

the DC funds

North American Equities - **passive**
as at 30 September 2018

fund objective

To provide long-term capital growth in excess of UK price inflation by investing predominantly in North American listed shares. The fund aims to perform in line with the benchmark as closely as possible.

fund facts	top 10 holdings	sector breakdown																																																
Launch date: 1 March 2018 Fund size: £8.72m Price per share: 232.80p Charges: Inv Mgmt Charges: 0.00% Additional Charges: 0.00% Current underlying fund(s): L&G North American Equity Index Fund Benchmark: FTSE All World North America Index	<table border="1"> <thead> <tr> <th></th> <th>%</th> </tr> </thead> <tbody> <tr><td>1. Apple Inc.</td><td>3.88</td></tr> <tr><td>2. Microsoft Corp</td><td>3.19</td></tr> <tr><td>3. Amazon.Com</td><td>2.87</td></tr> <tr><td>4. Alphabet</td><td>2.60</td></tr> <tr><td>5. Berkshire Hathaway</td><td>1.58</td></tr> <tr><td>6. JPMorgan Chase & Co</td><td>1.45</td></tr> <tr><td>7. Facebook Class A</td><td>1.43</td></tr> <tr><td>8. Johnson & Johnson</td><td>1.41</td></tr> <tr><td>9. Exxon Mobil Corporation</td><td>1.33</td></tr> <tr><td>10. Bank of America</td><td>1.06</td></tr> <tr><td>Total</td><td>20.80</td></tr> </tbody> </table>		%	1. Apple Inc.	3.88	2. Microsoft Corp	3.19	3. Amazon.Com	2.87	4. Alphabet	2.60	5. Berkshire Hathaway	1.58	6. JPMorgan Chase & Co	1.45	7. Facebook Class A	1.43	8. Johnson & Johnson	1.41	9. Exxon Mobil Corporation	1.33	10. Bank of America	1.06	Total	20.80	<table border="1"> <thead> <tr> <th></th> <th>%</th> </tr> </thead> <tbody> <tr><td>Technology</td><td>21.36</td></tr> <tr><td>Financials</td><td>19.80</td></tr> <tr><td>Consumer Services</td><td>13.05</td></tr> <tr><td>Health Care</td><td>12.56</td></tr> <tr><td>Industrials</td><td>11.90</td></tr> <tr><td>Consumer Goods</td><td>7.72</td></tr> <tr><td>Oil & Gas</td><td>6.49</td></tr> <tr><td>Utilities</td><td>2.68</td></tr> <tr><td>Basic Materials</td><td>2.39</td></tr> <tr><td>Telecommunications</td><td>2.05</td></tr> <tr><td>Total</td><td>100.00</td></tr> </tbody> </table> 		%	Technology	21.36	Financials	19.80	Consumer Services	13.05	Health Care	12.56	Industrials	11.90	Consumer Goods	7.72	Oil & Gas	6.49	Utilities	2.68	Basic Materials	2.39	Telecommunications	2.05	Total	100.00
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fund performance

	30 Sep 2017 - 30 Sep 2018 %	30 Sep 2016 - 30 Sep 2017 %	30 Sep 2015 - 30 Sep 2016 %	30 Sep 2014 - 30 Sep 2015 %	30 Sep 2013 - 30 Sep 2014 %
Fund	22.11%	14.81%	33.88%	4.20%	18.87%
Benchmark	22.27%	14.89%	34.12%	4.59%	18.67%
Relative Performance	-0.16%	-0.08%	-0.24%	-0.39%	0.20%

Rolling time period	3 months	6 months	1 year	3 year p.a.	5 year p.a.	Since launch
Fund	8.18%	21.38%	22.11%	23.35%	18.38%	16.79%
Benchmark	8.15%	21.36%	22.27%	23.51%	18.52%	17.00%
Relative Performance	0.03%	0.02%	-0.16%	-0.16%	-0.14%	-0.21%

Past performance isn't a guide to future performance. The figures are shown in sterling and have been calculated using actual returns since the introduction of the current DC fund range.

Source: Morningstar, FIL Life Insurance Ltd. Single priced (i.e. no bid/offer spread), gross income reinvested and gross of fees. Indicative prices have been used if a portfolio valuation fell on a non-trading day. The fund was launched on 1st March 2018, but links to an underlying fund which has been existence for a number of years. Before 1st March 2018, performance is simulated based on data provided by Legal and General, the underlying fund provider. Thereafter, returns are produced by Fidelity on a monthly basis.

for members of the HSBC Bank (UK) Pension Scheme

HSBC Bank Pension Trust (UK) Limited, 8 Canada Square London E14 5HQ
Registration number: 489775



market commentary

US equities rallied in the third quarter, posting the highest gains since the fourth quarter of 2013. Stock prices were supported by strong economic growth, robust corporate earnings, rising crude oil prices and easing tensions over global trade frictions. Meanwhile, Canada, Mexico and the US reached a new trade deal called the United States-Mexico-Canada Agreement (USMCA) to replace the North American Free Trade Agreement (NAFTA) just before the September 30 deadline. As widely expected, the US Federal Reserve (Fed) raised the interest rate range by 0.25 percentage points in September, and signalled one more rate hike this year. All sectors generated positive returns, with health care and industrials among the leading gainers. Growth stocks outperformed their value peers, albeit by a narrower margin. In terms of market capitalisation, large-cap companies outperformed their mid-cap peers.

risk rating

Very Low Low Low/Medium Medium Medium/High High Very High

All investments carry a level of risk. You need to decide how much of each type of risk you're prepared to take. The table below gives an overview of some of the risks associated with this fund.

risk type	description of risk	level of risk for this fund
Capital Risk	This is the risk that the value of your investments will fall. The younger you are, the less worried you might be about capital risk, because your investments have time to recover their value before you retire.	High
Inflation Risk	This is the risk that the value of your investments will grow more slowly than prices rise. Inflation can be a problem for pension savings invested in cash funds particularly if the interest you're earning is less than the rate of inflation.	Med
Pension Conversion Risk	The price of an annuity changes on a regular basis. This means that the amount of income you can secure with the same amount of money will change. Pension conversion risk is the risk that the amount of income you can buy drops before you retire, because your money is invested differently to annuity funds. That's why putting more of your DC pension pot into bonds to try to match annuity prices as you get closer to retirement age can help protect against this risk.	High

About the factsheet

It is important to remember that the price of units can go down as well as up. There's no guarantee that you'll get back the amount that goes into your DC pension pot. Changes in rates of currency exchange, particularly where overseas securities are held, could also affect the value of your investment.

All funds are provided through FIL Life Insurance Ltd and may invest in securities issued by or hold deposits with HSBC Holdings plc and associated companies.

The Trustee can change the underlying managers or funds at any time without member consent or prior notification.

Valuation time: Business days at 5:00pm (UK time)

Dealing Process: The cut off time for switch instructions is 2:00pm each business day.

Contact us

You can find more Scheme information at:
www.futurefocus.staff.hsbc.co.uk

If you have any questions contact the HSBC Administration Team at:
 email: HSBCpension@willistowerswatson.com
 phone: 01737 227 575

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Charges

HSBC pays the investment management charges – not you. However, there may be costs within some of the funds and these will be reflected in the unit price. These nominal costs are variable and are likely to be between nil and 0.2% a year.

