

# Asset Management

## HSBC Universal Investment Funds

Interim Report and Accounts

**28 February 2025**



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# Company Information

**Company**

HSBC Universal Investment Funds  
Registered in England with  
Company Number IC000467

**Registered Office**

8 Canada Square  
London E14 5HQ

**Directors**

The Authorised Corporate Director (the "ACD") is HSBC Asset Management (Fund Services UK) Limited ("HAMF"), which is the sole director.

With effect from 29 July 2024, the ACD changed from HSBC Global Asset Management UK Limited (AMEU) to HSBC Asset Management (Fund Services UK) Limited (HAMF). For more information, please refer to the shareholder notice, available on the HSBC Asset Management website.

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HSBC Asset Management (Fund Services UK) Limited is authorised and regulated by the Financial Conduct Authority (FCA) and is a member of The Investment Association (IA).

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**HSBC Asset Management (Fund Services UK) Limited - Directors**

S.T. Brown

P.G.P. Dew

C. Godfrey

M.J. Higginbotham

D.A. McMaster

P. Mittal

L.K. Williams

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# Market Review

**Welcome to the Interim Report for the HSBC Universal Investment Funds Open-Ended Investment Company (OEIC). The report covers the period 1 September 2024 to 28 February 2025.**

**Please do take the time to look through the report and if you have any questions, contact our Customer Services on 0800 358 3011\*.**

**To help us continually improve our service, and in the interests of security, we may monitor and/or record your communications with us.**

**\*Lines are open 9am to 5pm Monday to Friday (excluding public holidays). If you also have shares in another HSBC OEIC, you will receive a separate statement and report when it is due.**

## Economic and Market Overview

Global equities made gains over the period but were notably volatile. They were supported by falling interest rates across many major economies, positive earnings growth and initial optimism about parts of Donald Trump's political agenda in his second term as president, notably his tax-cutting and deregulatory plans. Many markets – including the S&P 500, Stoxx Europe 600, Nikkei 225 and the MSCI World indices – set new all-time highs. Equities rallied through the first half of the period but sold off in the final weeks of 2024 as investors fretted about potential US tariffs against major trading partners. While January and early February saw renewed positive sentiment towards equities from investors, there was a marked sell-off in the final few weeks of February as Trump went ahead and launched his tariffs. Additionally, there were deep concerns about Trump's approach to trying secure peace between Russia and Ukraine, which risked alienating the US's European allies.

Developed markets continued to outperform emerging markets as was the case throughout most of 2024. Within developed markets, the US outperformed, supported by its large-cap technology stocks and the artificial intelligence (AI) theme. The UK and Europe also made gains but underperformed, while Japan was flat. In emerging markets, Chinese equities soared, initially on hopes of increased economic stimulus, but latterly on optimism about mainland China's new low-cost AI capability. Conversely, Indian equities weakened significantly as economic growth in the country waned.

The global economic outlook became more muted over the period. The US administration's decision to implement tariffs led to several economic institutes and investment banks revising down their growth forecasts for this year and next. While the US economy continued to enjoy decent growth until the turn of the year, there were increasing signs of a slowdown across a range of economic data in 2025. Trump's tariffs also rekindled fears that the US might head into a recession. Growth slowed in many major economies, including India, the UK and the eurozone. In contrast, both the Chinese and Japanese economies showed gentle improvement.

Interest rates continued to tumble across most major economies. Both the European Central Bank (ECB) and the Bank of England (BoE) continued to cut rates. The US Federal Reserve (Fed) followed suit in mid-September, cutting its Fed funds rate for the first time since early 2020. The Fed cut twice more but warned investors in December that the pace of rate cuts would likely slow in 2025, which caused markets to sell off at the end of the year. In contrast, the Bank of Japan (BoJ) continued to tighten its monetary policy. Having raised rates modestly for the first time in 17 years in early 2024, it continued to tighten and increased its benchmark rate in January from 0.25% to 0.5%.

## UK Equities

While the UK market produced a positive return over the period and outperformed Continental Europe, it lagged the MSCI and FTSE World indices. Falling inflation and the promise of lower interest rates drove the market for much of the period. Additionally, the relatively low valuations of UK stocks attracted some investors back into the market. The FTSE 100 and FTSE All-Share indices set new all-time highs towards the end of the period, as the UK market enjoyed a strong opening two months of 2025 after a lacklustre final quarter of 2024. Worries about the economy – along with the impact of tax hikes on companies and employees following a material hike in National Insurance contributions in Labour's first Budget in October – caused investors to sell UK shares during the autumn and early winter months.

Annual inflation began to reaccelerate over the period. Having fallen to 1.7% in September – which was the lowest figure since April 2021 – it picked up to 3.0% in January, the highest level for 10 months. Core inflation (excluding fuel and food prices) also rose, climbing from 3.2% in September to 3.7% in January.

Having lowered rates for the first time in over four years in August 2024, the BoE cut twice more in November and February, taking the benchmark rate down to 4.5% from its peak of 5.25%. However, the recovery in inflation caused the BoE to be cautious about cutting rates too far and too quickly through the remainder of 2025, with the market expecting no change to rates in March.

The economy barely grew in the final two quarters of 2024. Having recovered in the first two quarters of 2024 after a shallow recession in the second half of 2023, GDP stalled in the third quarter of 2024; the lack of growth provoked fears that the UK was potentially headed for another recession. This was followed by just 0.1% quarterly growth in the final quarter of the year. The still-high cost of living and increased tax burden – with UK taxes at their highest for over 70 years – continued to cast a shadow over consumers. The manufacturing purchasing managers' index (PMI) fell into contractionary territory (a reading below 50.0) from October and stayed there through the rest of the period. The services PMI also dwindled, although the figure indicated a mild expansion (a reading above 50.0). Unemployment rose from a recent low of 4% in August to 4.4% in the three months to December. Retail sales were subdued as consumers became more cautious.

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## US Equities

US equities were strong over the period and outperformed other global equity markets in aggregate. Performance was driven by falling interest rates, Donald Trump's promise of tax cuts and deregulation, and positive corporate earnings announcements. Robust economic growth was also a beneficial factor, at least until the end of 2024. The major local equity indices – the S&P 500, the Dow Jones and the Nasdaq Composite – frequently hit new all-time highs during the final few months of 2024 and first few weeks of 2025. Technology stocks soared on strong earnings and interest in AI. They were led by the so-called 'Magnificent Seven' – a group of large-cap stocks including Microsoft, Nvidia and Apple. However, performance flattened in the first two months of 2025 as Trump instigated trade tariffs against Mexico, Canada, China and Europe, and economic data in the country worsened. Large-cap technology stocks also sold off heavily as the unveiling of China's low-cost AI model DeepSeek called into question the high valuations of AI-related stocks such as Nvidia. Additionally, there were concerns that US relations with some of its major allies in Europe were being harmed by the Trump administration's approach to trying to arrange peace between Russia and Ukraine.

Headline inflation began to pick up from September's more than three-year low of 2.4%, rising in every subsequent month to hit 3.0% by January. However, core inflation remained at 3.3%, which helped to assuage concerns about the outlook for prices.

The Fed had remained relatively cautious throughout much of 2024, wishing to see greater proof that the decline in inflation was likely to persist. After disappointing the market on occasions (especially at its late July policy meeting, when investors were convinced the Fed would begin to ease), the central bank at last cut its funds rate in September – the first cut in over four years – by 50 basis points (bps) to 5.0%. It followed that with a further 25bps cut in early November and another in December. The December move was accompanied by a warning from the Fed that unnerved investors: the pace of rate reductions would likely slow in 2025, the central bank said, owing to the recent stubbornness in inflation and relatively strong domestic economic trends.

Having surprised investors with a long period of robust performance, the US economy began to show signs of a slowdown in the early part of 2025. Fourth-quarter GDP slowed to an annualised rate of 2.3% from the previous quarter's 3.1%. Job creation, retail sales, factory orders and consumer sentiment indices all indicated that the US economy was slowing, with many fearful that Trump's trade tariffs could tip the economy into recession.

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## Outlook

Donald Trump's second term as US president has started by ushering in a period of great uncertainty and volatility. Significant trade tariffs against the US's key trading partners and Trump's aggressive approach to diplomacy have scattered the pigeons and left investors facing a much murkier investment landscape. While a potential peace in Ukraine and higher military spending by European countries should be supportive of equities, Trump's determination to push ahead with tariffs is the biggest threat to the economic outlook, and hence to markets. Many global institutions, such as the OECD, have responded to this changed backdrop by lowering their global economic forecasts.

The reacceleration in inflation in several countries at a time when the US economy is slowing is an additional headwind and threatens stagflation further down the line. With India also slowing rapidly, it is not obvious which region of the world can become a driver of global growth. While mainland China has shown some signs of recovery, it still has deep-seated problems in its local property market and with local-government debts. Continental Europe, the UK and Japan do not seem likely candidates to pick up the mantle in the near future. However, if the recent uptick in inflation is a short-term phenomenon, then there is more scope for the major central banks to continue to cut rates which would be supportive of equity markets. This would cut the cost of servicing governments' large debt piles and provide some relief.

While it is likely corporate earnings growth will begin to slow as economic growth fades, valuations are not too stretched, and in some countries – the UK, for example – they appear to offer good value.

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*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns. Information provided by HSBC Global Asset Management (UK) Limited 28 February 2025.*

# UK Multi-Factor Equity Fund

## Investment Objective

The Fund aims to provide growth in the long term, which is a period of five years or more.

## Investment Policy and Strategy\*

To achieve its objective the Fund will invest at least 80% of its value in shares (equities) of UK companies. UK companies are those that are based in the UK, or earn at least 80% of their revenue from the UK.

The Fund may invest up to 20% of its value in other assets, such as shares in non-UK companies, assets equivalent to shares of companies and cash.

The Fund may also invest up to 10% of its value in other funds, which may be managed by the HSBC Group.

The Fund may invest in different types of derivatives for efficient portfolio management purposes, including hedging. The Fund does not currently use derivatives to reduce the risk of movements in the rate of exchange between sterling and other currencies in which the Fund's assets may be held. The Fund does not intend to use derivatives extensively and their use will be consistent with the risk profile of the Fund.

The investment manager identifies potential shares of companies from the FTSE 350 ex Investment Trust Index and ranks them from the least attractive to most attractive based upon certain factors, such as value, quality and size. The manager's investment approach then aims to maximise exposure to the highest ranked shares whilst maintaining a portfolio diversified by companies and sectors to manage risk.

The Fund is managed with reference to the FTSE 350 ex Investment Trust Index. The sector and stock constraints, relative to the FTSE 350 ex Investment Trust Index, within the investment strategy mean the Fund returns are more likely to be closer to the returns of the FTSE 350 ex Investment Trust Index than if there were no limits on the level of risk the Fund may take.

The FTSE 350 ex Investment Trust 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. The performance of the Fund is therefore shown against the performance of the FTSE 350 ex Investment Trust Index.

\*For details of the full Investment Policy and Strategy please refer to the HSBC Universal Investment Funds prospectus. We have also published a Glossary of key terms used which you may wish to refer to. Both documents can be found at <https://www.assetmanagement.hsbc.co.uk/en/individual-investor/fund-centre>.

## Portfolio Activity

Over the review period, the Fund underperformed its market cap weighted index. Our exposure to Styles contributed to performance.

From a factor perspective, our exposures to Industry Momentum and Value contributed to performance, while our exposures to Quality, Low Risk and Size weighed on performance.

At sector level, our underweight exposure to Consumer Durables & Apparel coupled with our overweight allocations to Transportation and Energy contributed to performance. Conversely, our overweight allocations to Consumer Discretionary Distribution & Retail and Real Estate Management & Development coupled with our underweight exposure to Consumer Services weighed on performance.

On a stock level basis, our overweight allocations to Intl Cons Airl GP, Standard Chartered and Ti Fluid Systems contributed to performance. Conversely, our underweight exposure to HSBC Holdings coupled with our overweight allocations to S Three and Close Brothers Group weighed on performance.

The Fund is managed using a systematic, model driven process that aims to deliver consistent outperformance against a traditional market capitalisation weighted index over the long term by investing in a well-diversified equity portfolio that provides exposure to five factors: Value, Quality, Momentum, Low Risk and Size.

Purchases during the period included: Visa Com, Costco, Booking Holdings, United Airlines, Intuitive Surgical, Walt Disney.

Sales included: Axon Enterprise, F5 Networks, United Rentals, Grainger W, Skyworks Solutions, Nucor Com, Arconic Inc and Apple Inc.

**Investment Performance**

During the period under review, the value of the shares in the Fund increased by 4.49%, whilst the value of the FTSE 350 ex Investment Trust Index rose by 5.36%.

(Source: Morningstar Direct, GBP, UK net of tax, income reinvested for the Institutional Accumulation share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

Fund Particulars as at 3 March 2025 (unaudited)		
	Institutional Income	Institutional Accumulation
Price	146.0p xd	171.8p
Distribution payable (on 30 April 2025) per share net	1.880000p	2.160000p
Current net estimated yield	3.49%	3.37%
Annual ACD charge	0.00%	0.00%

## Portfolio Statement

as at 28 February 2025 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>UNITED KINGDOM - 89.93% (91.03%)</b>			
<b>Oil &amp; Gas - 10.80% (11.24%)</b>			
BP	151,134	661	3.72
Ithaca Energy	56,314	80	0.45
Shell	44,674	1,178	6.63
<b>Total Oil &amp; Gas</b>		<b>1,919</b>	<b>10.80</b>
<b>Basic Materials - 3.38% (3.33%)</b>			
Anglo American	3,591	84	0.47
Rio Tinto	10,791	517	2.91
<b>Total Basic Materials</b>		<b>601</b>	<b>3.38</b>
<b>Industrials - 10.37% (13.50%)</b>			
Ashtead Group	586	28	0.16
Babcock	29,741	199	1.12
BAE Systems	31,324	440	2.48
Bodycote International	5,258	34	0.19
Keller	3,073	40	0.22
Mitie Group	22,757	26	0.15
Morgan Sindall	3,730	124	0.70
QinetiQ	41,185	166	0.93
Renishaw	306	9	0.05
Rolls-Royce	55,982	417	2.35
Serco Group	91,332	149	0.84
SThree	38,353	93	0.52
Vesuvius	28,830	118	0.66
<b>Total Industrials</b>		<b>1,843</b>	<b>10.37</b>
<b>Consumer Goods - 11.31% (15.79%)</b>			
British American Tobacco	17,779	549	3.09
Diageo	10,737	232	1.31
Imperial Brands	11,506	322	1.81
Reckitt Benckiser	2,547	133	0.75
Taylor Wimpey	70,317	80	0.45
Unilever	15,448	693	3.90
<b>Total Consumer Goods</b>		<b>2,009</b>	<b>11.31</b>
<b>Healthcare - 10.80% (12.60%)</b>			
AstraZeneca	9,921	1,187	6.68
GSK	39,791	584	3.29
Hikma Pharmaceuticals	6,830	148	0.83
<b>Total Healthcare</b>		<b>1,919</b>	<b>10.80</b>

## Portfolio Statement

as at 28 February 2025 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Consumer Services - 11.19% (8.24%)</b>			
Compass Group	7,766	215	1.21
Currys	160,850	146	0.82
Easyjet	31,967	161	0.91
Frasers Group	22,012	138	0.78
Haleon	38,709	154	0.87
InterContinental Hotels Group	334	33	0.18
JD Sports Fashion	26,229	20	0.11
Kingfisher	70,725	174	0.98
Mitchells & Butlers	29,201	65	0.37
Next	2,282	229	1.29
RELX	10,553	403	2.27
Sainsbury (J)	53,614	139	0.78
Tesco	29,098	111	0.62
<b>Total Consumer Services</b>		<b>1,988</b>	<b>11.19</b>
<b>Telecommunications - 1.41% (1.47%)</b>			
Vodafone Group	356,556	250	1.41
<b>Total Telecommunications</b>		<b>250</b>	<b>1.41</b>
<b>Utilities - 3.58% (3.37%)</b>			
Centrica	85,325	128	0.72
National Grid	27,458	268	1.51
SSE	15,748	240	1.35
<b>Total Utilities</b>		<b>636</b>	<b>3.58</b>
<b>Financials - 24.46% (20.36%)</b>			
3i Group	10,445	413	2.32
Aviva	5,173	28	0.16
Barclays	93,724	292	1.64
Beazley	16,492	144	0.81
Big Yellow Group REIT	15,846	147	0.83
+HSBC Holdings	92,970	868	4.89
IG Group Holdings	3,485	33	0.19
Investec	18,384	95	0.54
Just Group	85,380	142	0.80
Lion Finance Group	261	14	0.08
Lloyds Banking Group	679,206	496	2.79
London Stock Exchange Group	3,140	372	2.09
NatWest Group	60,914	292	1.64
Paragon Banking Group	19,299	146	0.82
Prudential	20,232	147	0.83
Quilter	99,474	151	0.85
Shaftesbury Capital	106,755	132	0.74
Standard Chartered	29,551	375	2.11
Target Healthcare	14,653	13	0.07
TBC Bank Group	1,086	47	0.26
<b>Total Financials</b>		<b>4,347</b>	<b>24.46</b>

## Portfolio Statement

as at 28 February 2025 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Technology - 2.63% (1.13%)</b>			
Auto Trader Group	23,993	186	1.05
Computacenter	6,495	139	0.78
Kainos Group	6,963	49	0.28
Sage Group	1,112	14	0.08
Softcat	5,241	79	0.44
<b>Total Technology</b>		<b>467</b>	<b>2.63</b>
<b>Total United Kingdom</b>		<b>15,979</b>	<b>89.93</b>
<b>BERMUDA - 1.73% (1.65%)</b>			
<b>Financials - 1.73% (1.65%)</b>			
Hiscox	13,834	164	0.92
Lancashire Holdings	23,397	144	0.81
<b>Total Financials</b>		<b>308</b>	<b>1.73</b>
<b>Total Bermuda</b>		<b>308</b>	<b>1.73</b>
<b>CHANNEL ISLANDS - 4.00% (4.20%)</b>			
<b>Basic Materials - 1.74% (2.58%)</b>			
Glencore	97,293	310	1.74
<b>Total Basic Materials</b>		<b>310</b>	<b>1.74</b>
<b>Industrials - 0.72% (0.64%)</b>			
Experian Group	3,404	128	0.72
<b>Total Industrials</b>		<b>128</b>	<b>0.72</b>
<b>Financials - 1.54% (0.98%)</b>			
Sirius Real Estate	162,028	127	0.72
TP ICAP	56,127	146	0.82
<b>Total Financials</b>		<b>273</b>	<b>1.54</b>
<b>Total Channel Islands</b>		<b>711</b>	<b>4.00</b>
<b>IRELAND - 0.45% (0.91%)</b>			
<b>Industrials - 0.45% (0.91%)</b>			
Grafton Group	9,597	80	0.45
<b>Total Industrials</b>		<b>80</b>	<b>0.45</b>
<b>Total Ireland</b>		<b>80</b>	<b>0.45</b>
<b>ISLE OF MAN - 0.55% (0.00%)</b>			
<b>Technology - 0.55% (0.00%)</b>			
Playtech	13,377	98	0.55
<b>Total Technology</b>		<b>98</b>	<b>0.55</b>
<b>Total Isle of Man</b>		<b>98</b>	<b>0.55</b>
<b>ISRAEL - 0.28% (0.00%)</b>			
<b>Financials - 0.28% (0.00%)</b>			
Plus500	1,770	50	0.28
<b>Total Financials</b>		<b>50</b>	<b>0.28</b>
<b>Total Israel</b>		<b>50</b>	<b>0.28</b>

## Portfolio Statement

as at 28 February 2025 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>Netherlands - 0.77% (0.47%)</b>			
<b>Industrials - 0.77% (0.47%)</b>			
RHI Magnesita	4,095	136	0.77
<b>Total Industrials</b>		<b>136</b>	<b>0.77</b>
<b>Total Netherlands</b>		<b>136</b>	<b>0.77</b>
<b>SPAIN - 1.38% (1.14%)</b>			
<b>Consumer Services - 1.38% (1.14%)</b>			
International Consolidated Airlines Group	69,144	244	1.38
<b>Total Consumer Services</b>		<b>244</b>	<b>1.38</b>
<b>Total Spain</b>		<b>244</b>	<b>1.38</b>
<b>FUTURES - 0.03% (0.01%)</b>			
FTSE 100 Index Futures March 2025	4	6	0.03
<b>Total Futures</b>		<b>6</b>	<b>0.03</b>
<b>Portfolio of investments</b>		<b>17,612</b>	<b>99.12</b>
<b>Net other assets</b>		<b>157</b>	<b>0.88</b>
<b>Net assets</b>		<b>17,769</b>	<b>100.00</b>

+Investment managed by the ACD/HSBC Group

Figures in brackets denote comparative percentage holdings as at 31 August 2024.

Unless otherwise stated, all investments are listed equities.

The counterparty for the futures is HSBC Bank.

Total purchases for the period, including transaction charges, were £4,229,548.

Total sales for the period, net of transaction charges, were £5,710,484.

The fund does not hold investments in other funds available within the OEIC.

## Comparative Tables

for the six months ended 28 February 2025 (unaudited)

<b>Institutional Income</b>	<b>28.2.25</b>	<b>31.8.24</b>	<b>31.8.23</b>	<b>31.8.22</b>
Change in net assets per share				
Opening net asset value per share	139.40p	110.60p	119.40p	120.90p
Return before operating charges*	7.24p	24.90p	4.67p	3.20p
Operating charges**	(0.06p)	(0.15p)	(0.23p)	(0.06p)
Return after operating charges*	7.18p	24.75p	4.44p	3.14p
Distributions on income shares	(1.88p)	(4.85p)	(4.34p)	(4.64p)
Closing net asset value per share	144.70p	139.40p	119.50p	119.40p
*after direct transaction costs of:***	0.15p	0.28p	0.28p	0.41p
<b>Performance</b>				
Return after charges	5.15%	20.71%	3.72%	2.60%
<b>Other information</b>				
Closing net asset value	£17,717,968	£18,442,959	£18,232,421	£49,213
Closing number of shares	12,243,680	13,226,137	15,257,062	41,212
Operating charges - OCF	0.11%	0.12% <sup>+</sup>	0.09%	0.05%
Direct transaction costs	0.11%	0.22%	0.23%	0.33%
<b>Prices</b>				
Highest share price	146.40p	143.00p	129.90p	131.00p
Lowest share price	132.80p	110.60p	110.60p	114.00p

<b>Institutional Accumulation</b>	<b>28.2.25</b>	<b>31.8.24</b>	<b>31.8.23</b>	<b>31.8.22</b>
Change in net assets per share				
Opening net asset value per share	162.00p	134.00p	129.30p	126.00p
Return before operating charges*	8.40p	28.18p	4.86p	3.38p
Operating charges**	(0.10p)	(0.18p)	(0.16p)	(0.08p)
Return after operating charges*	8.30p	28.00p	4.70p	3.30p
Distributions on accumulation shares	(2.16p)	(5.46p)	(4.72p)	(4.86p)
Retained distributions on accumulation shares	2.16p	5.46p	4.72p	4.86p
Closing net asset value per share	170.30p	162.00p	134.00p	129.30p
*after direct transaction costs of:***	0.18p	0.31p	0.30p	0.43p
<b>Performance</b>				
Return after charges	5.12%	20.90%	3.63%	2.62%
<b>Other information</b>				
Closing net asset value	£51,080	£48,603	£55,216	£53,291
Closing number of shares	30,000	30,000	41,212	41,212
Operating charges - OCF	0.15%	0.13% <sup>+</sup>	0.10% <sup>****</sup>	0.07%
Direct transaction costs	0.11%	0.22%	0.23%	0.33%
<b>Prices</b>				
Highest share price	170.00p	163.00p	140.70p	134.00p
Lowest share price	154.20p	119.80p	119.80p	115.00p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

\*\*\*\*The OCF is estimated, due to the exclusion from the calculation of a one-off adjustment made to custody fees relating to previous accounting periods.

<sup>+</sup>With effect from 28 March 2024, Administrator and Electronic Service Fees have been charged to this Share Class.

## Comparative Tables

for the six months ended 28 February 2025 (unaudited)

<b>Institutional A Income#</b>	<b>28.2.25</b>	<b>31.8.24</b>	<b>31.8.23</b>	<b>31.8.22</b>
Change in net assets per share				
Opening net asset value per share	N/A	N/A	118.00p	119.50p
Return before operating charges*	N/A	N/A	7.92p	3.14p
Operating charges**	N/A	N/A	(0.24p)	(0.37p)
Return after operating charges*	N/A	N/A	7.68p	2.77p
Distributions on income shares	N/A	N/A	(1.38p)	(4.27p)
Cancellation price			(124.30p)	-
Closing net asset value per share	N/A	N/A	-	118.00p
*after direct transaction costs of:***	N/A	N/A	0.17p	0.40p
<b>Performance</b>				
Return after charges	N/A	N/A	6.51%	2.32%
<b>Other information</b>				
Closing net asset value	N/A	N/A	N/A	£19,584,689
Closing number of shares	N/A	N/A	N/A	16,590,569
Operating charges - OCF	N/A	N/A	N/A	0.31%
Direct transaction costs	N/A	N/A	N/A	0.33%
<b>Prices</b>				
Highest share price	N/A	N/A	128.30p	126.70p
Lowest share price	N/A	N/A	109.30p	112.20p
#The Institutional A Income share class closed on 17 April 2023.				
**The operating charges include all costs borne by the Fund, except for direct transaction costs.				
***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.				

## Statement of Total Return

for the six months ended 28 February 2025 (unaudited)

	28.2.25		29.2.24	
	£'000	£'000	£'000	£'000
Income				
Net capital gains		718		682
Revenue	258		255	
Expenses	(7)		(14)	
Net revenue before taxation	251		241	
Taxation	-		-	
Net revenue after taxation		251		241
Total return before distributions		969		923
Distributions		(250)		(237)
Change in net assets attributable to shareholders from investment activities		719		686

## Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 28 February 2025 (unaudited)

	28.2.25		29.2.24	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		18,492		18,288
Amounts receivable on creation of shares	641		457	
Amounts payable on cancellation of shares	(2,089)		(1,751)	
		(1,448)		(1,294)
Dilution adjustment		5		4
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		719		686
Retained distribution on accumulation shares		1		1
Closing net assets attributable to shareholders		17,769		17,685

## Balance Sheet

as at 28 February 2025 (unaudited)

	28.2.25		31.8.24	
	£'000	£'000	£'000	£'000
<b>Assets</b>				
Investments		17,612		18,383
Current assets				
Debtors	1,490		155	
Cash and bank balances	22		393	
Total current assets		1,512		548
Total assets		19,124		18,931
<b>Liabilities</b>				
Creditors				
Distribution payable on income shares	(230)		(426)	
Other creditors	(1,125)		(13)	
Total creditors		(1,355)		(439)
Total liabilities		(1,355)		(439)
Net assets attributable to shareholders		17,769		18,492

**Distribution Table (pence per share)**

for the six months ended 28 February 2025 (unaudited)

Group 1: Shares purchased prior to 1 September 2024				
Group 2: Shares purchased from 1 September 2024 to 28 February 2025				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 30.4.25</i>	<i>Distribution paid 30.4.24</i>
<b>Institutional Income</b>				
Group 1	1.880000	-	1.880000	1.630000
Group 2	1.320000	0.560000	1.880000	1.630000
<b>Institutional Accumulation</b>				
Group 1	2.160000	-	2.160000	1.830000
Group 2	2.160000	0.000000	2.160000	1.830000

# US Multi-Factor Equity Fund

## Investment Objective

The Fund aims to provide growth in the long term, which is a period of five years or more.

## Investment Policy and Strategy\*

To achieve its objective the Fund will invest at least 80% of its value in shares (equities) of US companies. US companies are those that are based in the US, or earn at least 80% of their revenue from the US.

The Fund may invest up to 20% of its value in other assets, such as shares in non-US companies, assets equivalent to shares of companies and cash.

The Fund may also invest up to 10% of its value in other funds, which may be managed by the HSBC Group.

The Fund may invest in different types of derivatives for efficient portfolio management purposes, including hedging.

The Fund does not currently use derivatives to reduce the risk of movements in the rate of exchange between sterling and other currencies in which the Fund's assets may be held. The Fund does not intend to use derivatives extensively and their use will be consistent with the risk profile of the Fund.

The investment manager identifies potential shares of companies from the S&P 500 Index and ranks them from the least attractive to most attractive based upon certain factors, such as value, quality and size. The manager's investment approach then aims to maximise exposure to the highest ranked shares whilst maintaining a portfolio diversified by companies and sectors to manage risk.

The Fund is managed with reference to the S&P 500 Index. The sector and stock constraints, relative to the S&P 500 Index, within the investment strategy mean the Fund returns are more likely to be closer to the returns of the S&P 500 Index than if there were no limits on the level of risk the Fund may take.

The S&P 500 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 US equities market. The performance of the Fund is therefore shown against the performance of the S&P 500 Index.

\*For details of the full Investment Policy and Strategy please refer to the HSBC Universal Investment Funds prospectus. We have also published a Glossary of key terms used which you may wish to refer to. Both documents can be found at <https://www.assetmanagement.hsbc.co.uk/en/individual-investor/fund-centre>.

## Portfolio Activity

Over the review period, the Fund underperformed its market cap weighted index. Our overall exposure to styles contributed to relative performance.

From a factor perspective, our exposures to Low Risk and Quality contributed to performance, while our exposures to Value, Size and Industry Momentum weighed on performance.

At sector level, our underweight exposures to Food, Beverage & Tobacco, Materials and Health Care Equipment & Services contributed to performance. Conversely, our underweight exposures to Financial Services and Consumer Services coupled with our overweight allocation to Consumer Durables & Apparel weighed on performance.

On a stock level basis, our overweight allocations to Discover Financial Systems, Axon Enterprise and Snap On contributed to performance. Conversely, our overweight allocations to Regeneron Pharms and Hntgtn Ingalls Industries coupled with our underweight exposure to Palantir Technologies weighed on performance.

The Fund is managed using a systematic, model driven process that aims to deliver consistent outperformance against a traditional market capitalisation weighted index over the long term by investing in a well-diversified equity portfolio that provides exposure to five factors: Value, Quality, Momentum, Low Risk and Size.

Purchases during the period included: AutoTrader Group, EasyJet Ord, QinetiQ Ord, Big Yellow Group, Haleon PLC and Sirius Real Estate Ltd.

Sales included: Barratt Redrow PLC, Centamin PLC, TI Fluid Systems PLC, Mitie Group Ord, Savills Ord.

**Investment Performance**

During the period under review, the value of the shares in the Fund increased by 6.66% whilst the value of the S&P 500 Index rose by 10.75%.

(Source: Morningstar Direct, GBP, UK net of tax, income reinvested for the Institutional A Accumulation share class. Returns based on the NAV, which is a single price.)

*Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.*

<b>Fund Particulars</b> as at 3 March 2025 (unaudited)			
	Institutional Income	Institutional Accumulation	Institutional A Accumulation
Price	734.0p xd	904.6p	894.0p
Current net estimated yield	1.11 %	1.09%	0.88%
Annual ACD charge	0.00%	0.00%	0.25%

## Portfolio Statement

as at 28 February 2025 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
<b>UNITED STATES - 96.51% (96.06%)</b>			
<b>Oil &amp; Gas - 4.08% (4.58%)</b>			
Chevron	30,706	3,866	0.92
ConocoPhillips	34,785	2,739	0.65
Coterra Energy	152,537	3,268	0.77
EOG Resources	36,715	3,700	0.88
Exxon Mobil	41,306	3,652	0.86
<b>Total Oil &amp; Gas</b>		<b>17,225</b>	<b>4.08</b>
<b>Basic Materials - 0.33% (1.12%)</b>			
Steel Dynamics	12,792	1,373	0.33
<b>Total Basic Materials</b>		<b>1,373</b>	<b>0.33</b>
<b>Industrials - 6.19% (8.76%)</b>			
Axon Enterprise	1,593	669	0.16
Boeing	4,116	571	0.14
Cintas	23,003	3,792	0.90
Fastenal	58,587	3,524	0.84
General Dynamics	18,685	3,750	0.89
General Electric	8,836	1,453	0.34
Huntington Ingalls Industries	16,453	2,295	0.54
Paccar	43,002	3,662	0.87
Paychex	9,742	1,173	0.28
Raytheon Technology	1,384	146	0.03
Republic Services	1,659	312	0.07
Teledyne Technologies	831	340	0.08
Textron	54,158	3,214	0.76
United Parcel Services B	12,740	1,204	0.29
<b>Total Industrials</b>		<b>26,105</b>	<b>6.19</b>
<b>Consumer Goods - 7.38% (9.18%)</b>			
Altria Group	97,610	4,328	1.03
Church & Dwight	15,592	1,377	0.33
Colgate-Palmolive	44,805	3,244	0.77
D.R. Horton	19,563	1,970	0.47
General Motors	49,207	1,921	0.45
Lennar	26,243	2,493	0.59
Molson Coors Beverage	2,042	99	0.02
NVR	450	2,585	0.61
Philip Morris International	6,003	740	0.17
PulteGroup	32,916	2,699	0.64
Snap-on	12,864	3,485	0.83
Tesla Motors	26,569	6,189	1.47
<b>Total Consumer Goods</b>		<b>31,130</b>	<b>7.38</b>
<b>Healthcare - 8.66% (10.11%)</b>			
Abbvie	4,958	823	0.19
DaVita	18,877	2,216	0.53

## Portfolio Statement

as at 28 February 2025 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Elevance Health	6,206	1,955	0.46
Eli Lilly and Company	8,593	6,275	1.49
IDEXX Laboratories	2,473	858	0.20
Incyte Genomics	27,226	1,589	0.38
Intuitive Surgical	8,094	3,685	0.87
Johnson & Johnson	42,616	5,583	1.32
Merck & Co.	35,695	2,614	0.62
Regeneron Pharmaceuticals	4,719	2,618	0.62
UnitedHealth Group	4,876	1,838	0.44
Vertex Pharmaceuticals	11,016	4,198	1.00
Viatis	309,043	2,260	0.54
<b>Total Healthcare</b>		<b>36,512</b>	<b>8.66</b>
<b>Consumer Services - 9.93% (5.27%)</b>			
Amazon.com	97,844	16,482	3.91
Copart	78,909	3,432	0.81
Costco Wholesale	8,593	7,149	1.70
Delta Airlines	48,759	2,327	0.55
Kroger	26,207	1,349	0.32
NetFlix	952	741	0.18
O'Reilly Automotive	1,872	2,040	0.48
TJX Companies	4,463	442	0.10
Ulta Beauty	810	236	0.06
United Airlines Holdings	44,335	3,303	0.78
Wal-Mart Stores	8,566	671	0.16
Walt Disney	41,031	3,708	0.88
<b>Total Consumer Services</b>		<b>41,880</b>	<b>9.93</b>
<b>Telecommunications - 1.83% (0.93%)</b>			
Arista Networks	21,102	1,560	0.37
AT&T	205,178	4,465	1.06
T-Mobile US	7,995	1,712	0.40
<b>Total Telecommunications</b>		<b>7,737</b>	<b>1.83</b>
<b>Utilities - 2.38% (1.65%)</b>			
Atoms Energy	26,067	3,150	0.75
Dominion Energy	10,891	489	0.11
Duke Energy	27,400	2,556	0.61
Evergy	32,977	1,805	0.43
Xcel Energy	35,517	2,034	0.48
<b>Total Utilities</b>		<b>10,034</b>	<b>2.38</b>
<b>Financials - 17.33% (17.33%)</b>			
American Express	15,914	3,804	0.90
American International Group	53,654	3,533	0.84
American Tower	4,934	805	0.19
AvalonBay Communities	3,279	589	0.14
Berkshire Hathaway B	11,530	4,706	1.12
Capital One Financial	21,946	3,496	0.83

## Portfolio Statement

as at 28 February 2025 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
CBOE Global Markets	17,040	2,851	0.68
Citizens Financial Group	35,275	1,283	0.30
Digital Realty Trust REIT	3,109	386	0.09
Discover Financial Services	24,374	3,778	0.89
Equinix Real Estate Investment Trust	998	717	0.17
Franklin Resources	50,226	808	0.19
Hartford Financial Services	36,226	3,403	0.81
Healthpeak Properties	19,868	323	0.08
Huntington Bancshares	100,458	1,315	0.31
JPMorgan Chase & Company	31,285	6,573	1.56
Loews	21,723	1,495	0.35
MarketAxess Holdings	3,448	528	0.12
Mastercard	3,478	1,591	0.38
Metlife	9,203	630	0.15
Progressive	3,373	755	0.18
Prologis	9,407	925	0.22
Public Storage	7,296	1,758	0.42
Schwab (Charles)	12,816	809	0.19
Simon Property Group	3,058	452	0.11
Synchrony Financial	43,179	2,081	0.49
T Rowe Price Group	11,862	996	0.24
Travelers	17,657	3,627	0.86
US Bancorp	36,132	1,345	0.32
VICI Properties REIT	146,016	3,766	0.89
Visa A	29,977	8,635	2.05
W. R. Berkley	36,071	1,807	0.43
Wells Fargo & Co.	16,326	1,016	0.24
Welltower	20,435	2,492	0.59
<b>Total Financials</b>		<b>73,078</b>	<b>17.33</b>

### Technology - 38.40% (37.13%)

Akamai Technologies	19,113	1,225	0.29
Alphabet A	61,016	8,251	1.96
Alphabet C	57,110	7,808	1.85
Apple	158,399	30,422	7.22
Applied Materials	20,984	2,636	0.63
Autodesk	5,715	1,244	0.30
Booking Holdings	970	3,853	0.91
Broadcom Corporation	52,191	8,272	1.96
Cisco Systems	89,470	4,555	1.08
Cognizant Technology Solutions	51,636	3,417	0.81
EPAM Systems	15,537	2,544	0.60
Intuit	7,575	3,690	0.88
GoDaddy	17,515	2,499	0.59
HP	88,265	2,165	0.51
Juniper Networks	37,045	1,064	0.25
Lam Research	1,505	92	0.02
Meta Platforms	26,564	14,090	3.34

## Portfolio Statement

as at 28 February 2025 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Microsoft	78,137	24,638	5.84
Monolithic Power Systems	368	179	0.04
NetApp	32,886	2,607	0.62
Nvidia	257,345	25,558	6.06
Oracle	13,794	1,818	0.43
Palantir Technologies	31,246	2,107	0.50
Palo Alto Networks	7,244	1,096	0.26
Qualcomm	7,068	883	0.21
Salesforce.com	1,032	244	0.06
Teradyne	8,956	781	0.19
Texas Instruments	26,898	4,189	0.99
<b>Total Technology</b>		<b>161,927</b>	<b>38.40</b>
<b>Total United States</b>		<b>407,001</b>	<b>96.51</b>
<b>BERMUDA - 0.72% (0.79%)</b>			
<b>Financials - 0.72% (0.79%)</b>			
Arch Capital Group	1,671	123	0.03
Everest	10,473	2,936	0.69
<b>Total Financials</b>		<b>3,059</b>	<b>0.72</b>
<b>Total Bermuda</b>		<b>3,059</b>	<b>0.72</b>
<b>IRELAND - 0.83% (1.10%)</b>			
<b>Industrials - 0.75% (1.01%)</b>			
Accenture	11,418	3,159	0.75
<b>Total Industrials</b>		<b>3,159</b>	<b>0.75</b>
<b>Healthcare - 0.08% (0.09%)</b>			
Steris	1,939	338	0.08
<b>Total Healthcare</b>		<b>338</b>	<b>0.08</b>
<b>Total Ireland</b>		<b>3,497</b>	<b>0.83</b>
<b>JERSEY - 0.00% (0.53%)</b>			
<b>SWITZERLAND - 0.00% (0.30%)</b>			
<b>Futures - (0.01%) (0.01%)</b>			
CME S&P 500 E-Mini Index Future March 2025	35	(46)	(0.01)
<b>Total Futures</b>		<b>(46)</b>	<b>(0.01)</b>
<b>Portfolio of investments</b>		<b>413,511</b>	<b>98.05</b>
<b>Net other assets</b>		<b>8,216</b>	<b>1.95</b>
<b>Net assets</b>		<b>421,727</b>	<b>100.00</b>

Figures in brackets denote comparative percentage holdings as at 31 August 2024.

Unless otherwise stated, all investments are listed securities.

The counterparty for the futures is HSBC Bank.

Total purchases for the period, including transaction charges, were £137,802,356.

Total sales for the period, net of transaction charges, were £123,439,856.

The fund does not hold investments in other funds available within the OEIC.

## Comparative Tables

for the six months ended 28 February 2025 (unaudited)

<b>Institutional Income</b>	<b>28.2.25</b>	<b>31.8.24</b>	<b>31.8.23</b>	<b>31.8.22</b>
Change in net assets per share				
Opening net asset value per share	689.50p	558.50p	540.40p	518.70p
Return before operating charges*	48.39p	139.31p	26.32p	29.46p
Operating charges**	(0.09p)	(0.13p)	(0.17p)	(0.16p)
Return after operating charges*	48.30p	139.18p	26.15p	29.30p
Distributions on income shares	(0.00p)	(8.18p)	(8.05p)	(7.60p)
Closing net asset value per share	737.80p	689.50p	558.50p	540.40p
*after direct transaction costs of:***	0.13p	0.33p	0.25p	0.23p
<b>Performance</b>				
Return after charges	7.01%	24.92%	4.84%	5.65%
<b>Other information</b>				
Closing net asset value	£105,459,189	£77,601,680	£73,663,351	£78,668,325
Closing number of shares	14,292,823	11,255,377	13,189,693	14,557,153
Operating charges - OCF	0.02%	0.02% +	0.03%	0.03%
Direct transaction costs	0.02%	0.05%	0.05%	0.04%
<b>Prices</b>				
Highest share price	780.80p	707.70p	570.70p	576.50p
Lowest share price	661.90p	537.40p	503.70p	486.00p

<b>Institutional Accumulation</b>	<b>28.2.25</b>	<b>31.8.24</b>	<b>31.8.23</b>	<b>31.8.22</b>
Change in net assets per share				
Opening net asset value per share	849.70p	680.30p	648.90p	614.20p
Return before operating charges*	59.85p	169.57p	31.60p	34.89p
Operating charges**	(0.15p)	(0.17p)	(0.20p)	(0.19p)
Return after operating charges*	59.70p	169.40p	31.40p	34.70p
Distributions on accumulation shares	(0.00p)	(9.86p)	(9.66p)	(9.00p)
Retained distributions on accumulation shares	0.00p	9.86p	9.66p	9.00p
Closing net asset value per share	909.40p	849.70p	680.30p	648.90p
*after direct transaction costs of:***	0.16p	0.40p	0.29p	0.27p
<b>Performance</b>				
Return after charges	7.03%	24.90%	4.84%	5.65%
<b>Other information</b>				
Closing net asset value	£102,120	£50,980	£59,965	£57,199
Closing number of shares	11,230	6,000	8,814	8,814
Operating charges - OCF	0.03%	0.03% +	0.03%	0.03%
Direct transaction costs	0.02%	0.05%	0.05%	0.04%
<b>Prices</b>				
Highest share price	962.30p	862.00p	685.30p	682.60p
Lowest share price	815.80p	655.00p	604.80p	575.50p

\*\*The operating charges include all costs borne by the Fund, except for direct transaction costs.

\*\*\*The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

+With effect from 28 March 2024, Administrator and Electronic Service Fees have been charged to this Share Class.

## Comparative Tables

for the six months ended 28 February 2025 (unaudited)

<b>Institutional A Accumulation</b>	<b>28.2.25</b>	<b>31.8.24</b>	<b>31.8.23</b>	<b>31.8.22</b>
Change in net assets per share				
Opening net asset value per share	840.80p	674.90p	645.50p	612.50p
Return before operating charges*	59.21p	168.08p	31.28p	34.84p
Operating charges**	(1.31p)	(2.18p)	(1.88p)	(1.84p)
Return after operating charges*	57.90p	165.90p	29.40p	33.00p
Distributions on accumulation shares	(0.00p)	(7.85p)	(7.92p)	(7.32p)
Retained distributions on accumulation shares	0.00p	7.85p	7.92p	7.32p
Closing net asset value per share	898.70p	840.80p	674.90p	645.50p
*after direct transaction costs of:***	0.16p	0.40p	0.29p	0.27p
<b>Performance</b>				
Return after charges	6.89%	24.58%	4.55%	5.39%
<b>Other information</b>				
Closing net asset value	£316,166,111	£300,930,832	£244,330,670	£147,671,949
Closing number of shares	35,179,404	35,789,983	36,200,966	22,878,771
Operating charges - OCF	0.30%	0.29% <sup>+</sup>	0.29%	0.29%
Direct transaction costs	0.02%	0.05%	0.05%	0.04%
<b>Prices</b>				
Highest share price	951.30p	853.20p	680.00p	679.00p
Lowest share price	807.20p	649.20p	601.10p	572.80p
<p>**The operating charges include all costs borne by the Fund, except for direct transaction costs.</p> <p>***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.</p> <p>+With effect from 28 March 2024, Administrator and Electronic Service Fees have been charged to this Share Class.</p>				

## Statement of Total Return

for the six months ended 28 February 2025 (unaudited)

	28.2.25		29.2.24	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		<b>25,847</b>		41,818
Revenue	<b>2,903</b>		2,671	
Expenses	<b>(458)</b>		(343)	
Interest payable and similar charges	<b>(1)</b>		-	
Net revenue before taxation	<b>2,444</b>		2,328	
Taxation	<b>(423)</b>		(383)	
Net revenue after taxation		<b>2,021</b>		1,945
Total return/(deficit) before distributions		<b>27,868</b>		43,763
Distributions		<b>41</b>		53
Change in net assets attributable to shareholders from investment activities		<b>27,909</b>		43,816

## Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 28 February 2025 (unaudited)

	28.2.25		29.2.24	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		<b>378,583</b>		318,054
Amounts receivable on creation of shares	<b>79,754</b>		118,468	
Amounts payable on cancellation of shares	<b>(64,642)</b>		(126,834)	
		<b>15,112</b>		(8,366)
Dilution adjustment		<b>123</b>		202
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		<b>27,909</b>		43,816
Closing net assets attributable to shareholders		<b>421,727</b>		353,706

## Balance Sheet

as at 28 February 2025 (unaudited)

	Notes	28.2.25		31.8.24	
		£'000	£'000	£'000	£'000
<b>Assets</b>					
Investments			<b>413,557</b>		373,998
Current assets					
Debtors		<b>1,472</b>		337	
Cash and bank balances		<b>6,875</b>		5,456	
Total current assets			<b>8,347</b>		5,793
Total assets			<b>421,904</b>		379,791
<b>Liabilities</b>					
Investment liabilities			<b>(46)</b>		-
Creditors					
Distribution payable on income shares		-		(920)	
Other creditors		<b>(131)</b>		(288)	
Total creditors			<b>(131)</b>		(1,208)
Total liabilities			<b>(177)</b>		(1,208)
Net assets attributable to shareholders			<b>421,727</b>		378,583

# General Information

## How to Buy, Sell or Switch Your Investment

- Call our Dealers on 0800 358 3011\*
  - or
  - Write to our Administration Office at: HSBC Asset Management (Fund Services UK) Limited, Sunderland, SR43 4BF
- 

## Switching your Investment

- Some discounts are available for switching between our OEIC Funds.
- Switching from one OEIC Fund to another may create a capital gains tax liability.

No subscription can be received on the basis of financial reports. Subscriptions are only valid if made on the basis of the current KIID (in conjunction with the Supplementary Information Document (SID)) and Prospectus accompanied by the latest Annual Report and the most recent Interim Report, if published thereafter. Further details of our switching discounts may be obtained by:

- Telephoning our Customer Services, on 0800 358 3011\*
- 

## When we will Buy or Sell your Investment

Share prices are calculated at 12 noon each business day. The price at which shares are bought or sold depends on when we receive your instructions.

- Before 12 noon. That day's share prices will be used.
- After 12 noon. The following business day's prices will be used.

We will send you a contract note within 24 hours of the transaction. This confirms the transaction was made.

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## Cancellation Rights

- In certain circumstances we will send you a cancellation notice. If so, this will be sent within 7 days of making your investment.
  - Return this notice to us within 30 days if you do not wish to proceed with your investment.
  - It is possible to receive back less than your original investment, if the value of your shares has fallen.
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## Publication of Prices

The prices of shares are updated daily on the following website: [www.assetmanagement.hsbc.com/uk](http://www.assetmanagement.hsbc.com/uk)

Alternatively you can call our Investments Helpline on 0800 358 3011\*.

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## Prospectus

The Prospectus provides further details on our OEICs, including information on fund charges, minimum investment amounts and taxation. For a copy of the latest Prospectus (available free of charge):

- Telephone our Customer Services on 0800 358 3011\*
  - Write to our Administration Office
-

## Income

Income is distributed or accumulated in the following way:-

- You will receive income payments net of tax.
- If you hold accumulation shares, income will be retained within the Fund. No additional shares will be bought. The price of shares will reflect the net income received.

We must disclose details of such distributions to HM Revenue and Customs (HMRC). The distribution also needs to be disclosed on your tax return.

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## Assessment of Value

The Authorised Fund Manager is required to perform a detailed assessment on whether funds are 'providing value to investors'. The resulting findings are published in a consolidated report on the HSBC Asset Management website.

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## The Task Force on Climate-related Financial Disclosures (TCFD)

The ACD publishes a TCFD report for each fund of the Company. The report provides information about the climate impact and risks of the assets held by each fund. The content of the report is based on the guidance of the TCFD.

The reports for the funds are available on the HSBC Asset Management website [www.assetmanagement.hsbc.co.uk/en/individual-investor/funds](http://www.assetmanagement.hsbc.co.uk/en/individual-investor/funds), or by contacting us.

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## Ongoing charges figure

Where the Ongoing Charges Figure (OCF) for a sub-fund includes underlying fund charges, this includes the charges for underlying open-ended investment company funds. Underlying fund charges for closed-ended investment company funds are excluded from August 2024 as stated in the comparative tables for relevant funds.

Where applicable, with effect from 28 March 2024, Administrator and Electronic Service Fees have been included in the ongoing charges figure.

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\*To help us continually improve our service, and in the interests of security, we may monitor and/or record your communications with us.

Lines are open Monday to Friday from 9am to 5pm (excluding public holidays).

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## Important Notes

**The Interim Report covers the period 1 September 2024 to 28 February 2025.**

**The material contained herein is for information only and does not constitute legal, tax or investment advice or a recommendation to any reader of this material to buy or sell investments. You must not, therefore, rely on the content of this document when making any investment decisions.**

**This document is not intended for distribution to or use by any person or entity in any jurisdiction or country where such distribution or use would be contrary to law or regulation. This document is not and should not be construed as an offer to sell or the solicitation of an offer to purchase or subscribe to any investment.**

**Investments in stocks and shares can go down as well as up and investors may not get back the amount they originally invested. This can affect the price of shares within open-ended investment companies and the income from them.**

**Past performance should not be seen as an indication of future returns.**

**Your holding in an open-ended investment company must be regarded as a medium to long-term investment; this means for at least five years.**

**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. Where overseas investments are held the rate of currency exchange may also cause the value of such investments to fluctuate. Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in some established markets. Stock market investments should be viewed as a medium to long-term investment and should be held for at least five years. Any performance information shown refers to the past and should not be seen as an indication of future returns.**

**Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in some established markets. These risks include the possibility of failed or delayed settlement, registration and custody of securities and the level of investor protection offered.**

**Where a Fund holds gilts or other fixed interest securities, the value of the underlying assets is strongly affected by interest rate fluctuations and by changes in the credit ratings of the underlying issuer of the assets. There is a risk that both the relative yield and the capital value of these may be reduced if interest rates go up.**

**Please note any reference to "Fund" or "Funds" means a sub-fund of the Company.**

**This report is issued in the UK by HSBC Asset Management (Fund Services UK) Limited, authorised and regulated by the Financial Conduct Authority.**

**The Authorised Corporate Director is HSBC Asset Management (Fund Services UK) Limited and the Investment Manager is HSBC Global Asset Management (UK) Limited.**

**There are risks involved in investing in HSBC Universal Investment Funds. Please refer to the Prospectus, Key Investor Information Document (KIID), Supplementary Information Document (SID) and most recent annual and semi annual report, which can be obtained upon request free of charge from HSBC Asset Management (Fund Services UK) Limited, 8, Canada Square, Canary Wharf, London, E14 5HQ, UK, or the local distributors.**

**The information in this report is based on our understanding of current law and HM Revenue and Customs practice as at 28 February 2025. Both law and practice may of course change.**

**Any views expressed were held at the time of preparation and are subject to change without notice. While any forecast, projection or target where provided is indicative only and not guaranteed in any way. HSBC Asset Management (Fund Services UK) Limited accepts no liability for any failure to meet such forecast, projection or target.**

**The Company is authorised and regulated by the Financial Conduct Authority and is structured as an umbrella company, in that the Company proposes to issue shares linked to different Funds which have been established. The Company is a UCITS scheme.**

**Shareholders are not liable for the debts of the Company. A shareholder is not liable to make any further payment to the Company after the purchase price of the shares has been paid for.**

**To help improve our service and in the interests of security we may record and/or monitor your communication with us. HSBC Asset Management (Fund Services UK) Limited provides information to Institutions, Professional Advisers and their clients on the investment products and services of the HSBC Group.**

**HSBC Asset Management is the brand name for the asset management business of HSBC Group, which includes the investment activities provided through our local regulated entity, HSBC Asset Management (Fund Services UK) Limited.**


**[www.assetmanagement.hsbc.com/uk](http://www.assetmanagement.hsbc.com/uk)**

**Accounting Policies**

The interim financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by The Investment Association in May 2014.



**M. J. Higginbotham**  
**Director**



**C. Godfrey**  
**Director**

**For and on behalf of HSBC Asset Management (Fund Services UK) Limited**  
**ACD**  
**29 April 2025**

## Important Changes to the Company and/or Fund Documentation

The following changes to the Company have resulted in the ACD (Authorised Corporate Director) making changes to the Company's Instrument of Incorporation and its Prospectus.

### **Amendments to the Instrument**

There have been no changes made to the Instrument within this reporting period.

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### **Amendments to the Company's Prospectus**

There have been no changes made to the Prospectus within this reporting period.

## Other Information

### **Equalisation**

Revenue received by the Fund during the distribution period is reflected in the price of shares until the revenue is distributed. The cost of Group 2 shares bought during a distribution period will therefore include an element of revenue.

Equalisation represents the average amount of accrued revenue included in the purchase price of all Group 2 shares sold in the year, which is refunded as part of a shareholder's first distribution. This amount is treated as a capital repayment for tax purposes. It is not liable to income or corporation tax and is deducted from the original cost of the shares for capital gains tax purposes.

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## Corporate Shareholders

All Funds in this OEIC have a 100% franked distribution shown on their annual consolidated tax voucher.

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## Risk and Reward Profile

Fund	Rating*	<div> <div>Lower risk</div> <div>Higher risk</div> <div> <div>←</div> <div>→</div> </div> <div>Typically lower rewards</div> <div>Typically higher rewards</div> <div> <div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> </div> </div>
UK Multi-Factor Equity Fund	6	
US Multi-Factor Equity Fund	5	

### \*More About this Rating

The rating is based on price volatility over the last five years, and is an indicator of absolute risk. Historical data may not be a reliable indication for the future. The rating is not guaranteed to remain unchanged and the categorisation may shift over time. The lowest rating does not mean a risk-free investment.

For further information on the specific risks applicable to each Fund please visit [www.assetmanagement.hsbc.com/uk](http://www.assetmanagement.hsbc.com/uk).

# Securities Financing Transactions (SFTs) (unaudited)

## US Multi-Factor Equity Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in the Statement of Total Return.

### Global Data

#### Amount of securities and commodities on loan

	<i>% of total lendable assets*</i>
Securities	1.80%

#### Amount of assets engaged in each type of SFT

Amount of assets	<i>% of AUM</i>
£7,438,531	1.76%

\*Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

### Concentration Data

Top ten collateral issuers (across all SFT)

<b>Issuer</b>	<i>Holding</i>	<i>Collateral Fair value £'000</i>
Government of Canada 1.75% 1/12/2053	1,176,000	475
US Treasury 4.375% 15/7/2027	591,000	475
Government of Germany 15/8/2050	1,116,775	474
Apple	2,385	449
Government of Japan 0.9% 20/9/2034	82,900,000	422
CIBC	7,400	353
BMO	4,299	353
TE Connectivity	2,921	352
Linde	963	352
JP Morgan	1,711	352

### All counterparties

	<i>Gross volume of outstanding transactions Fair value £'000</i>
Barclays Capital Securities	2,946
Healthcare of Ontario	2,262
HSBC Bank	2,231
	<b>7,439</b>

**Aggregate Data****Type and quality of collateral**

<b>Type</b>	<b>Quality*</b>	<i>Fair Value</i> <b>£'000</b>
Equities	n/a	5,275
Bonds	n/a	2,371
		<b>7,646</b>

\*Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

**Maturity tenor of collateral**

<b>Maturity</b>	<i>Fair Value</i> <b>£'000</b>
Rolling Maturity	7,646
	<b>7,646</b>

**Currency of collateral**

<b>Currency</b>	<i>Fair Value</i> <b>£'000</b>
Sterling	620
Canadian Dollar	1,299
Euro	679
Japanese Yen	592
Swiss Franc	223
US dollar	4,233
	<b>7,646</b>

**Maturity tenor of SFTs**

<b>Maturity</b>	<i>Fair Value</i> <b>£'000</b>
Rolling Maturity	7,439
	<b>7,439</b>

**Country in which counterparties are established**

<b>Counterparty</b>	<i>Fair Value</i> <b>£'000</b>
All counterparties are UK based	

**Return and cost**

<b>Type</b>	<b>£'000</b>	<i>% of overall</i> <i>returns</i>
Fund gross return	2	
Payment to ACD	0	10.00%
Agents fee	0	15.00%
<b>Fund net return</b>	<b>2</b>	<b>75.00%</b>

# Directory

**The Company**

HSBC Universal Investment Funds, 8 Canada Square, London, E14 5HQ

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**ACD and Head Office**

HSBC Asset Management (Fund Services UK) Limited, 8 Canada Square, London, E14 5HQ

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**Investment Manager**

HSBC Global Asset Management (UK) Limited, 8 Canada Square, London, E14 5HQ

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**Depositary**

State Street Trustees Limited, Quatermile 3, 10 Nightingale Way, Edinburgh, EH3 9EG

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**Regulator**

Financial Conduct Authority (FCA), 12 Endeavour Square, London, E20 1JN

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**Auditor**

KPMG LLP, 15 Canada Square, London, E14 5GL

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**Registrar**

HSBC Asset Management (Fund Services UK) Limited (delegated to Northern Trust Global Services SE)

50 Bank Street, Canary Wharf, London, E14 5NT

Telephone: 0800 358 3011\*

+44 800 358 3011 (Overseas)\*

\*Lines are open 9am to 5pm Monday to Friday (excluding public holidays).

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**Administrator** (delegated to Northern Trust Global Services SE) - postal address

HSBC Asset Management (Fund Services UK) Limited, Sunderland, SR43 4BF

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**Website**

[www.assetmanagement.hsbc.com/uk](http://www.assetmanagement.hsbc.com/uk)

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To help us continually improve our services, and in the interests of security, we may monitor and/or record your communications with us.

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**[www.assetmanagement.hsbc.com/uk](http://www.assetmanagement.hsbc.com/uk)**

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