumulation P</b>				
Group 1	2.470000	-	2.470000	2.250000
Group 2	1.610000	0.860000	2.470000	2.250000
#The Retail Income share class converted to Income C class on 17 January 2020.				
##The Retail Accumulation share class converted to Accumulation C class on 17 January 2020.				
†The Institutional Income and Institutional Accumulation share classes launched on 23 November 2018.				

# World Selection - Balanced Portfolio

## Investment Objective

To provide capital growth through balanced investment in a broad range of asset classes across global markets.

## Investment Policy\*

This is one of a range of actively managed World Selection Portfolios offered at five different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is rated as 3, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long-term risk profile therefore any potential returns are likely to be limited by the risk profile of the Fund.

To achieve its objective the Fund invests primarily in collective investment schemes that in turn invest in equities, fixed income securities, alternative asset classes and derivatives.

The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may, in addition to its other investment powers, use exchange traded and over-the-counter derivatives and forward currency contracts for investment purposes.

Using these investment powers for investment purposes means, in particular, maintaining positions in these investments for the long-term rather than just for tactical short-term purposes.

Where the use of derivatives is for investment purposes in addition to hedging it is envisaged that the use of such instruments will not affect the overall risk profile of the Fund.

\*The full policy can be found in the prospectus.

## Investment Strategy\*

The starting point for the World Selection Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class.

Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective.

Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in sterling.

\*The full strategy can be found in the prospectus.

## Portfolio Activity

At the start of the period, the portfolio was positioned in a cautious stance, after we had reduced our risk exposure through the worst of the volatility seen in Q1 2020. Through April, further changes were made to diversify our defensive positions, including the addition of short duration credit and gold exposures. We also tilted our US exposure towards IT, healthcare and consumer staples. These sectors display higher quality characteristics which we believe offer potential outperformance in a range of scenarios.

As markets rebounded and confidence returned, we looked to add back to risk assets in a controlled way. The sell-off had seen valuations improve, with forward-looking returns for risk assets looking more attractive. Changes to the long-term target allocations were introduced through May and June in numerous tranches, increasing exposure to equities and credit asset classes, including Asian high yield bonds, while ensuring the portfolio remained within its risk profile.

In July, we increased our allocation to Eurozone equity on the back of better political integration in the EZ around their Covid-19 response policies. This coupled with attractive valuations indicated potential outperformance. As part of this trade, we reduced our exposures to the UK and Japan.

August saw the Portfolio Management team make a further adjustment to the equity allocation, tilting exposure slightly towards emerging markets, away from developed markets, while leaving the overall equity exposure in a neutral position. Asian emerging markets had done a better job of containing the pandemic and opening up their economies, leading to potentially higher returns.

We also adjusted our currency positioning in August. The US dollar appeared expensive and, with the upcoming election creating potential volatility, we increased exposures to the euro and Japanese yen to limit the impact of potential dollar depreciation.

In October, we increased our exposure the US quality sectors which were introduced in April. These sectors had added value to the portfolios and our initial thesis remained intact, we therefore increased the exposure, funded from US equity more broadly.

Major purchases included: HSBC Multi Factor Worldwide Equity ETF, Xtrackers MSCI USA Information Technology UCITS ETF, HSBC GIF Global Short Duration High Yield Bond Fund, Xtrackers MSCI USA Health Care UCITS ETF, HSBC GIF Asia High Yield Bond Fund, iShares Physical Gold ETF and Xtrackers MSCI USA Consumer Staples UCITS ETF.

Major disposals included: HSBC Global Sterling Liquidity Fund, iShares Core S&P 500 UCITS ETF, HSBC Economic Scale Worldwide Equity UCITS ETF and HSBC GIF Global High Yield Bond Fund.

### Investment Performance

During the period under review the value of the shares in the Fund decreased by 12.76%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

### Fund Particulars

as at 16 October 2020 (unaudited)

	Retail Income	Retail Accumulation	Institutional Income	Institutional Accumulation
Price	203.4p xd	226.9p	244.5p xd	254.5p
Distribution payable (on 15 December 2020) per share net	1.710000p	1.890000p	3.290000p	3.380000p
Current net estimated yield	0.84%	0.97%	2.02%	1.98%
Annual ACD charge	1.25%	1.25%	0.00%	0.00%

	Income C	Accumulation C	Income P	Accumulation P
Price	203.7p xd	236.6p	203.7p xd	240.5p
Distribution payable (on 15 December 2020) per share net	2.230000p	2.560000p	2.510000p	2.920000p
Current net estimated yield	1.51%	1.49%	1.79%	1.76%
Annual ACD charge	0.55%	0.55%	0.25%	0.25%

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Asia-Pacific (excluding Japan) Equities - 1.07% (0.88%)</b>			
^*iShares Core MSCI Pacific ex-Japan UCITS ETF	356,697	39,681	1.07
<b>Total Asia-Pacific (excluding Japan) Equities</b>		<b>39,681</b>	<b>1.07</b>
<b>Asian High Yield Bonds - 1.88% (0.00%)</b>			
*+HSBC GIF Asia High Yield Bond Fund	8,924,007	69,596	1.88
<b>Total Asian High Yield Bonds</b>		<b>69,596</b>	<b>1.88</b>
<b>European (excluding UK) Equities - 3.54% (3.39%)</b>			
+HSBC European Index Fund	11,679,663	121,001	3.28
^*Xtrackers S&P Europe ex UK UCITS ETF	205,000	9,534	0.26
<b>Total European (excluding UK) Equities</b>		<b>130,535</b>	<b>3.54</b>
<b>Japanese Equities - 1.27% (2.02%)</b>			
+HSBC Japan Index Fund	33,192,944	46,868	1.27
<b>Total Japanese Equities</b>		<b>46,868</b>	<b>1.27</b>
<b>Global Emerging Markets Equities - 2.82% (2.69%)</b>			
^*iShares Core MSCI Emerging Markets IMI UCITS ETF	4,376,863	104,026	2.82
<b>Total Global Emerging Markets Equities</b>		<b>104,026</b>	<b>2.82</b>
<b>Global Property Equities Funds - 5.09% (4.98%)</b>			
*+HSBC GIF Global Real Estate Equity Fund	26,210,184	187,756	5.09
<b>Total Global Property Equities Funds</b>		<b>187,756</b>	<b>5.09</b>
<b>US Equities - 15.57% (12.78%)</b>			
+HSBC American Index Fund	36,899,622	292,983	7.94
^*Xtrackers MSCI USA Consumer Staples UCITS ETF	1,669,314	46,930	1.27
^*Xtrackers MSCI USA Health Care UCITS ETF	2,747,598	92,548	2.50
^*Xtrackers MSCI USA Information Technology UCITS ETF	3,304,908	142,453	3.86
<b>Total US Equities</b>		<b>574,914</b>	<b>15.57</b>
<b>UK Equities - 0.73% (1.28%)</b>			
+HSBC FTSE 100 Index Fund	13,402,219	26,804	0.73
<b>Total UK Equities</b>		<b>26,804</b>	<b>0.73</b>
<b>Global Equities - 26.88% (26.82%)</b>			
+HSBC FTSE All-World Index Fund	371,895,122	748,253	20.27
^*+HSBC Multi Factor Worldwide Equity ETF	15,180,244	243,959	6.61
<b>Total Global Equities</b>		<b>992,212</b>	<b>26.88</b>
<b>Global Government Bonds - 4.22% (1.18%)</b>			
*+HSBC GIF Global Government Bond Fund	17,336,961	155,796	4.22
<b>Total Global Government Bonds</b>		<b>155,796</b>	<b>4.22</b>

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Global Assets-Backed Bonds - 1.24% (2.79%)</b>			
*+HSBC GIF Global Asset-Backed Bond Fund	387,971	45,859	1.24
<b>Total Global Assets-Backed Bonds</b>		<b>45,859</b>	<b>1.24</b>
<b>Global Corporate Bonds - 8.43% (8.39%)</b>			
*+HSBC GIF Corporate Bond Fund	34,571,948	311,318	8.43
<b>Total Global Corporate Bonds</b>		<b>311,318</b>	<b>8.43</b>
<b>Global High Yield Bonds - 3.64% (6.60%)</b>			
*+HSBC GIF Global High Yield Bond Fund	12,352,931	97,667	2.65
*+HSBC GIF Global Short Duration High Yield Bond Fund	4,724,317	36,478	0.99
<b>Total Global High Yield Bonds</b>		<b>134,145</b>	<b>3.64</b>
<b>Global Emerging Markets Debt - 9.43% (11.38%)</b>			
*+HSBC GIF Global Emerging Markets Bond Fund	16,149,825	119,367	3.23
*+HSBC GIF Global Emerging Markets Local Debt Fund	33,811,665	228,773	6.20
<b>Total Global Emerging Markets Debt</b>		<b>348,140</b>	<b>9.43</b>
<b>Global Short Duration Bonds - 2.73% (0.00%)</b>			
*+HSBC GIF Global Short Duration Bond Fund	12,776,707	100,731	2.73
<b>Total Global Short Duration Bonds</b>		<b>100,731</b>	<b>2.73</b>
<b>Liquid Alternatives - 4.48% (5.40%)</b>			
*AQR Managed Futures UCITS Fund	691,981	55,821	1.51
*+HSBC Multi-Asset Style Factor Fund	3,318,093	34,536	0.94
*Structured Investments Goldman Sachs - Cross Asset Trend Portfolio	9,914,890	74,830	2.03
<b>Total Liquid Alternatives</b>		<b>165,187</b>	<b>4.48</b>
<b>Exchange Trade Commodities - Precious metals - 1.61% (0.00%)</b>			
^*iShares Physical Gold ETF	2,062,546	59,451	1.61
<b>Total Exchange Trade Commodities - Precious metals</b>		<b>59,451</b>	<b>1.61</b>
<b>Money Markets - 2.81% (7.60%)</b>			
+HSBC Global Liquidity Fund	601	-	0.00
+HSBC Global Sterling Liquidity Fund	103,562,955	103,563	2.81
<b>Total Money Markets</b>		<b>103,563</b>	<b>2.81</b>
<b>Forward Foreign Exchange Contracts - 0.12% (0.95%)</b>			
#CHF Forward Currency Contract settled 22 October 2020	CHF 21,480,985	18,215	0.49
#GBP Forward Currency Contract settled 22 October 2020	(GBP 18,403,544)	(18,404)	(0.50)
#JPY Forward Currency Contract settled 22 October 2020	JPY 7,500,875,077	55,194	1.50
#GBP Forward Currency Contract settled 22 October 2020	(GBP 55,298,611)	(55,299)	(1.50)
#EUR Forward Currency Contract settled 22 October 2020	EUR 1,906,564	1,728	0.05
#GBP Forward Currency Contract settled 22 October 2020	(GBP 1,755,269)	(1,755)	(0.05)
#GBP Forward Currency Contract settled 22 October 2020	GBP 1,138,534,987	1,138,535	30.85
#USD Forward Currency Contract settled 22 October 2020	(USD 1,463,634,544)	(1,133,818)	(30.72)

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
#EUR Forward Currency Contract settled 22 October 2020	EUR 550,001	498	0.01
#GBP Forward Currency Contract settled 22 October 2020	(GBP 503,278)	(503)	(0.01)
#GBP Forward Currency Contract settled 22 October 2020	GBP 336,894	337	0.01
#EUR Forward Currency Contract settled 22 October 2020	(EUR 368,170)	(334)	(0.01)
#GBP Forward Currency Contract settled 22 October 2020	GBP 97,129	97	0.00
#EUR Forward Currency Contract settled 22 October 2020	(EUR 105,809)	(96)	0.00
#GBP Forward Currency Contract settled 22 October 2020	GBP 570,327	570	0.02
#EUR Forward Currency Contract settled 22 October 2020	(EUR 621,415)	(563)	(0.02)
#EUR Forward Currency Contract settled 22 October 2020	EUR 448,714	407	0.01
#GBP Forward Currency Contract settled 22 October 2020	(GBP 409,698)	(410)	(0.01)
#GBP Forward Currency Contract settled 22 October 2020	GBP 551,507	552	0.01
#EUR Forward Currency Contract settled 22 October 2020	(EUR 602,482)	(546)	(0.01)
#EUR Forward Currency Contract settled 22 October 2020	EUR 1,004,121	910	0.02
#GBP Forward Currency Contract settled 22 October 2020	(GBP 915,199)	(915)	(0.02)
#EUR Forward Currency Contract settled 22 October 2020	EUR 664,077	602	0.02
#GBP Forward Currency Contract settled 22 October 2020	(GBP 601,160)	(601)	(0.02)
#USD Forward Currency Contract settled 22 October 2020	USD 18,399,288	14,253	0.38
#GBP Forward Currency Contract settled 22 October 2020	(GBP 14,181,443)	(14,181)	(0.38)
<b>Total Forward Foreign Exchange Contracts</b>		<b>4,473</b>	<b>0.12</b>
<b>Futures - -0.01% (0.16%)</b>			
CBT US 10Yr Ultra Future December 2020	211	(66)	0.00
EUX EURO Stoxx 50 December 2020	1,855	(1,669)	(0.05)
NYF MSCI Emerging Market December 2020	1,700	1,448	0.04
<b>Total Futures</b>		<b>(287)</b>	<b>(0.01)</b>
<b>Portfolio of investments</b>		<b>3,600,768</b>	<b>97.55</b>
<b>Net other assets</b>		<b>90,316</b>	<b>2.45</b>
<b>Net assets</b>		<b>3,691,084</b>	<b>100.00</b>

\*offshore fund

+related party

^listed

#unlisted

Figures in brackets denote comparative percentage holdings as at 15 April 2020.

Unless otherwise stated, all holdings are authorised investment funds.

The counterparty for the futures is HSBC.

The counterparties for the forward foreign exchange contracts are Citigroup, Goldman Sachs, HSBC, NatWest Group and UBS.

Total purchases for the period, including transaction charges, were £1,174,154,264.

Total sales for the period, net of transaction charges, were £1,095,951,229.

## Comparative Tables

<b>Retail Income</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	181.10p	194.80p	184.50p	184.80p
Return before operating charges*	24.50p	(9.09p)	15.21p	4.26p
Operating charges**	(1.29p)	(2.64p)	(2.49p)	(2.47p)
Return after operating charges*	23.21p	(11.73p)	12.72p	1.79p
Distributions on income shares	(1.71p)	(1.97p)	(2.42p)	(2.09p)
Closing net asset value per share	202.60p	181.10p	194.80p	184.50p
*after direct transaction costs of:***	0.01p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	12.82 %	(6.02 %)	6.89 %	0.97 %
<b>Other information</b>				
Closing net asset value	£20,917	£18,969	£1,210,447	£1,142,942
Closing number of shares	10,323	10,476	621,260	619,519
Operating charges - OCF	1.39 %	1.41 %	1.46 %	1.45 %
Direct transaction costs	0.00 %	0.00 %	0.00 %	0.00 %
<b>Prices</b>				
Highest share price	205.80p	209.20p	197.10p	194.90p
Lowest share price	180.90p	168.90p	178.60p	182.90p

<b>Retail Accumulation</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	200.30p	213.50p	199.50p	197.60p
Return before operating charges*	27.13p	(10.31p)	16.71p	4.54p
Operating charges**	(1.43p)	(2.89p)	(2.71p)	(2.64p)
Return after operating charges*	25.70p	(13.20p)	14.00p	1.90p
Distributions on accumulation shares	(1.89p)	(2.45p)	(2.63p)	(2.08p)
Retained distributions on accumulation shares	1.89p	2.45p	2.63p	2.08p
Closing net asset value per share	226.00p	200.30p	213.50p	199.50p
*after direct transaction costs of:***	0.01p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	12.83 %	(6.18 %)	7.02 %	0.96 %
<b>Other information</b>				
Closing net asset value	£10,086,293	£7,888,945	£35,409,569	£36,718,487
Closing number of shares	4,462,885	3,939,322	16,586,936	18,401,329
Operating charges - OCF	1.39 %	1.41 %	1.46 %	1.45 %
Direct transaction costs	0.00 %	0.00 %	0.00 %	0.00 %
<b>Prices</b>				
Highest share price	227.60p	231.40p	213.60p	210.40p
Lowest share price	200.10p	186.80p	195.20p	195.60p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Institutional Income#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	217.60p	234.70p	226.40p	N/A
Return before operating charges*	29.31p	(11.78p)	9.18p	N/A
Operating charges**	(0.02p)	(0.03p)	(0.01p)	N/A
Return after operating charges*	29.29p	(11.81p)	9.17p	N/A
Distributions on income shares	(3.29p)	(5.29p)	(0.87p)	N/A
Closing net asset value per share	243.60p	217.60p	234.70p	N/A
*after direct transaction costs of:***	0.01p	0.00p	0.00p	N/A
<b>Performance</b>				
Return after charges	13.46%	(5.03%)	4.05%	N/A
<b>Other information</b>				
Closing net asset value	£40,762,716	£37,459,058	£47,418,845	N/A
Closing number of shares	16,735,412	17,214,229	20,201,034	N/A
Operating charges - OCF	0.12%	0.11%	0.16%	N/A
Direct transaction costs	0.00%	0.00%	0.00%	N/A
<b>Prices</b>				
Highest share price	248.60p	252.90p	235.80p	N/A
Lowest share price	217.50p	204.40p	226.40p	N/A

<b>Institutional Accumulation</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	223.40p	235.60p	217.90p	213.70p
Return before operating charges*	30.12p	(12.17p)	17.73p	4.23p
Operating charges**	(0.02p)	(0.03p)	(0.03p)	(0.03p)
Return after operating charges*	30.10p	(12.20p)	17.70p	4.20p
Distributions on accumulation shares	(3.38p)	(5.34p)	(5.24p)	(4.79p)
Retained distributions on accumulation shares	3.38p	5.34p	5.24p	4.79p
Closing net asset value per share	253.50p	223.40p	235.60p	217.90p
*after direct transaction costs of:***	0.01p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	13.47%	(5.18%)	8.12%	1.97%
<b>Other information</b>				
Closing net asset value	£150,799,911	£136,084,143	£154,592,371	£97,437,929
Closing number of shares	59,496,168	60,907,101	65,614,728	44,707,121
Operating charges - OCF	0.12%	0.11%	0.16%	0.15%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	255.20p	257.80p	235.80p	229.20p
Lowest share price	223.30p	208.30p	214.80p	211.60p

#The Institutional Income share class launched on 8 February 2019.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Income C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	181.30p	195.50p	185.10p	185.50p
Return before operating charges*	24.48p	(9.52p)	15.08p	4.01p
Operating charges**	(0.65p)	(1.32p)	(1.26p)	(1.26p)
Return after operating charges*	23.83p	(10.84p)	13.82p	2.75p
Distributions on income shares	(2.23p)	(3.36p)	(3.42p)	(3.15p)
Closing net asset value per share	202.90p	181.30p	195.50p	185.10p
*after direct transaction costs of:***	0.01p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	13.14%	(5.54%)	7.47%	1.48%
<b>Other information</b>				
Closing net asset value	£29,780,455	£27,523,449	£29,427,185	£26,852,182
Closing number of shares	14,678,596	15,182,990	15,051,675	14,504,816
Operating charges - OCF	0.72%	0.76%	0.81%	0.80%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	206.50p	210.30p	198.10p	195.90p
Lowest share price	181.10p	169.80p	179.40p	183.60p

<b>Accumulation C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	208.30p	220.80p	205.30p	202.40p
Return before operating charges*	28.15p	(11.00p)	16.91p	4.28p
Operating charges**	(0.75p)	(1.50p)	(1.41p)	(1.38p)
Return after operating charges*	27.40p	(12.50p)	15.50p	2.90p
Distributions on accumulation shares	(2.56p)	(3.81p)	(3.82p)	(3.44p)
Retained distributions on accumulation shares	2.56p	3.81p	3.82p	3.44p
Closing net asset value per share	235.70p	208.30p	220.80p	205.30p
*after direct transaction costs of:***	0.01p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	13.15%	(5.66%)	7.55%	1.43%
<b>Other information</b>				
Closing net asset value	£2,745,226,714	£2,442,971,917	£2,621,918,547	£2,358,349,794
Closing number of shares	1,164,765,669	1,172,789,144	1,187,414,405	1,148,603,186
Operating charges - OCF	0.72%	0.76%	0.81%	0.80%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	237.30p	240.50p	221.00p	216.20p
Lowest share price	208.20p	194.20p	201.60p	200.30p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Income P</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	181.30p	195.50p	185.20p	185.60p
Return before operating charges*	24.42p	(9.65p)	14.87p	3.87p
Operating charges**	(0.31p)	(0.62p)	(0.60p)	(0.59p)
Return after operating charges*	24.11p	(10.27p)	14.27p	3.28p
Distributions on income shares	(2.51p)	(3.93p)	(3.97p)	(3.68p)
Closing net asset value per share	202.90p	181.30p	195.50p	185.20p
*after direct transaction costs of:***	0.01p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	13.30%	(5.25%)	7.71%	1.77%
<b>Other information</b>				
Closing net asset value	£7,823,595	£7,042,260	£7,299,532	£6,396,161
Closing number of shares	3,855,777	3,884,517	3,732,996	3,454,422
Operating charges - OCF	0.39%	0.41%	0.46%	0.45%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	206.80p	210.50p	198.30p	196.00p
Lowest share price	181.20p	170.10p	179.50p	183.70p

<b>Accumulation P</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	211.40p	223.50p	207.20p	203.70p
Return before operating charges*	28.46p	(11.38p)	16.97p	4.16p
Operating charges**	(0.36p)	(0.72p)	(0.67p)	(0.66p)
Return after operating charges*	28.10p	(12.10p)	16.30p	3.50p
Distributions on accumulation shares	(2.92p)	(4.51p)	(4.47p)	(4.06p)
Retained distributions on accumulation shares	2.92p	4.51p	4.47p	4.06p
Closing net asset value per share	239.50p	211.40p	223.50p	207.20p
*after direct transaction costs of:***	0.01p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	13.29%	(5.41%)	7.87%	1.72%
<b>Other information</b>				
Closing net asset value	£706,583,254	£555,177,382	£386,602,118	£226,078,886
Closing number of shares	294,969,098	262,599,937	172,992,159	109,098,876
Operating charges - OCF	0.39%	0.41%	0.46%	0.45%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	241.20p	244.00p	223.60p	218.10p
Lowest share price	211.30p	197.10p	203.90p	201.60p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Statement of Total Return

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		<b>385,843</b>		51,135
Revenue	<b>54,099</b>		58,350	
Expenses	<b>(9,978)</b>		(9,983)	
Interest payable and similar charges	<b>(63)</b>		(4)	
Net revenue before taxation	<b>44,058</b>		48,363	
Taxation	<b>(2,754)</b>		(3,788)	
Net revenue after taxation		<b>41,304</b>		44,575
Total return before distributions		<b>427,147</b>		95,710
Distributions		<b>(41,206)</b>		(44,462)
Change in net assets attributable to shareholders from investment activities		<b>385,941</b>		51,248

## Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		<b>3,214,166</b>		3,283,879
Amounts receivable on creation of shares	<b>101,161</b>		144,005	
Amount receivable on in-specie creation of shares	-		(25)	
Amounts payable on cancellation of shares	<b>(50,710)</b>		(36,900)	
		<b>50,451</b>		107,080
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		<b>385,941</b>		51,248
Retained distribution on accumulation shares		<b>40,526</b>		43,576
Closing net assets attributable to shareholders		<b>3,691,084</b>		3,485,783

## Balance Sheet

as at 15 October 2020 (unaudited)

	15.10.20		15.4.20	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments		<b>3,602,837</b>		3,199,838
Current assets				
Debtors	<b>20,637</b>		1,399	
Cash and bank balances	<b>74,430</b>		50,600	
Total current assets		<b>95,067</b>		51,999
Total assets		<b>3,697,904</b>		3,251,837
<b>Liabilities</b>				
Investment liabilities		<b>(2,069)</b>		(8,472)
Creditors				
Distribution payable on income shares	<b>(975)</b>		(455)	
Other creditors	<b>(3,776)</b>		(28,744)	
Total creditors		<b>(4,751)</b>		(29,199)
Total liabilities		<b>(6,820)</b>		(37,671)
Net assets attributable to shareholders		<b>3,691,084</b>		3,214,166

**Distribution Table (pence per share)**

for the six months ended 15 October 2020 (unaudited)

Group 1: Shares purchased prior to 16 April 2020				
Group 2: Shares purchased from 16 April 2020 to 15 October 2020				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.12.20</i>	<i>Distribution paid 15.12.19</i>
<b>Retail Income</b>				
Group 1	1.710000	-	1.710000	1.970000
Group 2	0.790000	0.920000	1.710000	1.970000
<b>Retail Accumulation</b>				
Group 1	1.890000	-	1.890000	2.130000
Group 2	0.380000	1.510000	1.890000	2.130000
<b>Institutional Income</b>				
Group 1	3.290000	-	3.290000	3.650000
Group 2	2.920000	0.370000	3.290000	3.650000
<b>Institutional Accumulation</b>				
Group 1	3.380000	-	3.380000	3.670000
Group 2	2.930000	0.450000	3.380000	3.670000
<b>Income C</b>				
Group 1	2.230000	-	2.230000	2.520000
Group 2	1.140000	1.090000	2.230000	2.520000
<b>Accumulation C</b>				
Group 1	2.560000	-	2.560000	2.840000
Group 2	1.310000	1.250000	2.560000	2.840000
<b>Income P</b>				
Group 1	2.510000	-	2.510000	2.800000
Group 2	2.510000	0.000000	2.510000	2.800000
<b>Accumulation P</b>				
Group 1	2.920000	-	2.920000	3.200000
Group 2	1.330000	1.590000	2.920000	3.200000

## World Selection - Cautious Portfolio

### Investment Objective

To provide capital growth through cautious investment in a broad range of asset classes across global markets.

### Investment Policy\*

This is one of a range of actively managed World Selection Portfolios offered at five different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is rated as 1, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long-term risk profile therefore any potential returns are likely to be limited by the risk profile of the Fund.

To achieve its objective the Fund invests mainly in collective investment schemes that in turn invest in fixed income securities, equities, alternative asset classes and derivatives. Typically the Fund will have a bias towards asset classes that focus on fixed interest strategies.

The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may, in addition to its other investment powers, use exchange traded and over-the-counter derivatives and forward currency contracts for investment purposes. Using these investment powers for investment purposes means, in particular, maintaining positions in these investments for the long-term rather than just for tactical short-term purposes. Where the use of derivatives is for investment purposes in addition to hedging it is envisaged that the use of such instruments will not affect the overall risk profile of the Fund.

\*The full policy can be found in the prospectus.

### Investment Strategy\*

The starting point for the World Selection Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class.

Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in sterling.

\*The full strategy can be found in the prospectus.

### Portfolio Activity

At the start of the period, the portfolio was positioned in a cautious stance, after we had reduced our risk exposure through the worst of the volatility seen in Q1 2020. Through April, further changes were made to diversify our defensive positions, including the addition of short duration credit and gold exposures. We also tilted our US exposure towards IT, healthcare and consumer staples. These sectors display higher quality characteristics which we believe offer potential outperformance in a range of scenarios.

As markets rebounded and confidence returned, we looked to add back to risk assets in a controlled way. The sell-off had seen valuations improve, with forward-looking returns for risk assets looking more attractive. Changes to the long-term target allocations were introduced through May and June in numerous tranches, increasing exposure to equities and credit asset classes, including Asian high yield bonds, while ensuring the portfolio remained within its risk profile.

In July, we increased our allocation to Eurozone equity on the back of better political integration in the EZ around their Covid-19 response policies. This coupled with attractive valuations indicated potential outperformance. As part of this trade, we reduced our exposures to the UK and Japan.

August saw the Portfolio Management team make a further adjustment to the equity allocation, tilting exposure slightly towards emerging markets, away from developed markets, while leaving the overall equity exposure in a neutral position. Asian emerging markets had done a better job of containing the pandemic and opening up their economies, leading to potentially higher returns.

We also adjusted our currency positioning in August. The US dollar appeared expensive and, with the upcoming election creating potential volatility, we increased exposures to the euro and Japanese yen to limit the impact of potential dollar depreciation.

In October, we increased our exposure the US quality sectors which were introduced in April. These sectors had added value to the portfolios and our initial thesis remained intact, we therefore increased the exposure, funded from US equity more broadly.

Major purchases included: HSBC Multi Factor Worldwide Equity UCITS ETF, Xtrackers MSCI USA Information Technology UCITS ETF, HGIF Global Short Duration Bond, Xtrackers MSCI USA Health Care UCITS ETF, HGIF Asia High Yield Bond, iShares Physical Gold ETF and Xtrackers MSCI USA Consumer Staples UCITS ETF.

Major disposals included: HSBC Global Sterling Liquidity Fund, HSBC FTSE All-World Index Fund, iShares Core S&P 500 UCITS ETF, HSBC Economic Scale Worldwide Equity UCITS ETF and HSBC GIF Global High Yield Bond Fund.

## Investment Performance

During the period under review the value of the shares in the Fund increased by 5.88%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

<b>Fund Particulars</b> as at 16 October 2020 (unaudited)			
	Institutional Income	Institutional Accumulation	Income C
Price	170.0p xd	175.9p	141.9p xd
Distribution payable (on 15 December 2020) per share net	1.620000p	1.660000p	0.990000p
Current net estimated yield	1.59%	1.56%	1.08%
Annual ACD charge	0.00%	0.00%	0.55%
	Accumulation C	Income P	Accumulation P
Price	163.6p	141.8p xd	166.2p
Distribution payable (on 15 December 2020) per share net	1.130000p	1.180000p	1.380000p
Current net estimated yield	1.06%	1.35%	1.34%
Annual ACD charge	0.55%	0.25%	0.25%

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Liquid Alternatives - 5.58% (5.88%)</b>			
*+HSBC Multi-Asset Style Factor Fund	1,811,602	18,856	2.55
*+Structured Investments Goldman Sachs - Cross Asset Trend Portfolio	2,973,405	22,441	3.03
<b>Total Liquid Alternatives</b>		<b>41,297</b>	<b>5.58</b>
<b>Exchange Trade Commodities - Precious metals - 1.95% (0.00%)</b>			
^*iShares Physical Gold ETF	499,080	14,386	1.95
<b>Total Exchange Trade Commodities - Precious metals</b>		<b>14,386</b>	<b>1.95</b>
<b>Asian High Yield Bonds - 1.00% (0.00%)</b>			
*+HSBC GIF Asia High Yield Bond Fund	945,316	7,372	1.00
<b>Total Asian High Yield Bonds</b>		<b>7,372</b>	<b>1.00</b>
<b>Global Assets-Backed Bonds - 3.71% (4.72%)</b>			
*+HSBC GIF Global Asset-Backed Bond Fund	232,044	27,428	3.71
<b>Total Global Assets-Backed Bonds</b>		<b>27,428</b>	<b>3.71</b>
<b>Global Corporate Bonds - 22.14% (11.29%)</b>			
*+HSBC GIF Global Corporate Bond Fund	18,180,196	163,711	22.14
<b>Total Global Corporate Bonds</b>		<b>163,711</b>	<b>22.14</b>
<b>Global Emerging Markets Debt - 4.21% (8.16%)</b>			
*+HSBC GIF Global Emerging Markets Bond Fund	1,511,208	11,170	1.51
*+HSBC GIF Global Emerging Markets Local Debt Fund	2,953,031	19,980	2.70
<b>Total Global Emerging Markets Debt</b>		<b>31,150</b>	<b>4.21</b>
<b>Global Equities - 8.71% (15.19%)</b>			
+HSBC FTSE All-World Index Fund	19,380,748	38,994	5.27
^*+HSBC Multi Factor Worldwide Equity UCITS ETF	1,580,827	25,405	3.44
<b>Total Global Equities</b>		<b>64,399</b>	<b>8.71</b>
<b>Global Government Bonds - 8.84% (10.86%)</b>			
*+HSBC GIF Global Government Bond Fund	7,270,794	65,338	8.84
<b>Total Global Government Bonds</b>		<b>65,338</b>	<b>8.84</b>
<b>Global High Yield Bonds - 1.97% (4.36%)</b>			
*+HSBC GIF Global High Yield Bond Fund	693,832	5,486	0.74
*+HSBC GIF Global Short Duration High Yield Bond Fund	1,177,459	9,092	1.23
<b>Total Global High Yield Bonds</b>		<b>14,578</b>	<b>1.97</b>
<b>Global Inflation Linked Bonds - 2.99% (0.00%)</b>			
*+HSBC GIF Global Inflation Linked Bond Fund	2,529,738	22,128	2.99
<b>Total Global Inflation Linked Bonds</b>		<b>22,128</b>	<b>2.99</b>

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Global Property Equities Funds - 1.54% (3.53%)</b>			
*+HSBC GIF Global Real Estate Equity Fund	1,591,116	11,398	1.54
<b>Total Global Property Equities Funds</b>		<b>11,398</b>	<b>1.54</b>
<b>Global Short Duration Bonds - 8.58%% (0.00%)</b>			
*+HSBC GIF Global Short Duration Bond Fund	8,041,771	63,401	8.58
<b>Total Global Short Duration Bonds</b>		<b>63,401</b>	<b>8.58</b>
<b>US Equities - 3.77% (0.77%)</b>			
*Xtrackers MSCI USA Consumer Staples UCITS ETF	175,327	4,929	0.67
*Xtrackers MSCI USA Health Care UCITS ETF	275,308	9,273	1.25
*Xtrackers MSCI USA Information Technology UCITS ETF	317,894	13,702	1.85
<b>Total US Equities</b>		<b>27,904</b>	<b>3.77</b>
<b>Money Markets - 2.65% (7.56%)</b>			
*+HSBC Global Liquidity Fund	3,130,811	2,425	0.33
*+HSBC Global Sterling Liquidity Fund	17,153,832	17,154	2.32
<b>Total Money Markets</b>		<b>19,579</b>	<b>2.65</b>
<b>UK Government Bonds - 1.55% (1.72%)</b>			
UK Treasury 0.375% 22/10/2030	£750,000	762	0.10
UK Treasury 0.5% 22/10/2061	£200,000	190	0.03
UK Treasury 0.625% 22/10/2050	£2,600,000	2,535	0.34
UK Treasury 1.25% 22/10/2041	£500,000	557	0.07
UK Treasury 1.625% 22/10/2054	£500,000	639	0.09
UK Treasury 1.625% 22/10/2071	£190,000	279	0.04
UK Treasury 3.5% 22/1/2045	£325,000	527	0.07
UK Treasury 4% 22/1/2060	£312,900	675	0.09
UK Treasury 4.25% 7/6/2032	£500,000	726	0.10
UK Treasury 4.25% 7/12/2055	£255,000	539	0.07
UK Treasury 4.5% 7/12/2042	£700,000	1,253	0.17
UK Treasury 4.75% 7/12/2030	£900,000	1,313	0.18
UK Treasury 4.75% 7/12/2038	£655,000	1,130	0.15
UK Treasury 6% 7/12/2028	£225,000	333	0.05
<b>Total UK Government Bonds</b>		<b>11,458</b>	<b>1.55</b>
<b>US Government Bonds - 8.48% (10.93%)</b>			
US Treasury 0.25% 30/6/2025	\$2,500,000	1,933	0.26
US Treasury 0.625% 15/5/2030	\$2,000,000	1,537	0.21
US Treasury 1.25% 15/5/2050	\$500,000	363	0.05
US Treasury 1.375% 31/1/2022	\$3,000,000	2,361	0.32
US Treasury 1.375% 31/8/2023	\$2,000,000	1,603	0.22
US Treasury 1.375% 31/1/2025	\$4,500,000	3,651	0.49
US Treasury 1.5% 30/9/2021	\$1,250,000	981	0.13
US Treasury 1.5% 15/1/2023	\$1,550,000	1,237	0.17
US Treasury 1.5% 15/8/2026	\$2,390,000	1,968	0.27

**Portfolio Statement**

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
US Treasury 1.625% 15/5/2026	\$1,730,000	1,432	0.19
US Treasury 1.75% 31/5/2022	\$2,000,000	1,590	0.21
US Treasury 1.75% 15/5/2023	\$2,000,000	1,613	0.22
US Treasury 1.75% 15/11/2029	\$700,000	594	0.08
US Treasury 1.875% 30/9/2022	\$1,335,000	1,069	0.14
US Treasury 2% 31/10/2021	\$2,390,000	1,887	0.26
US Treasury 2% 15/11/2021	\$1,000,000	790	0.11
US Treasury 2% 15/2/2023	\$1,670,000	1,349	0.18
US Treasury 2% 15/8/2025	\$1,500,000	1,256	0.17
US Treasury 2.125% 15/8/2021	\$1,000,000	787	0.11
US Treasury 2.125% 15/5/2022	\$1,150,000	919	0.12
US Treasury 2.125% 31/3/2024	\$300,000	248	0.03
US Treasury 2.125% 15/5/2025	\$1,350,000	1,133	0.15
US Treasury 2.25% 15/11/2025	\$1,350,000	1,147	0.16
US Treasury 2.25% 15/2/2027	\$1,600,000	1,379	0.19
US Treasury 2.25% 15/8/2049	\$495,000	452	0.06
US Treasury 2.375% 15/3/2022	\$1,000,000	799	0.11
US Treasury 2.375% 15/8/2024	\$2,000,000	1,676	0.23
US Treasury 2.375% 15/5/2029	\$625,000	554	0.07
US Treasury 2.375% 15/11/2049	\$2,500,000	2,344	0.32
US Treasury 2.5% 15/1/2022	\$2,000,000	1,595	0.22
US Treasury 2.5% 15/8/2023	\$2,000,000	1,651	0.22
US Treasury 2.5% 15/5/2024	\$1,210,000	1,014	0.14
US Treasury 2.625% 15/6/2021	\$1,180,000	929	0.13
US Treasury 2.625% 31/12/2023	\$200,000	167	0.02
US Treasury 2.625% 15/2/2029	\$600,000	541	0.07
US Treasury 2.75% 15/9/2021	\$700,000	555	0.08
US Treasury 2.75% 15/11/2023	\$1,700,000	1,420	0.19
US Treasury 2.75% 15/2/2024	\$1,850,000	1,555	0.21
US Treasury 2.875% 15/8/2028	\$1,000,000	911	0.12
US Treasury 2.875% 15/5/2043	\$1,000,000	1,004	0.14
US Treasury 2.875% 15/5/2049	\$650,000	668	0.09
US Treasury 3% 15/5/2045	\$150,000	155	0.02
US Treasury 3% 15/11/2045	\$1,150,000	1,189	0.16
US Treasury 3% 15/2/2047	\$1,600,000	1,663	0.22
US Treasury 3% 15/2/2048	\$1,170,000	1,221	0.17
US Treasury 3.125% 15/2/2042	\$1,200,000	1,250	0.17
US Treasury 3.375% 15/5/2044	\$1,290,000	1,401	0.19
US Treasury 3.5% 15/2/2039	\$570,000	616	0.08
US Treasury 3.75% 15/11/2043	\$250,000	286	0.04
US Treasury 4.25% 15/11/2040	\$750,000	896	0.12
US Treasury 4.5% 15/8/2039	\$500,000	608	0.08
US Treasury 4.625% 15/2/2040	\$1,300,000	1,610	0.22
US Treasury 5.375% 15/2/2031	\$1,000,000	1,136	0.15
<b>Total US Government Bonds</b>		<b>62,693</b>	<b>8.48</b>

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Australian Government Bonds - 0.40% (0.38%)</b>			
Government of Australia 1.5% 21/6/2031	AUD\$420,000	247	0.03
Government of Australia 2.75% 21/4/2024	AUD\$1,000,000	598	0.08
Government of Australia 2.75% 21/11/2029	AUD\$1,200,000	777	0.11
Government of Australia 3.25% 21/6/2039	AUD\$400,000	286	0.04
Government of Australia 4.25% 21/4/2026	AUD\$800,000	533	0.07
Government of Australia 5.75% 15/7/2022	AUD\$825,000	497	0.07
<b>Total Australian Government Bonds</b>		<b>2,938</b>	<b>0.40</b>
<b>Belgium Government Bonds - 0.32% (0.42%)</b>			
Government of Belgium 0.9% 22/6/2029	€105,000	107	0.02
Government of Belgium 1% 22/6/2031	€600,000	621	0.08
Government of Belgium 1.45% 22/6/2037	€200,000	225	0.03
Government of Belgium 2.15% 22/6/2066	€60,000	93	0.01
Government of Belgium 2.25% 22/6/2023	€150,000	147	0.02
Government of Belgium 2.25% 22/6/2057	€100,000	149	0.02
Government of Belgium 2.6% 22/6/2024	€350,000	356	0.05
Government of Belgium 3.75% 22/6/2045	€278,000	465	0.06
Government of Belgium 5.5% 28/3/2028	€180,000	238	0.03
<b>Total Belgium Government Bonds</b>		<b>2,401</b>	<b>0.32</b>
<b>Canadian Government Bonds - 0.33% (0.33%)</b>			
Government of Canada 0.5% 1/3/2022	C\$500,000	294	0.04
Government of Canada 1.25% 1/6/2030	C\$290,000	181	0.02
Government of Canada 1.75% 1/3/2023	C\$800,000	485	0.07
Government of Canada 2% 1/9/2023	C\$800,000	491	0.07
Government of Canada 2.5% 1/6/2024	C\$500,000	316	0.04
Government of Canada 3.5% 1/12/2045	C\$500,000	449	0.06
Government of Canada 5.75% 1/6/2029	C\$300,000	253	0.03
<b>Total Canadian Government Bonds</b>		<b>2,469</b>	<b>0.33</b>
<b>Danish Government Bonds - 0.10% (0.10%)</b>			
Government of Denmark 1.5% 15/11/2023	DKK4,000,000	520	0.07
Government of Denmark 4.5% 15/11/2039	DKK1,000,000	235	0.03
<b>Total Danish Government Bonds</b>		<b>755</b>	<b>0.10</b>
<b>Dutch Government Bonds - 0.30% (0.37%)</b>			
Government of Netherlands 0.5% 15/7/2026	€330,000	320	0.04
Government of Netherlands 2% 15/7/2024	€560,000	560	0.08
Government of Netherlands 2.5% 15/1/2033	€300,000	372	0.05
Government of Netherlands 2.75% 15/1/2047	€205,000	334	0.05
Government of Netherlands 3.75% 15/1/2023	€400,000	399	0.05
Government of Netherlands 3.75% 15/1/2042	€125,000	213	0.03
<b>Total Dutch Government Bonds</b>		<b>2,198</b>	<b>0.30</b>

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>French Government Bonds - 1.44% (1.83%)</b>			
Government of France 0.25% 25/11/2026	€200,000	191	0.03
Government of France 0.75% 25/11/2028	€1,200,000	1,199	0.16
Government of France 0.75% 25/5/2052	€250,000	254	0.03
Government of France 1.25% 25/5/2034	€150,000	163	0.02
Government of France 1.5% 25/5/2050	€130,000	158	0.02
Government of France 1.75% 25/5/2066	€100,000	141	0.02
Government of France 2% 25/5/2048	€400,000	533	0.07
Government of France 2.25% 25/5/2024	€1,170,400	1,175	0.16
Government of France 2.5% 25/5/2030	€930,000	1,082	0.15
Government of France 2.75% 25/10/2027	€100,000	112	0.01
Government of France 3% 25/4/2022	€200,000	192	0.03
Government of France 3.25% 25/10/2021	€300,000	283	0.04
Government of France 3.25% 25/5/2045	€50,000	79	0.01
Government of France 3.5% 25/4/2026	€175,000	196	0.03
Government of France 4% 25/10/2038	€300,000	471	0.06
Government of France 4.25% 25/10/2023	€800,000	835	0.11
Government of France 4.5% 25/4/2041	€750,000	1,296	0.18
Government of France 4.75% 25/4/2035	€75,000	117	0.02
Government of France 5.75% 25/10/2032	€440,000	694	0.09
Government of France 6% 25/10/2025	€1,200,000	1,459	0.20
<b>Total French Government Bonds</b>		<b>10,630</b>	<b>1.44</b>
<b>German Government Bonds - 0.37% (1.04%)</b>			
Government of Germany 0% 7/10/2022	€600,000	552	0.07
Government of Germany 0% 15/8/2050	€100,000	96	0.01
Government of Germany 0.5% 15/2/2025	€500,000	480	0.07
Government of Germany 0.5% 15/2/2026	€600,000	582	0.08
Government of Germany 1.25% 15/8/2048	€140,000	181	0.02
Government of Germany 1.75% 15/2/2024	€300,000	296	0.04
Government of Germany 2.5% 4/7/2044	€360,000	553	0.08
<b>Total German Government Bonds</b>		<b>2,740</b>	<b>0.37</b>
<b>Italian Government Bonds - 1.88% (1.26%)</b>			
Government of Italy 0.95% 1/8/2030	€5,500,000	5,114	0.69
Government of Italy 1.25% 1/12/2026	€900,000	864	0.12
Government of Italy 1.35% 1/4/2030	€500,000	483	0.07
Government of Italy 2.8% 1/3/2067	€70,000	83	0.01
Government of Italy 3.35% 1/3/2035	€250,000	297	0.04
Government of Italy 3.75% 1/8/2021	€260,000	243	0.03
Government of Italy 3.75% 1/9/2024	€650,000	674	0.09
Government of Italy 3.85% 1/9/2049	€250,000	349	0.05
Government of Italy 4% 1/2/2037	€500,000	644	0.09
Government of Italy 4.5% 1/3/2026	€665,000	741	0.10
Government of Italy 4.75% 1/9/2021	€165,000	156	0.02
Government of Italy 4.75% 1/8/2023	€350,000	361	0.05

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Government of Italy 4.75% 1/9/2044	€600,000	908	0.12
Government of Italy 5% 1/3/2022	€1,900,000	1,849	0.25
Government of Italy 5% 1/3/2025	€700,000	771	0.10
Government of Italy 5% 1/8/2034	€250,000	343	0.05
<b>Total Italian Government Bonds</b>		<b>13,880</b>	<b>1.88</b>
<b>Japanese Government Bonds - 3.98% (4.84%)</b>			
Government of Japan 0.1% 20/12/2021	¥175,000,000	1,291	0.17
Government of Japan 0.1% 20/3/2028	¥130,000,000	970	0.13
Government of Japan 0.1% 20/3/2029	¥110,000,000	819	0.11
Government of Japan 0.1% 20/12/2029	¥100,000,000	743	0.10
Government of Japan 0.1% 20/6/2030	¥100,000,000	742	0.10
Government of Japan 0.2% 20/6/2036	¥20,000,000	145	0.02
Government of Japan 0.3% 20/12/2039	¥250,000,000	1,808	0.24
Government of Japan 0.4% 20/6/2025	¥200,000,000	1,507	0.20
Government of Japan 0.4% 20/3/2036	¥85,000,000	638	0.09
Government of Japan 0.4% 20/3/2040	¥45,000,000	331	0.04
Government of Japan 0.4% 20/12/2049	¥70,000,000	486	0.07
Government of Japan 0.5% 20/9/2024	¥180,000,000	1,358	0.18
Government of Japan 0.5% 20/3/2038	¥135,000,000	1,019	0.14
Government of Japan 0.5% 20/3/2059	¥90,000,000	629	0.09
Government of Japan 0.6% 20/3/2023	¥60,000,000	449	0.06
Government of Japan 0.6% 20/3/2024	¥125,000,000	943	0.13
Government of Japan 0.6% 20/6/2050	¥40,000,000	292	0.04
Government of Japan 0.8% 20/6/2023	¥25,000,000	189	0.03
Government of Japan 0.8% 20/3/2048	¥77,000,000	599	0.08
Government of Japan 0.8% 20/3/2058	¥45,000,000	348	0.05
Government of Japan 0.9% 20/3/2022	¥285,700,000	2,133	0.29
Government of Japan 0.9% 20/9/2048	¥85,000,000	676	0.09
Government of Japan 1.3% 20/6/2035	¥25,000,000	212	0.03
Government of Japan 1.4% 20/9/2034	¥150,000,000	1,284	0.17
Government of Japan 1.7% 20/6/2033	¥35,000,000	307	0.04
Government of Japan 1.7% 20/3/2044	¥101,000,000	941	0.13
Government of Japan 1.8% 20/3/2032	¥185,000,000	1,624	0.22
Government of Japan 1.9% 20/9/2023	¥260,000,000	2,027	0.27
Government of Japan 1.9% 20/9/2030	¥100,000,000	872	0.12
Government of Japan 2% 20/9/2040	¥100,000,000	958	0.13
Government of Japan 2% 20/9/2041	¥55,000,000	530	0.07
Government of Japan 2.1% 20/9/2029	¥116,000,000	1,015	0.14
Government of Japan 2.2% 20/9/2028	¥175,000,000	1,519	0.21
<b>Total Japanese Government Bonds</b>		<b>29,404</b>	<b>3.98</b>

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Spanish Government Bonds - 1.13% (1.31%)</b>			
Government of Spain 0.5% 30/4/2030	€800,000	753	0.10
Government of Spain 0.6% 31/10/2029	€1,400,000	1,332	0.18
Government of Spain 1.3% 31/10/2026	€400,000	396	0.05
Government of Spain 1.85% 30/7/2035	€190,000	207	0.03
Government of Spain 2.7% 31/10/2048	€400,000	525	0.07
Government of Spain 2.75% 31/10/2024	€1,445,000	1,478	0.20
Government of Spain 2.9% 31/10/2046	€100,000	134	0.02
Government of Spain 4.4% 31/10/2023	€500,000	521	0.07
Government of Spain 5.15% 31/10/2028	€790,000	1,014	0.14
Government of Spain 5.15% 31/10/2044	€322,000	572	0.08
Government of Spain 5.75% 30/7/2032	€650,000	967	0.13
Government of Spain 5.9% 30/7/2026	€340,000	419	0.06
<b>Total Spanish Government Bonds</b>		<b>8,318</b>	<b>1.13</b>
<b>Swedish Government Bonds - 0.05% (0.05%)</b>			
Government of Sweden 0.75% 12/5/2028	SEK1,300,000	122	0.01
Government of Sweden 0.75% 12/11/2029	SEK3,000,000	284	0.04
<b>Total Swedish Government Bonds</b>		<b>406</b>	<b>0.05</b>
<b>Futures - -0.06% (0.15%)</b>			
CBT US 10Yr Ultra Future December 2020	124	(8)	0.00
EUX Euro-Bund Future December 2020	(47)	(77)	(0.01)
EUX Euro Stoxx 50 December 2020	502	(559)	(0.08)
ICF Long Gilt Future December 2020	(8)	(7)	0.00
NYF MSCI Emerging Market December 2020	219	185	0.03
<b>Total Futures</b>		<b>(466)</b>	<b>(0.06)</b>
<b>Forward Foreign Exchange Contracts - 0.15% (1.56%)</b>			
#CHF Forward Currency Contract settled 22 October 2020	CHF 4,350,373	3,689	0.50
#GBP Forward Currency Contract settled 22 October 2020	(GBP 3,727,123)	(3,727)	(0.50)
#JPY Forward Currency Contract settled 22 October 2020	JPY 1,265,910,521	9,315	1.26
#GBP Forward Currency Contract settled 22 October 2020	(GBP 9,332,657)	(9,333)	(1.26)
#GBP Forward Currency Contract settled 22 October 2020	GBP 13,506,860	13,507	1.83
#EUR Forward Currency Contract settled 22 October 2020	(EUR 14,668,073)	(13,296)	(1.80)
#GBP Forward Currency Contract settled 22 October 2020	GBP 394,304,816	394,305	53.34
#USD Forward Currency Contract settled 22 October 2020	(USD 506,895,402)	(392,671)	(53.12)
#GBP Forward Currency Contract settled 22 October 2020	GBP 10,446,774	10,447	1.41
#USD Forward Currency Contract settled 22 October 2020	(USD 13,553,854)	(10,500)	(1.42)
#EUR Forward Currency Contract settled 30 October 2020	EUR 1,700,000	1,541	0.21
#USD Forward Currency Contract settled 30 October 2020	(USD 1,997,833)	(1,547)	(0.21)
#JPY Forward Currency Contract settled 30 October 2020	JPY 210,000,000	1,545	0.21
#USD Forward Currency Contract settled 30 October 2020	(USD 1,997,590)	(1,547)	(0.21)
#CLP Forward Currency Contract settled 30 October 2020	CLP 770,000,000	744	0.10
#USD Forward Currency Contract settled 30 October 2020	(USD 1,002,683)	(777)	(0.11)
#MXN Forward Currency Contract settled 30 October 2020	MXN 21,000,000	759	0.10

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
#USD Forward Currency Contract settled 30 October 2020	(USD 942,556)	(730)	(0.10)
#NOK Forward Currency Contract settled 30 October 2020	NOK 9,000,000	742	0.10
#EUR Forward Currency Contract settled 30 October 2020	(EUR 839,084)	(760)	(0.10)
#NOK Forward Currency Contract settled 30 October 2020	NOK 26,700,000	2,202	0.30
#SEK Forward Currency Contract settled 30 October 2020	(SEK 25,635,925)	(2,238)	(0.30)
#USD Forward Currency Contract settled 30 October 2020	USD 1,015,831	787	0.11
#CLP Forward Currency Contract settled 30 October 2020	(CLP 770,000,000)	(744)	(0.10)
#EUR Forward Currency Contract settled 30 October 2020	EUR 1,680,000	1,523	0.21
#USD Forward Currency Contract settled 30 October 2020	(USD 1,981,185)	(1,535)	(0.21)
#SEK Forward Currency Contract settled 30 October 2020	SEK 8,600,000	751	0.10
#USD Forward Currency Contract settled 30 October 2020	(USD 994,763)	(771)	(0.10)
#SEK Forward Currency Contract settled 30 October 2020	SEK 8,585,773	750	0.10
#NOK Forward Currency Contract settled 30 October 2020	(NOK 8,800,000)	(726)	(0.10)
#CAD Forward Currency Contract settled 30 October 2020	CAD 2,633,391	1,540	0.21
#NZD Forward Currency Contract settled 30 October 2020	(NZD 3,000,000)	(1,530)	(0.21)
#EUR Forward Currency Contract settled 30 October 2020	EUR 1,650,000	1,496	0.20
#GBP Forward Currency Contract settled 30 October 2020	(GBP 1,531,096)	(1,531)	(0.21)
#USD Forward Currency Contract settled 30 October 2020	USD 990,406	767	0.10
#MXN Forward Currency Contract settled 30 October 2020	(MXN 21,000,000)	(759)	(0.10)
#CZK Forward Currency Contract settled 30 October 2020	CZK 22,200,000	736	0.10
#EUR Forward Currency Contract settled 30 October 2020	(EUR 823,734)	(747)	(0.10)
#PLN Forward Currency Contract settled 30 October 2020	PLN 3,700,000	736	0.10
#EUR Forward Currency Contract settled 30 October 2020	(EUR 824,136)	(747)	(0.10)
#JPY Forward Currency Contract settled 30 October 2020	JPY 200,000,000	1,472	0.20
#USD Forward Currency Contract settled 30 October 2020	(USD 1,897,338)	(1,470)	(0.20)
#USD Forward Currency Contract settled 30 October 2020	USD 964,008	747	0.10
#SEK Forward Currency Contract settled 30 October 2020	(SEK 8,600,000)	(751)	(0.10)
#SEK Forward Currency Contract settled 30 October 2020	SEK 8,416,751	735	0.10
#NOK Forward Currency Contract settled 30 October 2020	(NOK 8,800,000)	(726)	(0.10)
#GBP Forward Currency Contract settled 13 November 2020	GBP 758,435	758	0.10
#DKK Forward Currency Contract settled 13 November 2020	(DKK 6,263,000)	(763)	(0.10)
#GBP Forward Currency Contract settled 13 November 2020	GBP 381,379	381	0.05
#SEK Forward Currency Contract settled 13 November 2020	(SEK 4,345,000)	(379)	(0.05)
#GBP Forward Currency Contract settled 7 December 2020	GBP 3,036,926	3,037	0.41
#AUD Forward Currency Contract settled 7 December 2020	(AUD 5,430,000)	(2,977)	(0.40)
#GBP Forward Currency Contract settled 7 December 2020	GBP 41,611,704	41,611	5.63
#EUR Forward Currency Contract settled 7 December 2020	(EUR 45,870,000)	(41,611)	(5.63)
#GBP Forward Currency Contract settled 7 December 2020	GBP 2,516,889	2,517	0.34
#CAD Forward Currency Contract settled 7 December 2020	(CAD 4,334,000)	(2,534)	(0.34)
#EUR Forward Currency Contract settled 7 December 2020	EUR 1,500,000	1,361	0.18
#GBP Forward Currency Contract settled 7 December 2020	(GBP 1,366,707)	(1,367)	(0.18)
#GBP Forward Currency Contract settled 8 December 2020	GBP 29,238,552	29,238	3.95
#JPY Forward Currency Contract settled 8 December 2020	(JPY 4,007,000,000)	(29,494)	(3.99)
#GBP Forward Currency Contract settled 8 December 2020	GBP 63,702,943	63,703	8.62
#USD Forward Currency Contract settled 8 December 2020	(USD 82,740,000)	(64,081)	(8.67)
<b>Total Forward Foreign Exchange Contracts</b>		<b>1,073</b>	<b>0.15</b>

**Portfolio Statement**

as at 15 October 2020 (unaudited)

	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Portfolio of investments</b>	<b>724,966</b>	<b>98.06</b>
<b>Net other assets</b>	<b>14,311</b>	<b>1.94</b>
<b>Net assets</b>	<b>739,277</b>	<b>100.00</b>

\*offshore fund

+related party

#unlisted

^listed

Figures in brackets denote comparative percentage holdings as at 15 April 2020.

Unless otherwise stated, all holdings are authorised investment funds.

The counterparty for the futures is HSBC.

The counterparties for the forward foreign exchange contracts are Citigroup, HSBC, JP Morgan, Royal Bank of Scotland and UBS.

Total purchases for the period, including transaction charges, were £425,174,644.

Total sales for the period, net of transaction charges, were £426,027,377.

	<i>Bid value £'000</i>	<i>Total net assets %</i>
The bond ratings for the portfolio at 15 October 2020 were:		
Bond credit ratings		
Investment grade	144,828	19.60
Non rated	5,462	0.73
<b>Total bonds</b>	<b>150,290</b>	<b>20.33</b>

## Comparative Tables

<b>Retail Income#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	N/A	135.60p	131.70p	135.20p
Return before operating charges*	N/A	8.18p	6.77p	(0.72p)
Operating charges**	N/A	(1.40p)	(1.75p)	(1.78p)
Return after operating charges*	N/A	6.78p	5.02p	(2.50p)
Distributions on income shares	N/A	(0.88p)	(1.12p)	(1.00p)
Cancellation price	N/A	(141.50p)	-	-
Closing net asset value per share	N/A	-	135.60p	131.70p
*after direct transaction costs of:***	N/A	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	N/A	5.00%	3.81%	(1.85%)
<b>Other information</b>				
Closing net asset value	N/A	N/A	£147,262	£142,942
Closing number of shares	N/A	N/A	108,570	108,570
Operating charges - OCF	N/A	N/A	1.45%	1.46%
Direct transaction costs	N/A	N/A	0.00%	0.00%
<b>Prices</b>				
Highest share price	N/A	141.90p	136.20p	137.00p
Lowest share price	N/A	134.90p	130.00p	131.70p

<b>Retail Accumulation##</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	N/A	149.50p	143.90p	145.80p
Return before operating charges*	N/A	8.96p	7.52p	0.02p
Operating charges**	N/A	(1.56p)	(1.92p)	(1.92p)
Return after operating charges*	N/A	7.40p	5.60p	(1.90p)
Distributions on accumulation shares	N/A	(0.90p)	(1.23p)	(0.63p)
Retained distributions on accumulation shares	N/A	0.90p	1.23p	0.63p
Cancellation price	N/A	(156.90p)	-	-
Closing net asset value per share	N/A	-	149.50p	143.90p
*after direct transaction costs of:***	N/A	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	N/A	4.95%	3.89%	(1.30%)
<b>Other information</b>				
Closing net asset value	N/A	N/A	£4,362,118	£4,646,251
Closing number of shares	N/A	N/A	2,917,478	3,228,678
Operating charges - OCF	N/A	N/A	1.45%	1.46%
Direct transaction costs	N/A	N/A	0.00%	0.00%
<b>Prices</b>				
Highest share price	N/A	156.90p	149.80p	148.20p
Lowest share price	N/A	148.70p	142.70p	143.50p

#The Retail Income share class converted to Income C share class on 17 January 2020.

##The Retail Accumulation share class converted to Accumulation C share class on 17 January 2020.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Institutional Income###</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	161.30p	163.10p	157.20p	N/A
Return before operating charges*	10.03p	1.25p	7.02p	N/A
Operating charges**	(0.01p)	(0.03p)	(0.01p)	N/A
Return after operating charges*	10.02p	1.22p	7.01p	N/A
Distributions on income shares	(1.62p)	(3.02p)	(1.11p)	N/A
Closing net asset value per share	169.70p	161.30p	163.10p	N/A
*after direct transaction costs of:***	0.01p	0.00p	0.00p	N/A
<b>Performance</b>				
Return after charges	6.21 %	0.75 %	4.46 %	N/A
<b>Other information</b>				
Closing net asset value	£1,967,409	£2,626,090	£2,077,194	N/A
Closing number of shares	1,159,190	1,628,034	1,273,222	N/A
Operating charges - OCF	0.10 %	0.09 %	0.15 %	N/A
Direct transaction costs	0.01 %	0.00 %	0.00 %	N/A
<b>Prices</b>				
Highest share price	171.70p	172.90p	164.50p	N/A
Lowest share price	161.30p	156.50p	156.60p	N/A

<b>Institutional Accumulation</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	165.40p	164.30p	156.40p	156.80p
Return before operating charges*	10.31p	1.13p	7.93p	(0.37p)
Operating charges**	(0.01p)	(0.03p)	(0.03p)	(0.03p)
Return after operating charges*	10.30p	1.10p	7.90p	(0.40p)
Distributions on accumulation shares	(1.66p)	(3.05p)	(3.03p)	(3.11p)
Retained distributions on accumulation shares	1.66p	3.05p	3.03p	3.11p
Closing net asset value per share	175.70p	165.40p	164.30p	156.40p
*after direct transaction costs of:***	0.01p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	6.23 %	0.67 %	5.05 %	(0.26 %)
<b>Other information</b>				
Closing net asset value	£12,921,382	£13,327,089	£14,096,885	£14,392,626
Closing number of shares	7,356,055	8,058,448	8,582,106	9,200,267
Operating charges - OCF	0.10 %	0.09 %	0.15 %	0.15 %
Direct transaction costs	0.01 %	0.00 %	0.00 %	0.00 %
<b>Prices</b>				
Highest share price	176.00p	176.10p	164.50p	160.70p
Lowest share price	165.30p	159.40p	156.00p	155.90p

###The Institutional Income share class launched on 23 Nov 2018.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Income C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	134.70p	136.20p	132.20p	135.20p
Return before operating charges*	8.46p	1.22p	6.71p	(0.14p)
Operating charges**	(0.47p)	(0.93p)	(0.89p)	(0.90p)
Return after operating charges*	7.99p	0.29p	5.82p	(1.04p)
Distributions on income shares	(0.99p)	(1.79p)	(1.82p)	(1.96p)
Closing net asset value per share	141.70p	134.70p	136.20p	132.20p
*after direct transaction costs of:***	0.01p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	5.93%	0.21%	4.40%	(0.77%)
<b>Other information</b>				
Closing net asset value	£9,240,142	£9,158,925	£9,097,246	£9,348,869
Closing number of shares	6,521,875	6,800,961	6,679,228	7,071,521
Operating charges - OCF	0.70%	0.74%	0.80%	0.80%
Direct transaction costs	0.01%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	143.00p	144.10p	137.10p	137.40p
Lowest share price	134.60p	130.40p	130.60p	132.80p

<b>Accumulation C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	154.20p	154.00p	147.40p	148.60p
Return before operating charges*	9.73p	1.26p	7.60p	(0.20p)
Operating charges**	(0.53p)	(1.06p)	(1.00p)	(1.00p)
Return after operating charges*	9.20p	0.20p	6.60p	(1.20p)
Distributions on accumulation shares	(1.13p)	(2.03p)	(2.04p)	(2.17p)
Retained distributions on accumulation shares	1.13p	2.03p	2.04p	2.17p
Closing net asset value per share	163.40p	154.20p	154.00p	147.40p
*after direct transaction costs of:***	0.01p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	5.97%	0.13%	4.48%	(0.81%)
<b>Other information</b>				
Closing net asset value	£690,205,354	£671,391,377	£727,900,879	£748,630,898
Closing number of shares	422,487,670	435,377,667	472,771,248	507,826,828
Operating charges - OCF	0.70%	0.74%	0.80%	0.80%
Direct transaction costs	0.01%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	163.70p	164.30p	154.20p	151.70p
Lowest share price	154.10p	148.70p	146.60p	147.00p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Income P</b>				
	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	134.50p	136.10p	132.10p	135.10p
Return before operating charges*	8.50p	1.02p	6.60p	(0.23p)
Operating charges**	(0.22p)	(0.44p)	(0.42p)	(0.43p)
Return after operating charges*	8.28p	0.58p	6.18p	(0.66p)
Distributions on income shares	(1.18p)	(2.18p)	(2.18p)	(2.34p)
Closing net asset value per share	141.60p	134.50p	136.10p	132.10p
*after direct transaction costs of:***	0.01p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	6.16%	0.43%	4.68%	(0.49%)
<b>Other information</b>				
Closing net asset value	£1,052,077	£1,027,464	£1,227,408	£1,578,173
Closing number of shares	743,241	763,674	901,997	1,194,838
Operating charges - OCF	0.37%	0.39%	0.45%	0.45%
Direct transaction costs	0.01%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	143.00p	144.10p	137.10p	137.40p
Lowest share price	134.50p	130.40p	130.50p	132.90p

<b>Accumulation P</b>				
	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	156.40p	155.70p	148.70p	149.50p
Return before operating charges*	9.76p	1.21p	7.48p	(0.32p)
Operating charges**	(0.26p)	(0.51p)	(0.48p)	(0.48p)
Return after operating charges*	9.50p	0.70p	7.00p	(0.80p)
Distributions on accumulation shares	(1.38p)	(2.50p)	(2.49p)	(2.60p)
Retained distributions on accumulation shares	1.38p	2.50p	2.49p	2.60p
Closing net asset value per share	165.90p	156.40p	155.70p	148.70p
*after direct transaction costs of:***	0.01p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	6.07%	0.45%	4.71%	(0.54%)
<b>Other information</b>				
Closing net asset value	£23,890,427	£22,321,650	£21,867,319	£18,571,798
Closing number of shares	14,397,672	14,271,185	14,042,240	12,489,565
Operating charges - OCF	0.37%	0.39%	0.45%	0.45%
Direct transaction costs	0.01%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	166.30p	166.60p	156.00p	152.90p
Lowest share price	156.40p	150.80p	148.00p	148.20p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Statement of Total Return

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		37,113		21,417
Revenue	8,454		10,831	
Expenses	(2,357)		(2,553)	
Interest payable and similar charges	(16)		(3)	
Net revenue before taxation	6,081		8,275	
Taxation	(786)		(1,116)	
Net revenue after taxation		5,295		7,159
Total return before distributions		42,408		28,576
Distributions		(5,262)		(7,139)
Change in net assets attributable to shareholders from investment activities		37,146		21,437

## Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		719,853		780,776
Amounts receivable on creation of shares	2,418		4,918	
Amounts payable on cancellation of shares	(25,235)		(26,280)	
		(22,817)		(21,362)
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		37,146		21,437
Retained distribution on accumulation shares		5,095		6,956
Closing net assets attributable to shareholders		739,277		787,807

## Balance Sheet

as at 15 October 2020 (unaudited)

	15.10.20		15.4.20	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments		726,576		712,804
Current assets				
Debtors	9,805		1,174	
Cash and bank balances	31,448		12,791	
Total current assets		41,253		13,965
Total assets		767,829		726,769
<b>Liabilities</b>				
Investment liabilities		(1,610)		(2,925)
Creditors				
Distribution payable on income shares	(92)		(60)	
Other creditors	(26,850)		(3,931)	
Total creditors		(26,942)		(3,991)
Total liabilities		(28,552)		(6,916)
Net assets attributable to shareholders		739,277		719,853

**Distribution Table (pence per share)**

for the six months ended 15 October 2020 (unaudited)

Group 1: Shares purchased prior to 16 April 2020				
Group 2: Shares purchased from 16 April 2020 to 15 October 2020				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.12.20</i>	<i>Distribution paid 15.12.19</i>
<b>Retail Income#</b>				
Group 1	N/A	-	N/A	0.880000
Group 2	N/A	N/A	N/A	0.880000
<b>Retail Accumulation##</b>				
Group 1	N/A	-	N/A	0.900000
Group 2	N/A	N/A	N/A	0.900000
<b>Institutional Income</b>				
Group 1	1.620000	-	1.620000	1.940000
Group 2	0.850000	0.770000	1.620000	1.940000
<b>Institutional Accumulation</b>				
Group 1	1.660000	-	1.660000	1.960000
Group 2	1.620000	0.040000	1.660000	1.960000
<b>Income C</b>				
Group 1	0.990000	-	0.990000	1.250000
Group 2	0.810000	0.180000	0.990000	1.250000
<b>Accumulation C</b>				
Group 1	1.130000	-	1.130000	1.420000
Group 2	0.630000	0.500000	1.130000	1.420000
<b>Income P</b>				
Group 1	1.180000	-	1.180000	1.450000
Group 2	1.180000	0.000000	1.180000	1.450000
<b>Accumulation P</b>				
Group 1	1.380000	-	1.380000	1.660000
Group 2	0.810000	0.570000	1.380000	1.660000
#The Retail Income share class converted to Income C share class on 17 January 2020.				
##The Retail Accumulation share class converted to Accumulation C share class on 17 January 2020.				

# World Selection - Conservative Portfolio

## Investment Objective

To provide capital growth through investment in a broad range of asset classes across global markets with a bias towards asset classes that focus on fixed interest strategies.

## Investment Policy\*

This is one of a range of actively managed World Selection Portfolios offered at five different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is rated as 2, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long-term risk profile therefore any potential returns are likely to be limited by the risk profile of the Fund.

To achieve its objective the Fund invests primarily in collective investment schemes that in turn invest in fixed income securities, equities, alternative asset classes and derivatives. Typically the Fund will have a bias towards asset classes that focus on fixed interest strategies.

The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may, in addition to its other investment powers, use exchange traded and over-the-counter derivatives and forward currency contracts for investment purposes. Using these investment powers for investment purposes means, in particular, maintaining positions in these investments for the long-term rather than just for tactical short-term purposes. Where the use of derivatives is for investment purposes in addition to hedging it is envisaged that the use of such instruments will not affect the overall risk profile of the Fund.

\*The full policy can be found in the prospectus.

## Investment Strategy\*

The starting point for the World Selection Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class.

Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective.

Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in sterling.

\*The full strategy can be found in the prospectus.

## Portfolio Activity

At the start of the period, the portfolio was positioned in a cautious stance, after we had reduced our risk exposure through the worst of the volatility seen in Q1 2020. Through April, further changes were made to diversify our defensive positions, including the addition of short duration credit and gold exposures. We also tilted our US exposure towards IT, healthcare and consumer staples. These sectors display higher quality characteristics which we believe offer potential outperformance in a range of scenarios.

As markets rebounded and confidence returned, we looked to add back to risk assets in a controlled way. The sell-off had seen valuations improve, with forward-looking returns for risk assets looking more attractive. Changes to the long-term target allocations were introduced through May and June in numerous tranches, increasing exposure to equities and credit asset classes, including Asian high yield bonds, while ensuring the portfolio remained within its risk profile.

In July, we increased our allocation to Eurozone (EZ) equity on the back of better political integration in the EZ around their Covid-19 response policies. This coupled with attractive valuations indicated potential outperformance. As part of this trade, we reduced our exposures to the UK and Japan.

August saw the Portfolio Management team make a further adjustment to the equity allocation, tilting exposure slightly towards emerging markets, away from developed markets, while leaving the overall equity exposure in a neutral position. Asian emerging markets had done a better job of containing the pandemic and opening up their economies, leading to potentially higher returns.

We also adjusted our currency positioning in August. The US dollar appeared expensive and, with the upcoming election creating potential volatility, we increased exposures to the euro and Japanese yen to limit the impact of potential dollar depreciation.

In October, we increased our exposure the US quality sectors which were introduced in April. These sectors had added value to the portfolios and our initial thesis remained intact, we therefore increased the exposure, funded from US equity more broadly.

Major purchases included: HSBC Multi Factor Worldwide Equity UCITS ETF, Xtrackers MSCI USA Information Technology UCITS ETF, HSBC GIF Global Short Duration High Yield Bond Fund, Xtrackers MSCI USA Information Technology UCITS ETF, HSBC GIF Asia High Yield Bond Fund, iShares Physical Gold ETF and Xtrackers MSCI USA Consumer Staples UCITS ETF.

Major disposals included: HSBC Global Sterling Liquidity Fund, iShares Core S&P 500 UCITS ETF, HSBC Economic Scale Worldwide Equity UCITS ETF and HSBC GIF Global High Yield Bond Fund.

## Investment Performance

During the period under review the value of the shares in the Fund increased by 9.47%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

## Fund Particulars

as at 16 October 2020 (unaudited)

	Institutional Income	Institutional Accumulation	Income C	Accumulation C	Accumulation P
Price	116.3p xd	129.3p	116.0p xd	128.1p	130.2p
Distribution payable (on 15 December 2020) per share net	1.290000p	1.420000p	0.990000p	1.080000p	1.280000p
Current net estimated yield	1.74%	1.71%	1.30%	1.28%	1.54%
Annual ACD charge	0.00%	0.00%	0.55%	0.55%	0.25%

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Liquid Alternatives - 5.28% (5.92%)</b>			
*+HSBC Multi Asset Style Factors Fund	2,117,049	22,035	1.98
^*AQR Managed Future UCITS	174,264	14,057	1.27
*Structured Investments Goldman Sachs - Cross Asset Trend Portfolio	2,983,579	22,518	2.03
<b>Total Liquid Alternatives</b>		<b>58,610</b>	<b>5.28</b>
<b>Exchange Trade Commodities - Precious metals - 1.93% (0.00%)</b>			
^*iShares Physical Gold ETF	741,899	21,385	1.93
<b>Total Exchange Trade Commodities - Precious metals</b>		<b>21,385</b>	<b>1.93</b>
<b>Asian High Yield Bonds - 1.65% (0.00%)</b>			
*+HSBC GIF Asia High Yield Bond Fund	2,350,653	18,332	1.65
<b>Total Asian High Yield Bonds</b>		<b>18,332</b>	<b>1.65</b>
<b>Global Assets-Backed Bonds - 4.84% (4.38%)</b>			
*+HSBC GIF Global Asset-Backed Bond Fund	454,285	53,698	4.84
<b>Total Global Assets-Backed Bonds</b>		<b>53,698</b>	<b>4.84</b>
<b>Global Corporate Bonds - 15.06% (26.77%)</b>			
*+HSBC GIF Global Corporate Bond Fund	18,563,782	167,165	15.06
<b>Total Global Corporate Bonds</b>		<b>167,165</b>	<b>15.06</b>
<b>Global Emerging Markets Debt - 6.48% (9.81%)</b>			
*+HSBC GIF Global Emerging Markets Bond Fund	3,775,169	27,903	2.52
*+HSBC GIF Global Emerging Markets Local Debt Fund	6,502,399	43,996	3.96
<b>Total Global Emerging Markets Debt</b>		<b>71,899</b>	<b>6.48</b>
<b>Global Emerging Markets Equities - 0.63% (0.67%)</b>			
*+HSBC GIF Economic Scale Index GEM Equity Fund	986,782	7,037	0.63
<b>Total Global Emerging Markets Equities</b>		<b>7,037</b>	<b>0.63</b>
<b>Global Equities - 19.74% (24.45%)</b>			
+HSBC FTSE All-World Index Fund	85,661,704	172,351	15.53
*+HSBC GIF Economic Scale Index Global Equity Fund	138,989	4,139	0.37
^*+HSBC Multi Factor Worldwide Equity UCITS ETF	2,652,255	42,624	3.84
<b>Total Global Equities</b>		<b>219,114</b>	<b>19.74</b>
<b>Global Government Bonds - 16.69% (7.31%)</b>			
*+HSBC GIF Global Government Bond Fund	20,619,652	185,295	16.69
<b>Total Global Government Bonds</b>		<b>185,295</b>	<b>16.69</b>
<b>Global High Yield Bonds - 2.90% (4.56%)</b>			
*+HSBC GIF Global High Yield Bond Fund	2,726,267	21,555	1.94
*+HSBC GIF Global Short Duration High Yield Bond Fund	1,372,826	10,600	0.96
<b>Total Global High Yield Bonds</b>		<b>32,155</b>	<b>2.90</b>

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Global Inflation Linked Bonds - 1.53% (0.00%)</b>			
*+HSBC GIF Global Inflation Linked Bond Fund	1,943,782	17,002	1.53
<b>Total Global Inflation Linked Bonds</b>		<b>17,002</b>	<b>1.53</b>
<b>Global Short Duration Bonds - 5.36% (0.00%)</b>			
*+HSBC GIF Global Inflation Linked Bond Fund	7,545,292	59,487	5.36
<b>Total Global Short Duration Bonds</b>		<b>59,487</b>	<b>5.36</b>
<b>Global Property Equities Funds - 3.10% (5.03%)</b>			
*+HSBC GIF Global Real Estate Equity Fund	4,800,912	34,391	3.10
<b>Total Global Property Equities Funds</b>		<b>34,391</b>	<b>3.10</b>
<b>Money Markets - 6.19% (7.23%)</b>			
*+HSBC Global Sterling Liquidity Fund	68,661,147	68,661	6.19
<b>Total Money Markets</b>		<b>68,661</b>	<b>6.19</b>
<b>US Equities Funds - 6.12% (0.69%)</b>			
Xtrackers MSCI USA Health Care UCITS ETF	661,450	22,280	2.01
Xtrackers MSCI USA Consumer Staples UCITS ETF	401,867	11,298	1.02
Xtrackers MSCI USA Information Technology UCITS ETF	795,598	34,293	3.09
<b>Total US Equities Funds</b>		<b>67,871</b>	<b>6.12</b>
<b>Futures - -0.04% (0.15%)</b>			
CBT US 10Yr Ultra December 2020	185	(58)	(0.01)
CME S&P 500 EMINI Future December 2020	64	377	0.03
EUX Euro Stoxx 50 Future December 2020	1,011	(1,145)	(0.10)
NYF MSCI Emerging Market Future December 2020	586	492	0.05
NYF MSCI EAFE Future December 2020	75	(85)	(0.01)
<b>Total Futures</b>		<b>(419)</b>	<b>(0.04)</b>
<b>Forward Foreign Exchange Contracts - 0.23% (1.70%)</b>			
#CHF Forward Currency Contract settled 22 October 2020	CHF 6,421,228	5,445	0.49
#GBP Forward Currency Contract settled 22 October 2020	(GBP 5,501,301)	(5,502)	(0.50)
#JPY Forward Currency Contract settled 22 October 2020	JPY 2,092,727,186	15,399	1.39
#GBP Forward Currency Contract settled 22 October 2020	(GBP 15,428,188)	(15,428)	(1.39)
#GBP Forward Currency Contract settled 22 October 2020	GBP 12,424,397	12,424	1.12
#EUR Forward Currency Contract settled 22 October 2020	(EUR 13,492,548)	(12,230)	(1.10)
#GBP Forward Currency Contract settled 22 October 2020	GBP 602,310,229	602,311	54.26
#USD Forward Currency Contract settled 22 October 2020	(USD 774,295,097)	(599,815)	(54.04)
<b>Total Forward Foreign Exchange Contracts</b>		<b>2,604</b>	<b>0.23</b>

**Portfolio Statement**

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Portfolio of investments</b>		<b>1,084,287</b>	<b>97.69</b>
<b>Net other assets</b>		<b>25,674</b>	<b>2.31</b>
<b>Net assets</b>		<b>1,109,961</b>	<b>100.00</b>

\*offshore fund

+related party

^listed

#unlisted

Figures in brackets denote comparative percentage holdings as at 15 April 2020.

Unless otherwise stated, all holdings are authorised investment funds.

The counterparty for the futures is HSBC.

The counterparties for the forward foreign exchange contracts are HSBC Bank, Citi Group, Goldman Sachs, Credit Suisse and Royal Bank of Scotland.

Total purchases for the period, including transaction charges, were £543,678,540.

Total sales for the period, net of transaction charges, were £491,221,951.

## Comparative Tables

<b>Institutional Income#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	106.60p	111.80p	107.70p	N/A
Return before operating charges*	10.80p	(2.77p)	4.56p	N/A
Operating charges**	(0.01p)	(0.02p)	0.00p	N/A
Return after operating charges*	10.79p	(2.79p)	4.56p	N/A
Distributions on income shares	(1.29p)	(2.41p)	(0.46p)	N/A
Closing net asset value per share	116.10p	106.60p	111.80p	N/A
*after direct transaction costs of:***	0.00p	0.00p	0.00p	N/A
<b>Performance</b>				
Return after charges	10.12%	(2.50%)	4.23%	N/A
<b>Other information</b>				
Closing net asset value	£10,766,642	£11,497,474	£12,324,061	N/A
Closing number of shares	9,276,712	10,782,186	11,019,583	N/A
Operating charges - OCF	0.12%	0.11%	0.19%	N/A
Direct transaction costs	0.00%	0.00%	0.00%	N/A
<b>Prices</b>				
Highest share price	117.80p	119.30p	112.30p	N/A
Lowest share price	106.60p	101.10p	107.00p	N/A

<b>Institutional Accumulation##</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	117.20p	120.30p	115.30p	N/A
Return before operating charges*	11.81p	(3.08p)	5.00p	N/A
Operating charges**	(0.01p)	(0.02p)	0.00p	N/A
Return after operating charges*	11.80p	(3.10p)	5.00p	N/A
Distributions on accumulation shares	(1.42p)	(2.61p)	(0.49p)	N/A
Retained distributions on accumulation shares	1.42p	2.61p	0.49p	N/A
Closing net asset value per share	129.00p	117.20p	120.30p	N/A
*after direct transaction costs of:***	0.00p	0.00p	0.00p	N/A
<b>Performance</b>				
Return after charges	10.07%	(2.58%)	4.34%	N/A
<b>Other information</b>				
Closing net asset value	£7,684,026	£8,217,932	£11,221,575	N/A
Closing number of shares	5,957,322	7,011,547	9,326,620	N/A
Operating charges - OCF	0.12%	0.11%	0.19%	N/A
Direct transaction costs	0.00%	0.00%	0.00%	N/A
<b>Prices</b>				
Highest share price	129.50p	130.30p	120.40p	N/A
Lowest share price	117.20p	110.40p	115.00p	N/A

#The Institutional Income share class launched on 25 January 2019.

##The Institutional Accumulation share class launched on 25 January 2019.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Income C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	106.40p	111.50p	106.90p	109.60p
Return before operating charges*	10.77p	(2.54p)	7.16p	(0.17p)
Operating charges**	(0.38p)	(0.76p)	(0.72p)	(0.73p)
Return after operating charges*	10.39p	(3.30p)	6.44p	(0.90p)
Distributions on income shares	(0.99p)	(1.80p)	(1.84p)	(1.80p)
Closing net asset value per share	115.80p	106.40p	111.50p	106.90p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	9.77%	(2.96%)	6.02%	(0.82%)
<b>Other information</b>				
Closing net asset value	£3,317,948	£3,251,563	£3,506,163	£2,021,156
Closing number of shares	2,866,094	3,056,964	3,143,458	1,890,125
Operating charges - OCF	0.72%	0.76%	0.84%	0.84%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	117.20p	118.90p	112.20p	112.00p
Lowest share price	106.40p	100.70p	105.20p	106.90p

<b>Accumulation C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	116.50p	120.20p	113.30p	114.20p
Return before operating charges*	11.71p	(2.88p)	7.67p	(0.13p)
Operating charges**	(0.41p)	(0.82p)	(0.77p)	(0.77p)
Return after operating charges*	11.30p	(3.70p)	6.90p	(0.90p)
Distributions on accumulation shares	(1.08p)	(1.95p)	(1.95p)	(1.88p)
Retained distributions on accumulation shares	1.08p	1.95p	1.95p	1.88p
Closing net asset value per share	127.80p	116.50p	120.20p	113.30p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	9.70%	(3.08%)	6.09%	(0.79%)
<b>Other information</b>				
Closing net asset value	£871,573,749	£793,700,286	£775,762,227	£644,195,509
Closing number of shares	681,834,494	681,530,372	645,503,179	568,616,257
Operating charges - OCF	0.72%	0.76%	0.84%	0.84%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	128.30p	129.50p	120.20p	117.90p
Lowest share price	116.50p	109.70p	112.70p	112.60p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Accumulation P</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	118.20p	121.60p	114.40p	114.90p
Return before operating charges*	11.90p	(3.01p)	7.57p	(0.13p)
Operating charges**	(0.20p)	(0.39p)	(0.37p)	(0.37p)
Return after operating charges*	11.70p	(3.40p)	7.20p	(0.50p)
Distributions on accumulation shares	(1.28p)	(2.33p)	(2.30p)	(2.22p)
Retained distributions on accumulation shares	1.28p	2.33p	2.30p	2.22p
Closing net asset value per share	129.90p	118.20p	121.60p	114.40p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	9.90%	(2.80%)	6.29%	(0.44%)
<b>Other information</b>				
Closing net asset value	£216,619,021	£173,492,244	£127,900,108	£89,694,504
Closing number of shares	166,716,519	146,766,270	105,142,606	78,437,791
Operating charges - OCF	0.40%	0.41%	0.49%	0.49%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	130.40p	131.40p	121.70p	118.90p
Lowest share price	118.20p	111.40p	114.00p	113.70p
**The operating charges include all costs borne by the Fund, except for direct transaction costs.				
***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.				

## Statement of Total Return

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		<b>87,865</b>		21,713
Revenue	<b>13,856</b>		16,453	
Expenses	<b>(3,123)</b>		(2,986)	
Interest payable and similar charges	<b>(30)</b>		(1)	
Net revenue before taxation	<b>10,703</b>		13,466	
Taxation	<b>(1,035)</b>		(1,632)	
Net revenue after taxation		<b>9,668</b>		11,834
Total return before distributions		<b>97,533</b>		33,547
Distributions		<b>(9,606)</b>		(11,794)
Change in net assets attributable to shareholders from investment activities		<b>87,927</b>		21,753

## Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		<b>990,159</b>		930,714
Amounts receivable on creation of shares	<b>39,642</b>		83,451	
Amounts receivable on in-specie creation of shares	-		(30)	
Amounts payable on cancellation of shares	<b>(17,349)</b>		(5,925)	
		<b>22,293</b>		77,496
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		<b>87,927</b>		21,753
Retained distribution on accumulation shares		<b>9,582</b>		11,762
Closing net assets attributable to shareholders		<b>1,109,961</b>		1,041,725

## Balance Sheet

as at 15 October 2020 (unaudited)

	15.10.20		15.4.20	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments		<b>1,085,661</b>		981,649
Current assets				
Debtors	<b>1,043</b>		1,035	
Cash and bank balances	<b>32,142</b>		16,722	
Total current assets		<b>33,185</b>		17,757
Total assets		<b>1,118,846</b>		999,406
<b>Liabilities</b>				
Investment liabilities		<b>(1,374)</b>		(4,646)
Creditors				
Distribution payable on income shares	<b>(148)</b>		(95)	
Other creditors	<b>(7,363)</b>		(4,506)	
Total creditors		<b>(7,511)</b>		(4,601)
Total liabilities		<b>(8,885)</b>		(9,247)
Net assets attributable to shareholders		<b>1,109,961</b>		990,159

**Distribution Table (pence per share)**

for the six months ended 15 October 2020 (unaudited)

Group 1: Shares purchased prior to 16 April 2020				
Group 2: Shares purchased from 16 April 2020 to 15 October 2020				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.12.20</i>	<i>Distribution paid 15.12.19</i>
<b>Institutional Income†</b>				
Group 1	1.290000	-	1.290000	1.680000
Group 2	1.120000	0.170000	1.290000	1.680000
<b>Institutional Accumulation†</b>				
Group 1	1.420000	-	1.420000	1.810000
Group 2	1.310000	0.110000	1.420000	1.810000
<b>Income C</b>				
Group 1	0.990000	-	0.990000	1.280000
Group 2	0.500000	0.490000	0.990000	1.280000
<b>Accumulation C</b>				
Group 1	1.080000	-	1.080000	1.390000
Group 2	0.590000	0.490000	1.080000	1.390000
<b>Accumulation P</b>				
Group 1	1.280000	-	1.280000	1.610000
Group 2	0.610000	0.670000	1.280000	1.610000
†The Institutional Income and Institutional Accumulation share classes launched on 25 January 2019.				

# World Selection - Dividend Distribution Portfolio

## Investment Objective

To provide a high level of income by investing in a broad range of asset classes, across global markets.

## Investment Policy\*

This is one of a range of actively managed World Selection Portfolios offered at five different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is rated as 3, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of providing income in line with its agreed long-term risk profile therefore any potential returns are likely to be limited by the risk profile of the Fund.

To achieve its objective the Fund invests primarily in collective investment schemes that in turn invest in fixed income securities, equities, alternative asset classes and derivatives. Alternative asset classes may include but are not limited to property, infrastructure, hedge funds, private equity and commodities. Typically the Fund will have a bias towards asset classes that focus on fixed interest strategies.

The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may invest directly in equities and fixed interest securities where the investment objective can be more efficiently achieved. The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements.

The Fund may use exchange traded and over the counter derivatives and forward currency contracts for efficient portfolio management, including hedging, purposes and for investment purposes. Investing in derivatives for investment purposes means, in particular, maintaining positions in these investments for the long-term rather than just for tactical short-term purposes. However, it is envisaged that the use of derivatives for investment purposes will not be extensive and will not affect the overall risk profile of the Fund.

\*The full policy can be found in the prospectus.

## Investment Strategy\*

The starting point for the World Selection Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level; i.e. that which is expected to provide income for a given level of portfolio risk. The SAA provides the reference point around which the World Selection Portfolios can then be managed. The SAA is reviewed periodically to ensure the portfolios continue to match their long-term risk profiles.

Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. It aims to provide timely adjustments to the portfolios' allocations to reflect the team's views on the current market environment. The TAA positions are regularly monitored and scrutinised.

Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class. Implementation aims to effectively capture the characteristics of each asset class on a cost-efficient basis. This may be achieved by investing in collective investment schemes, investing directly in asset classes and investing in derivatives.

Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in sterling.

\*The full strategy can be found in the prospectus.

### Portfolio Activity

At the start of the period, the portfolio was positioned in a cautious stance, after we had reduced our risk exposure through the worst of the volatility seen in Q1 2020.

In July, the Portfolio Management (PM) team updated the long-term target exposures to account for changes in our forward-looking expected returns. Market movements over 2020 led to improved expectations for risk assets, leading us to increase equity exposure and reduce our fixed income exposures.

Within fixed income, we reduced our exposures to investment grade credit, asset backed and high yield, allocating to emerging market debt and short duration bonds.

August saw the PM team make a further adjustment to the equity allocation, tilting exposure slightly towards emerging markets, away from developed markets, while leaving the overall equity exposure in a neutral position. Asian emerging markets had done a better job of containing the pandemic and opening up their economies, leading to potentially higher returns.

Major purchases included: HSBC Global Short Duration High Yield Bond Fund, HGIF Asia High Yield Bond ZQ Fund, HSBC GIF Global Emerging Markets Local Debt Fund and Fidelity Emerging Markets Quality Income UCITS ETF.

Major disposals included: HSBC Corporate Bond Fund, HSBC Sterling Corporate Bond Index Fund, HSBC GIF Global High Yield Bond Fund, HSBC GIF Global Asset-Backed Bond Fund and HSBC GIF Global Asset-Backed Crossover Bond Fund.

### Investment Performance

During the period under review the value of the shares in the Fund increased by 11.36%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

### Fund Particulars

as at 16 October 2020 (unaudited)

	Retail Income	Retail Accumulation	Income C	Accumulation C
Price	109.3p xd	191.9p	114.3p xd	200.0p
Distribution payable (on 15 December 2020) per share net	1.470000p	2.550000p	1.540000p	2.660000p
Current net estimated yield	3.72%	3.64%	3.72%	3.63%
Annual ACD charge	1.25%	1.25%	0.55%	0.55%

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Global Assets-Backed Bonds - 2.01% (5.65%)</b>			
+HSBC GIF Global Asset-Backed Bond Fund	23,558	2,785	0.65
*+HSBC GIF Global Asset -Backed Crossover Bond	790,802	5,766	1.36
<b>Total Global Equities</b>		<b>8,551</b>	<b>2.01</b>
<b>Global Emerging Markets Debt - 19.19% (16.48%)</b>			
*+HSBC GIF Global Emerging Markets Bond Fund	4,024,655	29,747	7.00
*+HSBC GIF Global Emerging Markets Local Debt Fund	7,660,952	51,835	12.19
<b>Total Global Emerging Markets Debt</b>		<b>81,582</b>	<b>19.19</b>
<b>Global Emerging Markets Equities - 7.21% (4.53%)</b>			
Fidelity Emerging Markets Quality Income UCITS ETF	7,857,405	30,678	7.21
<b>Total Global Emerging Markets Equities</b>		<b>30,678</b>	<b>7.21</b>
<b>Global Equities - 35.72% (31.59%)</b>			
Fidelity Global Quality Income UCITS ETF	6,100,881	29,787	7.00
+HSBC Global Equity Income Fund	8,529,416	10,184	2.40
+HSBC UCITS Common Contractual Fund	1,145,905	111,912	26.32
<b>Total Global Equities</b>		<b>151,883</b>	<b>35.72</b>
<b>Global High Yield Bonds - 8.77% (10.69%)</b>			
*+HSBC GIF Global High Yield Bond Fund	2,753,649	21,772	5.12
*+HSBC Global Short Duration High Yield Bond Fund	2,008,150	15,505	3.65
<b>Total Global High Yield Bonds</b>		<b>37,277</b>	<b>8.77</b>
<b>Global Investments Funds - 5.77% (0.00%)</b>			
*+HGIF Asia High Yield Bond Fund	1,665,234	12,987	3.05
*+HGIF Global Government Bond Fund	469,100	4,215	0.99
*+HGIF Global Short Duration Bond Fund	935,409	7,375	1.73
<b>Total Global High Yield Bonds</b>		<b>24,577</b>	<b>5.77</b>
<b>Global Property Equities Funds - 2.79% (4.87%)</b>			
*+HSBC GIF Global Real Estate Equity Fund	1,709,104	11,858	2.79
<b>Total Global Property Equities Funds</b>		<b>11,858</b>	<b>2.79</b>
<b>Infrastructure - 6.17% (6.15%)</b>			
^Bilfinger Berger Global Infrastructure SICAV	7,887,000	13,723	3.23
*+HICL Infrastructure	7,369,501	12,514	2.94
<b>Total Infrastructure</b>		<b>26,237</b>	<b>6.17</b>
<b>UK Corporate Bonds - 7.29% (10.66%)</b>			
+HSBC Corporate Bond Fund	12,800,387	31,015	7.29
<b>Total UK Corporate Bonds</b>		<b>31,015</b>	<b>7.29</b>

**Portfolio Statement**

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>UK Equities - 5.09% (8.20%)</b>			
^*Vanguard FTSE 100 UCITS ETF	840,707	21,627	5.09
<b>Total UK Equities</b>		<b>21,627</b>	<b>5.09</b>
<b>Forward Foreign Exchange Contracts - 0.09% (0.67%)</b>			
#JPY Forward Currency Contract 22/10/2020	JPY 291,896,653	2,148	0.51
#GBP Forward Currency Contract 22/10/2020	(GBP 2,151,946)	(2,152)	(0.51)
#CHF Forward Currency Contract 22/10/2020	CHF 2,507,798	2,126	0.50
#GBP Forward Currency Contract 22/10/2020	(GBP 2,148,522)	(2,148)	(0.51)
#GBP Forward Currency Contract 22/10/2020	GBP 99,362,229	99,362	23.37
#USD Forward Currency Contract 22/10/2020	(USD 127,734,318)	(98,950)	(23.27)
<b>Total Forward Foreign Exchange Contracts</b>		<b>386</b>	<b>0.09</b>
<b>Portfolio of investments</b>		<b>425,671</b>	<b>100.10</b>
<b>Net other liabilities</b>		<b>(442)</b>	<b>(0.10)</b>
<b>Net assets</b>		<b>425,229</b>	<b>100.00</b>
*offshore funds			
+related party			
^listed			
#unlisted			

Figures in brackets denote comparative percentage holdings as at 15 April 2020.

Unless otherwise stated, all holdings are authorised investment funds.

The counterparties for the forward foreign exchange contracts are Citigroup, Royal Bank of Scotland and HSBC.

Total purchases for the period, including transaction charges, were £66,499,853.

Total sales for the period, net of transaction charges, were £73,414,856.

## Comparative Tables

<b>Retail Income</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	100.10p	112.20p	109.90p	116.50p
Return before operating charges*	12.01p	(6.55p)	8.26p	(0.79p)
Operating charges**	(0.71p)	(1.51p)	(1.47p)	(1.52p)
Return after operating charges*	11.30p	(8.06p)	6.79p	(2.31p)
Distributions on income shares	(2.40p)	(4.04p)	(4.49p)	(4.29p)
Closing net asset value per share	109.00p	100.10p	112.20p	109.90p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.02p
<b>Performance</b>				
Return after charges	11.29%	(7.18%)	6.18%	(1.98%)
<b>Other information</b>				
Closing net asset value	£77,876	£72,558	£3,923,951	£4,453,901
Closing number of shares	71,456	72,456	3,497,799	4,053,281
Operating charges - OCF	1.49%	1.48%	1.54%	1.91%
Direct transaction costs	0.00%	0.00%	0.00%	0.02%
<b>Prices</b>				
Highest share price	111.10p	117.20p	115.80p	119.40p
Lowest share price	99.84p	93.12p	106.50p	109.90p

<b>Retail Accumulation</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	172.00p	185.90p	174.90p	178.30p
Return before operating charges*	20.62p	(11.39p)	13.37p	(1.05p)
Operating charges**	(1.22p)	(2.51p)	(2.37p)	(2.35p)
Return after operating charges*	19.40p	(13.90p)	11.00p	(3.40p)
Distributions on accumulation shares	(4.15p)	(6.79p)	(7.26p)	(6.90p)
Retained distributions on accumulation shares	4.15p	6.79p	7.26p	6.90p
Closing net asset value per share	191.40p	172.00p	185.90p	174.90p
*after direct transaction costs of:***	0.00p	0.01p	0.01p	0.03p
<b>Performance</b>				
Return after charges	11.28%	(7.48%)	6.29%	(1.91%)
<b>Other information</b>				
Closing net asset value	£3,216,680	£2,886,738	£14,546,877	£15,023,844
Closing number of shares	1,680,974	1,678,203	7,825,026	8,591,247
Operating charges - OCF	1.49%	1.48%	1.54%	1.91%
Direct transaction costs	0.00%	0.00%	0.00%	0.02%
<b>Prices</b>				
Highest share price	192.40p	199.40p	186.40p	184.40p
Lowest share price	171.50p	158.50p	172.90p	173.30p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Income C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	104.40p	116.40p	113.40p	119.60p
Return before operating charges*	12.38p	(7.02p)	8.42p	(0.80p)
Operating charges**	(0.37p)	(0.78p)	(0.77p)	(0.79p)
Return after operating charges*	12.01p	(7.80p)	7.65p	(1.59p)
Distributions on income shares	(2.51p)	(4.20p)	(4.65p)	(4.61p)
Closing net asset value per share	113.90p	104.40p	116.40p	113.40p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.02p
<b>Performance</b>				
Return after charges	11.50%	(6.70%)	6.75%	(1.33%)
<b>Other information</b>				
Closing net asset value	£231,032,593	£216,385,961	£231,082,240	£230,197,695
Closing number of shares	202,753,708	207,206,601	198,553,248	202,983,692
Operating charges - OCF	0.84%	0.83%	0.89%	1.27%
Direct transaction costs	0.00%	0.00%	0.00%	0.02%
<b>Prices</b>				
Highest share price	116.20p	122.10p	119.70p	122.70p
Lowest share price	104.10p	97.08p	110.40p	113.40p

<b>Accumulation C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	178.90p	192.20p	179.90p	182.50p
Return before operating charges*	21.24p	(11.99p)	13.54p	(1.37p)
Operating charges**	(0.64p)	(1.31p)	(1.24p)	(1.23p)
Return after operating charges*	20.60p	(13.30p)	12.30p	(2.60p)
Distributions on accumulation shares	(4.33p)	(7.04p)	(7.49p)	(7.10p)
Retained distributions on accumulation shares	4.33p	7.04p	7.49p	7.10p
Closing net asset value per share	199.50p	178.90p	192.20p	179.90p
*after direct transaction costs of:***	0.00p	0.01p	0.01p	0.04p
<b>Performance</b>				
Return after charges	11.51%	(6.92%)	6.84%	(1.42%)
<b>Other information</b>				
Closing net asset value	£190,901,830	£179,898,534	£211,887,848	£227,338,308
Closing number of shares	95,692,496	100,578,018	110,232,147	126,381,783
Operating charges - OCF	0.84%	0.83%	0.89%	1.27%
Direct transaction costs	0.00%	0.00%	0.00%	0.02%
<b>Prices</b>				
Highest share price	200.60p	207.20p	192.70p	189.40p
Lowest share price	178.30p	164.70p	178.40p	178.20p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Statement of Total Return

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		<b>37,476</b>		3,910
Revenue	<b>10,008</b>		10,990	
Expenses	<b>(1,418)</b>		(1,616)	
Interest payable and similar charges	<b>(2)</b>		(3)	
Net revenue before taxation	<b>8,588</b>		9,371	
Taxation	<b>(363)</b>		(791)	
Net revenue after taxation		<b>8,225</b>		8,580
Total return before distributions		<b>45,701</b>		12,490
Distributions		<b>(9,429)</b>		(9,856)
Change in net assets attributable to shareholders from investment activities		<b>36,272</b>		2,634

## Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		<b>399,244</b>		461,441
Amounts receivable on creation of shares	<b>4,985</b>		12,418	
Amounts payable on cancellation of shares	<b>(19,539)</b>		(20,507)	
		<b>(14,554)</b>		(8,089)
Dilution adjustment		-		11
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		<b>36,272</b>		2,634
Retained distribution on accumulation shares		<b>4,267</b>		4,664
Closing net assets attributable to shareholders		<b>425,229</b>		460,661

## Balance Sheet

as at 15 October 2020 (unaudited)

	15.10.20		15.4.20	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments		<b>425,697</b>		398,071
Current assets				
Debtors	<b>3,492</b>		1,259	
Cash and bank balances	<b>3,245</b>		6,028	
Total current assets		<b>6,737</b>		7,287
Total assets		<b>432,434</b>		405,358
<b>Liabilities</b>				
Investment liabilities		<b>(26)</b>		(871)
Creditors				
Distribution payable on income shares	<b>(3,123)</b>		(2,017)	
Other creditors	<b>(4,056)</b>		(3,226)	
Total creditors		<b>(7,179)</b>		(5,243)
Total liabilities		<b>(7,205)</b>		(6,114)
Net assets attributable to shareholders		<b>425,229</b>		399,244

**Distribution Tables (pence per share)**

for the six months ended 15 October 2020 (unaudited)

Group 1: Shares purchased prior to 16 July 2020				
Group 2: Shares purchased from 16 July 2020 to 15 October 2020				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.12.20</i>	<i>Distribution paid 15.12.19</i>
<b>Retail Income</b>				
Group 1	1.470000	-	1.470000	1.120000
Group 2	1.280000	0.190000	1.470000	1.120000
<b>Retail Accumulation</b>				
Group 1	2.550000	-	2.550000	1.880000
Group 2	1.600000	0.950000	2.550000	1.880000
<b>Income C</b>				
Group 1	1.540000	-	1.540000	1.160000
Group 2	1.370000	0.170000	1.540000	1.160000
<b>Accumulation C</b>				
Group 1	2.660000	-	2.660000	1.950000
Group 2	1.860000	0.800000	2.660000	1.950000

Group 1: Shares purchased prior to 16 April 2020				
Group 2: Shares purchased from 16 April 2020 to 15 July 2020				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.9.20</i>	<i>Distribution paid 15.9.19</i>
<b>Retail Income</b>				
Group 1	0.930000	-	0.930000	1.270000
Group 2	0.760000	0.170000	0.930000	1.270000
<b>Retail Accumulation</b>				
Group 1	1.600000	-	1.600000	2.110000
Group 2	0.050000	1.550000	1.600000	2.110000
<b>Income C</b>				
Group 1	0.970000	-	0.970000	1.320000
Group 2	0.850000	0.120000	0.970000	1.320000
<b>Accumulation C</b>				
Group 1	1.670000	-	1.670000	2.180000
Group 2	1.440000	0.230000	1.670000	2.180000

# World Selection - Dynamic Portfolio

## Investment Objective

To provide capital growth through dynamic investment in a broad range of asset classes across global markets.

## Investment Policy\*

This is one of a range of actively managed World Selection Portfolios offered at five different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is rated as 4, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long-term risk profile therefore any potential returns are likely to be limited by the risk profile of the Fund.

To achieve its objective the Fund invests primarily in collective investment schemes that in turn invest in fixed income securities, equities, alternative asset classes and derivatives. Typically the Fund will have a bias towards asset classes that focus on equity investment strategies.

The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may, in addition to its other investment powers, use exchange traded and over-the-counter derivatives and forward currency contracts for investment purposes. Using these investment powers for investment purposes means, in particular, maintaining positions in these investments for the long-term rather than just for tactical short-term purposes. Where the use of derivatives is for investment purposes in addition to hedging it is envisaged that the use of such instruments will not affect the overall risk profile of the Fund.

\*The full policy can be found in the prospectus.

## Investment Strategy\*

The starting point for the World Selection Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class.

Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in sterling.

\*The full strategy can be found in the prospectus.

## Portfolio Activity

At the start of the period, the portfolio was positioned in a cautious stance, after we had reduced our risk exposure through the worst of the volatility seen in Q1 2020. Through April, further changes were made to diversify our defensive positions, adding short-duration credit. We also tilted our US exposure towards IT, healthcare and consumer staples. These sectors display higher quality characteristics which we believe offer potential outperformance in a range of scenarios.

As markets rebounded and confidence returned, we looked to add back to risk assets in a controlled way. The sell-off had seen valuations improve, with forward-looking returns for risk assets looking more attractive. Changes to the long-term target allocations were introduced through May and June in numerous tranches, increasing exposure to equities and credit asset classes, including Asian high yield bonds, while ensuring the portfolio remained within its risk profile.

In July, we increased our allocation to Eurozone equity on the back of better political integration in the EZ around their Covid-19 response policies. This coupled with attractive valuations indicated potential outperformance. As part of this trade, we reduced our exposures to the UK and Japan.

August saw the Portfolio Management team make a further adjustment to the equity allocation, tilting exposure slightly towards emerging markets, away from developed markets, while leaving the overall equity exposure in a neutral position. Asian emerging markets had done a better job of containing the pandemic and opening up their economies, leading to potentially higher returns.

We also adjusted our currency positioning in August. The US dollar appeared expensive and, with the upcoming election creating potential volatility, we increased exposures to the euro and Japanese yen to limit the impact of potential dollar depreciation.

In October, we increased our exposure the US quality sectors which were introduced in April. These sectors had added value to the portfolios and our initial thesis remained intact, we therefore increased the exposure, funded from US equity more broadly.

Major purchases included: HSBC Multi Factor Worldwide Equity UCITS ETF, Xtrackers MSCI USA Information Technology UCITS ETF, HSBC GIF Global Short Duration High Yield Bond Fund, Xtrackers MSCI USA Health Care UCITS ETF, HSBC GIF Asia High Yield Bond Fund and Xtrackers MSCI USA Consumer Staples UCITS ETF.

Major disposals included: HSBC Global Sterling Liquidity Fund, iShares Core S&P 500 UCITS ETF, HSBC Economic Scale Worldwide Equity UCITS ETF and HSBC GIF Global High Yield Bond Fund.

### Investment Performance

During the period under review the value of the shares in the Fund increased by 15.21%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

### Fund Particulars

as at 16 October 2020 (unaudited)

	Institutional Income	Institutional Accumulation	Income C
Price	291.0p xd	303.0p	244.8p xd
Distribution payable (on 15 December 2020) per share net	4.480000p	4.590000p	3.150000p
Current net estimated yield	2.06%	2.03%	1.56%
Annual ACD charge	0.00%	0.00%	0.55%

	Accumulation C	Income P	Accumulation P
Price	281.7p	244.6p xd	286.0p
Distribution payable (on 15 December 2020) per share net	3.580000p	3.480000p	4.010000p
Current net estimated yield	1.54%	1.83%	1.80%
Annual ACD charge	0.55%	0.25%	0.25%

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Liquid Alternatives - 3.05% (5.91%)</b>			
^*AQR Managed Futures UCITS ETF	325,772	26,279	2.03
*Structured Investments Goldman Sachs - Cross Asset Trend Portfolio	1,738,884	13,124	1.02
<b>Total Liquid Alternatives</b>		<b>39,403</b>	<b>3.05</b>
<b>Asia-Pacific (excluding Japan) Debt - 1.89% (0.00%)</b>			
*+HSBC GIF Asia High Yield Bond Fund	3,128,326	24,397	1.89
<b>Total Asia-Pacific (excluding Japan) Debt</b>		<b>24,397</b>	<b>1.89</b>
<b>Asia-Pacific (excluding Japan) Equities - 1.26% (1.28%)</b>			
^*iShares Core MSCI Pacific ex Japan UCITS ETF	146,901	16,342	1.26
<b>Total Asia-Pacific (excluding Japan) Equities</b>		<b>16,342</b>	<b>1.26</b>
<b>European Equities - 5.07% (4.69%)</b>			
+HSBC European Index Fund	5,888,227	61,002	4.71
^*Xtrackers S&P Europe ex UK UCITS ETF	99,595	4,632	0.36
<b>Total European Equities</b>		<b>65,634</b>	<b>5.07</b>
<b>Global Corporate Bonds - 0.00% (0.53%)</b>			
<b>Global Equities - 37.48% (38.64%)</b>			
+HSBC FTSE All-World Index Fund	180,102,978	362,367	28.01
^*+HSBC Multi Factor Worldwide Equity UCITS ETF	7,625,875	122,554	9.47
<b>Total Global Equities</b>		<b>484,921</b>	<b>37.48</b>
<b>Global Emerging Markets Debt - 8.10% (10.17%)</b>			
*+HSBC GIF Global Emerging Markets Bond Fund	4,219,506	31,187	2.41
*+HSBC GIF Global Emerging Markets Local Debt Fund	10,887,245	73,664	5.69
<b>Total Global Emerging Markets Debt</b>		<b>104,851</b>	<b>8.10</b>
<b>Global Emerging Markets Equities - 4.21% (3.90%)</b>			
^*iShares Core MSCI Emerging Markets IMI UCITS ETF	2,293,701	54,515	4.21
<b>Total Global Emerging Markets Equities</b>		<b>54,515</b>	<b>4.21</b>
<b>Global High Yield Bonds - 2.89% (3.08%)</b>			
*+HSBC GIF Global High Yield Bond Fund	3,166,011	25,032	1.93
*+HSBC GIF Global Short Duration High Yield Bond Fund	1,607,670	12,413	0.96
<b>Total Global High Yield Bonds</b>		<b>37,445</b>	<b>2.89</b>
<b>Global Property Equities Funds - 6.80% (4.51%)</b>			
*+HSBC GIF Global Real Estate Equity Fund	12,282,496	87,986	6.80
<b>Total Global Property Equities Funds</b>		<b>87,986</b>	<b>6.80</b>
<b>Japanese Equities - 1.62% (2.82%)</b>			
+HSBC Japan Index Fund	14,808,014	20,909	1.62
<b>Total Japanese Equities</b>		<b>20,909</b>	<b>1.62</b>

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Money Markets - 2.11% (2.73%)</b>			
+HSBC Global Sterling Liquidity Fund	27,237,079	27,237	2.11
<b>Total Money Markets</b>		<b>27,237</b>	<b>2.11</b>
<b>UK Equities - 1.05% (1.75%)</b>			
+HSBC FTSE 100 Index Fund	6,788,383	13,577	1.05
<b>Total UK Equities</b>		<b>13,577</b>	<b>1.05</b>
<b>US Equities - 20.35% (18.22%)</b>			
+HSBC American Index Fund	19,456,963	154,488	11.94
^*Xtrackers MSCI USA Consumer Staples UCITS ETF	655,840	18,438	1.43
^*Xtrackers MSCI USA Health Care UCITS ETF	1,040,923	35,062	2.71
^*Xtrackers MSCI USA Information Technology UCITS ETF	1,282,974	55,300	4.27
<b>Total US Equities</b>		<b>263,288</b>	<b>20.35</b>
<b>Forward Foreign Exchange Contracts - 0.05% (0.40%)</b>			
#CHF Forward Currency Contract 22/10/2020	CHF 7,562,715	6,413	0.50
#GBP Forward Currency Contract 22/10/2020	(GBP 6,479,254)	(6,479)	(0.50)
#JPY Forward Currency Contract 22/10/2020	JPY 2,816,853,184	20,727	1.60
#GBP Forward Currency Contract 22/10/2020	(GBP 20,766,653)	(20,767)	(1.61)
#EUR Forward Currency Contract 22/10/2020	EUR 15,437,427	13,993	1.08
#GBP Forward Currency Contract 22/10/2020	(GBP 14,211,468)	(14,211)	(1.10)
#GBP Forward Currency Contract 22/10/2020	GBP 184,031,356	184,032	14.23
#USD Forward Currency Contract 22/10/2020	(USD 236,580,038)	(183,269)	(14.17)
#USD Forward Currency Contract 22/10/2020	USD 37,288,919	28,886	2.24
#GBP Forward Currency Contract 22/10/2020	(GBP 28,740,823)	(28,741)	(2.22)
<b>Total Forward Foreign Exchange Contracts</b>		<b>584</b>	<b>0.05</b>
<b>Futures - 0.01% (0.03%)</b>			
MSCI Emerging Markets NYF Index Future December 2020	535	463	0.04
EUX Euro Stoxx 50 Index Future December 2020	542	(391)	(0.03)
<b>Total Futures</b>		<b>72</b>	<b>0.01</b>
<b>Portfolio of investments</b>		<b>1,241,161</b>	<b>95.94</b>
<b>Net other assets</b>		<b>52,524</b>	<b>4.06</b>
<b>Net assets</b>		<b>1,293,685</b>	<b>100.00</b>

\*offshore fund

+related party

^Investment scheme registered outside the UK

#unlisted

Figures in brackets denote the comparative percentage holdings as at 15 April 2020.

Unless otherwise stated, all investments are listed securities.

The counterparty for the futures is HSBC.

The counterparties for the forward foreign exchange contracts are Citigroup, HSBC and Royal Bank of Scotland.

Total purchases for the period, including transaction charges, were £377,229,702.

Total sales for the period, net of transaction charges, were £388,242,978.

## Comparative Tables

<b>Retail Income#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	N/A	233.10p	216.30p	213.60p
Return before operating charges*	N/A	22.65p	22.39p	7.87p
Operating charges**	N/A	(2.40p)	(2.96p)	(2.86p)
Return after operating charges*	N/A	20.25p	19.43p	5.01p
Distributions on income shares	N/A	(2.55p)	(2.63p)	(2.31p)
Cancellation price	N/A	(250.80p)	-	-
Closing net asset value per share	N/A	0.00p	233.10p	216.30p
*after direct transaction costs of:***	N/A	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	N/A	8.69%	8.98%	2.35%
<b>Other information</b>				
Closing net asset value	N/A	-	£356,004	£347,022
Closing number of shares	N/A	-	152,751	160,414
Operating charges - OCF	N/A	1.41%	1.44%	1.42%
Direct transaction costs	N/A	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	N/A	250.80p	237.20p	231.80p
Lowest share price	N/A	226.90p	208.30p	210.80p

<b>Retail Accumulation##</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	N/A	252.40p	231.50p	226.30p
Return before operating charges*	N/A	11.80p	24.09p	8.23p
Operating charges**	N/A	(3.00p)	(3.19p)	(3.03p)
Return after operating charges*	N/A	8.80p	20.90p	5.20p
Distributions on accumulation shares	N/A	(2.71p)	(2.81p)	(2.43p)
Retained distributions on accumulation shares	N/A	2.71p	2.81p	2.43p
Cancellation price	N/A	(261.20p)	-	-
Closing net asset value per share	N/A	0.00p	252.40p	231.50p
*after direct transaction costs of:***	N/A	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	N/A	3.49%	9.03%	2.30%
<b>Other information</b>				
Closing net asset value	N/A	-	£16,140,196	£16,685,655
Closing number of shares	N/A	-	6,395,032	7,208,082
Operating charges - OCF	N/A	1.41%	1.44%	1.42%
Direct transaction costs	N/A	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	N/A	277.30p	253.80p	248.10p
Lowest share price	N/A	245.60p	225.40p	223.30p

#The Retail Income share class converted to Income C class on 17 January 2020.

##The Retail Accumulation share class converted to Accumulation C on 27 February 2020.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Institutional Income##</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	253.50p	277.70p	260.40p	N/A
Return before operating charges*	40.60p	(18.11p)	18.16p	N/A
Operating charges**	(0.02p)	(0.04p)	(0.01p)	N/A
Return after operating charges*	40.58p	(18.15p)	18.15p	N/A
Distributions on income shares	(4.48p)	(6.05p)	(0.85p)	N/A
Closing net asset value per share	289.60p	253.50p	277.70p	N/A
*after direct transaction costs of:***	0.01p	0.00p	0.00p	N/A
<b>Performance</b>				
Return after charges	16.01 %	(6.54 %)	6.97 %	N/A
<b>Other information</b>				
Closing net asset value	£21,072,007	£18,577,416	£23,925,183	N/A
Closing number of shares	7,276,551	7,327,405	8,617,020	N/A
Operating charges - OCF	0.11 %	0.11 %	0.14 %	N/A
Direct transaction costs	0.00 %	0.00 %	0.00 %	N/A
<b>Prices</b>				
Highest share price	296.70p	302.80p	278.80p	N/A
Lowest share price	253.20p	234.20p	259.50p	N/A

<b>Institutional Accumulation</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	260.00p	278.50p	252.80p	244.40p
Return before operating charges*	41.52p	(18.46p)	25.74p	8.43p
Operating charges**	(0.02p)	(0.04p)	(0.04p)	(0.03p)
Return after operating charges*	41.50p	(18.50p)	25.70p	8.40p
Distributions on accumulation shares	(4.59p)	(6.10p)	(5.85p)	(5.41p)
Retained distributions on accumulation shares	4.59p	6.10p	5.85p	5.41p
Closing net asset value per share	301.50p	260.00p	278.50p	252.80p
*after direct transaction costs of:***	0.01p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	15.96 %	(6.64 %)	10.17 %	3.44 %
<b>Other information</b>				
Closing net asset value	£137,135,451	£123,720,145	£144,534,109	£90,244,035
Closing number of shares	45,481,192	47,591,197	51,897,663	35,698,643
Operating charges - OCF	0.11 %	0.11 %	0.14 %	0.13 %
Direct transaction costs	0.00 %	0.00 %	0.00 %	0.00 %
<b>Prices</b>				
Highest share price	304.20p	308.60p	278.80p	270.30p
Lowest share price	259.60p	238.70p	248.00p	241.20p

##The Institutional Income share class launched 25 January 2019.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Income C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	213.30p	233.50p	216.70p	214.00p
Return before operating charges*	34.23p	(14.78p)	22.11p	7.73p
Operating charges**	(0.78p)	(1.58p)	(1.50p)	(1.47p)
Return after operating charges*	33.45p	(16.36p)	20.61p	6.26p
Distributions on income shares	(3.15p)	(3.84p)	(3.81p)	(3.56p)
Closing net asset value per share	243.60p	213.30p	233.50p	216.70p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	15.68%	(7.01%)	9.51%	2.93%
<b>Other information</b>				
Closing net asset value	£22,325,216	£19,789,724	£24,130,200	£19,843,813
Closing number of shares	9,164,563	9,277,961	10,333,330	9,155,179
Operating charges - OCF	0.71%	0.76%	0.79%	0.78%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	248.90p	254.20p	238.00p	232.80p
Lowest share price	213.00p	196.50p	208.90p	211.20p

<b>Accumulation C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	242.40p	261.00p	238.20p	231.40p
Return before operating charges*	38.89p	(16.83p)	24.46p	8.41p
Operating charges**	(0.89p)	(1.77p)	(1.66p)	(1.61p)
Return after operating charges*	38.00p	(18.60p)	22.80p	6.80p
Distributions on accumulation shares	(3.58p)	(4.31p)	(4.20p)	(3.87p)
Retained distributions on accumulation shares	3.58p	4.31p	4.20p	3.87p
Closing net asset value per share	280.40p	242.40p	261.00p	238.20p
*after direct transaction costs of:***	0.01p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	15.68%	(7.13%)	9.57%	2.94%
<b>Other information</b>				
Closing net asset value	£88,777,301	£774,705,279	£837,577,023	£741,188,061
Closing number of shares	316,612,748	319,618,694	320,877,707	311,201,807
Operating charges - OCF	0.71%	0.76%	0.79%	0.78%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	282.90p	288.00p	261.60p	254.90p
Lowest share price	242.10p	222.60p	232.80p	228.40p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Income P</b>				
	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	213.20p	233.40p	216.60p	213.90p
Return before operating charges*	34.15p	(14.94p)	21.96p	7.57p
Operating charges**	(0.37p)	(0.74p)	(0.71p)	(0.69p)
Return after operating charges*	33.78p	(15.68p)	21.25p	6.88p
Distributions on income shares	(3.48p)	(4.52p)	(4.45p)	(4.18p)
Closing net asset value per share	243.50p	213.20p	233.40p	216.60p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	15.84%	(6.72%)	9.81%	3.22%
<b>Other information</b>				
Closing net asset value	£2,229,724	£2,052,742	£1,304,578	£1,017,083
Closing number of shares	915,899	963,064	558,927	469,464
Operating charges - OCF	0.39%	0.41%	0.44%	0.43%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	249.10p	254.30p	238.10p	232.90p
Lowest share price	212.90p	196.70p	208.90p	211.10p

<b>Accumulation P</b>				
	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	245.70p	263.90p	240.10p	232.70p
Return before operating charges*	39.43p	(17.35p)	24.59p	8.17p
Operating charges**	(0.43p)	(0.85p)	(0.79p)	(0.77p)
Return after operating charges*	39.00p	(18.20p)	23.80p	7.40p
Distributions on accumulation shares	(4.01p)	(5.13p)	(4.95p)	(4.57p)
Retained distributions on accumulation shares	4.01p	5.13p	4.95p	4.57p
Closing net asset value per share	284.70p	245.70p	263.90p	240.10p
*after direct transaction costs of:***	0.01p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	15.87%	(6.90%)	9.91%	3.18%
<b>Other information</b>				
Closing net asset value	£223,144,818	£168,934,371	£119,157,003	£62,335,906
Closing number of shares	78,384,658	68,744,972	45,151,247	25,959,841
Operating charges - OCF	0.39%	0.41%	0.44%	0.43%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	287.20p	291.80p	264.10p	256.90p
Lowest share price	245.40p	225.70p	235.20p	229.60p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Statement of Total Return

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		<b>158,626</b>		15,087
Revenue	<b>20,840</b>		20,397	
Expenses	<b>(3,235)</b>		(3,253)	
Interest payable and similar charges	<b>(26)</b>		(1)	
Net revenue before taxation	<b>17,579</b>		17,143	
Taxation	<b>(372)</b>		(453)	
Net revenue after taxation		<b>17,207</b>		16,690
Total return before distributions		<b>175,833</b>		31,777
Distributions		<b>(17,173)</b>		(16,657)
Change in net assets attributable to shareholders from investment activities		<b>158,660</b>		15,120

## Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		<b>1,107,780</b>		1,167,124
Amounts receivable on creation of shares	<b>45,513</b>		48,840	
Amounts payable on cancellation of shares	<b>(34,834)</b>		(29,836)	
		<b>10,679</b>		19,004
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		<b>158,660</b>		15,120
Retained distribution on accumulation shares		<b>16,566</b>		16,027
Closing net assets attributable to shareholders		<b>1,293,685</b>		1,217,275

## Balance Sheet

as at 15 October 2020 (unaudited)

	15.10.20		15.4.20	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments		<b>1,241,876</b>		1,094,199
Current assets				
Debtors	<b>29,874</b>		1,297	
Cash and bank balances	<b>26,450</b>		17,758	
Total current assets		<b>56,324</b>		19,055
Total assets		<b>1,298,200</b>		1,113,254
<b>Liabilities</b>				
Investment liabilities		<b>(715)</b>		(1,253)
Creditors				
Distribution payable on income shares	<b>(647)</b>		(183)	
Other creditors	<b>(3,153)</b>		(4,038)	
Total creditors		<b>(3,800)</b>		(4,221)
Total liabilities		<b>(4,515)</b>		(5,474)
Net assets attributable to shareholders		<b>1,293,685</b>		1,107,780

**Distribution Table (pence per share)**

for the six months ended 15 October 2020 (unaudited)

Group 1: Shares purchased prior to 16 April 2020				
Group 2: Shares purchased from 16 April 2020 to 15 October 2020				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.12.20</i>	<i>Distribution paid 15.12.19</i>
<b>Retail Income#</b>				
Group 1	N/A	-	N/A	2.550000
Group 2	N/A	N/A	N/A	2.550000
<b>Retail Accumulation##</b>				
Group 1	N/A	-	N/A	2.710000
Group 2	N/A	N/A	N/A	2.710000
<b>Institutional Income</b>				
Group 1	4.480000	-	4.480000	4.530000
Group 2	4.000000	0.480000	4.480000	4.530000
<b>Institutional Accumulation</b>				
Group 1	4.590000	-	4.590000	4.540000
Group 2	4.030000	0.560000	4.590000	4.540000
<b>Income C</b>				
Group 1	3.150000	-	3.150000	3.180000
Group 2	1.560000	1.590000	3.150000	3.180000
<b>Accumulation C</b>				
Group 1	3.580000	-	3.580000	3.550000
Group 2	1.620000	1.960000	3.580000	3.550000
<b>Income P</b>				
Group 1	3.480000	-	3.480000	3.520000
Group 2	3.480000	0.000000	3.480000	3.520000
<b>Accumulation P</b>				
Group 1	4.010000	-	4.010000	3.980000
Group 2	1.410000	2.600000	4.010000	3.980000
#The Retail Income share class converted to Income C class on 17 January 2020.				
##The Retail Accumulation share class converted to Accumulation C on 27 February 2020.				

# World Selection - Interest Income Portfolio

## Investment Objective

To provide income through cautious investment in a broad range of asset classes across global markets.

## Investment Policy\*

This is one of a range of actively managed World Selection Portfolios offered at five different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is rated as 2, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of providing income in line with its agreed long-term risk profile therefore any potential returns are likely to be limited by the risk profile of the Fund.

To achieve its objective the Fund invests primarily in collective investment schemes that in turn invest in fixed income securities, equities, alternative asset classes and derivatives. Typically the Fund will have a bias towards asset classes that focus on fixed interest strategies.

The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may, in addition to its other investment powers, use exchange traded and over-the-counter derivatives and forward currency contracts for investment purposes. Using these investment powers for investment purposes means, in particular, maintaining positions in these investments for the long-term rather than just for tactical short-term purposes. Where the use of derivatives is for investment purposes in addition to hedging it is envisaged that the use of such instruments will not affect the overall risk profile of the Fund.

\*The full policy can be found in the prospectus.

## Investment Strategy\*

The starting point for the World Selection Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class.

Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in sterling.

\*The full strategy can be found in the prospectus.

## Portfolio Activity

At the start of the period, the portfolio was positioned in a cautious stance, after we had reduced our risk exposure through the worst of the volatility seen in Q1 2020.

In July, the Portfolio Management (PM) team updated the long-term target exposures to account for changes in our forward-looking expected returns. Market movements over 2020 led to improved expectations for risk assets, with us adjusting our fixed income exposures while making a small reduction to equity.

Within fixed income, we closed our exposure to sterling corporate bonds, reduced our exposures to investment grade credit and global high yield bonds and allocated to emerging market debt, short duration bonds and Asian high yield bonds.

August saw the PM team make a further adjustment to the equity allocation, tilting exposure slightly towards emerging markets, away from developed markets, while leaving the overall equity exposure in a neutral position. Asian emerging markets had done a better job of containing the pandemic and opening up their economies, leading to potentially higher returns.

Major purchases included: HSBC GIF Global Short Duration Bond Fund, HSBC GIF Asia High Yield Bond Fund, HSBC GIF Global Emerging Markets Bond Fund and Fidelity Emerging Markets Quality Income UCITS ETF.

Major disposals included: HSBC Corporate Bond Fund, HSBC Sterling Corporate Bond Index Fund, HSBC GIF Global High Yield Bond Fund and HSBC GIF Global Asset-Backed Bond Fund.

### Investment Performance

During the period under review the value of the shares in the Fund increased 7.74%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

<b>Fund Particulars</b> as at 16 October 2020 (unaudited)				
	Income C	Accumulation C	Income P	Accumulation P
Price	112.6p xd	162.5p	114.7p xd	165.7p
Distribution payable (on 15 December 2020) per share net	1.160000p	1.650000p	1.170000p	1.670000p
Current net estimated yield	3.61%	3.53%	3.61%	3.53%
Annual ACD charge	0.55%	0.55%	0.25%	0.25%

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Asia High Yield Bonds - 2.71% (0.00%)</b>			
*+HSBC GIF Asia High Yield Bond Fund	1,949,954	15,207	2.71
<b>Total Asia High Yield Bonds</b>		<b>15,207</b>	<b>2.71</b>
<b>Global Assets-Backed Bonds - 3.28% (2.72%)</b>			
+HSBC GIF Global Asset-Backed Bond Fund	156,012	18,441	3.28
<b>Total Global Assets-Backed Bonds</b>		<b>18,441</b>	<b>3.28</b>
<b>Global Government Bonds - 6.17% (0.00%)</b>			
*+HSBC GIF Global Government Bond Fund	1,234,964	11,098	1.98
*+HSBC GIF Global Short Duration Bond Fund	2,984,699	23,531	4.19
<b>Total Global Bonds</b>		<b>34,629</b>	<b>6.17</b>
<b>Global Corporate Bonds - 14.12% (13.34%)</b>			
*+HSBC GIF Global Corporate Bond Fund	8,805,484	79,293	14.12
<b>Total Global Corporate Bonds</b>		<b>79,293</b>	<b>14.12</b>
<b>Global Emerging Markets Debt - 5.76% (5.07%)</b>			
*+HSBC GIF Global Emerging Markets Bond Fund	4,378,668	32,364	5.76
<b>Total Global Emerging Markets Debt</b>		<b>32,364</b>	<b>5.76</b>
<b>Global Emerging Markets Equity - 4.38% (1.03%)</b>			
Fidelity Emerging Markets Quality Income UCITS ETF	6,302,025	24,606	4.38
<b>Total Global Emerging Markets Equity</b>		<b>24,606</b>	<b>4.38</b>
<b>Global Equities - 14.54% (13.05%)</b>			
Fidelity Global Quality Income ETF	1,751,961	8,554	1.52
+HSBC Global Equity Income Fund	38,324,805	45,760	8.15
+HSBC UCITS Common Contractual Fund	279,892	27,335	4.87
<b>Total Global Equities</b>		<b>81,649</b>	<b>14.54</b>
<b>Global High Yield Bonds - 16.76% (20.39%)</b>			
*+HSBC GIF Global Emerging Markets Local Debt Fund	7,507,652	50,797	9.05
*+HSBC GIF Global Real Estate Equity Fund	508,377	3,642	0.65
*+HSBC GIF Global Short Duration High Yield Bond Fund	1,632,280	12,603	2.25
*+HSBC GIF Global High Yield Bond Fund Fund	3,420,056	27,040	4.81
<b>Total Global High Yield Bonds</b>		<b>94,082</b>	<b>16.76</b>
<b>Infrastructure - 4.06% (5.44%)</b>			
^Bilfinger Berger Global Infrastructure SICAV	5,508,506	9,585	1.71
^GCP Infrastructure Investments	4,298,748	5,021	0.89
^+HICL Infrastructure	4,832,053	8,205	1.46
<b>Total Infrastructure</b>		<b>22,811</b>	<b>4.06</b>

**Portfolio Statement**

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Direct Property Funds -1.11% (2.14%)</b>			
Henderson UK Property Fund	4,400,147	4,809	0.86
Standard Life Investments UK Real Estate Fund	1,538,665	1,379	0.25
<b>Total Direct Property Funds</b>		<b>6,188</b>	<b>1.11</b>
<b>UK Corporate Bonds - 14.10% (21.80%)</b>			
+HSBC Corporate Bond Fund	32,675,891	79,174	14.10
<b>Total UK Corporate Bonds</b>		<b>79,174</b>	<b>14.10</b>
<b>UK Equities - 7.32% (12.03%)</b>			
^+HSBC FTSE 100 UCITS ETF	138,460	8,047	1.43
^*Vanguard FTSE 100 UCITS ETF	1,285,253	33,063	5.89
<b>Total UK Equities</b>		<b>41,110</b>	<b>7.32</b>
<b>Other Bonds -1.99% (1.53%)</b>			
*+HSBC GIF Asset-Backed Crossover Bond Fund	1,536,331	11,203	1.99
<b>Total Other Bonds</b>		<b>11,203</b>	<b>1.99</b>
<b>Money Markets -3.52% (0.00%)</b>			
*+HSBC Global Sterling Liquidity Fund	19,753,307	19,753	3.52
<b>Total Money Markets</b>		<b>19,753</b>	<b>3.52</b>
<b>Forward Foreign Exchange Contracts - 0.15% (0.99%)</b>			
#JPY Forward Currency Contract 22/10/2020	JPY 385,335,759	2,835	0.50
#GBP Forward Currency Contract 22/10/2020	(GBP 2,840,806)	(2,841)	(0.51)
#CHF Forward Currency Contract 22/10/2020	CHF 3,310,570	2,807	0.50
#GBP Forward Currency Contract 22/10/2020	(GBP 2,836,286)	(2,836)	(0.51)
#GBP Forward Currency Contract 22/10/2020	GBP 230,415,457	230,416	41.03
#USD Forward Currency Contract 22/10/2020	(USD 296,208,747)	(229,461)	(40.86)
<b>Total Forward Foreign Exchange Contracts</b>		<b>920</b>	<b>0.15</b>
<b>Portfolio of investments</b>		<b>561,430</b>	<b>99.97</b>
<b>Net other assets</b>		<b>150</b>	<b>0.03</b>
<b>Net assets</b>		<b>561,580</b>	<b>100.00</b>
*offshore fund			
+related party			
^listed			
#unlisted			

Figures in brackets denote comparative percentage holdings as at 15 April 2020.

Unless otherwise stated, all holdings are authorised investment funds.

The counterparties for the forward foreign exchange contracts are Citigroup, HSBC and Royal Bank of Scotland.

Total purchases for the period, including transaction charges, were £152,245,241.

Total sales for the period, net of transaction charges, were £140,661,889.

## Comparative Tables

<b>Retail Income#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	N/A	109.90p	109.70p	115.60p
Return before operating charges*	N/A	8.64p	6.09p	(0.24p)
Operating charges**	N/A	(1.48p)	(1.44p)	(1.50p)
Return after operating charges*	N/A	7.16p	4.65p	(1.74p)
Distributions on income shares	N/A	(3.26p)	(4.45p)	(4.16p)
Cancellation price	N/A	(113.80p)	-	-
Closing net asset value per share	N/A	0.00p	109.90p	109.70p
*after direct transaction costs of:***	N/A	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	N/A	6.52%	4.24%	(1.51%)
<b>Other information</b>				
Closing net asset value	N/A	N/A	£3,237,217	£3,489,164
Closing number of shares	N/A	N/A	2,946,931	3,180,145
Operating charges - OCF****	N/A	N/A	1.48%	1.52%
Direct transaction costs	N/A	N/A	0.00%	0.00%
<b>Prices</b>				
Highest share price	N/A	114.30p	112.50p	117.30p
Lowest share price	N/A	109.20p	105.70p	109.50p

<b>Retail Accumulation##</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	N/A	150.90p	144.70p	146.90p
Return before operating charges*	N/A	12.06p	8.13p	(0.27p)
Operating charges**	N/A	(2.06p)	(1.93p)	(1.93p)
Return after operating charges*	N/A	10.00p	6.20p	(2.20p)
Distributions on accumulation shares	N/A	(4.52p)	(5.96p)	(5.31p)
Retained distributions on accumulation shares	N/A	4.52p	5.96p	5.31p
Cancellation price	N/A	(160.90p)	-	-
Closing net asset value per share	N/A	0.00p	150.90p	144.70p
*after direct transaction costs of:***	N/A	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	N/A	6.63%	4.28%	(1.50%)
<b>Other information</b>				
Closing net asset value	N/A	N/A	£6,515,411	£7,124,179
Closing number of shares	N/A	N/A	4,318,974	4,924,816
Operating charges - OCF****	N/A	N/A	1.48%	1.52%
Direct transaction costs	N/A	N/A	0.00%	0.00%
<b>Prices</b>				
Highest share price	N/A	160.90p	151.00p	150.30p
Lowest share price	N/A	150.00p	142.50p	143.20p

#The Retail Income share class converted to Income C class on 17 January 2020.

##The Retail Accumulation share class converted to Accumulation C class on 17 January 2020.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

\*\*\*\*Restated from financial statements of 15.04.19 due to incorrect underlying OCF figure.

## Comparative Tables

<b>Income C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	105.80p	115.40p	114.50p	119.80p
Return before operating charges*	8.98p	(4.26p)	6.32p	(0.24p)
Operating charges**	(0.37p)	(0.78p)	(0.76p)	(0.79p)
Return after operating charges*	8.61p	(5.04p)	5.56p	(1.03p)
Distributions on income shares	(2.01p)	(4.56p)	(4.66p)	(4.27p)
Closing net asset value per share	112.40p	105.80p	115.40p	114.50p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	8.14%	(4.37%)	4.86%	(0.86%)
<b>Other information</b>				
Closing net asset value	£383,451,345	£356,601,428	£361,163,020	£323,849,641
Closing number of shares	341,139,643	336,926,651	312,997,175	282,840,920
Operating charges - OCF	0.74%	0.78%	0.83%	0.87%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	114.00p	120.70p	117.60p	121.70p
Lowest share price	105.60p	98.49p	110.80p	114.30p

<b>Accumulation C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	150.00p	157.20p	149.80p	151.10p
Return before operating charges*	12.73p	(6.13p)	8.41p	(0.29p)
Operating charges**	(0.53p)	(1.07p)	(1.01p)	(1.01p)
Return after operating charges*	12.20p	(7.20p)	7.40p	(1.30p)
Distributions on accumulation shares	(2.86p)	(6.30p)	(6.19p)	(5.47p)
Retained distributions on accumulation shares	2.86p	6.30p	6.19p	5.47p
Closing net asset value per share	162.20p	150.00p	157.20p	149.80p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	8.13%	(4.58%)	4.94%	(0.86%)
<b>Other information</b>				
Closing net asset value	£169,459,910	£162,090,556	£179,827,675	£184,867,327
Closing number of shares	104,491,987	108,047,695	114,387,709	123,432,218
Operating charges - OCF	0.74%	0.78%	0.83%	0.87%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	162.80p	169.30p	157.30p	155.30p
Lowest share price	149.70p	138.10p	148.20p	148.30p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Income P</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	107.60p	116.90p	115.60p	120.50p
Return before operating charges*	9.12p	(4.30p)	6.39p	(0.21p)
Operating charges**	(0.18p)	(0.37p)	(0.37p)	(0.38p)
Return after operating charges*	8.94p	(4.67p)	6.02p	(0.59p)
Distributions on income shares	(2.04p)	(4.63p)	(4.72p)	(4.31p)
Closing net asset value per share	114.50p	107.60p	116.90p	115.60p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	8.31 %	(3.99%)	5.21 %	(0.49%)
<b>Other information</b>				
Closing net asset value	£2,238,749	£2,121,998	£2,387,080	£2,446,051
Closing number of shares	1,955,065	1,971,585	2,041,512	2,115,560
Operating charges - OCF	0.41 %	0.43%	0.48%	0.52 %
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	116.20p	122.70p	118.90p	122.50p
Lowest share price	107.40p	100.10p	112.20p	115.40p

<b>Accumulation P</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	152.70p	159.50p	151.40p	152.20p
Return before operating charges*	12.95p	(6.28p)	8.59p	(0.31p)
Operating charges**	(0.25p)	(0.52p)	(0.49p)	(0.49p)
Return after operating charges*	12.70p	(6.80p)	8.10p	(0.80p)
Distributions on accumulation shares	(2.91p)	(6.40p)	(6.27p)	(5.52p)
Retained distributions on accumulation shares	2.91p	6.40p	6.27p	5.52p
Closing net asset value per share	165.40p	152.70p	159.50p	151.40p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	8.32 %	(4.26%)	5.35 %	(0.53%)
<b>Other information</b>				
Closing net asset value	£6,429,931	£6,375,291	£6,890,562	£7,159,307
Closing number of shares	3,888,502	4,175,244	4,321,330	4,729,263
Operating charges - OCF	0.41 %	0.43%	0.48%	0.52 %
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	166.00p	172.20p	159.60p	156.90p
Lowest share price	152.30p	140.60p	150.10p	149.80p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Statement of Total Return

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		<b>34,611</b>		9,724
Revenue	<b>10,004</b>		12,275	
Expenses	<b>(1,832)</b>		(1,938)	
Interest payable and similar charges	<b>(2)</b>		-	
Net revenue before taxation	<b>8,170</b>		10,337	
Taxation	<b>(19)</b>		(14)	
Net revenue after taxation		<b>8,151</b>		10,323
Total return before distributions		<b>42,762</b>		20,047
Distributions		<b>(10,024)</b>		(12,272)
Change in net assets attributable to shareholders from investment activities		<b>32,738</b>		7,775

## Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		<b>527,189</b>		560,021
Amounts receivable on creation of shares	<b>10,148</b>		23,262	
Amounts payable on cancellation of shares	<b>(11,633)</b>		(10,566)	
		<b>(1,485)</b>		12,696
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		<b>32,738</b>		7,775
Retained distribution on accumulation shares		<b>3,138</b>		4,095
Closing net assets attributable to shareholders		<b>561,580</b>		584,587

## Balance Sheet

as at 15 October 2020 (unaudited)

	15.10.20		15.4.20	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments		<b>561,465</b>		526,580
Current assets				
Debtors	<b>769</b>		1,464	
Cash and bank balances	<b>3,968</b>		8,740	
Total current assets		<b>4,737</b>		10,204
Total assets		<b>566,202</b>		536,784
<b>Liabilities</b>				
Investment liabilities		<b>(35)</b>		(1,882)
Creditors				
Distribution payable on income shares	<b>(3,980)</b>		(3,829)	
Other creditors	<b>(607)</b>		(3,884)	
Total creditors		<b>(4,587)</b>		(7,713)
Total liabilities		<b>(4,622)</b>		(9,595)
Net assets attributable to shareholders		<b>561,580</b>		527,189

**Distribution Tables (pence per share)**

for the six months ended 15 October 2020 (unaudited)

Group 1: Shares purchased prior to 16 July 2020				
Group 2: Shares purchased from 16 July 2020 to 15 October 2020				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.12.20</i>	<i>Distribution paid 15.12.19</i>
<b>Retail Income#</b>				
Group 1	N/A	-	N/A	1.290000
Group 2	N/A	N/A	N/A	1.290000
<b>Retail Accumulation##</b>				
Group 1	N/A	-	N/A	1.790000
Group 2	N/A	N/A	N/A	1.790000
<b>Income C</b>				
Group 1	1.160000	-	1.160000	1.370000
Group 2	0.760000	0.400000	1.160000	1.370000
<b>Accumulation C</b>				
Group 1	1.650000	-	1.650000	1.880000
Group 2	1.200000	0.450000	1.650000	1.880000
<b>Income P</b>				
Group 1	1.170000	-	1.170000	1.390000
Group 2	1.170000	0.000000	1.170000	1.390000
<b>Accumulation P</b>				
Group 1	1.670000	-	1.670000	1.910000
Group 2	1.670000	0.000000	1.670000	1.910000
#The Retail Income share class converted to Income C class on 17 January 2020.				
##The Retail Accumulation share class converted to Accumulation C class on 17 January 2020.				

**Distribution Tables (pence per share)**

for the six months ended 15 October 2020 (unaudited)

Group 1: Shares purchased prior to 16 April 2020 Group 2: Shares purchased from 16 April 2020 to 15 July 2020				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.9.20</i>	<i>Distribution paid 15.9.19</i>
<b>Retail Income#</b>				
Group 1	N/A	-	N/A	1.070000
Group 2	N/A	N/A	N/A	1.070000
<b>Retail Accumulation##</b>				
Group 1	N/A	-	N/A	1.470000
Group 2	N/A	N/A	N/A	1.470000
<b>Income C</b>				
Group 1	0.850000	-	0.850000	1.120000
Group 2	0.550000	0.300000	0.850000	1.120000
<b>Accumulation C</b>				
Group 1	1.210000	-	1.210000	1.530000
Group 2	0.810000	0.400000	1.210000	1.530000
<b>Income P</b>				
Group 1	0.870000	-	0.870000	1.140000
Group 2	0.870000	0.000000	0.870000	1.140000
<b>Accumulation P</b>				
Group 1	1.240000	-	1.240000	1.550000
Group 2	1.240000	0.000000	1.240000	1.550000
#The Retail Income share class converted to Income C class on 17 January 2020.				
##The Retail Accumulation share class converted to Accumulation C class on 17 January 2020.				

# Global Strategy Adventurous Portfolio

## Investment Objective

To provide capital growth through diversified investment across global markets with a bias towards equities.

## Investment Policy\*

This is one of a range of actively managed Global Strategy Portfolios offered at five different risk levels. The Fund is rated as 5, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed in line with its agreed long-term risk profile and is periodically rebalanced. Any potential gains are likely to be limited by the risk profile of the Fund.

To achieve its objective the Fund invests substantially in collective investment schemes, including exchange traded funds, which aim to track the performance of market indices. Such assets shall, in turn, invest in equities, fixed interest securities and property securities that make up the relevant index.

The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may, in addition to its other investment powers, use exchange traded and over-the-counter derivatives and forward currency contracts for investment purposes. Using these investment powers for investment purposes means, in particular, maintaining positions in these investments for the long-term rather than just for tactical short-term purposes. Where the use of derivatives is for investment purposes in addition to hedging it is envisaged that the use of such instruments will not affect the overall risk profile of the Fund.

\*The full policy can be found in the prospectus.

## Investment Strategy\*

The Fund invests in corporate bonds, equities and property securities through investment in collective investment schemes, including exchange traded funds, which aim to track the performance of an appropriate market index.

Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in sterling.

\*The full strategy can be found in the prospectus.

## Portfolio Activity

At the start of the period, the portfolio was positioned in a cautious stance, after we had reduced our risk exposure through the worst of the volatility seen in Q1 2020.

As markets rebounded and confidence returned, we looked to add back to risk assets in a controlled way. The sell-off had seen valuations improve, with forward-looking returns for risk assets looking more attractive. Changes to the long-term target allocations were introduced through May and June over a couple of tranches, increasing exposure to equities and credit asset classes, while ensuring the portfolio remained within its risk profile.

In July, we increased our allocation to Eurozone equity on the back of better political integration in the EZ around their Covid-19 response policies. This coupled with attractive valuations indicated potential outperformance. As part of this trade, we reduced our exposures to the UK and Japan.

August saw the Portfolio Management team make a further adjustment to the equity allocation, tilting exposure slightly towards emerging markets, away from developed markets, while leaving the overall equity exposure in a neutral position. Asian emerging markets had done a better job of containing the pandemic and opening up their economies, leading to potentially higher returns.

We also adjusted our currency positioning in August. The US dollar appeared expensive and, with the upcoming election creating potential volatility, we increased exposures to the euro and Japanese yen to limit the impact of potential dollar depreciation.

Major purchases included: HSBC ICAV Global Corporate Bond Index Fund, HSBC American Index Fund, iShares Emerging Markets Index Fund and HSBC European Index Fund.

Major sales included: HSBC Global Funds ICAV - Global Government Bond Index Fund and HSBC Global Sterling Liquidity Fund.

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### Investment Performance

During the period under review the value of the shares in the Fund increased by 16.90%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

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### Fund Particulars

as at 16 October 2020 (unaudited)

	Income C	Accumulation C
Price	120.7p xd	125.1p
Distribution payable (on 15 December 2020) per share net	0.730000p	0.760000p
Current net estimated yield	1.58%	1.11%
Annual ACD charge	0.10%	0.10%

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Asia-Pacific (excluding Japan) Equities - 3.92% (2.88%)</b>			
^iShares Pacific Index Fund	174,253	2,355	3.92
<b>Total Asia-Pacific (excluding Japan) Equities</b>		<b>2,355</b>	<b>3.92</b>
<b>European (excluding UK) Equities - 11.59% (10.46%)</b>			
+HSBC European Index Fund	672,335	6,965	11.59
<b>Total European (excluding UK) Equities</b>		<b>6,965</b>	<b>11.59</b>
<b>Global Emerging Markets Equities - 12.32% (11.91%)</b>			
^iShares Emerging Markets Index Fund	592,029	7,398	12.32
<b>Total Global Emerging Markets Equities</b>		<b>7,398</b>	<b>12.32</b>
<b>Japanese Equities - 5.55% (6.55%)</b>			
+HSBC Japan Index Fund	2,359,406	3,331	5.55
<b>Total Japanese Equities</b>		<b>3,331</b>	<b>5.55</b>
<b>US Equities - 49.16% (49.32%)</b>			
+HSBC American Index Fund	2,453,621	19,482	32.43
^iShares VII Core S&P 500 UCITS ETF	37,216	10,052	16.73
<b>Total US Equities</b>		<b>29,534</b>	<b>49.16</b>
<b>Direct Property Funds - 7.90% (7.20%)</b>			
^iShares Developed Real Estate Index Fund	546,275	4,748	7.90
<b>Total Direct Property Funds</b>		<b>4,748</b>	<b>7.90</b>
<b>Global Corporate Bonds - 1.39% (0.75%)</b>			
+HSBC ICAV Global Corporate Bond Index Fund	94,751	836	1.39
<b>Total Global Corporate Bonds</b>		<b>836</b>	<b>1.39</b>
<b>Global Government Bonds - 0.45% (1.17%)</b>			
+HSBC Global Funds ICAV - Global Government Bond Index Fund	33,409	271	0.45
<b>Total Global Government Bonds</b>		<b>271</b>	<b>0.45</b>
<b>UK Equities - 3.34% (4.86%)</b>			
+HSBC FTSE 100 Index Fund	1,003,026	2,006	3.34
<b>Total UK Equities</b>		<b>2,006</b>	<b>3.34</b>
<b>Money Markets - 2.36% (1.56%)</b>			
+HSBC Global Sterling Liquidity Fund	1,417,087	1,417	2.36
<b>Total Money Markets</b>		<b>1,417</b>	<b>2.36</b>
<b>Futures - -0.03% (0.03%)</b>			
EUX Euro Stoxx 50 Future December 2020	30	(34)	(0.06)
NYF Mini MSCI Emerging Market Future December 2020	21	17	0.03
<b>Total Futures</b>		<b>(17)</b>	<b>(0.03)</b>

## Portfolio Statement

as at 15 October 2020 (unaudited)

		<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Forward Foreign Exchange Contracts - -0.01% (0.08%)</b>			
JPY Forward Currency Contract 22/10/2020	JPY 135,452,242	997	1.66
GBP Forward Currency Contract 22/10/2020	(GBP 998,593)	(999)	(1.66)
CHF Forward Currency Contract 22/10/2020	CHF 332,492	282	0.47
GBP Forward Currency Contract 22/10/2020	(GBP 284,858)	(285)	(0.47)
EUR Forward Currency Contract 22/10/2020	EUR 771,252	699	1.16
GBP Forward Currency Contract 22/10/2020	(GBP 710,003)	(710)	(1.18)
GBP Forward Currency Contract 22/10/2020	GBP 2,243,645	2,243	3.73
USD Forward Currency Contract 22/10/2020	(USD 2,884,300)	(2,234)	(3.72)
EUR Forward Currency Contract 22/10/2020	EUR 42,564	39	0.06
GBP Forward Currency Contract 22/10/2020	(GBP 38,823)	(39)	(0.06)
CHF Forward Currency Contract 22/10/2020	CHF 18,510	16	0.03
GBP Forward Currency Contract 22/10/2020	(GBP 15,679)	(16)	(0.03)
JPY Forward Currency Contract 22/10/2020	JPY 7,836,238	58	0.09
GBP Forward Currency Contract 22/10/2020	(GBP 56,962)	(57)	(0.09)
<b>Total Forward Foreign Exchange Contracts</b>		<b>(6)</b>	<b>(0.01)</b>
<b>Portfolio of investments</b>		<b>58,838</b>	<b>97.94</b>
<b>Net other assets</b>		<b>1,235</b>	<b>2.06</b>
<b>Net assets</b>		<b>60,073</b>	<b>100.00</b>

^investment scheme registered outside the UK

\*offshore fund

+related party

Figures in brackets denote the comparative percentage holdings as at 15 April 2020.

Unless otherwise stated, all holdings are authorised investment funds.

The counterparty for the futures is HSBC.

The counterparties for the forward foreign exchange contracts are Citigroup, Credit Suisse, Goldman Sachs, HSBC and Royal Bank of Scotland.

Total purchases for the period, including transaction charges, were £28,342,184.

Total sales for the period, net of transaction charges, were £5,050,838.

## Comparative Tables

<b>Income C#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	102.90p	110.60p	101.00p	100.00p
Return before operating charges*	18.00p	(6.03p)	11.01p	1.10p
Operating charges**	(0.07p)	(0.13p)	(0.13p)	(0.10p)
Return after operating charges*	17.93p	(6.16p)	10.88p	1.00p
Distributions on income shares	(0.73p)	(1.54p)	(1.28p)	0.00p
Closing net asset value per share	120.10p	102.90p	110.60p	101.00p
*after direct transaction costs of:***	0.00p	0.01p	0.00p	0.01p
<b>Performance</b>				
Return after charges	17.42%	(5.57%)	10.77%	1.00%
<b>Other information</b>				
Closing net asset value	£856,914	£1,124,077	£4,422,022	£3,802,946
Closing number of shares	713,668	1,092,143	3,997,372	3,766,486
Operating charges - OCF	0.21%	0.20%	0.20%	0.24%
Direct transaction costs	0.00%	0.01%	0.00%	0.01%
<b>Prices</b>				
Highest share price	121.90p	123.90p	112.00p	108.80p
Lowest share price	102.90p	93.23p	97.48p	98.62p

<b>Accumulation C#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	106.10p	112.00p	101.00p	100.00p
Return before operating charges*	18.47p	(5.76p)	11.13p	1.10p
Operating charges**	(0.07p)	(0.14p)	(0.13p)	(0.10p)
Return after operating charges*	18.40p	(5.90p)	11.00p	1.00p
Distributions on accumulation shares	(0.76p)	(1.67p)	(1.28p)	0.00p
Retained distributions on accumulation shares	0.76p	1.67p	1.28p	0.00p
Closing net asset value per share	124.50p	106.10p	112.00p	101.00p
*after direct transaction costs of:***	0.00p	0.01p	0.00p	0.01p
<b>Performance</b>				
Return after charges	17.34%	(5.27%)	10.89%	1.00%
<b>Other information</b>				
Closing net asset value	£59,216,487	£28,765,529	£12,219,065	£5,749,609
Closing number of shares	47,574,056	27,123,080	10,913,700	5,694,377
Operating charges - OCF	0.21%	0.21%	0.20%	0.24%
Direct transaction costs	0.00%	0.01%	0.00%	0.01%
<b>Prices</b>				
Highest share price	125.60p	126.20p	112.00p	108.80p
Lowest share price	106.00p	94.98p	98.13p	98.62p

#The Fund launched on 23 August 2017.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Statement of Total Return

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		<b>6,487</b>		195
Revenue	<b>201</b>		137	
Expenses	<b>(28)</b>		(10)	
Net revenue before taxation	<b>173</b>		127	
Taxation	-		2	
Net revenue after taxation		<b>173</b>		129
Total return before distributions		<b>6,660</b>		324
Distributions		<b>(172)</b>		(125)
Change in net assets attributable to shareholders from investment activities		<b>6,488</b>		199

## Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		<b>29,890</b>		16,641
Amounts receivable on creation of shares	<b>25,326</b>		8,813	
Amounts payable on cancellation of shares	<b>(2,011)</b>		(8,750)	
		<b>23,315</b>		63
Dilution adjustment		<b>18</b>		11
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		<b>6,488</b>		199
Retained distribution on accumulation shares		<b>362</b>		150
Closing net assets attributable to shareholders		<b>60,073</b>		17,064

## Balance Sheet

as at 15 October 2020 (unaudited)

	15.10.20		15.4.20	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments		<b>58,888</b>		28,929
Current assets				
Debtors	<b>306</b>		1,234	
Cash and bank balances	<b>1,246</b>		1,094	
Total current assets		<b>1,552</b>		2,328
Total assets		<b>60,440</b>		31,257
<b>Liabilities</b>				
Investment liabilities		<b>(50)</b>		(3)
Creditors				
Distribution payable on income shares	<b>(5)</b>		(13)	
Other creditors	<b>(312)</b>		(1,351)	
Total creditors		<b>(317)</b>		(1,364)
Total liabilities		<b>(367)</b>		(1,367)
Net assets attributable to shareholders		<b>60,073</b>		29,890

**Distribution Table (pence per share)**

for the six months ended 15 October 2020 (unaudited)

Group 1: Shares purchased prior to 16 April 2020				
Group 2: Shares purchased from 16 April 2020 to 15 October 2020				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.12.20</i>	<i>Distribution paid 15.12.19</i>
<b>Income C</b>				
Group 1	0.730000	-	0.730000	0.360000
Group 2	0.000000	0.730000	0.730000	0.360000
<b>Accumulation C</b>				
Group 1	0.760000	-	0.760000	1.040000
Group 2	0.000000	0.760000	0.760000	1.040000

# Global Strategy Balanced Portfolio

## Investment Objective

To provide capital growth through investment in a broad range of asset classes across global markets.

## Investment Policy\*

This is one of a range of actively managed Global Strategy Portfolios offered at five different risk levels. The Fund is rated as 3, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long-term risk profile therefore any potential gains are likely to be limited by the risk profile of the Fund.

To achieve its objective the Fund invests primarily in collective investment schemes, including exchange traded funds, which generally aim to track the performance of market indices. Such assets shall, in turn, invest in equities, fixed interest securities and property securities that make up the relevant index.

The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may, in addition to its other investment powers, use exchange traded and over-the-counter derivatives and forward currency contracts for investment purposes. Using these investment powers for investment purposes means, in particular, maintaining positions in these investments for the long-term rather than just for tactical short-term purposes. Where the use of derivatives is for investment purposes in addition to hedging it is envisaged that the use of such instruments will not affect the overall risk profile of the Fund.

\*The full policy can be found in the prospectus.

## Investment Strategy\*

The starting point for the Global Strategy Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class.

The Fund invests in corporate bonds, equities and property securities through investment in collective investment schemes, including exchange traded funds, which generally aim to track the performance of an appropriate market index.

Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in sterling.

\*The full strategy can be found in the prospectus.

## Portfolio Activity

At the start of the period, the portfolio was positioned in a cautious stance, after we had reduced our risk exposure through the worst of the volatility seen in Q1 2020.

As markets rebounded and confidence returned, we looked to add back to risk assets in a controlled way. The sell-off had seen valuations improve, with forward-looking returns for risk assets looking more attractive. Changes to the long-term target allocations were introduced through May and June over a couple of tranches, increasing exposure to equities and credit asset classes, while ensuring the portfolio remained within its risk profile.

In July, we increased our allocation to Eurozone equity on the back of better political integration in the EZ around their Covid-19 response policies. This coupled with attractive valuations indicated potential outperformance. As part of this trade, we reduced our exposures to the UK and Japan.

August saw the Portfolio Management team make a further adjustment to the equity allocation, tilting exposure slightly towards emerging markets, away from developed markets, while leaving the overall equity exposure in a neutral position. Asian emerging markets had done a better job of containing the pandemic and opening up their economies, leading to potentially higher returns.

We also adjusted our currency positioning in August. The US dollar appeared expensive and, with the upcoming election creating potential volatility, we increased exposures to the euro and Japanese yen to limit the impact of potential dollar depreciation.

Major purchases included: HSBC ICAV Global Corporate Bond Index Fund, HSBC American Index Fund, iShares Emerging Markets Index Fund and HSBC European Index Fund.

Major sales included: HSBC Global Funds ICAV Global Government Bond Index Fund and HSBC Global Sterling Liquidity Fund.

### Investment Performance

During the period under review the value of the shares in the Fund increased by 12.85%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

### Fund Particulars

as at 16 October 2020 (unaudited)

	Retail X Accumulation	CTF Accumulation	Income C	Accumulation C
Price	205.5p	208.2p	181.4p xd	208.6p
Distribution payable (on 15 December 2020) per share net	0.910000p	0.970000p	1.020000p	1.170000p
Current net estimated yield	0.78%	0.84%	1.02%	1.01%
Annual ACD charge	0.40%	0.35%	0.10%	0.10%

**Portfolio Statement**

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Asia-Pacific (excluding Japan) Equities - 2.48% (2.65%)</b>			
^iShares Core MSCI Pacific ex-Japan UCITS ETF	26,112	2,905	0.18
^iShares Pacific Index Fund	2,808,200	37,955	2.30
<b>Total Asia-Pacific (excluding Japan) Equities</b>		<b>40,860</b>	<b>2.48</b>
<b>European (excluding UK) Equities - 7.59% (6.83%)</b>			
+HSBC European Index Fund	12,082,412	125,174	7.59
<b>Total European (excluding UK) Equities</b>		<b>125,174</b>	<b>7.59</b>
<b>Global Emerging Markets Equities - 8.30% (7.62%)</b>			
^iShares Emerging Markets Index Fund	10,954,053	136,878	8.30
<b>Total Global Emerging Markets Equities</b>		<b>136,878</b>	<b>8.30</b>
<b>Japanese Equities - 1.84% (2.48%)</b>			
+HSBC Japan Index Fund	21,447,129	30,283	1.84
<b>Total Japanese Equities</b>		<b>30,283</b>	<b>1.84</b>
<b>US Equities - 32.90% (34.00%)</b>			
+HSBC American Index Fund	66,456,771	527,667	32.00
^iShares Core S&P 500 UCITS ETF	55,197	14,909	0.90
<b>Total US Equities</b>		<b>542,576</b>	<b>32.90</b>
<b>Direct Property Funds - 5.47% (4.81%)</b>			
^iShares Developed Real Estate Index Fund	10,380,041	90,215	5.47
<b>Total Direct Property Funds</b>		<b>90,215</b>	<b>5.47</b>
<b>Global Corporate Bonds - 14.64% (8.49%)</b>			
+*HSBC ICAV Global Corporate Bond Index Fund	27,371,220	241,386	14.64
<b>Total Global Corporate Bonds</b>		<b>241,386</b>	<b>14.64</b>
<b>UK Equities - 0.97% (1.55%)</b>			
+HSBC FTSE 100 Index Fund	7,987,763	15,975	0.97
<b>Total UK Equities</b>		<b>15,975</b>	<b>0.97</b>
<b>Global Government Bonds - 18.66% (21.66%)</b>			
+*HSBC Global Funds ICAV Global Government Bond Index Fund	37,912,626	307,654	18.66
<b>Total Global Government Bonds</b>		<b>307,654</b>	<b>18.66</b>
<b>Money Markets - 4.49% (6.26%)</b>			
+HSBC Global Sterling Liquidity Fund	74,142,771	74,143	4.49
<b>Total Money Markets</b>		<b>74,143</b>	<b>4.49</b>

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Forward Foreign Exchange Contracts - 0.11% (1.02%)</b>			
#CHF Forward Currency Contract settled 22 October 2020	CHF 9,274,282	7,864	0.48
#GBP Forward Currency Contract settled 22 October 2020	(GBP 7,945,616)	(7,946)	(0.48)
#JPY Forward Currency Contract settled 22 October 2020	JPY 7,308,200,476	53,776	3.26
#GBP Forward Currency Contract settled 22 October 2020	(GBP 53,878,159)	(53,878)	(3.27)
#EUR Forward Currency Contract settled 22 October 2020	EUR 17,210,155	15,600	0.95
#GBP Forward Currency Contract settled 22 October 2020	(GBP 15,843,416)	(15,843)	(0.96)
#GBP Forward Currency Contract settled 22 October 2020	GBP 544,922,254	544,922	33.05
#USD Forward Currency Contract settled 22 October 2020	(USD 700,520,444)	(542,664)	(32.91)
#EUR Forward Currency Contract settled 22 October 2020	EUR 955,973	866	0.05
#GBP Forward Currency Contract settled 22 October 2020	(GBP 865,401)	(865)	(0.05)
#GBP Forward Currency Contract settled 22 October 2020	GBP 30,254,828	30,255	1.83
#USD Forward Currency Contract settled 22 October 2020	(USD 39,130,642)	(30,313)	(1.84)
#CHF Forward Currency Contract settled 22 October 2020	CHF 550,654	467	0.03
#GBP Forward Currency Contract settled 22 October 2020	(GBP 465,809)	(466)	(0.03)
<b>Total Forward Foreign Exchange Contracts</b>		<b>1,775</b>	<b>0.11</b>
<b>Futures - -0.03% (0.50%)</b>			
EUX Euro Stoxx 50 Index Future December 2020	702	(795)	(0.05)
ICF FTSE 100 Index Future December 2020	292	(573)	(0.04)
NYF MSCI Emerging Markets Index Future December 2020	362	304	0.02
OSE Topix Index Future December 2020	247	591	0.04
<b>Total Futures</b>		<b>(473)</b>	<b>(0.03)</b>
<b>Portfolio of investments</b>		<b>1,606,446</b>	<b>97.42</b>
<b>Net other assets</b>		<b>42,551</b>	<b>2.58</b>
<b>Net assets</b>		<b>1,648,997</b>	<b>100.00</b>

\*offshore fund

+related party

^listed

#unlisted

Figures in brackets denote the comparative percentage holdings as at 15 April 2020.

Unless otherwise stated, all holdings are authorised investment funds.

The counterparty for the futures is HSBC.

The counterparties for the forward foreign exchange contracts are Citigroup, Goldman Sachs, HSBC and Royal Bank of Scotland.

Total purchases for the period, including transaction charges, were £568,495,498.

Total sales for the period, net of transaction charges, were £300,595,164.

## Comparative Tables

<b>Retail Accumulation#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	N/A	180.20p	166.30p	162.80p
Return before operating charges*	N/A	16.81p	15.48p	5.02p
Operating charges**	N/A	(1.31p)	(1.58p)	(1.52p)
Return after operating charges*	N/A	15.50p	13.90p	3.50p
Distributions on accumulation shares	N/A	(0.82p)	(1.97p)	(1.59p)
Retained distributions on accumulation shares	N/A	0.82p	1.97p	1.59p
Cancellation price	N/A	(195.70p)	-	-
Closing net asset value per share	N/A	0.00p	180.20p	166.30p
*after direct transaction costs of:***	N/A	0.01p	0.00p	0.00p
<b>Performance</b>				
Return after charges	N/A	8.60%	8.36%	2.15%
<b>Other information</b>				
Closing net asset value	N/A	N/A	£110,603	£67,292
Closing number of shares	N/A	N/A	61,376	40,470
Operating charges - OCF	N/A	N/A	0.98%	0.98%
Direct transaction costs	N/A	N/A	0.00%	0.00%
<b>Prices</b>				
Highest share price	N/A	195.70p	180.30p	175.70p
Lowest share price	N/A	177.20p	163.00p	160.80p

<b>Retail X Income##</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	N/A	166.10p	155.00p	153.80p
Return before operating charges*	N/A	15.97p	14.25p	4.06p
Operating charges**	N/A	(0.59p)	(0.66p)	(0.67p)
Return after operating charges*	N/A	15.38p	13.59p	3.39p
Distributions on income shares	N/A	(1.08p)	(2.49p)	(2.19p)
Cancellation price	N/A	(180.40p)	-	-
Closing net asset value per share	N/A	0.00p	166.10p	155.00p
*after direct transaction costs of:***	N/A	0.01p	0.00p	0.00p
<b>Performance</b>				
Return after charges	N/A	9.26%	8.77%	2.20%
<b>Other information</b>				
Closing net asset value	N/A	N/A	£62,086	£33,714
Closing number of shares	N/A	N/A	37,374	21,744
Operating charges - OCF	N/A	N/A	0.48%	0.49%
Direct transaction costs	N/A	N/A	0.00%	0.00%
<b>Prices</b>				
Highest share price	N/A	180.40p	167.30p	164.40p
Lowest share price	N/A	163.40p	150.90p	151.80p

#The Retail Accumulation share class closed on 17 January 2020.

##The Retail X Income share class closed on 7 February 2020.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Retail X Accumulation</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	182.00p	185.10p	170.10p	166.40p
Return before operating charges*	23.31p	(2.31p)	15.74p	4.42p
Operating charges**	(0.41p)	(0.79p)	(0.74p)	(0.72p)
Return after operating charges*	22.90p	(3.10p)	15.00p	3.70p
Distributions on accumulation shares	(0.91p)	(1.91p)	(2.74p)	(2.38p)
Retained distributions on accumulation shares	0.91p	1.91p	2.74p	2.38p
Closing net asset value per share	204.90p	182.00p	185.10p	170.10p
*after direct transaction costs of:***	0.00p	0.01p	0.00p	0.00p
<b>Performance</b>				
Return after charges	12.58%	(1.67%)	8.82%	2.22%
<b>Other information</b>				
Closing net asset value	£37,396,099	£32,182,867	£20,046,582	£4,722,440
Closing number of shares	18,247,358	17,680,288	10,830,778	2,776,561
Operating charges - OCF	0.47%	0.47%	0.48%	0.48%
Direct transaction costs	0.00%	0.01%	0.00%	0.00%
<b>Prices</b>				
Highest share price	206.10p	204.30p	185.20p	179.50p
Lowest share price	181.90p	166.90p	167.20p	164.30p

<b>CTF Accumulation#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	184.40p	198.10p	N/A	N/A
Return before operating charges*	23.56p	(13.46p)	N/A	N/A
Operating charges**	(0.36p)	(0.24p)	N/A	N/A
Return after operating charges*	23.20p	(13.70p)	N/A	N/A
Distributions on accumulation shares	(0.97p)	(0.78p)	N/A	N/A
Retained distributions on accumulation shares	0.97p	0.78p	N/A	N/A
Closing net asset value per share	207.60p	184.40p	N/A	N/A
*after direct transaction costs of:***	0.00p	0.01p	N/A	N/A
<b>Performance</b>				
Return after charges	12.58%	(6.92%)	N/A	N/A
<b>Other information</b>				
Closing net asset value	£612,723,501	£538,559,769	N/A	N/A
Closing number of shares	295,129,704	292,037,667	N/A	N/A
Operating charges - OCF	0.42%	0.41%	N/A	N/A
Direct transaction costs	0.00%	0.01%	N/A	N/A
<b>Prices</b>				
Highest share price	208.80p	206.90p	N/A	N/A
Lowest share price	184.20p	169.00p	N/A	N/A

#The CTF Accumulation share class launched on 2 December 2019.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Income C</b>				
	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	161.40p	165.80p	154.70p	153.50p
Return before operating charges*	20.62p	(2.11p)	14.15p	3.96p
Operating charges**	(0.10p)	(0.19p)	(0.18p)	(0.19p)
Return after operating charges*	20.52p	(2.30p)	13.97p	3.77p
Distributions on income shares	(1.02p)	(2.10p)	(2.87p)	(2.57p)
Closing net asset value per share	180.90p	161.40p	165.80p	154.70p
*after direct transaction costs of:***	0.00p	0.01p	0.00p	0.00p
<b>Performance</b>				
Return after charges	12.71 %	(1.39%)	9.03%	2.46%
<b>Other information</b>				
Closing net asset value	£33,070,680	£22,770,121	£15,707,421	£8,166,551
Closing number of shares	18,282,372	14,110,315	9,474,864	5,277,707
Operating charges - OCF	0.17%	0.17%	0.18%	0.18%
Direct transaction costs	0.00%	0.01 %	0.00%	0.00%
<b>Prices</b>				
Highest share price	182.90p	182.00p	167.20p	164.10p
Lowest share price	161.30p	148.70p	150.60p	151.50p

<b>Accumulation C</b>				
	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	184.60p	187.20p	171.70p	167.50p
Return before operating charges*	23.61p	(2.38p)	15.71p	4.41p
Operating charges**	(0.11p)	(0.22p)	(0.21p)	(0.21p)
Return after operating charges*	23.50p	(2.60p)	15.50p	4.20p
Distributions on accumulation shares	(1.17p)	(2.38p)	(3.20p)	(2.82p)
Retained distributions on accumulation shares	1.17p	2.38p	3.20p	2.82p
Closing net asset value per share	208.10p	184.60p	187.20p	171.70p
*after direct transaction costs of:***	0.00p	0.01p	0.00p	0.00p
<b>Performance</b>				
Return after charges	12.73 %	(1.39%)	9.03%	2.51 %
<b>Other information</b>				
Closing net asset value	£965,807,001	£639,758,325	£347,040,945	£181,503,465
Closing number of shares	464,199,780	346,598,815	185,348,649	105,732,294
Operating charges - OCF	0.17%	0.17%	0.18%	0.18%
Direct transaction costs	0.00%	0.01 %	0.00%	0.00%
<b>Prices</b>				
Highest share price	209.20p	207.10p	187.30p	181.10p
Lowest share price	184.40p	169.20p	169.10p	165.40p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Statement of Total Return

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		160,318		11,142
Revenue	9,116		4,216	
Expenses	(1,618)		(304)	
Interest payable and similar charges	(57)		-	
Net revenue before taxation	7,441		3,912	
Taxation	(280)		(198)	
Net revenue after taxation		7,161		3,714
Total return before distributions		167,479		14,856
Distributions		(7,177)		(3,693)
Change in net assets attributable to shareholders from investment activities		160,302		11,163

## Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		1,233,271		382,968
Amounts receivable on creation of shares	268,733		153,450	
Amounts payable on cancellation of shares	(21,769)		(2,842)	
		246,964		150,608
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		160,302		11,163
Retained distribution on accumulation shares		8,460		3,877
Closing net assets attributable to shareholders		1,648,997		548,616

## Balance Sheet

as at 15 October 2020 (unaudited)

	15.10.20		15.4.20	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments		1,608,299		1,208,719
Current assets				
Debtors	7,395		5,517	
Cash and bank balances	53,601		24,346	
Total current assets		60,996		29,863
Total assets		1,669,295		1,238,582
<b>Liabilities</b>				
Investment liabilities		(1,853)		(1,728)
Creditors				
Distribution payable on income shares	(186)		(116)	
Other creditors	(18,259)		(3,467)	
Total creditors		(18,445)		(3,583)
Total liabilities		(20,298)		(5,311)
Net assets attributable to shareholders		1,648,997		1,233,271

**Distribution Table (pence per share)**

for the six months ended 15 October 2020 (unaudited)

Group 1: Shares purchased prior to 16 April 2020				
Group 2: Shares purchased from 16 April 2020 to 15 October 2020				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.12.20</i>	<i>Distribution paid 15.12.19</i>
<b>Retail Accumulation*</b>				
Group 1	N/A	-	N/A	0.820000
Group 2	N/A	N/A	N/A	0.820000
<b>Retail X Income**</b>				
Group 1	N/A	-	N/A	1.080000
Group 2	N/A	N/A	N/A	1.080000
<b>Retail X Accumulation</b>				
Group 1	0.910000	-	0.910000	1.210000
Group 2	0.000000	0.910000	0.910000	1.210000
<b>CTF Accumulation***</b>				
Group 1	0.970000	-	0.970000	N/A
Group 2	0.000000	0.970000	0.970000	N/A
<b>Income C</b>				
Group 1	1.020000	-	1.020000	1.280000
Group 2	0.180000	0.840000	1.020000	1.280000
<b>Accumulation C</b>				
Group 1	1.170000	-	1.170000	1.440000
Group 2	0.080000	1.090000	1.170000	1.440000
*The Retail Accumulation share class closed on 17 January 2020.				
**The Retail X Income share class closed on 7 February 2020.				
***The CTF Accumulation share class launched on 2 December 2019.				

# Global Strategy Cautious Portfolio

## Investment Objective

To provide capital growth through cautious investment in a broad range of asset classes across global markets, with a bias towards fixed interest securities.

## Investment Policy\*

This is one of a range of actively managed Global Strategy Portfolios offered at five different risk levels. The Fund is rated as 1, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long-term risk profile therefore any potential gains are likely to be limited by the risk profile of the Fund.

To achieve its objective the Fund invests mainly in collective investment schemes, including exchange traded funds and directly into certain asset classes. The collective investment schemes that the Fund may invest in include those which aim to track the performance of market indices. Such assets shall, in turn, invest in equities, fixed interest securities and property securities that make up the relevant index.

The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may, in addition to its other investment powers, use exchange traded and over-the-counter derivatives and forward currency contracts for investment purposes. Using these investment powers for investment purposes means, in particular, maintaining positions in these investments for the long-term rather than just for tactical short-term purposes. Where the use of derivatives is for investment purposes in addition to hedging it is envisaged that the use of such instruments will not affect the overall risk profile of the Fund.

\*The full policy can be found in the prospectus.

## Investment Strategy\*

The starting point for the Global Strategy Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class.

The Fund invests in corporate bonds, equities and property securities through investment in collective investment schemes, including exchange traded funds, which generally aim to track the performance of an appropriate market index.

Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in sterling.

\*The full strategy can be found in the prospectus.

## Portfolio Activity

At the start of the period, the portfolio was positioned in a cautious stance, after we had reduced our risk exposure through the worst of the volatility seen in Q1 2020.

As markets rebounded and confidence returned, we looked to add back to risk assets in a controlled way. The sell-off had seen valuations improve, with forward-looking returns for risk assets looking more attractive. Changes to the long-term target allocations were introduced through May and June over a couple of tranches, increasing exposure to equities and credit asset classes, while ensuring the portfolio remained within its risk profile.

In July, we increased our allocation to Eurozone equity on the back of better political integration in the EZ around their Covid-19 response policies. This coupled with attractive valuations indicated potential outperformance. As part of this trade, we reduced our exposures to the UK and Japan.

August saw the Portfolio Management team make a further adjustment to the equity allocation, tilting exposure slightly towards emerging markets, away from developed markets, while leaving the overall equity exposure in a neutral position. Asian emerging markets had done a better job of containing the pandemic and opening up their economies, leading to potentially higher returns.

We also adjusted our currency positioning in August. The US dollar appeared expensive and, with the upcoming election creating potential volatility, we increased exposures to the euro and Japanese yen to limit the impact of potential dollar depreciation.

Major purchases included: HSBC ICAV Global Corporate Bond Index Fund, iShares USD Corporate Bond UCITS ETF, HSBC American Index Fund, iShares Emerging Markets Index Fund and HSBC European Index Fund.

Major sales included: HSBC Global Funds ICAV - Global Government Bond Index Fund and HSBC Global Sterling Liquidity Fund.

### Investment Performance

During the period under review the value of the shares in the Fund increased by 6.35%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

### Fund Particulars

as at 16 October 2020 (unaudited)

	Retail X Accumulation	Income C	Accumulation C
Price	153.8p	136.3p xd	156.0p
Distribution payable (on 15 December 2020) per share net	0.590000p	0.680000p	0.780000p
Current net estimated yield	0.79%	1.03%	1.02%
Annual ACD charge	0.40%	0.10%	0.10%

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Asia-Pacific (Excluding Japan) Equities - 0.83% (0.95%)</b>			
^iShares Pacific Index Fund	224,148	3,030	0.83
<b>Total Asia-Pacific (Excluding Japan) Equities</b>		<b>3,030</b>	<b>0.83</b>
<b>Direct Property Funds - 1.77% (1.66%)</b>			
^iShares Developed Real Estate Index Fund	742,010	6,449	1.77
<b>Total Direct Property Funds</b>		<b>6,449</b>	<b>1.77</b>
<b>European (excluding UK) Equities - 2.48% (1.59%)</b>			
+HSBC European Index Fund	868,515	8,997	2.48
<b>Total European (excluding UK) Equities</b>		<b>8,997</b>	<b>2.48</b>
<b>Global Corporate Bonds - 30.30% (22.83%)</b>			
+*HSBC ICAV Global Corporate Bond Index Fund	12,492,940	110,175	30.30
<b>Total Global Corporate Bonds</b>		<b>110,175</b>	<b>30.30</b>
<b>Global Emerging Markets Equities - 2.63% (2.61%)</b>			
^iShares Emerging Markets Index Fund	766,474	9,578	2.63
<b>Total Global Emerging Markets Equities</b>		<b>9,578</b>	<b>2.63</b>
<b>Global Government Bonds - 29.96% (32.17%)</b>			
+*HSBC Global Funds ICAV - Global Government Bond Index Fund	13,427,212	108,959	29.96
<b>Total Global Government Bonds</b>		<b>108,959</b>	<b>29.96</b>
<b>Japanese Equities - 0.89% (1.48%)</b>			
+HSBC Japan Index Fund	2,301,728	3,250	0.89
<b>Total Japanese Equities</b>		<b>3,250</b>	<b>0.89</b>
<b>Money Markets - 3.81% (6.07%)</b>			
+*HSBC Global Liquidity Fund	2,114,101	1,638	0.45
+*HSBC Global Sterling Liquidity Fund	12,196,830	12,197	3.36
<b>Total Money Markets</b>		<b>13,835</b>	<b>3.81</b>
<b>UK Equities - 0.45% (1.08%)</b>			
+HSBC FTSE 100 Index Fund	815,998	1,632	0.45
<b>Total UK Equities</b>		<b>1,632</b>	<b>0.45</b>
<b>US Equities - 10.74% (10.56%)</b>			
+HSBC American Index Fund	4,920,825	39,071	10.74
<b>Total US Equities</b>		<b>39,071</b>	<b>10.74</b>
<b>UK Government Bonds - 1.01% (0.96%)</b>			
UK Treasury 4% 7/3/2022	£253,041	267	0.07
UK Treasury 4.25% 7/12/2049	£1,755,854	3,396	0.94
<b>Total UK Government Bonds</b>		<b>3,663</b>	<b>1.01</b>

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>US Government Bonds - 6.64% (6.99%)</b>			
US Treasury 1.25% 31/8/2024	\$11,051,100	8,894	2.45
US Treasury 2% 15/2/2023	\$9,248,200	7,470	2.05
US Treasury 2.25% 15/11/2027	\$301,100	261	0.07
US Treasury 3% 15/5/2045	\$7,286,600	7,509	2.07
<b>Total US Government Bonds</b>		<b>24,134</b>	<b>6.64</b>
<b>French Government Bonds - 1.97% (1.03%)</b>			
Government of France 2.5% 25/5/2030	€6,140,424	7,143	1.97
<b>Total French Government Bonds</b>		<b>7,143</b>	<b>1.97</b>
<b>German Government Bonds - 0.37% (1.48%)</b>			
Government of Germany 0% 8/4/2022	€288,620	265	0.07
Government of Germany 4.75% 4/7/2034	€672,777	1,069	0.30
<b>Total German Government Bonds</b>		<b>1,334</b>	<b>0.37</b>
<b>Italian Government Bonds - 0.22% (0.13%)</b>			
Government of Italy 0.95% 1/3/2023	€876,000	816	0.22
<b>Total Italian Government Bonds</b>		<b>816</b>	<b>0.22</b>
<b>Japanese Government Bonds - 2.73% (3.04%)</b>			
Government of Japan 0.9% 20/3/2022	¥358,850,000	2,679	0.74
Government of Japan 1.1% 20/3/2033	¥883,150,000	7,261	1.99
<b>Total Japanese Government Bonds</b>		<b>9,940</b>	<b>2.73</b>
<b>Spanish Government Bonds - 1.53% (1.21%)</b>			
Government of Spain 2.15% 31/10/2025	€5,460,000	5,570	1.53
<b>Total Spanish Government Bonds</b>		<b>5,570</b>	<b>1.53</b>
<b>Futures - -0.02% (0.04%)</b>			
EUX Euro Stoxx 50 Future December 2020	101	(114)	(0.03)
NYF MSCI Emerging Market Future December 2020	40	33	0.01
<b>Total Futures</b>		<b>(81)</b>	<b>(0.02)</b>
<b>Forward Foreign Exchange Contracts - 0.32% (2.46%)</b>			
#CHF Forward Currency Contract settled 22 October 2020	CHF 2,055,775	1,743	0.48
#GBP Forward Currency Contract settled 22 October 2020	(GBP 1,761,258)	(1,761)	(0.48)
#GBP Forward Currency Contract settled 22 October 2020	GBP 6,371,664	6,372	1.75
#JPY Forward Currency Contract settled 22 October 2020	(JPY 864,272,294)	(6,360)	(1.75)
#GBP Forward Currency Contract settled 22 October 2020	GBP 11,683,917	11,684	3.21
#EUR Forward Currency Contract settled 22 October 2020	(EUR 12,688,407)	(11,501)	(3.16)
#GBP Forward Currency Contract settled 22 October 2020	GBP 238,490,121	238,490	65.58
#USD Forward Currency Contract settled 22 October 2020	(USD 306,589,067)	(237,502)	(65.31)
#GBP Forward Currency Contract settled 22 October 2020	GBP 802,052	802	0.22
#EUR Forward Currency Contract settled 22 October 2020	(EUR 878,358)	(796)	(0.22)
#JPY Forward Currency Contract settled 22 October 2020	JPY 106,924,173	787	0.22
#GBP Forward Currency Contract settled 22 October 2020	(GBP 795,240)	(796)	(0.22)
<b>Total Forward Foreign Exchange Contracts</b>		<b>1,162</b>	<b>0.32</b>

**Portfolio Statement**

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Portfolio of investments</b>		<b>358,657</b>	<b>98.63</b>
<b>Net other assets</b>		<b>5,000</b>	<b>1.37</b>
<b>Net assets</b>		<b>363,657</b>	<b>100.00</b>
*offshore fund			
+related party			
^listed			
#unlisted			
Figures in brackets denote comparative percentage holdings as at 15 April 2020.			
Unless otherwise stated, all holdings are authorised investment funds.			
The counterparty for the futures is HSBC.			
The counterparties for the forward foreign exchange contracts are Citigroup,			
Goldman Sachs, HSBC, Royal Bank of Scotland & UBS.			
Total purchases for the period, including transaction charges, were £169,528,396.			
Total sales for the period, net of transaction charges, were £93,496,121.			
The bond ratings for the portfolio at 15 October 2020 were:			
		<i>Bid value £'000</i>	<i>Total net assets %</i>
Bond credit ratings			
Investment grade		52,600	14.47
<b>Total bonds</b>		<b>52,600</b>	<b>14.47</b>

## Comparative Tables

<b>Retail Accumulation#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	N/A	137.10p	130.10p	130.90p
Return before operating charges*	N/A	8.69p	8.22p	0.40p
Operating charges**	N/A	(0.99p)	(1.22p)	(1.20p)
Return after operating charges*	N/A	7.70p	7.00p	(0.80p)
Distributions on accumulation shares	N/A	(0.38p)	(1.41p)	(1.40p)
Retained distributions on accumulation shares	N/A	0.38p	1.41p	1.40p
Cancellation price	N/A	(144.80p)	-	-
Closing net asset value per share	N/A	-	137.10p	130.10p
*after direct transaction costs of:***	N/A	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	N/A	5.62%	5.38%	(0.61%)
<b>Other information</b>				
Closing net asset value	N/A	N/A	£19,266	£18,293
Closing number of shares	N/A	N/A	14,058	14,058
Operating charges - OCF	N/A	N/A	0.96%	0.95%
Direct transaction costs	N/A	N/A	0.00%	0.00%
<b>Prices</b>				
Highest share price	N/A	144.80p	137.30p	134.60p
Lowest share price	N/A	137.00p	129.80p	129.40p

<b>Retail X Accumulation</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	145.20p	141.40p	133.70p	133.80p
Return before operating charges*	8.72p	4.41p	8.28p	0.47p
Operating charges**	(0.32p)	(0.61p)	(0.58p)	(0.57p)
Return after operating charges*	8.40p	3.80p	7.70p	(0.10p)
Distributions on accumulation shares	(0.59p)	(1.31p)	(2.01p)	(2.04p)
Retained distributions on accumulation shares	0.59p	1.31p	2.01p	2.04p
Closing net asset value per share	153.60p	145.20p	141.40p	133.70p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	5.79%	2.69%	5.76%	(0.07%)
<b>Other information</b>				
Closing net asset value	£23,794,173	£22,696,659	£16,335,256	£994,368
Closing number of shares	15,490,188	15,633,174	11,553,777	743,555
Operating charges - OCF	0.47%	0.46%	0.46%	0.46%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	153.90p	151.70p	141.70p	138.10p
Lowest share price	145.40p	137.80p	133.40p	132.80p

# The Retail Accumulation Class converted into Accumulation C on 17 January 2020.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Income C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	129.10p	126.90p	121.80p	123.70p
Return before operating charges*	7.76p	3.85p	7.36p	0.43p
Operating charges**	(0.08p)	(0.16p)	(0.15p)	(0.15p)
Return after operating charges*	7.68p	3.69p	7.21p	0.28p
Distributions on income shares	(0.68p)	(1.49p)	(2.11p)	(2.18p)
Closing net asset value per share	136.10p	129.10p	126.90p	121.80p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	5.95%	2.91%	5.92%	0.23%
<b>Other information</b>				
Closing net asset value	£10,968,216	£7,517,947	£4,333,181	£3,603,502
Closing number of shares	8,057,805	5,821,465	3,414,362	2,958,962
Operating charges - OCF	0.17%	0.16%	0.16%	0.16%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	137.10p	135.60p	128.10p	126.70p
Lowest share price	129.30p	123.20p	120.90p	122.00p

<b>Accumulation C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	147.10p	142.90p	134.80p	134.60p
Return before operating charges*	8.79p	4.38p	8.26p	0.37p
Operating charges**	(0.09p)	(0.18p)	(0.16p)	(0.17p)
Return after operating charges*	8.70p	4.20p	8.10p	0.20p
Distributions on accumulation shares	(0.78p)	(1.68p)	(2.35p)	(2.38p)
Retained distributions on accumulation shares	0.78p	1.68p	2.35p	2.38p
Closing net asset value per share	155.80p	147.10p	142.90p	134.80p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	5.91%	2.94%	6.01%	0.15%
<b>Other information</b>				
Closing net asset value	£328,895,110	£252,124,345	£134,530,941	£69,491,765
Closing number of shares	211,051,016	171,381,239	94,132,373	51,537,421
Operating charges - OCF	0.17%	0.16%	0.16%	0.16%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	156.20p	153.60p	143.20p	139.20p
Lowest share price	147.30p	139.60p	134.50p	133.60p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Statement of Total Return

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		<b>16,553</b>		5,564
Revenue	<b>2,039</b>		1,437	
Expenses	<b>(232)</b>		(139)	
Interest payable and similar charges	<b>(5)</b>		(1)	
Net revenue before taxation	<b>1,802</b>		1,297	
Taxation	<b>(258)</b>		(175)	
Net revenue after taxation		<b>1,544</b>		1,122
Total return before distributions		<b>18,097</b>		6,686
Distributions		<b>(1,533)</b>		(1,110)
Change in net assets attributable to shareholders from investment activities		<b>16,564</b>		5,576

## Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		<b>282,339</b>		155,219
Amounts receivable on creation of shares	<b>75,428</b>		62,753	
Amounts payable on cancellation of shares	<b>(12,421)</b>		(3,181)	
		<b>63,007</b>		59,572
Dilution adjustment		<b>10</b>		2
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		<b>16,564</b>		5,576
Retained distribution on accumulation shares		<b>1,737</b>		1,226
Closing net assets attributable to shareholders		<b>363,657</b>		221,595

## Balance Sheet

as at 15 October 2020 (unaudited)

	15.10.20		15.4.20	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments		<b>358,798</b>		278,650
Current assets				
Debtors	<b>2,105</b>		1,623	
Cash and bank balances	<b>7,770</b>		3,418	
Total current assets		<b>9,875</b>		5,041
Total assets		<b>368,673</b>		283,691
<b>Liabilities</b>				
Investment liabilities		<b>(141)</b>		(1,001)
Creditors				
Distribution payable on income shares	<b>(55)</b>		(42)	
Other creditors	<b>(4,820)</b>		(309)	
Total creditors		<b>(4,875)</b>		(351)
Total liabilities		<b>(5,016)</b>		(1,352)
Net assets attributable to shareholders		<b>363,657</b>		282,339

**Distribution Table (pence per share)**

for the six months ended 15 October 2020 (unaudited)

Group 1: Shares purchased prior to 16 April 2020				
Group 2: Shares purchased from 16 April 2020 to 15 October 2020				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.12.20</i>	<i>Distribution paid 15.12.19</i>
<b>Retail Accumulation#</b>				
Group 1	0.000000	-	0.000000	0.380000
Group 2	0.000000	0.000000	0.000000	0.380000
<b>Retail X Accumulation</b>				
Group 1	0.590000	-	0.590000	0.680000
Group 2	0.000000	0.590000	0.590000	0.680000
<b>Income C</b>				
Group 1	0.680000	-	0.680000	0.770000
Group 2	0.140000	0.540000	0.680000	0.770000
<b>Accumulation C</b>				
Group 1	0.780000	-	0.780000	0.860000
Group 2	0.180000	0.600000	0.780000	0.860000
#The Retail Accumulation Class converted into Accumulation C on 17 January 2020.				

# Global Strategy Conservative Portfolio

## Investment Objective

To provide capital growth through cautious investment in a broad range of asset classes across global markets, with a bias towards fixed interest securities.

## Investment Policy\*

This is one of a range of actively managed Global Strategy Portfolios offered at five different risk levels. The Fund is rated as 2, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long-term risk profile therefore any potential gains are likely to be limited by the risk profile of the Fund.

To achieve its objective the Fund invests primarily in collective investment schemes, including exchange traded funds, which generally aim to track the performance of market indices. Such assets shall, in turn, invest in fixed interest securities, equities, and property securities that make up the relevant index.

The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may, in addition to its other investment powers, use exchange traded and over-the-counter derivatives and forward currency contracts for investment purposes. Using these investment powers for investment purposes means, in particular, maintaining positions in these investments for the long-term rather than just for tactical short-term purposes. Where the use of derivatives is for investment purposes in addition to hedging it is envisaged that the use of such instruments will not affect the overall risk profile of the Fund.

\*The full policy can be found in the prospectus.

## Investment Strategy\*

The Fund invests in corporate bonds, equities and property securities through investment in collective investment schemes, including exchange traded funds, which generally aim to track the performance of an appropriate market index.

Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective.

Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in sterling.

\*The full strategy can be found in the prospectus.

## Portfolio Activity

At the start of the period, the portfolio was positioned in a cautious stance, after we had reduced our risk exposure through the worst of the volatility seen in Q1 2020.

As markets rebounded and confidence returned, we looked to add back to risk assets in a controlled way. The sell-off had seen valuations improve, with forward-looking returns for risk assets looking more attractive. Changes to the long-term target allocations were introduced through May and June over a couple of tranches, increasing exposure to equities and credit asset classes, while ensuring the portfolio remained within its risk profile.

In July, we increased our allocation to Eurozone equity on the back of better political integration in the EZ around their Covid-19 response policies. This coupled with attractive valuations indicated potential outperformance. As part of this trade, we reduced our exposures to the UK and Japan.

August saw the Portfolio Management team make a further adjustment to the equity allocation, tilting exposure slightly towards emerging markets, away from developed markets, while leaving the overall equity exposure in a neutral position. Asian emerging markets had done a better job of containing the pandemic and opening up their economies, leading to potentially higher returns.

We also adjusted our currency positioning in August. The US dollar appeared expensive and, with the upcoming election creating potential volatility, we increased exposures to the euro and Japanese yen to limit the impact of potential dollar depreciation.

Major purchases included: HSBC ICAV Global Corporate Bond Index Fund, HSBC American Index Fund, iShares Emerging Markets Index Fund and HSBC European Index Fund.

Major sales included: HSBC ICAV Global Government Bond Index Fund and HSBC Global Sterling Liquidity Fund.

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### Investment Performance

During the period under review the value of the shares in the Fund increased by 9.54%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

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### Fund Particulars

as at 16 October 2020 (unaudited)

	Income C	Accumulation C
Price	112.2p xd	116.6p
Distribution payable (on 15 December 2020) per share net	0.640000p	0.670000p
Current net estimated yield	1.03%	1.03%
Annual ACD charge	0.10%	0.10%

**Portfolio Statement**

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Asia-Pacific (excluding Japan) Equities - 1.70% (1.84%)</b>			
^iShares Pacific Index Fund	258,823	3,498	1.70
<b>Total Asia-Pacific (excluding Japan) Equities</b>		<b>3,498</b>	<b>1.70</b>
<b>European (excluding UK) Equities - 4.96% (4.19%)</b>			
+HSBC European Index Fund	985,957	10,214	4.96
<b>Total European (excluding UK) Equities</b>		<b>10,214</b>	<b>4.96</b>
<b>Global Corporate Bonds - 23.18% (16.12%)</b>			
*+HSBC ICAV Global Corporate Bond Index Fund	5,413,960	47,746	23.18
<b>Total Global Corporate Bonds</b>		<b>47,746</b>	<b>23.18</b>
<b>Global Emerging Markets Equities - 5.35% (5.09%)</b>			
^*iShares Emerging Markets Index Fund	882,306	11,025	5.35
<b>Total Global Emerging Markets Equities</b>		<b>11,025</b>	<b>5.35</b>
<b>Japanese Equities - 1.98% (2.90%)</b>			
+HSBC Japan Index Fund	2,897,713	4,092	1.98
<b>Total Japanese Equities</b>		<b>4,092</b>	<b>1.98</b>
<b>US Equities - 21.30% (22.36%)</b>			
+HSBC American Index Fund	5,525,425	43,872	21.30
<b>Total US Equities</b>		<b>43,872</b>	<b>21.30</b>
<b>Direct Property Funds - 3.46% (3.32%)</b>			
^iShares Developed Real Estate Index Fund	819,691	7,124	3.46
<b>Total Direct Property Funds</b>		<b>7,124</b>	<b>3.46</b>
<b>UK Equities - 1.28% (2.17%)</b>			
+HSBC FTSE 100 Index Fund	1,316,272	2,633	1.28
<b>Total UK Equities</b>		<b>2,633</b>	<b>1.28</b>
<b>Global Government Bonds - 22.15% (22.68%)</b>			
*+HSBC ICAV Global Government Bond Index Fund	5,622,066	45,622	22.15
<b>Total Global Government Bonds</b>		<b>45,622</b>	<b>22.15</b>
<b>German Government Bonds - 1.66% (1.54%)</b>			
Government of Germany 0% 8/4/2022	€123,674	113	0.05
Government of Germany 4.75% 4/7/2034	€2,083,981	3,312	1.61
<b>Total German Government Bonds</b>		<b>3,425</b>	<b>1.66</b>
<b>Japanese Government Bonds - 1.95% (2.00%)</b>			
Government of Japan 0.9% 20/3/2022	¥71,250,000	532	0.26
Government of Japan 1.1% 20/3/2033	¥423,950,000	3,487	1.69
<b>Total Japanese Government Bonds</b>		<b>4,019</b>	<b>1.95</b>

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Spanish Government Bonds - 0.98% (0.97%)</b>			
Government of Spain 2.15% 31/10/2025	€1,970,000	2,010	0.98
<b>Total Spanish Government Bonds</b>		<b>2,010</b>	<b>0.98</b>
<b>UK Government Bonds - 0.76% (0.60%)</b>			
UK Treasury 4% 7/3/2022	£652,684	689	0.33
UK Treasury 4.25% 7/12/2049	£456,657	883	0.43
<b>Total UK Government Bonds</b>		<b>1,572</b>	<b>0.76</b>
<b>US Government Bonds - 4.59% (4.58%)</b>			
US Treasury 1.25% 31/8/2024	\$4,690,200	3,774	1.83
US Treasury 2% 15/2/2023	\$3,773,300	3,048	1.48
US Treasury 3% 15/5/2045	\$2,546,600	2,624	1.28
<b>Total US Government Bonds</b>		<b>9,446</b>	<b>4.59</b>
<b>Money Markets - 3.05% (4.27%)</b>			
*+HSBC Global Liquidity Fund	1,026,389	795	0.39
*+HSBC Global Sterling Liquidity Fund	5,480,446	5,480	2.66
<b>Total Money Markets</b>		<b>6,275</b>	<b>3.05</b>
<b>Futures - -0.02% (0.04%)</b>			
EUX EURO STOXX 50 December 2020	67	(76)	(0.03)
NYF MSCI Emerging Market December 2020	33	28	0.01
<b>Total Futures</b>		<b>(48)</b>	<b>(0.02)</b>
<b>Forward Foreign Exchange Contracts - 0.19% (1.77%)</b>			
#CHF Forward Currency Contract settled 22 October 2020	CHF 1,125,026	954	0.46
#GBP Forward Currency Contract settled 22 October 2020	(GBP 963,851)	(964)	(0.47)
#GBP Forward Currency Contract settled 22 October 2020	GBP 1,152,924	1,153	0.56
#JPY Forward Currency Contract settled 22 October 2020	(JPY 156,386,164)	(1,151)	(0.56)
#GBP Forward Currency Contract settled 22 October 2020	GBP 3,236,715	3,236	1.57
#EUR Forward Currency Contract settled 22 October 2020	(EUR 3,514,982)	(3,186)	(1.55)
#GBP Forward Currency Contract settled 22 October 2020	GBP 97,660,780	97,661	47.42
#USD Forward Currency Contract settled 22 October 2020	(USD 125,547,035)	(97,256)	(47.22)
#JPY Forward Currency Contract settled 22 October 2020	JPY 20,505,108	151	0.07
#GBP Forward Currency Contract settled 22 October 2020	(GBP 152,505)	(153)	(0.07)
#GBP Forward Currency Contract settled 22 October 2020	GBP 208,157	208	0.10
#EUR Forward Currency Contract settled 22 October 2020	(EUR 227,961)	(206)	(0.10)
#JPY Forward Currency Contract settled 22 October 2020	JPY 8,388,300	62	0.03
#GBP Forward Currency Contract settled 22 October 2020	(GBP 61,631)	(62)	(0.03)
#JPY Forward Currency Contract settled 22 October 2020	JPY 8,692,789	64	0.03
#GBP Forward Currency Contract settled 22 October 2020	(GBP 63,791)	(64)	(0.03)
#CHF Forward Currency Contract settled 22 October 2020	CHF 59,331	50	0.02
#GBP Forward Currency Contract settled 22 October 2020	(GBP 50,356)	(50)	(0.02)
#GBP Forward Currency Contract settled 22 October 2020	GBP 248,814	249	0.12
#EUR Forward Currency Contract settled 22 October 2020	(EUR 273,774)	(248)	(0.12)

**Portfolio Statement**

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
#GBP Forward Currency Contract settled 22 October 2020	GBP 282,344	282	0.14
#JPY Forward Currency Contract settled 22 October 2020	(JPY 38,813,512)	(285)	(0.14)
#GBP Forward Currency Contract settled 22 October 2020	GBP 6,050,987	6,051	2.94
#USD Forward Currency Contract settled 22 October 2020	(USD 7,873,208)	(6,099)	(2.96)
<b>Total Forward Foreign Exchange Contracts</b>		<b>397</b>	<b>0.19</b>
<b>Portfolio of investments</b>		<b>202,922</b>	<b>98.52</b>
<b>Net other assets</b>		<b>3,041</b>	<b>1.48</b>
<b>Net assets</b>		<b>205,963</b>	<b>100.00</b>
*offshore funds			
+related party			
^listed			
#unlisted			
Figures in brackets denote the comparative percentage holdings as at 15 April 2020.			
Unless otherwise stated, all holdings are authorised investment funds.			
The counterparty for the futures is HSBC.			
The counterparties for the forward foreign exchange contracts are Citigroup, Goldman Sachs, HSBC, Royal Bank of Scotland and UBS.			
Total purchases for the period, including transaction charges, were £112,110,531.			
Total sales for the period, net of transaction charges, were £35,222,785.			
The bond ratings for the portfolio at 15 October 2020 were:			
		<i>Bid value £'000</i>	<i>Total net assets %</i>
Bond credit ratings			
Investment grade		20,472	9.94
<b>Total Bonds</b>		<b>20,472</b>	<b>9.94</b>

## Comparative Tables

<b>Income C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18†</b>
Change in net assets per share				
Opening net asset value per share	103.10p	103.20p	97.52p	100.00p
Return before operating charges*	9.60p	1.11p	7.58p	(1.94p)
Operating charges**	(0.06p)	(0.13p)	(0.10p)	(0.11p)
Return after operating charges*	9.54p	0.98p	7.48p	(2.05p)
Distributions on income shares	(0.64p)	(1.08p)	(1.80p)	(0.43p)
Closing net asset value per share	112.00p	103.10p	103.20p	97.52p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	9.25%	0.95%	7.67%	(2.05%)
<b>Other information</b>				
Closing net asset value	£4,384,869	£2,594,012	£328,220	£3,724,180
Closing number of shares	3,916,038	2,516,115	318,173	3,818,889
Operating charges - OCF	0.18%	0.17%	0.17%	0.21%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	113.10p	111.90p	104.00p	102.30p
Lowest share price	103.10p	96.51p	96.51p	97.30p
**The operating charges include all costs borne by the Fund, except for direct transaction costs.				
***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.				

<b>Accumulation C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18†</b>
Change in net assets per share				
Opening net asset value per share	106.50p	105.50p	97.96p	100.00p
Return before operating charges*	9.97p	1.13p	7.65p	(1.93p)
Operating charges**	(0.07p)	(0.13p)	(0.11p)	(0.11p)
Return after operating charges*	9.90p	1.00p	7.54p	(2.04p)
Distributions on accumulation shares	(0.67p)	(1.12p)	(1.88p)	(0.44p)
Retained distributions on accumulation shares	0.67p	1.12p	1.88p	0.44p
Closing net asset value per share	116.40p	106.50p	105.50p	97.96p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
<b>Performance</b>				
Return after charges	9.30%	0.95%	7.70%	(2.04%)
<b>Other information</b>				
Closing net asset value	£201,578,132	£118,698,992	£36,676,095	£12,068,509
Closing number of shares	173,229,832	111,424,040	34,755,290	12,320,135
Operating charges - OCF	0.18%	0.17%	0.17%	0.21%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
<b>Prices</b>				
Highest share price	116.80p	115.00p	105.70p	102.40p
Lowest share price	106.60p	99.24p	97.94p	97.30p

†The Fund launched on 23 August 2017.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Statement of Total Return

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		12,586		1,468
Revenue	952		433	
Expenses	(95)		(33)	
Interest payable and similar charges	(2)		-	
Net revenue before taxation	855		400	
Taxation	(85)		(36)	
Net revenue after taxation		770		364
Total return before distributions		13,356		1,832
Distributions		(767)		(350)
Change in net assets attributable to shareholders from investment activities		12,589		1,482

## Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		121,293		37,004
Amounts receivable on creation of shares	71,038		38,387	
Amounts payable on cancellation of shares	(137)		(258)	
		70,901		38,129
Dilution adjustment		19		12
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		12,589		1,482
Retained distribution on accumulation shares		1,161		404
Closing net assets attributable to shareholders		205,963		77,031

## Balance Sheet

as at 15 October 2020 (unaudited)

	15.10.20		15.4.20	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments		203,061		117,277
Current assets				
Debtors	1,583		822	
Cash and bank balances	3,319		3,667	
Total current assets		4,902		4,489
Total assets		207,963		121,766
<b>Liabilities</b>				
Investment liabilities		(139)		(303)
Creditors				
Distribution payable on income shares	(25)		(13)	
Other creditors	(1,836)		(157)	
Total creditors		(1,861)		(170)
Total liabilities		(2,000)		(473)
Net assets attributable to shareholders		205,963		121,293

**Distribution Table (pence per share)**

for the six months ended 15 October 2020 (unaudited)

Group 1: Shares purchased prior to 16 April 2020				
Group 2: Shares purchased from 16 April 2020 to 15 October 2020				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.12.20</i>	<i>Distribution paid 15.12.19</i>
<b>Income C</b>				
Group 1	0.640000	-	0.640000	0.570000
Group 2	0.000000	0.640000	0.640000	0.570000
<b>Accumulation C</b>				
Group 1	0.670000	-	0.670000	0.590000
Group 2	0.070000	0.600000	0.670000	0.590000

# Global Strategy Dynamic Portfolio

## Investment Objective

To provide capital growth through investment in a broad range of asset classes across global markets, with a bias towards equities.

## Investment Policy\*

This is one of a range of actively managed Global Strategy Portfolios offered at five different risk levels. The Fund is rated as 4, where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long-term risk profile therefore any potential gains are likely to be limited by the risk profile of the Fund.

To achieve its objective the Fund invests primarily in collective investment schemes, including exchange traded funds, which aim to track the performance of market indices. Such assets shall, in turn, invest in equities, fixed interest securities and property securities that make up the relevant index.

The collective investment schemes that the Fund invests in will, where possible, be those managed or operated by the ACD or an associate of the ACD. Where this is not possible the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may, in addition to its other investment powers, use exchange traded and over-the-counter derivatives and forward currency contracts for investment purposes. Using these investment powers for investment purposes means, in particular, maintaining positions in these investments for the long-term rather than just for tactical short-term purposes. Where the use of derivatives is for investment purposes in addition to hedging it is envisaged that the use of such instruments will not affect the overall risk profile of the Fund.

\*The full policy can be found in the prospectus.

## Investment Strategy\*

The starting point for the Global Strategy Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class.

The Fund invests in corporate bonds, equities and property securities through investment in collective investment schemes, including exchange traded funds, which aim to track the performance of an appropriate market index.

Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective.

Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in sterling.

\*The full strategy can be found in the prospectus.

## Portfolio Activity

At the start of the period, the portfolio was positioned in a cautious stance, after we had reduced our risk exposure through the worst of the volatility seen in Q1 2020.

As markets rebounded and confidence returned, we looked to add back to risk assets in a controlled way. The sell-off had seen valuations improve, with forward-looking returns for risk assets looking more attractive. Changes to the long-term target allocations were introduced through May and June over a couple of tranches, increasing exposure to equities and credit asset classes, while ensuring the portfolio remained within its risk profile.

In July, we increased our allocation to Eurozone equity on the back of better political integration in the EZ around their Covid-19 response policies. This coupled with attractive valuations indicated potential outperformance. As part of this trade, we reduced our exposures to the UK and Japan.

August saw the Portfolio Management team make a further adjustment to the equity allocation, tilting exposure slightly towards emerging markets, away from developed markets, while leaving the overall equity exposure in a neutral position. Asian emerging markets had done a better job of containing the pandemic and opening up their economies, leading to potentially higher returns.

We also adjusted our currency positioning in August. The US dollar appeared expensive and, with the upcoming election creating potential volatility, we increased exposures to the euro and Japanese yen to limit the impact of potential dollar depreciation.

Major purchases included: HSBC ICAV Global Corporate Bond Index Fund, HSBC American Index Fund, iShares Emerging Markets Index Fund and HSBC European Index Fund.

Major sales included: HSBC ICAV Global Government Bond Index Fund and HSBC Global Sterling Liquidity Fund.

### Investment Performance

During the period under review the value of the shares in the Fund increased by 16.15%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

### Fund Particulars

as at 16 October 2020 (unaudited)

	Retail X Accumulation	Income C	Accumulation C
Price	235.2p	207.8p xd	238.8p
Distribution payable (on 15 December 2020) per share net	1.490000p	1.560000p	1.780000p
Current net estimated yield	1.05%	1.29%	1.27%
Annual ACD charge	0.40%	0.10%	0.10%

**Portfolio Statement**

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Asia-Pacific (excluding Japan) Equities - 3.39% (3.56%)</b>			
^*iShares Core MSCI Pacific ex Japan UCITS ETF	10,822	1,204	0.27
^*iShares Pacific Index Fund	1,035,555	13,996	3.12
<b>Total Asia-Pacific (excluding Japan) Equities</b>		<b>15,200</b>	<b>3.39</b>
<b>European (excluding UK) Equities - 9.84% (9.34%)</b>			
+ HSBC European Index Fund	4,260,552	44,139	9.84
<b>Total European (excluding UK) Equities</b>		<b>44,139</b>	<b>9.84</b>
<b>Global Emerging Markets Equities - 11.44% (10.44%)</b>			
^*iShares Emerging Markets Index Fund	4,107,792	51,330	11.44
<b>Total Global Emerging Markets Equities</b>		<b>51,330</b>	<b>11.44</b>
<b>Japanese Equities - 4.69% (5.97%)</b>			
+ HSBC Japan Index Fund	14,907,920	21,050	4.69
<b>Total Japanese Equities</b>		<b>21,050</b>	<b>4.69</b>
<b>North American Equities - 43.23% (44.48%)</b>			
+ HSBC American Index Fund	18,720,860	148,644	33.12
^*iShares Core S&P 500 UCITS ETF	167,868	45,343	10.11
<b>Total North American Equities</b>		<b>193,987</b>	<b>43.23</b>
<b>Direct Property Funds - 7.14% (5.41%)</b>			
^*iShares Developed Real Estate Index Fund	3,689,064	32,062	7.14
<b>Total Direct Property Funds</b>		<b>32,062</b>	<b>7.14</b>
<b>UK Equities - 2.94% (4.38%)</b>			
+ HSBC FTSE 100 Index Fund	6,608,865	13,218	2.94
<b>Total UK Equities</b>		<b>13,218</b>	<b>2.94</b>
<b>Money Markets - 2.11% (2.52%)</b>			
*+ HSBC Global Sterling Liquidity Fund	9,468,446	9,468	2.11
<b>Total Money Markets</b>		<b>9,468</b>	<b>2.11</b>
<b>Global Corporate Bonds - 6.41% (1.96%)</b>			
*+ HSBC ICAV Global Corporate Bond Index Fund	3,260,101	28,751	6.41
<b>Total Global Corporate Bonds</b>		<b>28,751</b>	<b>6.41</b>
<b>Global Government Bonds - 6.89% (9.56%)</b>			
*+ HSBC ICAV Global Government Bond Index Fund	3,811,810	30,932	6.89
<b>Total Global Government Bonds</b>		<b>30,932</b>	<b>6.89</b>

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Forward Foreign Exchange Contracts - 0.03% (0.47%)</b>			
#JPY Forward Currency Contract settled 22 October 2020	JPY 926,058,709	6,814	1.52
#GBP Forward Currency Contract settled 22 October 2020	(GBP 6,827,172)	(6,827)	(1.52)
#CHF Forward Currency Contract settled 22 October 2020	CHF 2,486,292	2,108	0.47
#GBP Forward Currency Contract settled 22 October 2020	(GBP 2,130,097)	(2,130)	(0.47)
#EUR Forward Currency Contract settled 22 October 2020	EUR 5,075,154	4,600	1.02
#GBP Forward Currency Contract settled 22 October 2020	(GBP 4,672,112)	(4,672)	(1.04)
#GBP Forward Currency Contract settled 22 October 2020	GBP 64,243,611	64,244	14.32
#USD Forward Currency Contract settled 22 October 2020	(USD 82,587,860)	(63,978)	(14.26)
#EUR Forward Currency Contract settled 22 October 2020	EUR 291,510	264	0.06
#GBP Forward Currency Contract settled 22 October 2020	(GBP 265,892)	(266)	(0.06)
#CHF Forward Currency Contract settled 22 October 2020	CHF 144,004	122	0.03
#GBP Forward Currency Contract settled 22 October 2020	(GBP 121,978)	(122)	(0.03)
#JPY Forward Currency Contract settled 22 October 2020	JPY 55,223,960	406	0.09
#GBP Forward Currency Contract settled 22 October 2020	(GBP 401,426)	(401)	(0.09)
#GBP Forward Currency Contract settled 22 October 2020	GBP 4,959,617	4,960	1.10
#USD Forward Currency Contract settled 22 October 2020	(USD 6,414,613)	(4,969)	(1.11)
<b>Total Forward Foreign Exchange Contracts</b>		<b>153</b>	<b>0.03</b>
<b>Futures - -0.03% (0.04%)</b>			
NYF MSCI Emerging Market December 2020	120	101	0.02
EUX Euro Stoxx 50 December 2020	231	(236)	(0.05)
<b>Total Futures</b>		<b>(135)</b>	<b>(0.03)</b>
<b>Portfolio of investments</b>		<b>440,155</b>	<b>98.08</b>
<b>Net other assets</b>		<b>8,615</b>	<b>1.92</b>
<b>Net assets</b>		<b>448,770</b>	<b>100.00</b>
*offshore fund			
+related party			
^listed			
#Unlisted			

Figures in brackets denote comparative percentage holdings as at 15 April 2020.

Unless otherwise stated, all holdings are authorised investment funds.

The counterparty for the futures is HSBC.

The counterparties for the forward foreign exchange contracts are Credit Suisse, Citigroup, Goldman Sachs, HSBC and Royal Bank Of Scotland.

Total purchases for the period, including transaction charges, were £146,278,525.

Total sales for the period, net of transaction charges, were £69,020,243.

## Comparative Tables

<b>Retail Income#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	N/A	188.40p	172.70p	169.30p
Return before operating charges*	N/A	20.53p	19.12p	6.43p
Operating charges**	N/A	(1.36p)	(1.66p)	(1.62p)
Return after operating charges*	N/A	19.17p	17.46p	4.81p
Distributions on income shares	N/A	(0.87p)	(1.76p)	(1.41p)
Cancellation price	N/A	(206.70p)	-	-
Closing net asset value per share	N/A	0.00p	188.40p	172.70p
*after direct transaction costs of:***	N/A	0.01p	0.01p	0.01p
<b>Performance</b>				
Return after charges	N/A	10.18%	10.11%	2.84%
<b>Other information</b>				
Closing net asset value	N/A	N/A	£73,032	£51,901
Closing number of shares	N/A	N/A	38,768	30,050
Operating charges - OCF	N/A	N/A	0.99%	1.00%
Direct transaction costs	N/A	N/A	0.01%	0.00%
<b>Prices</b>				
Highest share price	N/A	206.70p	190.90p	185.30p
Lowest share price	N/A	183.00p	166.90p	166.40p

<b>Retail Accumulation##</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	N/A	204.50p	185.70p	180.60p
Return before operating charges*	N/A	22.38p	20.59p	6.80p
Operating charges**	N/A	(1.48p)	(1.79p)	(1.70p)
Return after operating charges*	N/A	20.90p	18.80p	5.10p
Distributions on accumulation shares	N/A	(0.97p)	(1.90p)	(1.31p)
Retained distributions on accumulation shares	N/A	0.97p	1.90p	1.31p
Cancellation price	N/A	(225.40p)	-	-
Closing net asset value per share	N/A	0.00p	204.50p	185.70p
*after direct transaction costs of:***	N/A	0.01p	0.01p	0.01p
<b>Performance</b>				
Return after charges	N/A	10.22%	10.12%	2.82%
<b>Other information</b>				
Closing net asset value	N/A	N/A	£73,431	£33,761
Closing number of shares	N/A	N/A	35,903	18,185
Operating charges - OCF	N/A	N/A	0.99%	1.00%
Direct transaction costs	N/A	N/A	0.01%	0.00%
<b>Prices</b>				
Highest share price	N/A	225.40p	205.20p	199.00p
Lowest share price	N/A	198.60p	180.90p	177.50p

#The Retail Income share class converted to Income C class on 17 January 2020.

##The Retail Accumulation share class converted to Accumulation C class on 17 January 2020.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Retail X Income#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	N/A	189.80p	174.00p	170.60p
Return before operating charges*	N/A	20.62p	19.06p	6.28p
Operating charges**	N/A	(0.62p)	(0.76p)	(0.74p)
Return after operating charges*	N/A	20.00p	18.30p	5.54p
Distributions on income shares	N/A	(1.30p)	(2.50p)	(2.14p)
Cancellation price	N/A	(208.50p)	-	-
Closing net asset value per share	N/A	0.00p	189.80p	174.00p
*after direct transaction costs of:***	N/A	0.01p	0.01p	0.01p
<b>Performance</b>				
Return after charges	N/A	10.54%	10.52%	3.25%
<b>Other information</b>				
Closing net asset value	N/A	N/A	£105,297	£90,322
Closing number of shares	N/A	N/A	55,469	51,897
Operating charges - OCF	N/A	N/A	0.49%	0.50%
Direct transaction costs	N/A	N/A	0.01 %	0.00%
<b>Prices</b>				
Highest share price	N/A	208.50p	192.60p	186.93p
Lowest share price	N/A	184.60p	168.30p	167.70p

<b>Retail X Accumulation</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	201.80p	210.60p	190.40p	184.40p
Return before operating charges*	32.97p	(7.89p)	21.04p	6.81p
Operating charges**	(0.47p)	(0.91p)	(0.84p)	(0.81p)
Return after operating charges*	32.50p	(8.80p)	20.20p	6.00p
Distributions on accumulation shares	(1.49p)	(2.41p)	(2.75p)	(2.32p)
Retained distributions on accumulation shares	1.49p	2.41p	2.75p	2.32p
Closing net asset value per share	234.30p	201.80p	210.60p	190.40p
*after direct transaction costs of:***	0.00p	0.01p	0.01p	0.01p
<b>Performance</b>				
Return after charges	16.11 %	(4.18%)	10.61 %	3.25%
<b>Other information</b>				
Closing net asset value	£13,864,746	£12,164,705	£9,807,371	£6,213,813
Closing number of shares	5,917,491	6,029,584	4,656,975	3,263,298
Operating charges - OCF	0.49%	0.48%	0.49%	0.50%
Direct transaction costs	0.00%	0.00%	0.01 %	0.00%
<b>Prices</b>				
Highest share price	236.10p	235.70p	210.70p	203.90p
Lowest share price	201.60p	182.10p	186.00p	181.30p

#The Retail X Income share class converted to Income C class on 17 January 2020.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Income C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	179.40p	189.40p	173.60p	170.20p
Return before operating charges*	29.28p	(7.16p)	18.94p	6.17p
Operating charges**	(0.12p)	(0.23p)	(0.21p)	(0.21p)
Return after operating charges*	29.16p	(7.39p)	18.73p	5.96p
Distributions on income shares	(1.56p)	(2.61p)	(2.93p)	(2.56p)
Closing net asset value per share	207.00p	179.40p	189.40p	173.60p
*after direct transaction costs of:***	0.00p	0.01p	0.01p	0.01p
<b>Performance</b>				
Return after charges	16.25%	(3.90%)	10.79%	3.50%
<b>Other information</b>				
Closing net asset value	£9,209,174	£6,238,864	£4,305,389	£3,360,761
Closing number of shares	4,448,973	3,478,232	2,273,173	1,935,437
Operating charges - OCF	0.19%	0.18%	0.19%	0.20%
Direct transaction costs	0.00%	0.00%	0.01%	0.00%
<b>Prices</b>				
Highest share price	210.10p	210.80p	192.30p	186.64p
Lowest share price	179.20p	162.90p	168.00p	167.30p

<b>Accumulation C</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	204.60p	213.00p	192.20p	185.60p
Return before operating charges*	33.44p	(8.14p)	21.03p	6.83p
Operating charges**	(0.14p)	(0.26p)	(0.23p)	(0.23p)
Return after operating charges*	33.30p	(8.40p)	20.80p	6.60p
Distributions on accumulation shares	(1.78p)	(2.95p)	(3.26p)	(2.80p)
Retained distributions on accumulation shares	1.78p	2.95p	3.26p	2.80p
Closing net asset value per share	237.90p	204.60p	213.00p	192.20p
*after direct transaction costs of:***	0.00p	0.01p	0.01p	0.01p
<b>Performance</b>				
Return after charges	16.28%	(3.94%)	10.82%	3.56%
<b>Other information</b>				
Closing net asset value	£425,696,155	£298,138,829	£187,682,408	£72,635,026
Closing number of shares	178,975,371	145,744,254	88,105,760	37,799,080
Operating charges - OCF	0.19%	0.18%	0.19%	0.20%
Direct transaction costs	0.00%	0.00%	0.01%	0.00%
<b>Prices</b>				
Highest share price	239.70p	238.90p	213.10p	205.65p
Lowest share price	204.40p	184.60p	188.10p	182.50p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Statement of Total Return

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		52,593		5,292
Revenue	3,086		2,093	
Expenses	(250)		(155)	
Interest payable and similar charges	(6)		-	
Net revenue before taxation	2,830		1,938	
Taxation	(20)		(15)	
Net revenue after taxation		2,810		1,923
Total return before distributions		55,403		7,215
Distributions		(2,803)		(1,917)
Change in net assets attributable to shareholders from investment activities		52,600		5,298

## Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		316,542		202,047
Amounts receivable on creation of shares	88,199		56,145	
Amounts payable on cancellation of shares	(11,853)		(2,114)	
		76,346		54,031
Dilution adjustment		8		-
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		52,600		5,298
Retained distribution on accumulation shares		3,274		1,962
Closing net assets attributable to shareholders		448,770		263,338

## Balance Sheet

as at 15 October 2020 (unaudited)

	15.10.20		15.4.20	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments		440,509		310,641
Current assets				
Debtors	1,628		3,164	
Cash and bank balances	7,969		4,412	
Total current assets		9,597		7,576
Total assets		450,106		318,217
<b>Liabilities</b>				
Investment liabilities		(354)		(26)
Creditors				
Distribution payable on income shares	(69)		(39)	
Other creditors	(913)		(1,610)	
Total creditors		(982)		(1,649)
Total liabilities		(1,336)		(1,675)
Net assets attributable to shareholders		448,770		316,542

**Distribution Table (pence per share)**

for the six months ended 15 October 2020 (unaudited)

Group 1: Shares purchased prior to 16 April 2020				
Group 2: Shares purchased from 16 April 2020 to 15 October 2020				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.12.20</i>	<i>Distribution paid 15.12.19</i>
<b>Retail Income*</b>				
Group 1	N/A	-	N/A	0.870000
Group 2	N/A	N/A	N/A	0.870000
<b>Retail Accumulation**</b>				
Group 1	N/A	-	N/A	0.970000
Group 2	N/A	N/A	N/A	0.970000
<b>Retail X Income*</b>				
Group 1	N/A	-	N/A	1.300000
Group 2	N/A	N/A	N/A	1.300000
<b>Retail X Accumulation</b>				
Group 1	1.490000	-	1.490000	1.420000
Group 2	0.240000	1.250000	1.490000	1.420000
<b>Income C</b>				
Group 1	1.560000	-	1.560000	1.500000
Group 2	0.090000	1.470000	1.560000	1.500000
<b>Accumulation C</b>				
Group 1	1.780000	-	1.780000	1.690000
Group 2	0.200000	1.580000	1.780000	1.690000
*The Retail Income and Retail X Income share classes converted to Income C class on 17 January 2020.				
**The Retail Accumulation share class converted to Accumulation C class on 17 January 2020.				

# Global Sustainable Multi-Asset Adventurous Portfolio

## Investment Objective

The Fund aims to provide growth in line with its risk profile in the long-term, which is a period of five years or more. The Fund's risk profile is rated as 5 where 1 is a lower level of risk and 5 is a higher level of risk. The Fund invests in a range of sustainable investment strategies.

## Investment Policy

To achieve its objective the Fund will invest a minimum of 80% in collective investment schemes, which in turn invest in bonds, shares of companies (equities) and property securities that meet one or more sustainable investment strategies. The Fund may also invest up to 20% directly in bonds where the investment objective can be more efficiently achieved and may invest directly in shares of companies in limited circumstances.

The collective investment schemes that the Fund invests in will, where appropriate, be those managed or operated by the HSBC Group. Where this is not appropriate the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements. The Fund may invest in derivatives for efficient portfolio management purposes, including hedging. This means investment techniques that aim to reduce risks, reduce costs or generate growth and income. The Fund may also use derivatives for broader investment purposes to help the Fund meet its objective. The Fund does not intend to use derivatives extensively and their use will be consistent with the risk profile of the Fund.

## Investment Strategy\*

This is one of a range of actively managed Global Sustainable Multi-Asset Portfolios offered at different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is managed with the aim of maximising returns in line with its agreed long-term risk profile of 5, where 1 is a lower level of risk and 5 is a higher level of risk therefore any potential returns are likely to be limited by the risk profile of the Fund.

The focus on sustainable investment strategies is taken into consideration at each stage, when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes.

\*The full strategy can be found in the prospectus.

## Use of Benchmark

The Fund is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of funds that are part of the Morningstar Adventurous Allocation category, with both returns and volatility considered in the comparison. The Morningstar Adventurous Allocation category has been selected to enable investors to assess the performance of the Fund because it consists of types of funds that are broadly similar to the Fund. Many funds sold in the UK (and globally) are grouped into categories by Morningstar, an independent data provider, to help investors to compare funds with broadly similar characteristics.

## Environmental, Social and Governance (ESG) and Carbon Intensity Ratings

To demonstrate the performance of the Fund against its sustainable investment aim the ESG and carbon intensity ratings of the Fund are shown compared to the ratings of a reference comparator. ESG ratings are a recognised way of measuring the level of sustainability in a company, market or investment fund. Carbon intensity considers how much a company or market contributes to global carbon emissions relative to its size. The reference comparator represents the ESG and carbon intensity ratings the Fund might have achieved if it did not have a sustainable investment aim. The reference comparator is a combination of market capitalisation indices that represent the asset classes held by the Fund and in the same proportions (weighting) as the Fund. The composition of the reference comparator varies over time in line with the asset classes and proportions held by the Fund.

## Use of Derivatives

The Fund may invest in exchange traded and over-the-counter derivatives in accordance with Part C and Part D of Appendix 3 in the Prospectus. In particular, equity index futures may be used to increase or reduce equity exposure and bond index futures may be used with the aim of managing the overall bond duration. Currency forward contracts will be used to gain exposure to currencies or with the aim of hedging against movements in the rate of exchange between sterling and the currency in which the bonds and other assets may be denominated.

### Portfolio Activity

The portfolio launched on 20 April 2020 and was initially positioned in a cautious stance, after we had reduced our risk exposure in our models through the worst of the volatility seen in Q1 2020.

As markets rebounded and confidence returned, we looked to add back to risk assets in a controlled way. The sell-off had seen valuations improve, with forward-looking returns for risk assets looking more attractive. Changes to the long-term target allocations were introduced through May and June over a couple of tranches, increasing exposure to equities and credit asset classes, while ensuring the portfolio remained within its risk profile.

In July, we increased our allocation to Eurozone equity on the back of better political integration in the EZ around their Covid-19 response policies. This coupled with attractive valuations indicated potential outperformance. As part of this trade, we reduced our exposures to the UK and Japan.

August saw the Portfolio Management team make a further adjustment to the equity allocation, tilting exposure slightly towards emerging markets, away from developed markets, while leaving the overall equity exposure in a neutral position. Asian emerging markets had done a better job of containing the pandemic and opening up their economies, leading to potentially higher returns.

We also adjusted our currency positioning in August. The US dollar appeared expensive and, with the upcoming election creating potential volatility, we increased exposures to the euro and Japanese yen to limit the impact of potential dollar depreciation.

In addition to the asset allocation changes in this commentary, we have also moved our regional equity exposures away from external managers and into a new range of HSBC Sustainable Equity ETFs. These new vehicles have been designed to better align to the house view of a sustainable investment as well as bringing the voting and engagement with the companies we own in-house.

Major purchases included: HSBC US Sustainable Equity UCITS ETF, HSBC Emerging Market Sustainable ETF, iShares Global Government Bond UCITS ETF, HSBC Europe Sustainable Equity UCITS ETF and HSBC Japan Sustainable Equity UCITS ETF.

Major sales included: Xtrackers ESG MSCI Emerging Markets UCITS ETF, Xtrackers ESG MSCI USA UCITS ETF, Xtrackers ESG MSCI Europe UCITS ETF and Xtrackers ESG MSCI Japan UCITS ETF.

### Investment Performance

As the Fund only launched on 20 April 2020, there is no performance information for this period.

#### Fund Particulars

as at 16 October 2020 (unaudited)

	Income C	Accumulation C	Accumulation P
Price	119.1p xd	119.4p	119.5p
Distribution payable (on 15 December 2020) per share net	0.340000p	0.330000p	0.440000p
Current net estimated yield	0.29%	0.28%	0.37%
Annual ACD charge	0.45%	0.45%	0.23%

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Global Corporate Bonds - 2.15%</b>			
*+HSBC GIF Global Lower Carbon Bond Fund	15,870	141	2.15
<b>Total Global Corporate Bonds</b>		<b>141</b>	<b>2.15</b>
<b>Global Emerging Markets Equities - 11.73%</b>			
+HSBC Emerging Market Sustainable ETF	73,629	768	11.73
<b>Total Global Emerging Markets Equities</b>		<b>768</b>	<b>11.73</b>
<b>Global Equities - 55.11%</b>			
+HSBC GIF Global Equity Climate Change Fund	77,745	887	13.55
*+HSBC GIF Global Lower Carbon Equity Fund	140,057	1,262	19.28
+HSBC SRI Global Equity Fund	1,325	1,459	22.28
<b>Total Global Equities</b>		<b>3,608</b>	<b>55.11</b>
<b>Global Property Equities Funds - 6.45%</b>			
+HSBC GIF Global Real Estate Equity Fund	60,779	422	6.45
<b>Total Global Property Equities Funds</b>		<b>422</b>	<b>6.45</b>
<b>Japanese Equities - 1.94%</b>			
+HSBC Japan Sustainable Equity UCITS ETF	12,676	127	1.94
<b>Total Japanese Equities</b>		<b>127</b>	<b>1.94</b>
<b>Euro Corporate Bond - 0.43%</b>			
*^Xtrackers II ESG EUR Corporate Bond UCITS ETF	197	28	0.43
<b>Total Euro Corporate Bond</b>		<b>28</b>	<b>0.43</b>
<b>US Corporate Bonds - 1.18%</b>			
*^UBS ETF - Bloomberg Barclays MSCI US Liquid Corporates Sustainable UCITS ETF	5,265	77	1.18
<b>Total US Corporate Bonds</b>		<b>77</b>	<b>1.18</b>
<b>European Equities - 5.33%</b>			
+HSBC Europe Sustainable Equity UCITS ETF	35,323	349	5.33
<b>Total European Equities</b>		<b>349</b>	<b>5.33</b>
<b>US Equities - 15.04%</b>			
+HSBC US Sustainable Equity UCITS ETF	69,324	985	15.04
<b>Total US Equities</b>		<b>985</b>	<b>15.04</b>

**Portfolio Statement**

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Forward Foreign Exchange Contracts - 0.00%</b>			
#GBP Forward Currency Contract settled 22 October 2020	GBP 21,097	21	0.32
#EUR Forward Currency Contract settled 22 October 2020	(EUR 22,892)	(21)	(0.32)
#JPY Forward Currency Contract settled 22 October 2020	JPY 3,681,540	27	0.41
#GBP Forward Currency Contract settled 22 October 2020	(GBP 27,105)	(27)	(0.41)
#CHF Forward Currency Contract settled 22 October 2020	CHF 31,630	27	0.41
#GBP Forward Currency Contract settled 22 October 2020	(GBP 27,083)	(27)	(0.41)
#GBP Forward Currency Contract settled 22 October 2020	GBP 170,285	170	2.60
#USD Forward Currency Contract settled 22 October 2020	(USD 219,613)	(170)	(2.60)
#JPY Forward Currency Contract settled 22 October 2020	JPY 853,814	6	0.09
#GBP Forward Currency Contract settled 22 October 2020	(GBP 6,272)	(6)	(0.09)
#CHF Forward Currency Contract settled 22 October 2020	CHF 7,964	7	0.11
#GBP Forward Currency Contract settled 22 October 2020	(GBP 6,732)	(7)	(0.11)
#GBP Forward Currency Contract settled 22 October 2020	GBP 26,299	26	0.40
#USD Forward Currency Contract settled 22 October 2020	(USD 33,888)	(26)	(0.40)
#GBP Forward Currency Contract settled 22 October 2020	GBP 7,477	7	0.11
#EUR Forward Currency Contract settled 22 October 2020	(EUR 8,207)	(7)	(0.11)
#GBP Forward Currency Contract settled 22 October 2020	GBP 19,757	20	0.31
#USD Forward Currency Contract settled 22 October 2020	(USD 25,632)	(20)	(0.31)
<b>Total Forward Foreign Exchange Contracts</b>		<b>-</b>	<b>0.00</b>
<b>Portfolio of investments</b>		<b>6,505</b>	<b>99.36</b>
<b>Net other assets</b>		<b>42</b>	<b>0.64</b>
<b>Net assets</b>		<b>6,547</b>	<b>100.00</b>

\*offshore funds

+related party

^listed

#unlisted

The Fund launched on 20 April 2020 hence no comparatives.

Unless otherwise stated, all holdings are authorised investment funds.

The counterparties for the forward foreign exchange contracts are HSBC, JP Morgan and Merrill Lynch.

Total purchases for the period, including transaction charges, were £8,092,002.

Total sales for the period, net of transaction charges, were £2,366,576.

## Comparative Tables

<b>Income C#</b>	<b>15.10.20</b>
Change in net assets per share	
Opening net asset value per share	100.00p
Return before operating charges*	19.37p
Operating charges**	(0.33p)
Return after operating charges*	19.04p
Distributions on income shares	(0.34p)
Closing net asset value per share	118.70p
*after direct transaction costs of:***	0.02p
<b>Performance</b>	
Return after charges	19.04%
<b>Other information</b>	
Closing net asset value	£101,167
Closing number of shares	85,261
Operating charges - OCF	0.78%
Direct transaction costs	0.01%
<b>Prices</b>	
Highest share price	120.10p
Lowest share price	99.70p

<b>Accumulation C#</b>	<b>15.10.20</b>
Change in net assets per share	
Opening net asset value per share	100.00p
Return before operating charges*	19.33p
Operating charges**	(0.33p)
Return after operating charges*	19.00p
Distributions on accumulation shares	(0.33p)
Retained distributions on accumulation shares	0.33p
Closing net asset value per share	119.00p
*after direct transaction costs of:***	0.02p
<b>Performance</b>	
Return after charges	19.00%
<b>Other information</b>	
Closing net asset value	£6,368,756
Closing number of shares	5,352,503
Operating charges - OCF	0.78%
Direct transaction costs	0.01%
<b>Prices</b>	
Highest share price	120.10p
Lowest share price	99.70p

#The Fund launched on 20 April 2020.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Accumulation P#</b>	<b>15.10.20</b>
Change in net assets per share	
Opening net asset value per share	100.00p
Return before operating charges*	19.32p
Operating charges**	(0.22p)
Return after operating charges*	19.10p
Distributions on accumulation shares	(0.44p)
Retained distributions on accumulation shares	0.44p
Closing net asset value per share	119.10p
*after direct transaction costs of:***	0.02p
<b>Performance</b>	
Return after charges	19.10%
<b>Other information</b>	
Closing net asset value	£77,319
Closing number of shares	64,907
Operating charges - OCF	0.57%
Direct transaction costs	0.01 %
<b>Prices</b>	
Highest share price	120.30p
Lowest share price	99.70p
#The Fund launched on 20 April 2020.	
**The operating charges include all costs borne by the Fund, except for direct transaction costs.	
***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.	

## Statement of Total Return

for the period ended 15 October 2020 (unaudited)

	15.10.20*	
	£'000	£'000
Income		
Net capital gains		783
Revenue	27	
Expenses	(14)	
Net revenue before taxation	13	
Taxation	-	
Net revenue after taxation		13
Total return before distributions		796
Distributions		(13)
Change in net assets attributable to shareholders from investment activities		783

\*The Fund launched on 20 April 2020.

## Statement of Change in Net Assets Attributable to Shareholders

for the period ended 15 October 2020 (unaudited)

	15.10.20*	
	£'000	£'000
Opening net assets attributable to shareholders		-
Amounts receivable on creation of shares	6,254	
Amounts payable on cancellation of shares	(510)	
		5,744
Dilution adjustment		2
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		783
Retained distribution on accumulation shares		18
Closing net assets attributable to shareholders		6,547

\*The Fund launched on 20 April 2020.

## Balance Sheet

as at 15 October 2020 (unaudited)

	15.10.20*	
	£'000	£'000
<b>Assets</b>		
Investments		6,505
Current assets		
Debtors	48	
Cash and bank balances	86	
Total current assets		134
Total assets		6,639
<b>Liabilities</b>		
Creditors		
Other creditors	(92)	
Total liabilities		(92)
Net assets attributable to shareholders		6,547

\*The Fund launched on 20 April 2020.

**Distribution Table (pence per share)**

for the period ended 15 October 2020 (unaudited)

Group 1: Shares purchased on 20 April 2020*			
Group 2: Shares purchased from 20 April 2020 to 15 October 2020			
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.12.20</i>
<b>Income C</b>			
Group 1	0.340000	-	0.340000
Group 2	0.150000	0.190000	0.340000
<b>Accumulation C</b>			
Group 1	0.330000	-	0.330000
Group 2	0.090000	0.240000	0.330000
<b>Accumulation P</b>			
Group 1	0.440000	-	0.440000
Group 2	0.160000	0.280000	0.440000
*The Fund launched on 20 April 2020.			

# Global Sustainable Multi-Asset Balanced Portfolio

## Investment Objective

To provide capital growth through investment in assets that meet sustainable investment principles. The Fund invests in a range of sustainable investment strategies which aim to consider financial returns alongside environmental, social and governance factors.

## Investment Policy\*

This is one of a range of actively managed Global Sustainable Multi-Asset Portfolios offered at different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is rated as 3 where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long-term risk profile therefore any potential returns are likely to be limited by the risk profile of the Fund.

To achieve its objective the Fund invests primarily in collective investment schemes, which in turn invest in fixed interest securities, equities and property securities that meet one or more sustainable investment strategies. The Fund may also invest directly in fixed interest securities and equities where the investment objective can be more efficiently achieved.

Additionally, the Fund may use exchange traded and over the counter derivatives and forward currency contracts for efficient portfolio management purposes, including hedging, and for investment purposes. Investing in derivatives for investment purposes means, in particular, maintaining positions in these investments for the long-term rather than just for tactical short-term purposes. However, it is envisaged that the use of derivatives for investment purposes will not be extensive and will not affect the overall risk profile of the Fund.

\*The full policy can be found in the prospectus.

## Investment Strategy\*

The starting point for the Global Sustainable Multi-Asset Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class.

The focus on sustainable investment strategies is taken into consideration at each stage, when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes.

Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in sterling.

\*The full strategy can be found in the prospectus.

## Portfolio Activity

At the start of the period, the portfolio was positioned in a cautious stance, after we had reduced our risk exposure through the worst of the volatility seen in Q1 2020.

As markets rebounded and confidence returned, we looked to add back to risk assets in a controlled way. The sell-off had seen valuations improve, with forward-looking returns for risk assets looking more attractive. Changes to the long-term target allocations were introduced through May and June over a couple of tranches, increasing exposure to equities and credit asset classes, while ensuring the portfolio remained within its risk profile.

In July, we increased our allocation to Eurozone equity on the back of better political integration in the EZ around their Covid-19 response policies. This coupled with attractive valuations indicated potential outperformance. As part of this trade, we reduced our exposures to the UK and Japan.

August saw the Portfolio Management team make a further adjustment to the equity allocation, tilting exposure slightly towards emerging markets, away from developed markets, while leaving the overall equity exposure in a neutral position. Asian emerging markets had done a better job of containing the pandemic and opening up their economies, leading to potentially higher returns.

We also adjusted our currency positioning in August. The US dollar appeared expensive and, with the upcoming election creating potential volatility, we increased exposures to the euro and Japanese yen to limit the impact of potential dollar depreciation.

In addition to the asset allocation changes in this commentary, we have also moved our regional equity exposures away from external managers and into a new range of HSBC Sustainable Equity ETFs. These new vehicles have been designed to better align to the house view of a sustainable investment as well as bringing the voting and engagement with the companies we own in-house.

Major purchases included: HSBC USA Sustainable Equity UCITS ETF, HSBC Emerging Market Sustainable Equity UCITS ETF, iShares Global Government Bond UCITS ETF, HSBC Europe Sustainable Equity UCITS ETF and HSBC Japan Sustainable Equity UCITS ETF.

Major sales included: iShares Core MSCI Emerging Markets SRI UCITS ETF, Xtrackers ESG MSCI Emerging Markets UCITS ETF, iShares MSCI Japan SRI ETF, UBS MSCI UK IMI Socially Responsible UCITS ETF and iShares MSCI USA SRI ETF.

## Investment Performance

During the period under review the value of the shares in the Fund increased by 14.34%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

<b>Fund Particulars</b> as at 16 October 2020 (unaudited)			
	<b>Income C</b>	<b>Accumulation C</b>	<b>Accumulation P</b>
Price	116.8p xd	118.6p	118.8p
Distribution payable (on 15 December 2020) per share net	0.530000p	0.540000p	0.640000p
Current net estimated yield	0.73%	0.74%	0.90%
Annual ACD charge	0.45%	0.45%	0.23%

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>UK Equities - 0.00% (0.45%)</b>			
<b>Global Corporate Bonds - 7.24% (9.22%)</b>			
+HSBC GIF Global Lower Carbon Bond Fund	1,391,201	12,360	7.24
<b>Total Global Corporate Bonds</b>		<b>12,360</b>	<b>7.24</b>
<b>Global Emerging Markets Equities - 7.97% (6.67%)</b>			
+HSBC Emerging Market Sustainable Equity UCITS ETF	1,304,061	13,601	7.97
<b>Total Global Emerging Markets Equities</b>		<b>13,601</b>	<b>7.97</b>
<b>Global Equities - 37.19% (40.72%)</b>			
+HSBC GIF Global Equity Climate Change Fund	1,414,465	16,130	9.45
+HSBC GIF Global Lower Carbon Equity Fund	2,412,098	21,739	12.73
+HSBC SRI Global Equity Fund	23,274	25,620	15.01
<b>Total Global Equities</b>		<b>63,489</b>	<b>37.19</b>
<b>Global Government Bonds - 0.33% (2.34%)</b>			
^*iShares Global Government Bond UCITS ETF	103,726	568	0.33
<b>Total Global Government Bonds</b>		<b>568</b>	<b>0.33</b>
<b>Global Property Equities Funds - 5.09% (4.27%)</b>			
+HSBC Global Investment Real Estate Equity Fund	1,252,590	8,691	5.09
<b>Total Global Property Equities Funds</b>		<b>8,691</b>	<b>5.09</b>
<b>Japanese Equities - 1.25% (0.80%)</b>			
+HSBC Japan Sustainable Equity UCITS ETF	213,198	2,140	1.25
<b>Total Japanese Equities</b>		<b>2,140</b>	<b>1.25</b>
<b>European Equities - 3.59% (1.38%)</b>			
+HSBC Europe Sustainable Equity UCITS ETF	620,858	6,130	3.59
<b>Total European Equities</b>		<b>6,130</b>	<b>3.59</b>
<b>Euro Corporate Bonds - 3.11% (3.15%)</b>			
^*Xtrackers II ESG EUR Corporate UCITS ETF	36,838	5,311	3.11
<b>Total Euro Corporate Bonds</b>		<b>5,311</b>	<b>3.11</b>
<b>US Corporate Bonds - 7.31% (8.06%)</b>			
^*UBS Barclays MSCI US Liquid Corporates Sustainable UCITS ETF	858,285	12,484	7.31
<b>Total US Corporate Bonds</b>		<b>12,484</b>	<b>7.31</b>
<b>US Equities - 10.11% (7.16%)</b>			
+HSBC USA Sustainable Equity UCITS ETF	1,214,298	17,258	10.11
<b>Total US Equities</b>		<b>17,258</b>	<b>10.11</b>

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>French Government Bonds - 2.06% (0.68%)</b>			
Government of France 2.5% 25/5/2030	€3,025,701	3,520	2.06
<b>Total French Government Bonds</b>		<b>3,520</b>	<b>2.06</b>
<b>German Government Bonds - 0.46% (1.59%)</b>			
Government of Germany 0% 8/4/2022	€288,202	264	0.15
Government of Germany 4.75% 4/7/2034	€331,376	527	0.31
<b>Total German Government Bonds</b>		<b>791</b>	<b>0.46</b>
<b>Japanese Government Bonds - 2.93% (2.15%)</b>			
Government of Japan 0.9% 20/3/2022	¥180,200,000	1,345	0.79
Government of Japan 1.1% 20/3/2033	¥443,500,000	3,647	2.14
<b>Total Japanese Government Bonds</b>		<b>4,992</b>	<b>2.93</b>
<b>Spanish Government Bonds - 1.73% (1.26%)</b>			
Government of Spain 2.15% 31/10/2025	€2,894,000	2,952	1.73
<b>Total Spanish Government Bonds</b>		<b>2,952</b>	<b>1.73</b>
<b>UK Government Bonds - 1.05% (0.74%)</b>			
UK Treasury 4% 7/3/2022	£99,586	105	0.06
UK Treasury 4.25% 7/12/2049	£873,942	1,690	0.99
<b>Total UK Government Bonds</b>		<b>1,795</b>	<b>1.05</b>
<b>US Government Bonds - 7.10% (5.66%)</b>			
US Treasury 1.25% 31/8/2024	\$5,521,000	4,443	2.60
US Treasury 2% 15/2/2023	\$4,616,200	3,729	2.19
US Treasury 2.25% 15/11/2027	\$119,600	104	0.06
US Treasury 3% 15/5/2045	\$3,725,800	3,839	2.25
<b>Total US Government Bonds</b>		<b>12,115</b>	<b>7.10</b>
<b>Forward Foreign Exchange Contracts - 0.11% (0.98%)</b>			
#CHF Forward Currency Contract settled 22 October 2020	CHF 925,872	785	0.46
#GBP Forward Currency Contract settled 22 October 2020	GBP (792,766)	(793)	(0.46)
#GBP Forward Currency Contract settled 22 October 2020	GBP 33,480,266	33,480	19.61
#USD Forward Currency Contract settled 22 October 2020	USD (43,178,729)	(33,449)	(19.59)
#GBP Forward Currency Contract settled 22 October 2020	GBP 2,920,579	2,921	1.71
#JPY Forward Currency Contract settled 22 October 2020	JPY (396,682,032)	(2,919)	(1.71)
#GBP Forward Currency Contract settled 22 October 2020	GBP 10,287,648	10,288	6.03
#EUR Forward Currency Contract settled 22 October 2020	EUR (11,162,844)	(10,118)	(5.93)
#GBP Forward Currency Contract settled 22 October 2020	GBP 240,187	240	0.14
#JPY Forward Currency Contract settled 22 October 2020	JPY (32,586,945)	(240)	(0.14)
#GBP Forward Currency Contract settled 22 October 2020	GBP 3,314,162	3,314	1.94
#USD Forward Currency Contract settled 22 October 2020	USD (4,259,915)	(3,300)	(1.93)
#GBP Forward Currency Contract settled 22 October 2020	GBP 1,093,958	1,094	0.64
#EUR Forward Currency Contract settled 22 October 2020	EUR (1,199,366)	(1,087)	(0.64)

## Portfolio Statement

as at 15 October 2020 (unaudited)

		<i>Bid value £'000</i>	<i>Total net assets %</i>
#CHF Forward Currency Contract settled 22 October 2020	CHF 55,101	47	0.03
#GBP Forward Currency Contract settled 22 October 2020	GBP (46,427)	(47)	(0.03)
#GBP Forward Currency Contract settled 22 October 2020	GBP 118,886	119	0.07
#USD Forward Currency Contract settled 22 October 2020	USD (155,245)	(120)	(0.07)
#GBP Forward Currency Contract settled 22 October 2020	GBP 1,370,709	1,371	0.80
#EUR Forward Currency Contract settled 22 October 2020	EUR (1,521,339)	(1,379)	(0.81)
#GBP Forward Currency Contract settled 22 October 2020	GBP 944,739	945	0.55
#JPY Forward Currency Contract settled 22 October 2020	JPY (129,720,656)	(955)	(0.56)
<b>Total Forward Foreign Exchange Contracts</b>		<b>197</b>	<b>0.11</b>
<b>Portfolio of investments</b>		<b>168,394</b>	<b>98.63</b>
<b>Net other assets</b>		<b>2,335</b>	<b>1.37</b>
<b>Net assets</b>		<b>170,729</b>	<b>100.00</b>
*offshore fund			
+related party			
^listed			
#unlisted			
Figures in brackets denote comparative percentage holdings as at 15 April 2020.			
Unless otherwise stated, all holdings are authorised investment funds.			
The counterparties for the forward foreign exchange contracts are HSBC Bank, JP Morgan, Goldman Sachs and Merrill Lynch.			
Total purchases for the period, including transaction charges, were £105,807,195.			
Total sales for the period, net of transaction charges, were £52,435,976.			
The bond ratings for the portfolio at 15 October 2020 were:			
		<i>Bid value £'000</i>	<i>Total net assets %</i>
Bond credit ratings			
Investment grade		26,165	15.33
<b>Total bonds</b>		<b>26,165</b>	<b>15.33</b>

## Comparative Tables

<b>Income C#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	102.10p	105.50p	100.00p	N/A
Return before operating charges*	15.10p	(1.93p)	6.03p	N/A
Operating charges**	(0.27p)	(0.60p)	(0.27p)	N/A
Return after operating charges*	14.83p	(2.53p)	5.76p	N/A
Distributions on income shares	(0.53)	(0.87p)	(0.26p)	N/A
Closing net asset value per share	116.40p	102.10p	105.50p	N/A
*after direct transaction costs of:***	0.01p	0.03p	0.02p	N/A
<b>Performance</b>				
Return after charges	14.52 %	(2.40 %)	5.76 %	N/A
<b>Other information</b>				
Closing net asset value	£3,193,811	£2,255,497	£5,129,424	N/A
Closing number of shares	2,742,836	2,209,923	4,863,287	N/A
Operating charges - OCF	0.68 %	0.68 %	0.71 %	N/A
Direct transaction costs	0.01 %	0.02 %	0.02 %	N/A
<b>Prices</b>				
Highest share price	117.80p	116.80p	105.90p	N/A
Lowest share price	102.10p	94.06p	96.60p	N/A

<b>Accumulation C#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	103.20p	105.70p	100.00p	N/A
Return before operating charges*	15.37p	(1.93p)	5.98p	N/A
Operating charges**	(0.27)	(0.57p)	(0.28p)	N/A
Return after operating charges*	15.10p	(2.50p)	5.70p	N/A
Distributions on accumulation shares	(0.54)	(0.96p)	(0.26p)	N/A
Retained distributions on accumulation shares	0.54p	0.96p	0.26p	N/A
Closing net asset value per share	118.30p	103.20p	105.70p	N/A
*after direct transaction costs of:***	0.01p	0.03p	0.02p	N/A
<b>Performance</b>				
Return after charges	14.63 %	(2.37 %)	5.70 %	N/A
<b>Other information</b>				
Closing net asset value	£156,365,886	£98,334,541	£13,733,262	N/A
Closing number of shares	132,205,850	95,281,470	12,988,871	N/A
Operating charges - OCF	0.68 %	0.66 %	0.72 %	N/A
Direct transaction costs	0.01 %	0.02 %	0.02 %	N/A
<b>Prices</b>				
Highest share price	119.10p	117.70p	105.90p	N/A
Lowest share price	103.20p	94.81p	96.60p	N/A

#The Fund launched on 24 October 2018.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Accumulation P##</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	103.30p	109.70p	N/A	N/A
Return before operating charges*	15.35p	(6.22p)	N/A	N/A
Operating charges**	(0.15p)	(0.18p)	N/A	N/A
Return after operating charges*	15.20p	(6.40p)	N/A	N/A
Distributions on accumulation shares	(0.64)	(0.60p)	N/A	N/A
Retained distributions on accumulation shares	0.64p	0.60p	N/A	N/A
Closing net asset value per share	118.50p	103.30p	N/A	N/A
*after direct transaction costs of:***	0.01p	0.03p	N/A	N/A
<b>Performance</b>				
Return after charges	14.71 %	(5.83 %)	N/A	N/A
<b>Other information</b>				
Closing net asset value	£11,169,154	£1,689,783	N/A	N/A
Closing number of shares	9,426,272	1,636,074	N/A	N/A
Operating charges - OCF	0.46%	0.42%	N/A	N/A
Direct transaction costs	0.01 %	0.02%	N/A	N/A
<b>Prices</b>				
Highest share price	119.30p	117.80p	N/A	N/A
Lowest share price	103.30p	94.88p	N/A	N/A
##The Accumulation P share class launched on 30 August 2019.				
**The operating charges include all costs borne by the Fund, except for direct transaction costs.				
***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.				

## Statement of Total Return

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		16,836		424
Revenue	1,015		294	
Expenses	(316)		(82)	
Interest payable and similar charges	(1)		-	
Net revenue before taxation	698		212	
Taxation	(8)		(14)	
Net revenue after taxation		690		198
Total return before distributions		17,526		622
Distributions		(688)		(195)
Change in net assets attributable to shareholders from investment activities		16,838		427

## Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		102,280		18,863
Amounts receivable on creation of shares	51,522		39,060	
Amounts payable on cancellation of shares	(687)		(7,614)	
		50,835		31,446
Dilution adjustment		2		94
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		16,838		427
Retained distribution on accumulation shares		774		280
Closing net assets attributable to shareholders		170,729		51,110

## Balance Sheet

as at 15 October 2020 (unaudited)

	15.10.20		15.4.20	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments		168,421		99,586
Current assets				
Debtors	4,851		2,286	
Cash and bank balances	-		2,032	
Total current assets		4,851		4,318
Total assets		173,272		103,904
<b>Liabilities</b>				
Investment liabilities		(27)		(93)
Creditors				
Bank overdrafts	(1,104)		-	
Distribution payable on income shares	(15)		(7)	
Other creditors	(1,397)		(1,524)	
Total creditors		(2,516)		(1,531)
Total liabilities		(2,543)		(1,624)
Net assets attributable to shareholders		170,729		102,280

**Distribution Table (pence per share)**

for the six months ended 15 October 2020 (unaudited)

Group 1: Shares purchased prior to 16 April 2020				
Group 2: Shares purchased from 16 April 2020 to 15 October 2020				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.12.20</i>	<i>Distribution paid 15.12.19</i>
<b>Income C</b>				
Group 1	0.530000	-	0.530000	0.550000
Group 2	0.200000	0.330000	0.530000	0.550000
<b>Accumulation C</b>				
Group 1	0.540000	-	0.540000	0.630000
Group 2	0.340000	0.200000	0.540000	0.630000
<b>Accumulation P#</b>				
Group 1	0.640000	-	0.640000	0.170000
Group 2	0.440000	0.200000	0.640000	0.170000
#The Accumulation P share class launched on 30 August 2019.				

# Global Sustainable Multi-Asset Cautious Portfolio

## Investment Objective

The Fund aims to provide growth in line with its risk profile in the long-term, which is a period of five years or more. The Fund's risk profile is rated as 1 where 1 is a lower level of risk and 5 is a higher level of risk. The Fund invests in a range of sustainable investment strategies.

## Investment Policy

To achieve its objective the Fund will invest a minimum of 40% in collective investment schemes, which in turn invest in bonds, shares of companies (equities) and property securities that meet one or more sustainable investment strategies. The Fund may also invest up to 60% directly in bonds where the investment objective can be more efficiently achieved and may invest directly in shares of companies in limited circumstances.

The collective investment schemes that the Fund invests in will, where appropriate, be those managed or operated by the HSBC Group. Where this is not appropriate the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements. The Fund may invest in derivatives for efficient portfolio management purposes, including hedging. This means investment techniques that aim to reduce risks, reduce costs or generate growth and income. The Fund may also use derivatives for broader investment purposes to help the Fund meet its objective. The Fund does not intend to use derivatives extensively and their use will be consistent with the risk profile of the Fund.

## Investment Strategy\*

This is one of a range of actively managed Global Sustainable Multi-Asset Portfolios offered at different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is managed with the aim of maximising returns in line with its agreed long-term risk profile of 1, where 1 is a lower level of risk and 5 is a higher level of risk therefore any potential returns are likely to be limited by the risk profile of the Fund.

The focus on sustainable investment strategies is taken into consideration at each stage, when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes.

\*The full strategy can be found in the prospectus.

## Use of Benchmark

The Fund is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of funds that are part of the Morningstar Cautious Allocation category, with both returns and volatility considered in the comparison. The Morningstar Cautious Allocation category has been selected to enable investors to assess the performance of the Fund because it consists of types of funds that are broadly similar to the Fund. Many funds sold in the UK (and globally) are grouped into categories by Morningstar, an independent data provider, to help investors to compare funds with broadly similar characteristics.

## Environmental, Social and Governance (ESG) and Carbon Intensity Ratings

To demonstrate the performance of the Fund against its sustainable investment aim the ESG and carbon intensity ratings of the Fund are shown compared to the ratings of a reference comparator. ESG ratings are a recognised way of measuring the level of sustainability in a company, market or investment fund. Carbon intensity considers how much a company or market contributes to global carbon emissions relative to its size. The reference comparator represents the ESG and carbon intensity ratings the Fund might have achieved if it did not have a sustainable investment aim. The reference comparator is a combination of market capitalisation indices that represent the asset classes held by the Fund and in the same proportions (weighting) as the Fund. The composition of the reference comparator varies over time in line with the asset classes and proportions held by the Fund.

## Use of Derivatives

The Fund may invest in exchange traded and over-the-counter derivatives in accordance with Part C and Part D of Appendix 3 in the Prospectus. In particular, equity index futures may be used to increase or reduce equity exposure and bond index futures may be used with the aim of managing the overall bond duration. Currency forward contracts will be used to gain exposure to currencies or with the aim of hedging against movements in the rate of exchange between sterling and the currency in which the bonds and other assets may be denominated.

## Portfolio Activity

The portfolio launched on 20 April 2020 and was initially positioned in a cautious stance, after we had reduced our risk exposure in our models through the worst of the volatility seen in Q1 2020.

As markets rebounded and confidence returned, we looked to add back to risk assets in a controlled way. The sell-off had seen valuations improve, with forward-looking returns for risk assets looking more attractive. Changes to the long-term target allocations were introduced through May and June over a couple of tranches, increasing exposure to equities and credit asset classes, while ensuring the portfolio remained within its risk profile.

In July, we increased our allocation to Eurozone equity on the back of better political integration in the EZ around their Covid-19 response policies. This coupled with attractive valuations indicated potential outperformance. As part of this trade, we reduced our exposures to the UK and Japan.

August saw the Portfolio Management team make a further adjustment to the equity allocation, tilting exposure slightly towards emerging markets, away from developed markets, while leaving the overall equity exposure in a neutral position. Asian emerging markets had done a better job of containing the pandemic and opening up their economies, leading to potentially higher returns.

We also adjusted our currency positioning in August. The US dollar appeared expensive and, with the upcoming election creating potential volatility, we increased exposures to the euro and Japanese yen to limit the impact of potential dollar depreciation.

In addition to the asset allocation changes in this commentary, we have also moved our regional equity exposures away from external managers and into a new range of HSBC Sustainable Equity ETFs. These new vehicles have been designed to better align to the house view of a sustainable investment as well as bringing the voting and engagement with the companies we own in-house.

Major purchases included: HSBC USA Sustainable Equity UCITS ETF, HSBC Emerging Market Sustainable Equity UCITS ETF, iShares Global Government Bond UCITS ETF, HSBC Europe Sustainable Equity UCITS ETF and HSBC Japan Sustainable Equity UCITS ETF.

Major sales included: Xtrackers ESG MSCI Emerging Markets UCITS ETF, Xtrackers ESG MSCI USA UCITS ETF, Xtrackers ESG MSCI Europe UCITS ETF and Xtrackers ESG MSCI Japan UCITS ETF.

## Investment Performance

As the Fund only launched on 20 April 2020, there is no performance information for this period.

### Fund Particulars

as at 16 October 2020 (unaudited)

	Income C	Accumulation C	Accumulation P
Price	106.0p xd	106.2p	106.3p
Distribution payable (on 15 December 2020) per share net	0.200000p	0.210000p	0.290000p
Current net estimated yield	0.19%	0.20%	0.27%
Annual ACD charge	0.45%	0.45%	0.23%

**Portfolio Statement**

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Global Corporate Bonds - 17.68%</b>			
+HSBC GIF Global Lower Carbon Bond Fund	148,857	1,323	17.68
<b>Total Global Corporate Bonds</b>		<b>1,323</b>	<b>17.68</b>
<b>Global Emerging Markets Equities - 2.87%</b>			
^+*HSBC Emerging Market Sustainable Equity UCITS ETF	20,575	215	2.87
<b>Total Global Emerging Markets Equities</b>		<b>215</b>	<b>2.87</b>
<b>Global Equities - 8.36%</b>			
+HSBC GIF Global Equity Climate Change Fund	16,681	190	2.54
+HSBC GIF Global Lower Carbon Equity Fund	17,108	154	2.06
+HSBC SRI Global Equity Fund	255	281	3.76
<b>Total Global Equities</b>		<b>625</b>	<b>8.36</b>
<b>Global Government Bonds - 1.60%</b>			
^+*Shares Global Government Bond UCITS ETF	21,935	120	1.60
<b>Total Global Government Bonds</b>		<b>120</b>	<b>1.60</b>
<b>Global Property Equities Funds - 1.56%</b>			
+HSBC Global Investment Real Estate Equity Fund	16,909	117	1.56
<b>Total Global Property Equities Funds</b>		<b>117</b>	<b>1.56</b>
<b>Japanese Equities - 0.64%</b>			
^+*HSBC Japan Sustainable Equity UCITS ETF	4,801	48	0.64
<b>Total Japanese Equities</b>		<b>48</b>	<b>0.64</b>
<b>European Equities - 1.82%</b>			
^+*HSBC Europe Sustainable Equity UCITS ETF	13,777	136	1.82
<b>Total European Equities</b>		<b>136</b>	<b>1.82</b>
<b>Euro Corporate Bonds - 5.45%</b>			
^*Xtrackers II ESG Euro Corporate UCITS ETF	2,826	408	5.45
<b>Total Euro Corporate Bonds</b>		<b>408</b>	<b>5.45</b>
<b>US Corporate Bonds - 11.98%</b>			
^*UBS Barclays MSCI US Liquid Corporates Sustainable UCITS ETF	61,606	896	11.98
<b>Total US Corporate Bonds</b>		<b>896</b>	<b>11.98</b>
<b>US Equities - 5.44%</b>			
^+*HSBC USA Sustainable Equity UCITS ETF	28,649	407	5.44
<b>Total US Equities</b>		<b>407</b>	<b>5.44</b>
<b>French Government Bonds - 5.39%</b>			
Government of France 2.5% 25/5/2030	€346,539	403	5.39
<b>Total French Government Bonds</b>		<b>403</b>	<b>5.39</b>

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>German Government Bonds - 1.30%</b>			
Government of Germany 0% 8/4/2022	€40,847	37	0.50
Government of Germany 4.75% 4/7/2034	€37,953	60	0.80
<b>Total German Government Bonds</b>		<b>97</b>	<b>1.30</b>
<b>Japanese Government Bonds - 7.64%</b>			
Government of Japan 0.9% 20/3/2022	¥20,650,000	154	2.06
Government of Japan 1.1% 20/3/2033	¥50,800,000	418	5.58
<b>Total Japanese Government Bonds</b>		<b>572</b>	<b>7.64</b>
<b>Spanish Government Bonds - 4.52%</b>			
Government of Spain 2.15% 31/10/2025	€331,000	338	4.52
<b>Total Spanish Government Bonds</b>		<b>338</b>	<b>4.52</b>
<b>UK Government Bonds - 2.75%</b>			
UK Treasury 4% 7/3/2022	£12,185	13	0.17
UK Treasury 4.25% 7/12/2049	£100,069	193	2.58
<b>Total UK Government Bonds</b>		<b>206</b>	<b>2.75</b>
<b>US Government Bonds - 18.56%</b>			
US Treasury 1.25% 31/8/2024	\$632,500	509	6.80
US Treasury 2% 15/2/2023	\$528,800	427	5.71
US Treasury 2.25% 15/11/2027	\$14,600	13	0.17
US Treasury 3% 15/5/2045	\$426,800	440	5.88
<b>Total US Government Bonds</b>		<b>1,389</b>	<b>18.56</b>
<b>Forward Foreign Exchange Contracts - 0.23%</b>			
#GBP Forward Currency Contract settled 22 October 2020	GBP 954,227	954	12.75
#EUR Forward Currency Contract settled 22 October 2020	(EUR 1,035,406)	(938)	(12.54)
#GBP Forward Currency Contract settled 22 October 2020	GBP 490,800	491	6.56
#JPY Forward Currency Contract settled 22 October 2020	(JPY 66,661,969)	(491)	(6.56)
#CHF Forward Currency Contract settled 22 October 2020	CHF 37,651	32	0.43
#GBP Forward Currency Contract settled 22 October 2020	(GBP 32,238)	(32)	(0.43)
#GBP Forward Currency Contract settled 22 October 2020	GBP 3,305,513	3,305	44.17
#USD Forward Currency Contract settled 22 October 2020	(USD 4,263,044)	(3,302)	(44.13)
#JPY Forward Currency Contract settled 22 October 2020	JPY 5,241,449	39	0.52
#GBP Forward Currency Contract settled 22 October 2020	(GBP 38,633)	(39)	(0.52)
#GBP Forward Currency Contract settled 22 October 2020	GBP 142,769	143	1.91
#USD Forward Currency Contract settled 22 October 2020	(USD 183,511)	(142)	(1.90)
#GBP Forward Currency Contract settled 22 October 2020	GBP 143,913	144	1.93
#EUR Forward Currency Contract settled 22 October 2020	(EUR 157,780)	(143)	(1.91)
#CHF Forward Currency Contract settled 22 October 2020	CHF 2,731	2	0.03
#GBP Forward Currency Contract settled 22 October 2020	(GBP 2,310)	(2)	(0.03)
#GBP Forward Currency Contract settled 22 October 2020	GBP 151,767	152	2.03

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
#USD Forward Currency Contract settled 22 October 2020	(USD 198,182)	(154)	(2.06)
#CHF Forward Currency Contract settled 22 October 2020	CHF 3,232	3	0.04
#GBP Forward Currency Contract settled 22 October 2020	(GBP 2,714)	(3)	(0.04)
#GBP Forward Currency Contract settled 22 October 2020	GBP 141,297	141	1.89
#EUR Forward Currency Contract settled 22 October 2020	(EUR 156,824)	(142)	(1.90)
#GBP Forward Currency Contract settled 22 October 2020	GBP 79,710	80	1.07
#JPY Forward Currency Contract settled 22 October 2020	(JPY 10,944,923)	(81)	(1.08)
<b>Total Forward Foreign Exchange Contracts</b>		<b>17</b>	<b>0.23</b>
<b>Portfolio of investments</b>		<b>7,317</b>	<b>97.79</b>
<b>Net other assets</b>		<b>165</b>	<b>2.21</b>
<b>Net assets</b>		<b>7,482</b>	<b>100.00</b>
*offshore fund			
+related party			
^listed			
#unlisted			
The Fund launched on 20 April 2020 hence no comparatives.			
Unless otherwise stated, all holdings are authorised investment funds.			
The counterparties for the forward foreign exchange contracts are HSBC, JP Morgan and Merrill Lynch.			
Total purchases for the period, including transaction charges, were £9,602,609.			
Total sales for the period, net of transaction charges, were £2,493,850.			
The bond ratings for the portfolio at 15 October 2020 were:			
		<i>Bid value £'000</i>	<i>Total net assets %</i>
Bond credit ratings			
Investment grade		3,005	40.16
<b>Total bonds</b>		<b>3,005</b>	<b>40.16</b>

## Comparative Tables

<b>Income C#</b>	<b>15.10.20</b>
Change in net assets per share	
Opening net asset value per share	100.00p
Return before operating charges*	6.22p
Operating charges**	(0.32p)
Return after operating charges*	5.90p
Distributions on income shares	(0.20p)
Closing net asset value per share	105.70p
*after direct transaction costs of:***	0.02p
<b>Performance</b>	
Return after charges	5.90%
<b>Other information</b>	
Closing net asset value	£73,578
Closing number of shares	69,613
Operating charges - OCF	0.75%
Direct transaction costs	0.02%
<b>Prices</b>	
Highest share price	106.00p
Lowest share price	100.00p

<b>Accumulation C#</b>	<b>15.10.20</b>
Change in net assets per share	
Opening net asset value per share	100.00p
Return before operating charges*	6.21p
Operating charges**	(0.31p)
Return after operating charges*	5.90p
Distributions on accumulation shares	(0.21p)
Retained distributions on accumulation shares	0.21p
Closing net asset value per share	105.90p
*after direct transaction costs of:***	0.02p
<b>Performance</b>	
Return after charges	5.90%
<b>Other information</b>	
Closing net asset value	£7,342,895
Closing number of shares	6,933,292
Operating charges - OCF	0.73%
Direct transaction costs	0.02%
<b>Prices</b>	
Highest share price	106.00p
Lowest share price	100.00p

#The Fund launched on 20 April 2020.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Accumulation P#</b>	<b>15.10.20</b>
Change in net assets per share	
Opening net asset value per share	100.00p
Return before operating charges*	6.21p
Operating charges**	(0.21p)
Return after operating charges*	6.00p
Distributions on accumulation shares	(0.29p)
Retained distributions on accumulation shares	0.29p
Closing net asset value per share	106.00p
*after direct transaction costs of:***	0.02p
<b>Performance</b>	
Return after charges	6.00%
<b>Other information</b>	
Closing net asset value	£65,738
Closing number of shares	62,018
Operating charges - OCF	0.53%
Direct transaction costs	0.02%
<b>Prices</b>	
Highest share price	106.30p
Lowest share price	99.90p
#The Fund launched on 20 April 2020.	
**The operating charges include all costs borne by the Fund, except for direct transaction costs.	
***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.	

## Statement of Total Return

for the period ended 15 October 2020 (unaudited)

	15.10.20*	
	£'000	£'000
Income		
Net capital gains		245
Revenue	27	
Expenses	(14)	
Net revenue before taxation	13	
Taxation	(2)	
Net revenue after taxation		11
Total return before distributions		256
Distributions		(11)
Change in net assets attributable to shareholders from investment activities		245
*The Fund launched on 20 April 2020.		

## Statement of Change in Net Assets Attributable to Shareholders

for the period ended 15 October 2020 (unaudited)

	15.10.20*	
	£'000	£'000
Opening net assets attributable to shareholders		-
Amounts receivable on creation of shares	7,239	
Amounts payable on cancellation of shares	(19)	
		7,220
Dilution adjustment		2
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		245
Retained distribution on accumulation shares		15
Closing net assets attributable to shareholders		7,482
*The Fund launched on 20 April 2020.		

## Balance Sheet

as at 15 October 2020 (unaudited)

	15.10.20*	
	£'000	£'000
<b>Assets</b>		
Investments		7,321
Current assets		
Debtors	463	
Total current assets		463
Total assets		7,784
<b>Liabilities</b>		
Investment liabilities		(4)
Creditors		
Bank overdrafts	(53)	
Other creditors	(245)	
Total creditors		(298)
Total liabilities		(302)
Net assets attributable to shareholders		7,482
*The Fund launched on 20 April 2020.		

**Distribution Table (pence per share)**

for the period ended 15 October 2020 (unaudited)

Group 1: Shares purchased on 20 April 2020*			
Group 2: Shares purchased from 20 April 2020 to 15 October 2020			
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.12.20</i>
<b>Income C</b>			
Group 1	0.200000	-	0.200000
Group 2	0.020000	0.180000	0.200000
<b>Accumulation C</b>			
Group 1	0.210000	-	0.210000
Group 2	0.090000	0.120000	0.210000
<b>Accumulation C</b>			
Group 1	0.290000	-	0.290000
Group 2	0.170000	0.120000	0.290000
*The Fund launched on 20 April 2020.			

# Global Sustainable Multi-Asset Conservative Portfolio

## Investment Objective

To provide capital growth through investment in assets that meet sustainable investment principles. The fund invests in a range of sustainable investment strategies which aim to consider financial returns alongside environmental, social and governance factors.

## Investment Policy\*

This is one of a range of actively managed Global Sustainable Multi-Asset Portfolios offered at different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is rated as 2 where 1 is a lower level of risk and 5 is a higher level of risk. The Fund is managed with the aim of maximising returns in line with its agreed long-term risk profile therefore any potential returns are likely to be limited by the risk profile of the Fund.

To achieve its objective the Fund invests primarily in collective investment schemes, which in turn invest in fixed interest securities, equities and property securities that meet one or more sustainable investment strategies. The Fund may also invest directly in fixed interest securities and equities where the investment objective can be more efficiently achieved.

Additionally, the Fund may use exchange traded and over the counter derivatives and forward currency contracts for efficient portfolio management purposes, including hedging, and for investment purposes. Investing in derivatives for investment purposes means, in particular, maintaining positions in these investments for the long-term rather than just for tactical short-term purposes. However, it is envisaged that the use of derivatives for investment purposes will not be extensive and will not affect the overall risk profile of the Fund.

\*The full policy can be found in the prospectus.

## Investment Strategy\*

The starting point for the Global Sustainable Multi-Asset Portfolios is the Strategic Asset Allocation (SAA). SAA is the long-term blend of assets for each risk level. Tactical Asset Allocation (TAA) is another layer on top of the SAA and is driven by the investment team's shorter term market outlook. Portfolio Implementation is the final stage in the investment process, where we decide how best to take exposure to each asset class.

The focus on sustainable investment strategies is taken into consideration at each stage, when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes.

Derivatives may be used with the aim of hedging to reduce market risk and to reduce the impact of currency movements but also with the aim of generating returns to assist the Fund in meeting its investment objective. Exchange traded futures may be used to gain or reduce exposure to certain asset classes. Forward currency contracts may be used to gain exposure to currencies or for hedging to reduce the impact of currency movements for certain asset classes that are not denominated in sterling.

\*The full strategy can be found in the prospectus.

## Portfolio Activity

At the start of the period, the portfolio was positioned in a cautious stance, after we had reduced our risk exposure through the worst of the volatility seen in Q1 2020.

As markets rebounded and confidence returned, we looked to add back to risk assets in a controlled way. The sell-off had seen valuations improve, with forward-looking returns for risk assets looking more attractive. Changes to the long-term target allocations were introduced through May and June over a couple of tranches, increasing exposure to equities and credit asset classes, while ensuring the portfolio remained within its risk profile.

In July, we increased our allocation to Eurozone equity on the back of better political integration in the EZ around their Covid-19 response policies. This coupled with attractive valuations indicated potential outperformance. As part of this trade, we reduced our exposures to the UK and Japan.

August saw the Portfolio Management team make a further adjustment to the equity allocation, tilting exposure slightly towards emerging markets, away from developed markets, while leaving the overall equity exposure in a neutral position. Asian emerging markets had done a better job of containing the pandemic and opening up their economies, leading to potentially higher returns.

We also adjusted our currency positioning in August. The US dollar appeared expensive and, with the upcoming election creating potential volatility, we increased exposures to the euro and Japanese yen to limit the impact of potential dollar depreciation.

In addition to the asset allocation changes in this commentary, we have also moved our regional equity exposures away from external managers and into a new range of HSBC Sustainable Equity ETFs. These new vehicles have been designed to better align to the house view of a sustainable investment as well as bringing the voting and engagement with the companies we own in-house.

Major purchases included: HSBC US Sustainable Equity UCITS ETF, HSBC Emerging Market Sustainable Equity UCITS ETF, iShares Global Government Bond UCITS ETF, HSBC Europe Sustainable Equity UCITS ETF and HSBC Japan Sustainable Equity UCITS ETF.

Major sales included: iShares Core MSCI Emerging Markets SRI UCITS ETF, Xtrackers ESG MSCI Emerging Markets UCITS ETF, iShares MSCI Japan SRI ETF, UBS MSCI UK IMI Socially Responsible UCITS ETF and iShares MSCI USA SRI ETF.

## Investment Performance

During the period under review the value of the shares in the Fund increased by 9.88%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

<b>Fund Particulars</b> as at 16 October 2020 (unaudited)			
	<b>Income C</b>	<b>Accumulation C</b>	<b>Accumulation P</b>
Price	114.3p xd	116.1p	116.4p
Distribution payable (on 15 December 2020) per share net	0.450000p	0.450000p	0.550000p
Current net estimated yield	0.74%	0.73%	0.89%
Annual ACD charge	0.45%	0.45%	0.23%

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Global Corporate Bonds - 10.97% (13.17%)</b>			
*+HSBC GIF Global Lower Carbon Bond Fund	1,293,710	11,493	10.97
<b>Total Global Corporate Bonds</b>		<b>11,493</b>	<b>10.97</b>
<b>Global Government Bonds - 4.07% (3.13%)</b>			
*^iShares Global Government Bond UCITS ETF	777,502	4,257	4.07
<b>Total Global Government Bonds</b>		<b>4,257</b>	<b>4.07</b>
<b>Global Emerging Markets Equities - 5.09% (4.18%)</b>			
+HSBC Emerging Market Sustainable ETF	510,672	5,326	5.09
<b>Total Global Emerging Markets Equities</b>		<b>5,326</b>	<b>5.09</b>
<b>Global Equities - 22.47% (26.07%)</b>			
+HSBC GIF Global Equity Climate Change Fund	624,981	7,127	6.80
+HSBC GIF Global Lower Carbon Equity Fund	640,424	5,772	5.51
+HSBC SRI Global Equity Fund	9,669	10,644	10.16
<b>Total Global Equities</b>		<b>23,543</b>	<b>22.47</b>
<b>Global Property Equities Funds - 2.97% (2.81%)</b>			
+HSBC GIF Global Real Estate Equity Fund	448,700	3,113	2.97
<b>Total Global Property Equities Funds</b>		<b>3,113</b>	<b>2.97</b>
<b>Japanese Equities - 0.92% (0.46%)</b>			
+HSBC Japan Sustainable Equity UCITS ETF	96,004	964	0.92
<b>Total Japanese Equities</b>		<b>964</b>	<b>0.92</b>
<b>Euro Corporate Bond - 4.84% (5.78%)</b>			
*^Xtrackers II ESG EUR Corporate Bond UCITS ETF	35,166	5,070	4.84
<b>Total Euro Corporate Bond</b>		<b>5,070</b>	<b>4.84</b>
<b>US Corporate Bonds - 11.79% (14.16%)</b>			
*^UBS ETF - Bloomberg Barclays MSCI US Liquid Corporates Sustainable UCITS ETF	849,366	12,354	11.79
<b>Total US Corporate Bonds</b>		<b>12,354</b>	<b>11.79</b>
<b>UK Equities - 0.00% (0.23%)</b>			
<b>European Equities - 2.71% (0.71%)</b>			
+HSBC Europe Sustainable Equity UCITS ETF	287,366	2,837	2.71
<b>Total European Equities</b>		<b>2,837</b>	<b>2.71</b>
<b>US Equities - 7.53% (3.80%)</b>			
+HSBC US Sustainable Equity UCITS ETF	554,924	7,887	7.53
<b>Total US Equities</b>		<b>7,887</b>	<b>7.53</b>

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>France Government Bonds - 3.31% (1.37%)</b>			
Government of France 2.5% 25/5/2030	€2,984,058	3,471	3.31
<b>Total France Government Bonds</b>		<b>3,471</b>	<b>3.31</b>
<b>German Government Bonds - 0.78% (2.50%)</b>			
Government of Germany 0% 8/4/2022	€316,516	290	0.28
Government of Germany 4.75% 4/7/2034	€326,815	519	0.50
<b>Total German Government Bonds</b>		<b>809</b>	<b>0.78</b>
<b>Japanese Government Bonds - 4.70% (4.38%)</b>			
Government of Japan 0.9% 20/3/2022	¥177,750,000	1,327	1.27
Government of Japan 1.1% 20/3/2033	¥437,450,000	3,597	3.43
<b>Total Japanese Government Bonds</b>		<b>4,924</b>	<b>4.70</b>
<b>Spanish Government Bonds - 2.78% (2.68%)</b>			
Government of Spain 2.15% 31/10/2025	€2,854,000	2,912	2.78
<b>Total Spanish Government Bonds</b>		<b>2,912</b>	<b>2.78</b>
<b>UK Government Bonds - 1.70% (1.39%)</b>			
UK Treasury 4% 7/3/2022	£109,371	116	0.11
UK Treasury 4.25% 7/12/2049	£862,167	1,668	1.59
<b>Total UK Government Bonds</b>		<b>1,784</b>	<b>1.70</b>
<b>US Government Bonds - 11.42% (11.45%)</b>			
US Treasury 1.25% 31/8/2024	\$5,445,700	4,382	4.18
US Treasury 2% 15/2/2023	\$4,553,300	3,678	3.51
US Treasury 2.25% 15/11/2027	\$131,400	114	0.11
US Treasury 3% 15/5/2045	\$3,675,000	3,787	3.62
<b>Total US Government Bonds</b>		<b>11,961</b>	<b>11.42</b>
<b>Forward Foreign Exchange Contracts - 0.20% (1.70%)</b>			
#GBP Forward Currency Contract 22/10/2020	GBP 11,227,926	11,228	10.72
#EUR Forward Currency Contract 22/10/2020	(EUR 12,183,114)	(11,043)	(10.54)
#CHF Forward Currency Contract 22/10/2020	CHF 563,267	478	0.46
#GBP Forward Currency Contract 22/10/2020	(GBP 482,290)	(482)	(0.46)
#GBP Forward Currency Contract 22/10/2020	GBP 4,394,263	4,394	4.19
#JPY Forward Currency Contract 22/10/2020	(JPY 596,842,242)	(4,392)	(4.19)
#GBP Forward Currency Contract 22/10/2020	GBP 34,300,545	34,301	32.75
#USD Forward Currency Contract 22/10/2020	(USD 44,236,624)	(34,268)	(32.72)
#GBP Forward Currency Contract 22/10/2020	GBP 829,694	830	0.79
#EUR Forward Currency Contract 22/10/2020	(EUR 909,639)	(825)	(0.79)
#GBP Forward Currency Contract 22/10/2020	GBP 986,029	986	0.94
#USD Forward Currency Contract 22/10/2020	(USD 1,267,409)	(982)	(0.94)
#JPY Forward Currency Contract 22/10/2020	JPY 71,515,129	526	0.50
#GBP Forward Currency Contract 22/10/2020	(GBP 527,113)	(527)	(0.50)
#CHF Forward Currency Contract 22/10/2020	CHF 35,704	30	0.03

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
#GBP Forward Currency Contract 22/10/2020	(GBP 30,084)	(30)	(0.03)
#GBP Forward Currency Contract 22/10/2020	GBP 509,487	510	0.49
#JPY Forward Currency Contract 22/10/2020	(JPY 69,956,949)	(515)	(0.49)
#GBP Forward Currency Contract 22/10/2020	GBP 403,475	403	0.39
#EUR Forward Currency Contract 22/10/2020	(EUR 447,814)	(406)	(0.39)
#GBP Forward Currency Contract 22/10/2020	GBP 223,395	223	0.21
#USD Forward Currency Contract 22/10/2020	(USD 291,717)	(226)	(0.22)
<b>Total Forward Foreign Exchange Contracts</b>		<b>213</b>	<b>0.20</b>
<b>Portfolio of investments</b>		<b>102,918</b>	<b>98.25</b>
<b>Net other assets</b>		<b>1,829</b>	<b>1.75</b>
<b>Net assets</b>		<b>104,747</b>	<b>100.00</b>
*offshore funds			
+related party			
^listed			
#unlisted			
Figures in brackets denote the comparative percentage holdings as at 15 April 2020.			
Unless otherwise stated, all holdings are authorised investment funds.			
The counterparties for the forward foreign exchange contracts are Merrill Lynch, Goldman Sachs, HSBC and JP Morgan.			
Total purchases for the period, including transaction charges, were £62,544,771.			
Total sales for the period, net of transaction charges, were £30,388,854.			
The bond ratings for the portfolio at 15 October 2020 were:			
		<i>Bid value £'000</i>	<i>Total net assets %</i>
Bond credit ratings			
Investment grade		25,861	24.69
<b>Total Bonds</b>		<b>25,861</b>	<b>24.69</b>

## Comparative Tables

<b>Income C#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	103.90p	104.80p	100.00p	N/A
Return before operating charges*	10.81p	0.69p	5.42p	N/A
Operating charges**	(0.27p)	(0.61p)	(0.25p)	N/A
Return after operating charges*	10.54p	0.08p	5.17p	N/A
Distributions on income shares	(0.44p)	(0.98p)	(0.37p)	N/A
Closing net asset value per share	114.00p	103.90p	104.80p	N/A
*after direct transaction costs of:***	0.01p	0.04p	0.02p	N/A
<b>Performance</b>				
Return after charges	10.14%	0.08%	5.17%	N/A
<b>Other information</b>				
Closing net asset value	£1,930,019	£1,344,274	£4,378,919	N/A
Closing number of shares	1,693,126	1,294,025	4,179,020	N/A
Operating charges - OCF	0.61%	0.75%	0.74%	N/A
Direct transaction costs	0.01%	0.04%	0.02%	N/A
<b>Prices</b>				
Highest share price	114.90p	113.90p	105.20p	N/A
Lowest share price	103.90p	97.30p	98.30p	N/A

<b>Accumulation C#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	105.20p	105.20p	100.00p	N/A
Return before operating charges*	10.87p	0.59p	5.46p	N/A
Operating charges**	(0.27p)	(0.59p)	(0.26p)	N/A
Return after operating charges*	10.60p	-	5.20p	N/A
Distributions on accumulation shares	(0.45p)	(1.12p)	(0.37p)	N/A
Retained distributions on accumulation shares	0.45p	1.12p	0.37p	N/A
Closing net asset value per share	115.80p	105.20p	105.20p	N/A
*after direct transaction costs of:***	0.01p	0.04p	0.02p	N/A
<b>Performance</b>				
Return after charges	10.08%	0.00%	5.20%	N/A
<b>Other information</b>				
Closing net asset value	£101,083,030	£63,319,877	£9,894,325	N/A
Closing number of shares	87,265,283	60,215,487	9,409,567	N/A
Operating charges - OCF	0.61%	0.74%	0.75%	N/A
Direct transaction costs	0.01%	0.04%	0.02%	N/A
<b>Prices</b>				
Highest share price	116.30p	114.80p	105.20p	N/A
Lowest share price	105.10p	98.10p	98.30p	N/A

#The Fund launched on 24 October 2018.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Accumulation P#</b>	<b>15.10.20</b>	<b>15.4.20</b>	<b>15.4.19</b>	<b>15.4.18</b>
Change in net assets per share				
Opening net asset value per share	105.30p	100.00p	N/A	N/A
Return before operating charges*	10.95p	5.50p	N/A	N/A
Operating charges**	(0.15p)	(0.20p)	N/A	N/A
Return after operating charges*	10.80p	5.30p	N/A	N/A
Distributions on accumulation shares	(0.55p)	(0.71p)	N/A	N/A
Retained distributions on accumulation shares	0.55p	0.71p	N/A	N/A
Closing net asset value per share	116.10p	105.30p	N/A	N/A
*after direct transaction costs of:***	0.01p	0.04p	N/A	N/A
<b>Performance</b>				
Return after charges	10.26%	5.30%	N/A	N/A
<b>Other information</b>				
Closing net asset value	£1,733,837	£315,709	N/A	N/A
Closing number of shares	1,493,581	299,776	N/A	N/A
Operating charges - OCF	0.39%	0.46%	N/A	N/A
Direct transaction costs	0.01%	0.04%	N/A	N/A
<b>Prices</b>				
Highest share price	116.60p	115.00p	N/A	N/A
Lowest share price	105.30p	98.20p	N/A	N/A
#The Accumulation P share class launched on 30 August 2019.				
**The operating charges include all costs borne by the Fund, except for direct transaction costs.				
***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.				

## Statement of Total Return

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		7,292		425
Revenue	577		221	
Expenses	(198)		(58)	
Net revenue before taxation	379		163	
Taxation	(29)		(20)	
Net revenue after taxation		350		143
Total return before distributions		7,642		568
Distributions		(344)		(141)
Change in net assets attributable to shareholders from investment activities		7,298		427

## Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 October 2020 (unaudited)

	15.10.20		15.10.19	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		64,980		14,273
Amounts receivable on creation of shares	32,188		24,942	
Amounts payable on cancellation of shares	(121)		(7,375)	
		32,067		17,567
Dilution adjustment		1		68
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		7,298		427
Retained distribution on accumulation shares		401		205
Closing net assets attributable to shareholders		104,747		32,540

## Balance Sheet

as at 15 October 2020 (unaudited)

	15.10.20		15.4.20	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments		102,934		65,060
Current assets				
Debtors	2,139		880	
Cash and bank balances	821		760	
Total current assets		2,960		1,640
Total assets		105,894		66,700
<b>Liabilities</b>				
Investment liabilities		(16)		(97)
Creditors				
Distribution payable on income shares	(7)		(5)	
Other creditors	(1,124)		(1,618)	
Total creditors		(1,131)		(1,623)
Total liabilities		(1,147)		(1,720)
Net assets attributable to shareholders		104,747		64,980

**Distribution Table (pence per share)**

for the six months ended 15 October 2020 (unaudited)

Group 1: Shares purchased prior to 16 April 2020				
Group 2: Shares purchased from 16 April 2020 to 15 October 2020				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.12.20</i>	<i>Distribution paid 15.12.19</i>
<b>Income C</b>				
Group 1	0.440000	-	0.440000	0.590000
Group 2	0.260000	0.180000	0.440000	0.590000
<b>Accumulation C</b>				
Group 1	0.450000	-	0.450000	0.720000
Group 2	0.240000	0.210000	0.450000	0.720000
<b>Accumulation P*</b>				
Group 1	0.550000	-	0.550000	0.220000
Group 2	0.300000	0.250000	0.550000	0.220000
*The Accumulation P share class launched on 30 August 2019.				

# Global Sustainable Multi-Asset Dynamic Portfolio

## Investment Objective

The Fund aims to provide growth in line with its risk profile in the long-term, which is a period of five years or more. The Fund's risk profile is rated as 4 where 1 is a lower level of risk and 5 is a higher level of risk. The Fund invests in a range of sustainable investment strategies.

## Investment Policy

To achieve its objective the Fund will invest a minimum of 70% in collective investment schemes, which in turn invest in bonds, shares of companies (equities) and property securities that meet one or more sustainable investment strategies. The Fund may also invest up to 30% directly in bonds where the investment objective can be more efficiently achieved and may invest directly in shares of companies in limited circumstances.

The collective investment schemes that the Fund invests in will, where appropriate, be those managed or operated by the HSBC Group. Where this is not appropriate the Fund may invest in collective investment schemes operated by third party fund providers.

The Fund may also invest in money market instruments, deposits and cash to manage day-to-day cash flow requirements. The Fund may invest in derivatives for efficient portfolio management purposes, including hedging. This means investment techniques that aim to reduce risks, reduce costs or generate growth and income. The Fund may also use derivatives for broader investment purposes to help the Fund meet its objective. The Fund does not intend to use derivatives extensively and their use will be consistent with the risk profile of the Fund.

## Investment Strategy\*

This is one of a range of actively managed Global Sustainable Multi-Asset Portfolios offered at different risk levels. The asset allocation of each fund in the range reflects the risk level. The Fund is managed with the aim of maximising returns in line with its agreed long-term risk profile of 4, where 1 is a lower level of risk and 5 is a higher level of risk therefore any potential returns are likely to be limited by the risk profile of the Fund.

The focus on sustainable investment strategies is taken into consideration at each stage, when deciding which asset classes the Fund will invest in and how the Fund achieves exposure to those asset classes.

\*The full strategy can be found in the prospectus.

## Use of Benchmark

The Fund is not managed with reference to a benchmark. The performance of the Fund is shown against the performance of funds that are part of the Morningstar Moderately Adventurous Allocation category, with both returns and volatility considered in the comparison. The Morningstar Moderately Adventurous Allocation category has been selected to enable investors to assess the performance of the Fund because it consists of types of funds that are broadly similar to the Fund. Many funds sold in the UK (and globally) are grouped into categories by Morningstar, an independent data provider, to help investors to compare funds with broadly similar characteristics.

## Environmental, Social and Governance (ESG) and Carbon Intensity Ratings

To demonstrate the performance of the Fund against its sustainable investment aim the ESG and carbon intensity ratings of the Fund are shown compared to the ratings of a reference comparator. ESG ratings are a recognised way of measuring the level of sustainability in a company, market or investment fund. Carbon intensity considers how much a company or market contributes to global carbon emissions relative to its size. The reference comparator represents the ESG and carbon intensity ratings the Fund might have achieved if it did not have a sustainable investment aim. The reference comparator is a combination of market capitalisation indices that represent the asset classes held by the Fund and in the same proportions (weighting) as the Fund. The composition of the reference comparator varies over time in line with the asset classes and proportions held by the Fund.

## Use of Derivatives

The Fund may invest in exchange traded and over-the-counter derivatives in accordance with Part C and Part D of Appendix 3 in the Prospectus. In particular, equity index futures may be used to increase or reduce equity exposure and bond index futures may be used with the aim of managing the overall bond duration. Currency forward contracts will be used to gain exposure to currencies or with the aim of hedging against movements in the rate of exchange between sterling and the currency in which the bonds and other assets may be denominated.

## Portfolio Activity

The portfolio launched on 20 April 2020 and was initially positioned in a cautious stance, after we had reduced our risk exposure in our models through the worst of the volatility seen in Q1 2020.

As markets rebounded and confidence returned, we looked to add back to risk assets in a controlled way. The sell-off had seen valuations improve, with forward-looking returns for risk assets looking more attractive. Changes to the long-term target allocations were introduced through May and June over a couple of tranches, increasing exposure to equities and credit asset classes, while ensuring the portfolio remained within its risk profile.

In July, we increased our allocation to Eurozone equity on the back of better political integration in the EZ around their Covid-19 response policies. This coupled with attractive valuations indicated potential outperformance. As part of this trade, we reduced our exposures to the UK and Japan.

August saw the Portfolio Management team make a further adjustment to the equity allocation, tilting exposure slightly towards emerging markets, away from developed markets, while leaving the overall equity exposure in a neutral position. Asian emerging markets had done a better job of containing the pandemic and opening up their economies, leading to potentially higher returns.

We also adjusted our currency positioning in August. The US dollar appeared expensive and, with the upcoming election creating potential volatility, we increased exposures to the euro and Japanese yen to limit the impact of potential dollar depreciation.

In addition to the asset allocation changes in this commentary, we have also moved our regional equity exposures away from external managers and into a new range of HSBC Sustainable Equity ETFs. These new vehicles have been designed to better align to the house view of a sustainable investment as well as bringing the voting and engagement with the companies we own in-house.

Major purchases included: HSBC US Sustainable Equity UCITS ETF, HSBC Emerging Market Sustainable Equity UCITS ETF, iShares Global Government Bond UCITS ETF, HSBC Europe Sustainable Equity UCITS ETF and HSBC Japan Sustainable Equity UCITS ETF.

Major sales included: Xtrackers ESG MSCI Emerging Markets UCITS ETF, Xtrackers ESG MSCI USA UCITS ETF, Xtrackers ESG MSCI Europe UCITS ETF and Xtrackers ESG MSCI Japan UCITS ETF.

## Investment Performance

As the Fund only launched on 20 April 2020, there is no performance information for this period.

### Fund Particulars

as at 16 October 2020 (unaudited)

	Income C	Accumulation C	Accumulation P
Price	117.2p xd	117.5p	117.6p
Distribution payable (on 15 December 2020) per share net	0.320000p	0.330000p	0.450000p
Current net estimated yield	0.27%	0.28%	0.38%
Annual ACD charge	0.45%	0.45%	0.23%

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Global Corporate Bonds - 3.52%</b>			
+ HSBC GIF Global Lower Carbon Bond Fund	73,782	655	3.52
<b>Total Global Corporate Bonds</b>		<b>655</b>	<b>3.52</b>
<b>Global Emerging Markets Equities - 10.72%</b>			
^*+ HSBC Emerging Market Sustainable Equity UCITS ETF	191,327	1,996	10.72
<b>Total Global Emerging Markets Equities</b>		<b>1,996</b>	<b>10.72</b>
<b>Global Equities - 49.10%</b>			
+ HSBC GIF Global Equity Climate Change Fund	200,681	2,289	12.29
+ HSBC GIF Global Lower Carbon Equity Fund	354,957	3,199	17.17
+ HSBC SRI Global Equity Fund	3,324	3,659	19.64
<b>Total Global Equities</b>		<b>9,147</b>	<b>49.10</b>
<b>Global Government Bonds - 0.25%</b>			
^*iShares Global Government Bond UCITS ETF	8,321	46	0.25
<b>Total Global Government Bonds</b>		<b>46</b>	<b>0.25</b>
<b>Global Property Equities Funds - 4.85%</b>			
+ HSBC Global Investment Real Estate Equity Fund	130,170	903	4.85
<b>Total Global Property Equities Funds</b>		<b>903</b>	<b>4.85</b>
<b>Japanese Equities - 1.84%</b>			
^*+ HSBC Japan Sustainable Equity UCITS ETF	34,218	343	1.84
<b>Total Japanese Equities</b>		<b>343</b>	<b>1.84</b>
<b>European Equities - 4.63%</b>			
^*+ HSBC Europe Sustainable Equity UCITS ETF	87,286	862	4.63
<b>Total European Equities</b>		<b>862</b>	<b>4.63</b>
<b>Euro Corporate Bonds - 1.60%</b>			
^* Xtrackers II ESG Euro Corporate UCITS ETF	2,075	299	1.60
<b>Total Euro Corporate Bonds</b>		<b>299</b>	<b>1.60</b>
<b>US Corporate Bonds - 3.71%</b>			
^* UBS Barclays MSCI US Liquid Corporates Sustainable UCITS ETF	47,574	692	3.71
<b>Total US Corporate Bonds</b>		<b>692</b>	<b>3.71</b>
<b>US Equities - 13.44%</b>			
^*+ HSBC USA Sustainable Equity UCITS ETF	176,123	2,503	13.44
<b>Total US Equities</b>		<b>2,503</b>	<b>13.44</b>
<b>French Government Bonds - 0.73%</b>			
Government of France 2.5% 25/5/2030	€117,189	136	0.73
<b>Total French Government Bonds</b>		<b>136</b>	<b>0.73</b>

## Portfolio Statement

as at 15 October 2020 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>German Government Bonds - 0.12%</b>			
Government of Germany 0% 8/4/2022	€9,103	8	0.04
Government of Germany 4.75% 4/7/2034	€8,463	14	0.08
<b>Total German Government Bonds</b>		<b>22</b>	<b>0.12</b>
<b>Japanese Government Bonds - 1.04%</b>			
Government of Japan 0.9% 20/3/2022	¥7,000,000	52	0.28
Government of Japan 1.1% 20/3/2033	¥17,200,000	142	0.76
<b>Total Japanese Government Bonds</b>		<b>194</b>	<b>1.04</b>
<b>Spanish Government Bonds - 0.61%</b>			
Government of Spain 2.15% 31/10/2025	€112,000	114	0.61
<b>Total Spanish Government Bonds</b>		<b>114</b>	<b>0.61</b>
<b>UK Government Bonds - 0.37%</b>			
UK Treasury 4% 7/3/2022	£3,150	3	0.02
UK Treasury 4.25% 7/12/2049	£33,925	66	0.35
<b>Total UK Government Bonds</b>		<b>69</b>	<b>0.37</b>
<b>US Government Bonds - 2.51%</b>			
US Treasury 1.25% 31/8/2024	\$213,800	172	0.92
US Treasury 2% 15/2/2023	\$178,800	144	0.77
US Treasury 2.25% 15/11/2027	\$3,800	3	0.02
US Treasury 3% 15/5/2045	\$144,300	149	0.80
<b>Total US Government Bonds</b>		<b>468</b>	<b>2.51</b>
<b>Forward Foreign Exchange Contracts - 0.04%</b>			
#GBP Forward Currency Contract settled 22 October 2020	GBP 336,729	337	1.81
#EUR Forward Currency Contract settled 22 October 2020	(EUR 365,328)	(331)	(1.78)
#JPY Forward Currency Contract settled 22 October 2020	JPY 267,663	2	0.01
#GBP Forward Currency Contract settled 22 October 2020	(GBP 1,971)	(2)	(0.01)
#GBP Forward Currency Contract settled 22 October 2020	GBP 1,389,400	1,389	7.46
#USD Forward Currency Contract settled 22 October 2020	(USD 1,791,834)	(1,388)	(7.45)
#CHF Forward Currency Contract settled 22 October 2020	CHF 92,283	78	0.42
#GBP Forward Currency Contract settled 22 October 2020	(GBP 79,023)	(79)	(0.42)
#JPY Forward Currency Contract settled 22 October 2020	JPY 126,855	1	0.01
#GBP Forward Currency Contract settled 22 October 2020	(GBP 939)	(1)	(0.01)
#GBP Forward Currency Contract settled 22 October 2020	GBP 342,936	343	1.84
#USD Forward Currency Contract settled 22 October 2020	(USD 440,975)	(342)	(1.84)
#CHF Forward Currency Contract settled 22 October 2020	CHF 6,705	6	0.03
#GBP Forward Currency Contract settled 22 October 2020	(GBP 5,671)	(6)	(0.03)
#GBP Forward Currency Contract settled 22 October 2020	GBP 45,337	45	0.24
#JPY Forward Currency Contract settled 22 October 2020	(JPY 6,152,083)	(45)	(0.24)
#GBP Forward Currency Contract settled 22 October 2020	GBP 134,068	134	0.72
#EUR Forward Currency Contract settled 22 October 2020	(EUR 146,871)	(133)	(0.71)
#GBP Forward Currency Contract settled 22 October 2020	GBP 120,147	120	0.65

## Portfolio Statement

as at 15 October 2020 (unaudited)

		<i>Bid value £'000</i>	<i>Total net assets %</i>
#USD Forward Currency Contract settled 22 October 2020	(USD 155,872)	(121)	(0.65)
#CHF Forward Currency Contract settled 22 October 2020	CHF 8,325	7	0.04
#GBP Forward Currency Contract settled 22 October 2020	(GBP 7,026)	(7)	(0.04)
#JPY Forward Currency Contract settled 22 October 2020	JPY 1,081,734	8	0.04
#GBP Forward Currency Contract settled 22 October 2020	(GBP 7,875)	(8)	(0.04)
#USD Forward Currency Contract settled 22 October 2020	USD 50,857	40	0.21
#GBP Forward Currency Contract settled 22 October 2020	(GBP 38,944)	(39)	(0.21)
#GBP Forward Currency Contract settled 22 October 2020	GBP 63,874	64	0.34
#JPY Forward Currency Contract settled 22 October 2020	(JPY 8,768,280)	(65)	(0.35)
#GBP Forward Currency Contract settled 22 October 2020	GBP 106,505	107	0.57
#EUR Forward Currency Contract settled 22 October 2020	(EUR 118,207)	(107)	(0.57)
<b>Total Forward Foreign Exchange Contracts</b>		<b>7</b>	<b>0.04</b>

<b>Portfolio of investments</b>	<b>18,456</b>	<b>99.08</b>
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<b>Net other assets</b>	<b>171</b>	<b>0.92</b>
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<b>Net assets</b>	<b>18,627</b>	<b>100.00</b>
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\*offshore fund

+related party

^listed

#unlisted

The Fund launched on 20 April 2020 hence no comparatives.

Unless otherwise stated, all investments are listed securities.

The counterparties for the forward foreign exchange contracts are HSBC, JP Morgan and Merrill Lynch.

Total purchases for the period, including transaction charges, were £21,650,087.

Total sales for the period, net of transaction charges, were £4,763,831.

The bond ratings for the portfolio at 15 October 2020 were:

	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Bond credit ratings</b>		
Investment grade	1,003	5.38
<b>Total bonds</b>	<b>1,003</b>	<b>5.38</b>

## Comparative Tables

<b>Income C#</b>	<b>15.10.20</b>
Change in net assets per share	
Opening net asset value per share	100.00p
Return before operating charges*	17.42p
Operating charges**	(0.30p)
Return after operating charges*	17.12p
Distributions on income shares	(0.32p)
Closing net asset value per share	116.80p
*after direct transaction costs of:***	0.02p
<b>Performance</b>	
Return after charges	17.12%
<b>Other information</b>	
Closing net asset value	£88,211
Closing number of shares	75,536
Operating charges - OCF	0.80%
Direct transaction costs	0.02%
<b>Prices</b>	
Highest share price	118.10p
Lowest share price	99.73p

<b>Accumulation C#</b>	<b>15.10.20</b>
Change in net assets per share	
Opening net asset value per share	100.00p
Return before operating charges*	17.40p
Operating charges**	(0.30p)
Return after operating charges*	17.10p
Distributions on accumulation shares	(0.33p)
Retained distributions on accumulation shares	0.33p
Closing net asset value per share	117.10p
*after direct transaction costs of:***	0.02p
<b>Performance</b>	
Return after charges	17.10%
<b>Other information</b>	
Closing net asset value	£18,001,744
Closing number of shares	15,372,351
Operating charges - OCF	0.79%
Direct transaction costs	0.02%
<b>Prices</b>	
Highest share price	118.10p
Lowest share price	99.73p

#The Fund was launched on 20 April 2020.

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

## Comparative Tables

<b>Accumulation P#</b>	<b>15.10.20</b>
Change in net assets per share	
Opening net asset value per share	100.00p
Return before operating charges*	17.39p
Operating charges**	(0.19p)
Return after operating charges*	17.20p
Distributions on accumulation shares	(0.45p)
Retained distributions on accumulation shares	0.45p
Closing net asset value per share	117.20p
*after direct transaction costs of:***	0.02p
<b>Performance</b>	
Return after charges	17.20%
<b>Other information</b>	
Closing net asset value	£537,256
Closing number of shares	458,292
Operating charges - OCF	0.57%
Direct transaction costs	0.02%
<b>Prices</b>	
Highest share price	118.20p
Lowest share price	99.73p
#The Fund was launched on 20 April 2020.	
**The operating charges include all costs borne by the Fund, except for direct transaction costs.	
***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.	

## Statement of Total Return

for the period ended 15 October 2020 (unaudited)

	15.10.20*	
	£'000	£'000
Income		
Net capital gains		1,594
Revenue	65	
Expenses	(29)	
Interest payable and similar charges	-	
Net revenue before taxation	36	
Taxation	-	
Net revenue after taxation		36
Total return before distributions		1,630
Distributions		(35)
Change in net assets attributable to shareholders from investment activities		1,595
*The Fund launched on 20 April 2020.		

## Statement of Change in Net Assets Attributable to Shareholders

for the period ended 15 October 2020 (unaudited)

	15.10.20*	
	£'000	£'000
Opening net assets attributable to shareholders		-
Amounts receivable on creation of shares	16,974	
Amounts payable on cancellation of shares	(1)	
		16,973
Dilution adjustment		6
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		1,595
Retained distribution on accumulation shares		53
Closing net assets attributable to shareholders		18,627
*The Fund launched on 20 April 2020.		

## Balance Sheet

as at 15 October 2020 (unaudited)

	15.10.20*	
	£'000	£'000
<b>Assets</b>		
Investments		18,459
Current assets		
Debtors	367	
Cash and bank balances	152	
Total current assets		519
Total assets		18,978
<b>Liabilities</b>		
Investment liabilities		(3)
Creditors		
Other creditors	(348)	
Total liabilities		(351)
Net assets attributable to shareholders		18,627
*The Fund launched on 20 April 2020.		

**Distribution Table (pence per share)**

for the period ended 15 October 2020 (unaudited)

Group 1: Shares purchased prior to 20 April 2020*			
Group 2: Shares purchased from 20 April 2020 to 15 October 2020			
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.12.20</i>
<b>Income C</b>			
Group 1	0.320000	-	0.320000
Group 2	0.110000	0.210000	0.320000
<b>Accumulation C</b>			
Group 1	0.330000	-	0.330000
Group 2	0.140000	0.190000	0.330000
<b>Accumulation P</b>			
Group 1	0.450000	-	0.450000
Group 2	0.220000	0.230000	0.450000
*The Fund launched on 20 April 2020.			

# Employee Remuneration Disclosure

## Remuneration Policy

HSBC OpenFunds are managed by HSBC Global Asset Management (UK) Limited, which is a wholly owned subsidiary of HSBC Holdings plc.

The firm's remuneration practices and policies are governed by the HSBC Group Remuneration Committee in compliance with the relevant regulatory requirements. For details please refer to the HSBC Group Remuneration Policy as published on our website (<http://www.hsbc.com/our-approach/remuneration>).

HSBC Global Asset Management (UK) Limited's remuneration requirements, as specified by the Alternative Investment Fund Managers Directive (AIFMD), are covered in the specific remuneration policy published in the HSBC Global Asset Management website (<http://www.global.assetmanagement.hsbc.com/about-us/governance-structure>).

## Remuneration Disclosures

The following tables show the remuneration details, including fixed and variable remuneration, made by HSBC Global Asset Management (UK) Limited to its employees and AIFMD Identified staff "Material Risk Takers" for performance year 2019. Individuals have been identified as "Material Risk Takers" based on the criteria set out in the Financial Conduct Authority's (FCA) AIFM Remuneration Code. The disclosures reflect the requirements of the FCA's FUND Sourcebook.

	Headcount No.	Fixed Remuneration £	Variable Remuneration £
<b>HSBC Global Asset Management (UK) Ltd Employees</b>	388	38,437,000.00	14,487,000.00
HSBC Universal Investment Funds - material risk takers	14	3,188,000.00	1,555,000.00
of which executive and non-executive members of the management body of the management company	6	1,875,000.00	1,011,000.00
Senior management	6	899,000.00	268,000.00
Control functions and staff responsible for heading the administration and marketing	3	486,000.00	167,000.00
Other significant influence functions and other risk takers	3	738,000.00	275,000.00
<b>World Selection - Dividend Distribution Fund*</b>			
Material risk takers	0.53	121,676.36	59,349.67
of which executive and non-executive members of the management body of the management company	0.23	71,563.11	38,586.83
Senior management	0.23	34,312.12	10,228.75
Control functions and staff responsible for heading the administration and marketing	0.11	18,549.16	6,373.89
Other significant influence functions and other risk takers	0.11	28,167.24	10,495.92
<b>Global Property Fund*</b>			
Material risk takers	0.32	72,431.88	35,329.86
of which executive and non-executive members of the management body of the management company	0.14	42,600.31	22,970.09
Senior management	0.14	20,425.43	6,089.00
Control functions and staff responsible for heading the administration and marketing	0.07	11,042.00	3,794.27
Other significant influence functions and other risk takers	0.07	16,767.48	6,248.05

\*the individual Fund's figures have been calculated using the net asset value as at 15 October 2020. These have then been divided by the total HSBC Global Asset Management figures to give the split by fund.

	Headcount No.	Fixed Remuneration £	Variable Remuneration £
<b>World Selection Adventurous Portfolio*</b>			
Material risk takers	0.14	32,671.30	15,935.97
of which executive and non-executive members of the management body of the management company	0.06	19,215.40	10,360.94
Senior management	0.06	9,213.14	2,746.52
Control functions and staff responsible for heading the administration and marketing	0.03	4,980.63	1,711.45
Other significant influence functions and other risk takers	0.03	7,563.18	2,818.26
<b>World Selection Balanced Portfolio*</b>			
Material risk takers	4.60	1,047,756.98	511,060.89
of which executive and non-executive members of the management body of the management company	1.97	616,230.97	332,271.73
Senior management	1.97	295,462.21	88,079.92
Control functions and staff responsible for heading the administration and marketing	0.99	159,727.08	54,885.65
Other significant influence functions and other risk takers	0.99	242,548.52	90,380.52
<b>World Selection Cautious Portfolio*</b>			
Material risk takers	0.92	210,010.77	102,436.25
of which executive and non-executive members of the management body of the management company	0.40	123,516.37	66,600.03
Senior management	0.40	59,221.98	17,654.61
Control functions and staff responsible for heading the administration and marketing	0.20	32,015.44	11,001.19
Other significant influence functions and other risk takers	0.20	48,616.04	18,115.73
<b>World Selection Conservative Portfolio*</b>			
Material risk takers	1.38	315,213.15	153,750.46
of which executive and non-executive members of the management body of the management company	0.59	185,390.42	99,962.52
Senior management	0.59	88,888.53	26,498.47
Control functions and staff responsible for heading the administration and marketing	0.30	48,053.20	16,512.11
Other significant influence functions and other risk takers	0.30	72,969.67	27,190.60
<b>World Selection Dynamic Portfolio*</b>			
Material risk takers	1.61	367,482.98	179,245.93
of which executive and non-executive members of the management body of the management company	0.69	216,132.55	116,538.67
Senior management	0.69	103,628.36	30,892.55
Control functions and staff responsible for heading the administration and marketing	0.35	56,021.56	19,250.21
Other significant influence functions and other risk takers	0.35	85,069.77	31,699.44

\*the individual Fund's figures have been calculated using the net asset value as at 15 October 2020. These have then been divided by the total HSBC Global Asset Management figures to give the split by fund.

	Headcount No.	Fixed Remuneration £	Variable Remuneration £
<b>World Selection Interest Income Portfolio*</b>			
Material risk takers	0.71	160,517.41	78,295.03
of which executive and non-executive members of the management body of the management company	0.30	94,407.20	50,904.36
Senior management	0.30	45,265.10	13,493.94
Control functions and staff responsible for heading the administration and marketing	0.15	24,470.35	8,408.53
Other significant influence functions and other risk takers	0.15	37,158.67	13,846.39
<b>Global Strategy Adventurous Portfolio*</b>			
Material risk takers	0.07	17,023.75	8,303.62
of which executive and non-executive members of the management body of the management company	0.03	10,012.40	5,398.69
Senior management	0.03	4,800.61	1,431.11
Control functions and staff responsible for heading the administration and marketing	0.02	2,595.21	891.77
Other significant influence functions and other risk takers	0.02	3,940.88	1,468.49
<b>Global Strategy Balanced Portfolio*</b>			
Material risk takers	2.05	467,285.44	227,926.24
of which executive and non-executive members of the management body of the management company	0.88	274,830.68	148,188.70
Senior management	0.88	131,772.15	39,282.47
Control functions and staff responsible for heading the administration and marketing	0.44	71,236.11	24,478.25
Other significant influence functions and other risk takers	0.44	108,173.36	40,308.50
<b>Global Strategy Cautious Portfolio*</b>			
Material risk takers	0.45	102,988.11	50,234.16
of which executive and non-executive members of the management body of the management company	0.19	60,571.74	32,660.28
Senior management	0.19	29,042.13	8,657.72
Control functions and staff responsible for heading the administration and marketing	0.10	15,700.19	5,394.92
Other significant influence functions and other risk takers	0.10	23,841.04	8,883.86
<b>Global Strategy Conservative Portfolio*</b>			
Material risk takers	0.26	58,387.06	28,479.26
of which executive and non-executive members of the management body of the management company	0.11	34,339.95	18,516.10
Senior management	0.11	16,464.86	4,908.32
Control functions and staff responsible for heading the administration and marketing	0.05	8,900.91	3,058.54
Other significant influence functions and other risk takers	0.05	13,516.20	5,036.53

\*the individual Fund's figures have been calculated using the net asset value as at 15 October 2020. These have then been divided by the total HSBC Global Asset Management figures to give the split by fund.

	Headcount No.	Fixed Remuneration £	Variable Remuneration £
<b>Global Strategy Dynamic Portfolio*</b>			
Material risk takers	0.56	127,072.33	61,981.64
of which executive and non-executive members of the management body of the management company	0.24	74,736.70	40,298.03
Senior management	0.24	35,833.76	10,682.37
Control functions and staff responsible for heading the administration and marketing	0.12	19,371.75	6,656.55
Other significant influence functions and other risk takers	0.12	29,416.37	10,961.38
<b>Global Sustainable Multi-Asset Adventurous Portfolio*</b>			
Material risk takers	0.01	1,865.30	909.83
of which executive and non-executive members of the management body of the management company	0.00	1,097.06	591.54
Senior management	0.00	526.01	156.81
Control functions and staff responsible for heading the administration and marketing	0.00	284.36	97.71
Other significant influence functions and other risk takers	0.00	431.80	160.90
<b>Global Sustainable Multi-Asset Balanced Portfolio*</b>			
Material risk takers	0.21	48,547.51	23,679.85
of which executive and non-executive members of the management body of the management company	0.09	28,552.88	15,395.71
Senior management	0.09	13,690.15	4,081.16
Control functions and staff responsible for heading the administration and marketing	0.05	7,400.91	2,543.11
Other significant influence functions and other risk takers	0.05	11,238.41	4,187.76
<b>Global Sustainable Multi-Asset Cautious Portfolio*</b>			
Material risk takers	0.01	2,104.87	1,026.68
of which executive and non-executive members of the management body of the management company	0.00	1,237.96	667.51
Senior management	0.00	593.56	176.95
Control functions and staff responsible for heading the administration and marketing	0.00	320.88	110.26
Other significant influence functions and other risk takers	0.00	487.26	181.57
<b>Global Sustainable Multi-Asset Conservative Portfolio*</b>			
Material risk takers	0.13	29,666.00	14,470.08
of which executive and non-executive members of the management body of the management company	0.06	17,447.85	9,407.88
Senior management	0.06	8,365.66	2,493.88
Control functions and staff responsible for heading the administration and marketing	0.03	4,522.48	1,554.02
Other significant influence functions and other risk takers	0.03	6,867.47	2,559.02

\*the individual Fund's figures have been calculated using the net asset value as at 15 October 2020. These have then been divided by the total HSBC Global Asset Management figures to give the split by fund.

	<b>Headcount No.</b>	<b>Fixed Remuneration £</b>	<b>Variable Remuneration £</b>
<b>Global Sustainable Multi- Asset Dynamic Portfolio*</b>			
Material risk takers	0.02	5,298.80	2,584.58
of which executive and non-executive members of the management body of the management company	0.01	3,116.45	1,680.39
Senior management	0.01	1,494.24	445.45
Control functions and staff responsible for heading the administration and marketing	0.01	807.78	277.57
Other significant influence functions and other risk takers	0.01	1,226.64	457.08

\*the individual Fund's figures have been calculated using the net asset value as at 15 October 2020. These have then been divided by the total HSBC Global Asset Management figures to give the split by fund.

## General Information

### How to Buy, Sell or Switch your Investment

- Call our Dealers on 0800 358 3011\*
- or
- Write to our Administration Office at: HSBC Global Asset Management (UK) Limited, PO Box 3733, Royal Wootton Bassett, Swindon, SN4 4BG.

### Switching your Investment

- Some discounts are available for switching between our OEIC funds.
- Switching from one OEIC fund to another may create a capital gains tax liability.

No subscription can be received on the basis of financial reports. Subscriptions are only valid if made on the basis of the current KIID (in conjunction with the Supplementary Information Document (SID)) and Prospectus accompanied by the latest Annual Report and the most recent Interim Report, if published thereafter. Further details of our switching discounts may be obtained by:-

- Telephoning our Customer Services, on 0800 358 3011\*

### Minimum Additional Subscription

- The minimum additional subscription are; £500 for the C, X and retail share classes; £1,000 for the P share classes; and £1,000,000 on the institutional and institutional A share classes.

### Selling your Investment

You can sell or make a withdrawal at any time.

- You must take at least £100 each time.
- We reserve the right to request that you leave the minimum investment of £1,000 for retail holdings, £1,000,000 for P and institutional A holdings and £10,000,000 for institutional holdings, or close the investment.
- Settlement is normally made within 3 business days from the receipt of your instructions.

### When we will Buy or Sell your Investment

Share prices are calculated at 12 noon each business day. The price at which shares are bought or sold depends on when we receive your instructions.

- Before 12 noon. That day's share prices will be used.
- After 12 noon. The following business day's prices will be used.

We will send you a contract note within 24 hours of the transaction. This confirms the transaction was made.

### Cancellation Rights

- In certain circumstances we will send you a cancellation notice. If so this will be sent within 7 days of making your investment.
- Return this notice to us within 30 days if you do not wish to proceed with your investment.
- It is possible to receive back less than your original investment, if the value of your shares has fallen.

### Publication of Prices

The prices of shares are updated daily on the following website: [www.assetmanagement.hsbc.com/uk](http://www.assetmanagement.hsbc.com/uk).

Alternatively you can call our Investments Helpline on 0800 358 3011.\*

## Prospectus

The Prospectus provides further details on our OEICs. For a copy of the latest Prospectus (available free of charge):-

- Telephone our Customer Services on 0800 358 3011\*
- Write to our Administration Office

## Income

Income is distributed or accumulated in the following way:-

- If you hold income shares, income will be distributed to you on the payment dates shown for each of the Funds in the table on pages 197 to 199.
- If you hold accumulation shares, income will be retained within the Fund. No additional shares will be bought. The price of shares will reflect the net income received.

We must disclose details of such distributions to HM Revenue and Customs (HMRC). The distribution also needs to be disclosed on your tax return.

## Income Tax

A tax voucher is sent to all shareholders when distributions are paid or accumulated which will aid completion of tax returns.

### Interest Distributions:

From 6 April 2017, any income that is distributed from our funds as interest is paid or accumulated gross of tax to all shareholders. This follows the announcement from the UK Government in 2016 of its intention to remove the requirement for tax to be deducted from interest distributions of open-ended investment companies. The Personal Savings Allowance currently applies for UK individual taxpayers. This means that no tax is payable on savings income, which includes interest distributions, of up to £1,000 for basic rate taxpayers and up to £500 for higher rate taxpayers.

This allowance is not available for additional rate taxpayers. UK taxpayers, including basic rate taxpayers, are liable to pay UK tax on savings income above the allowance, subject to the starting rate of tax for savings. For UK corporate shareholders, interest distributions will be paid without the deduction of tax. Such shareholders will be subject to corporation tax on the gross amount of the distribution or accumulation. For non-UK resident shareholders, interest distributions will be paid without the deduction of tax. Tax may or may not be payable depending on the shareholder's tax position and the provisions of any relevant double tax treaty with the UK.

### Dividend Distributions:

A dividend allowance applies for UK resident individual shareholders which charges the first £2,000 of dividends received in the tax year at 0%. A UK resident individual shareholder will have to pay income tax at the applicable basic, higher or additional rate (depending on the shareholder's individual tax position) on dividend income in excess of the £2,000 allowance. Note that dividend income within the £2,000 allowance will still count towards basic, higher and additional rate bands and may therefore affect the rate of income tax that a shareholder pays on dividends they receive in excess of the £2,000 allowance.

Where a corporate shareholder receives a dividend distribution from a Fund, such a shareholder should apportion the amount of the distribution (by way of a formula) between that part representing the Fund's income subject to corporation tax and that part representing the Fund's other income. Only that part which represents the income subject to corporation tax in the Fund will be liable to corporation tax (in the hands of the corporate shareholder) and will be treated as an annual payment received after deduction of income tax at the basic rate. That deemed income tax will be available to offset against the corporation tax liability of the shareholder or may be repaid subject to certain restrictions.

For non-UK resident shareholders, tax may or may not be payable depending on the shareholder's tax position and the provisions of any relevant double tax treaty with the UK.

This information is based on our understanding of current UK law and HM Revenue & Customs practice which may be subject to retrospective change. The future basis and rates of taxation may change without warning. Shareholders are recommended to consult their professional advisers if they are in any doubt as to their individual tax position.

**Capital Gains Tax**

You will not need to pay capital gains tax unless your net gains from all sources exceed the annual exemption limit. The limit for the 2020/2021 tax year is £12,300.

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\*To help us continually improve our service, and in the interests of security, we may monitor and/or record your communications with us.

Lines are open Monday to Friday from 9am to 5pm (excluding public holidays).

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## Important Notes

The Interim Report covers the period 16 April 2020 to 15 October 2020.

Investments in stocks and shares can go down as well as up and investors may not get back the amount they originally invested. This can affect the price of shares within open-ended investment companies and the income from them.

Past performance should not be seen as an indication of future returns.

Your holding in an open-ended investment company must be regarded as a medium to long-term investment; this means for at least five years.

Where overseas securities are held the prices and income may also be affected by changes in currency exchange rates. It is possible that the value of an investment may fall below its original level.

Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in some established markets. These risks include the possibility of failed or delayed settlement, registration and custody of securities and the level of investor protection offered.

The value and relative yield of fixed interest securities (including bonds) are strongly affected by interest rate fluctuations and by changes in the credit ratings of the underlying issuer of the assets. Higher-yielding securities are more likely to default.

The long-term nature of investment in property and the income generated tend to make this type of investment less volatile than equities although it can be difficult to buy and/or sell quickly. Where the underlying Funds invest directly in property, the property in the Fund may not be readily realisable, and the Manager of the Fund may apply a deferral on redemption requests. The value of property is generally a matter of the valuer's opinion rather than fact. Listed property securities are part of the equity market and are more volatile than direct (unlisted) property, which can mean that the price of shares and the income from them can fluctuate, sometimes dramatically.

Please note any reference to "Fund" or "Funds" means a sub fund of the Company.

This report is issued in the UK by HSBC Global Asset Management (UK) Limited, authorised and regulated by the Financial Conduct Authority.

There are risks involved in investing in HSBC OpenFunds. Please refer to the Prospectus, Key Investor Information Document (KIID) and Supplementary Information Document (SID) for further details.

The information in this report is based on our understanding of current law and HM Revenue and Customs practice as at 15 October 2020. Both law and practice may of course change.

The views expressed are those of HSBC Global Asset Management (UK) Limited and do not constitute investment advice. No liability can be accepted for recipients acting independently on its content.

The Company is authorised and regulated by the Financial Conduct Authority and is structured as an umbrella company, in that the Company proposes to issue shares linked to different Funds which have been established. The Company is a UCITS scheme.

Shareholders are not liable for the debts of the Company. A shareholder is not liable to make any further payment to the Company after the purchase price of the shares has been paid for.

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### Accounting Policies

The interim financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by The Investment Association in May 2014.

**S. White**  
Director



**T.J. Palmer**  
Director



**For and on behalf of HSBC Global Asset Management (UK) Limited**  
**ACD**  
**8 December 2020**

## Important Changes to the Company and/or Fund Documentation

The following changes to the Company have resulted in the ACD making changes to the Company's Instrument of Incorporation and its Prospectus.

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### Amendments to the Company's Instrument of Incorporation

The Instrument has been updated to add reference to three new sub-funds of the Company. The Global Sustainable Multi-Asset Adventurous Portfolio, Global Sustainable Multi-Asset Cautious Portfolio and the Global Sustainable Multi-Asset Dynamic Portfolio launched on 20 April 2020.

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### Amendments to the Company Prospectus

The Prospectus has been amended to reflect the changes detailed below.

#### Definitions

The following definitions were reworded; "market indices"

The following new Definitions were added; "asset allocation", "bonds", "bond index futures", "developed markets", "duration", "equity" or "equities", "equity index futures", "emerging markets", "high yield bond", "investment grade" and "market capitalisation indices"

#### The Constitution of the Funds

The table of current funds was updated to add reference to the Global Sustainable Multi-Asset Adventurous Portfolio, Global Sustainable Multi-Asset Cautious Portfolio and the Global Sustainable Multi-Asset Dynamic Portfolio launched on 20 April 2020.

Reference to the new funds have been added throughout the Prospectus.

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### Share Classes

The information regarding the Share Classes currently in issue and being offered in the Funds has been updated.

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### Dealing in Shares

The Buying Shares section has been updated to advise that contract notes will now include information on when cleared payments must be received.

The Selling Shares section has been updated to clarify that the ACD may defer the sale of shares. The Switching section has been updated to clarify that the ACD may defer a switch.

The references to 'mandatory conversions' have been amended to 'compulsory conversions'. The Compulsory Conversion section has been updated to advise the circumstances where a Shareholder can opt out of a compulsory conversion.

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### Risks

The general risk section has been updated to add 'pandemics' to the list of factors that may lead to market fluctuations.

We have added the following text under the general risks section:

The ACD may, under certain circumstances (as detailed in Dealing in Shares section on page 17) compulsorily redeem or convert all or a portion of a Shareholder's Shares in a Fund. Such compulsory redemption and conversion may create adverse tax and/or economic consequences to the Shareholder depending on the timing thereof.

No person will have any obligation to reimburse any portion of a Shareholder's losses in the event of the termination of a Fund, a compulsory redemption or a compulsory conversion.

The 'United Kingdom leaving the European Union' risk has been updated to reflect the current state of affairs.

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**Management and Administration**

The names of the directors of the ACD and any significant activities of each director have been updated where required.

The list of other delegated functions has been updated to add fund administration services.

The AIFM Conflicts of Interest policy has been updated to cover the Funds investing in exchange traded funds (UCITS) managed by an associate.

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**Fees and Expenses**

The explanation of the remuneration of the ACD has been amended to include reference to registration services.

The annual management charges, ongoing charges figures and dilution adjustment rates have been updated. The registration fee information has been removed from the tables as this is now included in the AMC where applicable.

An explanation of the Fund Administration Fee has been added.

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**Appendix 1**

The individual fund information has been added for the Global Sustainable Multi-Asset Adventurous Portfolio, Global Sustainable Multi-Asset Cautious Portfolio and the Global Sustainable Multi-Asset Dynamic Portfolio.

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**Appendix 2**

The Historical Fund Performance information has been updated.

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## Other Information

### **Equalisation**

Revenue received by the Fund during the distribution period is reflected in the price of shares until the revenue is distributed. The cost of Group 2 shares bought during a distribution period will therefore include an element of revenue.

Equalisation represents the average amount of accrued revenue included in the purchase price of all Group 2 shares sold in the year, which is refunded as part of a shareholder's first distribution. This amount is treated as a capital repayment for tax purposes. It is not liable to income or corporation tax and is deducted from the original cost of the shares for capital gains tax purposes.

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## Corporate Shareholders

A corporate shareholder will receive the distribution shown below on their annual consolidated tax voucher as follows:

Fund	Date payable/paid	Share class	Investment income	
			Franked	Unfranked
Global Property Fund	15.12.20	Retail Accumulation	100.00%	0.00%
	15.12.20	Institutional A Accumulation	78.84%	21.16%
	15.12.20	Income C	84.48%	15.52%
	15.12.20	Accumulation C	89.44%	10.56%
World Selection - Adventurous Portfolio	15.12.20	Income C	100.00%	0.00%
	15.12.20	Accumulation C	100.00%	0.00%
	15.12.20	Accumulation P	100.00%	0.00%
	15.12.20	Institutional Income	100.00%	0.00%
	15.12.20	Institutional Accumulation	100.00%	0.00%
World Selection - Balanced Portfolio	15.12.20	Retail Income	98.92%	1.08%
	15.12.20	Retail Accumulation	97.18%	2.82%
	15.12.20	Institutional Accumulation	62.11%	37.89%
	15.12.20	Institutional Income	62.02%	37.98%
	15.12.20	Income C	76.43%	23.57%
	15.12.20	Accumulation C	76.13%	23.87%
	15.12.20	Accumulation P	66.23%	33.77%
	15.12.20	Income P	67.75%	32.25%
World Selection - Cautious Portfolio	15.12.20	Institutional Accumulation	30.73%	69.27%
	15.12.20	Institutional Income	31.08%	68.92%
	15.12.20	Income C	41.56%	58.44%
	15.12.20	Accumulation C	41.22%	58.78%
	15.12.20	Accumulation P	33.48%	66.52%
	15.12.20	Income P	34.31%	65.69%
World Selection - Conservative Portfolio	15.12.20	Institutional Accumulation	47.53%	52.47%
	15.12.20	Institutional Income	46.11%	53.89%
	15.12.20	Income C	61.00%	39.00%
	15.12.20	Accumulation C	59.47%	40.53%
	15.12.20	Accumulation P	49.63%	50.37%
World Selection - Dividend Distribution Portfolio	15.12.20	Retail Income	91.67%	8.33%
	15.12.20	Retail Accumulation	91.85%	8.15%
	15.12.20	Income C	79.70%	20.30%
	15.12.20	Accumulation C	79.68%	20.32%
	15.9.20	Retail Income	73.68%	26.32%
	15.9.20	Retail Accumulation	73.72%	26.28%
	15.9.20	Income C	63.70%	36.30%
	15.9.20	Accumulation C	63.78%	36.22%
World Selection - Dynamic Portfolio	15.12.20	Institutional Income	80.22%	19.78%
	15.12.20	Institutional Accumulation	80.12%	19.88%
	15.12.20	Income C	95.35%	4.65%
	15.12.20	Accumulation C	95.29%	4.71%
	15.12.20	Income P	86.87%	13.13%
	15.12.20	Accumulation P	85.06%	14.94%

A corporate shareholder will receive the distribution shown below on their annual consolidated tax voucher as follows:

Fund	Date payable/paid	Share class	Investment income	
			Franked	Unfranked
World Selection - Interest Income Portfolio	15.12.20	Income C	0.00%	100.00%
	15.12.20	Accumulation C	0.00%	100.00%
	15.12.20	Accumulation P	0.00%	100.00%
	15.12.20	Income P	0.00%	100.00%
	15.9.20	Income C	0.00%	100.00%
	15.9.20	Accumulation C	0.00%	100.00%
	15.9.20	Income P	0.00%	100.00%
	15.9.20	Accumulation P	0.00%	100.00%
Global Strategy Adventurous Portfolio	15.12.20	Income C	100.00%	0.00%
	15.12.20	Accumulation C	100.00%	0.00%
Global Strategy Balanced Portfolio	15.12.20	CTF Accumulation	96.47%	3.53%
	15.12.20	Income C	78.14%	21.86%
	15.12.20	Retail X Accumulation	100.00%	0.00%
	15.12.20	Accumulation C	77.77%	22.23%
Global Strategy Cautious Portfolio	15.12.20	Income C	31.19%	68.81%
	15.12.20	Retail X Accumulation	45.61%	54.39%
	15.12.20	Accumulation C	32.91%	67.09%
Global Strategy Conservative Portfolio	15.12.20	Income C	100.00%	0.00%
	15.12.20	Accumulation C	100.00%	0.00%
Global Strategy Dynamic Portfolio	15.12.20	Income C	98.09%	1.91%
	15.12.20	Retail X Accumulation	100.00%	0.00%
	15.12.20	Accumulation C	98.26%	1.74%
Global Sustainable Multi-Asset Adventurous Portfolio	15.12.20	Income C	100.00%	0.00%
	15.12.20	Accumulation C	100.00%	0.00%
	15.12.20	Accumulation P	100.00%	0.00%
Global Sustainable Multi-Asset Balanced Portfolio	15.12.20	Retail Income C	96.46%	3.54%
	15.12.20	Retail Accumulation C	96.32%	3.68%
	15.12.20	Accumulation P	80.02%	19.98%
Global Sustainable Multi-Asset Cautious Portfolio	15.12.20	Retail Income C	47.64%	52.36%
	15.12.20	Retail Accumulation C	42.51%	57.49%
	15.12.20	Retail Accumulation P	32.82%	67.18%
Global Sustainable Multi-Asset Conservative Portfolio	15.12.20	Income C	67.79%	32.21%
	15.12.20	Accumulation C	67.30%	32.70%
	15.12.20	Accumulation P	52.63%	47.37%
Global Sustainable Multi-Asset Dynamic Portfolio	15.12.20	Retail Income C	100.00%	0.00%
	15.12.20	Retail Accumulation C	100.00%	0.00%
	15.12.20	Retail Accumulation P	100.00%	0.00%

## Risk and Reward Profile

Fund	Rating*
Global Property Fund	5†
World Selection - Adventurous Portfolio	5
World Selection - Balanced Portfolio	4
World Selection - Cautious Portfolio	3
World Selection - Conservative Portfolio	4††
World Selection - Dividend Distribution Portfolio	4
World Selection - Dynamic Portfolio	5†
World Selection - Interest Income Portfolio	4††
Global Strategy Adventurous Portfolio	5
Global Strategy Balanced Portfolio	4
Global Strategy Cautious Portfolio	3
Global Strategy Conservative Portfolio	4
Global Strategy Dynamic Portfolio	5
Global Sustainable Multi-Asset Adventurous Portfolio	5
Global Sustainable Multi-Asset Balanced Portfolio	4
Global Sustainable Multi-Asset Cautious Portfolio	4
Global Sustainable Multi-Asset Conservative Portfolio	4
Global Sustainable Multi-Asset Dynamic Portfolio	5

**Lower risk** **Higher risk**

← →

Typically lower rewards Typically higher rewards

1	2	3	4	5	6	7
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†The previous rating for this Fund was 4 until 4 August 2020.  
 ††The previous rating for this Fund was 3 until 4 August 2020.

### \*More About this Rating

The rating is based on price volatility over the last five years, and is an indicator of absolute risk. Historical data may not be a reliable indication for the future. The rating is not guaranteed to remain unchanged and the categorisation may shift over time. The lowest rating does not mean a risk-free investment.

For further information on the specific risks applicable to each Fund please visit [www.assetmanagement.hsbc.com/uk](http://www.assetmanagement.hsbc.com/uk).

# Directory

**The Company**

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**ACD and Head Office**

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**Investment Manager**

HSBC Global Asset Management (UK) Limited, 8 Canada Square, London, E14 5HQ

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**Depository**

State Street Trustees Limited, Quartermile 3, 10 Nightingale Way, Edinburgh, EH3 9EG

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**Regulator**

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**Auditor**

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To help us continually improve our services, and in the interests of security, we may monitor and/or record your communications with us.

## Quick Reference Guide to HSBC OpenFunds

Name of OEIC Fund	Global Property Fund	World Selection - Adventurous Portfolio	World Selection - Balanced Portfolio	World Selection - Cautious Portfolio	World Selection - Conservative Portfolio	World Selection - Dividend Distribution Portfolio
Number of distributions per year	2	2	2	2	2	4
Distribution dates	15 Jun 15 Dec	15 Jun 15 Dec	15 Jun 15 Dec	15 Jun 15 Dec	15 Jun 15 Dec	15 Jun 15 Sep 15 Dec 15 Mar
Lump sum minimum investment level †	£1,000,000	£1,000,000	£1,000,000	£1,000,000	£1,000,000	£1,000,000
Regular saver minimum investment level †	N/A	N/A	N/A	N/A	N/A	N/A
ACD charge % †	0.60	0.55	0.55	0.55	0.55	0.55
Available as an ISA	Yes	Yes	Yes	Yes	Yes	Yes
In ISA can income be paid	Yes	Yes	Yes	Yes	Yes	Yes
Income shares available	Yes	Yes	Yes	Yes	Yes	Yes
Accumulation shares available	Yes	Yes	Yes	Yes	Yes	Yes

†The above information relates to the C share class.

## Quick Reference Guide to HSBC OpenFunds

Name of OEIC Fund	World Selection - Dynamic Portfolio	World Selection - Interest Income Portfolio	Global Strategy Adventurous Portfolio	Global Strategy Balanced Portfolio	Global Strategy Cautious Portfolio	Global Strategy Conservative Portfolio
Number of distributions per year	2	4	2	2	2	2
Distribution dates	15 Jun 15 Dec	15 Jun 15 Sep 15 Dec 15 Mar	15 Jun 15 Dec	15 Jun 15 Dec	15 Jun 15 Dec	15 Jun 15 Dec
Lump sum minimum investment level †	£1,000,000	£1,000,000	£1,000,000	£1,000,000	£1,000,000	£1,000,000
Regular saver minimum investment level †	N/A	N/A	N/A	N/A	N/A	N/A
ACD % †	0.55	0.55	0.10	0.10	0.10	0.10
Available as an ISA	Yes	Yes	Yes	Yes	Yes	Yes
In ISA can income be paid	Yes	Yes	Yes	Yes	Yes	Yes
Income shares available	Yes	Yes	Yes	Yes	Yes	Yes
Accumulation shares available	Yes	Yes	Yes	Yes	Yes	Yes

†The above information relates to the C share class.

## Quick Reference Guide to HSBC OpenFunds

Name of OEIC Fund	Global Strategy Dynamic Portfolio	Global Sustainable Multi-Asset Adventurous Portfolio	Global Sustainable Multi-Asset Balanced Portfolio	Global Sustainable Multi-Asset Cautious Portfolio	Global Sustainable Multi-Asset Conservative Portfolio	Global Sustainable Multi-Asset Dynamic Portfolio
Number of distributions per year	2	2	2	2	2	2
Distribution dates	15 Jun 15 Dec	15 Jun 15 Dec	15 Jun 15 Dec	15 Jun 15 Dec	15 Jun 15 Dec	15 Jun 15 Dec
Lump sum minimum investment level †	£1,000,000	£1,000,000	£1,000,000	£1,000,000	£1,000,000	£1,000,000
Regular saver minimum investment level †	N/A	N/A	N/A	N/A	N/A	N/A
ACD % †	0.10	0.45	0.45	0.45	0.45	0.45
Available as an ISA	Yes	Yes	Yes	Yes	Yes	Yes
In ISA can income be paid	Yes	Yes	Yes	Yes	Yes	Yes
Income shares available	Yes	Yes	Yes	Yes	Yes	Yes
Accumulation shares available	Yes	Yes	Yes	Yes	Yes	Yes

†The above information relates to the C share class.

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**[www.assetmanagement.hsbc.com/uk](http://www.assetmanagement.hsbc.com/uk)**

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