

# HSBC MSCI USA UCITS ETF

## Physical replication

March 2020

For UK retail clients

The HSBC MSCI USA 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 MSCI USA 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 free float adjusted market-capitalisation index designed to measure large and mid cap US equity market performance.

### Key facts

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

### Risk of investing in the fund

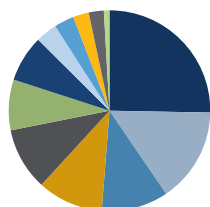
**Market risk:** The value of investments and any income from them can go down as well as up and investors may not get back the amount originally invested.

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

**Geographic risk:** This sub-fund invests predominantly in one geographic area; therefore any decline in the economy of this area may affect the prices and value of the underlying assets.

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



- Information Technology (25.29%)
- Health Care (15.22%)
- Financials (10.72%)
- Communication Services (10.57%)
- Consumer Discretionary (10.06%)
- Industrials (8.16%)
- Consumer Staples (7.48%)
- Utilities (3.46%)
- Real Estate (3.21%)
- Energy (2.53%)
- Materials (2.41%)
- Cash & Others (0.90%)

### Fund details

UCITS V compliant	Yes
Fund domicile	Ireland
UK reporting fund status (UKRF)	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	MSCI USA Index
Number of holdings	634
Published daily on <a href="http://etf.hsbc.com">etf.hsbc.com</a> website	
Replication method	Physical replication
Base currency	USD
Fund inception date	01/06/2010
Listing date	02/06/2010
Fiscal year end	31 December
Ongoing charge figure (OCF)*	0.30%
Entry/Exit/Performance fees	No
Net asset value (NAV) per share	\$24.74
Shares outstanding	1,400,000
Assets under management	\$34,629,080
Dividend treatment	Distribution
Dividend frequency	Semi-annual
Dividend currency	USD
Dividend per share	\$0.2060
Dividend yield**	1.61%
Dividend ex date	16/01/2020

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

ISIN	IE00B5WFQ436
SEDOL GBP	B5WFQ43
SEDOL USD	B3Z7TR6
Ticker GBP	HMUS
Ticker USD	HMUD

### Index Information

Index name	MSCI USA Index
Index currency	USD
Benchmark type	Total Return (Net)
Index rebalancing frequency	Quarterly
TR index Bloomberg ticker	NDDUUS
TR index Reuters RIC	.dMIUS00000NUS

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

## About the Index

The Fund will aim to replicate the performance of the Index as calculated by MSCI Inc.

The Index is a free float adjusted market capitalization index designed to measure large and mid cap US equity market performance. The Index is a member of the MSCI International Equity Index Series and represents the US equity portion of the global benchmark MSCI All Country World Index ("MSCI ACWI"). The Index is calculated in US Dollars each trading day.

The composition of the Index is reviewed on a quarterly basis and carried out according to the published rules governing the management of the Index as set out by MSCI Inc.

## Top 10 holdings of the Fund

Microsoft Corp	5.05%	Johnson & Johnson	1.54%
Apple Inc	5.00%	JPMorgan Chase & Co	1.26%
Amazon.com Inc	3.60%	Visa Inc	1.24%
Alphabet Inc	3.13%	Procter & Gamble	1.22%
Facebook Inc	1.76%	Berkshire Hathaway Inc	1.06%

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

## 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 MSCI USA UCITS ETF	0.26	16.67	13.36	9.03	-7.69
MSCI USANet	0.24	16.73	13.37	8.84	-7.68

## Fund and Index performance (%)

	1 month	3 months	1 year	3 years ann.	5 years ann.	Since inception ann.
HSBC MSCI USA UCITS ETF	-12.73	-19.80	-7.69	4.49	5.94	11.00
MSCI USANet	-12.73	-19.77	-7.68	4.44	5.91	10.98
Tracking difference <sup>1</sup>	0.00	-0.03	0.00	0.06	0.03	0.01
Tracking error <sup>2</sup>	N/A	N/A	0.19	0.14	0.12	0.09

<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.