

HSBC ETFs PLC

HSBC BLOOMBERG USD SUSTAINABLE CORPORATE BOND UCITS ETF

Monthly report 30 November 2021 | HUDC LN

Investment objective

The Fund aims to track as closely as possible the returns of the Bloomberg MSCI Euro Corporate SRI Carbon ESG-Weighted (EUR Unhedged) (the Index). The Fund will invest in, or gain exposure to bonds issued by corporates which make up the Index.

Investment strategy

The Index is a subset of the Bloomberg EURO Aggregate Corporate Index (the Parent Index), and is made up of fixed-rate, investment grade bonds issued by corporate issuers. The Index seeks to achieve a reduction in carbon emissions and an improvement of the MSCI ESG rating. The Index identifies securities based on sustainability exclusionary criteria; these include screens with a threshold on carbon emission intensity, and exclusion of companies with business activities in alcohol and weapons. Each company in the Index is assigned an ESG rating, and weights are capped at 2%. 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. There may be circumstances when it is not possible for the Fund to invest in all constituents of the Index. The Fund may invest up to 10% in funds and up to 10% in total return swaps and contracts for difference. 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.
- 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.

Share class details

Key metrics

NAV per share	USD 13.54
Yield to maturity	2.22%

Fund facts

UCITS V compliant	Yes
UK reporting fund status (UKRS)	Yes
ISA eligible	Yes
Dividend treatment	Accumulating
Dealing frequency	Daily
Valuation time	23:00 Ireland
Share class base currency	USD
Domicile	Ireland
Inception date	18 November 2021
Fund size	USD 49,419,129
Reference benchmark	100% Bloomberg MSCI US Corporate SRI Carbon ESG-Weighted (USD Unhedged)

Managers	HSBC Index and Systematic Equity Portfolio Management Team
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Fees and expenses

Minimum initial investment ¹	USD 1
Ongoing charge figure ²	0.180%

Codes

ISIN	IE00BKY81627
Bloomberg ticker	HUDC LN
SEDOL	BKY8162

¹Please note that initial minimum subscription may vary across different distributors

²Ongoing 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.

Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann	Since inception
Fund	--	--	--	--	--	--	--	--
Reference Benchmark	--	--	--	--	--	--	--	--

Rolling performance (%)	30/11/2020- 30/11/2021	30/11/2019- 30/11/2020	30/11/2018- 30/11/2019	30/11/2017- 30/11/2018	30/11/2016- 30/11/2017
Fund	--	--	--	--	--
Reference Benchmark	--	--	--	--	--

Carbon footprint	Fund	Reference benchmark
Carbon intensity emissions	131.08	266.31
Carbon Intensity measures the quantity of carbon emission of a company (tonnes CO ₂ e/USD million revenue)		

3-Year Risk Measures	Fund	Reference Benchmark	5-Year Risk Measures	Fund	Reference Benchmark
Volatility	--	--	Volatility	--	--
Sharpe ratio	--	--	Sharpe ratio	--	--
Tracking error	--	--	Tracking error	--	--
Information ratio	--	--	Information ratio	--	--

Fixed Income Characteristics	Fund	Reference Benchmark	Relative
No. of holdings ex cash	343	4,531	--
Average coupon rate	3.43	3.59	-0.16
Yield to worst	2.19%	2.22%	-0.03%
Option adjusted duration	8.63	8.68	-0.05
Modified duration to worst	8.51	8.55	-0.05
Option adjusted spread duration	8.53	8.57	-0.03
Average maturity	11.66	11.90	-0.23
Rating average	A-/BBB+	A-/BBB+	--

Credit rating (%)	Fund	Reference Benchmark	Relative	Maturity Breakdown (Option adjusted duration)	Fund	Reference Benchmark	Relative
AAA	2.14	2.04	0.10	0-2 years	0.10	0.12	-0.02
AA	6.37	6.06	0.30	2-5 years	0.86	0.85	0.01
A	43.52	42.66	0.86	5-10 years	2.03	1.84	0.19
BBB	47.77	49.23	-1.47	10+ years	5.63	5.86	-0.23
Cash	0.20	--	0.20	Total	8.63	8.68	-0.05

Currency Allocation (%)	Fund	Reference Benchmark	Relative
USD	100.00	100.00	--

Geographical allocation (%)



Sector allocation (%)	Fund	Reference Benchmark	Relative
Banking	22.00	22.19	-0.20
Consumer Non cyclical	18.03	18.23	-0.20
Technology	13.31	13.34	-0.03
Communications	10.75	10.45	0.30
Consumer Cyclical	7.41	7.22	0.19
Electric	6.03	5.94	0.09
Insurance	4.09	3.86	0.23
Energy	3.81	3.94	-0.13
Capital Goods	3.22	3.08	0.14
Reits	2.43	2.42	0.01
Other Sectors	8.71	9.32	-0.61
Cash	0.20	--	0.20

Top 10 holdings	Weight (%)
PUBLIC SERVICE 3.800 01/01/43	0.64
POTOMAC ELEC PWR 6.500 15/11/37	0.60
APPLE INC 4.650 23/02/46	0.60
CON EDISON CO 4.650 01/12/48	0.56
MORGAN STANLEY 3.875 29/04/24	0.56
JPMORGAN CHASE 3.797 23/07/24	0.56
GOLDMAN SACHS GP 4.017 31/10/38	0.56
JPMORGAN CHASE 3.782 01/02/28	0.56
COOPERATIEVE RAB 3.750 21/07/26	0.55
HSBC HOLDINGS 4.250 18/08/25	0.55

Exchange name	Listing date	Trading currency	Trading hours	Bloomberg ticker	Reuters RIC	iNAV Bloomberg	iNAV Reuters
LONDON STOCK EXCHANGE		USD	08:00 - 16:30	HUDC LN	HUDC.L	HUDCUSIV	HUDCUSiv.P
LONDON STOCK EXCHANGE		GBP	08:00 - 16:30	HUSC LN	HUSC.L	HUDCGB.IV	HUDCGBiv.P
NYSE EURONEXT - EURONEXT PARIS	07 Dec 2021	EUR	09:00 - 17:30	HUDC FP	HUDC.PA	HUDCEUIV	HUDC.PA
DEUTSCHE BOERSE AG-XETRA	09 Dec 2021	EUR	--	HUSC GY	HUSC.DE	HUDCEUIV	HUDCEUiv.P
SIX SWISS EXCHANGE	23 Dec 2021	USD	--	HUDC SW	HUDC.S	HUDCUSIV	HUDCUSiv.P

Risk disclosures

- 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.
- Further information on the Fund's potential risks can be found in the Key Investor Information Document and Prospectus.

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Glossary



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Source: HSBC Asset Management, data as at 30 November 2021

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