

## HSBC Global Funds ICAV

# China Government Local Bond UCITS ETF

Monthly report 31 January 2024 | Share class ZCHEUR



## Investment objective

The Fund aims to provide regular income and capital growth by tracking as closely as possible the performance of the Bloomberg China Treasury + Policy Bank Index (total return) (the Index).



## Investment strategy

The Index is comprised of Renminbi (CNY) denominated bonds that are listed on China Interbank Bond Market. The currency of the Index is US dollars (USD) and returns are unhedged. The Index includes fixed-rate government and policy bank bonds with a minimum outstanding amount of at least CNY 5 billion, and a maturity of at least one year. The Fund will be passively managed and will invest in CNY denominated bonds. The Fund will not necessarily invest in every Index constituent and may invest outside of the Index. The Fund may invest up to 10% in funds, up to 100% in non-investment grade bonds, up to 100% in government bonds issued by a single government issuer and up to 20% in securities issued by the same non-government issuer. The average credit ratings of the Fund's underlying investments are expected to be in-line with that of the Index. 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 you 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>EUR 10.32</b>
Yield to maturity	<b>2.39%</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>Accumulating</b>
Dealing frequency	<b>Daily</b>
Valuation time	<b>23:00 Ireland</b>
Share class base currency	<b>EUR</b>
Domicile	<b>Ireland</b>
Inception date	<b>28 June 2023</b>
Fund size	<b>USD 114,010,080</b>
Managers	<b>HSBC Passive Fixed Income Team</b>

### Fees and expenses

Minimum initial investment <sup>1</sup>	<b>USD 1,000,000</b>
Ongoing charge figure <sup>2</sup>	<b>0.182%</b>

### Codes

ISIN	<b>IE00BM8SGF66</b>
Bloomberg ticker	<b>HSLBIZE ID</b>
SEDOL	<b>BM8SGF6</b>

<sup>1</sup>Please note that initial minimum subscription may vary across different distributors

<sup>2</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.**

**Performance figures will only be published once the share class has achieved a twelve months track record.**

**Source: HSBC Asset Management, data as at 31 January 2024**

Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	Since inception
ZCHEUR	--	--	--	--	--	--	--	--
			31/01/23-31/01/24	31/01/22-31/01/23	31/01/21-31/01/22	31/01/20-31/01/21	31/01/19-31/01/20	
Rolling performance (%)								
ZCHEUR			--	--	--	--	--	--

3-Year Risk Measures	ZCHEUR	Reference Benchmark	5-Year Risk Measures	ZCHEUR	Reference Benchmark
Volatility	--	--	Volatility	--	--
Sharpe ratio	--	--	Sharpe ratio	--	--

Fixed Income Characteristics	Fund	Reference Benchmark	Relative
No. of holdings ex cash	142	334	--
Average coupon rate	2.92	3.15	-0.23
Yield to worst	2.39%	2.38%	0.00%
Yield to maturity	2.39%	2.39%	0.00%
Current yield	2.80%	2.99%	-0.18%
Option adjusted duration	5.98	5.98	0.00
Modified duration to worst	5.91	5.91	0.00
Average maturity	7.66	7.68	-0.02
Number of issuers	4	4	--

Maturity Breakdown (Option adjusted duration)	Fund	Reference Benchmark	Relative
0-2 years	0.21	0.24	-0.03
2-5 years	1.14	1.11	0.03
5-10 years	2.30	2.30	0.00
10+ years	2.33	2.33	0.00
Total	5.98	5.98	0.00

Past performance does not predict future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.
 The benchmark data is that of the reference benchmark of the fund, as this data is calculated at fund level rather than share class level.
 The reference benchmark of the fund is 100% Bloomberg China Treasury + Policy Bank Index (total return)
 Source: HSBC Asset Management, data as at 31 January 2024

Sector allocation (%)	Fund	Reference Benchmark	Relative
Treasury Bill	51.65	51.96	-0.30
Government Owned, No guarantee	47.94	48.04	-0.10
Cash	0.40	--	0.40

Top 10 holdings	Weight (%)
CHINA GOVT BOND 2.440 15/10/27	1.49
CHINA DEV BANK 3.300 03/03/26	1.41
CHINA GOVT BOND 2.600 15/09/30	1.31
CHINA DEV BANK 3.450 20/09/29	1.30
CHINA DEV BANK 3.070 10/03/30	1.29
CHINA GOVT BOND 2.800 25/03/30	1.28
CHINA GOVT BOND 2.620 25/06/30	1.26
CHINA GOVT BOND 2.350 15/03/25	1.25
CHINA DEV BANK 2.830 10/09/26	1.25
CHINA GOVT BOND 2.400 15/07/28	1.25

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The reference benchmark of the fund is 100% Bloomberg China Treasury + Policy Bank Index (total return)  
Source: HSBC Asset Management, data as at 31 January 2024

## 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").
- 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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Further information about the UCITS including the Prospectus, the most recent annual and semi-annual reports of the UCITS and the latest prices of shares, may be obtained free of charge, in English, from the Administrator by emailing [ifsinvestorqueries@hsbc.com](mailto:ifsinvestorqueries@hsbc.com), or by visiting [www.global.assetmanagement.hsbc.com](http://www.global.assetmanagement.hsbc.com). The Prospectus, annual and semi-annual reports are prepared for the entire UCITS.

The most recent Prospectus is available in English and French. Key Investor Information Document (KIID) are available in the local language where they are registered.

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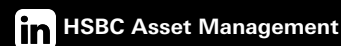
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Further Information can be found in the prospectus and in our Key Investor Information Documents published in our Fund Centre at [www.assetmanagement.hsbc.co.uk](http://www.assetmanagement.hsbc.co.uk)

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 31 January 2024

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### Glossary

