

8 March 2018

HSBC Global Asset Management launches first dedicated Singapore Dollar Income Bond for Singapore retail investors

Introduction of Asian diversified fixed income portfolio with foreign currency exposure fully hedged to SGD

HSBC Global Asset Management has launched the HSBC Global Investment Funds (GIF) Singapore Dollar Income Bond exclusively for Singapore retail investors. Entirely denominated in/or hedged to Singapore Dollars (SGD), it is an Asian focused fixed income fund that invests in sectors and countries across the region.

The fund will primarily invest at least 50 per cent in SGD denominated bonds issued by governments, government agencies, supranational bodies or companies that are Singapore and non-Singapore based issuers. All other investments will be hedged to SGD. The fund also invests across various countries and sectors which tend to behave differently at different market cycles enabling diversification.

Puneet Chaddha, CEO, Southeast Asia, HSBC Global Asset Management, said: “We launched the fund because our retail customers want to grow their capital faster than the average savings rate but in a way that’s risk weighted and diversified. This fund gives them access to growth with limited downside exposure.”

“Being located in the heart of Asia, Singaporeans understand the underlying economic growth of the region. Moreover, the diverse nature of the fund’s investment allocation across a multitude of Asian countries and sectors will provide confidence in the growth potential but with the added assurance of minimising currency risk.”

The fund could also be relevant to a segment of the retail investment market who may find this investment strategy attractive but are not aware of this asset class or have historically been concentrated in cash.

“We know from our recent HSBC Future of Retirement report that 37 percent of Singapore investors¹ still believe cash savings will provide the best return for retirement. This shows there are pockets of the retail investment landscape that could further optimise their wealth portfolio through greater awareness of alternative options to cash.”

Gregory Suen, Investment Director, Fixed Income, HSBC Global Asset Management, shared “Asia remains one of the fastest growing regions and an important investment theme offering competitive yield and valuable diversification at lower risk. Even amongst a backdrop of increasing interest rates, we’re positive on Asian credit because of the current macro sweet spot. We believe good economic growth in Asia will continue and we don’t expect inflation to significantly pick-up.”

¹ HSBC Retail Banking and Wealth Management Future of Retirement - Shifting Sands report, 2017 results. Link to full report [here](#)

Importance of multi-asset allocation

For retail investors constructing a portfolio, asset allocation and diversification is key. It is very unlikely that a single asset class will deliver the highest return all of the time. Combining different asset classes in a portfolio can diversify the risks and improve returns over the longer term. The fund's introduction enables us to enhance support of our clients' need for a lower risk, well-diversified Asian Fixed Income product with foreign currency exposure fully hedged to SGD.

HSBC Global Asset Management is a leading asset manager in the industry as one of the largest and most experienced Asian Fixed Income teams in the world. Our investment process is active and value driven by a team of 30 experienced investment specialists. Consistently, we apply a disciplined process to meet stringent risk and credit evaluation in portfolio management. Currently, the fund is available through our distribution network in Singapore.

ends/more

Media enquiries to:

Meena Sharma
Communications Manager

Tel: +65 6658 7016

meena.rai.sharma@hsbc.com.sg

Important information

This document is prepared for general information purposes only and does not have any regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive it. Any views and opinions expressed are subject to change without notice. This document does not constitute an offering document and should not be construed as a recommendation, an offer to sell or the solicitation of an offer to purchase or subscribe to any investment. Investors and potential investors should not invest in the Fund solely based on the information provided in this document and should read the offering documents (including the risk warnings), before investing. Investors may wish to seek advice from a financial adviser before purchasing units in the fund. Investment involves risk. Past performance of any fund or the manager, and any economic and market trends or forecasts are not necessarily indicative of the future or likely performance of the fund or the manager. Unit values and income therefrom may fall as well as rise and the investor may not get back the original sum invested. Changes in rates of currency exchange may affect significantly the value of the investment. HSBC Global Asset Management (Singapore) Limited ("AMSG") has based this document on information obtained from sources it reasonably believes to be reliable. However, AMSG does not warrant, guarantee or represent, expressly or by implication, the accuracy, validity or completeness of such information.

HSBC Global Asset Management (Singapore) Limited

21 Collyer Quay #06-01 HSBC Building Singapore 049320

Telephone: (65) 6658 2900 Facsimile: (65) 6225 4324

Website: www.assetmanagement.hsbc.com/sg

Company Registration No. 198602036R

Note to editors:

HSBC Global Asset Management

HSBC Global Asset Management invests on behalf of HSBC's worldwide customer base of retail and private clients, intermediaries, corporates and institutions through both segregated accounts and pooled funds. HSBC Global Asset Management connects HSBC's clients with investment opportunities around the world through an international network of offices in 26 countries, delivering global capabilities with local market insight. As at 31 December 2017, HSBC Global Asset Management managed assets totalling US\$469bn on behalf of its clients.

About The Hongkong and Shanghai Banking Corporation Limited

The Hongkong and Shanghai Banking Corporation Limited is the founding member of the HSBC Group, which serves our customers through four global businesses: Retail Banking and Wealth Management, Commercial Banking, Global Banking and Markets, and Global Private Banking. The Group serves customers worldwide from around 3,900 offices in 67 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,522bn at 31 December 2017, HSBC is one of the world's largest banking and financial services organisations.

ends/all