

HSBC Specialist Funds Limited

Short Duration Fixed Income Fund

Marketing communication | Monthly report 30 September 2024 | Share class CC

Investment objective

The Short Duration Fixed Income Fund (SDFI) aims to maximise income while attempting to minimise the risk of capital deterioration. The Fund aims to achieve its objective, which is not guaranteed, by applying a diversification strategy focused on high-quality fixed income instruments with an average duration of one to three years.

Investment strategy

The Short Duration Fixed Income Fund (SDFI) aims to maximise income while attempting to minimise the risk of capital deterioration. The Fund aims to achieve its objective, which is not guaranteed, by applying a diversification strategy focused on high-quality fixed income instruments with an average duration of one to three years.

Main risks

- The Fund may invest in Emerging Markets, these markets are less established, and often more volatile, than developed markets and involve higher risks, particularly market, liquidity and currency risks.
- Investment Leverage occurs when the economic exposure is greater than the amount invested, such as when derivatives are used. A Fund that employs leverage may experience greater gains and/or losses due to the amplification effect from a movement in the price of the reference source.

Share Class Details

Key metrics

NAV per Share	USD 118.81
Performance 1 month	0.82%

Fund facts

UCITS V compliant	No
Dividend treatment	Accumulating
Dealing frequency	Daily
Valuation Time	17:00 Bermuda
Share Class Base Currency	USD
Domicile	Bermuda
Inception date	28 February 2014
Fund Size	USD 95,898,817
Reference benchmark	100% ICE BofA US Corp & Govt 1-3Y AA-AAA TR USD
Managers	Jason E Moshos

Fees and expenses

Minimum Initial Investment	USD 10,000,000
Management fee	0.250%

Codes

ISIN	BMG4639W1608
Bloomberg ticker	HSBSDCC BH

Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann
CC	4.58	0.82	2.90	3.94	7.42	1.88	1.84
Reference benchmark	4.19	0.81	2.89	3.87	6.81	1.36	1.54

Rolling Performance (%)	30/09/23-30/09/24	30/09/22-30/09/23	30/09/21-30/09/22	30/09/20-30/09/21	30/09/19-30/09/20
CC	7.42	3.01	-4.44	0.22	3.37
Reference benchmark	6.81	2.50	-4.88	0.07	3.58

3-Year Risk Measures	CC	Reference benchmark	5-Year Risk Measures	CC	Reference benchmark
Volatility	2.19%	2.30%	Volatility	1.99%	1.90%
Sharpe ratio	-0.72	-0.91	Sharpe ratio	-0.24	-0.41
Tracking error	0.40%	--	Tracking error	1.39%	--
Information ratio	1.28	--	Information ratio	0.22	--

Fixed Income Characteristics	Fund	Reference benchmark	Relative
No. of holdings ex cash	149	787	--
Average coupon rate	4.50	2.76	1.75
Yield to worst	4.22%	3.74%	0.48%
Current yield	4.21%	2.76%	1.45%
Option Adjusted Duration	1.87	1.75	0.12
Option Adjusted Spread Duration	2.05	1.75	0.30
Average maturity	2.20	1.84	0.36
Rating average	AA/AA-	AA+/AA	--

Credit rating (%)	Fund	Reference benchmark	Relative
AAA	11.29	6.57	4.71
AA	56.25	93.08	-36.83
A	32.07	0.15	31.92
Cash	0.40	0.20	0.20

Geographical Allocation (Option Adjusted Duration)	Fund	Reference benchmark	Relative
United States	1.32	1.61	-0.30
Australia	0.14	0.01	0.13
France	0.08	0.01	0.07
Canada	0.08	0.02	0.06
United Kingdom	0.05	0.00	0.05
Japan	0.05	--	0.05
Netherlands	0.04	0.00	0.03
Finland	0.03	0.00	0.03
Sweden	0.03	0.01	0.03
Switzerland	0.02	0.00	0.02
Other Locations	0.03	0.08	-0.05
Cash	--	0.00	0.00
Total	1.87	1.75	0.12

**Maturity Breakdown
 (Option Adjusted
 Duration)**

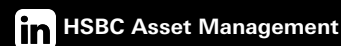
	Fund	Reference benchmark	Relative
0-1 year	0.04	0.06	-0.02
1-3 years	1.28	1.69	-0.41
3-5 years	0.54	--	0.54
Total	1.87	1.75	0.12

Sector Allocation (%)	Fund	Reference benchmark	Relative
Corporate	66.94	4.23	62.71
Sovereign	20.14	87.21	-67.07
Securitized/Collateralized	9.16	--	9.16
Quasi & Foreign Government	3.36	8.36	-5.00
Cash	0.40	0.20	0.20

Top 10 Holdings **Weight (%)**

US TREASURY N/B 4.375 15/07/27	8.58
US TREASURY N/B 4.000 31/07/29	7.74
FANNIE MAE 0.750 08/10/27	3.36
US TREASURY N/B 4.500 31/05/29	2.20
US TREASURY N/B 4.625 15/06/27	1.62
CRED AGRICOLE SA 5.589 05/07/26	1.62
COOP RAB UA/NY 5.041 05/03/27	1.60
DCENT 2023-A1 A 4.310 15/03/28	1.57
GOLDMAN SACHS BK 5.414 21/05/27	1.49
JP MORGAN CHASE 5.110 08/12/26	1.35

Follow us on:



Glossary



www.assetmanagement.hsbc.co.uk/api/v1/download/document/lu0165289439/gb/en/glossary

Index Disclaimer

Source ICE Data Indices, LLC ("ICE DATA"), is used with permission. ICE DATA, ITS AFFILIATES AND THEIR RESPECTIVE THIRD PARTY SUPPLIERS DISCLAIM ANY AND ALL WARRANTIES AND REPRESENTATIONS, EXPRESS AND/OR IMPLIED, INCLUDING ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, INCLUDING THE INDICES, INDEX DATA AND ANY DATA INCLUDED IN, RELATED TO, OR DERIVED THEREFROM. NEITHER ICE DATA, ITS AFFILIATES NOR THEIR RESPECTIVE THIRD PARTY SUPPLIERS SHALL BE SUBJECT TO ANY DAMAGES OR LIABILITY WITH RESPECT TO THE ADEQUACY, ACCURACY, TIMELINESS OR COMPLETENESS OF THE INDICES OR THE INDEX DATA OR ANY COMPONENT THEREOF, AND THE INDICES AND INDEX DATA AND ALL COMPONENTS THEREOF ARE PROVIDED ON AN "AS IS" BASIS AND YOUR USE IS AT YOUR OWN RISK. ICE DATA, ITS AFFILIATES AND THEIR RESPECTIVE THIRD PARTY SUPPLIERS DO NOT SPONSOR, ENDORSE, OR RECOMMEND HSBC Asset Management, OR ANY OF ITS PRODUCTS OR SERVICES.

Important Information

HSBC Global Asset Management (Bermuda) Limited ("AMBM") of 37 Front Street, Hamilton, Bermuda, is a wholly owned subsidiary of HSBC Bank Bermuda Limited (the "Bank"). AMBM and the Bank are licensed to conduct investment business by the Bermuda Monetary Authority. Funds managed by AMBM are offered by Prospectus only in those jurisdictions where they are permitted by law. Persons are required to inform themselves and observe any relevant restrictions. AMBM makes no representation as to the suitability of the funds for investors. Investors should be aware that performance returns are affected by market fluctuations. Investing entails risks, including possible loss of principal. Past performance is no guarantee of future performance. Investors should note that the use of derivatives and investments involving a currency other than their own will create foreign exchange exposure, which involves special risks. It is the aim of the Company to preserve capital and, where applicable, to maintain a stable net asset value per share; these aims are not guaranteed. Additionally, investors should consider their investment objectives, whether or not they can assume these risks and should undertake their own appropriate professional advice. Expressions of opinion contained herein are subject to change without notice. For investors investing via a nominee service provider, the nominee service provider will process the transaction and route all settlement proceeds to you, which may extend the settlement period. Please contact your investment advisor/introducing agent, or in the absence of those the nominee provider directly, to confirm the settlement period. Issued by HSBC Global Asset Management (Bermuda) Limited Licensed to conduct investment business by the Bermuda Monetary Authority © Copyright HSBC Global Asset Management (Bermuda) Limited 2024. All Rights Reserved. Further information can be found in the prospectus.

Source: HSBC Asset Management, data as at 30 September 2024