

HSBC Specialist Funds Limited

Short Duration Fixed Income Fund

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

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.

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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 120.44
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	19 March 2010
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 100,000
Management fee	0.400%

Codes

ISIN	BMG4639W1111
Bloomberg ticker	HSBCSDA BH

Performance (%)	YTD	1 month	3 months	6 months	1 year	3 years ann	5 years ann
AC	4.47	0.82	2.87	3.86	7.27	1.73	1.69
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
AC	7.27	2.86	-4.58	0.06	3.22
Reference benchmark	6.81	2.50	-4.88	0.07	3.58

3-Year Risk Measures	AC	Reference benchmark	5-Year Risk Measures	AC	Reference benchmark
Volatility	2.19%	2.30%	Volatility	1.99%	1.90%
Sharpe ratio	-0.79	-0.91	Sharpe ratio	-0.32	-0.41
Tracking error	0.41%	--	Tracking error	1.40%	--
Information ratio	0.91	--	Information ratio	0.11	--

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)**

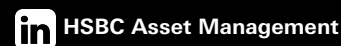
	Fund	Reference benchmark	Relative
0-1 year	0.04	0.06	-0.02
1-3 years	1.28	1.69	-0.41
3-5 years	0.54	--	0.54
Total	1.87	1.75	0.12

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

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