

fund **objective**

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

fund facts	top 10 holdings	geographical breakdown																																																
<p><b>Launch date:</b> 1 March 2018</p> <p><b>Fund size:</b> £4.07m</p> <p><b>Price per share:</b> 224.00p</p> <p><b>Charges:</b> Inv Mgmt Charges: 0.00% Additional Charges: 0.00%</p> <p><b>Current underlying fund(s):</b> L&amp;G European (Ex UK) Equity Index Fund</p> <p><b>Benchmark:</b> FTSE Developed Europe ex-UK Index</p>	<table border="1"> <thead> <tr> <th></th> <th>%</th> </tr> </thead> <tbody> <tr><td>1. Nestle</td><td>4.81</td></tr> <tr><td>2. Roche</td><td>3.22</td></tr> <tr><td>3. Novartis</td><td>2.87</td></tr> <tr><td>4. Total SA</td><td>1.93</td></tr> <tr><td>5. SAP</td><td>1.75</td></tr> <tr><td>6. Sanofi</td><td>1.54</td></tr> <tr><td>7. LVMH</td><td>1.52</td></tr> <tr><td>8. ASML Holding</td><td>1.52</td></tr> <tr><td>9. Allianz</td><td>1.51</td></tr> <tr><td>10. Unilever NV</td><td>1.34</td></tr> <tr><td><b>Total</b></td><td><b>22.01</b></td></tr> </tbody> </table>		%	1. Nestle	4.81	2. Roche	3.22	3. Novartis	2.87	4. Total SA	1.93	5. SAP	1.75	6. Sanofi	1.54	7. LVMH	1.52	8. ASML Holding	1.52	9. Allianz	1.51	10. Unilever NV	1.34	<b>Total</b>	<b>22.01</b>	<table border="1"> <thead> <tr> <th></th> <th>%</th> </tr> </thead> <tbody> <tr><td>France</td><td>23.49</td></tr> <tr><td>Switzerland</td><td>19.92</td></tr> <tr><td>Germany</td><td>18.70</td></tr> <tr><td>Netherlands</td><td>8.17</td></tr> <tr><td>Spain</td><td>6.22</td></tr> <tr><td>Other</td><td>5.92</td></tr> <tr><td>Sweden</td><td>5.63</td></tr> <tr><td>Italy</td><td>5.56</td></tr> <tr><td>Denmark</td><td>3.75</td></tr> <tr><td>Finland</td><td>2.64</td></tr> <tr><td><b>Total</b></td><td><b>100.00</b></td></tr> </tbody> </table> 		%	France	23.49	Switzerland	19.92	Germany	18.70	Netherlands	8.17	Spain	6.22	Other	5.92	Sweden	5.63	Italy	5.56	Denmark	3.75	Finland	2.64	<b>Total</b>	<b>100.00</b>
	%																																																	
1. Nestle	4.81																																																	
2. Roche	3.22																																																	
3. Novartis	2.87																																																	
4. Total SA	1.93																																																	
5. SAP	1.75																																																	
6. Sanofi	1.54																																																	
7. LVMH	1.52																																																	
8. ASML Holding	1.52																																																	
9. Allianz	1.51																																																	
10. Unilever NV	1.34																																																	
<b>Total</b>	<b>22.01</b>																																																	
	%																																																	
France	23.49																																																	
Switzerland	19.92																																																	
Germany	18.70																																																	
Netherlands	8.17																																																	
Spain	6.22																																																	
Other	5.92																																																	
Sweden	5.63																																																	
Italy	5.56																																																	
Denmark	3.75																																																	
Finland	2.64																																																	
<b>Total</b>	<b>100.00</b>																																																	

fund **performance**

	30 Sep 2018 - 30 Sep 2019 %	30 Sep 2017 - 30 Sep 2018 %	30 Sep 2016 - 30 Sep 2017 %	30 Sep 2015 - 30 Sep 2016 %	30 Sep 2014 - 30 Sep 2015 %
<b>Fund</b>	6.02%	2.07%	22.30%	20.85%	-1.41%
<b>Benchmark</b>	6.11%	2.33%	22.30%	21.03%	-0.98%
<b>Relative Performance</b>	-0.09%	-0.26%	0.00%	-0.18%	-0.43%

Rolling time period	3 months	6 months	1 year	3 year p.a.	5 year p.a.	Since launch
Fund	1.77%	11.29%	6.02%	9.79%	9.54%	9.56%
Benchmark	1.58%	11.07%	6.11%	9.91%	9.74%	9.74%
Relative Performance	0.19%	0.22%	-0.09%	-0.12%	-0.20%	-0.18%

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.

## market commentary

European markets remained volatile but ended in positive territory in the third quarter. Markets were primarily supported by monetary policy easing by the US and European central banks. The European Central Bank's (ECB) monetary stimulus package includes a 0.1 percentage point rate cut and the reinstatement of its bond buying programme at EUR20 billion per month from November, for 'as long as necessary' to achieve its inflation target. Markets also benefited from the successful formation of a new 'eurozone friendly' coalition government in Italy. However, gains were held back by weakening global economic data, full year 2019 corporate earnings downgrades, ongoing trade tensions between the US and China, and Brexit uncertainties. Defensives outperformed cyclicals over the quarter in a 'risk-off' environment, with utilities and consumer staples among the best performers.

## 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 your 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. Although the funds can typically be bought and sold on a daily basis, if an exceptional amount of withdrawals are requested, the fund manager may need to delay when you can access your holdings. 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

### Issued September 2019

Copyright HSBC Bank Pension Trust (UK) Limited 2015. All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior written permission of HSBC Bank Pension Trust (UK) Limited. Members of the pension scheme may, however, copy appropriate extracts in connection with their own benefits under the Scheme.

for members of the HSBC Bank (UK) Pension Scheme

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

### 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.

