

## HSBC Investment Funds

# Corporate Bond Fund

Marketing communication | Monthly report 30 June 2025 | Share class Inst Acc



### Investment objective

The Fund aims to provide higher returns (before charges and tax are deducted from the Fund) than the Markit iBoxx GBP Corporates Index plus 1% per year, over three-year periods.



### Investment strategy

To achieve its objective the Fund will invest at least 80% of its value in bonds that have a credit rating of investment grade and are issued in sterling or are hedged back to sterling. The bonds may be issued by companies and supranational or government-backed organisations which may be located anywhere in the world. The types of bond the Fund may invest in include covered bonds and asset backed securities. The Fund is managed with reference to the Markit iBoxx GBP Corporates Index. The fund manager is not limited to investing in bonds that are part of the Markit iBoxx GBP Corporates Index. The fund manager aims to generate returns in excess of the Markit iBoxx GBP Corporates Index plus 1% per year, over three-year periods, before charges and tax are deducted from the Fund. This is based on our current view of returns the Fund may potentially achieve, which may change. The Markit iBoxx GBP Corporates Index is also considered as part of our investment risk monitoring process, to check that the overall level of risk taken by the fund manager is not inconsistent with the sterling corporate bond market. The performance of the Fund is shown against the performance of the Markit iBoxx GBP Corporates Index plus 1% per year.



### 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 Fund invests in bonds whose value generally falls when interest rates rise. This risk is typically greater the longer the maturity of a bond investment and the higher its credit quality. The issuers of certain bonds, could become unwilling or unable to make payments on their bonds and default. Bonds that are in default may become hard to sell or worthless.
- 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       | <b>GBP 3.82</b> |
| Performance 1 month | <b>1.93%</b>    |
| Yield to maturity   | <b>5.82%</b>    |

#### Fund facts

|                           |  |
|---------------------------|--|
| UCITS V compliant         | <b>Yes</b>   |
| Dividend treatment        | <b>Accumulating</b>  |
| Dividend ex-date          | <b>16 January 2020</b>   |
| Dealing frequency         | <b>Daily</b>   |
| Valuation Time            | <b>12:00 GB</b>  |
| Share Class Base Currency | <b>GBP</b>   |
| Domicile                  | <b>GB</b>  |
| Inception date            | <b>6 April 2001</b>  |
| Fund Size                 | <b>GBP 157,624,116</b>   |
| Reference benchmark       | <b>100% Markit iBoxx GBP Corporates Index plus 1% per year</b> |
| Managers                  | <b>Mohamed Imtiaz Siddeeq<br/>Oliver Boulind</b>               |

#### Fees and expenses

|                                    |               |
|------------------------------------|---------------|
| Ongoing Charge Figure <sup>1</sup> | <b>0.050%</b> |
|------------------------------------|---------------|

#### Codes

|                  |                     |
|------------------|---------------------|
| ISIN             | <b>GB0030339732</b> |
| Bloomberg ticker | <b>HSCPBIA LN</b>   |

<sup>1</sup>Ongoing Charges Figure is an estimate due to a change of fee structure.

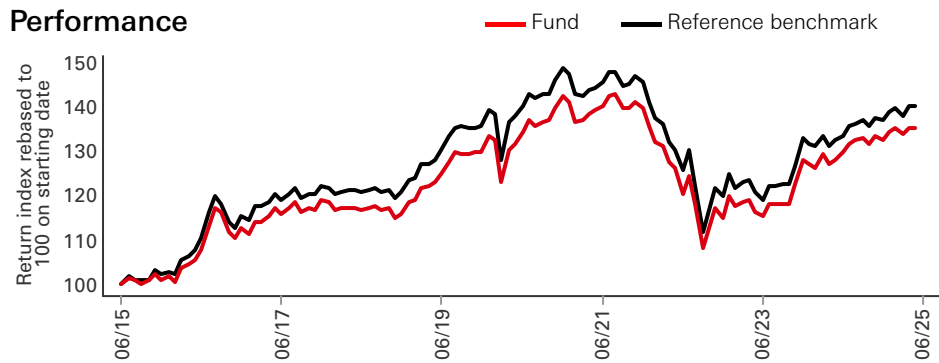
Past performance is not an indicator of future returns. The figures are calculated in the share class base currency, dividend reinvested, net of fees.

This is a marketing communication. Please refer to the prospectus and to the KID before making any final investment decisions.

For definition of terms, please refer to the Glossary QR code and Prospectus.

Source: HSBC Asset Management, data as at 30 June 2025

## Performance



| Performance (%)     | YTD  | 1 month | 3 months | 6 months | 1 year | 3 years ann | 5 years ann | 10 years ann |
|---------------------|------|---------|----------|----------|--------|-------------|-------------|--------------|
| Inst Acc            | 3.85 | 1.93    | 2.96     | 3.85     | 6.30   | 4.67        | 0.54        | 3.25         |
| Reference benchmark | 2.14 | 0.00    | 1.43     | 2.14     | 4.90   | 3.65        | -0.02       | 3.41         |

| Calendar year performance (%) | 2015 | 2016  | 2017 | 2018  | 2019  | 2020 | 2021  | 2022   | 2023  | 2024 |
|-------------------------------|------|-------|------|-------|-------|------|-------|--------|-------|------|
| Inst Acc                      | 0.13 | 11.33 | 5.61 | -2.41 | 11.82 | 9.80 | -1.91 | -17.56 | 11.36 | 3.50 |
| Reference benchmark           | 1.57 | 12.94 | 6.05 | -1.22 | 12.14 | 9.71 | -2.22 | -17.56 | 10.79 | 3.21 |

| 3-Year Risk Measures | Inst Acc | Reference benchmark | 5-Year Risk Measures | Inst Acc | Reference benchmark |
|----------------------|----------|---------------------|----------------------|----------|---------------------|
| Volatility           | 8.87%    | 9.27%               | Volatility           | 8.04%    | 8.20%               |
| Sharpe ratio         | 0.01     | -0.10               | Sharpe ratio         | -0.29    | -0.35               |
| Tracking error       | 1.48%    | --                  | Tracking error       | 1.39%    | --                  |
| Information ratio    | 0.69     | --                  | Information ratio    | 0.40     | --                  |

| Fixed Income Characteristics    | Fund    | Reference benchmark | Relative |
|---------------------------------|---------|---------------------|----------|
| No. of holdings ex cash         | 174     | 842                 | --       |
| Average coupon rate             | 5.05    | 4.56                | 0.49     |
| Yield to worst                  | 5.46%   | 5.16%               | 0.30%    |
| Current yield                   | 4.97%   | 4.69%               | 0.29%    |
| Option Adjusted Duration        | 5.73    | 5.54                | 0.19     |
| Option Adjusted Spread Duration | 5.35    | 5.48                | -0.14    |
| Average maturity                | 8.49    | 7.92                | 0.57     |
| Average Credit Quality          | A-/BBB+ | A-/BBB+             | --       |

| Credit rating (%) | Fund  | Reference benchmark | Relative |
|-------------------|-------|---------------------|----------|
| AAA               | --    | 0.41                | -0.41    |
| AA                | 2.29  | 7.58                | -5.30    |
| A                 | 26.83 | 37.12               | -10.30   |
| BBB               | 63.91 | 54.46               | 9.44     |
| BB                | 3.39  | 0.42                | 2.97     |
| B                 | 0.38  | --                  | 0.38     |
| NR                | 0.00  | --                  | 0.00     |
| Cash              | 3.21  | --                  | 3.21     |

| Geographical Allocation (Option Adjusted Duration) | Fund        | Reference benchmark | Relative    |
|--|-------------|---------------------|-------------|
| UK   | 3.92        | 2.87                | 1.05        |
| Europe-ex UK                                       | 1.07        | 1.36                | -0.29       |
| North America                                      | 0.66        | 1.14                | -0.49       |
| Asia   | 0.08        | 0.14                | -0.07       |
| Middle East  | 0.01        | --                  | 0.01        |
| Latam  | 0.00        | 0.03                | -0.03       |
| Cash   | 0.00        | --                  | 0.00        |
| <b>Total</b>                                       | <b>5.73</b> | <b>5.54</b>         | <b>0.19</b> |

**Maturity Breakdown  
(Option Adjusted  
Duration)**

|              | Fund        | Reference<br>benchmark | Relative    |
|--------------|-------------|------------------------|-------------|
| 0-2 years    | 0.13        | 0.20                   | -0.07       |
| 2-5 years    | 0.88        | 1.05                   | -0.17       |
| 5-10 years   | 1.51        | 1.54                   | -0.03       |
| 10+ years    | 3.21        | 2.76                   | 0.45        |
| <b>Total</b> | <b>5.73</b> | <b>5.54</b>            | <b>0.19</b> |

| <b>Sector Allocation (%)</b> | <b>Fund</b> | <b>Reference<br/>benchmark</b> | <b>Relative</b> |
|------------------------------|-------------|--------------------------------|-----------------|
| Financials                   | 49.94       | 45.23                          | 4.71            |
| Utilities                    | 17.71       | 17.45                          | 0.26            |
| Telecommunications           | 6.39        | 5.87                           | 0.51            |
| Consumer Services            | 5.11        | 7.93                           | -2.82           |
| Oil & gas                    | 4.37        | 4.87                           | -0.51           |
| Mbs                          | 3.83        | --                             | 3.83            |
| Consumer Goods               | 2.55        | 8.61                           | -6.06           |
| Gilts                        | 1.98        | --                             | 1.98            |
| Agencies                     | 1.51        | 0.07                           | 1.44            |
| Public Banks                 | 1.10        | 2.67                           | -1.57           |
| Other Sectors                | 2.30        | 7.28                           | -4.98           |
| Cash                         | 3.21        | --                             | 3.21            |

**Top 10 Holdings**

|                                  | <b>Weight (%)</b> |
|----------------------------------|-------------------|
| NATWEST GROUP 3.125 28/03/27     | 2.38              |
| BARCLAYS PLC 3.750 22/11/30      | 2.25              |
| BARCLAYS PLC 8.407 14/11/32      | 1.60              |
| CAIXABANK 1.500 03/12/26         | 1.50              |
| UK TSY GILT 1.250 31/07/51       | 1.40              |
| MORGAN STANLEY 5.213 24/10/35    | 1.37              |
| DNB BANK ASA 4.000 17/08/27      | 1.24              |
| BAA FUNDING LTD 6.750 03/12/26   | 1.15              |
| BAYERISCHE LND BK 5.250 28/11/29 | 1.11              |
| HSBC HOLDINGS 6.800 14/09/31     | 1.08              |

Risk Disclosure

- 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.
- Liquidity is a measure of how easily the Fund’s holdings can be quickly converted to cash. The value of the Fund’s holdings may be significantly impacted by liquidity risk during adverse market conditions.
- Further information on the potential risks can be found in the Key Information Document (KID) and/or the Prospectus or Offering Memorandum.

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