

## Fund Highlights

- ▶ The fund provides investors with an efficient inflation hedge and bond portfolio diversification.
- ▶ The portfolio is managed through a disciplined quantitative investment process.
- ▶ The fund uses different performance sources including active country allocation within a global inflation-linked bond investment universe.

## Investment Aim

The sub-fund invests primarily for total return in a diversified portfolio of inflation linked bonds denominated in local currencies issued by OECD countries. Please refer to the Prospectus for the full Investment Objective of this fund.

## Risk Disclosure

It is important to remember that the value of investments can go down as well as up and you may not get back the amount originally invested. Where overseas investments are held the rate of currency exchange may cause the value of such investments to go down as well as up. The performance of bonds, gilts and other fixed interest securities tends to be less volatile than those of shares of companies (equities). However there is a risk that both the relative yield and the capital value of these may be reduced if interest rates go up. For a full list of risks, please refer to the prospectus and Key Investor Information Document.

## Fund Statistics (30/12/2011)

<b>Fund size in millions (USD)</b>	37.57
<b>Portfolio Turnover *</b>	54.00 %
<b>Volatility **</b>	N/A
<b>Tracking Error **</b>	N/A
<b>Information Ratio **</b>	N/A

'Volatility' measures the relative rate at which the price of a security moves up and down.

'Tracking error' measures the volatility of the difference between a portfolio's performance and the benchmark.

'Information ratio' represents the value added of the manager (excess return) divided by the tracking error

\* Source: HSBC, calculation uses the lesser of sales and purchases over the past year.

\*\* Source: HSBC, based on monthly returns over the past three years where available.

## Fund Manager - Sophie Sentilhes

Fixed Income Portfolio Manager, Quantitative Strategies.

Sophie Sentilhes (Paris) is a portfolio manager in the Quantitative Fixed Income team and has been working in the industry since 1997. She graduated from the business school ESC Grenoble (France), and holds a Diploma in Business and Management Studies from the University of Bradford (UK) and a Postgraduate degree in Finance from the Université Paris Dauphine (France).



## Performance in USD (% Change) \*

Rolling time period	31/12/2010 - 31/12/2011	31/12/2009 - 31/12/2010	31/12/2008 - 31/12/2009	31/12/2007 - 31/12/2008	31/12/2006 - 31/12/2007
HSBC GIF GLOBAL INFLATION LINKED BOND	11.5	N/A	N/A	N/A	N/A

  

Rolling time period	1 month	3 months	6 months	1 year	Inception	2011
Fund	2.1	2.5	6.0	11.5	13.6	11.5
Morningstar mean	1.0	2.4	5.7	10.5		10.5
Quartile rank	1	2	3	2		2

\* The above performance figures refer to the past and are not a reliable indicator of future returns. The value of investments and any income from them, can go down as well as up. The above performance figures are calculated in USD, and changes in the rate of currency exchange may affect the value of your investment.

Source: Morningstar, bid to bid, gross income reinvested. Performance information is up to 30/12/2011. Morningstar Sector used Offshore and International Funds, USD Inflation Linked. With effect from 05 November 2010, the Morningstar sector changed from Fixed Income Global-Inflation Linked to USD Inflation Linked. Any performance shown after this date will be for the new sector. Please note quartile rank is a term widely used in financial services to denote performance of a fund within its sector. For example a ranking of 1 denotes a Fund in the top 25% of its peer group sector, with a ranking of 4 denoting a fund in the bottom 25% of its peer group sector. Total return, sector median performance and ranks - Data Source - © Copyright 2010 Morningstar, Inc. All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

MUTUAL FUNDS DO NOT HAVE A GUARANTEED RETURN AND PREVIOUS PERFORMANCE DOES NOT GUARANTEE FUTURE PERFORMANCE

## Fund details

- ▶ **Annual charge** 0.35%
- ▶ **Maximum initial charge** 5.54%
- ▶ **Dealing** daily by 10:00am (CET)
- ▶ **Valuation** daily at 5:00pm (CET)
- ▶ **Minimum initial investment** (USD) 1,000,000 \*
- ▶ **Financial year end** 31st March
- ▶ **Benchmark** Barclays World Government Inflation Linked Bond hedged in USD
- ▶ **Management Company** HSBC Investment Funds (Luxembourg) S.A.
- ▶ **Investment Advisor** HSBC Global Asset Management (France)
- ▶ **Dividends** annual (July)
- ▶ **Regular savings scheme** not available
- ▶ **Start date** 30/06/2010
- ▶ **Launch price** (in USD) 100
- ▶ **ISIN code** LU0518436737
- ▶ **Total number of holdings** 42

\* or equivalent.

## Top 10 holdings (30/12/2011)

Stock	Weight	Currency
1 UKTi 1.125% 37	17.47%	GBP
2 UKTi 0.75% 47	11.07%	GBP
3 US T-BOND <sub>i</sub> 3.375% 32	8.46%	USD
4 US T-BOND <sub>i</sub> 3.875% 29	8.39%	USD
5 UKTi 1.25% 27	4.85%	GBP
6 US T-BOND <sub>i</sub> 2.375% 25	3.83%	USD
7 UKTi 0.375% 62	3.51%	GBP
8 US T-BOND <sub>i</sub> 2% 26	3.38%	USD
9 CANADA <sub>i</sub> 4% 31	3.14%	CAD
10 OAT <sub>i</sub> 3.40% 25/07/29	2.85%	EUR
	<b>66.95%</b>	

## Portfolio composition (30/12/2011)

Country	Fund
United Kingdom	45.73%
United States	33.83%
France	8.08%
Italy	3.73%
Canada	3.14%
Australia	1.81%
Germany	1.57%
Japan	1.07%
Sweden	1.04%
	<b>100.00%</b>

## Contact

Further information about HSBC Global Asset Management, details of our individual funds performance and prices can be found at [www.assetmanagement.hsbc.com](http://www.assetmanagement.hsbc.com)

GIF helpdesk +44 (0) 207 992 4172 or email us at [gifadviser.services@hsbc.com](mailto:gifadviser.services@hsbc.com)

Alternatively, contact your local sales and client services representatives.

To place a deal, please contact:

**Luxembourg** RBC Dexia Investors Services Bank S.A. Tel: +352 2605 9553 Fax: +352 2460 9500

There are risks involved with this type of investment. Please refer to the Prospectus for general risk factors, and to the Key Investor Information Document for specific risk factors. It is important to remember that your investment is not guaranteed and you may not get back the amount you originally invested. Changes in the rate of currency exchange, particularly where overseas securities are held, may also affect the value of your investment. The value of the underlying assets are strongly affected by interest rate fluctuations and by changes in the credit ratings of the underlying issuer of the assets. Investment in Financial Derivative Instruments (FDI) may result in losses in excess of the amount invested. This is because a small movement in the price of the underlying financial instrument may result in a substantial movement in the price of the FDI. The Sub-Fund is exposed to Over the Counter (OTC) markets for all or part of its total assets. The Sub-Fund will therefore be subject to the risk that its direct counterparty will not perform its obligations under the OTC transactions and that the Sub-Fund will sustain losses. You should view this investment as medium to long-term, and should plan to keep it for at least five years. UK based investors in HSBC Global Investment Funds are advised that they may not be afforded some of the protections conveyed by the provisions of the Financial Services and Markets Act 2000. The Representative of the Fund in Switzerland is HSBC Private Bank (Suisse) SA in Geneva. The shares in HSBC Global Investment Funds have not been and will not be offered for sale or sold in the United States of America, its territories or possessions and all areas subject to its jurisdiction, or to United States Persons. All applications are made on the basis of the current HSBC Global Investment Funds Prospectus, Key Investor Information Document and most recent annual and semi annual reports, 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.

Please Note: To help improve our service and in the interests of security we may monitor on a random basis and/or record your telephone calls with us.

Approved for issue in the United Kingdom by HSBC Global Asset Management (UK) Limited. Authorised and regulated by the Financial Services Authority.

© Copyright 2011 HSBC Global Asset Management (UK) Limited. All Rights Reserved. SC/GIF/19012012/MB.

MUTUAL FUNDS DO NOT HAVE A GUARANTEED RETURN AND PREVIOUS PERFORMANCE DOES NOT GUARANTEE FUTURE PERFORMANCE