

## HSBC Global Funds ICAV

# Global Corporate Bond UCITS ETF

Marketing communication | Monthly report 28 February 2025 | - | ZQH

This product is based overseas and is not subject to UK sustainable investment labelling and disclosure requirements.



## Investment objective

The Fund aims to provide regular income and capital growth by tracking as closely as possible the performance of the Bloomberg Global Aggregate Corporate Bond Index (total return hedged to US dollars) (the Index).



## Investment strategy

The Index is comprised of investment grade corporate bonds.

The Fund will be passively managed and will invest in bonds issued by companies; ABS and MBS, all of which are Index constituents. It uses an investment technique called optimisation, which seeks to minimise the difference in return between the Fund and the Index by considering tracking error (the risk that the Fund return varies from the Index return) and trading costs when constructing a portfolio.

The Fund will not necessarily invest in every Index constituent or invest proportionally to each constituents' Index weight and may invest in assets outside of the Index, such as: bonds with a credit rating of Ba1, BB+ and below; bonds issued by governments, government-related and supranational entities; as well as cash, money market instruments and funds.

The Fund can invest in bonds issued in developed and emerging markets.

The Fund's primary currency exposure is to USD.

See the Prospectus for a full description of the investment objectives and derivative usage.



## Main risks

- The value of investments and any income from them can go down as well as up and investors may not get back the amount originally invested
- Investing in assets denominated in a currency other than that of the investor's own currency exposes the value of the investment to exchange rate fluctuations
- Where overseas investments are held the rate of currency exchange may cause the value of such investments to go down as well as up.

## Share class details

### Key metrics

|                     |                 |
|---------------------|-----------------|
| NAV per share       | <b>USD 9.90</b> |
| Performance 1 month | <b>1.55%</b>    |
| Yield to maturity   | <b>4.60%</b>    |

### Fund facts

|                                 |  |
|---------------------------------|--|
| UCITS V compliant               | <b>Yes</b>   |
| UK reporting fund status (UKRS) | <b>Yes</b>   |
| ISA eligible                    | <b>Yes</b>   |
| Dividend treatment              | <b>Distributing</b>  |
| Distribution frequency          | <b>Quarterly</b>   |
| Dividend ex-date                | <b>24 January 2025</b>   |
| Dividend yield <sup>1</sup>     | <b>4.20%</b>   |
| Last paid dividend              | <b>0.103721</b>  |
| Dealing frequency               | <b>Daily</b>   |
| Fund base currency              | <b>USD</b>   |
| Currency Hedged                 | <b>Not Hedged</b>  |
| Valuation time                  | <b>23:00 Ireland</b>   |
| Share class base currency       | <b>USD</b>   |
| Domicile                        | <b>Ireland</b>   |
| Inception date                  | <b>21 September 2018</b>   |
| Fund size                       | <b>USD 2,115,632,361</b>   |
| Reference benchmark             | <b>100% Bloomberg Global Aggregate Corporate Bond Index USD Hedged</b> |
| Managers                        | <b>HSBC Passive Fixed Income Team</b>                                  |

### Fees and expenses

|   |                      |
|---|----------------------|
| Minimum initial investment <sup>2</sup> | <b>USD 1,000,000</b> |
| Ongoing charge figure <sup>3</sup>      | <b>0.040%</b>        |

### Codes

|                  |                     |
|------------------|---------------------|
| ISIN             | <b>IE00BFYDNS83</b> |
| Bloomberg ticker | <b>HSGCZQH ID</b>   |
| SEDOL            | <b>BFYDNS8</b>      |

<sup>1</sup>Dividend Yield: represents the ratio of distributed income over the last 12 months to the fund's current Net Asset Value.

<sup>2</sup>Please note that initial minimum subscription may vary across different distributors

<sup>3</sup>Ongoing Charges Figure is based on expenses over a year. The figure includes annual management charge but not the transaction costs. Such figures may vary from time to time.

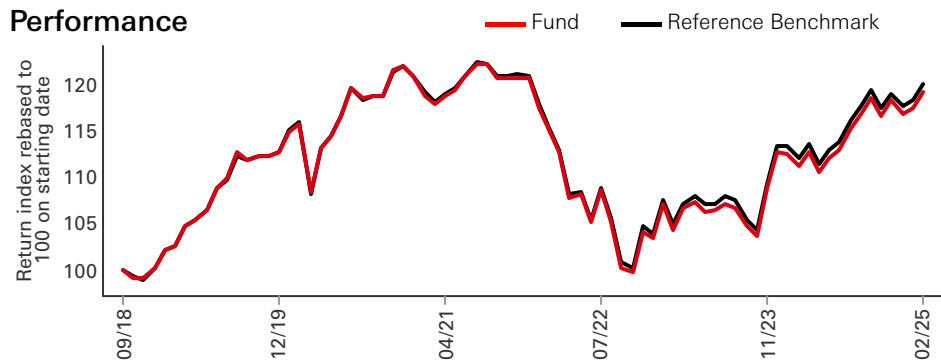
Past performance does not predict future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.

This is a marketing communication. Please refer to the prospectus and to the KID before making any final investment decisions.

For definition of terms, please refer to the Glossary QR code and Prospectus.

Source: HSBC Asset Management, data as at 28 February 2025

## Performance



| Performance (%)     | YTD         | 1 month     | 3 months    | 6 months    | 1 year      | 3 years ann | 5 years ann | 10 years ann | Since inception ann |
|---------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|--------------|---------------------|
| <b>Fund</b>         | <b>2.18</b> | <b>1.55</b> | <b>0.88</b> | <b>2.19</b> | <b>7.18</b> | <b>1.23</b> | <b>0.59</b> | <b>--</b>    | <b>2.76</b>         |
| Reference Benchmark | 2.19        | 1.58        | 0.91        | 2.19        | 7.20        | 1.38        | 0.72        | --           | 2.90                |

| Rolling performance (%) | 29/02/24-28/02/25 | 28/02/23-29/02/24 | 28/02/22-28/02/23 | 28/02/21-28/02/22 | 29/02/20-28/02/21 | 28/02/19-29/02/20 | 28/02/18-28/02/19 | 28/02/17-28/02/18 | 29/02/16-28/02/17 | 28/02/15-29/02/16 |
|-------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Fund</b>             | <b>7.18</b>       | <b>6.63</b>       | <b>-9.24</b>      | <b>-3.18</b>      | <b>2.54</b>       | <b>12.95</b>      | <b>--</b>         | <b>--</b>         | <b>--</b>         | <b>--</b>         |
| Reference Benchmark     | 7.20              | 6.80              | -8.98             | -3.31             | 2.86              | 13.07             | --                | --                | --                | --                |

| 3-Year Risk Measures | Fund  | Reference Benchmark | 5-Year Risk Measures | Fund  | Reference Benchmark |
|----------------------|-------|---------------------|----------------------|-------|---------------------|
| Volatility           | 6.23% | 5.98%               | Volatility           | 6.16% | 5.71%               |
| Sharpe ratio         | -0.49 | -0.48               | Sharpe ratio         | -0.33 | -0.34               |
| Tracking error       | 1.48% | --                  | Tracking error       | 1.81% | --                  |
| Information ratio    | -0.11 | --                  | Information ratio    | -0.07 | --                  |

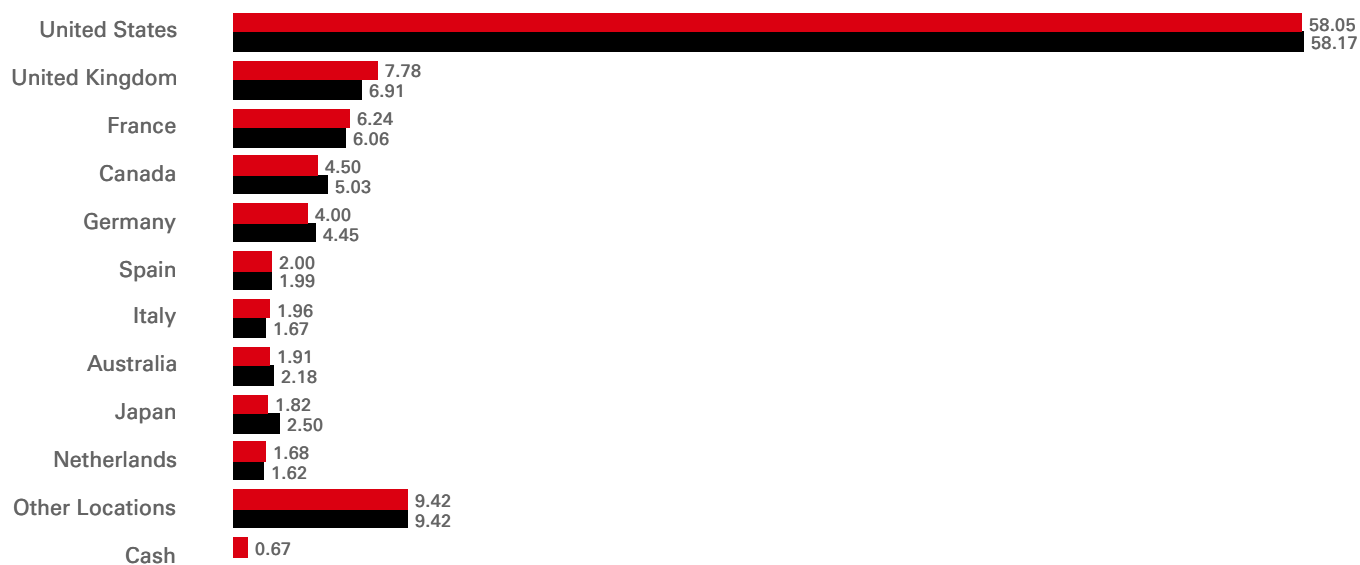
| Fixed Income Characteristics    | Fund    | Reference Benchmark | Relative |
|---------------------------------|---------|---------------------|----------|
| No. of holdings ex cash         | 3,413   | 16,968              | --       |
| Average coupon rate             | 4.10    | 3.98                | 0.12     |
| Yield to worst                  | 4.53%   | 4.54%               | 0.00%    |
| Option adjusted duration        | 5.97    | 5.97                | -0.01    |
| Modified duration to worst      | 5.91    | 5.93                | -0.02    |
| Option adjusted spread duration | 5.99    | 5.99                | 0.01     |
| Average maturity                | 8.55    | 8.55                | 0.00     |
| Rating average                  | A-/BBB+ | A-/BBB+             | --       |

| Credit rating (%) | Fund  | Reference Benchmark | Relative |
|-------------------|-------|---------------------|----------|
| AAA               | 0.83  | 0.97                | -0.14    |
| AA                | 8.33  | 7.66                | 0.68     |
| A                 | 43.84 | 43.88               | -0.04    |
| BBB               | 46.20 | 47.50               | -1.30    |
| BB                | 0.13  | --                  | 0.13     |
| NR                | 0.00  | --                  | 0.00     |
| Cash              | 0.67  | --                  | 0.67     |

| Maturity Breakdown (Option adjusted duration) | Fund        | Reference Benchmark | Relative     |
|---|-------------|---------------------|--------------|
| 0-2 years                                     | 0.18        | 0.19                | -0.01        |
| 2-5 years                                     | 1.06        | 1.06                | -0.01        |
| 5-10 years                                    | 1.86        | 1.79                | 0.08         |
| 10+ years                                     | 2.87        | 2.93                | -0.07        |
| <b>Total</b>                                  | <b>5.97</b> | <b>5.97</b>         | <b>-0.01</b> |

| Currency Allocation (%) | Fund  | Reference Benchmark | Relative |
|-------------------------|-------|---------------------|----------|
| USD                     | 99.95 | 100.00              | -0.05    |
| GBP                     | 0.04  | --                  | 0.04     |
| EUR                     | 0.04  | --                  | 0.04     |
| AUD                     | 0.01  | --                  | 0.01     |
| CHF                     | 0.01  | --                  | 0.01     |
| Other Currencies        | -0.05 | --                  | -0.05    |

#### Geographical allocation (%)



■ Fund ■ Reference Benchmark

| Sector allocation (%)  | Fund  | Reference Benchmark | Relative |
|------------------------|-------|---------------------|----------|
| Financial Institutions | 38.71 | 39.18               | -0.47    |
| Consumer Non cyclical  | 13.24 | 13.36               | -0.11    |
| Utility                | 8.90  | 9.15                | -0.25    |
| Consumer Cyclical      | 7.63  | 7.77                | -0.14    |
| Communications         | 7.00  | 7.05                | -0.05    |
| Technology             | 6.37  | 6.44                | -0.07    |
| Energy                 | 6.17  | 6.04                | 0.12     |
| Capital Goods          | 5.04  | 4.92                | 0.12     |
| Transportation         | 2.78  | 2.75                | 0.03     |
| Basic Industry         | 2.76  | 2.66                | 0.10     |
| Other Sectors          | 0.74  | 0.67                | 0.06     |
| Cash                   | 0.67  | --                  | 0.67     |

| Top 10 holdings                 | Weight (%) |
|---------------------------------|------------|
| VERIZON COMM INC 4.780 15/02/35 | 0.17       |
| ELIS SA 3.750 21/03/30          | 0.15       |
| MORGAN STANLEY 3.955 21/03/35   | 0.14       |
| HSBC HOLDINGS 5.887 14/08/27    | 0.12       |
| JPMORGAN CHASE 6.070 22/10/27   | 0.12       |
| GEN MOTORS FIN 3.600 21/06/30   | 0.12       |
| HSBC HOLDINGS 6.332 09/03/44    | 0.12       |
| JPMORGAN CHASE 5.534 29/11/45   | 0.12       |
| GOLDMAN SACHS GP 5.049 23/07/30 | 0.12       |
| SOUTHERN CO 5.500 15/03/29      | 0.12       |

| Exchange name | Listing date | Trading currency | Trading hours | Bloomberg ticker | Reuters | RIC | iNAV Bloomberg | iNAV Reuters |
|---------------|--------------|------------------|---------------|------------------|---------|-----|----------------|--------------|
| --            |              | --               | --            | --               | --      | --  | --             | --           |

## Risk disclosures

- 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.
- 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").
- Derivatives may be used by the Fund, and these can behave unexpectedly. The pricing and volatility of many derivatives may diverge from strictly reflecting the pricing or volatility of their underlying reference(s), instrument or asset.
- 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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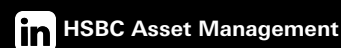
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Further Information can be found in the prospectus and in our Key Investor Information Documents published in our Fund Centre at [www.assetmanagement.hsbc.co.uk](http://www.assetmanagement.hsbc.co.uk)

Term: The management company cannot terminate the Fund unilaterally. The Board of Directors may furthermore decide to liquidate the Fund in certain circumstances set out in the prospectus and articles of incorporation of the Fund. Further additional and complete information (including but not limited to) investor rights, costs and charges, please refer to the prospectus.

Source: HSBC Asset Management, data as at 28 February 2025

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