HSBC MSCI EM FAR EAST UCITS ETF

Physical optimisation

March 2020

For UK retail clients

The HSBC MSCI EM FAR EAST 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 EM Far East 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 companies in China (as accessible through the Hong Kong market), Indonesia, Korea, Malaysia, Philippines, Taiwan and Thailand, as defined by the Index Provider.

In seeking to achieve its investment objective, the Fund will invest in securities included in the Index using a strategy of Optimised Replication, where the Fund invests in a representative sample of the constituents of the Index.

Key facts

- Physical optimisation 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

Risk of investing in the fund

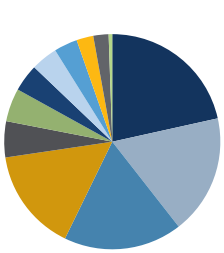
Market risk: The value of investments and any income from them can go down as well as up and investors may not get back the amount originally invested.

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.

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 (21.51%)
- Consumer Discretionary (17.95%)
- Financials (17.73%)
- Communication Services (15.45%)
- Industrials (5.41%)
- Consumer Staples (4.99%)
- Materials (4.10%)
- Health Care (3.98%)
- Real Estate (3.51%)
- Energy (2.53%)
- Utilities (2.28%)
- Cash & Others (0.54%)

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 (UKRF)	Yes
ISA eligible	Yes
SIPP eligible	Yes
Issuer	HSBC ETFs Plc
Fund manager	HSBC Global Asset Management (UK) Ltd
Depositary	HSBC Institutional Trust Services (Ireland) DAC
Fund administrator	HSBC Securities Services (Ireland) DAC
Benchmark	MSCI EM Far East Index
Number of holdings *Published daily on etf.hsbc.com website*	615
Replication method	Physical optimisation
Base currency	USD
Fund inception date	24/09/2010
Listing date	28/09/2010
Fiscal year end	31 December
Ongoing charge figure (OCF)*	0.60%
Entry/Exit/Performance fees	No
Net asset value (NAV) per share	$40.44
Shares outstanding	280,000
Assets under management	$11,322,692
Dividend treatment	Distribution
Dividend frequency	Semi-annual
Dividend currency	USD
Dividend per share	$0.4178
Dividend yield**	1.90%
Dividend ex date	06/02/2020

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

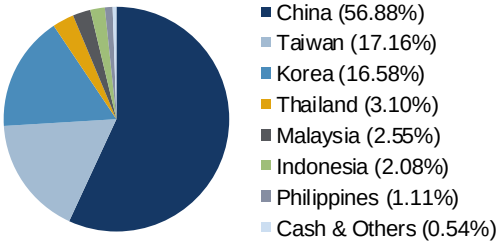
ISIN	IE00B5LP3W10
SEDOL GBP	B5LP3W1
SEDOL USD	B3XMR13
Ticker GBP	HMFE
Ticker USD	HMFD

Index Information

Index name	MSCI EM Far East Index
Index currency	USD
Benchmark type	Total Return (Net)
Index rebalancing frequency	Quarterly
TR index Bloomberg ticker	NDUEEGFF
TR index Reuters RIC	.dMIMF00000NUS

HSBC Global Asset Management

Geographical Allocation of the Fund



Top 10 holdings of the Fund

Alibaba Group Holding Ltd	9.87%	Ping An Insurance Group Co of China Ltd	1.83%
Tencent Holdings	8.27%	China Mobile Ltd	1.37%
Taiwan Semiconductor Manufacturing Co Ltd	6.52%	Industrial & Commercial Bank of China Ltd	1.36%
Samsung Electronics Co Ltd	6.26%	SK Hynix Inc	1.12%
China Construction Bank Corp	2.34%	Bank of China Ltd	0.95%

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 offers a representation of the emerging Pacific equity markets (China – as accessible through the Hong Kong market), Indonesia, Korea, Malaysia, Philippines, Taiwan and Thailand by targeting all companies with a market capitalization within the top 85% of their investable equity universe, subject to a global minimum size requirement. It is based on MSCI's Global Investable Market Indices methodology.

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.

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 EM FAR EAST UCITS ETF	-13.19	17.40	28.61	-8.74	-10.00
MSCI EM FAR EAST	-12.57	17.98	29.28	-8.27	-9.45

Fund and Index performance (%)

	1 month	3 months	1 year	3 years ann.	5 years ann.	Since inception ann.
HSBC MSCI EM FAR EAST UCITS ETF	-9.94	-16.85	-10.00	1.84	1.49	2.90
MSCI EM FAR EAST	-9.95	-16.64	-9.45	2.40	2.06	3.43
Tracking difference[1]	0.01	-0.21	-0.55	-0.56	-0.58	-0.52
Tracking error[2]	N/A	N/A	0.35	0.32	0.38	0.39

[1] 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.

[2] 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 Tel: +44 (0) 207 991 3296 E-mail: etf.sales@hsbc.com Website: www.etf.hsbc.com

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Further information can be found in the prospectus.