

HSBC Investment Funds

Interim Report and Accounts

15 July 2023



HSBC

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Company Information

Company

HSBC Investment Funds
Registered in England with
Company Number IC000073

Registered Office

8 Canada Square
London E14 5HQ

Directors

The Authorised Corporate Director (the "ACD") is HSBC Global Asset Management (UK) Limited, which is the sole director.

HSBC Global Asset Management (UK) Limited is authorised and regulated by the Financial Conduct Authority (FCA) and is a member of The Investment Association (IA).

HSBC Global Asset Management (UK) Limited - Directors

R.E.W. Apenbrink (resigned 20 June 2023)

J.S. Calvery (appointed 20 April 2023)

S.Y.C. Chow (resigned 10 January 2023)

P.G.P. Dew

J.M. Munro

T.J. Palmer (resigned 1 March 2023)

M.B.A. Pardi (appointed 13 July 2023)

J.R. Paterson

S.K. White

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Market Review

Welcome to the Interim Report for the HSBC Investment Funds Open-Ended Investment Company (OEIC). The report covers the period 16 January 2023 to 15 July 2023.

Please do take the time to look through the report and if you have any questions, contact our Customer Services on 0800 358 3011*.

To help us continually improve our service, and in the interests of security, we may monitor and/or record your communications with us.

***Lines are open 9am to 5pm Monday to Friday (excluding public holidays).**

Economic Overview

The period was an uncertain one for the global economy, affected by falling – but still persistently high – inflation levels, rising interest rates and sluggish economic growth.

Headline inflation continued to fall across most major economies, most notably in the US, where it fell to 3% in May – less than half its peak level in mid-2022 and the lowest level since March 2021. It continued to fall in the eurozone and the UK, too, although the decline in the UK's inflation rate was less pronounced as food prices remained stubbornly high. In Mainland China, inflation almost disappeared, falling to zero in June. However, core inflation, which excludes volatile food and energy prices, remained stubbornly high, an indication that inflationary pressures had spread across economies.

The world's major central banks continued to tighten monetary policy but at a slower pace. The US Federal Reserve (Fed) raised its Fed funds rate to 5.25% through three 25 basis point (bp) increases. In June, after 10 successive rate hikes dating back to March 2022, it left rates unchanged. However, Fed Chairman Jerome Powell warned that further rate hikes were still needed to cool inflation. The Bank of England (BoE) took interest rates from 3.5% to 5.0% over the six months to June, including a higher-than-expected 50bp hike in June. Meanwhile, the European Central Bank (ECB) also continued to raise rates to 4% and warned of more to come.

Economic growth generally slowed as higher interest rates and the prospect of further rate hikes affected demand. In the US, annualised GDP growth slowed to 2.0% in the first quarter of 2023, down from 2.6% in the final quarter of 2022. The eurozone appeared to fall into a technical recession, as a quarterly fall in GDP of 0.1% occurred in two successive quarters. However, the figure for the first quarter of 2023 was revised to flat from -0.1% and a technical recession was thereby avoided. The UK also narrowly avoided a recession by growing 0.1% in both the final quarter of 2022 and the first quarter of 2023. Despite easing its Covid-19 restrictions late in 2022, which produced an initial burst of economic recovery, growth in Mainland China appeared to wane in the second quarter. By the end of the period, many global institutions and commentators were warning that the global economy was set to slow further, with some countries, notably the UK, in danger of recession.

Global Equities

Global equities rose over the period on hopes that inflation would continue to fall, interest rates were close to peaking and the global economy would begin to recover. Corporate earnings also generally exceeded expectations, which boosted sentiment. However, while headline inflation rates fell, core inflation levels did not fall as much and, in some cases, they rose – an indication that inflation had spread beyond just energy and food. The situation in Ukraine continued to cast its shadow over markets, while in late February and early March, there was significant financial turmoil following the bankruptcy of two sizeable US regional banks and financial distress at Credit Suisse, which was finally taken over by UBS. Markets were also unsettled in May by growing fears of a potential US debt default as Congress remained divided about a compromise on government spending plans. However, the debt ceiling was ultimately extended, bringing relief to markets, which continued to rally through June and early July.

Inflation and central banks' response to it remained a key factor driving markets throughout the period. Headline inflation continued to fall, most notably in the US, where it reached just 3% in June – the lowest level for over two years. Eurozone and Asian inflation rates also eased in aggregate, with Mainland China's inflation rate dropping to zero in June. While inflation fell in the UK, it remained at higher levels compared with other G7 countries, largely due to relatively higher food price inflation.

The major global central banks continued to raise interest rates but at a generally slower pace. Having raised interest rates on four consecutive occasions in 2022 by 75bps, the Fed slowed its tightening in 2023 to three 25bp increases and left rates unchanged at its June policy meeting.

Developed world markets outperformed emerging markets over the period. Emerging markets were negatively impacted by Mainland China's disappointingly weak performance. This was due to sluggish economic momentum despite the easing of Mainland China's Covid-19 restrictions at the end of 2022, which had led to a spurt of growth in the early spring but petered out thereafter. The US outperformed both Europe and the UK and was led by a strong rally in large-cap technology shares, such as Tesla, Amazon and Meta Platforms. Within Europe, the UK was relatively weak as investors fretted about the slow decline in inflation and the belief that interest rates would need to rise more and stay higher for longer compared with the rest of Europe.

UK Equities

UK equities fell mildly over the period. After moving higher in January and February, they fell in March as global concerns about banks, which saw Credit Suisse and some high-profile regional banks in the US fail and need to be rescued. Although the market recovered in April, it fell away again in May and June on worries about rising interest rates, the economy and the government's finances.

Although headline inflation fell in the UK, it remained relatively high compared to most other countries and was the highest among G7 nations. The fall in the UK's inflation rate was slower than other countries. It fell from 10.1% in January to 8.7% in May as food prices remained stubbornly high and wage pressure intensified. May's figure was a surprise for markets as inflation was unchanged from April's 8.7% rate, while core inflation climbed to a new 31-year high of 7.1%.

The BoE raised interest rates at every policy meeting during the period, taking them from 3.5% to 5.0%, which included a higher-than-expected 50bp hike in June. This marked the 13th consecutive rate hike from the BoE. The central bank warned that further tightening of monetary policy might be needed to address stubbornly high levels of inflation.

Economic growth deteriorated. The UK narrowly avoided a recession by growing by 0.1% in both the final quarter of 2022 and the first quarter of 2023. However, there were increasing fears that the UK was headed for a recession, either late in 2023 or in 2024. The labour market remained relatively robust, with the number of people in work at high levels. Vacancy rates were also high. However, unemployment began to pick up a little, reaching 4% in the three months to May, up from 3.7% in January.

The UK's finances were a source of worry. The UK's net debt to GDP ratio rose above 100% for the first time in peace time as borrowing costs increased due to higher interest rates and as widespread strikes among public-sector employees forced the government to offer higher wage settlements.

However, the market did take some comfort from largely better-than-expected corporate earnings results and the resilience of the corporate sector in the face of rising costs and weak economic growth.

UK Bonds

UK bond prices fell and yields rose over the period as inflation remained relatively high and the BoE responded with further interest-rate hikes. The 10-year gilt yield rose from 3.4% to more than 4.4% over the period. Two-year yields jumped even more, rising from 3.4% to approximately 5%, rising to levels not seen for 15 years. The inversion, or negative spread, between 10-year and two-year gilts rose close to 90bps in late June, the widest level for several years – an inverted yield curve is often seen as an indicator of economic recession. UK corporate bonds also fell but did relatively better than government bonds as investors became more risk tolerant in the second half of the period.

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US Equities

The US market rallied over the period, driven by hopes that the Fed was nearing the completion of its tightening cycle and on the back of largely better-than-expected corporate results. Both the S&P 500 and Nasdaq indices hit 15-month highs, while the Nasdaq experienced its best first half of a year for 40 years in the first six months of 2023. Technology shares drove what transpired to be a quite narrowly-focused market.

The market experienced some volatility and suffered a sell-off in February and early March as a mini-banking crisis erupted, which saw two regional banks (Silicon Valley Bank and Signature Bank) need bailing out. This was swiftly followed by the failure of First Republic Bank in April. The market was also dogged by concerns in May that there would be no agreement in Congress about extending the government's permitted debt ceiling. However, these fears were allayed when a deal was hatched between the Republicans and Democrats ahead of the self-imposed deadline in early June. Geopolitical worries, notably the ongoing situation in Ukraine, kept investors nervous. US relations with Mainland China were also tense given the latter's support for Russia and threats towards Taiwan.

Falling headline inflation provided a benign backdrop to the market. It fell from 6.4% in January to just 3% in June – less than half its peak level in mid-2022 and the lowest level since March 2021. Core inflation (excluding energy and food prices) fell to 4.8% in June. The Fed raised interest rates by 25bps on three occasions in the first six months of the year, taking the Fed funds rate to 5.25%. In June, it left rates unchanged after 10 successive interest-rate hikes dating back to March 2022. However, Fed Chairman Jerome Powell warned that the tightening was not finished and that rates would likely need to go higher still in the second half of 2023, although June's inflation data appeared to brighten the mood somewhat.

Economic growth showed signs of slowing. Annualised GDP growth slowed to 2.0% in the first quarter of 2023, down from 2.6% in the final quarter of 2022. However, the labour market stayed relatively robust. Non-farm payrolls remained well supported, while the unemployment rate only rose mildly over the period from 3.4% in January to 3.7% in May. However, initial jobless claims began to show signs of a sustainable change as they climbed in late May and early June to levels not seen for well over a year.

Japan Equities

Japan was one of the strongest markets in local currency terms over the period, although its returns were more modest in sterling terms, owing to the weakness in the yen. Both the Topix and Nikkei indices hit their highest levels since 1990 as investors grew more optimistic that the Japanese economy was escaping its decades-long period of deflation. The market also rallied along with other world markets on the hope that the pace of global interest-rate hikes might slacken during the year, leading to a revival in the global economy. Although these hopes appeared to be dashed towards the end of the period as the Fed, in particular, suggested that further monetary tightening was necessary in its battle to tame inflation, bullish sentiment prevailed among investors and the market continued to rally.

Annual consumer inflation stayed well above the Bank of Japan (BoJ)'s mid-term target of 2%. It hit a 41-year high of 4.3% in January, before falling to 3.2% in May as energy and utility price inflation eased. However, food price inflation remained elevated at 8.6%, the highest since 1976. Additionally, Japan's so-called 'core-core' inflation rate (excluding food and energy costs) rose steadily and hit 4.3% in May, the highest level since the early eighties.

Despite the inflationary pressures, the BoJ did not alter its ultra-loose monetary policy despite much speculation that it was close to doing so. New BoJ Governor Kazuo Ueda reasserted that the central bank's policy would not change for the foreseeable future, although he did concede that growing wage pressures in the economy, if persistent, might force the BoJ to alter its stance.

The economy showed signs of recovery over the period. GDP rose by 0.4% on an annualised basis in the final quarter of 2022. This was followed by 2.7% growth in the first quarter of 2023, beating market forecasts, as both household consumption and capital expenditure picked up. The BoJ's Tankan survey – a quarterly indicator of economic sentiment across the economy – also accelerated from +1 in the first quarter to +5% in the second quarter.

The yen weakened against the US dollar, rising from approximately 128 to 138 over the period, causing concerns at the BoJ and within the government. The weakness reflected the divergent policy stances of the Fed and the BoJ. There was talk of intervention to support the yen by the Japanese authorities towards the end of the period, but this did not ultimately transpire.

Asia ex-Japan Equities

Asia ex Japan equities weakened over the period. Although inflation rates fell throughout the region, investors were concerned about the impact of higher interest rates on economic demand. Mainland China's economic growth appeared to wane following an initial boost after the ending of its Covid-19-related restrictions in late 2022. Geopolitical concerns were to the fore, especially relations between the US and Mainland China. On the positive side, the US dollar was flat to mildly weaker and earnings were generally better than expected.

Mainland China was one of the weakest major markets in the region, while Hong Kong also notably declined. Thailand was weak on worries about political uncertainty in the country, the weaker baht and disappointing corporate earnings. India was relatively flat despite falling inflation and resilient economic growth. The market experienced a sell-off earlier in the year amid accusations of fraud and stock-price rigging at the Adani Group. In contrast, both South Korea and Taiwan produced strong returns, benefitting from the surge in technology stocks, given the large exposure in their market indices to technology, especially in the case of Taiwan.

Central banks across the region generally tightened their monetary policy, albeit at a slower pace. This was despite falling inflation levels as, although headline inflation rates improved, underlying inflation remained persistent. However, most countries enjoyed falling headline inflation. In India, headline inflation dropped from 6.5% in January to 4.3% in May as food prices eased. In South Korea, it fell from 5.2% to 3.3% over the same period. Mainland China was an outlier as inflation remained minimal. The annual consumer inflation rate dropped to zero in June, while its producer price index fell 5.4% year on year in June, the steepest drop for over seven years. Owing to these minimal price pressures and weaker economic trends, the People's Bank of China kept liquidity abundant in the money markets over the period. It cut its key lending rates in June to try and support the economy.

Mainland China's GDP rose by just 3% in 2022, the weakest rate for 50 years bar one year (1976), although the first quarter of 2023 saw more promising growth of 4.5%. Nevertheless, the market was disappointed by the government's official target of just 5% for 2023. India's economy picked up in the first quarter of 2023, growing by 6.1% year on year, after growth of 4.5% in the fourth quarter of 2022, driven by recovering household consumption and a pick-up in manufacturing. Although most Pacific Asian economies saw some relief in 2023 from a weakening US dollar and a slower pace in interest-rate hikes, economic growth in the region still remained meagre in aggregate and compared with history.

Emerging Markets

Emerging markets fell over the period. Although inflation rates fell throughout the region, investors were concerned about the impact of higher interest rates on economic demand. Mainland China's economic growth appeared to wane following an initial boost after the ending of its Covid-19-related restrictions in late 2022. Geopolitical concerns were to the fore, especially relations between the US and Mainland China. On the positive side, the US dollar was flat to mildly weaker and earnings were generally better than expected.

While Asian emerging markets were a drag, Latin American and emerging European equities were relatively strong. In Latin America, all major markets rose in sterling terms, with the key exception of Colombia. Argentina was the strongest performer. Despite rampant, triple-digit inflation and near triple-digit interest rates in the country, investors chased equities as an inflation hedge and in the expectation that better times were around the corner. Mexico benefitted from resilient economic growth and falling inflation. Brazil produced positive returns, too, but underperformed other Latin American markets in aggregate. Socialist President Lula da Silva's presidential victory was taken badly by investors, who fretted about his policies. The market had also suffered earlier in the year when government buildings were attacked in anti-government demonstrations. However, Brazil recovered strongly through May and June on improved economic performance and falling inflation. Colombia was the exception, plagued by anti-government reform demonstrations earlier in the year, while an uncertain political backdrop and the potential re-classification of the market by the MSCI to frontier status all undermined sentiment and caused a sell-off. Emerging European markets benefitted from falling European gas prices and their relatively resilient economies in face of the ongoing situation in Ukraine. The Czech Republic, Poland and Hungary all delivered decent returns.

In Asia, Mainland China was one of the weakest major markets in the region. Thailand was weak on worries about political uncertainty in the country, the weaker baht and disappointing corporate earnings. India was relatively flat despite falling inflation and resilient economic growth. The market experienced a sell-off earlier in the year amid accusations of fraud and stock-price rigging at the Adani Group. In contrast, both South Korea and Taiwan produced strong returns, benefitting from the surge in technology stocks, given the large exposure in their market indices to technology, especially in the case of Taiwan.

Both Turkey and South Africa were weak. Although Turkey rallied in local currency terms as its spectacularly high inflation rate began to moderate, returns in sterling and US dollars were negative owing to the weakness of the lira and ongoing concerns about President Erdogan's support for Russia. The South African market suffered from economic disruption due to power outages and floodings earlier in the year.

*The above information refers to past performance and should not be seen as a reliable indication of future returns.
Information provided by HSBC Global Asset Management (UK) Limited, 15 July 2023.*

Balanced

Investment Objective

The Fund aims to provide growth in the long term, which is a period of five years or more, together with income.

Investment Policy

To achieve its objective the Fund will invest in a range of asset types such as shares (equities) of companies, bonds, property, hedge funds and cash. The portfolio will be invested across global markets.

The Fund will invest at least 70% and up to 100% of its value in other funds that in turn invest in a range of asset types, including funds which aim to track an index. The other funds in which the Fund may invest will, where possible, be those managed by the HSBC Group.

The Fund may invest up to 30% directly in shares of companies, bonds, as well as cash.

The Fund may invest in different types of derivatives for efficient portfolio management purposes, including hedging, and for broader investment purposes to help the Fund meet its objective. In particular derivatives will be used to reduce or increase the Fund's exposure to different types of assets and to reduce the risk associated with movements in the rate of exchange between sterling and other currencies in which the Fund's assets may be held. The Fund does not intend to use derivatives extensively and their use will be consistent with the risk profile of the Fund.

Investment Strategy*

The Fund is actively managed and is not managed with reference to a specific benchmark.

Under normal market conditions, the Fund will have the following asset allocation: Equities: 50% - 80%, Bonds: 15% - 50%, other asset types, including cash: 0% - 30%. These percentages will fluctuate based upon market movement and adjustments to the asset allocation to enable the Fund to meet its aim.

The performance of the Fund is shown against the performance of the Investment Association Mixed Investment 40 - 85% Shares sector for comparison purposes.

*The full strategy can be found in the prospectus.

Portfolio Activity

As a result of the elevated risk environment, and our view that markets are underestimating the probability of a recession in early 2024, the fund has maintained a modestly cautious posture through the period; marginally reducing its global equity allocation, holding a preference for investment grade over high yield bonds, and marginally adding to rate duration. Additionally, the portfolios maintained a preference towards higher quality and more defensive areas of the developed equity market. Given the depth of the US Yield Curve inversion, we introduced a US Steepening trade.

During the period the portfolios have held a preference for 'Eastern' over 'Western' markets. We increased exposure to emerging market equities at the start of the year, and introduced a preference for Japan over developed market equity. Finally, we increased exposure to European ex-UK Equity as the economic outlook in the region improved, and sold out of our US Energy and US Minimum Volatility positions.

Largest Net Purchase(s): Lyxor US Curve Steepening 2-10 UCITS ETF and HSBC Global Sterling Liquidity Funds.

Largest Net Sale(s): HSBC FTSE All-World Index and HSBC HGIF Global Short Duration High Yield Bond.

Investment Performance

During the period under review, the value of the shares in the Fund decreased by 1.07% while the value of the IA Mixed Investment 40-85% Shares sector fell by 1.23%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.

Fund Particulars as at 17 July 2023 (unaudited)				
	Retail Accumulation	Income C	Accumulation C	Institutional Accumulation
Price	241.5p	151.7p xd	265.2p	274.1p
Distribution payable (on 15 September 2023) per share net	2.090000p	2.090000p	3.600000p	4.490000p
Current net estimated yield	1.20%	2.25%	2.21%	2.77%
Annual ACD charge	1.55%	0.55%	0.55%	0.00%

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
UNITED KINGDOM - 52.16% (49.88%)			
Antofagasta	39,682	610	0.19
AstraZeneca	13,605	1,404	0.44
BAE Systems	111,975	1,027	0.32
Barclays	582,047	903	0.28
Barratt Developments	112,594	464	0.15
BP	359,199	1,639	0.51
Britvic	38,917	340	0.11
Chemring Group	59,490	170	0.05
Coats Group	449,946	297	0.09
Compass Group	51,962	1,088	0.34
Diageo	23,213	780	0.24
Drax Group	88,999	519	0.16
FDM Group	35,904	212	0.07
GSK	98,135	1,296	0.40
Hays	240,517	244	0.08
Hikma Pharmaceuticals	15,277	277	0.09
+HSBC American Index Fund	2,766,933	25,780	8.03
+HSBC Corporate Bond Fund	4,424,602	8,168	2.54
+HSBC European Index Fund	1,107,229	12,357	3.85
+HSBC FTSE All-World Index Fund	9,465,618	19,849	6.18
+HSBC FTSE All-Share Index Fund	7,977,751	27,954	8.71
+HSBC Holdings (London listed)	216,283	1,326	0.41
+HSBC Japan Index Fund	6,507,066	10,086	3.14
+HSBC Pacific Index Fund	928,073	3,188	0.99
+HSBC UK Gilt Index Fund	15,973,211	13,282	4.14
+HSBC US Multi Factor Equity Fund	3,238,570	17,880	5.57
Ibstock	226,633	326	0.10
IG Group	96,002	641	0.20
Imperial Brands	36,653	644	0.20
Intertek Group	15,962	663	0.21
Moneysupermarket.com	148,953	411	0.13
NatWest Group	273,058	664	0.21
Next	10,756	745	0.23
Phoenix Group Holdings	117,637	634	0.20
Prudential	90,779	973	0.30
QinetiQ	183,529	627	0.20
Rentokil Initial	121,672	747	0.23
Rightmove	127,348	689	0.22
Rio Tinto	21,987	1,146	0.36
Sage Group	74,175	688	0.21
Shell	119,581	2,766	0.86
SSE	41,366	742	0.23
Tate & Lyle	84,687	617	0.19
Taylor Wimpey	481,147	504	0.16
Tesco	310,660	777	0.24
Unilever	17,948	717	0.22
Victrex	17,758	266	0.08
Volusion Group	90,575	326	0.10
Total United Kingdom		167,453	52.16

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
UNITED STATES - 0.00% (0.00%)			
#Marriott International	96,061	-	0.00
Total United States		-	0.00
AUSTRALIA - 0.16% (0.27%)			
BHP Group	22,089	524	0.16
Total Australia		524	0.16
CHANNEL ISLANDS - 0.19% (0.19%)			
Ferguson	4,914	605	0.19
Total Channel Islands		605	0.19
IRELAND - 20.16% (18.31%)			
DCC (London listed)	7,932	347	0.11
+HSBC Global Funds ICAV - Global Emerging Market Government Bond Index Fund	524,621	3,223	1.00
+HSBC Global Sterling Liquidity Fund	6,933,460	6,933	2.16
+HSBC MSCI Emerging Markets UCITS ETF	647,183	5,132	1.60
+HSBC MSCI Korea Capped UCITS ETF	66,582	2,763	0.86
+HSBC Multi Factor Worldwide Equity Fund	2,287,974	23,856	7.43
iShares - S&P 500 Health Care Sector UCITS ETF	378,800	2,937	0.91
iShares Bloomberg Enhanced Roll Yield Commodity Swap UCITS ETF	594,835	3,225	1.01
iShares Edge MSCI USA Quality Factor UCITS ETF	2,822	3,540	1.10
iShares S&P 500 Consumer Staples UCITS ETF	504,804	3,029	0.94
L&G India INR Government Bond UCITS ETF	227,448	1,575	0.49
Passim Structured Funds Cross Asset Trend Strategy B Acc	52,465	4,558	1.42
Smurfit Kappa Group	13,950	400	0.13
Xtrackers MSCI USA Information Technology UCITS ETF	54,229	3,221	1.00
Total Ireland		64,739	20.16
LUXEMBOURG - 24.57% (29.44%)			
+HSBC GIF Frontier Markets Fund	192,185	3,568	1.11
+HSBC GIF Global Emerging Markets Bond Fund	723,351	3,996	1.25
+HSBC GIF Global Emerging Markets Local Debt Fund	1,857,875	11,537	3.59
+HSBC GIF Global Government Bond	389,094	3,140	0.98
+HSBC GIF Global High Yield Bond Fund	687,783	4,558	1.42
+HSBC GIF Global Inflation Linked Bond	295,196	2,133	0.67
+HSBC GIF Global Infrastructure Equity	1,262,147	9,590	2.99
+HSBC GIF Global Investment Grade Securitised Credit Bond Fund	287,876	2,147	0.67
+HSBC GIF Global Real Estate Equity Fund	1,048,285	7,136	2.22
+HSBC Global Corporate Bond Fund	711,944	5,371	1.67
+HSBC Global Investment Fund	554,451	3,417	1.06
+HSBC Multi-Asset Style Factors Fund	326,642	3,161	0.98
Lyxor MSCI Brazil UCITS ETF	126,456	2,113	0.66
Lyxor US Curve Steepening 2-10 UCITS ETF	146,801	10,113	3.15
Structured Investments Goldman Sachs - Cross Asset Trend Portfolio	502,800	4,631	1.44
Xtrackers CSI300 Swap UCITS ETF	207,648	2,289	0.71
Total Luxembourg		78,900	24.57

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Forward Foreign Exchange Contracts - 0.29% (0.08)%			
#GBP Forward Currency Contract 17/08/2023	GBP 54,811,122	945	0.29
#USD Forward Currency Contract 17/08/2023	(USD 70,672,036)		
#GBP Forward Currency Contract 17/08/2023	GBP 4,117,960	12	-
#JPY Forward Currency Contract 17/08/2023	(JPY 742,156,813)		
#CHF Forward Currency Contract 17/08/2023	CHF 1,792,169	11	-
#GBP Forward Currency Contract 17/08/2023	(GBP 1,582,650)		
#EUR Forward Currency Contract 17/08/2023	EUR 1,871,817	6	-
#GBP Forward Currency Contract 17/08/2023	(GBP 1,600,731)		
Total Forward Foreign Exchange Contracts		974	0.29
Futures - 0.00% (0.01)%			
ICF FTSE 100 Index Future September 2023	4	(4)	-
ICF Long Gilt Future September 2023	73	(115)	-
Total Futures		(119)	0.00
Portfolio of investments		313,076	97.53
Net other assets		7,938	2.47
Net assets		321,014	100.00

+Funds managed by the ACD/HSBC Group

#unlisted

Figures in brackets denote the comparative percentage holdings as at 15 January 2023.

Unless otherwise stated, all investments are listed securities.

The counterparty for futures is HSBC.

The counterparties for the forward foreign exchange contracts are HSBC and Merrill Lynch.

Total purchases for the period, including transaction charges, were £76,790,482.

Total sales for the period, net of transaction charges, were £85,651,793.

Comparative Tables

Retail Income#	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	N/A	N/A	N/A	152.30p
Return before operating charges*	N/A	N/A	N/A	(0.07p)
Operating charges**	N/A	N/A	N/A	(0.23p)
Return after operating charges*	N/A	N/A	N/A	(0.30p)
Distributions on income shares	N/A	N/A	N/A	0.00p
Cancellation price	N/A	N/A	N/A	(152.00p)
Closing net asset value per share	N/A	N/A	N/A	0.00p
*after direct transaction costs of:***	N/A	N/A	N/A	0.03p
Performance				
Return after charges	N/A	N/A	N/A	(0.20%)
Other information				
Closing net asset value	N/A	N/A	N/A	N/A
Closing number of shares	N/A	N/A	N/A	N/A
Operating charges - OCF	N/A	N/A	N/A	N/A
Direct transaction costs	N/A	N/A	N/A	N/A
Prices				
Highest share price	N/A	N/A	N/A	153.30p
Lowest share price	N/A	N/A	N/A	148.60p

Retail Accumulation	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	245.30p	251.60p	231.10p	235.00p
Return before operating charges*	(1.89p)	(2.46p)	24.41p	1.20p
Operating charges**	(1.91p)	(3.84p)	(3.91p)	(5.10p)
Return after operating charges*	(3.80p)	(6.30p)	20.50p	(3.90p)
Distributions on accumulation shares	(2.09p)	(2.25p)	(1.34p)	0.00p
Retained distributions on accumulation shares	2.09p	2.25p	1.34p	0.00p
Closing net asset value per share	241.50p	245.30p	251.60p	231.10p
*after direct transaction costs of:***	0.02p	0.04p	0.03p	0.05p
Performance				
Return after charges	(1.55%)	(2.50%)	8.87%	(1.66%)
Other information				
Closing net asset value	£20,820	£22,017	£325,484	£44,191
Closing number of shares	8,622	8,977	129,363	19,123
Operating charges - OCF	1.67%	1.67%	1.68%	1.68% †
Direct transaction costs	0.01%	0.02%	0.01%	0.02%
Prices				
Highest share price	249.96p	254.17p	257.50p	236.40p
Lowest share price	236.70p	229.21p	225.80p	180.90p

#The Retail Income share class converted to Income C class on 7 February 2020.

†Estimated value following a change to the charging structure on 1 October 2020.

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Comparative Tables

Income C	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	155.40p	160.90p	148.30p	152.10p
Return before operating charges*	(1.26p)	(1.58p)	15.66p	(0.36p)
Operating charges**	(0.45p)	(0.94p)	(0.99p)	(0.90p)
Return after operating charges*	(1.71p)	(2.52p)	14.67p	(1.26p)
Distributions on income shares	(2.09p)	(2.98p)	(2.07p)	(2.54p)
Closing net asset value per share	151.60p	155.40p	160.90p	148.30p
*after direct transaction costs of:***	0.01p	0.02p	0.02p	0.03p
Performance				
Return after charges	(1.10%)	(1.57%)	9.89%	(0.83%)
Other information				
Closing net asset value	£13,575,664	£14,843,075	£17,432,024	£16,641,718
Closing number of shares	8,952,409	9,552,354	10,832,704	11,220,098
Operating charges - OCF	0.68%	0.67%	0.73%	0.74%†
Direct transaction costs	0.01%	0.02%	0.01%	0.02%
Prices				
Highest share price	158.52p	162.88p	165.10p	153.00p
Lowest share price	150.22p	146.07p	145.00p	117.30p

Accumulation C	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	268.00p	272.20p	247.60p	249.40p
Return before operating charges*	(2.12p)	(2.60p)	26.26p	(0.31p)
Operating charges**	(0.78p)	(1.60p)	(1.66p)	(1.49p)
Return after operating charges*	(2.90p)	(4.20p)	24.60p	(1.80p)
Distributions on accumulation shares	(3.60p)	(5.07p)	(3.47p)	(4.19p)
Retained distributions on accumulation shares	3.60p	5.07p	3.47p	4.19p
Closing net asset value per share	265.10p	268.00p	272.20p	247.60p
*after direct transaction costs of:***	0.02p	0.04p	0.03p	0.05p
Performance				
Return after charges	(1.08%)	(1.54%)	9.94%	(0.72%)
Other information				
Closing net asset value	£47,507,265	£49,207,090	£52,666,831	£45,880,221
Closing number of shares	17,918,556	18,362,321	19,350,140	18,530,696
Operating charges - OCF	0.68%	0.67%	0.73%	0.74%†
Direct transaction costs	0.01%	0.02%	0.01%	0.02%
Prices				
Highest share price	273.26p	275.48p	278.30p	250.80p
Lowest share price	259.07p	249.79p	242.00p	192.30p

†Estimated value following a change to the charging structure on 1 October 2020.

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Comparative Tables

Institutional Accumulation	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	276.20p	278.90p	252.20p	252.40p
Return before operating charges*	(2.16p)	(2.64p)	26.75p	(0.15p)
Operating charges**	(0.04p)	(0.06p)	(0.05p)	(0.05p)
Return after operating charges*	(2.20p)	(2.70p)	26.70p	(0.20p)
Distributions on accumulation shares	(4.49p)	(6.80p)	(5.19p)	(5.71p)
Retained distributions on accumulation shares	4.49p	6.80p	5.19p	5.71p
Closing net asset value per share	274.00p	276.20p	278.90p	252.20p
*after direct transaction costs of:***	0.02p	0.04p	0.03p	0.05p
Performance				
Return after charges	(0.80%)	(0.97%)	10.59%	(0.08%)
Other information				
Closing net asset value	£259,910,423	£274,349,437	£297,167,459	£287,182,458
Closing number of shares	94,846,965	99,327,979	106,550,972	113,893,973
Operating charges - OCF	0.11 %	0.10 %	0.11 %	0.10 %
Direct transaction costs	0.01 %	0.02 %	0.01 %	0.02 %
Prices				
Highest share price	282.00p	283.00p	285.00p	254.40p
Lowest share price	267.00p	257.00p	246.50p	194.80p
**The operating charges include all costs borne by the Fund, except for direct transaction costs.				
***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.				

Statement of Total Return

for the six months ended 15 July 2023 (unaudited)

	15.7.23		15.7.22	
	£'000	£'000	£'000	£'000
Income				
Net capital losses		(7,967)		(22,867)
Revenue	5,403		5,016	
Expenses	(215)		(237)	
Interest payable and similar charges	(1)		(7)	
Net revenue before taxation	5,187		4,772	
Taxation	-		(69)	
Net revenue after taxation		5,187		4,703
Total deficit before distributions		(2,780)		(18,164)
Distributions		(5,174)		(4,563)
Change in net assets attributable to shareholders from investment activities		(7,954)		(22,727)

Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 July 2023 (unaudited)

	15.7.23		15.7.22	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		338,422		367,592
Amounts receivable on creation of shares	1,132		3,036	
Amounts payable on cancellation of shares	(15,490)		(17,278)	
		(14,358)		(14,242)
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(7,954)		(22,727)
Retained distribution on accumulation shares		4,904		4,323
Closing net assets attributable to shareholders		321,014		334,946

Balance Sheet

as at 15 July 2023 (unaudited)

	15.7.23		15.1.23	
	£'000	£'000	£'000	£'000
Assets				
Investments		313,195		332,157
Current assets				
Debtors	3,157		1,695	
Cash and bank balances	5,657		5,357	
Total current assets		8,814		7,052
Total assets		322,009		339,209
Liabilities				
Investment liabilities		(119)		(449)
Creditors				
Distribution payable on income shares	(187)		(127)	
Other creditors	(689)		(211)	
Total creditors		(876)		(338)
Total liabilities		(995)		(787)
Net assets attributable to shareholders		321,014		338,422

Distribution Table (pence per share)

for the six months ended 15 July 2023 (unaudited)

Group 1: Shares purchased prior to 16 January 2023				
Group 2: Shares purchased from 16 January 2023 to 15 July 2023				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.9.23</i>	<i>Distribution paid 15.9.22</i>
Retail Accumulation				
Group 1	2.090000	-	2.090000	1.430000
Group 2	2.090000	0.000000	2.090000	1.430000
Income C				
Group 1	2.090000	-	2.090000	1.660000
Group 2	1.560000	0.530000	2.090000	1.660000
Accumulation C				
Group 1	3.600000	-	3.600000	2.810000
Group 2	2.530000	1.070000	3.600000	2.810000
Institutional Accumulation				
Group 1	4.490000	-	4.490000	3.710000
Group 2	0.600000	3.890000	4.490000	3.710000

UK Growth & Income

Investment Objective

The Fund aims to provide growth and income in the long term, which is a period of five years or more.

Investment Policy

To achieve its objective, the Fund will invest at least of 80% of its value in the shares (equities) of UK companies, including preference shares. UK companies are those that are based in the UK or earn at least 80% of their revenue from the UK.

The Fund may invest up to 20% of its value in other assets, such as shares of non-UK companies and cash. The Fund may invest up to 10% of its value in other funds, which may be managed by the HSBC Group. Typically the Fund will invest in the shares of 40 to 70 companies.

The Fund may invest in different types of derivatives for efficient portfolio management purposes, including hedging. The Fund does not currently use derivatives to reduce the risk of movements in the rate of exchange between sterling and other currencies in which the Fund's assets may be held. The use of derivatives will be consistent with the risk profile of the Fund.

Investment Strategy*

The Fund is actively managed and is managed with reference to the FTSE All-Share Index.

The level of risk the Fund may take is considered relative to the FTSE All-Share Index as part of the portfolio construction process, which means the Fund returns are more likely to be closer to the returns of the FTSE All-Share Index than if there were no limits on the level of risk the Fund may take.

The FTSE All-Share 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 UK equities market.

The performance of the Fund is therefore shown against the performance of the FTSE All-Share Index.

*The full strategy can be found in the prospectus.

Portfolio Activity

Contributors to relative performance included Moneysupermarket.com (Communication Services) with a total effect of 0.40%. Additionally, Tesco (Consumer Staples) was in the top two contributors with a total effect of 0.20%.

Detractors included NatWest Group (Financials) with a total effect of -0.34% and Prudential (Financials) with a total effect of -0.34%.

During this period, major purchases included Taylor Wimpey, Rightmove, GSK and Sage Group, and major sales included AstraZeneca, Imperial Brands, Bunzl and BP.

Sector allocation effects are residual to stock selection. At the sector level, effects were positive, given an overweight exposure to Industrials.

Investment Performance

During the period under review, the value of the shares in the Fund decreased by 4.00% while the value of the FTSE All-Share Index fell by 3.72%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.

Fund Particulars as at 17 July 2023 (unaudited)				
	Retail Income	Retail Accumulation	Retail B Income	Retail B Accumulation
Price	60.94p xd	141.2p	69.72p xd	161.7p
Distribution payable (on 15 September 2023) per share net	1.370000p	3.110000p	1.570000p	3.570000p
Current net estimated yield	4.32%	4.19%	4.32%	4.19%
Annual ACD charge	1.50%	1.50%	0.60%	0.60%

	Institutional Income	Institutional A Accumulation	Income C	Accumulation C
Price	68.83p xd	152.8p	66.55p xd	152.0p
Distribution payable (on 15 September 2023) per share net	1.540000p	3.360000p	1.490000p	3.340000p
Current net estimated yield	4.29%	4.18%	4.30%	4.17%
Annual ACD charge	0.00%	0.75%	0.80%	0.80%

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Oil & Gas - 14.17% (15.68%)			
BP	2,890,867	13,194	5.24
Shell	973,174	22,510	8.93
Total Oil & Gas		35,704	14.17
Basic Materials - 8.07% (9.15%)			
Antofagasta	342,096	5,256	2.09
BHP Group	149,079	3,534	1.40
Rio Tinto	179,946	9,379	3.72
Victrex	145,369	2,178	0.86
Total Basic Materials		20,347	8.07
Industrials - 18.45% (14.50%)			
BAE Systems	869,819	7,980	3.17
Chemring Group	481,595	1,377	0.55
Coats Group	3,382,798	2,236	0.89
DCC (London listed)	64,108	2,803	1.11
Ferguson	41,775	5,142	2.04
Hays	1,939,514	1,969	0.78
Ibstock	1,810,417	2,603	1.03
Intertek Group	130,494	5,418	2.15
QinetiQ	1,425,370	4,872	1.93
Rentokil Initial	985,283	6,046	2.40
Smurfit Kappa Group	116,474	3,340	1.33
Volution Group	749,973	2,701	1.07
Total Industrials		46,487	18.45
Consumer Goods - 15.52% (12.46%)			
Barratt Developments	908,327	3,744	1.49
Britvic	315,363	2,758	1.09
Diageo	188,427	6,331	2.51
Imperial Brands	293,270	5,151	2.04
Tate & Lyle	686,253	5,003	1.99
Taylor Wimpey	3,895,094	4,082	1.62
Tesco	2,499,049	6,248	2.48
Unilever	145,361	5,804	2.30
Total Consumer Goods		39,121	15.52
Healthcare - 9.62% (10.09%)			
AstraZeneca	109,988	11,353	4.50
GSK	806,917	10,653	4.23
Hikma Pharmaceuticals	123,746	2,240	0.89
Total Healthcare		24,246	9.62

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Consumer Services - 7.24% (8.87%)			
Compass Group	420,647	8,804	3.49
Moneysupermarket.com	1,247,877	3,447	1.37
Next	86,648	5,999	2.38
Total Consumer Services		18,250	7.24
Telecommunications - 0.00% (0.86%)			
Utilities - 4.09% (4.36%)			
Drax Group	731,452	4,269	1.69
SSE	336,931	6,041	2.40
Total Utilities		10,310	4.09
Financials - 16.55% (20.20%)			
Barclays	4,604,064	7,140	2.83
+HSBC Holdings (London listed)	1,751,591	10,737	4.26
IG Group	780,626	5,211	2.07
NatWest Group	2,244,735	5,455	2.16
Phoenix Group Holdings	971,321	5,235	2.08
Prudential	740,504	7,934	3.15
Total Financials		41,712	16.55
Technology - 5.19% (2.41%)			
FDM Group	290,127	1,715	0.68
Rightmove	1,032,804	5,592	2.22
Sage Group	622,789	5,779	2.29
Total Technology		13,086	5.19
Futures - 0.00% (0.04%)			
ICF FTSE 100 Index Future September 2023	37	(3)	0.00
Total Futures		(3)	0.00
Portfolio of investments		249,260	98.90
Net other assets		2,760	1.10
Net assets		252,020	100.00

+Funds managed by the ACD/HSBC Group

Figures in brackets denote the comparative percentage holdings as at 15 January 2023.

Unless otherwise stated, all investments are listed equities.

The counterparty for future is HSBC.

Total purchases for the period, including transaction charges, were £24,543,976.

Total sales for the period, net of transaction charges, were £35,113,361.

Comparative Tables

Retail Income	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	65.46p	65.27p	59.51p	71.46p
Return before operating charges*	(2.50p)	3.88p	8.94p	(9.52p)
Operating charges**	(0.49p)	(0.96p)	(0.96p)	(0.89p)
Return after operating charges*	(2.99p)	2.92p	7.98p	(10.41p)
Distributions on income shares	(1.37p)	(2.73p)	(2.22p)	(1.54p)
Closing net asset value per share	61.10p	65.46p	65.27p	59.51p
*after direct transaction costs of:***	0.03p	0.07p	0.06p	0.06p
Performance				
Return after charges	(4.57)%	4.47%	13.41%	(14.57)%
Other information				
Closing net asset value	£3,323,402	£3,600,154	£3,816,308	£3,562,098
Closing number of shares	5,439,463	5,499,436	5,846,696	5,985,568
Operating charges - OCF	1.53%	1.53%	1.53%	1.53%†
Direct transaction costs	0.05%	0.12%	0.09%	0.11%
Prices				
Highest share price	67.14p	66.67p	66.80p	71.76p
Lowest share price	60.81p	57.28p	56.45p	43.57p

Retail Accumulation	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	148.30p	141.60p	124.70p	145.90p
Return before operating charges*	(5.69p)	8.81p	18.92p	(19.27p)
Operating charges**	(1.11p)	(2.11p)	(2.02p)	(1.93p)
Return after operating charges*	(6.80p)	6.70p	16.90p	(21.20p)
Distributions on accumulation shares	(3.11p)	(5.98p)	(4.69p)	(3.16p)
Retained distributions on accumulation shares	3.11p	5.98p	4.69p	3.16p
Closing net asset value per share	141.50p	148.30p	141.60p	124.70p
*after direct transaction costs of:***	0.07p	0.16p	0.12p	0.12p
Performance				
Return after charges	(4.59)%	4.73%	13.55%	(14.53)%
Other information				
Closing net asset value	£1,686,091	£1,809,718	£1,828,845	£1,856,877
Closing number of shares	1,191,369	1,220,204	1,291,187	1,488,569
Operating charges - OCF	1.53%	1.53%	1.53%	1.53%†
Direct transaction costs	0.05%	0.12%	0.09%	0.11%
Prices				
Highest share price	152.10p	148.20p	142.20p	146.60p
Lowest share price	137.80p	127.30p	118.30p	89.00p

†Estimated value following a change to the charging structure on 1 October 2020.

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Comparative Tables

Retail B Income	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	74.55p	73.66p	66.55p	79.10p
Return before operating charges*	(2.86p)	4.44p	10.03p	(10.46p)
Operating charges**	(0.23p)	(0.45p)	(0.42p)	(0.37p)
Return after operating charges*	(3.09p)	3.99p	9.61p	(10.83p)
Distributions on income shares	(1.57p)	(3.10p)	(2.50p)	(1.72p)
Closing net asset value per share	69.89p	74.55p	73.66p	66.55p
*after direct transaction costs of:***	0.04p	0.08p	0.07p	0.07p
Performance				
Return after charges	(4.14)%	5.42%	14.44%	(13.69)%
Other information				
Closing net asset value	£58,435,281	£65,469,455	£71,193,163	£74,392,634
Closing number of shares	83,605,958	87,816,676	96,650,371	111,781,750
Operating charges - OCF	0.60%	0.60%	0.60%	0.60%†
Direct transaction costs	0.05%	0.12%	0.09%	0.11%
Prices				
Highest share price	76.52p	75.92p	75.38p	79.43p
Lowest share price	69.55p	65.07p	63.15p	48.32p

Retail B Accumulation	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	169.10p	160.00p	139.70p	161.60p
Return before operating charges*	(6.48p)	10.09p	21.19p	(21.14p)
Operating charges**	(0.52p)	(0.99p)	(0.89p)	(0.76p)
Return after operating charges*	(7.00p)	(9.10p)	20.30p	(21.90p)
Distributions on accumulation shares	(3.57p)	(6.81p)	(5.29p)	(3.53p)
Retained distributions on accumulation shares	3.57p	6.81p	5.29p	3.53p
Closing net asset value per share	162.10p	169.10p	160.00p	139.70p
*after direct transaction costs of:***	0.08p	0.18p	0.14p	0.13p
Performance				
Return after charges	(4.14)%	5.69%	14.53%	(13.55)%
Other information				
Closing net asset value	£2,829,148	£3,073,879	£3,096,322	£2,887,838
Closing number of shares	1,745,421	1,817,839	1,935,019	2,067,967
Operating charges - OCF	0.60%	0.60%	0.60%	0.60%†
Direct transaction costs	0.05%	0.12%	0.09%	0.11%
Prices				
Highest share price	173.60p	168.90p	160.60p	162.40p
Lowest share price	157.80p	144.80p	132.50p	98.71p

†Estimated value following a change to the charging structure on 1 October 2020.

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Comparative Tables

CTF Accumulation#	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	N/A	N/A	N/A	149.10p
Return before operating charges*	N/A	N/A	N/A	(21.79p)
Operating charges**	N/A	N/A	N/A	(0.21p)
Return after operating charges*	N/A	N/A	N/A	(22.00p)
Distributions on accumulation shares	N/A	N/A	N/A	-
Retained distributions on accumulation shares	N/A	N/A	N/A	-
Cancellation price	N/A	N/A	N/A	(127.10p)
Closing net asset value per share	N/A	N/A	N/A	0.00p
*after direct transaction costs of:***	N/A	N/A	N/A	0.15p
Performance				
Return after charges	N/A	N/A	N/A	(14.76)%
Other information				
Closing net asset value	N/A	N/A	N/A	N/A
Closing number of shares	N/A	N/A	N/A	N/A
Operating charges - OCF	N/A	N/A	N/A	N/A
Direct transaction costs	N/A	N/A	N/A	N/A
Prices				
Highest share price	N/A	N/A	N/A	149.80p
Lowest share price	N/A	N/A	N/A	127.70p

Institutional Income	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	73.38p	72.05p	64.73p	61.95p
Return before operating charges*	(2.83p)	4.37p	9.77p	2.85p
Operating charges**	(0.01p)	(0.01p)	(0.01p)	0.00p
Return after operating charges*	(2.84p)	4.36p	9.76p	2.85p
Distributions on income shares	(1.54p)	(3.03p)	(2.44p)	(0.07p)
Closing net asset value per share	69.00p	73.38p	72.05p	64.73p
*after direct transaction costs of:***	0.04p	0.08p	0.06p	0.07p
Performance				
Return after charges	(3.87)%	6.05%	15.08%	4.60%
Other information				
Closing net asset value	£13,960,331	£15,532,474	£1,028,127	£41,792
Closing number of shares	20,231,414	21,168,271	1,426,867	64,568
Operating charges - OCF	0.02%	0.02%	0.02%	0.01%
Direct transaction costs	0.05%	0.12%	0.09%	0.11%
Prices				
Highest share price	75.35p	74.72p	73.74p	65.74p
Lowest share price	68.65p	63.94p	61.42p	60.74p

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Comparative Tables

Institutional Accumulation#	15.7.23	15.1.23	15.1.22
Change in net assets per share			
Opening net asset value per share	N/A	74.61p	68.62p
Return before operating charges*	N/A	(0.48p)	6.00p
Operating charges**	N/A	-	(0.01p)
Return after operating charges*	N/A	(0.48p)	5.99p
Distributions on accumulation shares	N/A	-	(1.70p)
Retained distributions on accumulation shares	N/A	-	1.70p
Cancellation price	N/A	(74.13p)	-
Closing net asset value per share	N/A	0.00p	74.61p
*after direct transaction costs of:***	N/A	0.08p	0.07p
Performance			
Return after charges	N/A	(0.64)%	8.73%
Other information			
Closing net asset value	N/A	N/A	£64,111
Closing number of shares	N/A	N/A	85,931
Operating charges - OCF	N/A	N/A	0.02%
Direct transaction costs	N/A	N/A	0.09%
Prices			
Highest share price	N/A	75.40p	74.90p
Lowest share price	N/A	68.49p	66.05p

Institutional A Accumulation	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	160.00p	151.60p	132.50p	153.60p
Return before operating charges*	(6.19p)	9.55p	20.20p	(20.17p)
Operating charges**	(0.61p)	(1.15p)	(1.10p)	(0.93p)
Return after operating charges*	(6.80p)	8.40p	19.10p	(21.10p)
Distributions on accumulation shares	(3.36p)	(6.42p)	(5.01p)	(3.34p)
Retained distributions on accumulation shares	3.36p	6.42p	5.01p	3.34p
Closing net asset value per share	153.20p	160.00p	151.60p	132.50p
*after direct transaction costs of:***	0.08p	0.17p	0.13p	0.13p
Performance				
Return after charges	(4.25)%	5.54%	14.42%	(13.74)%
Other information				
Closing net asset value	£1,736,430	£1,798,058	£2,428,401	£4,688,267
Closing number of shares	1,133,392	1,124,067	1,601,571	3,537,285
Operating charges - OCF	0.78%	0.78%	0.78%	0.79%†
Direct transaction costs	0.05%	0.12%	0.09%	0.11%
Prices				
Highest share price	164.20p	159.80p	152.20p	154.40p
Lowest share price	149.10p	137.00p	125.70p	93.82p

#The Institutional Accumulation share class launched on 4 May 2021 and closed on 14 April 2022.

†Estimated value following a change to the charging structure on 1 October 2020.

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Comparative Tables

Income C	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	71.22p	70.51p	63.84p	76.09p
Return before operating charges*	(2.73p)	4.23p	9.61p	(10.09p)
Operating charges**	(0.29p)	(0.57p)	(0.56p)	(0.52p)
Return after operating charges*	(3.02p)	3.66p	9.05p	(10.61p)
Distributions on income shares	(1.49p)	(2.95p)	(2.38p)	(1.64p)
Closing net asset value per share	66.71p	71.22p	70.51p	63.84p
*after direct transaction costs of:***	0.04p	0.08p	0.06p	0.06p
Performance				
Return after charges	(4.24)%	5.19%	14.18%	(13.94)%
Other information				
Closing net asset value	£120,029,201	£134,065,882	£145,470,165	£149,089,742
Closing number of shares	179,938,424	188,242,643	206,306,269	233,520,036
Operating charges - OCF	0.83%	0.83%	0.83%	0.83%†
Direct transaction costs	0.05%	0.12%	0.09%	0.11%
Prices				
Highest share price	73.10p	72.54p	72.17p	76.41p
Lowest share price	66.39p	62.21p	60.58p	46.46p

Accumulation C	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	159.10p	150.90p	132.00p	153.60p
Return before operating charges*	(6.05p)	9.42p	20.07p	(20.54p)
Operating charges**	(0.65p)	(1.22p)	(1.17p)	(1.06p)
Return after operating charges*	(6.70p)	8.20p	18.90p	(21.60p)
Distributions on accumulation shares	(3.34p)	(6.39p)	(4.97p)	(3.33p)
Retained distributions on accumulation shares	3.34p	6.39p	4.97p	3.33p
Closing net asset value per share	152.40p	159.10p	150.90p	132.00p
*after direct transaction costs of:***	0.08p	0.17p	0.13p	0.13p
Performance				
Return after charges	(4.21)%	5.43%	14.32%	(14.06)%
Other information				
Closing net asset value	£50,019,912	£54,363,445	£55,575,456	£52,249,885
Closing number of shares	32,826,515	34,162,457	36,825,950	39,587,039
Operating charges - OCF	0.83%	0.83%	0.83%	0.83%†
Direct transaction costs	0.05%	0.12%	0.09%	0.11%
Prices				
Highest share price	163.30p	159.00p	151.50p	154.40p
Lowest share price	148.30p	136.30p	125.20p	93.52p

†Estimated value following a change to the charging structure on 1 October 2020.

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Statement of Total Return

for the six months ended 15 July 2023 (unaudited)

	15.7.23		15.7.22	
	£'000	£'000	£'000	£'000
Income				
Net capital losses		(16,189)		(18,297)
Revenue	5,832		6,280	
Expenses	(1,011)		(1,058)	
Net revenue before taxation	4,821		5,222	
Taxation	-		(3)	
Net revenue after taxation		4,821		5,219
Total deficit before distributions		(11,368)		(13,078)
Distributions		(5,765)		(6,223)
Change in net assets attributable to shareholders from investment activities		(17,133)		(19,301)

Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 July 2023 (unaudited)

	15.7.23		15.7.22	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		279,713		284,501
Amounts receivable on creation of shares	643		192	
Amounts payable on cancellation of shares	(12,443)		(14,166)	
		(11,800)		(13,974)
Dilution adjustment		6		8
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(17,133)		(19,301)
Retained distribution on accumulation shares		1,234		1,352
Closing net assets attributable to shareholders		252,020		252,586

Balance Sheet

as at 15 July 2023 (unaudited)

	15.7.23		15.1.23	
	£'000	£'000	£'000	£'000
Assets				
Investments		249,263		275,844
Current assets				
Debtors	5,615		7,209	
Cash and bank balances	2,077		1,434	
Total current assets		7,692		8,643
Total assets		256,955		284,487
Liabilities				
Investment liabilities		(3)		-
Creditors				
Distribution payable on income shares	(4,380)		(4,217)	
Other creditors	(552)		(557)	
Total creditors		(4,932)		(4,774)
Total liabilities		(4,935)		(4,774)
Net assets attributable to shareholders		252,020		279,713

Distribution Table (pence per share)

for the six months ended 15 July 2023 (unaudited)

Group 1: Shares purchased prior to 16 January 2023				
Group 2: Shares purchased from 16 January 2023 to 15 July 2023				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.9.23</i>	<i>Distribution paid 15.9.22</i>
Retail Income				
Group 1	1.370000	-	1.370000	1.460000
Group 2	0.810000	0.560000	1.370000	1.460000
Retail Accumulation				
Group 1	3.110000	-	3.110000	3.170000
Group 2	1.310000	1.800000	3.110000	3.170000
Retail B Income				
Group 1	1.570000	-	1.570000	1.660000
Group 2	0.700000	0.870000	1.570000	1.660000
Retail B Accumulation				
Group 1	3.570000	-	3.570000	3.610000
Group 2	0.610000	2.960000	3.570000	3.610000
Institutional Income				
Group 1	1.540000	-	1.540000	1.620000
Group 2	0.260000	1.280000	1.540000	1.620000
Institutional A Accumulation				
Group 1	3.360000	-	3.360000	3.400000
Group 2	1.530000	1.830000	3.360000	3.400000
Income C				
Group 1	1.490000	-	1.490000	1.580000
Group 2	0.940000	0.550000	1.490000	1.580000
Accumulation C				
Group 1	3.340000	-	3.340000	3.390000
Group 2	2.330000	1.010000	3.340000	3.390000

Income

Investment Objective

The Fund aims to provide income together with growth in the long term, which is a period of five years or more. The Fund intends to provide a level of income consistent with the Investment Association UK Equity Income sector.

Investment Policy

To achieve its objective, the Fund will invest at least 80% of its value in shares (equities) of UK companies including preference shares. UK companies are those that are based in the UK or earn at least 80% of their revenue from the UK.

The Fund may invest up to 20% of its value in other assets, such as shares of non-UK companies and cash. The Fund may invest up to 10% of its value in other funds, which may be managed by the HSBC Group. The Fund will typically invest in the shares of 40 to 70 companies.

The Fund may invest in different types of derivatives for efficient portfolio management purposes, including hedging. The Fund does not currently use derivatives to reduce the risk of movements in the rate of exchange between sterling and other currencies in which the Fund's assets may be held. The use of derivatives will be consistent with the risk profile of the Fund.

Investment Strategy*

The Fund is actively managed and is managed with reference to the FTSE All-Share Index.

The level of risk the Fund may take is considered relative to the FTSE All-Share Index as part of the portfolio construction process, which means the Fund returns are more likely to be closer to the returns of the FTSE All-Share Index than if there were no limits on the level of risk the Fund may take.

The FTSE All-Share 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 UK equities market.

To be consistent with the definition of the Investment Association UK Equity Income sector the Fund intends to provide income above 100% of the income level of the FTSE All-Share Index over three-year periods and above 90% over one-year periods.

The performance of the Fund is therefore shown against the performance of the FTSE All-Share Index.

*The full strategy can be found in the prospectus.

Portfolio Activity

Contributors to relative performance included Moneysupermarket.com (Communication Services) with a total effect of 0.27%. Additionally, Tesco (Consumer Staples) was in the top two contributors with a total effect of 0.20%.

Detractors included NatWest Group (Financials) with a total effect of -0.31% and Prudential (Financials) with a total effect of -0.31%.

During this period, major purchases included Taylor Wimpey, GSK and Rio Tinto, and major sales included AstraZeneca, Bunzl and Antofagasta.

Sector allocation effects are residual to stock selection. At the sector level, effects were positive, given an overweight exposure to Industrials and an underweight exposure to Real Estate.

Investment Performance

During the period under review, the value of the shares in the Fund decreased by 4.06% while the value of the FTSE All-Share Index fell by 3.72%. For information on comparative yields please refer to The Investment Association's website (<https://www.theia.org/industry-data/fund-sectors/equity-income-yields>).

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.

Fund Particulars as at 17 July 2023 (unaudited)				
	Retail Income	Retail Accumulation	Income C	Accumulation C
Price	277.0p xd	690.9p	303.9p xd	745.8p
Distribution payable (on 15 September 2023) per share net	6.540000p	15.930000p	7.160000p	17.170000p
Current net estimated yield	4.44%	4.29%	4.42%	4.28%
Annual ACD charge	1.50%	1.50%	0.80%	0.80%

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Oil & Gas - 14.80% (15.17%)			
BP	1,377,633	6,288	5.72
Shell	431,060	9,970	9.08
Total Oil & Gas		16,258	14.80
Basic Materials - 9.24% (9.92%)			
Antofagasta	117,721	1,809	1.65
BHP Group	93,045	2,206	2.01
Rio Tinto	95,366	4,970	4.52
Victrex	77,553	1,162	1.06
Total Basic Materials		10,147	9.24
Industrials - 15.80% (15.74%)			
BAE Systems	506,321	4,645	4.23
Coats Group	1,496,944	989	0.90
DCC (London listed)	28,591	1,250	1.14
Ferguson	17,444	2,147	1.95
Hays	838,272	851	0.77
Ibstock	794,660	1,143	1.04
Intertek Group	52,090	2,163	1.97
Rentokil Initial	385,413	2,365	2.15
Smurfit Kappa Group	48,956	1,404	1.28
Volution Group	113,022	407	0.37
Total Industrials		17,364	15.80
Consumer Goods - 14.99% (12.76%)			
Barratt Developments	475,908	1,962	1.79
Britvic	137,683	1,204	1.10
Diageo	83,743	2,814	2.56
Imperial Brands	173,061	3,040	2.77
Taylor Wimpey	2,343,794	2,456	2.23
Tate & Lyle	299,663	2,185	1.99
Unilever	70,190	2,802	2.55
Total Consumer Goods		16,463	14.99
Healthcare - 10.42% (11.27%)			
AstraZeneca	50,423	5,205	4.74
GSK	399,051	5,268	4.79
Hikma Pharmaceuticals	54,038	978	0.89
Total Healthcare		11,451	10.42
Consumer Services - 9.42% (8.66%)			
Compass Group	191,105	4,000	3.64
Moneysupermarket.com	362,104	1,000	0.91
Next	37,528	2,598	2.37
Tesco	1,096,941	2,742	2.50
Total Consumer Services		10,340	9.42

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Telecommunications - 0.69% (1.00%)			
Vodafone Group	1,046,892	756	0.69
Total Telecommunications		756	0.69
Utilities - 4.00% (4.27%)			
Drax Group	313,590	1,830	1.66
SSE	143,142	2,567	2.34
Total Utilities		4,397	4.00
Financials - 17.29% (18.62%)			
Barclays	2,068,596	3,208	2.92
+HSBC Holdings (London listed)	899,062	5,511	5.02
IG Group	331,149	2,210	2.01
NatWest Group	1,052,178	2,557	2.33
Phoenix Group Holdings	516,549	2,784	2.53
Prudential	254,202	2,724	2.48
Total Financials		18,994	17.29
Technology - 2.59% (1.50%)			
FDM Group	126,939	750	0.68
Sage Group	226,217	2,099	1.91
Total Technology		2,849	2.59
Futures - (0.01)% (0.05%)			
ICF FTSE 100 Index Future September 2023	11	(15)	(0.01)
Total Futures		(15)	(0.01)
Portfolio of investments		109,004	99.23
Net other assets		843	0.77
Net assets		109,847	100.00

+Funds managed by the ACD/HSBC Group.

Figures in brackets denote the comparative percentage holdings as at 15 January 2023.

Unless otherwise stated, all investments are listed securities.

The counterparty for future is HSBC.

Total purchases for the period, including transaction charges, were £9,910,425 .

Total sales for the period, net of transaction charges, were £14,735,016.

Comparative Tables

Retail Income	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	297.80p	294.20p	267.30p	322.10p
Return before operating charges*	(11.41p)	20.65p	41.69p	(42.25p)
Operating charges**	(2.25p)	(4.38p)	(4.30p)	(4.48p)
Return after operating charges*	(13.66p)	16.27p	37.39p	(46.73p)
Distributions on income shares	(6.54p)	(12.67p)	(10.49p)	(8.07p)
Closing net asset value per share	277.60p	297.80p	294.20p	267.30p
*after direct transaction costs of:***	0.14p	0.28p	0.26p	0.24p
Performance				
Return after charges	(4.59%)	5.53%	13.99%	(14.51%)
Other information				
Closing net asset value	£703,737	£772,682	£845,142	£823,057
Closing number of shares	253,469	259,486	287,295	307,952
Operating charges - OCF	1.54%	1.53%	1.54%	1.53%†
Direct transaction costs	0.05%	0.10%	0.09%	0.09%
Prices				
Highest share price	305.90p	303.60p	300.90p	323.40p
Lowest share price	277.00p	260.80p	253.40p	196.60p

Retail Accumulation	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	725.80p	686.00p	600.90p	701.30p
Return before operating charges*	(27.70p)	50.12p	94.87p	(85.33p)
Operating charges**	(5.50p)	(10.32p)	(9.77p)	(15.07p)
Return after operating charges*	(33.20p)	39.80p	85.10p	(100.40p)
Distributions on accumulation shares	(15.93p)	(29.88p)	(23.80p)	(17.77p)
Retained distributions on accumulation shares	15.93p	29.88p	23.80p	17.77p
Closing net asset value per share	692.60p	725.80p	686.00p	600.90p
*after direct transaction costs of:***	0.34p	0.65p	0.59p	0.63p
Performance				
Return after charges	(4.57%)	5.80%	14.16%	(14.32%)
Other information				
Closing net asset value	£15,627	£18,409	£21,508	£20,771
Closing number of shares	2,256	2,537	3,135	3,456
Operating charges - OCF	1.54%	1.53%	1.54%	1.53%†
Direct transaction costs	0.05%	0.10%	0.09%	0.09%
Prices				
Highest share price	745.50p	725.90p	687.90p	704.70p
Lowest share price	675.20p	623.60p	569.80p	428.20p

†Estimated value following a change to the charging structure on 1 October 2020.

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Comparative Tables

Income C	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	325.60p	319.40p	288.10p	344.40p
Return before operating charges*	(12.49p)	22.58p	45.18p	(45.26p)
Operating charges**	(1.35p)	(2.59p)	(2.54p)	(2.38p)
Return after operating charges*	(13.84p)	19.99p	42.64p	(47.64p)
Distributions on income shares	(7.16p)	(13.79p)	(11.34p)	(8.66p)
Closing net asset value per share	304.60p	325.60p	319.40p	288.10p
*after direct transaction costs of:***	0.15p	0.30p	0.28p	0.25p
Performance				
Return after charges	(4.25%)	6.26%	14.80%	(13.83%)
Other information				
Closing net asset value	£86,525,873	£96,808,405	£104,166,753	£106,204,769
Closing number of shares	28,404,055	29,735,499	32,617,851	36,863,262
Operating charges - OCF	0.84%	0.83%	0.84%	0.84%†
Direct transaction costs	0.05%	0.10%	0.09%	0.09%
Prices				
Highest share price	334.60p	331.90p	326.60p	345.90p
Lowest share price	303.90p	284.60p	273.30p	210.60p

Accumulation C	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	780.70p	732.80p	637.40p	738.60p
Return before operating charges*	(29.77p)	53.91p	101.07p	(96.08p)
Operating charges**	(3.23p)	(6.01p)	(5.67p)	(5.12p)
Return after operating charges*	(33.00p)	47.90p	95.40p	(101.20p)
Distributions on accumulation shares	(17.17p)	(32.01p)	(25.33p)	(18.73p)
Retained distributions on accumulation shares	17.17p	32.01p	25.33p	18.73p
Closing net asset value per share	747.70p	780.70p	732.80p	637.40p
*after direct transaction costs of:***	0.36p	0.70p	0.63p	0.53p
Performance				
Return after charges	(4.23%)	6.54%	14.97%	(13.70%)
Other information				
Closing net asset value	£22,601,417	£24,674,362	£30,025,768	£22,987,891
Closing number of shares	3,022,947	3,160,511	4,097,527	3,606,421
Operating charges - OCF	0.84%	0.83%	0.84%	0.84%†
Direct transaction costs	0.05%	0.10%	0.09%	0.09%
Prices				
Highest share price	802.40p	780.80p	734.80p	742.20p
Lowest share price	728.70p	669.60p	604.50p	451.50p

†Estimated value following a change to the charging structure on 1 October 2020.

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Statement of Total Return

for the six months ended 15 July 2023 (unaudited)

	15.7.23		15.7.22	
	£'000	£'000	£'000	£'000
Income				
Net capital losses		(7,154)		(7,917)
Revenue	2,660		3,101	
Expenses	(497)		(530)	
Net revenue before taxation	2,163		2,571	
Taxation	-		(1)	
Net revenue after taxation		2,163		2,570
Total deficit before distributions		(4,991)		(5,347)
Distributions		(2,636)		(3,078)
Change in net assets attributable to shareholders from investment activities		(7,627)		(8,425)

Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 July 2023 (unaudited)

	15.7.23		15.7.22	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		122,274		135,059
Amounts receivable on creation of shares	243		1,336	
Amounts payable on cancellation of shares	(5,565)		(12,128)	
		(5,322)		(10,792)
Dilution adjustment		3		12
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(7,627)		(8,425)
Retained distribution on accumulation shares		519		569
Closing net assets attributable to shareholders		109,847		116,423

Balance Sheet

as at 15 July 2023 (unaudited)

	15.7.23		15.1.23	
	£'000	£'000	£'000	£'000
Assets				
Investments		109,019		120,999
Current assets				
Debtors	2,398		2,294	
Cash and bank balances	755		1,183	
Total current assets		3,153		3,477
Total assets		112,172		124,476
Liabilities				
Investment liabilities		(15)		-
Creditors				
Distribution payable on income shares	(2,050)		(1,877)	
Other creditors	(260)		(325)	
Total creditors		(2,310)		(2,202)
Total liabilities		(2,325)		(2,202)
Net assets attributable to shareholders		109,847		122,274

Distribution Table (pence per share)

for the six months ended 15 July 2023 (unaudited)

Group 1: Shares purchased prior to 16 January 2023				
Group 2: Shares purchased from 16 January 2023 to 15 July 2023				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.9.23</i>	<i>Distribution paid 15.9.22</i>
Retail Income				
Group 1	6.540000	-	6.540000	6.920000
Group 2	3.740000	2.800000	6.540000	6.920000
Retail Accumulation				
Group 1	15.930000	-	15.930000	16.150000
Group 2	8.330000	7.600000	15.930000	16.150000
Income C				
Group 1	7.160000	-	7.160000	7.530000
Group 2	1.880000	5.280000	7.160000	7.530000
Accumulation C				
Group 1	17.170000	-	17.170000	17.270000
Group 2	8.470000	8.700000	17.170000	17.270000

Monthly Income

Investment Objective

The Fund aims to provide a monthly income together with growth in the long term, which is a period of five years or more.

Investment Policy

To achieve its objective the Fund will invest a minimum of 80% in a combination of shares (equities) of UK companies and bonds issued by UK companies. UK companies are those that are based in the UK or earn at least 80% of their revenue from the UK.

The Fund may invest up to 20% of its value in other assets, such as shares and bonds of non-UK companies and cash. The Fund may invest up to 10% of its value in other funds, which may be managed by the HSBC Group.

Under normal market conditions, the asset allocation of the Fund is 70% in shares of companies and 30% in bonds. These percentages will fluctuate based upon market movement.

The Fund may invest in different types of derivatives for efficient portfolio management purposes, including hedging. On giving 60 days' notice to Shareholders the Fund may also use derivatives for broader investment purposes to help the Fund meet its objective. The Fund does not currently use derivatives to reduce the risk of movements in the rate of exchange between sterling and other currencies in which the Fund's assets may be held. The use of derivatives will be consistent with the risk profile of the Fund.

Investment Strategy*

The Fund is actively managed and is managed with reference to the FTSE All-Share Index and Markit iBoxx GBP Corporates Index.

The FTSE All-Share Index and Markit iBoxx GBP Corporates Index are 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 UK equities market and sterling corporate bond market.

The performance of the Fund is therefore shown against the performance of a combined benchmark consisting of a weighting of 70% FTSE All-Share Index and 30% Markit iBoxx GBP Corporates Index. The income of the Fund is compared to the income of the FTSE All-Share Index over three-year periods.

*The full strategy can be found in the prospectus.

Portfolio Activity

Sterling corporate bonds value decreased over the period, but relative performance to benchmark was positive by 0.28%, relative to the Markit iBoxx GBP Corporates Index. The positive impact came predominantly from Security Selection to Financials and Utilities. Rates and Yield curve positioning also added to relative performance as a result of our curve 'flattener'.

During the first half of the year, there were no major changes in fund positioning but we used new issuance to marginally increase our credit beta, notably in Utility and Financial sectors. We also continued to tactically switch and rotate recent non-GBP holdings into attractive new issues in both USD and EUR. Duration positioning was moved to an overweight overall and the fund also held a 'flattener' position. We retained the off-benchmark exposure to Securitised Credit and USD and EUR denominated holdings on relative valuations, hedged back into sterling. The UK gilt exposure was also maintained for duration management purposes. We largely maintained all other sector exposures.

Investors remain concerned around the prospects of economic slowdown and recession. The 'cost of living crisis' continues to put pressure on the end consumer, with energy and food prices accelerating at an unprecedented pace. Given the fears over growth slowdown and inflation, stagflation remains at the forefront of economic debate.

We retain a cautious view with a modest overweight credit positioning and a greater focus on issuer selection, as specific companies/sectors begin to face earnings and growth related detractors. We continue to have a bias towards short duration, high carry assets overall. We also look to take opportunities further out in the curve where valuations are attractive.

Equity Section

Contributors to relative performance included Moneysupermarket.com (Communication Services) with a total effect of 0.27%. Additionally, Tesco (Consumer Staples) was in the top two contributors with a total effect of 0.20%.

Detractors included Natwest Group (Financials) with a total effect of -0.31% and Prudential (Financials) with a total effect of -0.31%.

During this period, major purchases included Taylor Wimpey, GSK PLC and Rio Tinto, and major sales included AstraZeneca, Bunzl and Antofagasta.

Sector allocation effects are residual to stock selection. At the sector level, effects were positive, given an overweight exposure to Industrials and an underweight exposure to Real Estate.

Investment Performance

During the period under review, the value of the shares in the Fund decreased by 3.60% while the value of the 70% FTSE-All Share Index 30% / iBoxx GBP Corporates Index fell by 3.54%. For information on comparative yields please refer to The Investment Association's website (<https://www.theia.org/industry-data/fund-sectors/equity-income-yields>). (Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.

Fund Particulars

as at 17 July 2023 (unaudited)

	Retail Income	Income C	Accumulation C
Price	123.1p xd	131.4p xd	323.3p
Distribution payable (on 15 August 2023) per share net	0.430000p	0.460000p	1.110000p
Current net estimated yield	4.41%	4.41%	4.39%
Annual ACD charge	1.30%	0.60%	0.60%

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
United Kingdom - 74.58% (74.64%)			
Government Bonds - 4.80% (4.79%)			
Treasury 0.25% 31/7/2031	£2,815,000	2,032	2.54
Treasury 1.25% 22/10/2041	£101,000	60	0.07
Treasury 1.25% 31/7/2051	£131,000	64	0.08
Treasury 1.75% 7/9/2037	£1,350,000	958	1.20
Treasury 3.25% 31/1/2033	£400,000	364	0.46
Treasury 3.75% 22/7/2052	£410,000	359	0.45
Total Government Bonds		3,837	4.80
Corporate Bonds - 6.41% (7.50%)			
Anglian Water 6% 20/6/2039	£119,000	118	0.15
Barclays Bank 6.369% variable rate 31/1/2031	£257,000	249	0.31
BP Capital Markets 5.773% 25/5/2038	£100,000	99	0.12
British Telecommunications 5.75% 13/2/2041	£221,000	203	0.25
Centrica 4.375% 13/3/2029	£281,000	256	0.32
Diageo Finance 2.75% 8/6/2038	£150,000	109	0.14
Haleon UK Capital 3.375% 29/3/2038	£100,000	75	0.09
Hammerson 6% 23/2/2026	£500,000	456	0.57
Imperial Tobacco Finance 4.875% 7/6/2032	£112,000	94	0.12
Legal & General Group 5.5% variable rate 27/6/2064	£121,000	110	0.14
Lloyds Banking Group 2% variable rate 12/4/2028	£500,000	421	0.53
M&G 5.7% variable rate 19/12/2063	£300,000	261	0.33
Manchester Airport Group Funding 4.75% 31/3/2034	£317,000	287	0.36
Motability Operations Group 1.5% 20/1/2041	£182,000	103	0.13
Motability Operations Group 4.875% 17/1/2043	£412,000	382	0.48
NatWest Group 3.619% variable rate 29/3/2029	£326,000	284	0.36
Northumbrian Water Finance 4.5% 14/2/2031	£333,000	298	0.37
Northern Powergrid Northeast 3.25% 1/4/2052	£100,000	68	0.09
Peabody Capital No.2 2.75% 2/3/2034	£200,000	152	0.19
Principality Building Society 8.625% 12/7/2028	£211,000	213	0.27
Royal Bank of Scotland 3.125% variable rate 28/3/2027	£100,000	91	0.11
Royal Bank of Scotland 3.622% variable rate 14/8/2030	£300,000	278	0.35
Santander UK Group Holdings 2.421% variable rate 17/1/2029	£249,000	206	0.26
WPP Finance 2.875% 14/9/2046	£100,000	57	0.07
Yorkshire Water Finance 2.75% 18/4/2041	£259,000	163	0.20
Yorkshire Building Society 3.511% variable rate 11/10/2030	£100,000	83	0.10
Total Corporate Bonds		5,116	6.41
Oil & Gas - 10.11% (10.54%)			
BP	679,498	3,101	3.88
Shell	215,120	4,976	6.23
Total Oil & Gas		8,077	10.11

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Basic Materials - 4.77% (4.85%)			
Antofagasta	53,236	818	1.03
Rio Tinto	46,344	2,415	3.02
Victrex	38,441	576	0.72
Total Basic Materials		3,809	4.77
Industrials - 7.86% (7.58%)			
BAE Systems	245,634	2,253	2.82
Coats Group	851,061	563	0.71
Hays	427,461	434	0.54
Ibstock	400,021	575	0.72
Intertek Group	25,780	1,070	1.34
Rentokil Initial	191,000	1,172	1.47
Volusion Group	56,237	203	0.26
Total Industrials		6,270	7.86
Consumer Goods - 11.91% (8.62%)			
Barratt Developments	240,836	993	1.24
Britvic	68,240	597	0.75
Diageo	41,048	1,379	1.72
Imperial Brands	83,621	1,469	1.84
Tate & Lyle	149,754	1,092	1.37
Taylor Wimpey	1,162,009	1,218	1.52
Tesco	552,229	1,381	1.73
Unilever	34,728	1,387	1.74
Total Consumer Goods		9,516	11.91
Healthcare - 7.12% (7.63%)			
AstraZeneca	25,003	2,581	3.23
GSK	197,589	2,609	3.27
Hikma Pharmaceuticals	27,214	493	0.62
Total Healthcare		5,683	7.12
Consumer Services - 4.82% (5.95%)			
Compass Group	94,569	1,979	2.48
Moneysupermarket.com	202,596	560	0.70
Next	18,918	1,310	1.64
Total Consumer Services		3,849	4.82
Telecommunications - 0.48% (0.69%)			
Vodafone Group	538,005	388	0.48
Total Telecommunications		388	0.48
Utilities - 2.72% (2.89%)			
Drax Group	155,302	906	1.13
SSE	70,670	1,267	1.59
Total Utilities		2,173	2.72

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Financials - 11.74% (12.54%)			
+HSBC Holdings (London listed)	450,614	2,762	3.46
Barclays	1,033,685	1,603	2.01
IG Group	165,806	1,107	1.39
NatWest Group	507,622	1,234	1.54
Phoenix Group Holdings	255,673	1,378	1.72
Prudential	120,751	1,294	1.62
Total Financials		9,378	11.74
Technology - 1.84% (1.06%)			
FDM Group	62,844	371	0.47
Sage Group	118,219	1,097	1.37
Total Technology		1,468	1.84
Total United Kingdom		59,564	74.58
UNITED STATES - 3.59% (4.31%)			
Corporate Bonds - 3.59% (4.31%)			
AT&T 4.25% 1/6/2043	£600,000	452	0.57
AT&T 5.2% 18/11/2033	£200,000	186	0.23
Bank of America 3.584% variable rate 27/4/2031	£286,000	245	0.31
Goldman Sachs 3.625% variable rate 29/10/2029	£364,000	319	0.40
Metropolitan Life Global Funding 5% 10/1/2030	£138,000	132	0.16
Morgan Stanley 5.789% variable rate 18/11/2033	£327,000	317	0.40
MPT Operating Partnership LP 3.375% 24/4/2030	£300,000	192	0.24
Nestle Holdings 2.5% 4/4/2032	£240,000	196	0.24
Time Warner Cable 5.25% 15/7/2042	£300,000	235	0.29
Wells Fargo & Co 4.875% 29/11/2035	£400,000	343	0.43
Wells Fargo & Co 3.473% variable rate 26/4/2028	£285,000	254	0.32
Total Corporate Bonds		2,871	3.59
Total United States		2,871	3.59
AUSTRALIA - 1.56% (1.87%)			
Corporate Bonds - 0.22% (0.21%)			
Macquarie Group 4.08% 31/5/2029	£200,000	176	0.22
Total Corporate Bonds		176	0.22
Basic Materials - 1.34% (1.66%)			
BHP Group	45,052	1,068	1.34
Total Basic Materials		1,068	1.34
Total Australia		1,244	1.56
CANADA - 1.17% (0.83%)			
Corporate Bonds - 1.17% (0.83%)			
Bank of Nova Scotia 2.875% 3/5/2027	£250,000	222	0.28
Royal Bank of Canada 5% 24/1/2028	£750,000	714	0.89
Total Corporate Bonds		936	1.17
Total Canada		936	1.17

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
CAYMAN ISLANDS - 1.04% (0.99%)			
Corporate Bonds - 1.04% (0.99%)			
Yorkshire Power 7.25% 4/8/2028	£800,000	827	1.04
Total Corporate Bonds		827	1.04
Total Cayman Islands		827	1.04
CHANNEL ISLANDS - 2.10% (2.28%)			
Corporate Bonds - 0.77% (1.14%)			
Gatwick Funding 6.5% 2/3/2043	£209,000	211	0.27
Heathrow Funding 4.625% 31/10/2046	£500,000	401	0.50
Total Corporate Bonds		612	0.77
Industrials - 1.33% (1.14%)			
Ferguson	8,640	1,064	1.33
Total Industrials		1,064	1.33
Total Channel Islands		1,676	2.10
FRANCE - 3.57% (3.19%)			
Corporate Bonds - 3.57% (3.19%)			
BNP Paribas 2.875% 24/2/2029	£300,000	251	0.31
BPCE 5.25% 16/4/2029	£500,000	453	0.57
Credit Agricole 4.875% 23/10/2029	£400,000	377	0.47
Electricite de France 5.875% variable rate perpetual	£200,000	165	0.21
Electricite de France 6% variable rate perpetual	£600,000	545	0.68
Electricite de France 5.5% 17/10/2041	£400,000	344	0.43
Electricite de France 5.625% 25/1/2053	£300,000	256	0.32
Electricite de France 6% 23/1/2114	£200,000	171	0.21
Engie 5.625% 3/4/2053	£200,000	188	0.24
Societe Generale 6.25% 22/6/2033	£100,000	100	0.13
Total Corporate Bonds		2,850	3.57
Total France		2,850	3.57
GERMANY - 0.93% (0.43%)			
Corporate Bonds - 0.93% (0.43%)			
Deutsche Bank 4% variable rate 24/6/2026	£400,000	373	0.46
Deutsche Bank 6.125% variable rate 12/12/2030	£400,000	373	0.47
Total Corporate Bonds		746	0.93
Total Germany		746	0.93
IRELAND - 1.63% (1.69%)			
Industrials - 1.63% (1.69%)			
DCC (London listed)	13,659	597	0.75
Smurfit Kappa Group	24,596	705	0.88
Total Industrials		1,302	1.63
Total Ireland		1,302	1.63

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
ITALY - 0.00% (0.28%)			
Corporate Bonds - 0.00% (0.28%)			
LUXEMBOURG - 0.30% (0.28%)			
Corporate Bonds - 0.30% (0.28%)			
Blackstone Property Partners Europe 4.875% 29/4/2032	£182,000	137	0.17
Prologis International Funding 2.75% 22/2/2032	£127,000	99	0.13
Total Corporate Bonds		236	0.30
Total Luxembourg		236	0.30
MEXICO - 0.33% (0.30%)			
Corporate Bonds - 0.33% (0.30%)			
Petroleos Mexicanos 3.75% 16/11/2025	£300,000	263	0.33
Total Corporate Bonds		263	0.33
Total Mexico		263	0.33
NETHERLANDS - 1.65% (1.00%)			
Corporate Bonds - 1.65% (1.00%)			
Deutsche Telekom 8.875% 27/11/2028	£250,000	283	0.35
Enel Finance International 2.875% 11/4/2029	£263,000	220	0.28
ING Groep 6.25% variable rate 20/5/2033	£300,000	282	0.35
Volkswagen Financial Services 2.125% 18/1/2028	£200,000	167	0.21
Volkswagen Financial Services 3.25% 13/4/2027	£200,000	178	0.22
Volkswagen Financial Services 5.875% 23/5/2029	£200,000	194	0.24
Total Corporate Bonds		1,324	1.65
Total Netherlands		1,324	1.65
SPAIN - 0.22% (0.20%)			
Corporate Bonds - 0.22% (0.20%)			
CaixaBank 3.5% variable rate 6/4/2028	£200,000	177	0.22
Total Corporate Bonds		177	0.22
Total Spain		177	0.22
SWITZERLAND - 0.64% (0.19%)			
Corporate Bonds - 0.64% (0.19%)			
Credit Suisse Group 1.125% 15/12/2025	£200,000	175	0.22
Credit Suisse Group 2.25% variable rate 9/6/2028	£400,000	335	0.42
Total Corporate Bonds		510	0.64
Total Switzerland		510	0.64

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
FUTURES - (0.01%) (0.04%)			
ICF FTSE 100 Index Future September 2023	7	(10)	(0.01)
Total Futures		(10)	(0.01)
Portfolio of investments		74,516	93.30
Net other assets		5,350	6.70
Net assets		79,866	100.00

+Funds managed by the ACD/HSBC Group

Figures in brackets denote the comparative percentage holdings as at 15 January 2023.

Unless otherwise stated, all investments are listed securities.

The counterparty for the future is HSBC.

Total purchases for the period, including transaction charges, were £13,037,413.

Total sales for the period, including transaction charges, were £16,386,183.

The bond ratings for the portfolio at 15 July 2023 were:

	Bid value £'000	Total net assets %
Bond credit ratings		
Investment grade	19,085	23.89
Below Investment grade	1,396	1.75
Total Bonds	20,481	25.64

Comparative Tables

Retail Income	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	130.70p	136.90p	130.00p	147.50p
Return before operating charges*	(4.38p)	0.60p	13.34p	(11.03p)
Operating charges**	(0.86p)	(1.73p)	(1.78p)	(2.48p)
Return after operating charges*	(5.24p)	(1.13p)	11.56p	(13.51p)
Distributions on income shares	(2.26p)	(5.07p)	(4.66p)	(3.99p)
Closing net asset value per share	123.20p	130.70p	136.90p	130.00p
*after direct transaction costs of:***	0.06p	0.09p	0.08p	0.11p
Performance				
Return after charges	(4.01 %)	(0.83 %)	8.89%	(9.16 %)
Other information				
Closing net asset value	£37,616	£39,448	£49,776	£58,597
Closing number of shares	30,537	30,174	36,365	45,091
Operating charges - OCF	1.34%	1.34%	1.34%	1.34% †
Direct transaction costs	0.04%	0.07%	0.06%	0.08%
Prices				
Highest share price	133.00p	137.60p	137.90p	148.10p
Lowest share price	120.90p	116.00p	125.10p	100.20p

Retail Accumulation#	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	N/A	N/A	294.20p	323.10p
Return before operating charges*	N/A	N/A	22.98p	(23.45p)
Operating charges**	N/A	N/A	(3.78p)	(5.45p)
Return after operating charges*	N/A	N/A	19.20p	(28.90p)
Distributions on accumulation shares	N/A	N/A	(9.44p)	(8.86p)
Retained distributions on accumulation shares	N/A	N/A	9.44p	8.86p
Cancellation price	N/A	N/A	(313.40p)	-
Closing net asset value per share	N/A	N/A	-	294.20p
*after direct transaction costs of:***	N/A	N/A	0.17p	0.25p
Performance				
Return after charges	N/A	N/A	6.53%	(8.94 %)
Other information				
Closing net asset value	N/A	N/A	N/A	£24,852
Closing number of shares	N/A	N/A	N/A	8,449
Operating charges - OCF	N/A	N/A	N/A	1.34% †
Direct transaction costs	N/A	N/A	N/A	0.08%
Prices				
Highest share price	N/A	N/A	316.20p	324.60p
Lowest share price	N/A	N/A	283.10p	220.70p

#The Retail Accumulation share class closed on 17 December 2021.

†Estimated value following a change to the charging structure on 1 October 2020.

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Comparative Tables

Income C	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	139.00p	144.70p	136.50p	155.00p
Return before operating charges*	(4.65p)	0.54p	14.00p	(13.51p)
Operating charges**	(0.44p)	(0.87p)	(0.89p)	(0.84p)
Return after operating charges*	(5.09p)	(0.33p)	13.11p	(14.35p)
Distributions on income shares	(2.41p)	(5.37p)	(4.91p)	(4.15p)
Closing net asset value per share	131.50p	139.00p	144.70p	136.50p
*after direct transaction costs of:***	0.06p	0.09p	0.08p	0.10p
Performance				
Return after charges	(3.66%)	(0.23%)	9.60%	(9.26%)
Other information				
Closing net asset value	£66,769,157	£75,088,774	£86,431,913	£92,541,871
Closing number of shares	50,777,741	54,012,407	59,737,694	67,789,664
Operating charges - OCF	0.64%	0.64%	0.64%	0.64%†
Direct transaction costs	0.04%	0.07%	0.06%	0.08%
Prices				
Highest share price	141.60p	145.50p	145.80p	155.70p
Lowest share price	129.00p	123.20p	131.40p	105.40p

Accumulation C	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	336.00p	336.10p	306.30p	336.50p
Return before operating charges*	(11.42p)	1.96p	31.84p	(28.34p)
Operating charges**	(1.08p)	(2.06p)	(2.04p)	(1.86p)
Return after operating charges*	(12.50p)	(0.10p)	29.80p	(30.20p)
Distributions on accumulation shares	(5.85p)	(12.65p)	(11.17p)	(9.13p)
Retained distributions on accumulation shares	5.85p	12.65p	11.17p	9.13p
Closing net asset value per share	323.50p	336.00p	336.10p	306.30p
*after direct transaction costs of:***	0.15p	0.22p	0.18p	0.23p
Performance				
Return after charges	(3.72%)	(0.03%)	9.73%	(8.97%)
Other information				
Closing net asset value	£13,058,901	£14,074,482	£15,231,669	£17,182,025
Closing number of shares	4,037,034	4,188,995	4,531,988	5,610,518
Operating charges - OCF	0.64%	0.64%	0.64%	0.64%†
Direct transaction costs	0.04%	0.07%	0.06%	0.08%
Prices				
Highest share price	342.60p	337.90p	337.30p	338.20p
Lowest share price	316.30p	293.00p	294.80p	230.00p

†Estimated value following a change to the charging structure on 1 October 2020.

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Statement of Total Return

for the six months ended 15 July 2023 (unaudited)

	15.7.23		15.7.22	
	£'000	£'000	£'000	£'000
Income				
Net capital losses		(4,672)		(7,636)
Revenue	1,875		2,021	
Expenses	(276)		(304)	
Net revenue before taxation	1,599		1,717	
Taxation	(72)		(25)	
Net revenue after taxation		1,527		1,692
Total deficit before distributions		(3,145)		(5,944)
Distributions		(1,513)		(1,620)
Change in net assets attributable to shareholders from investment activities		(4,658)		(7,564)

Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 July 2023 (unaudited)

	15.7.23		15.7.22	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		89,203		101,713
Amounts receivable on creation of shares	179		287	
Amounts payable on cancellation of shares	(5,097)		(5,490)	
		(4,918)		(5,203)
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(4,658)		(7,564)
Retained distribution on accumulation shares		239		242
Closing net assets attributable to shareholders		79,866		89,188

Balance Sheet

as at 15 July 2023 (unaudited)

	15.7.23		15.1.23	
	£'000	£'000	£'000	£'000
Assets				
Investments		74,526		82,533
Current assets				
Debtors	586		743	
Cash and bank balances	5,191		6,781	
Total current assets		5,777		7,524
Total assets		80,303		90,057
Liabilities				
Investment liabilities		(10)		-
Creditors				
Distribution payable on income shares	(234)		(303)	
Other creditors	(193)		(551)	
Total creditors		(427)		(854)
Total liabilities		(437)		(854)
Net assets attributable to shareholders		79,866		89,203

Distribution Tables (pence per share)

for the six months ended 15 July 2023 (unaudited)

Group 1: Shares purchased prior to 16 June 2023				
Group 2: Shares purchased from 16 June 2023 to 15 July 2023				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.8.23</i>	<i>Distribution paid 15.8.22</i>
Retail Income				
Group 1	0.430000	-	0.430000	0.430000
Group 2	0.000000	0.430000	0.430000	0.430000
Income C				
Group 1	0.460000	-	0.460000	0.460000
Group 2	0.000000	0.460000	0.460000	0.460000
Accumulation C				
Group 1	1.110000	-	1.110000	1.060000
Group 2	0.000000	1.110000	1.110000	1.060000

Group 1: Shares purchased prior to 16 May 2023				
Group 2: Shares purchased from 16 May 2023 to 15 June 2023				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 14.7.23</i>	<i>Distribution paid 15.7.22</i>
Retail Income				
Group 1	0.430000	-	0.430000	0.430000
Group 2	0.000000	0.430000	0.430000	0.430000
Income C				
Group 1	0.460000	-	0.460000	0.450000
Group 2	0.000000	0.460000	0.460000	0.450000
Accumulation C				
Group 1	1.120000	-	1.120000	1.060000
Group 2	0.000000	1.120000	1.120000	1.060000

Distribution Tables (pence per share)

for the six months ended 15 July 2023 (unaudited)

Group 1: Shares purchased prior to 16 April 2023				
Group 2: Shares purchased from 16 April 2023 to 15 May 2023				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.6.23</i>	<i>Distribution paid 15.6.22</i>
Retail Income				
Group 1	0.430000	-	0.430000	0.410000
Group 2	0.000000	0.430000	0.430000	0.410000
Income C				
Group 1	0.460000	-	0.460000	0.430000
Group 2	0.000000	0.460000	0.460000	0.430000
Accumulation C				
Group 1	1.120000	-	1.120000	1.010000
Group 2	0.000000	1.120000	1.120000	1.010000

Group 1: Shares purchased prior to 16 March 2023				
Group 2: Shares purchased from 16 March 2023 to 15 April 2023				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.5.23</i>	<i>Distribution paid 13.5.22</i>
Retail Income				
Group 1	0.410000	-	0.410000	0.410000
Group 2	0.000000	0.410000	0.410000	0.410000
Income C				
Group 1	0.440000	-	0.440000	0.430000
Group 2	0.000000	0.440000	0.440000	0.430000
Accumulation C				
Group 1	1.060000	-	1.060000	0.990000
Group 2	0.000000	1.060000	1.060000	0.990000

Distribution Tables (pence per share)

for the six months ended 15 July 2023 (unaudited)

Group 1: Shares purchased prior to 16 February 2023				
Group 2: Shares purchased from 16 February 2023 to 15 March 2023				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 14.4.23</i>	<i>Distribution paid 15.4.22</i>
Retail Income				
Group 1	0.370000	-	0.370000	0.340000
Group 2	0.110000	0.260000	0.370000	0.340000
Income C				
Group 1	0.390000	-	0.390000	0.360000
Group 2	0.000000	0.390000	0.390000	0.360000
Accumulation C				
Group 1	0.950000	-	0.950000	0.850000
Group 2	0.310000	0.640000	0.950000	0.850000

Group 1: Shares purchased prior to 16 January 2023				
Group 2: Shares purchased from 16 January 2023 to 15 February 2023				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.3.23</i>	<i>Distribution paid 15.3.22</i>
Retail Income				
Group 1	0.190000	-	0.190000	0.210000
Group 2	0.190000	0.000000	0.190000	0.210000
Income C				
Group 1	0.200000	-	0.200000	0.220000
Group 2	0.130000	0.070000	0.200000	0.220000
Accumulation C				
Group 1	0.490000	-	0.490000	0.520000
Group 2	0.240000	0.250000	0.490000	0.520000

Corporate Bond

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 Policy

To achieve its objective the Fund will invest at least 80% of its value in various types of 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 (corporates) or other large organisations which may be located in any country.

The Fund may also invest up to 20% of its value in other types of bonds and assets, such as bonds with a credit rating lower than investment grade and cash. The Fund may invest up to 10% of its value in other funds, which may be managed by the HSBC Group.

The Fund may invest in different types of derivatives for efficient portfolio management purposes, including hedging, and for broader investment purposes to help the Fund meet its objective. In particular derivatives will be used to reduce or increase the Fund's exposure to different types of assets and to reduce the risk associated with movements in the rate of exchange between sterling and other currencies in which the Fund's assets may be held. The use of derivatives will be consistent with the risk profile of the Fund.

Investment Strategy*

The Fund is actively managed and is managed with reference to 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, 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 bonds market.

To enable investors to assess the performance of the Fund, it is shown against performance of the Markit iBoxx GBP Corporates Index plus 1% per year.

*The full strategy can be found in the prospectus.

Portfolio Activity

The Fund net asset value (NAV) decreased over the period, but it outperformed the benchmark by a significant 107bps. Sterling corporate bonds value fell during the period as Gilt yields soared and corporate bond spreads widened in the first half of 2023, with inflation continuing to remain elevated (particularly in the UK) and central banks stepping up rate hikes further. Nonetheless, driving relative outperformance was Security Selection in Financials, Utilities and Securitised Credit. Rates and Yield curve positioning was also a strong positive as our 'flattener' trade outperformed.

During the first half of the year, there were no major changes in fund positioning but we used new issuance to marginally increase our credit beta, notably in Utility and Financial sectors. We also continued to tactically switch and rotate recent non-GBP holdings into attractive new issues in both USD and EUR. Duration positioning was moved to an overweight overall and the Fund also held a 'flattener' position. We retained the off-benchmark exposure to Securitised Credit and USD and EUR denominated holdings on relative valuations, hedged back into sterling. The UK gilt exposure was also maintained for duration management purposes. We largely maintained all other sector exposures.

Activity

During this period, major purchases included European Investment Bank 0.75% 14/07/2023, European Investment Bank 1.625% 15/03/2023 and KFW 0.125% 24/02/2023.

Major sales included European Investment Bank 1.625% 15/03/2023, KFW 0.125% 24/02/2023 and Morgan Stanley 5.789% variable rate 18/11/2023.

Investment Performance

During the period under review, the value of the shares in the Fund decreased by 2.55% while the value of the Markit iBoxx GBP Corporates Index +1% fell by 3.45%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.

Fund Particulars

as at 17 July 2023 (unaudited)

	Retail Income	Retail Accumulation	Institutional Income
Price	99.2p xd	260.5p	182.5p xd
Distribution payable (on 15 September 2023) per share net	0.940000p	2.440000p	2.220000p
Current net estimated yield	3.50%	3.50%	4.60%
Annual ACD charge	1.05%	1.05%	0.00%

	Institutional Accumulation	Income C	Accumulation C
Price	322.4p	99.64p xd	279.4p
Distribution payable (on 15 September 2023) per share net	3.870000p	1.120000p	3.100000p
Current net estimated yield	4.60%	4.30%	4.30%
Annual ACD charge	0.00%	0.35%	0.35%

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
UNITED KINGDOM - 49.40% (51.63%)			
Government Bonds - 5.69% (6.15%)			
Treasury 0.5% 31/1/2029	£1,090,000	872	0.47
Treasury 1.25% 22/10/2041	£1,770,000	1,049	0.57
Treasury 1.25% 31/7/2051	£5,582,000	2,710	1.46
Treasury 4.5% 7/12/2042	£5,980,000	5,909	3.19
Total Government Bonds		10,540	5.69
Corporate Bonds - 43.71% (45.48%)			
Anglian Water 2.75% 26/10/2029	£735,000	614	0.33
Anglian Water 6% 20/6/2039	£709,000	704	0.38
Annington Funding 3.184% 12/7/2029	£2,220,000	1,782	0.96
Aviva 4% variable rate 3/6/2055	£1,600,000	1,208	0.65
Aviva 4.375% variable rate 12/9/2049	£1,200,000	1,026	0.55
Barclays Bank 3.75% variable rate 22/11/2030	£3,490,000	3,156	1.70
Barclays Bank 6.369% variable rate 31/1/2031	£2,360,000	2,288	1.23
Barclays Bank 8.407% variable rate 14/11/2032	£2,448,000	2,474	1.33
Bellis Acquisition 4.5% 16/2/2026	£448,000	389	0.21
Bellis Finco 4% 16/2/2027	£700,000	525	0.28
Berkeley Group 2.50% 11/8/2031	£953,000	621	0.34
BP Capital Markets 4.25% variable rate perpetual	£801,000	702	0.38
BP Capital Markets 5.773% 25/5/2038	£942,000	929	0.50
Broadgate 4.999% 5/10/2033	£550,000	508	0.27
BUPA Finance 4% variable rate perpetual	£600,000	351	0.19
BUPA Finance 5% 8/12/2026	£312,000	292	0.16
Cadent Finance 2.75% 22/9/2046	£1,099,000	633	0.34
Centrica 5.25% variable rate 10/4/2075	£1,500,000	1,416	0.76
Centrica 7% 19/9/2033	£2,330,000	2,493	1.35
Direct Line 4.75% variable rate perpetual	£1,900,000	1,249	0.67
GlaxoSmithKline 1.625% 12/5/2035	£600,000	404	0.22
Glaxosmithkline 5.25% 19/12/2033	£1,010,000	1,005	0.54
Hammerson 3.5% 27/10/2025	£1,800,000	1,583	0.85
Heathrow Finance 6.25% 3/3/2025	£1,100,000	1,061	0.57
+HSBC Holdings 5.875% variable rate perpetual	£1,000,000	885	0.48
+HSBC Holdings 7% 7/4/2038	£1,500,000	1,472	0.79
+HSBC Holdings 8.201% variable rate 16/11/2034	£2,000,000	2,055	1.11
Legal & General Group 5.375% variable rate 27/10/2045	£1,000,000	956	0.52
Lloyds Banking Group 2.707% variable rate 3/12/2035	£1,774,000	1,302	0.70
Lloyds Banking Group 6.625% variable rate 2/6/2033	£1,091,000	1,049	0.57
Lloyds Banking Group 8.5% variable rate perpetual	£375,000	353	0.19
M&G 3.875% variable rate 20/7/2049	£2,900,000	2,808	1.52
M&G 5.7% variable rate 19/12/2063	£1,000,000	871	0.47
National Gas Transmission 5.75% 5/4/2035	£512,000	487	0.26
National Grid Electricity Transmission 1.375% 16/9/2026	£1,000,000	869	0.47
National Grid Electricity Transmission 2.75% 6/2/2035	£1,500,000	1,094	0.59
National Grid Electricity Transmission 4% 8/6/2027	£1,590,000	1,464	0.79

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Nationwide Building Society 5.875% variable rate perpetual	£600,000	562	0.30
NatWest Group 3.619% variable rate 29/3/2029	£2,609,000	2,274	1.23
Natwest Group 5.125% variable rate perpetual	£1,125,000	934	0.50
NatWest Group 7.416% variable rate 6/6/2033	£1,282,000	1,258	0.68
NGG Finance 5.625% variable rate 18/6/2073	£500,000	475	0.26
NIE Finance 5.875% 1/12/2032	£1,000,000	988	0.53
NIE Finance 6.375% 2/6/2026	£1,500,000	1,498	0.81
Northern Powergrid Northeast 3.25% 1/4/2052	£1,163,000	786	0.42
Northern Powergrid Yorkshire 2.25% 9/10/2059	£643,000	325	0.18
Pension Insurance 3.625% 21/10/2032	£1,169,000	856	0.46
Pension Insurance 6.5% 3/7/2024	£500,000	495	0.27
Places for People Treasury 2.875% 17/8/2026	£1,378,000	1,241	0.67
Principality Building Society 8.625% 12/7/2028	£1,180,000	1,192	0.64
Rentokil Initial 5% 27/6/2032	£1,000,000	928	0.50
RL Finance Bonds 4.875% variable rate 7/10/2049	£750,000	550	0.30
Rothsay Life 5% variable rate perpetual	£750,000	474	0.26
Rothsay Life 5.5% variable rate 17/9/2029	£1,590,000	1,546	0.83
Royal Bank of Scotland 3.125% variable rate 28/3/2027	£3,761,000	3,409	1.84
Royal Bank of Scotland 3.622% variable rate 14/8/2030	£900,000	834	0.45
Saga 3.375% 12/5/2024	£289,000	268	0.15
Santander UK Group Holdings 2.92% variable rate 8/5/2026	£2,700,000	2,494	1.35
Santander UK Group Holdings 6.75% variable rate perpetual	£1,500,000	1,421	0.77
Santander UK Group Holdings 7.098% variable rate 16/11/2027	£1,000,000	994	0.54
Scottish & Southern 8.375% 20/11/2028	£2,300,000	2,524	1.36
Southern Gas Networks 1.25% 2/12/2031	£1,693,000	1,168	0.63
Thames Water Utilities Finance 4.625% 4/6/2046	£240,000	186	0.10
Thames Water Utilities Finance 7.738% 9/4/2058	£950,000	1,056	0.57
Virgin Money 4% variable rate 25/9/2026	£1,500,000	1,369	0.74
Virgin Money 5.125% variable rate 11/12/2030	£560,000	509	0.27
Vodafone Group 3% 12/8/2056	£952,000	529	0.29
Vodafone Group 3.375% 8/8/2049	£1,200,000	759	0.41
Weir Group 6.875% 14/6/2028	£675,000	671	0.36
Western Power Distribution 3.5% 16/10/2026	£1,000,000	915	0.49
Yorkshire Water Finance 1.75% 26/11/2026	£1,200,000	1,026	0.55
Yorkshire Water Finance 1.75% 27/10/2032	£1,000,000	695	0.38
Yorkshire Water Finance 2.75% 18/4/2041	£1,185,000	748	0.40
Total Corporate Bonds		81,035	43.71
Total United Kingdom		91,575	49.40

UNITED STATES - 5.00% (9.79%)

Corporate Bonds - 5.00% (9.79%)

AT&T 4.25% 1/6/2043	£2,000,000	1,508	0.81
AT&T 7% 30/4/2040	£1,000,000	1,039	0.56
Bank of America 3.584% variable rate 27/4/2031	£1,700,000	1,457	0.79
Ford Motor Credit 2.748% 14/6/2024	£1,000,000	956	0.51
Goldman Sachs 3.625% variable rate 29/10/2029	£1,500,000	1,316	0.71

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
MPT Operating Partnership 3.692% 5/6/2028	£1,800,000	1,240	0.67
Time Warner Cable 5.25% 15/7/2042	£500,000	392	0.21
Time Warner Cable 5.75% 2/6/2031	£1,500,000	1,372	0.74
Total Corporate Bonds		9,280	5.00
Total United States		9,280	5.00
AUSTRALIA - 1.47% (1.87%)			
Corporate Bonds - 1.47% (1.87%)			
QBE Insurance Group 2.5% variable rate 13/9/2038	£2,550,000	1,967	1.06
Westfield America Manage 2.625% 30/3/2029	£1,000,000	759	0.41
Total Corporate Bonds		2,726	1.47
Total Australia		2,726	1.47
BERMUDA - 0.38% (0.21%)			
Corporate Bonds - 0.38% (0.21%)			
Hiscox 6% 22/9/2027	£727,000	711	0.38
Total Corporate Bonds		711	0.38
Total Bermuda		711	0.38
CANADA - 0.57% (0.00)			
Corporate Bonds - 0.57% (0.00)			
Royal Bank of Canada 5% 24/1/2028	£1,100,000	1,048	0.57
Total Corporate Bonds		1,048	0.57
Total Canada		1,048	0.57
CAYMAN ISLANDS - 0.47% (0.44%)			
Corporate Bonds - 0.47% (0.44%)			
Phoenix Group 5.625% 28/4/2031	£1,000,000	876	0.47
Total Corporate Bonds		876	0.47
Total Cayman Islands		876	0.47
CHANNEL ISLANDS - 5.21% (4.29%)			
Corporate Bonds - 5.21% (4.29%)			
AA Bond 6.269% 2/7/2043	£1,000,000	959	0.52
AA Bond 7.375% 31/7/2050	£200,000	183	0.10
Gatwick Funding 6.5% 2/3/2043	£2,061,000	2,083	1.12
Heathrow Funding 4.625% 31/10/2046	£1,800,000	1,444	0.78
Heathrow Funding 6.45% 10/12/2031	£678,000	687	0.37
Heathrow Funding 6.75% 3/12/2028	£1,700,000	1,707	0.92
Heathrow Funding 7.125% 14/2/2024	£2,600,000	2,602	1.40
Total Corporate Bonds		9,665	5.21
Total Channel Islands		9,665	5.21
DENMARK - 0.76% (0.70%)			
Corporate Bonds - 0.76% (0.70%)			
Orsted AS 5.125% 13/09/2034	£1,500,000	1,401	0.76
Total Corporate Bonds		1,401	0.76
Total Denmark		1,401	0.76

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
FRANCE - 7.47% (6.28%)			
Corporate Bonds - 7.47% (6.28%)			
BPCE 2.125% variable rate 13/10/2046	€1,000,000	616	0.33
BPCE 6.125% 24/5/2029	£700,000	682	0.37
Credit Agricole 4.875% 23/10/2029	£2,000,000	1,888	1.02
Électricité de France 5.25% 13/10/2055	\$1,600,000	998	0.54
Électricité de France 5.875% variable rate perpetual	£1,300,000	1,072	0.58
Électricité de France 6% 23/1/2114	£1,000,000	854	0.46
Électricité de France 6% variable rate perpetual	£1,400,000	1,273	0.69
Électricité de France 6.125% 2/6/2034	£1,000,000	952	0.51
Électricité de France 6.25% 23/5/2033	\$371,000	292	0.16
Électricité de France 6.9% 23/5/2053	\$1,370,000	1,099	0.59
Engie 5.625% 3/4/2053	£1,100,000	1,034	0.56
La Banque Postale 5.625% variable rate 21/9/2028	£1,500,000	1,418	0.76
Orange 5.375% 22/11/2050	£1,000,000	964	0.52
Societe Generale 6.25% 22/6/2033	£700,000	699	0.38
Total Corporate Bonds		13,841	7.47
Total France		13,841	7.47
GERMANY - 1.43% (1.52%)			
Corporate Bonds - 1.43% (1.52%)			
Deutsche Bank 6.125% variable rate 12/12/2030	£1,000,000	933	0.50
Robert Bosch 4% 2/6/2035	€800,000	692	0.37
Volkswagen Bank 4.625% 3/5/2031	€1,200,000	1,027	0.56
Total Corporate Bonds		2,652	1.43
Total Germany		2,652	1.43
IRELAND - 4.35% (0.80%)			
Corporate Bonds - 1.00% (0.78%)			
Zurich Finance Ireland 5.125% variable rate 23/11/2052	£2,136,000	1,867	1.00
Total Corporate Bonds		1,867	1.00
Financials - 3.35% (0.02%)			
+HSBC Global Sterling Liquidity Fund	6,205,569	6,206	3.35
Total Financials		6,206	3.35
Total Ireland		8,073	4.35
ITALY - 0.00% (0.42%)			
Corporate Bonds - 0.00% (0.42%)			
JAPAN - 0.54% (0.00%)			
Corporate Bonds - 0.54% (0.00%)			
Mizuho Financial Group 5.628% 13/6/2028	£1,037,000	1,004	0.54
Total Corporate Bonds		1,004	0.54
Total Japan		1,004	0.54

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
JERSEY - 0.54% (0.45%)			
Corporate Bonds - 0.54% (0.45%)			
+HSBC Bank Fund 5.844% variable rate perpetual	£1,000,000	999	0.54
Total Corporate Bonds		999	0.54
Total Jersey		999	0.54
LUXEMBOURG - 3.51% (3.74%)			
Corporate Bonds - 1.47% (1.26%)			
Aroundtown 4.75% variable rate perpetual	£1,700,000	598	0.32
Blackstone Property Partners 2.625% 20/10/2028	£903,000	666	0.36
CK Hutchison Holdings 2% 17/10/2027	£1,000,000	834	0.45
Logicor Financing 2.75% 15/1/2030	£856,000	630	0.34
Virgolino De Oliveira Fi 6.75% 29/1/2018	\$243,000	-	0.00
Total Corporate Bonds		2,728	1.47
Financials - 2.04% (2.48%)			
+HSBC Global Securitised Credit Bond Fund	409,595	3,783	2.04
Total Financials		3,783	2.04
Total Luxembourg		6,511	3.51
NETHERLANDS - 6.84% (5.99%)			
Corporate Bonds - 6.84% (5.99%)			
AT Securities 5.25% variable rate perpetual	\$2,000,000	670	0.36
E.ON International Finance 4.75% 31/1/2034	£2,500,000	2,240	1.21
E.ON International Finance 5.875% 30/10/2037	£1,250,000	1,206	0.65
E.ON International Finance 6.125% 6/7/2039	£1,000,000	987	0.53
Enel Finance 5.75% 14/9/2040	£1,000,000	940	0.51
ING Groep 4.75% variable rate 23/5/2034	€500,000	432	0.23
ING Groep 6.25% variable rate 20/5/2033	£1,200,000	1,127	0.61
Innogy Finance 6.25% 3/6/2030	£1,090,000	1,105	0.60
JAB Holdings 5% 12/6/2033	€500,000	436	0.23
Royal KPN 5% 18/11/2026	£1,400,000	1,349	0.73
Universal Music Group 4% 13/6/2031	€586,000	500	0.27
Volkswagen Financial Services 3.25% 13/4/2027	£1,900,000	1,692	0.91
Total Corporate Bonds		12,684	6.84
Total Netherlands		12,684	6.84
NORWAY - 1.00% (1.10%)			
Corporate Bonds - 1.00% (1.10%)			
DNB Bank ASA 4% variable rate 17/8/2027	£2,000,000	1,850	1.00
Total Corporate Bonds		1,850	1.00
Total Norway		1,850	1.00

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
SINGAPORE - 0.26% (0.00)			
Corporate Bonds - 0.26% (0.00)			
Pfizer Investment Enterprises 5.3% 19/5/2053	\$625,000	490	0.26
Total Corporate Bonds		490	0.26
Total SINGAPORE		490	0.26
SPAIN - 2.71% (3.14%)			
Corporate Bonds - 2.71% (3.14%)			
CaixaBank 1.5% variable rate 3/12/2026	£2,400,000	2,099	1.13
Telefonica Emisiones 5.375% 2/2/2026	£3,000,000	2,925	1.58
Total Corporate Bonds		5,024	2.71
Total SPAIN		5,024	2.71
SWEDEN - 0.79% (1.80%)			
Corporate Bonds - 0.79% (1.80%)			
Svenska Handelsbanken AB 4.625% variable rate 23/8/2032	£1,268,000	1,142	0.62
Vattenfall 2.5% variable rate 29/6/2083	£400,000	317	0.17
Total Corporate Bonds		1,459	0.79
Total Sweden		1,459	0.79
SWITZERLAND - 4.16% (2.95%)			
Corporate Bonds - 4.16% (2.95%)			
Credit Suisse Group 2.25% variable rate 9/6/2028	£2,000,000	1,677	0.91
Credit Suisse Group 2.875% variable rate 2/4/2032	€2,000,000	1,490	0.80
Credit Suisse Group 7.75% variable rate 1/3/2029	€1,403,000	1,335	0.72
UBS Group 2.125% variable rate 12/9/2025	£3,400,000	3,202	1.73
Total Corporate Bonds		7,704	4.16
Total Switzerland		7,704	4.16
FORWARD FOREIGN EXCHANGE CONTRACTS - 0.11% ((0.06%))			
#GBP Forward Currency Contract 9/8/2023	GBP 1,298,080	11	0.00
#EUR Forward Currency Contract 9/8/2023	(EUR 1,500,000)		
#GBP Forward Currency Contract 9/8/2023	GBP 2,030,673	15	0.01
#EUR Forward Currency Contract 9/8/2023	(EUR 2,350,000)		
#GBP Forward Currency Contract 10/8/2023	GBP 3,759,642	200	0.11
#USD Forward Currency Contract 10/8/2023	(USD 4,670,000)		
#GBP Forward Currency Contract 9/8/2023	GBP 431,125	2	0.00
#EUR Forward Currency Contract 9/8/2023	(EUR 500,000)		
#GBP Forward Currency Contract 9/8/2023	GBP 498,841	1	0.00
#EUR Forward Currency Contract 9/8/2023	(EUR 580,000)		
#GBP Forward Currency Contract 10/8/2023	GBP 477,145	20	0.01
#USD Forward Currency Contract 10/8/2023	(USD 600,000)		
#USD Forward Currency Contract 10/8/2023	USD 440,000	(12)	(0.01)
#GBP Forward Currency Contract 10/8/2023	(GBP 347,047)		
#GBP Forward Currency Contract 9/8/2023	GBP 54,685	-	0.00
#EUR Forward Currency Contract 9/8/2023	(EUR 64,000)		

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
#USD Forward Currency Contract 10/8/2023	USD 1,180,000	(27)	(0.01)
#GBP Forward Currency Contract 10/8/2023	(GBP 926,083)		
#EUR Forward Currency Contract 9/8/2023	EUR 550,000	(1)	0.00
#GBP Forward Currency Contract 9/8/2023	(GBP 473,435)		
Total Forward Foreign Exchange Contracts		209	0.11
FUTURES - (0.10%) ((0.04%))			
CBT US Long Bond September 2023	(11)	6	0.00
EUX Euro Bobl Future September 2023	(38)	39	0.02
EUX Euro Bund Future September 2023	(7)	8	0.01
ICF ICE Long Gilt Future September 2023	187	(247)	(0.13)
Total Futures		(194)	(0.10)
Credit Default Swaps - (2.42%) (0.00%)			
JP Morgan 5% 20/6/2028	(EUR5,000,000)	(4,484)	(2.42)
Total Credit Default Swaps		(4,484)	(2.42)
Portfolio of investments		175,104	94.45
Net other assets		10,284	5.55
Net assets		185,388	100.00
+Funds managed by the ACD/HSBC Group			
#unlisted			
Figures in brackets denote the comparative percentage holdings as at 15 January 2023.			
Unless otherwise stated, all investments are listed securities.			
The counterparty for the futures is HSBC.			
The counterparties for the forward foreign exchange contracts are Citigroup London, Credit Agricole London, HSBC, JP Morgan, Royal Bank of Scotland, and UBS.			
The counterparty for the credit default swap is JP Morgan.			
Total purchases for the period, including transaction charges, were £104,254,278.			
Total sales for the period, net of transaction charges, were £254,361,548.			
The bond ratings for the portfolio at 15 July 2023 were:			
		<i>Bid value £'000</i>	<i>Total net assets %</i>
Bond credit ratings			
Investment grade		152,181	82.09
Non-investment grade		11,787	6.35
Non rated		5,616	3.03
Total bonds		169,584	91.47

Comparative Tables

Retail Income	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	103.70p	125.70p	132.80p	128.50p
Return before operating charges*	(2.48p)	(17.51p)	(2.46p)	8.71p
Operating charges**	(0.56p)	(1.19p)	(1.40p)	(1.46p)
Return after operating charges*	(3.04p)	(18.70p)	(3.86p)	7.25p
Distributions on income shares	(1.88p)	(3.30p)	(3.24p)	(2.95p)
Closing net asset value per share	98.78p	103.70p	125.70p	132.80p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
Performance				
Return after charges	(2.93%)	(14.88%)	(2.91%)	5.64%
Other information				
Closing net asset value	£9,494,485	£9,916,481	£6,656,838	£7,312,745
Closing number of shares	9,611,565	9,566,738	5,297,797	5,507,065
Operating charges - OCF	1.11%	1.09%	1.07%	1.09%†
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price	106.70p	125.70p	133.60p	135.50p
Lowest share price	98.00p	92.30p	126.20p	111.40p

Retail Accumulation	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	267.20p	313.90p	323.40p	305.70p
Return before operating charges*	(6.36p)	(43.66p)	(6.06p)	21.19p
Operating charges**	(1.44p)	(3.04p)	(3.44p)	(3.49p)
Return after operating charges*	(7.80p)	(46.70p)	(9.50p)	17.70p
Distributions on accumulation shares	(4.88p)	(8.32p)	(7.96p)	(7.11p)
Retained distributions on accumulation shares	4.88p	8.32p	7.96p	7.11p
Closing net asset value per share	259.40p	267.20p	313.90p	323.40p
*after direct transaction costs of:***	0.00p	0.01p	0.00p	0.00p
Performance				
Return after charges	(2.92%)	(14.88%)	(2.94%)	5.79%
Other information				
Closing net asset value	£5,491,124	£6,477,607	£27,931,027	£124,260,156
Closing number of shares	2,117,103	2,424,559	8,899,347	38,419,689
Operating charges - OCF	1.11%	1.09%	1.08%	1.09%†
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price	275.00p	313.90p	326.90p	328.10p
Lowest share price	254.90p	233.90p	311.90p	265.20p

†Estimated value following a change to the charging structure on 1 October 2020.

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Comparative Tables

Institutional Income	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	190.60p	231.10p	244.30p	236.20p
Return before operating charges*	(4.41p)	(32.24p)	(4.66p)	16.24p
Operating charges**	(0.03p)	(0.05p)	(0.01p)	(0.06p)
Return after operating charges*	(4.44p)	(32.29p)	(4.67p)	16.18p
Distributions on income shares	(4.46p)	(8.21p)	(8.53p)	(8.08p)
Closing net asset value per share	181.70p	190.60p	231.10p	244.30p
*after direct transaction costs of:***	0.00p	0.01p	0.00p	0.00p
Performance				
Return after charges	(2.33%)	(13.97%)	(1.91%)	6.85%
Other information				
Closing net asset value	£24,002,444	£171,316,755	£27,599,460	£314,854,787
Closing number of shares	13,210,700	89,879,448	11,940,907	128,901,450
Operating charges - OCF	0.04%	0.03%	0.00%	0.02%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price	196.30p	231.20p	245.90p	249.90p
Lowest share price	180.70p	170.20p	232.60p	205.30p

Institutional Accumulation	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	328.90p	382.30p	389.80p	364.50p
Return before operating charges*	(7.84p)	(53.31p)	(7.44p)	25.39p
Operating charges**	(0.06p)	(0.09p)	(0.06p)	(0.09p)
Return after operating charges*	(7.90p)	(53.40p)	(7.50p)	25.30p
Distributions on accumulation shares	(7.75p)	(13.80p)	(13.79p)	(12.63p)
Retained distributions on accumulation shares	7.75p	13.80p	13.79p	12.63p
Closing net asset value per share	321.00p	328.90p	382.30p	389.80p
*after direct transaction costs of:***	0.00p	0.01p	0.01p	0.00p
Performance				
Return after charges	(2.40%)	(13.97%)	(1.92%)	6.94%
Other information				
Closing net asset value	£32,155,190	£30,382,948	£25,154,870	£25,411,104
Closing number of shares	10,016,179	9,236,710	6,579,155	6,518,514
Operating charges - OCF	0.04%	0.03%	0.02%	0.02%
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price	338.70p	382.40p	396.30p	395.40p
Lowest share price	315.40p	287.20p	376.50p	316.80p

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Comparative Tables

Income C	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	104.10p	126.20p	133.40p	129.00p
Return before operating charges*	(2.44p)	(17.59p)	(2.52p)	8.84p
Operating charges**	(0.20p)	(0.43p)	(0.50p)	(0.53p)
Return after operating charges*	(2.64p)	(18.02p)	(3.02p)	8.31p
Distributions on income shares	(2.25p)	(4.08p)	(4.18p)	(3.91p)
Closing net asset value per share	99.21p	104.10p	126.20p	133.40p
*after direct transaction costs of:***	0.00p	0.00p	0.00p	0.00p
Performance				
Return after charges	(2.54%)	(14.28%)	(2.26%)	6.44%
Other information				
Closing net asset value	£74,733,504	£81,425,976	£110,053,050	£126,718,548
Closing number of shares	75,327,426	78,209,557	87,190,625	94,990,557
Operating charges - OCF	0.41%	0.39%	0.38%	0.39%†
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price	107.20p	126.30p	134.30p	136.40p
Lowest share price	98.59p	92.88p	127.00p	112.00p

Accumulation C	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	285.60p	333.20p	341.00p	320.00p
Return before operating charges*	(6.84p)	(46.45p)	(6.52p)	22.33p
Operating charges**	(0.56p)	(1.15p)	(1.28p)	(1.33p)
Return after operating charges*	(7.40p)	(47.60p)	(7.80p)	21.00p
Distributions on accumulation shares	(6.21p)	(10.93p)	(10.81p)	(9.82p)
Retained distributions on accumulation shares	6.21p	10.93p	10.81p	9.82p
Closing net asset value per share	278.20p	285.60p	333.20p	341.00p
*after direct transaction costs of:***	0.00p	0.01p	0.00p	0.00p
Performance				
Return after charges	(2.59%)	(14.29%)	(2.29%)	6.56%
Other information				
Closing net asset value	£39,510,834	£46,959,419	£58,528,681	£44,352,350
Closing number of shares	14,199,873	16,441,338	17,565,659	13,007,705
Operating charges - OCF	0.41%	0.39%	0.38%	0.39%†
Direct transaction costs	0.00%	0.00%	0.00%	0.00%
Prices				
Highest share price	294.00p	333.30p	345.90p	345.90p
Lowest share price	273.00p	249.60p	329.20p	277.90p

†Estimated value following a change to the charging structure on 1 October 2020.

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Comparative Tables

Institutional Gross Accumulation#	15.7.23	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	N/A	383.50p	391.00p	365.60p
Return before operating charges*	N/A	(2.40p)	(7.45p)	25.49p
Operating charges**	N/A	0.00p	(0.05p)	(0.09p)
Return after operating charges*	N/A	(2.40p)	(7.50p)	25.40p
Distributions on accumulation shares	N/A	-	(13.84p)	(12.67p)
Retained distributions on accumulation shares	N/A	-	13.84p	12.67p
Cancellation Price		(381.10p)	-	-
Closing net asset value per share	N/A	0.00p	383.50p	391.00p
*after direct transaction costs of:***	N/A	0.00p	0.01p	0.00p
Performance				
Return after charges	N/A	(0.63%)	(1.92%)	6.95%
Other information				
Closing net asset value	N/A	N/A	£7,978,048	£41,668,866
Closing number of shares	N/A	N/A	2,080,270	10,656,565
Operating charges - OCF	N/A	N/A	0.01%	0.02%
Direct transaction costs	N/A	N/A	0.00%	0.00%
Prices				
Highest share price	N/A	383.60p	397.50p	396.60p
Lowest share price	N/A	381.10p	377.70p	317.70p
#The Institutional Gross Accumulation share class closed on 18 January 2022.				
**The operating charges include all costs borne by the Fund, except for direct transaction costs.				
***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.				

Statement of Total Return

for the six months ended 15 July 2023 (unaudited)

	15.7.23		15.7.22	
	£'000	£'000	£'000	£'000
Income				
Net capital losses		(7,550)		(33,933)
Revenue	5,310		3,919	
Expenses	(335)		(412)	
Interest payable and similar charges	(85)		-	
Net revenue before taxation	4,890		3,507	
Taxation	-		-	
Net revenue after taxation		4,890		3,507
Total deficit before distributions		(2,660)		(30,426)
Distributions		(4,640)		(4,078)
Change in net assets attributable to shareholders from investment activities		(7,300)		(34,504)

Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 July 2023 (unaudited)

	15.7.23		15.7.22	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		346,479		263,902
Amounts receivable on creation of shares	15,651		37,775	
Amounts payable on cancellation of shares	(171,746)		(48,564)	
		(156,095)		(10,789)
Dilution adjustment		544		199
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(7,300)		(34,504)
Retained distribution on accumulation shares		1,760		1,561
Closing net assets attributable to shareholders		185,388		220,369

Balance Sheet

as at 15 July 2023 (unaudited)

	15.7.23		15.1.23	
	£'000	£'000	£'000	£'000
Assets				
Investments		179,875		337,369
Current assets				
Debtors	3,932		14,078	
Cash and bank balances	7,877		5,311	
Total current assets		11,809		19,389
Total assets		191,684		356,758
Liabilities				
Investment liabilities		(4,771)		(1,205)
Creditors				
Distribution payable on income shares	(1,227)		(2,665)	
Other creditors	(298)		(6,409)	
Total creditors		(1,525)		(9,074)
Total liabilities		(6,296)		(10,279)
Net assets attributable to shareholders		185,388		346,479

Distribution Tables (pence per share)

for the six months ended 15 July 2023 (unaudited)

Group 1: Shares purchased prior to 16 April 2023				
Group 2: Shares purchased from 16 April 2023 to 15 July 2023				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.9.23</i>	<i>Distribution paid 15.9.22</i>
Retail Income				
Group 1	0.940000	-	0.940000	0.820000
Group 2	0.940000	0.000000	0.940000	0.820000
Retail Accumulation				
Group 1	2.440000	-	2.440000	2.060000
Group 2	2.220000	0.220000	2.440000	2.060000
Institutional Income				
Group 1	2.220000	-	2.220000	2.060000
Group 2	1.500000	0.720000	2.220000	2.060000
Institutional Accumulation				
Group 1	3.870000	-	3.870000	3.440000
Group 2	3.540000	0.330000	3.870000	3.440000
Income C				
Group 1	1.120000	-	1.120000	1.020000
Group 2	0.600000	0.520000	1.120000	1.020000
Accumulation C				
Group 1	3.100000	-	3.100000	2.720000
Group 2	1.770000	1.330000	3.100000	2.720000

Distribution Tables (pence per share)

for the six months ended 15 July 2023 (unaudited)

Group 1: Shares purchased prior to 16 January 2023				
Group 2: Shares purchased from 16 January 2023 to 15 April 2023				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.6.23</i>	<i>Distribution paid 15.6.22</i>
Retail Income				
Group 1	0.940000	-	0.940000	0.790000
Group 2	0.790000	0.150000	0.940000	0.790000
Retail Accumulation				
Group 1	2.440000	-	2.440000	1.970000
Group 2	2.230000	0.210000	2.440000	1.970000
Institutional Income				
Group 1	2.240000	-	2.240000	2.040000
Group 2	1.970000	0.270000	2.240000	2.040000
Institutional Accumulation				
Group 1	3.880000	-	3.880000	3.370000
Group 2	2.110000	1.770000	3.880000	3.370000
Income C				
Group 1	1.130000	-	1.130000	1.000000
Group 2	0.530000	0.600000	1.130000	1.000000
Accumulation C				
Group 1	3.110000	-	3.110000	2.650000
Group 2	1.510000	1.600000	3.110000	2.650000

Global Equity Income (Closed 17 March 2023)

Investment Objective

The Fund aims to provide income together with growth in the long term, which is a period of five years or more. The Fund intends to provide a level of income consistent with the Investment Association Global Equity Income sector definition.

Investment Policy

To achieve its objective, the Fund will invest at least 80% of its value in shares (equities) of companies, including preference shares, located in any country. The Fund may invest up to 20% of its value in other assets, such as assets equivalent to shares of companies, real estate investment trusts and cash. The Fund may invest up to 10% of its value in other funds, which may be managed by the HSBC Group.

The Fund will typically invest in the shares of 50 to 80 companies.

The Fund may invest in different types of derivatives for efficient portfolio management purposes, including hedging. The Fund does not currently use derivatives to reduce the risk of movements in the rate of exchange between sterling and other currencies in which the Fund's assets may be held. The use of derivatives will be consistent with the risk profile of the Fund.

Investment Strategy*

The Fund is actively managed and is managed with reference to the MSCI All Countries World Index.

The level of risk the Fund may take is considered relative to the MSCI All Countries World Index as part of the portfolio construction process, this means the Fund returns are more likely to be closer to the returns of the MSCI All Countries World Index than if there were no limits on the level of risk the Fund may take.

The MSCI All Countries World Index is also considered as part of our investment risk monitoring process, to check that overall level of risk taken by the fund manager is not inconsistent with the global equities market.

To be consistent with the definition of the Investment Association Global Equity Income sector the Fund intends to provide income above 100% of the income level of the MSCI All Countries World Index over three-year periods and above 90% over one-year periods. The performance of the Fund is therefore shown against the performance of the MSCI All Countries World Index.

*The full strategy can be found in the prospectus.

Portfolio Activity

Contributors to relative performance included Wolters Kluwer (Industrials) with a total effect of 0.25%. Additionally, BP (Energy) was in the top two contributors with a total effect of 0.23%.

Detractors included SK Hynix (Information Technology) with a total effect of -0.38% and Home Depot (Consumer Discretionary) with a total effect of -0.27%.

The fund closed on 17 March 2023.

Sector and country allocation effects are residual to stock selection. At the sector level, effects were positive, given an underweight exposure to Financials.

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
Oil & Gas - 0.00% (6.46%)			
Basic Materials - 0.00% (6.62%)			
#Severstal PJSC GDR	62,394	-	-
Total Basic Materials		-	-
Industrials - 0.00% (15.13%)			
Consumer Goods - 0.00% (7.61%)			
Healthcare - 0.00% (9.24%)			
Consumer Services - 0.00% (13.63%)			
Telecommunications - 0.00% (2.79%)			
Utilities - 0.00% (2.65%)			
Financials - 0.00% (14.21%)			
Technology - 0.00% (17.59%)			
Futures - 0.00% ((0.02)%)			
Portfolio of investments		-	-
Net other assets		-	-
Net assets		-	-

#unlisted

Figures in brackets denote the comparative percentage holdings as at 15 January 2023.

Unless otherwise stated, all investments are listed equities.

Total purchases for the period, including transaction charges, were £nil.

Total sales for the period, net of transaction charges, were £4,005,853.

Comparative Tables

Institutional Income	15.7.23#	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	141.00p	148.90p	132.00p	119.10p
Return before operating charges*	(4.00p)	(4.29p)	20.10p	15.33p
Operating charges**	(0.30p)	(0.11p)	(0.06p)	(0.06p)
Return after operating charges*	(4.30p)	(4.40p)	20.04p	15.27p
Distributions on income shares	-	(3.50p)	(3.14p)	(2.37p)
Cancellation price	(136.70p)	-	-	-
Closing net asset value per share	-	141.00p	148.90p	132.00p
*after direct transaction costs of:***	0.05p	0.21p	0.03p	0.13p
Performance				
Return after charges	(3.05%)	(2.96%)	15.18%	12.82%
Other information				
Closing net asset value	N/A	£4,070,671	£81,269,673	£89,274,223
Closing number of shares	N/A	2,888,008	54,562,625	67,612,393
Operating charges - OCF	N/A	0.07%	0.04%	0.05%
Direct transaction costs	N/A	0.14%	0.02%	0.11%
Prices				
Highest share price	146.00p	149.60p	153.70p	135.20p
Lowest share price	136.50p	129.90p	127.40p	90.73p

Institutional Accumulation	15.7.23#	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	163.40p	168.30p	145.90p	129.00p
Return before operating charges*	(4.55p)	(4.34p)	22.47p	16.97p
Operating charges**	(0.35p)	(0.56p)	(0.07p)	(0.07p)
Return after operating charges*	(4.90p)	(4.90p)	22.40p	16.90p
Distributions on accumulation shares	-	(4.00p)	(3.50p)	(2.59p)
Retained distributions on accumulation shares	-	4.00p	3.50p	2.59p
Cancellation price	(158.50p)	-	-	-
Closing net asset value per share	-	163.40p	168.30p	145.90p
*after direct transaction costs of:***	0.06p	0.23p	0.04p	0.14p
Performance				
Return after charges	(3.00%)	(2.91%)	15.35%	13.10%
Other information				
Closing net asset value	N/A	£81,685	£84,129	£72,948
Closing number of shares	N/A	50,000	50,000	50,000
Operating charges - OCF	N/A	0.36%	0.04%	0.05%
Direct transaction costs	N/A	0.14%	0.02%	0.11%
Prices				
Highest share price	169.10p	169.00p	172.90p	149.00p
Lowest share price	158.30p	148.20p	140.80p	98.24p

#The Fund has been terminated on 17 March 2023.

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Comparative Tables

Income C	15.7.23#	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	133.50p	142.20p	127.10p	115.60p
Return before operating charges*	(3.74p)	(3.84p)	19.21p	14.78p
Operating charges**	(0.46p)	(1.54p)	(1.12p)	(0.99p)
Return after operating charges*	(4.20p)	(5.38p)	18.09p	13.79p
Distributions on income shares	-	(3.32p)	(2.99p)	(2.29p)
Cancellation price	(129.30p)	-	-	-
Closing net asset value per share	-	133.50p	142.20p	127.10p
*after direct transaction costs of:***	0.05p	0.19p	0.03p	0.13p
Performance				
Return after charges	(3.15%)	(3.78%)	14.23%	11.93%
Other information				
Closing net asset value	N/A	£73,407	£78,193	£63,541
Closing number of shares	N/A	55,000	55,000	50,000
Operating charges - OCF	N/A	1.15%	0.84%	0.87% †
Direct transaction costs	N/A	0.14%	0.02%	0.11%
Prices				
Highest share price	138.20p	142.70p	146.70p	130.10p
Lowest share price	129.10p	123.20p	122.60p	87.95p

Accumulation C	15.7.23#	15.1.23	15.1.22	15.1.21
Change in net assets per share				
Opening net asset value per share	155.10p	161.00p	140.80p	125.50p
Return before operating charges*	(4.36p)	(4.13p)	21.50p	16.39p
Operating charges**	(0.54p)	(1.77p)	(1.30p)	(1.09p)
Return after operating charges*	(4.90p)	(5.90p)	20.20p	15.30p
Distributions on accumulation shares	-	(3.79p)	(3.34p)	(2.51p)
Retained distributions on accumulation shares	-	3.79p	3.34p	2.51p
Cancellation price	(150.20p)	-	-	-
Closing net asset value per share	-	155.10p	161.00p	140.80p
*after direct transaction costs of:***	0.06p	0.22p	0.03p	0.14p
Performance				
Return after charges	(3.16%)	(3.66%)	14.35%	12.19%
Other information				
Closing net asset value	N/A	£77,539	£80,511	£70,381
Closing number of shares	N/A	50,000	50,000	50,000
Operating charges - OCF	N/A	1.15%	0.84%	0.87% †
Direct transaction costs	N/A	0.14%	0.02%	0.11%
Prices				
Highest share price	160.40p	161.60p	165.50p	143.80p
Lowest share price	150.00p	141.30p	135.80p	95.44p

#The Fund has been terminated on 17 March 2023.

†Estimated value following a change to the charging structure on 1 October 2020.

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Statement of Total Return

for the six months ended 15 July 2023 (unaudited)

	15.7.23#		15.7.22	
	£'000	£'000	£'000	£'000
Income				
Net capital losses		(127)		(3,954)
Revenue	5		776	
Expenses	(8)		(5)	
Net (expense)/revenue before taxation	(3)		771	
Taxation	4		(75)	
Net revenue after taxation		1		696
Total deficit before distributions		(126)		(3,258)
Distributions		(1)		(697)
Change in net assets attributable to shareholders from investment activities		(127)		(3,955)
#The Fund has been terminated on 17 March 2023.				

Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 July 2023 (unaudited)

	15.7.23#		15.7.22	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		4,303		81,513
Amounts receivable on creation of shares	-		133	
Amounts payable on cancellation of shares	(4,176)		(73,377)	
		(4,176)		(73,244)
Dilution adjustment		-		82
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		(127)		(3,955)
Retained distribution on accumulation shares		-		3
Closing net assets attributable to shareholders		-		4,399
#The Fund has been terminated on 17 March 2023.				

Balance Sheet

as at 15 July 2023 (unaudited)

	15.7.23#		15.1.23	
	£'000	£'000	£'000	£'000
Assets				
Investments		-		4,128
Current assets				
Debtors	-		130	
Cash and bank balances	11		81	
Total current assets		11		211
Total assets		11		4,339
Liabilities				
Investment liabilities		-		(1)
Creditors				
Distribution payable on income shares	-		(19)	
Other creditors	(11)		(16)	
Total creditors		(11)		(35)
Total liabilities		(11)		(36)
Net assets attributable to shareholders		-		4,303
#The Fund has been terminated on 17 March 2023.				

Distribution Tables (pence per share)

for the six months ended 15 July 2023 (unaudited)

Group 1: Shares purchased prior to 16 April 2023 Group 2: Shares purchased from 16 April 2023 to 15 July 2023				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution payable 15.9.23#</i>	<i>Distribution paid 15.9.22</i>
Institutional Income				
Group 1	0.000000	-	0.000000	1.450000
Group 2	0.000000	0.000000	0.000000	1.450000
Institutional Accumulation				
Group 1	0.000000	-	0.000000	1.650000
Group 2	0.000000	0.000000	0.000000	1.650000
Income C				
Group 1	0.000000	-	0.000000	1.380000
Group 2	0.000000	0.000000	0.000000	1.380000
Accumulation C				
Group 1	0.000000	-	0.000000	1.570000
Group 2	0.000000	0.000000	0.000000	1.570000

Group 1: Shares purchased prior to 16 January 2023 Group 2: Shares purchased from 16 January 2023 to 15 April 2023				
	<i>Net income</i>	<i>Equalisation</i>	<i>Distribution paid 15.6.23#</i>	<i>Distribution paid 15.6.22</i>
Institutional Income				
Group 1	0.000000	-	0.000000	0.930000
Group 2	0.000000	0.000000	0.000000	0.930000
Institutional Accumulation				
Group 1	0.000000	-	0.000000	1.050000
Group 2	0.000000	0.000000	0.000000	1.050000
Income C				
Group 1	0.000000	-	0.000000	0.880000
Group 2	0.000000	0.000000	0.000000	0.880000
Accumulation C				
Group 1	0.000000	-	0.000000	1.000000
Group 2	0.000000	0.000000	0.000000	1.000000

#The Fund has been terminated on 17 March 2023.

Europe Ex-UK Equity Fund

Investment Objective

The Fund aims to provide growth over the long term, which is a period of five years or more.

Investment Policy

To achieve its objective, the Fund will invest at least 80% of its value in the shares (equities) of European companies, including preference shares. European companies are deemed to be those that are domiciled or incorporated in Europe excluding the UK, or earn at least 80% of their revenue from Europe.

The Fund may invest up to 20% of its value in other assets, such as shares of non-European companies and cash. This means that up to 20% of the value of the Fund may be invested in the shares of companies that are not European companies (as de-fined above), which therefore may include UK companies. The Fund may invest up to 10% of its value in other funds, which may be managed or operated by the HSBC Group. Typically the Fund will invest in the shares of 40 to 60 companies.

The Fund may invest in different types of derivatives for efficient portfolio management, including hedging. The Fund does not currently use derivatives to reduce the risk of movements in the rate of exchange between sterling and other currencies in which the Fund's assets may be held. The use of derivatives will be consistent with the risk profile of the Fund.

Investment Strategy*

The Fund is managed with reference to the MSCI Europe Ex-UK Index (Net).

The fund manager is not limited to investing in shares of companies that are part of MSCI Europe Ex-UK Index (Net).

The MSCI Europe Ex-UK Index (Net) is 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 European equities market (excluding the UK equity market).

To enable investors to assess the performance of the Fund it is shown against the performance of the MSCI Europe Ex-UK Index (Net).

* The full strategy can be found in the prospectus.

Portfolio Activity

Over the period, HSBC Europe ex-UK outperformed the MSCI Europe ex-UK.

The sector allocation was positive and explains most of the outperformance. Indeed, the fund, which has a growth bias, was overexposed tech (mainly semiconductors and software), and the sector outperformed the market significantly over the period. The fund also benefited from its overweight luxury, which also outperformed.

These positive effects in terms of sector allocation were partially offset by negative contributions coming from the fund's underweight automobiles and banks, as well as the fund's overweight commercial services.

Stock selection also had a positive impact on the fund's relative performance.

STMicroelectronics outperformed. The supplier to Tesla and Apple benefited from a strong semiconductor demand from automotive and industrial customers after shortages of chips hit the auto sector hard last year. The company expects 2023 net revenue between \$16.8 billion and \$17.8 billion, representing a growth range of 4% to 10%. The group also plans about \$4 billion in capital spending this year, up from \$3.5 billion in 2022, mainly to increase its manufacturing capacity.

In the luxury sector, Hermes and LVMH outperformed. Sentiment on the sector has significantly improved, with most seeing it as the best play on China re-opening and bond yields stabilising.

Major purchases during the period included Hermes. Major sales during the period included Adidas and Prosus.

After a rough start, European equities markets ultimately ended the month at a high on the year to date. The more accommodative language from US and European central banks, and stimulus measures in China sent out positive signals to the markets, despite macroeconomic figures that remain mixed. In the short term, full-year earnings forecasts look reasonable for 2023 at -1 % for European large caps (Stoxx 600), but more demanding for 2024 at +7% amidst an economic slowdown. Even so, valuations remain affordable.

Investment Performance

During the year under review, the value of the shares in the Fund increased by 3.53% while the value of the MSCI Europe ex UK NR rose by 1.17%.

(Source: Morningstar Direct, GBP, UK net of tax, for the Accumulation C share class. Returns based on the NAV, which is a single price.)

Please note that the above information refers to the past and that past performance is not a reliable indication of future returns.

Fund Particulars

as at 17 July 2023 (unaudited)

	Retail Accumulation	Institutional A Accumulation	Income C	Accumulation C
Price	918.1p	886.8p	753.2p xd	992.4p
Current net estimated yield	0.26%	1.01%	0.97%	0.96%
Annual ACD charge	1.50%	0.75%	0.80%	0.80%

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
DENMARK - 4.55% (4.25%)			
Christian Hansen Holdings	17,701	1,008	1.02
Novo Nordisk 'B'	28,537	3,487	3.53
Total Denmark		4,495	4.55
FINLAND - 2.44% (3.19%)			
Neste	79,362	2,408	2.44
Total Finland		2,408	2.44
FRANCE - 32.20% (29.88%)			
Air Liquide	25,985	3,581	3.63
Alstom	48,544	1,126	1.14
Amundi	17,243	825	0.84
Capgemini	18,361	2,774	2.81
Dassault Systèmes	71,345	2,497	2.53
Hermes International	2,139	3,659	3.69
Kering	3,417	1,464	1.48
L'Oreal	9,267	3,348	3.39
Legrand Promesses	18,174	1,431	1.45
LVMH	9,297	7,109	7.20
Schneider Electric	20,395	2,836	2.87
Teleperformance	8,580	1,150	1.17
Total France		31,800	32.20
GERMANY - 14.22% (12.66%)			
Allianz (registered)	16,530	2,973	3.01
Carl Zeiss Meditec	11,150	979	0.99
Deutsche Boerse	11,788	1,663	1.69
Infineon Technologies	79,888	2,636	2.67
SAP	39,134	4,318	4.37
Siemens	11,423	1,472	1.49
Total Germany		14,041	14.22
IRELAND - 2.53% (2.35%)			
Kerry Group 'A'	13,701	1,046	1.06
Kingspan Group	24,449	1,455	1.47
Total Ireland		2,501	2.53
ITALY - 1.98% (2.16%)			
Amplifon	31,390	852	0.86
FinecoBank Banca Fineco	94,889	1,106	1.12
Total Italy		1,958	1.98

Portfolio Statement

as at 15 July 2023 (unaudited)

<i>Security</i>	<i>Holding</i>	<i>Bid value £'000</i>	<i>Total net assets %</i>
NETHERLANDS - 18.37% (20.59%)			
Adyen	1,635	2,196	2.22
Akzo Nobel	27,285	1,713	1.73
ASML Holdings	12,451	7,306	7.40
Heineken	22,696	1,891	1.92
STMicroelectronics	78,401	3,180	3.22
Wolters Kluwer certificates	19,104	1,853	1.88
Total Netherlands		18,139	18.37
PORTUGAL - 0.88% (1.08%)			
Galp Energia	94,822	871	0.88
Total Portugal		871	0.88
SPAIN - 2.85% (2.39%)			
Amadeus IT	18,369	1,038	1.05
Industria de Diseño Textil	59,323	1,781	1.80
Total Spain		2,819	2.85
SWEDEN - 1.20% (1.35%)			
Securitas 'B'	181,642	1,187	1.20
Total Sweden		1,187	1.20
SWITZERLAND - 13.38% (13.59%)			
Lonza Group	3,840	1,852	1.88
Nestle (registered)	53,369	4,975	5.04
Novartis (registered)	29,006	2,184	2.21
Roche Holdings	10,087	2,424	2.45
Sonova	8,388	1,775	1.80
Total Switzerland		13,210	13.38
FUTURES - 0.05% (0.16%)			
EUX Euro Stoxx 50 September 2023	114	51	0.05
Total Futures		51	0.05
Portfolio of investments		93,480	94.65
Net other assets		5,279	5.35
Net assets		98,759	100.00

Figures in bracket denote the comparative percentage holding as at 15 January 2023.

Unless otherwise stated, all investments are listed securities.

The counterparty for the futures is HSBC Bank.

Comparative Tables

Retail Accumulation#	15.7.23	15.1.23	15.1.22
Change in net assets per share			
Opening net asset value per share	900.00p	927.50p	974.00p
Return before operating charges*	34.16p	(14.33p)	(41.33p)
Operating charges**	(7.06p)	(13.17p)	(5.17p)
Return after operating charges*	27.10p	(27.50p)	(46.50p)
Distributions on accumulation shares	(0.00p)	(2.36p)	(0.00p)
Retained distributions on accumulation shares	0.00p	2.36p	0.00p
Closing net asset value per share	927.10p	900.00p	927.50p
*after direct transaction costs of:***	0.08p	0.21p	0.11p
Performance			
Return after charges	3.01 %	(2.96%)	(4.77%)
Other information			
Closing net asset value	£3,273,498	£3,256,552	£18,978,701
Closing number of shares	353,091	361,852	2,046,307
Operating charges - OCF	1.55 %	1.54 %	1.56 %
Direct transaction costs	0.01 %	0.02 %	0.01 %
Prices			
Highest share price	956.80p	934.60p	1,003.00p
Lowest share price	875.70p	760.10p	897.00p

Institutional A Accumulation#	15.7.23	15.1.23	15.1.22
Change in net assets per share			
Opening net asset value per share	866.00p	885.10p	927.10p
Return before operating charges*	32.89p	(12.64p)	(39.42p)
Operating charges**	(3.49p)	(6.46p)	(2.58p)
Return after operating charges*	29.40p	(19.10p)	(42.00p)
Distributions on accumulation shares	(0.00p)	(8.94p)	(0.00p)
Retained distributions on accumulation shares	0.00p	8.94p	0.00p
Closing net asset value per share	895.40p	866.00p	885.10p
*after direct transaction costs of:***	0.08p	0.20p	0.10p
Performance			
Return after charges	3.39 %	(2.16%)	(4.53%)
Other information			
Closing net asset value	£3,799,051	£899,148	£853,661
Closing number of shares	424,268	103,827	96,445
Operating charges - OCF	0.80 %	0.81 %	0.81 %
Direct transaction costs	0.01 %	0.02 %	0.01 %
Prices			
Highest share price	922.50p	891.90p	956.00p
Lowest share price	843.60p	730.00p	854.00p

#The Fund launched on 10 September 2021.

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Comparative Tables

Income C#	15.7.23	15.1.23	15.1.22
Change in net assets per share			
Opening net asset value per share	735.80p	759.90p	796.10p
Return before operating charges*	27.97p	(10.88p)	(33.85p)
Operating charges**	(3.17p)	(5.89p)	(2.35p)
Return after operating charges*	24.80p	(16.77p)	(36.20p)
Distributions on income shares	0.00p	(7.33p)	0.00p
Closing net asset value per share	760.60p	735.80p	759.90p
*after direct transaction costs of:***	0.07p	0.17p	0.09p
Performance			
Return after charges	3.37%	(2.21%)	(4.55%)
Other information			
Closing net asset value	£50,026,945	£49,723,115	£55,884,095
Closing number of shares	6,577,482	6,757,685	7,353,924
Operating charges - OCF	0.85%	0.86%	0.86%
Direct transaction costs	0.01%	0.02%	0.01%
Prices			
Highest share price	783.70p	765.80p	821.00p
Lowest share price	716.70p	626.50p	733.00p

Accumulation C#	15.7.23	15.1.23	15.1.22
Change in net assets per share			
Opening net asset value per share	969.40p	991.30p	1,039.00p
Return before operating charges*	36.78p	(14.22p)	(44.64p)
Operating charges**	(4.18p)	(7.68p)	(3.06p)
Return after operating charges*	32.60p	(21.90p)	(47.70p)
Distributions on accumulation shares	(0.00p)	(9.56p)	(0.00p)
Retained distributions on accumulation shares	0.00p	9.56p	0.00p
Closing net asset value per share	1,002.00p	969.40p	991.30p
*after direct transaction costs of:***	0.09p	0.22p	0.11p
Performance			
Return after charges	3.36%	(2.21%)	(4.59%)
Other information			
Closing net asset value	£41,659,500	£44,747,480	£49,181,701
Closing number of shares	4,157,189	4,615,780	4,961,095
Operating charges - OCF	0.85%	0.86%	0.86%
Direct transaction costs	0.01%	0.02%	0.01%
Prices			
Highest share price	1,033.00p	999.00p	1,071.00p
Lowest share price	944.30p	817.30p	957.00p

#The Fund launched on 10 September 2021.

**The operating charges include all costs borne by the Fund, except for direct transaction costs.

***The direct transaction costs are made up of fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges as well as transfer taxes and duties.

Statement of Total Return

for the six months ended 15 July 2023 (unaudited)

	15.7.23		15.7.22	
	£'000	£'000	£'000	£'000
Income				
Net capital gains/(losses)		2,488		(16,776)
Revenue	1,410		1,908	
Expenses	(426)		(521)	
Interest payable and similar charges	-		(7)	
Net revenue before taxation	984		1,380	
Taxation	(188)		(253)	
Net revenue after taxation		796		1,127
Total return/(deficit) before distributions		3,284		(15,649)
Distributions		(9)		(128)
Change in net assets attributable to shareholders from investment activities		3,275		(15,777)

Statement of Change in Net Assets Attributable to Shareholders

for the six months ended 15 July 2023 (unaudited)

	15.7.23		15.7.22	
	£'000	£'000	£'000	£'000
Opening net assets attributable to shareholders		98,626		124,898
Amounts receivable on creation of shares	1,095		492	
Amounts payable on cancellation of shares	(4,237)		(17,812)	
		(3,142)		(17,320)
Dilution adjustment		-		16
Change in net assets attributable to shareholders from investment activities (see Statement of Total Return above)		3,275		(15,777)
Closing net assets attributable to shareholders		98,759		91,817

Balance Sheet

as at 15 July 2023 (unaudited)

	15.7.23		15.1.23	
	£'000	£'000	£'000	£'000
Assets				
Investments		93,480		92,364
Current assets				
Debtors	1,894		1,889	
Cash and bank balances	3,634		5,039	
Total current assets		5,528		6,928
Total assets		99,008		99,292
Liabilities				
Creditors				
Distribution payable on income shares	-		(495)	
Other creditors	(249)		(171)	
Total creditors		(249)		(666)
Total liabilities		(249)		(666)
Net assets attributable to shareholders		98,759		98,626

Appendix - Additional Information (unaudited)

UK Growth & Income

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in the Statement of Total Return.

Global Data

Amount of securities and commodities on loan

	<i>% of total lendable assets*</i>
Securities	2.30%

Amount of assets engaged in each type of SFT

Amount of assets	<i>% of AUM</i>
£5,722,898	2.27%

*Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

Concentration Data

Top ten collateral issuers (across all SFT)

Issuer	<i>Holding</i>	<i>Collateral Fair value £'000</i>
Government of Germany 4% 4/1/2037	517,657	523
US Treasury 1.125% 15/8/2040	1,059,000	521
Government of Japan 2.2% 20/3/2041	78,750,000	520
Government of Japan 0% 31/7/2023	94,450,000	520
US Treasury 3.125% 15/11/2028	704,800	519
Government of Japan 0.5% 20/3/2033	93,600,000	518
Government of Singapore 2.625% 1/5/2028	501,000	268
Government of Japan 0.4% 20/12/2049	58,900,000	258
Government of Japan 2% 20/3/2027	43,450,000	258
Government of Japan 0.1% 20/12/2031	48,150,000	258

All counterparties

	<i>Gross volume of outstanding transactions Fair value £'000</i>
Counterparty	
Goldman Sachs International	3,253
HSBC Bank	927
Merrill Lynch International	1,543
	5,723

Aggregate Data**Type and quality of collateral**

Type	Quality*	<i>Fair Value</i> £'000
Equities	n/a	538
Bonds	Investment grade	5,479
		6,017

*Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

Maturity tenor of collateral

Maturity	<i>Fair Value</i> £'000
Rolling Maturity	6,017
	6,017

Currency of collateral

Currency	<i>Fair Value</i> £'000
Sterling	488
Euro	659
Japanese yen	3,203
Singapore dollar	268
Swedish krona	109
US dollar	1,290
	6,017

Maturity tenor of SFTs

Maturity	<i>Fair Value</i> £'000
Rolling Maturity	5,723
	5,723

Country in which counterparties are established

Counterparty	<i>Fair Value</i> £'000
All counterparties are UK based	5,723

Return and cost

	£'000	<i>% of overall</i> <i>returns</i>
Fund gross return	5	
Payment to ACD	(1)	10.00%
Agents fee	(1)	15.00%
Fund net return	3	75.00%

Income

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in the Statement of Total Return.

Global Data

Amount of securities and commodities on loan

	<i>% of total lendable assets*</i>
Securities	1.77%

Amount of assets engaged in each type of SFT

Amount of assets	<i>% of AUM</i>
£1,932,840	1.76%

*Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

Concentration Data

Top ten collateral issuers (across all SFT)

Issuer	<i>Holding</i>	<i>Collateral Fair value £'000</i>
UK Treasury IL 0.625% 22/3/2040	196,592	319
US Treasury 4.125% 15/11/2032	403,700	317
Auto Trader	48,569	304
Prudential	27,929	302
Ashtead Group	5,569	301
Kingfisher	128,527	300
UK Treasury IL 0.125% 10/8/2028	61,894	80
US Treasury 3.875% 15/4/2029	50,400	80
Spirax Sarco	118	12
S&P Global	16	5

All counterparties

	<i>Gross volume of outstanding transactions Fair value £'000</i>
Counterparty	
HSBC Bank	1,933
	1,933

Aggregate Data**Type and quality of collateral**

Type	Quality*	<i>Fair Value</i> £'000
Equities	n/a	1,223
Bonds	Investment grade	795
		2,018

*Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

Maturity tenor of collateral

Maturity	<i>Fair Value</i> £'000
Rolling Maturity	2,018
	2,018

Currency of collateral

Currency	<i>Fair Value</i> £'000
Sterling	1,617
US dollar	401
	2,018

Maturity tenor of SFTs

Maturity	<i>Fair Value</i> £'000
Rolling Maturity	1,933
	1,933

Country in which counterparties are established

Counterparty	<i>Fair Value</i> £'000
All counterparties are UK based	1,933
	1,933

Return and cost

	£'000	<i>% of overall</i> <i>returns</i>
Fund gross return	1	
Payment to ACD	-	10.00%
Agents fee	-	15.00%
Fund net return	1	75.00%

Corporate Bond

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in the Statement of Total Return.

Global Data

Amount of securities and commodities on loan

	<i>% of total lendable assets*</i>
Securities	0.59%

Amount of assets engaged in each type of SFT

Amount of assets	<i>% of AUM</i>
£1,035,204	0.56%

*Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

Concentration Data

Top ten collateral issuers (across all SFT)

Issuer	<i>Holding</i>	<i>Collateral Fair value £'000</i>
Government of France 4.5% 25/4/2041	90,400	90
UK Treasury 0.125% 22/11/2065	85,800	90
UK Treasury 0.125% 22/3/2068	82,200	90
UK Treasury 4% 22/1/2060	95,000	90
US Treasury 1.125% 15/8/2040	182,000	90
UK Treasury 4.25% 7/12/2049	93,760	89
General Motors	2,612	79
Bank of America	3,565	79
Marathon Petroleum Corporation	882	79
CVS Health	1,485	79

All counterparties

	<i>Gross volume of outstanding transactions Fair value £'000</i>
Counterparty	
Goldman Sachs International	550
Banco Santander	485
	1,035

Aggregate Data**Type and quality of collateral**

Type	Quality*	<i>Fair Value</i> £'000
Bonds	Investment grade	590
Equity		530
		1,120

*Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

Maturity tenor of collateral

Maturity	<i>Fair Value</i> £'000
Rolling Maturity	1,120
	1,120

Currency of collateral

Currency	<i>Fair Value</i> £'000
Sterling	359
Euro	117
Japanese yen	52
US dollar	592
	1,120

Maturity tenor of SFTs

Maturity	<i>Fair Value</i> £'000
Rolling Maturity	1,035
	1,035

Country in which counterparties are established

	<i>Fair Value</i> £'000
Counterparty	1,035
All counterparties are UK based	1,035

Return and cost

	£'000	<i>% of overall</i> <i>returns</i>
Fund gross return	5	
Payment to ACD	(1)	10.00%
Agents fee	(1)	15.00%
Fund net return	3	75.00%

Europe Ex-UK Equity Fund

The Fund carried out stock lending activities for the purpose of efficient portfolio management and in order to generate income. Revenue earned from these activities is shown in the Statement of Total Return.

Global Data

Amount of securities and commodities on loan

	<i>% of total lendable assets*</i>
Securities	0.84%

Amount of assets engaged in each type of SFT

Amount of assets	<i>% of AUM</i>
£829,549	0.89%

*Total lendable assets excludes cash and cash equivalents. It also excludes other monetary amounts such as net debtors and creditors which are not deemed 'lendable assets'.

Concentration Data

All collateral issuers (across all SFT)	<i>Holding</i>	<i>Collateral Fair value £'000</i>
Prudential	12,110	131
Scot & Southern Energy	7,326	131
Flutter	822	131
Canadian Natural	2,927	130
National Bank of Canada	2,261	130
RBC	1,765	130
GVC	6,850	88

All counterparties

	<i>Gross volume of outstanding transactions Fair value £'000</i>
Counterparty	
Bank of Nova Scotia	830
	830

Aggregate Data**Type and quality of collateral**

Type	Quality*	<i>Fair Value</i> £'000
Equities	n/a	871
		871

*Quality of collateral has been interpreted as pertaining to bond instruments, which have been assessed and reported in accordance with whether they are considered investment grade, below investment grade or not-rated.

Maturity tenor of collateral

	<i>Fair Value</i>
Maturity	£'000
Rolling Maturity	871
	871

Currency of collateral

	<i>Fair Value</i>
Currency	£'000
Sterling	349
Canadian dollar	391
Euro	131
	871

Maturity tenor of SFTs

	<i>Fair Value</i>
Maturity	£'000
Rolling Maturity	830
	830

Country in which counterparties are established

Counterparty	<i>Fair Value</i> £'000
All counterparties are UK based	830

Return and cost

	£'000	<i>% of overall</i> <i>returns</i>
Fund gross return	1	
Payment to ACD	-	10.00%
Agents fee	-	15.00%
Fund net return	1	75.00%

General Information

How to Buy, Sell or Switch Your Investment

- Call our Dealers on 0800 358 3011*
 - or
 - Write to our Administration Office at: HSBC Global Asset Management (UK) Ltd, Sunderland, SR43 4BF.
-

Switching your Investment

- Some discounts are available for switching between our OEIC Funds.
- Switching from one OEIC Fund to another may create a capital gains tax liability.

No subscription can be received on the basis of financial reports. Subscriptions are only valid if made on the basis of the current KIID (in conjunction with the Supplementary Information Document (SID)) and Prospectus accompanied by the latest Annual Report and the most recent Interim Report, if published thereafter. Further details of our switching discounts may be obtained by:-

- Telephoning our Customer Services, on 0800 358 3011*
-

When we will Buy or Sell your Investment

Share prices are calculated at 12 noon each business day. The price at which shares are bought or sold depends on when we receive your instructions.

- Before 12 noon. That day's share prices will be used.
- After 12 noon. The following business day's prices will be used.

We will send you a contract note within 24 hours of the transaction. This confirms the transaction was made.

Cancellation Rights

- In certain circumstances we will send you a cancellation notice. If so this will be sent within 7 days of making your investment.
 - Return this notice to us within 30 days if you do not wish to proceed with your investment.
 - It is possible to receive back less than your original investment, if the value of your shares has fallen.
-

Publication of Prices

The prices of shares are updated daily on the following website: www.assetmanagement.hsbc.com/uk

Alternatively you can call our Investments Helpline on 0800 358 3011*.

Prospectus

The Prospectus provides further details on our OEICs including information on fund charges, minimum investment amounts and taxation. For a copy of the latest Prospectus (available free of charge):-

- Telephone our Customer Services on 0800 358 3011*
 - Write to our Administration Office
-

Income

Income is distributed or accumulated in the following way:-

- You will receive income payments net of tax.
- If you hold accumulation shares, income will be retained within the Fund. No additional shares will be bought. The price of shares will reflect the net income received.

We must disclose details of such distributions to HM Revenue and Customs (HMRC). The distribution also needs to be disclosed on your tax return.

Assessment of Value

The Authorised Fund Manager is required to perform a detailed assessment on whether funds are 'providing value to investors'.

The resulting findings are published in a consolidated report on our website.

The Task Force on Climate-related Financial Disclosures (TCFD)

The ACD publishes a TCFD report for each fund of the Company. The report provides information about the climate impact and risks of the assets held by each fund. The content of the report is based on the guidance of the TCFD.

The reports for the funds are available on our website, www.assetmanagement.hsbc.co.uk/en/individual-investor/funds, or by contacting us.

Ongoing charges figure

Where the Ongoing Charges Figure (OCF) for a sub-fund includes underlying fund charges, this includes the charges for underlying open-ended investment company funds and applicable closed-ended investment funds.

*To help us continually improve our service, and in the interests of security, we may monitor and/or record your communications with us.

Lines are open Monday to Friday from 9am to 5pm (excluding public holidays).

Important Notes

The Interim Report covers the period 16 January 2023 to 15 July 2023.

Investments in stocks and shares can go down as well as up and investors may not get back the amount they originally invested. This can affect the price of shares within open-ended investment companies and the income from them.

Past performance should not be seen as an indication of future returns.

Your holding in an open-ended investment company must be regarded as a medium to long-term investment; this means for at least five years.

Where overseas securities are held the prices and income may also be affected by changes in currency exchange rates. It is possible that the value of an investment may fall below its original level.

Investments in emerging markets are by their nature higher risk and potentially more volatile than those inherent in some established markets. These risks include the possibility of failed or delayed settlement, registration and custody of securities and the level of investor protection offered.

Where a Fund holds gilts or other fixed interest securities, the value of the underlying assets is strongly affected by interest rate fluctuations and by changes in the credit ratings of the underlying issuer of the assets. There is a risk that both the relative yield and the capital value of these may be reduced if interest rates go up.

Please note any reference to "Fund" or "Funds" means a sub fund of the Company.

This report is issued in the UK by HSBC Global Asset Management (UK) Limited, authorised and regulated by the Financial Conduct Authority.

There are risks involved in investing in HSBC Investment Funds. Please refer to the Prospectus, Key Investor Information Document (KIID) and Supplementary Information Document (SID) and most recent annual and semi annual report, which can be obtained upon request free of charge from HSBC Global Asset Management (UK) Limited, 8, Canada Square, Canary Wharf, London, E14 5HQ, UK, or the local distributors. Investors and potential investors should read and note the risk warnings in the prospectus and relevant KIID and additionally, in the case of retail clients, the information contained in the supporting SID.

The information in this report is based on our understanding of current law and HM Revenue and Customs practice as at 15 July 2023 (unaudited). Both law and practice may of course change.

Any views expressed were held at the time of preparation and are subject to change without notice. While any forecast, projection or target where provided is indicative only and not guaranteed in any way. HSBC Global Asset Management (UK) Limited accepts no liability for any failure to meet such forecast, projection or target.

The Company is authorised and regulated by the Financial Conduct Authority and is structured as an umbrella company, in that the Company proposes to issue shares linked to different Funds which have been established. The Company is a UCITS scheme.

The Authorised Corporate Director and Investment Manager is HSBC Global Asset Management (UK) Limited.

Shareholders are not liable for the debts of the Company. A shareholder is not liable to make any further payment to the Company after the purchase price of the shares has been paid for.

To help improve our service and in the interests of security we may record and/or monitor your communication with us. HSBC Global Asset Management (UK) Limited provides information to Institutions, Professional Advisers and their clients on the investment products and services of the HSBC Group.

Approved for issue in the UK by HSBC Global Asset Management (UK) Limited, who are authorised and regulated by the Financial Conduct Authority.

HSBC Asset Management is the brand name for the asset management business of HSBC Group, which includes the investment activities provided through our local regulated entity, HSBC Global Asset Management (UK) Limited.

www.assetmanagement.hsbc.com/uk

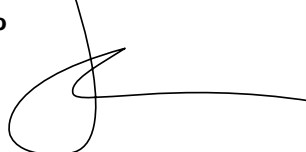
Accounting Policies

The interim financial statements have been prepared on the historical cost basis, as modified by the revaluation of investments, in compliance with FRS 102 and in accordance with the Statement of Recommended Practice for Authorised Funds (SORP) issued by The Investment Association in May 2014.

S.K. White
Director



J.M. Munro
Director



For and on behalf of HSBC Global Asset Management (UK) Limited Authorised Corporate Director
14 September 2023

Important Changes to the Company and/or Fund Documentation

The following changes to the Company have resulted in the ACD (Authorised Corporate Director) making changes to the Company's Prospectus.

Amendments to the Company Prospectus

The Company Prospectus was updated on 3 July 2023 to reflect the following:

- Throughout the Prospectus, wherever the Global Equity Income Fund is mentioned a footnote has been added where relevant to indicate that the Fund is currently being wound up and is no longer available for investment.
- Definitions section - New definitions were added for "Green Card Holder" and "US Citizen". The definitions of "US Law" and "US Persons" were revised, in particular in the case of the latter to indicate that Green Card Holders and US Citizens will be considered as US Persons, regardless of whether they are a resident of the US or if they reside outside of the US. The definitions for "SFDR" and "Taxonomy Regulation" were removed as they are no longer referred to in the Prospectus.
- Dealing in Shares section – The reference to the location of fund documents on our website was updated.
- Risks section – The "SFDR categorisation and Environment, Social and Governance (ESG) data" risk was renamed to "Sustainable Funds and Environment, Social and Governance (ESG) data" and was reworded to removed references to SFDR categorisations and Taxonomy Regulation that are no longer required.
- Integration of Sustainability Risks into Investment Decisions section – References to SFDR classifications and other SFDR specific requirements were deleted as these are no longer applicable.
- Taxonomy section – This section was deleted in its entirety as it no longer applies.
- Management and Administration section – The table of directors and their significant activities not connected to the ACD was updated. The Bank Holding Company Act wording was updated to clarify that rules and regulations applicable to the HSBC Group may restrict the investments that can be purchased by a Fund, for example investment in HSBC Holdings plc shares.
- Fees and Expenses section - The OCFs and Dilution adjustment rates were updated where necessary. The information describing the periodic charges of the Depositary was updated to reflect reduced rates.
- Taxation section – The references to tax years were updated to 2023/2024 and wording has been added to clarify that the personal savings allowance is not available for additional rate taxpayers. The dividend allowance was updated to £1,000 which applies for the 2023/2024 tax year.
- Appendix 1, Individual Fund Information section – The list of available share classes for the Corporate Bond Fund was updated to clarify that the Institutional Gross Accumulation share class is no longer available for investment. The list of available share classes for the Monthly Income Fund was updated to clarify that the Retail Accumulation share class is no longer available for investment. The list of available share classes for the UK Growth & Income Fund was updated to clarify that the Institutional Accumulation share class is no longer available for investment.
- Appendix 2, Historical Fund Performance section – The performance information was updated to 31 March 2023.
- Appendix 5 section – This names of the sub-custodians were updated where required.

Other Information

Equalisation

Revenue received by the Fund during the distribution period is reflected in the price of shares until the revenue is distributed. The cost of Group 2 shares bought during a distribution period will therefore include an element of revenue.

Equalisation represents the average amount of accrued revenue included in the purchase price of all Group 2 shares sold in the year, which is refunded as part of a shareholder's first distribution. This amount is treated as a capital repayment for tax purposes. It is not liable to income or corporation tax and is deducted from the original cost of the shares for capital gains tax purposes.

Corporate Shareholders

A corporate shareholder will receive the distribution shown below on their tax voucher as follows:

Fund	Date payable/paid	Share class	Investment income	
			Franked	Unfranked
Corporate Bond	15.9.23	Retail Income	0.00%	100.00%
	15.9.23	Retail Accumulation	0.00%	100.00%
	15.9.23	Institutional Accumulation	0.00%	100.00%
	15.9.23	Institutional Income	0.00%	100.00%
	15.9.23	Income C	0.00%	100.00%
	15.9.23	Accumulation C	0.00%	100.00%
	15.6.22	Retail Income	0.00%	100.00%
	15.6.22	Retail Accumulation	0.00%	100.00%
	15.6.22	Institutional Accumulation	0.00%	100.00%
	15.6.22	Institutional Income	0.00%	100.00%
	15.6.22	Income C	0.00%	100.00%
	15.6.22	Accumulation C	0.00%	100.00%
Global Equity Income *	15.9.23	Institutional Accumulation	2.25%	97.75%
	15.9.23	Institutional Income	83.45%	16.55%
	15.9.23	Income C	23.31%	76.69%
	15.9.23	Accumulation C	23.20%	76.80%
	15.6.22	Institutional Accumulation	100.00%	0.00%
	15.6.22	Institutional Income	100.00%	0.00%
	15.6.22	Income C	100.00%	0.00%
	15.6.22	Accumulation C	100.00%	0.00%

All other Funds in this OEIC have a 100% franked distribution shown on their tax voucher.

*Fund closed on 17 March 2023

Risk and Reward Profile

Fund	Rating*	<div> <div>Lower risk</div> <div>Higher risk</div> <div> <div>←</div> <div>→</div> </div> <div>Typically lower rewards</div> <div>Typically higher rewards</div> <div> <div>1</div> <div>2</div> <div>3</div> <div>4</div> <div>5</div> <div>6</div> <div>7</div> </div> </div>
Balanced	5**	
UK Growth & Income	6	
Income	6	
Monthly Income	5	
Corporate Bond	4	
Global Equity Income*	5	
Europe ex-UK Equity	6	
*Fund closed on 17 March 2023		
**Rating changed from 4 to 5 on 11 August 2023.		

*More About this Rating

The rating is based on price volatility over the last five years, and is an indicator of absolute risk. Historical data may not be a reliable indication for the future. The rating is not guaranteed to remain unchanged and the categorisation may shift over time. The lowest rating does not mean a risk-free investment.

For further information on the specific risks applicable to each Fund please visit www.assetmanagement.hsbc.com/uk.

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To help us continually improve our services, and in the interests of security, we may monitor and/or record your communications with us.

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