

HSBC Private Investment Funds - UK Focus Fund

Share Class Institutional Accumulation

31 Mar 2021

Fund Objective and Strategy

Investment Objective

The Fund aims to provide growth in the long term, which is a period of five years or more. The Fund intends to provide higher returns, before charges and tax are deducted from the Fund, than the FTSE All-Share Index, over five-year periods. To achieve its objective, the Fund will invest at least of 80% of its value in the shares (equities) of UK companies, including preference shares. UK companies are those that are based in the UK or earn at least 80% of their revenue from the UK. Typically the Fund will invest in the shares of 25 to 45 companies.

Investment Strategy

The Fund is actively managed with reference to the FTSE All-Share Index. The level of risk the Fund may take is considered relative to the FTSE All-Share Index as part of the portfolio construction process. This means the Fund returns are more likely to be closer to the returns of the FTSE All-Share Index than if there were no limits on the level of risk the Fund may take. The FTSE All-Share Index is also considered as part of our investment risk monitoring process, to check that the overall level of risk taken by the Fund manager is not inconsistent with the UK equities market. To enable investors to assess the performance of the Fund, it is measured against the returns of the FTSE All-Share Index.

Performance (%)	YTD	1M	3M	1Y	3Y ¹	5Y ¹
Institutional Accumulation	7.99	4.09	7.99	27.29	2.25	3.18
Reference Benchmark	5.19	3.98	5.19	26.71	3.19	6.29

Rolling Performance (%)	31 Mar 2020-31 Mar 2021	31 Mar 2019-31 Mar 2020	31 Mar 2018-31 Mar 2019	31 Mar 2017-31 Mar 2018	31 Mar 2016-31 Mar 2017
Institutional Accumulation	27.29	-21.09	6.44	-4.46	14.50
Reference Benchmark	26.71	-18.45	6.36	1.25	21.95

3-Year Risk Measures	Institutional Accumulation	Reference Benchmark
Volatility	19.80%	16.22%
Information Ratio	-0.16	-
Beta	1.18	-

Characteristics	Fund	Reference Benchmark
Number of Holdings ex Cash	40	609
Avg Market Cap (GBP mil)	37,282	37,002

Share Class Details	
UCITS V Compliant	Yes
ISA Eligible	Yes
Distribution Type	Accumulating
Dealing Frequency	Daily
Valuation Time	12:00 United Kingdom
Min. Initial Investment	GBP 10,000,000
Ongoing Charge Figure ²	0.170%
Share Class Base Currency	GBP
Domicile	United Kingdom
ISIN	GB00B171K680
Share Class Inception Date	27 Jul 2006
NAV per Share	GBP 2.38
Fund Size	GBP 3,362,615
Bloomberg Ticker	HSBCFIA LN
SEDOL	B171K68
Reference Benchmark	FTSE All Share Index
Manager	Paul Denham Jonathan Dilley

¹ Result is annualised when calculation period is over one year.

² 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 is not an indicator of future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.

Source: HSBC Global Asset Management, data as at 31 March 2021

Risk Disclosure

- The value of investments and any income from them can go down as well as up and you may not get back the amount originally invested.
- Where overseas investments are held the rate of currency exchange may cause the value of such investments to go down as well as up.
- The Fund may be concentrated in a limited number of securities, economic sectors and/or countries and as a result, may be more volatile and have a greater risk of loss than more broadly diversified funds.
- Liquidity is a measure of how easily the Fund's holdings can be quickly converted to cash. The value of the Fund's holdings may be significantly impacted by liquidity risk during adverse market conditions.
- Further information on the Fund's potential risks can be found in the Key Investor Information Document and Prospectus.

Monthly Performance Commentary

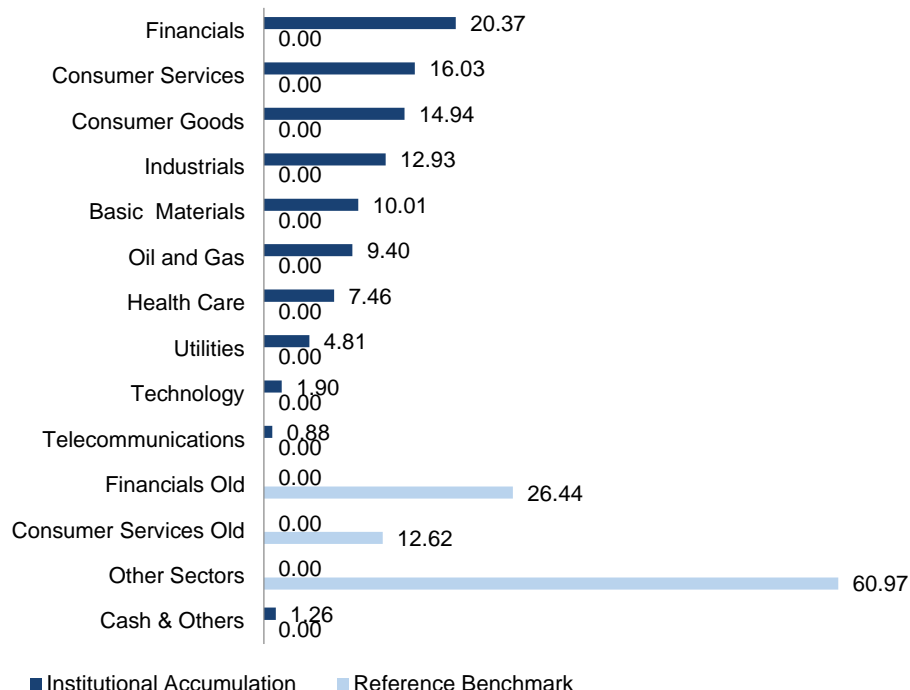
Contributors to relative performance included LONDON STOCK EXCHANGE GROUP(Financials) with a total effect of 0.45%. Additionally, BARCLAYS PLC (Financials) was in the top two contributors with a total effect of 0.35%.

Detractors included ANTOFAGASTA PLC (Basic Materials) with a total effect of -0.29% and BHP GROUP PLC (Basic Materials) with a total effect of -0.28%.

During this period, positions were closed in ROYAL DUTCH SHELL PLC.

Sector allocation effects are residual to stock selection. At the sector level, effects were negative, given an overweight exposure to Oil and Gas.

Sector Allocation (%)



Top 10 Holdings (%)	Sector	Weight (%)
BHP Group PLC	Basic Materials	4.94
Royal Dutch Shell PLC	Oil and Gas	4.88
PRUDENTIAL PLC 10126199	Financials	4.78
Barclays PLC	Financials	4.60
GlaxoSmithKline PLC	Health Care	4.55
BP PLC	Oil and Gas	4.53
Unilever PLC	Consumer Goods	3.94
Next PLC	Consumer Services	3.43
Diageo PLC	Consumer Goods	3.31
HSBC Holdings PLC	Financials	3.15

Source: HSBC Global Asset Management, data as at 31 March 2021

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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.com/uk

Contact Information

UK Investor/Adviser Tel: 0800 358 3011

Lines are open 9am to 5pm Monday to Friday (excluding public holidays). To help the ACD and the Administrator continually improve their services and in the interests of security, they may monitor and/or record your communications with them.

Terms of Glossary

Accumulation Share: a type of share where the income earned by the Fund is retained in the Fund

ACD: HSBC Global Asset Management (UK) Limited, the Authorised Corporate Director of the Company

Actively Managed: where the fund manager uses their expertise to pick investments to achieve the fund's objectives □

Beta: an historical measure of volatility to measure how a fund moves versus its benchmark (i.e. an Index)

Collective Investment Scheme: a fund that more than one person contributes to with the aim of increasing the value of their investments or receiving income from a pooled investment. A fund manager will invest the pooled money into one or more types of asset, such as stocks, bonds or property

Developed Markets: countries with relatively high levels of personal income and established economies

Emerging Markets (EM): countries that are progressing toward becoming advanced, usually shown by some development in financial markets, the existence of some form of stock exchange and a regulatory body

Equities: shares issued by a company

Futures: a financial contract obligating the buyer to purchase an asset (or the seller to sell an asset), such as a physical commodity or a financial instrument, at a predetermined future date and price

Growth: the increase in the value of investments

Hedge Funds: an investment fund that pools money from investors and invests in a variety of assets, often with complex investment strategies and risk management techniques

Hedge or Hedging: using derivative type investments as a way to reduce risk

Income: money generated by a fund, such as interest from a bond or a dividend from a share, which can be paid out to its investors or paid back into the fund and reinvested

Income Share: the type of Share where the income earned by the Fund is paid out to you

Information Ratio: a measure of the risk-adjusted return of a fund against its benchmark

Market Capitalisation: the total dollar market value of a company's outstanding shares. Commonly referred to as "market cap", it is calculated by multiplying a company's shares outstanding by the current market price of one share □

Net Asset Value (NAV): the value of the scheme property of a fund less the liabilities of the fund

Ongoing Charges Figure: a measure of what it costs to invest in a fund. It includes the fee paid to the ACD and other operating costs

Price Earnings (P/E) Ratio: the price paid for a share divided by the annual profit earned by the firm per share

Preference Shares: shares of a company which entitle the holder to a fixed dividend, whose payment takes priority over that of ordinary share dividends. Preference shares may be convertible to the ordinary shares of a company

Property-related securities: shares of property companies that own, manage or develop property and Real Estate Investment Trusts (REITs), which are investment companies that own buildings and land

Return(s): the money made or lost on an investment

Share(s): an equally valued holding in a fund of a company, representing part ownership of that fund, (including larger denomination shares and smaller denomination shares)

Sharpe ratio: a measure for calculating risk-adjusted return, and this ratio has become the industry standard for such calculations

Volatility: a measure of the size and frequency of changes in the value of an investment over a short space of time

Yield: the income from an investment, usually stated as a percentage of the value of the investment