HSBC ETFs PLC - HSBC Economic Scale Worldwide Equity UCITS ETF

HEWA LN

31 Aug 2020

Fund Objective and Strategy

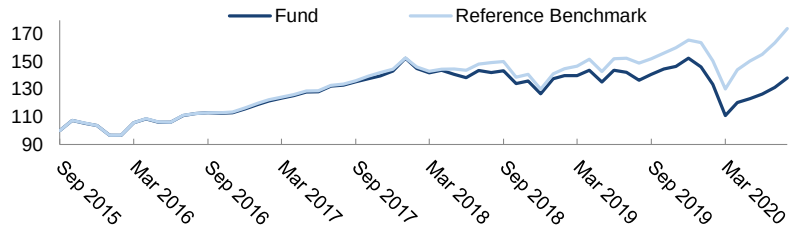
Investment Objective

The Fund aims to provide long-term capital growth.

Investment Policy

In normal market conditions, the Fund will invest at least 90% in shares of companies of any size, that are based anywhere in the world, including emerging markets. The Fund's investment process identifies companies according to their economic scale, measured by their contribution to Gross National Product. This is also referred to as Value Added - the difference between a company's outputs and inputs. Based on the companies' Value Added ranking, the investment manager constructs a diversified portfolio, which typically holds over 500 companies. The Fund may invest in Chinese equities. The Fund may also invest in China A-shares, and up to 10% in other funds. The Fund is actively managed and does not track a benchmark. Consideration may be given to a reference benchmark when selecting investments. The reference benchmark for the Fund is MSCI All Country World Index (USD) Net. See the Prospectus for a full description of the investment objectives and derivative usage.

Performance (%)



Performance (%)	YTD	1M	3M	1Y	3Y[1]	5Y[1]
Fund	-9.39	5.27	12.18	1.18	1.27	5.62
Reference Benchmark	5.02	6.40	15.60	16.83	9.08	10.58

Rolling Performance (%)	31 Aug 2019-31 Aug 2020	31 Aug 2018-31 Aug 2019	31 Aug 2017-31 Aug 2018	31 Aug 2016-31 Aug 2017	31 Aug 2015-31 Aug 2016
Fund	1.18	-3.88	6.79	18.45	6.87
Reference Benchmark	16.83	-0.28	11.39	18.98	7.08

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 August 2020

Risk Disclosure

- The Fund's unit value can go up as well as down, and any capital invested in the Fund may be at risk.
- 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.
- The value of investible securities can change over time due to a wide variety of factors, including but not limited to: political and economic news, government policy, changes in demographics, cultures and populations, natural or human-caused disasters etc.
- 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.
- Further information on the Fund's potential risks can be found in the Key Investor Information Document and Prospectus.

Fund Details	
UCITS V Compliant	Yes
UK Reporting Status	Yes
ISA Eligible	Yes
Distribution Type	Distributing
Distribution Frequency	Quarterly
Dividend ex-date	16 Jul 2020
Dividend Yield [2]	2.27%
Last Paid Dividend	0.1091
Dividend Currency	USD
Ongoing Charge Figure [3]	0.250%
Share Class Base Currency	USD
Domicile	Ireland
ISIN	IE00BKZG9Y92
Share Class Inception Date	26 Jun 2014
NAV per Share	USD 15.91
Shares Outstanding	6,166,354
Fund Size	USD 98,106,960
SEDOL	BWFGBV4
SIPP Eligible	Yes
Issuer	HSBC ETFs PLC
Custodian	HSBC France, Dublin Branch
Fund Administrator	HSBC Securities Services (Ireland) DAC
Listing Date	27 Jun 2014
Fiscal Year End	31 December

Reference Benchmark Information	
Index Name	MSCI AC World Net
Index Currency	USD
Benchmark Type	Total Return Net
Index Rebalancing Frequency	Quarterly
TR Index Bloomberg ticker	M1WD
TR Index Reuters RIC	.dMIWD00000NUS

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

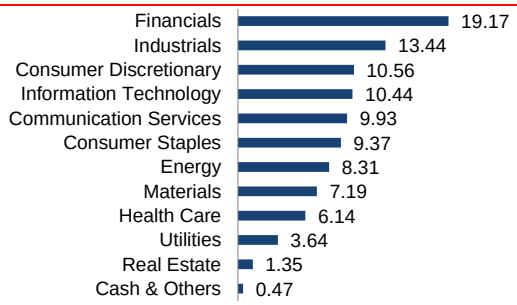
[2]Dividend Yield: represents the ratio of distributed income over the last 12 months to the fund's current Net Asset Value.

[3]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.

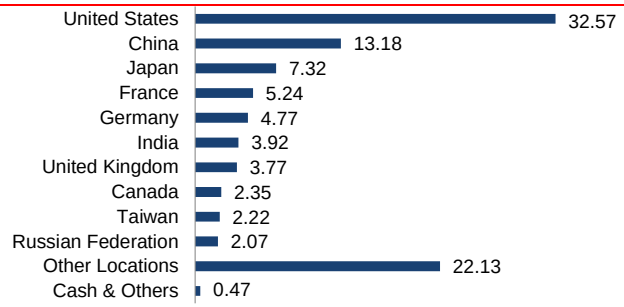
Until 25th October 2017 the name of the Fund was HSBC Economic Scale Index Worldwide Equity UCITS ETF
Investment Strategy revised on 25th October 2017 from passive index based investing to an active systematic model

HSBC Global Asset Management

Sector Allocation (%)



Geographical Allocation (%)



Top 10 Holdings (%)	
Walmart Inc	1.41
APPLE INC 10127829	1.07
PetroChina Co Ltd	0.94
Financials	0.91
Energy	0.70
SINOPEC CORP	0.67
Information Technology	0.66
ICBC	0.59
United Parcel Service Inc	0.55
AT&T Inc	0.54

Characteristics	Fund	Reference Benchmark
Number of Holdings ex Cash	1,674	2,984
Avg Market Cap (USD mil)	108,813	309,251
P/E Ratio [4]	9.81	16.84

[4]Price Earnings (P/E) Ratio: the price paid for a share divided by the annual profit earned by the firm per share.
Source: HSBC Global Asset Management, data as at 31 August 2020
Those financial derivative instruments (such as futures or warrants) used to gain market access are reflected in the country and sector breakdowns as the underlying equities to which economic exposure is obtained.

Exchange Name	Listing Date	Trading Currency	Trading Hours	Bloomberg Ticker	Reuters RIC	iNAV Bloomberg	iNAV Reuters
DEUTSCHE BOERSE AG- XFRA	16 May 2018	EUR	08:00 - 20:00	H41I GR	H41I.DE	HEWDEUIV	HEWDEUiv.P
DEUTSCHE BOERSE AG-XETRA	16 May 2018	EUR	09:00 - 17:30	H41I GY	H41I.DE	HEWDEUIV	HEWDEUiv.P
LONDON STOCK EXCHANGE	27 June 2014	GBP	08:00 - 16:30	HEWA LN	HEWA.L	HEWDGBIV	HEWDGBiv.P
LONDON STOCK EXCHANGE	27 June 2014	USD	08:00 - 16:30	HEWD LN	HEWD.L	HEWDUSIV	HEWDUSiv.P

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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

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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
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
Growth: the increase in the value of investments
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
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
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)
Tracking Difference: the difference between the return of the fund and that of the tracking index
Tracking Error: the volatility of the difference between the return of a fund and the return of the index or indices it tracks. In general, the lower the tracking error, the more consistent a fund's performance is relative to the index, and vice-versa