

# HSBC FTSE EPRA/NAREIT DEVELOPED UCITS ETF

## Physical replication

March 2020

For UK retail clients

The HSBC FTSE EPRA/NAREIT DEVELOPED UCITS ETF is an open ended UCITS V compliant exchange-traded fund incorporated in Ireland.

### Fund objective

The investment objective of the Fund is to replicate the performance of the FTSE EPRA/NAREIT Developed Index (the "Index"), while minimising as far as possible the tracking error between the Fund's performance and that of the Index. The Index is a market-capitalisation weighted index designed to measure the performance of the largest real estate companies of the world's developed equity markets, including Canada, US, Australia, Hong Kong, China (via Red Chip shares traded on the Hong Kong Exchange), Japan, New Zealand, Singapore, South Korea, Austria, Belgium, Luxembourg, Denmark, Finland, France, Germany, Greece, Ireland, Israel, Italy, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and UK, as defined by the Index Provider.

### Key facts

- Physical replication approach
- Listed on London Stock Exchange, SIX Swiss Exchange and Xetra Deutsche Börse
- Multi currency listing in GBP and USD
- Fund registered in several European countries: UK, France, Germany, Italy, Ireland, Netherlands, Spain, Sweden, Switzerland

### Risk of investing in the fund

**Market risk:** 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.

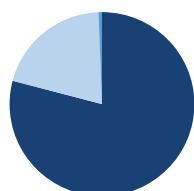
**Currency exchange risk:** Where overseas investments are held the rate of currency exchange may also cause the value of such investments to fluctuate.

**Emerging market risk:** Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in established markets.

**Property Risk:** The value of interests in real estate companies may be affected by changes in interest rates, tax laws and environmental laws and regulations. While the value of interests in REITs may be affected by the value of the property owned or the quality of the mortgages held by the trust.

You should read and note the risk warnings in the prospectus, the relevant Key Investor Information Document (KIID) and the details in the Supplementary Information Document (SID).

### Sector allocation of the Fund



- Real Estate Investment Trusts (79.08%)
- Real Estate Investment & Services (20.31%)
- Cash & Others (0.61%)

Source: HSBC Global Asset Management (UK) Limited.  
All data as at 31/03/2020

### Fund details

UCITS V compliant	Yes
Fund domicile	Ireland
UK reporting fund status (UKRS)	Yes
ISA eligible	Yes
SIPP eligible	Yes
Issuer	HSBC ETFs Plc
Fund manager	HSBC Global Asset Management (UK) Ltd
Depository	HSBC Institutional Trust Services (Ireland) DAC
Fund administrator	HSBC Securities Services (Ireland) DAC
Benchmark	FTSE EPRA/NAREIT Developed® Index
Number of holdings	340
<i>Published daily on <a href="http://etf.hsbc.com">etf.hsbc.com</a> website</i>	
Replication method	Physical replication
Base currency	USD
Fund inception date	20/06/2011
Listing date	22/06/2011
Fiscal year end	31 December
Ongoing charge figure (OCF)*	0.40%
Entry/Exit/Performance fees	No
Net asset value (NAV) per share	\$18.26
Shares outstanding	7,200,000
Assets under management	\$131,487,527
Dividend treatment	Distribution
Dividend frequency	Quarterly
Dividend currency	USD
Dividend per share	\$0.1770
Dividend yield**	4.17%
Dividend ex date	23/01/2020

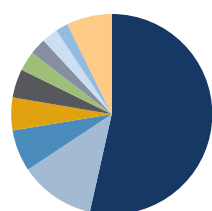
\*The ongoing charges figure is based on expenses over a year. The figure excludes transaction costs \*\*Gross trailing 12 month yield.

ISIN	IE00B5L01S80
SEDOL GBP	B5L01S8
SEDOL USD	B3LFHB4
Ticker GBP	HPRO
Ticker USD	HPRD

### Index Information

Index name	FTSE EPRA/NAREIT
Index currency	Developed Index® USD
Benchmark type	Total Return (Net)
Index rebalancing frequency	Quarterly
TR index Bloomberg ticker	TRNGLU
TR index Reuters RIC	.TFTRNGLU

## Geographical Allocation of the Fund



■ United States (53.50%)
■ Japan (12.16%)
■ Hong Kong (6.72%)
■ Germany (5.30%)
■ United Kingdom (4.62%)
■ Singapore (3.17%)
■ Canada (2.66%)
■ Australia (2.60%)
■ Sweden (2.01%)
■ Others (7.26%)

Others: France (2.00%), Switzerland (1.40%), Belgium (1.19%), Spain (0.48%), Finland (0.32%), New Zealand (0.28%), Israel (0.24%), Austria (0.19%), Norway (0.16%), Netherlands (0.15%), Ireland (0.12%), Guernsey (0.09%), Italy (0.02%), Cash & Others (0.61%)

## Top 10 holdings of the Fund

Prologis Inc	4.86%	Avalonbay Communities Inc	1.69%
Digital Realty Trust Inc	2.99%	Welltower Inc	1.55%
Public Storage	2.43%	Sun Hung Kai Properties Ltd	1.55%
Vonovia Se	2.21%	Link Reit	1.45%
Equity Residential	1.86%	Mitsubishi Estate Co Ltd	1.40%

Source: HSBC Global Asset Management (UK) Limited.  
All data as at 31/03/2020

## About the Index

The FTSE EPRA/NAREIT Global Real Estate Index Series is designed to represent general trends in eligible real estate equities worldwide. Relevant real estate activities are defined as the ownership, disposure and development of income-producing real estate. The benchmark index for this Fund covers developed equity markets and includes relevant companies from Canada, US, Australia, Hong Kong, China (via Red Chip shares traded on the Hong Kong Exchange), Japan, New Zealand, Singapore, South Korea, Austria, Belgium, Luxembourg, Denmark, Finland, France, Germany, Greece, Ireland, Israel, Italy, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom.

## Yearly fund performance (%)

	31/03/15- 31/03/16	31/03/16- 31/03/17	31/03/17- 31/03/18	31/03/18- 31/03/19	31/03/19- 31/03/20
HSBC FTSE EPRA NAREIT DEVELOPED UCITS ETF	0.40	0.88	3.38	13.55	-23.90
FTSE EPRA / NAREIT Developed Net	0.41	0.94	3.14	13.36	-23.97

## Fund and Index performance (%)

	1 month	3 months	1 year	3 years ann.	5 years ann.	Since inception ann.
HSBC FTSE EPRA NAREIT DEVELOPED UCITS ETF	-22.72	-28.48	-23.90	-3.69	-1.98	2.85
FTSE EPRA / NAREIT Developed Net	-22.76	-28.53	-23.97	-3.85	-2.06	2.86
Tracking difference <sup>1</sup>	0.04	0.05	0.06	0.16	0.08	-0.01
Tracking error <sup>2</sup>	N/A	N/A	0.10	0.18	0.16	0.14

<sup>1</sup> The difference between the return of the fund after fees and that of the index being replicated. It provides an indication of how well the fund has replicated the index.

<sup>2</sup> The volatility in the difference of performance between the fund and its index over time. Technically this is the standard deviation of the tracking difference. The optimal tracking error would be close to zero.

Source: HSBC Global Asset Management (UK) Limited. All data as at 31/03/2020

## Past performance is not an indicator of future returns.

Performance is shown using the net asset value of the fund, calculated from the closing price of the underlying securities.

Performance is shown after fees including re-invested dividends in the base currency of the fund and does not take into account any currency exposure that may exist against the trading currency of the fund, where this is different.

## Further information on HSBC ETFs

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Further information can be found in the prospectus.