

## HSBC ETFs PLC

# HSBC MSCI CHINA UCITS ETF

Monthly report April 30 2024 | HMCH LN | USD



## Investment objective

The Fund aims to track as closely as possible the returns of the MSCI China Index (the "Index"). The Fund will invest in or gain exposure to shares of companies which make up the Index.



## Investment strategy

The Index is made up of the largest stock market listed companies in China, as defined by the Index provider. The Fund will be passively managed and will aim to invest in the shares of the companies in generally the same proportion as in the Index. However, there may be circumstances when it is not possible or practical for the Fund to invest in all constituents of the Index. If the Fund cannot invest directly in the companies that constitute the Index, it may gain exposure by using other investments such as depositary receipts or derivatives. The Fund may also invest in China A-shares either directly (through the Shanghai-Hong Kong Stock Connect and/or Shenzhen-Hong Kong Stock Connect) or indirectly through China A-shares Access Products (CAAP) or through funds, including other HSBC funds. The Fund may invest up to 10% of its assets in other funds. See the Prospectus for a full description of the investment objectives and derivative usage.



## Main risks

- The Fund's unit value can go up as well as down, and any capital invested in the Fund may be at risk.
- 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.

### Fund facts

|                    |   |
|--------------------|---|
| Fund manager       | HSBC Global Asset Management (UK) Limited |
| Custodian          | HSBC Continental Europe                   |
| Fund administrator | HSBC Securities Services (Ireland) DAC    |

## Share class details

### Key metrics

|                        |                 |
|------------------------|-----------------|
| NAV per share          | <b>USD 5.79</b> |
| Performance 1 month    | <b>6.67%</b>    |
| Tracking error 3 years | <b>0.33%</b>    |

### Fund facts

|                             |                            |
|-----------------------------|----------------------------|
| UCITS V compliant           | <b>Yes</b>                 |
| Dividend treatment          | <b>Distributing</b>        |
| Distribution frequency      | <b>Semi-Annually</b>       |
| Dividend ex-date            | <b>February 1 2024</b>     |
| Dividend yield <sup>1</sup> | <b>2.26%</b>               |
| Last paid dividend          | <b>0.073900</b>            |
| Dividend currency           | <b>USD</b>                 |
| Fund base currency          | <b>USD</b>                 |
| Currency Hedged             | <b>Not Hedged</b>          |
| Share class base currency   | <b>USD</b>                 |
| Domicile                    | <b>Ireland</b>             |
| Inception date              | <b>January 26 2011</b>     |
| Shares outstanding          | <b>110,657,758</b>         |
| Fund size                   | <b>USD 844,615,043</b>     |
| Reference benchmark         | <b>100% MSCI China Net</b> |
| Replication method          | <b>Physical- Full</b>      |
| SIPP eligible               | <b>Yes</b>                 |
| Issuer                      | <b>HSBC ETFs PLC</b>       |
| Fiscal year end             | <b>Dec</b>                 |

### Fees and expenses

|                                    |               |
|------------------------------------|---------------|
| Ongoing charge figure <sup>2</sup> | <b>0.280%</b> |
|------------------------------------|---------------|

### Codes

|      |                     |
|------|---------------------|
| ISIN | <b>IE00B44T3H88</b> |
|------|---------------------|

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

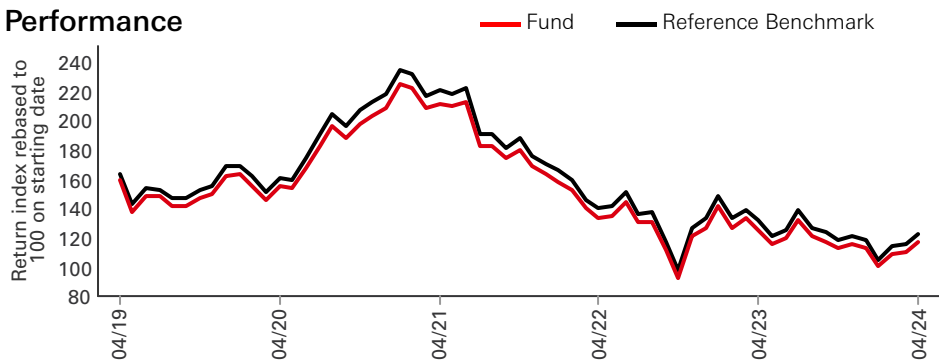
<sup>2</sup>Ongoing Charges Figure is an estimate due to a change of fee structure.

**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.**

**Source: HSBC Asset Management, data as at April 30 2024**

## Performance



| Performance (%)     | YTD         | 1 month     | 3 months     | 6 months    | 1 year       | 3 years ann   | 5 years ann  |
|---------------------|-------------|-------------|--------------|-------------|--------------|---------------|--------------|
| <b>Fund</b>         | <b>4.15</b> | <b>6.67</b> | <b>16.54</b> | <b>4.16</b> | <b>-7.02</b> | <b>-17.74</b> | <b>-5.89</b> |
| Reference Benchmark | 4.26        | 6.70        | 16.63        | 4.31        | -6.77        | -17.55        | -5.55        |
| Tracking difference | -0.11       | -0.03       | -0.09        | -0.15       | -0.25        | -0.19         | -0.34        |
| Tracking error      | --          | --          | --           | --          | 0.23         | 0.33          | 0.28         |

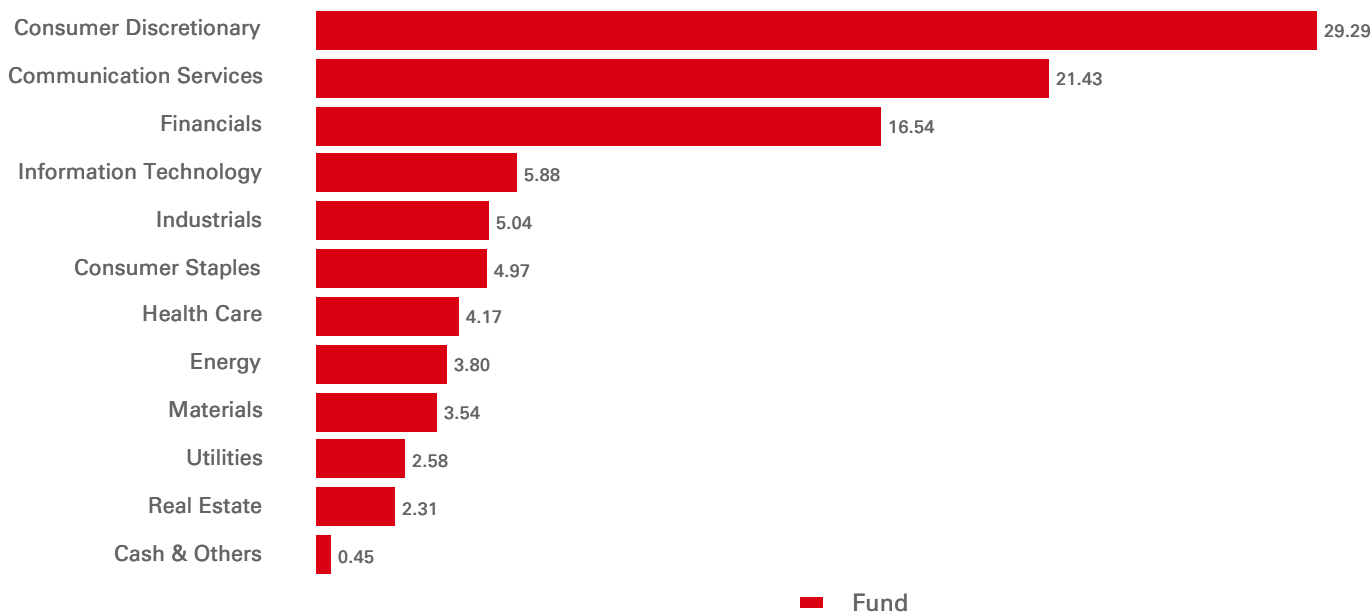
| Rolling performance (%) | 04/30/23-04/30/24 | 04/30/22-04/30/23 | 04/30/21-04/30/22 | 04/30/20-04/30/21 | 04/30/19-04/30/20 |
|-------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| <b>Fund</b>             | <b>-7.02</b>      | <b>-5.94</b>      | <b>-36.35</b>     | <b>35.76</b>      | <b>-2.29</b>      |
| Reference Benchmark     | -6.77             | -5.80             | -36.18            | 36.54             | -1.75             |

| Equity characteristics       | Fund    | Reference Benchmark |
|------------------------------|---------|---------------------|
| No. of holdings ex cash      | 706     | 703                 |
| Average market cap (USD Mil) | 112,435 | 112,459             |
| Price/earning ratio          | 12.51   | 12.51               |

### Benchmark information

|                             |                     |
|-----------------------------|---------------------|
| Index name                  | 100% MSCI China Net |
| Index currency              | USD                 |
| Benchmark type              | Total Return        |
| Index Rebalancing Frequency | Quarterly           |
| TR Index Bloomberg Ticker   | NDEUCHF             |
| TR Index Reuters RIC        | .dMICN00000NUS      |

## Sector allocation (%)



| Top 10 holdings              | Sector                 | Weight (%) |
|------------------------------|------------------------|------------|
| Tencent Holdings Ltd         | Communication Services | 15.17      |
| Alibaba Group Holding Ltd    | Consumer Discretionary | 7.99       |
| PDD Holdings Inc             | Consumer Discretionary | 3.87       |
| Meituan                      | Consumer Discretionary | 3.67       |
| China Construction Bank Corp | Financials             | 3.24       |
| NetEase Inc                  | Communication Services | 1.92       |
| Bank of China Ltd            | Financials             | 1.85       |
| ICBC                         | Financials             | 1.82       |
| JD.com Inc                   | Consumer Discretionary | 1.78       |
| Xiaomi Corp                  | Information Technology | 1.76       |

| Exchange name                     | Listing date | Trading currency | Trading hours | Bloomberg ticker | Reuters RIC | iNAV Bloomberg | iNAV Reuters         |
|-----------------------------------|--------------|------------------|---------------|------------------|-------------|----------------|----------------------|
| LONDON STOCK EXCHANGE             | Jan 28 2011  | USD              | 08:00 - 16:30 | HMCD LN          | HMCD.L      | HMCUSDIV       | HMCDUSDINA<br>V=SOLA |
| LONDON STOCK EXCHANGE             | Jan 28 2011  | GBP              | 08:00 - 16:30 | HMCH LN          | HMCH.L      | HMCHGBIV       | HMCHGBXINA<br>V=SOLA |
| SIX SWISS EXCHANGE                | Jun 07 2011  | USD              | 09:00 - 17:30 | HMCH SW          | HMCH.S      | HMCUSDIV       | HMCDUSDINA<br>V=SOLA |
| NYSE EURONEXT - EURONEXT<br>PARIS | May 20 2011  | EUR              | 09:00 - 17:30 | CNY FP           | HMCH.PA     | CNYEUIV        | CNYEURINAV=<br>SOLA  |
| DEUTSCHE BOERSE AG- XFRA          | Sep 27 2013  | EUR              | 08:00 - 20:00 | H4ZP GR          | H4ZP.DE     | HMCDEUIV       | HMCDEUIV.P           |
| DEUTSCHE BOERSE AG-XETRA          | Sep 27 2013  | EUR              | 09:00 - 17:30 | H4ZP GY          | H4ZP.DE     | CNYEUIV        | CNYEURINAV=<br>SOLA  |
| BORSA ITALIANA SPA                | Jan 16 2019  | EUR              | 09:00 - 17:35 | HMCH IM          | HMCH.MI     | CNYEUIV        | CNYEURINAV=<br>SOLA  |
| BOLSA INSTITUCIONAL DE<br>VALORES | Jan 12 2021  | MXN              | 08.25 - 15:00 | HMCDN MM         | HMCDN.BIV   | --             | --                   |

## Risk disclosures

- 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.
- 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.

Follow us on:



### Glossary



## Index disclaimer

Source: MSCI. The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an “as is” basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the “MSCI Parties”) expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.msci.com)

Source: HSBC Asset Management, data as at April 30 2024

## Important information

The material contained herein is for marketing purposes and is for your information only. This document is not contractually binding nor are we required to provide this to you by any legislative provision. It 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 was prepared by HSBC Global Asset Management (UK) Limited, a company incorporated, regulated and supervised in the United Kingdom. The ETFs referred to in this document are governed by laws other than Mexico, which may affect the rights that investors have with respect to the funds.

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 material when making any investment decisions.

This material 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 material 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.

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 Global Asset Management (UK) Limited accepts no liability for any failure to meet such forecast, projection or target.

The fund is a sub-fund of HSBC ETFs plc ("the Company"), an investment company with variable capital and segregated liability between sub-funds, incorporated in Ireland as a public limited company, and is authorised by the Central Bank of Ireland. The company is constituted as an umbrella fund, with segregated liability between sub-funds. Shares purchased on the secondary market cannot usually be sold directly back to the Company. Investors must buy and sell shares on the secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees for doing so. In addition, investors may pay more than the current Net Asset Value per share when buying shares and may receive less than the current Net Asset Value per Share when selling them. Affiliated companies of HSBC Global Asset Management (UK) Limited may make markets in HSBC ETFs plc. UK based investors are advised they may not be afforded some of the protections conveyed by the Financial Services and Markets Act (2000), (the Act). The Company is recognised in the UK by the Financial Conduct Authority under section 264 of the Act. The shares in the company have not been and will not be offered for sale or sold in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or to United States Persons. All applications are made on the basis of the Prospectus, Key Investor Information Document (KIID), Supplementary Information Document (SID) and Fund supplement, and most recent annual and semi-annual reports, which can be obtained upon request free of charge from HSBC Asset Management; from a stockbroker or financial adviser or from our website (see below). Investors and potential investors should read and note the risk warnings in the prospectus, relevant KIID and Fund supplement (where available) and additionally, in the case of retail clients, the information contained in the supporting SID.

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

Approved for issue in the UK by HSBC Global Asset Management (UK) Limited, who are authorised and regulated by the Financial Conduct Authority. [www.assetmanagement.hsbc.com/uk](http://www.assetmanagement.hsbc.com/uk)

Copyright © HSBC Global Asset Management (UK) Limited 2022. All rights reserved.

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

The fund is a sub-fund of HSBC ETFs plc ("the Company"), an investment company with variable capital and segregated liability between sub-funds, incorporated in Ireland as a public limited company, and is authorised by the Central Bank of Ireland. The company is constituted as an umbrella fund, with segregated liability between sub-funds. Shares purchased on the secondary market cannot usually be sold directly back to the Company. Investors must buy and sell shares on the secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees for doing so. In addition, investors may pay more than the current Net Asset Value per share when buying shares and may receive less than the current Net Asset Value per Share when selling them. Affiliated companies of HSBC Global Asset Management (UK) Limited may make markets in HSBC ETFs plc. UK based investors are advised they may not be afforded some of the protections conveyed by the Financial Services and Markets Act (2000), (the Act). The Company is recognised in the UK by the Financial Conduct Authority under section 264 of the Act. The shares in the company have not been and will not be offered for sale or sold in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or to United States Persons. All applications are made on the basis of the Prospectus, Key Investor Information Document (KIID), Supplementary Information Document (SID) and Fund supplement, and most recent annual and semi-annual reports, which can be obtained upon request free of charge from HSBC Global Asset Management (UK) Limited, 8 Canada Square, Canary Wharf, London E14 5HQ UK; from a stockbroker or financial adviser or from our website (see below). Investors and potential investors should read and note the risk warnings in the prospectus, relevant KIID and Fund supplement (where available) and additionally, in the case of retail clients, the information contained in the supporting SID.