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HSBC expands and diversifies international opportunities for Canadian investors with three new globally-focused mutual funds

- *Two new USD funds: All-equity or all-fixed income options, including the only low volatility global equity fund that is both valued and denominated in US dollars offered in Canada*
- *New global real estate fund offers significant strategic benefits to multi-asset portfolios over the long term*

HSBC Global Asset Management (Canada) Limited (HSBC) has launched three new globally-focused funds: the *HSBC Global Equity Volatility Focused Fund*, the *HSBC Global Corporate Bond Fund*, and the *HSBC Global Real Estate Equity Pooled Fund*.

Canada's share of global equity market capitalization is 3.7%, and that translates to significant opportunities beyond our domestic borders. And while Canadians enjoy a wide range of domestic wealth management service providers across Canada, more and more investors are realizing the importance of a globally-focused, truly diversified investment strategy.

Marc Cevey, Chief Executive Officer, HSBC Global Asset Management (Canada) Limited said: "The creation of these three new funds is part of our commitment to grow and invest in our business here in Canada. In fact, there really isn't anyone like HSBC in the Canadian market – we connect investors with investment opportunities around the world through our international network of investment offices in around 30 countries, delivering global capabilities with local market insight."

Two new US dollar (USD) mutual funds now available

In today's low rate environment, many Canadian investors are looking for alternatives to USD deposits. Whereas USD funds typically focus on investments in US companies and governments, the new HSBC funds offer Canadian investors the opportunity to capture the growth potential of global markets denominated in USD – an opportunity that hasn't been available to them until now.

Said Cevey: "The *HSBC Global Equity Volatility Focused Fund* can help investors enjoy the benefits of equity investing, with potentially lower risk than the broad market. And unlike other funds currently available to Canadian investors, its investment strategy doesn't focus solely on low volatility stocks, which helps avoid sector concentration and overvalued stocks."

The new *HSBC Global Corporate Bond Fund* invests in fixed-income securities that cover a range of issuers, countries and currencies, and is different in that it generally invests more outside North America than other global corporate bond funds do. Furthermore, global fixed income has historically exhibited lower correlations to other major asset classes, thus providing enhanced diversification potential.

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The two new funds mark an expansion of HSBC's range of USD funds, complimenting the existing *HSBC US Dollar Money Market Fund* and the *HSBC US Dollar Monthly Income Fund* –enabling clients to build a truly diversified portfolio for their US dollars. Both of the new USD funds were available as of 19 October 2015.

HSBC Global Real Estate Equity Pooled Fund

The new *HSBC Global Real Estate Equity Pooled Fund* invests in a global portfolio of income-producing real estate companies that hold residential, office and retail properties in North America, Europe and Asia. The fund is available via HSBC's *World Selection Portfolio* as of 1 October 2015.

Said Cevey: “Our analysis suggests that global real estate equity can offer Canadian investors with multi-asset portfolios significant, strategic benefits over the long term. This is, in part, due to historical trends that show global real estate equities having a relatively low level of correlation to stocks and bonds over long-term holding periods, in turn offering potential diversification benefits to Canadian investors.”

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Notes to editors:

1. HSBC Bank Canada, a subsidiary of HSBC Holdings plc, is the leading international bank in the country. HSBC helps companies and individuals across Canada to do business and manage their finances internationally through three global business lines: Commercial Banking, Global Banking and Markets, and Retail Banking and Wealth Management. Canada is a priority market for the HSBC Group – one of the world's largest banking and financial services groups with assets of US\$2,572bn at 30 June 2015. Linked by advanced technology, HSBC serves customers worldwide through an international network of around 6,100 offices in 72 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa.
2. HSBC Global Asset Management (Canada) Limited (AMCA) is a wholly owned subsidiary of HSBC Bank Canada. HSBC Investment Funds (Canada) Inc. (HIFC) is a direct subsidiary of AMCA and an indirect subsidiary of HSBC Bank Canada.
3. AMCA is the manager and primary investment advisor for the HSBC Mutual Funds. HIFC is the principal distributor of the Mutual Funds. The Funds are also distributed through authorized dealers.

AMCA is the manager and primary investment advisor of the HSBC Pooled Funds, a family of public mutual funds. These mutual funds are sold only to investors as part of a discretionary investment management service, which requires an investor to enter into an investment management agreement with AMCA or HIFC, or another approved advisor or dealer. AMCA may hire or replace sub-advisors for the HSBC Pooled Funds, including sub-advisors that are affiliated to AMCA.

HSBC World Selection® Portfolio is a portfolio investment service offered by HIFC. In this service, a client's assets are invested in model portfolios. Each model portfolio is comprised of investments in HSBC Pooled Funds, which are distributed by HIFC. AMCA provides discretionary investment management services to the portfolios in the HSBC World Selection Portfolio service.

Commissions, trailing commissions, management fees, investment management fees and expenses all may be associated with mutual fund investments and/or the World Selection Portfolio service. Please read the HSBC Fund Facts before investing. Mutual funds are not guaranteed or covered by the Canada Deposit Insurance Corporation, HSBC Bank Canada, or any other deposit insurer. Their values change frequently and past performance may not be repeated. The unit value of money market funds may not remain constant.

4. HSBC Global Asset Management (AMG), the investment management business of the HSBC Group, 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. AMG connects HSBC's clients with investment opportunities around the world through an international network of offices in around 30 countries, delivering global capabilities with local market insight. As at 30 June 2015, AMG managed assets totalling US\$47bn on behalf of its clients. For more information see www.global.assetmanagement.hsbc.com