

# the DC funds

UK Equities – **passive**  
as at 30 June 2018

## fund objective

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

### fund facts

**Launch date:**  
23 February 2007

**Fund size:**  
£18.87m

**Price per share:**  
193.80p

**Charges:**  
Inv Mgmt Charges: 0.00%  
Additional Charges: 0.00%

**Current underlying fund(s):**  
Legal & General UK Equity Index Fund

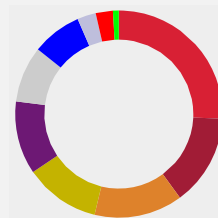
**Benchmark:**  
FTSE All-Share Index

### top 10 holdings

	%
1. Royal Dutch Shell A	9.07
2. HSBC Holdings	5.81
3. BP	4.57
4. British American Tobacco	3.55
5. Glaxosmithkline	3.03
6. Astrazeneca	2.72
7. Diageo	2.67
8. Vodafone Group	1.99
9. Rio Tinto	1.97
10. Unilever	1.95
<b>Total</b>	<b>37.33</b>

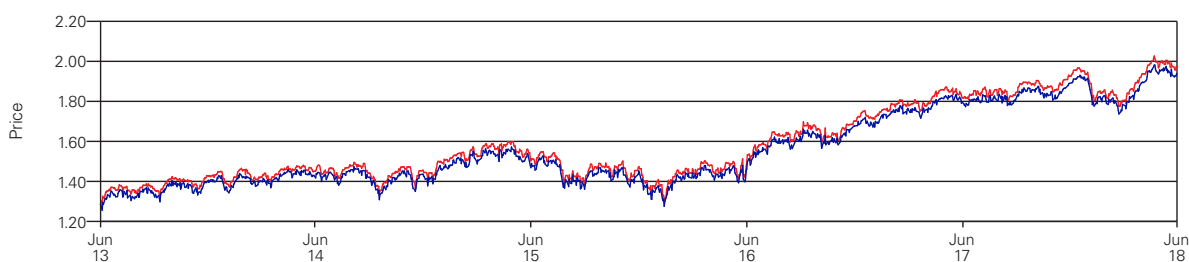
### sector breakdown

	%
Financials	25.73
Oil & Gas	14.22
Consumer Goods	13.83
Consumer Services	11.76
Industrials	11.41
Health Care	8.78
Basic Materials	7.77
Telecommunications	2.91
Utilities	2.67
Technology	0.92
<b>Total</b>	<b>100.00</b>



## fund performance

	30 Jun 2017 - 30 Jun 2018 %	30 Jun 2016 - 30 Jun 2017 %	30 Jun 2015 - 30 Jun 2016 %	30 Jun 2014 - 30 Jun 2015 %	30 Jun 2013 - 30 Jun 2014 %
<b>Fund</b>	7.91%	22.76%	-0.48%	3.59%	12.06%
<b>Benchmark</b>	8.66%	21.35%	-0.48%	3.51%	13.10%
<b>Relative Performance</b>	-0.75%	1.41%	0.00%	0.08%	-1.04%



Rolling time period	3 months	6 months	1 year	3 year p.a.	5 year p.a.	Since launch
Fund	8.63%	2.59%	7.91%	9.65%	8.88%	93.80%
Benchmark	9.42%	2.58%	8.66%	9.48%	8.97%	92.22%
Relative Performance	-0.79%	0.01%	-0.75%	0.17%	-0.09%	1.58%

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.

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

UK equities rebounded strongly in the second quarter, with the broad-based FTSE All Share Index registering its best quarterly performance in five years. The rally in share prices was driven by a combination of factors, notably a weak sterling. The decline in sterling buoyed the UK's largest companies, which generate most of their sales in foreign currencies. The currency weakened as the Bank of England (BoE) left interest rates unchanged, mainly due to a weak first-quarter GDP growth rate and slightly disappointing macroeconomic data. Merger and acquisition activity (M&A) continued to support share prices as some domestically focussed stocks benefited from takeover bids. Towards the end of the period, markets were increasingly volatile due to renewed concerns about global trade frictions following the introduction of protectionist tariffs by the US against its major trading partners and retaliatory trade measures, particularly by China.

## 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
<b>Capital Risk</b>	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
<b>Inflation Risk</b>	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
<b>Pension Conversion Risk</b>	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](http://www.futurefocus.staff.hsbc.co.uk)

If you have any questions contact the HSBC Administration Team at:  
 email: [HSBCpension@willistowerswatson.com](mailto: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.

