

market commentary

Global equities were flat in sterling terms. The momentum in the global economy moderated, although there were continued signs of stabilisation in Europe and positive economic data in the US. The victory of a centrist candidate in the French presidential election eased concerns about political risks in Europe, while the UK election result points to divisions within the country. The US Federal Reserve raised interest rates as widely expected, while the European Central Bank (ECB) clarified that it would continue to adopt an accommodative monetary stance. Elsewhere, the Organization of the Petroleum Exporting Countries (OPEC) extended its output cut to March 2018. Against this backdrop, Europe ex UK equities outperformed other regions, while Pacific ex-Japan lagged. At the sector level, health care was the strongest performer, while energy stocks came under pressure on continued concerns over increasing crude oil inventory in the US.

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 your 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.

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:
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If you have any questions contact the HSBC Administration Team at:

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for members of the HSBC Bank (UK) Pension Scheme

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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.

