

HSBC Global Funds ICAV

China Government Local Bond UCITS ETF*

Monthly report 31 March 2024 | Share class S6C



Investment objective

The Fund aims to provide regular income and capital growth by tracking as closely as possible the performance of the Bloomberg China Treasury + Policy Bank Index (total return) (the Index).



Investment strategy

The Index is comprised of Renminbi (CNY) denominated bonds that are listed on China Interbank Bond Market. The currency of the Index is US dollars (USD) and returns are unhedged. The Index includes fixed-rate government and policy bank bonds with a minimum outstanding amount of at least CNY 5 billion, and a maturity of at least one year. The Fund will be passively managed and will invest in CNY denominated bonds. The Fund will not necessarily invest in every Index constituent and may invest outside of the Index. The Fund may invest up to 10% in funds, up to 100% in non-investment grade bonds, up to 100% in government bonds issued by a single government issuer and up to 20% in securities issued by the same non-government issuer. The average credit ratings of the Fund's underlying investments are expected to be in-line with that of the Index. See the Prospectus for a full description of the investment objectives and derivative usage.



Main risks

- The Fund's unit value can go up as well as down, and any capital invested in the Fund may be at risk.
- The Fund invests in bonds whose value generally falls when interest rates rise. This risk is typically greater the longer the maturity of a bond investment and the higher its credit quality. The issuers of certain bonds, could become unwilling or unable to make payments on their bonds and default. Bonds that are in default may become hard to sell or worthless.
- The Fund may invest in Emerging Markets, these markets are less established, and often more volatile, than developed markets and involve higher risks, particularly market, liquidity and currency risks.

Share Class Details

Key metrics

NAV per Share	USD 10.08
Performance 1 month	-0.37%
Yield to maturity	2.27%

Fund facts

UCITS V compliant	Yes
Dividend treatment	Accumulating
Dealing frequency	Daily
Share Class Base Currency	USD
Domicile	Ireland
Inception date	3 April 2023
Fund Size	USD 255,683,288
Reference benchmark	100% Bloomberg China Treasury + Policy Bank Index (total return)
Managers	HSBC Passive Fixed Income Team

Fees and expenses

Minimum initial investment (HK)	USD 100,000,000
Ongoing Charge Figure ¹	0.135%
Maximum initial charge (HK)	0.000%

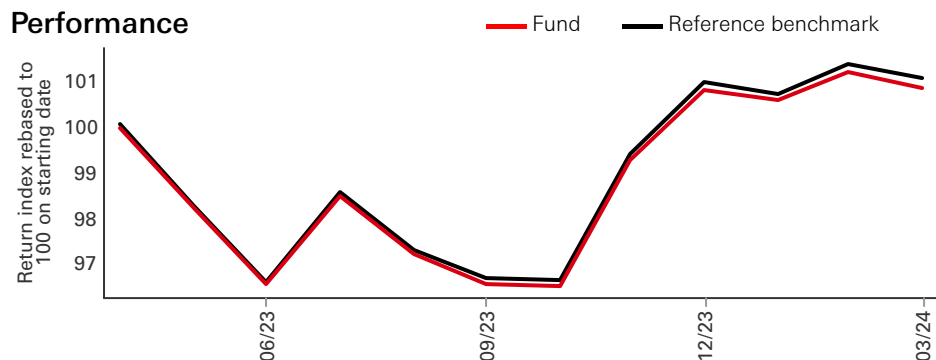
Codes

ISIN	IE0009DL9FL0
Bloomberg ticker	HSCGS6C ID

¹Ongoing Charges Figure is an estimate as the share class has not been priced for a full financial year.

Past performance does not predict future returns. The figures are calculated in the share class base currency, NAV to NAV basis with dividend reinvested, net of fees. If investment performance is not denominated in HKD or USD, HKD or USD based investors are exposed to exchange rate fluctuations. *The fund may pay dividends out of capital or gross of expenses. The fund changed its name from HSBC Global Funds ICAV – China Government Local Bond Index Fund on May 18th, 2023. *The fund is not authorized as an exchange traded fund listed in Hong Kong. For definition of terms, please refer to the Glossary QR code. Source: HSBC Asset Management, data as at 31 March 2024. For Professional investors only. Not for further distribution.

Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years	5 years	Since Inception
S6C	0.04	-0.37	0.04	4.47	--	--	--	0.84
Reference benchmark	0.09	-0.31	0.09	4.56	--	--	--	1.06

Calendar year performance (%)	2019	2020	2021	2022	2023
S6C	--	--	--	--	0.80
Reference benchmark	--	--	--	--	0.98

The calendar year return of the first year is calculated between share class inception date and calendar year end of first year if the share class has less than 5-year history.

Results are cumulative

3-Year Risk Measures	S6C	Reference benchmark	5-Year Risk Measures	S6C	Reference benchmark
Volatility	--	--	Volatility	--	--
Sharpe ratio	--	--	Sharpe ratio	--	--
Tracking error	--	--	Tracking error	--	--
Information ratio	--	--	Information ratio	--	--

Fixed Income Characteristics	Fund	Reference benchmark	Relative
No. of holdings ex cash	153	332	--
Average coupon rate	2.80	3.13	-0.32
Portfolio yield	2.27%	2.25%	0.02%
Yield to maturity	2.27%	2.26%	0.01%
Current yield	2.69%	2.95%	-0.26%
Effective duration	6.03	6.03	0.00
Average maturity	7.56	7.72	-0.16
Number of issuers	4	4	--

Maturity Breakdown (Effective duration)	Fund	Reference benchmark	Relative
0-2 years	0.25	0.26	-0.01
2-5 years	1.19	1.09	0.10
5-10 years	2.27	2.31	-0.05
10+ years	2.33	2.37	-0.05
Total	6.03	6.03	0.00

Past performance does not predict future returns. The figures are calculated in the share class base currency, NAV to NAV basis with dividend reinvested, net of fees. If investment performance is not denominated in HKD or USD, HKD or USD based investors are exposed to exchange rate fluctuations. *The fund may pay dividends out of capital or gross of expenses.

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Sector Allocation (%)	Fund	Reference benchmark	Relative
Treasury Bill	52.57	52.56	0.01
Government Owned, No guarantee	47.02	47.44	-0.43
Cash	0.42	--	0.42

Top 10 Holdings	Weight (%)
CHINA GOVT BOND 2.180 15/08/26	2.15
CHINA GOVT BOND 2.550 15/10/28	1.95
CHINA GOVT BOND 2.220 25/09/25	1.93
CHINA GOVT BOND 2.330 15/12/25	1.92
CHINA GOVT BOND 2.600 15/09/30	1.84
CHINA GOVT BOND 2.390 15/11/26	1.82
CHINA DEV BANK 2.520 25/05/28	1.79
CHINA GOVT BOND 2.370 15/01/29	1.70
CHINA GOVT BOND 3.120 05/12/26	1.69
CHINA GOVT BOND 2.540 25/12/30	1.66

Risk Disclosure

- To the extent that the Fund seeks to replicate index performance by holding individual securities, there is no guarantee that its composition or performance will exactly match that of the target index at any given time (“tracking error”).
- Investment Leverage occurs when the economic exposure is greater than the amount invested, such as when derivatives are used. A Fund that employs leverage may experience greater gains and/or losses due to the amplification effect from a movement in the price of the reference source.
- Where overseas investments are held the rate of currency exchange may cause the value of such investments to go down as well as up.
- Further information on the potential risks can be found in the Key Information Document (KID) and/or the Prospectus or Offering Memorandum.

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Supplemental information sheet

Share class	Share Class Base Currency	Distribution Frequency	Dividend ex-date	Dividend Amount	Annualised Yield based on ex-dividend date
HCHKD	HKD	--	--	--	--
S6C	USD	--	--	--	--
SC	USD	--	--	--	--
ZQ	USD	Quarterly	24 January 2024	0.070670	2.73%
ZQ	USD	Quarterly	24 October 2023	0.066067	--
ZQ	USD	Quarterly	21 July 2023	0.065667	2.56%
ZQ	USD	Quarterly	25 April 2023	0.078542	2.99%

The above table cites the last dividend paid within the last 12 months only.
Dividend is not guaranteed and may be paid out of capital, which will result in capital erosion and reduction in net asset value. A positive distribution yield does not imply a positive return. Past distribution yields and payments do not represent future distribution yields and payments. Historical payments may be comprised of both distributed income and capital.
The calculation method of annualised yield from August 2019 is the compound yield calculation: $((1 + (\text{dividend amount} / \text{ex-dividend NAV}))^n)^{1/n} - 1$, n depends on the distributing frequency. Annually distribution is 1; semi-annually distribution is 2; quarterly distribution is 4; monthly distribution is 12.
The annualised dividend yield is calculated based on the dividend distribution on the relevant date with dividend reinvested, and may be higher or lower than the actual annual dividend yield.
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HSBC Global Funds ICAV - China Government Local Bond UCITS ETF

Share Class S6C

As at 31/03/2024

Performance (%)	YTD	1 month	3 months	6 months	Since 07/06/2023*
S6C	0.04	-0.37	0.04	4.47	2.69
Reference benchmark	0.09	-0.31	0.09	4.56	3.00

*The initial investment date of the Provident Fund Scheme in the Fund was 07/06/2023.

The following performance was calculated by simulation with the total annual fee (0.135%) of the Share Class S6C.						The initial investment date to end of 2023
Calendar year performance (%)	2019 [#]	2020	2021	2022	Beginning of 2023 to the initial investment date	
S6C	3.09	9.26	8.34	-5.32	-0.26	2.65
Reference benchmark	3.07	9.49	8.61	-5.25	-0.19	2.91

[#]The return in 2019 only reflected the performance between 28/10/2019 (the inception date of the Fund) and 31/12/2019.

Remark : The above supplementary information is provided by HSBC and is for members of the Provident Fund Scheme only.