

HSBC Investment Funds

Corporate Bond Fund

Marketing communication | Monthly report 31 July 2025 | Share class Inst Inc



Investment objective

The Fund aims to provide higher returns (before charges and tax are deducted from the Fund) than the Markit iBoxx GBP Corporates Index plus 1% per year, over three-year periods.



Investment strategy

To achieve its objective the Fund will invest at least 80% of its value in bonds that have a credit rating of investment grade and are issued in sterling or are hedged back to sterling. The bonds may be issued by companies and supranational or government-backed organisations which may be located anywhere in the world. The types of bond the Fund may invest in include covered bonds and asset backed securities. The Fund is managed with reference to the Markit iBoxx GBP Corporates Index. The fund manager is not limited to investing in bonds that are part of the Markit iBoxx GBP Corporates Index. The fund manager aims to generate returns in excess of the Markit iBoxx GBP Corporates Index plus 1% per year, over three-year periods, before charges and tax are deducted from the Fund. This is based on our current view of returns the Fund may potentially achieve, which may change. The Markit iBoxx GBP Corporates 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 sterling corporate bond market. The performance of the Fund is shown against the performance of the Markit iBoxx GBP Corporates Index plus 1% per year.



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
- 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 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.

Share class details

Key metrics

NAV per share	GBP 1.95
Performance 1 month	0.34%
Yield to maturity	5.72%

Fund facts

UCITS V compliant	Yes
UK reporting fund status (UKRS)	No
ISA eligible	Yes
Dividend treatment	Distributing
Distribution frequency	Quarterly
Dividend ex-date	16 July 2025
Dividend yield ¹	5.28%
Last paid dividend	0.025300
Dealing frequency	Daily
Valuation time	12:00 United Kingdom

Share class base currency	GBP
Domicile	United Kingdom
Inception date	19 December 2008
Fund size	GBP 153,892,889
Reference benchmark	100% Markit iBoxx GBP Corporates Index plus 1% per year
Managers	Mohamed Imtiaz Siddeeq Oliver Boulind

Fees and expenses

Minimum initial investment ²	GBP 10,000,000
Ongoing charge figure ³	0.050%

Codes

ISIN	GB00B3K7SR40
Bloomberg ticker	HSCPBI LN
SEDOL	B3K7SR4

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

²Please note that initial minimum subscription may vary across different distributors

³Ongoing Charges Figure is an estimate due to a change of fee structure.

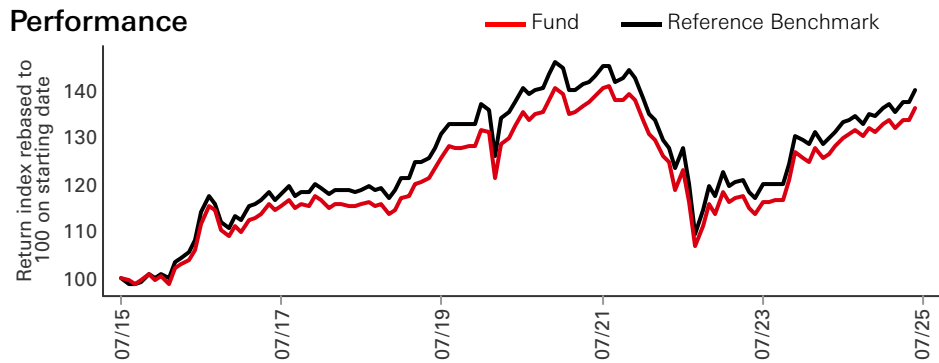
Past performance does not predict future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.

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 31 July 2025

Performance



Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	10 years ann
Inst Inc	4.20	0.34	2.19	2.87	5.14	3.56	0.20	3.15
Reference Benchmark	3.43	0.45	2.36	3.25	5.53	3.23	0.05	3.46

Rolling performance (%)	31/07/24-31/07/25	31/07/23-31/07/24	31/07/22-31/07/23	31/07/21-31/07/22	31/07/20-31/07/21	31/07/19-31/07/20	31/07/18-31/07/19	31/07/17-31/07/18	31/07/16-31/07/17	31/07/15-31/07/16
Inst Inc	5.14	11.52	-5.28	-12.53	3.99	7.52	8.69	0.12	3.51	11.50
Reference Benchmark	5.53	11.13	-6.20	-11.89	3.43	7.23	10.02	0.86	3.39	13.95

3-Year Risk Measures	Inst Inc	Reference Benchmark	5-Year Risk Measures	Inst Inc	Reference Benchmark
Volatility	8.66%	9.11%	Volatility	7.99%	8.20%
Sharpe ratio	-0.13	-0.16	Sharpe ratio	-0.34	-0.35
Tracking error	1.01%	--	Tracking error	1.10%	--
Information ratio	0.32	--	Information ratio	0.14	--

Fixed Income Characteristics	Fund	Reference Benchmark	Relative
No. of holdings ex cash	167	835	--
Average coupon rate	5.01	4.56	0.45
Yield to worst	5.36%	5.15%	0.20%
Current yield	4.92%	4.68%	0.23%
Option adjusted duration	5.73	5.50	0.23
Option adjusted spread duration	4.97	5.43	-0.46
Average maturity	8.21	7.83	0.38
Average Credit Quality	A-/BBB+	A-/BBB+	--

Credit rating (%)	Fund	Reference Benchmark	Relative
AAA	0.00	0.40	-0.40
AA	2.44	7.54	-5.10
A	26.20	36.97	-10.77
BBB	62.25	54.66	7.59
BB	3.45	0.43	3.01
B	0.71	--	0.71
NR	0.55	--	0.55
Cash	4.41	--	4.41

Geographical allocation (Option adjusted duration)	Fund	Reference Benchmark	Relative
UK	3.97	2.83	1.14
Europe-ex UK	1.10	1.36	-0.26
North America	0.57	1.13	-0.56
Asia	0.08	0.14	-0.07
Middle East	0.01	--	0.01
Latam	0.00	0.03	-0.03
Cash	0.00	--	0.00

Maturity Breakdown (Option adjusted duration)	Fund	Reference Benchmark	Relative
0-2 years	0.12	0.21	-0.09
2-5 years	0.90	1.03	-0.13
5-10 years	1.59	1.56	0.03
10+ years	3.13	2.71	0.42
Total	5.73	5.50	0.23

Sector allocation (%)	Fund	Reference Benchmark	Relative
Financials	49.90	45.62	4.28
Utilities	17.37	17.42	-0.05
Consumer Services	5.18	8.20	-3.01
Telecommunications	5.16	5.55	-0.39
Oil & Gas	4.02	4.93	-0.91
MBS	3.90	--	3.90
Consumer Goods	3.51	8.48	-4.97
Gilts	2.14	--	2.14
Agencies	1.55	0.07	1.47
Public Banks	1.09	2.71	-1.61
Other Sectors	1.78	7.03	-5.26
Cash	4.41	--	4.41

Top 10 holdings	Weight (%)
NATWEST GROUP 3.125 28/03/27	2.43
BARCLAYS PLC 3.750 22/11/30	2.30
BARCLAYS PLC 8.407 14/11/32	1.64
UK TSY GILT 1.250 31/07/51	1.57
CAIXABANK 1.500 03/12/26	1.53
DNB BANK ASA 4.000 17/08/27	1.26
BAA FUNDING LTD 6.750 03/12/26	1.17
BAYERISCHE LNDBK 5.250 28/11/29	1.13
HSBC HOLDINGS 6.800 14/09/31	1.11
AT&T INC 2.900 04/12/26	1.09

Risk disclosures

- 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.
- 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 potential risks can be found in the Key Information Document (KID) and/or the Prospectus or Offering Memorandum.

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Source: HSBC Asset Management, data as at 31 July 2025

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Glossary



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