

Investment-linked policy sub-funds

Semi-annual unaudited report for six months ended 31 December 2020.



HSBC
Life

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Fund Updates

1 July 2020 to 31 Dec 2020

1. Changes to HSBC Insurance Asian Bond Fund and HSBC Insurance Global Bond Fund

From 1 September 2020 (the "Effective Date"), the Fund Manager have applied a dilution adjustment mechanism as part of its daily valuation policy. The implementation of the dilution adjustment mechanism will reduce the negative cost impact to the existing investors caused by large inflow in or outflow monies from the Underlying Sub-Fund.

ILP Sub-Fund	Underlying Sub-Fund	Fund Manager
HSBC Insurance Asian Bond Fund	Legg Mason Western Asset Asian Bond Trust	Legg Mason Asset Management Singapore Pte. Limited
HSBC Insurance Global Bond Fund	Legg Mason Western Asset Global Bond Trust	Legg Mason Asset Management Singapore Pte. Limited

2. Changes to HSBC Insurance Global Emerging Markets Bond Fund (SGD & USD)

As part of our regular review, we have decided to replace the Underlying Sub-Fund of HSBC Insurance Global Emerging Markets Bond Fund (SGD & USD) (the "ILP Sub-Fund"). The following revisions have been made from 20 July 2020 (the "Effective Date"):

	Before the Effective Date	From the Effective Date
The Underlying Sub-Fund	HSBC Global Investment Funds - Global Emerging Markets Bond	PIMCO Emerging Markets Bond Fund
The Underlying Sub-Fund Manager	HSBC Investment Funds (Luxembourg) S.A.	PIMCO Global Advisors (Ireland) Limited

Fund Performance Summary (SGD)

		Cumulative		Annualised	
	3-Mth (%)	6-Mth (%)	1-Year (%)	3-Year (%)	3-Year (%)
HSBC Insurance Asia Equity Fund Benchmark *	11.88 14.60	22.24 23.77	22.83 24.22	27.60 27.53	8.46 8.44
HSBC Insurance Asia Focused Income Fund The Fund has no benchmark	8.45	13.36	9.22	13.49	4.31
HSBC Insurance Asian Bond Fund Benchmark *	2.03 1.20	2.60 1.05	2.27 1.49	6.18 5.07	2.02 1.66
HSBC Insurance China Equity Fund Benchmark *	12.86 7.66	24.59 18.52	40.02 27.28	43.19 28.26	12.71 8.65
HSBC Insurance Chinese Equity Fund Benchmark *	14.28 12.83	25.72 22.01	36.52 28.52	34.35 29.15	10.34 8.90
HSBC Insurance Emerging Markets Equity Fund Benchmark *	18.50 15.89	28.25 24.24	19.51 16.28	21.79 18.37	6.79 5.78
HSBC Insurance Ethical Global Equity Fund Benchmark *	15.27 8.91	18.20 14.91	8.06 9.12	5.09 20.80	1.67 6.50
HSBC Insurance Ethical Global Sukuk Fund Benchmark *	(0.62) (1.31)	0.02 (0.97)	4.09 6.07	13.44 18.36	4.29 5.78
HSBC Insurance Europe Dynamic Equity Fund Benchmark *	14.57 11.29	14.99 11.76	1.17 (1.13)	7.46 13.88	2.43 4.43
HSBC Insurance Global Bond Fund Benchmark *	0.96 0.28	2.14 1.08	8.15 7.46	15.00 17.57	4.77 5.54
HSBC Insurance Global Emerging Markets Bond Fund Benchmark *	6.11 5.39	9.37 7.72	2.04 N.A.	3.75 N.A.	1.24 N.A.
HSBC Insurance Global Emerging Markets Equity Fund Benchmark *	18.18 15.89	31.70 24.24	29.99 16.28	42.46 18.37	12.52 5.78
HSBC Insurance Global Equity Fund Benchmark *	11.56 10.33	19.72 16.53	18.48 13.92	28.37 33.59	8.68 10.13
HSBC Insurance Global Equity Portfolio Fund Benchmark *	14.30 10.25	18.24 16.44	2.46 13.78	10.40 33.49	3.35 10.11
HSBC Insurance Global Equity Volatility Focused Fund The Fund has no benchmark	14.96	22.83	9.88	22.76	7.07
HSBC Insurance Global High Income Bond Fund The Fund has no benchmark	4.49	7.14	6.09	13.21	4.22
HSBC Insurance Global Multi-Asset Fund The Fund has no benchmark	7.45	11.57	1.87	6.49	2.12
HSBC Insurance India Equity Fund Benchmark *	19.71 19.77	31.93 33.36	5.50 14.63	(4.26) 12.39	(1.44) 3.97

		Cumulative		Annualised	
	3-Mth (%)	6-Mth (%)	1-Year (%)	3-Year (%)	3-Year (%)
HSBC Insurance Pacific Equity Fund	20.21	29.12	25.53	31.87	9.66
Benchmark *	15.41	23.74	20.65	25.20	7.78
HSBC Insurance Premium Balanced Fund	2.58	4.66	8.15	18.59	5.85
The Fund has no benchmark					
HSBC Insurance Singapore Bond Fund	2.09	3.79	5.21	8.51	2.76
The Fund has no benchmark					
HSBC Insurance Singapore Equity Fund	12.54	8.75	(10.59)	(6.33)	(2.15)
Benchmark *	15.06	11.45	(9.05)	(4.67)	(1.58)
HSBC Insurance US Equity Portfolio Fund	14.99	22.29	6.35	20.99	6.56
Benchmark *	7.83	14.79	15.11	43.86	12.89
HSBC Insurance US Opportunities Equity Fund	10.63	23.22	41.25	78.93	21.40
Benchmark *	8.77	20.24	35.75	81.54	21.99
HSBC Insurance World Selection 1 Fund	3.40	5.41	4.24	13.57	4.33
The Fund has no benchmark					
HSBC Insurance World Selection 2 Fund	5.69	9.25	5.17	N.A.	N.A.
The Fund has no benchmark					
HSBC Insurance World Selection 3 Fund	9.26	14.79	6.90	17.62	5.56
The Fund has no benchmark					
HSBC Insurance World Selection 4 Fund	11.39	18.32	6.69	N.A.	N.A.
The Fund has no benchmark					
HSBC Insurance World Selection 5 Fund	12.11	19.51	7.91	19.83	6.21
The Fund has no benchmark					

* Refer to the respective funds for the benchmark used.

Fund Performance Summary (USD)

		Cumulative		Annualised	
	3-Mth (%)	6-Mth (%)	1-Year (%)	3-Year (%)	3-Year (%)
HSBC Insurance Europe Dynamic Equity Fund (USD)	14.71	15.27	1.86	9.91	3.20
Benchmark *	11.59	12.05	(0.00)	16.93	5.35
HSBC Insurance Global Emerging Markets Bond Fund (USD)	6.20	9.51	2.90	6.63	2.16
Benchmark *	5.49	7.89	5.88	15.56	4.94
HSBC Insurance Global Emerging Markets Equity Fund (USD)	22.47	39.25	32.32	44.56	13.07
Benchmark *	19.70	31.14	18.31	19.69	6.17
HSBC Insurance Global Equity Portfolio Fund (USD)	18.18	24.99	4.58	11.49	3.69
Benchmark *	13.79	22.81	15.99	34.88	10.49
HSBC Insurance Global Equity Volatility Focused Fund (USD)	15.13	23.28	11.70	27.21	8.35
Benchmark *	14.51	23.82	16.26	33.11	10.00
HSBC Insurance Global High Income Bond Fund (USD)	4.58	7.36	7.17	16.41	5.19
Benchmark *	2.78	4.63	8.26	19.63	6.16
HSBC Insurance India Equity Fund (USD)	23.64	39.25	7.20	(3.26)	(1.10)
Benchmark *	23.71	40.77	16.63	13.65	4.36
HSBC Insurance Pacific Equity Fund (USD)	24.19	36.25	27.74	33.24	10.04
Benchmark *	19.21	30.61	22.75	26.60	8.18
HSBC Insurance US Equity Portfolio Fund (USD)	18.70	29.18	8.14	22.03	6.86
Benchmark *	11.29	21.07	17.34	45.35	13.28
HSBC Insurance World selection 1 Fund (USD)	3.49	5.61	5.08	11.55	3.71
The Fund has no benchmark					
HSBC Insurance World Selection 2 Fund (USD)^	N.A.	N.A.	N.A.	N.A.	N.A.
The Fund has no benchmark					
HSBC Insurance World Selection 3 Fund (USD)	9.41	15.01	8.05	16.43	5.20
The Fund has no benchmark					
HSBC Insurance World Selection 4 Fund (USD)	11.83	18.95	8.80	N.A.	N.A.
The Fund has no benchmark					
HSBC Insurance World Selection 5 Fund (USD)	12.25	20.11	9.11	17.94	5.66
The Fund has no benchmark					
HSBC Life FlexConcept Fund (USD)	2.35	7.23	N.A.	N.A.	N.A.
Benchmark *	5.86	8.57	N.A.	N.A.	N.A.

* Refer to the respective funds for the benchmark used.

^ Fund does not have performance figures as it is not inception.

Notes to the Fund Disclosures

1. Performance figures

Performance figures are calculated using bid-to-bid prices, with any income or dividends reinvested and in Singapore dollars.

2. Expense ratio

Expense ratio are calculated in accordance with IMAS guidelines for the disclosure on expense ratio. The expense ratio does not include (where applicable) charges for insurance coverage, brokerage and other transaction costs, performance fee, foreign exchange gains or losses, front or back end loads arising from the purchase or sale of collective investment schemes and tax deducted at source or arising out of income received. Expense ratios are presented for the 12 months ended 31 December 2020 and for the 12 months ended 31 December 2019. In the event that these ratios are not available as at the date of the report, they will be represented by the latest available period of information. The above formula is also utilised to compute the expense ratio of the underlying fund.

3. Turnover ratio

Turnover ratio represent the number of times per year that a dollar of assets is invested and is calculated based on the lower of purchases or sales for the 12 months preceding the reporting date expressed as a percentage of the daily average Net Asset Value. Turnover ratios are presented for the 12 months ended 31 December 2020 and for the 12 months ended 31 December 2019. In the event that these ratios are not available as at the date of the report, they will be represented by the latest available period of information. The above formula is also utilised to compute the turnover ratio of the underlying fund.

4. Abbreviations Used

CPFIS	: Central Provident Fund Investment Scheme
GDP	: Gross Domestic Product
Ltd	: Limited
MV	: Market Value
N.A.	: Not Applicable
NAV	: Net Asset Value
OA	: Ordinary Account
SA	: Special Account
SRS	: Supplementary Retirement Scheme

HSBC Insurance Asia Equity Fund

Fund Objective

HSBC Insurance Asia Equity Fund seeks to achieve capital appreciation in the medium to long-term by investing in a diversified portfolio of Asia (ex-Japan) equity and equity-related securities (including warrants and convertible securities). Fund investments are made by way of a feeder fund, which invests substantially all or all its assets in the DWS Asia Premier Trust.

Investment and Market Review ^

Asian stocks rose during the reporting period. While Corona Virus Disease 2019 (COVID-19) cases continued to rise with more infectious variants

reported, equity markets were supported by the start of vaccination programs, government relief measures and high level of liquidity injected by central banks around the world. The Sino-US relation was stalled as the US government had endeavoured to restrict Chinese companies with alleged military ties doing business with US persons. In China, the failure of initial public offering of Ant Financial marked a turning point of Chinese internet-related stocks' performance. The Chinese government launched antitrust investigations against Alibaba and some of its peers. It also tightened the financing availability for property developers so as to contain the rise of property prices. As a result, China and Hong Kong lagged the regional rally. South Korea and Taiwan outperformed on sustained demand of technology products during pandemic. Indonesia, Malaysia, Philippines, Singapore and Thailand underperformed as COVID-19 cases resurged and cross-border travel was limited. However, money flow started to return to the region, with Asian currencies appreciating against the US dollar (USD). Consumer discretionary, information technology (IT) and materials were the best performing sectors, while energy and utilities lagged.

Market Outlook and Investment Strategy ^

Asia markets currently trade at consensus 2021PE 17x, with 1.8% dividend yield, compared to zero interest rate policy globally. Global liquidity and vaccination would continue to support the markets. The fund will focus on companies with solid growth potential. Opportunities lie in 5G-related investment, proliferation of electric vehicles and automotive electrification. The shift of consumption pattern post COVID-19 will be another focus. During the reporting period, the fund benefitted from the overweight in IT but was dragged by real estate and internet-related consumer discretionary positions in China. As for positioning, the key overweight markets are Korea and Singapore, while underweight markets are China and Thailand. In terms of sector, IT and real estate are the most overweight sectors, while consumer staples, financials and industrials are underweight.

^ Source: DWS Investments Singapore Limited

FUND FACTS

Underlying Fund	DWS Asia Premier Trust
Fund Manager	DWS Investments Singapore Limited
Launch Date	31 Jan 1994
CPFIS/SRS*	SRS
CPFIS Risk Classification	N.A.
As at 31 December 2020	
Offer Price	S\$ 4.07704
Bid Price	S\$ 3.87319
Fund Size	S\$ 96.12 mil
Units in Issue	24.82 mil

*Note: With effect from 28 Jun 2010, the Fund has been delisted from CPFIS.

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Asia Equity Fund	11.88	22.24	22.83	27.60	74.85	77.65	307.70
Benchmark*	14.60	23.77	24.22	27.53	82.52	106.75	225.05

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance Asia Equity Fund	8.46	11.82	5.91	5.38
Benchmark*	8.44	12.79	7.53	4.49

*MSCI AC Far East ex Japan (TR)

[^]Inception Date: 16 Mar 1994

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
DWS Asia Premier Trust	100.06	96.18
Other assets	0.37	0.36
Other liabilities	(0.43)	(0.42)
Total	100.00	96.12

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	2,701,471
Redemption	10,448,862

C) Underlying Fund Disclosure (DWS Asia Premier Trust)

I Allocation by Country

Country	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Cayman Islands	36.30	41.41
South Korea	20.93	23.88
Taiwan	15.34	17.50
Hong Kong	10.18	11.62
China	5.68	6.48
Singapore	3.59	4.10
Indonesia	1.77	2.02
Malaysia	0.85	0.97
Thailand	0.78	0.89
Others*	4.58	5.22
Total	100.00	114.09

*Includes other countries and net assets

II Allocation by Industry	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Industry		
Semiconductors	16.08	18.35
Electrical/Electronics	15.27	17.42
E-Commerce	13.29	15.16
Internet Services	8.66	9.88
Insurance	6.03	6.88
Banks	4.34	4.95
Real Estate	3.68	4.20
Computer/Software	3.60	4.11
Real Estate Investment Trust	3.10	3.54
Chemicals	3.01	3.43
Educational Services	2.98	3.40
Others*	19.96	22.77
Total	100.00	114.09

*Includes other industries and net assets

III Allocation of Debt Securities by Credit Ratings	As at 31 Dec 2020
N.A.	

IV Top Ten Holdings of Underlying Fund	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Samsung Electronics Company Limited	9.96	11.36
Taiwan Semiconductor Manufacturing Corporation Limited	9.83	11.22
Tencent Holdings Limited	8.66	9.88
Alibaba Group Holding Limited	7.91	9.03
AIA Group Limited	4.36	4.97
JD.com Incorporation	3.11	3.55
Vanguard International Semiconductor Corporation	3.06	3.49
SK Hynix Incorporation	2.51	2.86
New Oriental Education & Technology Group Inc	2.47	2.82
NetEase Inc	2.38	2.72

Top Ten Holdings of Underlying Fund	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
Tencent Holdings Limited	9.67	10.16
Alibaba Group Holding Limited	9.19	9.66
Taiwan Semiconductor Manufacturing Corporation Limited	8.90	9.35
Samsung Electronics Company Limited	8.42	8.85
China Construction Bank H Shares	5.14	5.40
AIA Group Limited	4.62	4.86
CK Hutchison Holdings Limited	2.23	2.34
Vanguard International Semiconductor Corporation	2.17	2.28
CapitalLand Limited	2.10	2.21
New Oriental Education & Technology Group Inc	1.86	1.96

V Exposure to Derivatives	As at 31 Dec 2020
% of NAV	-
Market Value (S\$)	-
Realised gains / (Losses) (S\$)	(35,182)
Unrealised Gains / (Losses) (S\$)	-

VI Borrowings of Net Asset Value	As at 31 Dec 2020
N.A.	

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Asia Equity Fund		Underlying Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.72%	1.70%	1.43%	1.41%
			As at 31-Dec-20	
Turnover Ratio	4.52%	5.62%	29.05%	25.08%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of DWS Asia Premier Trust for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

N.A.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 167.

**For more information, please contact your financial consultant,
call our Customer Service Hotline on 6225 6111,
or visit our web site at www.insurance.hsbc.com.sg.**

HSBC Insurance Asia Focused Income Fund

Fund Objective

HSBC Insurance Asia Focused Income Fund seeks to provide income and moderate capital growth through an active asset allocation in a diversified portfolio of fixed income and equity securities as well as money market and cash instruments. Fund investments are made by way of a feeder fund, which invests substantially all, or all its assets in the HSBC Global Investment Funds - Managed Solutions – Asia Focused Income Fund.

Investment and Market Review [^]

Despite growing numbers of virus cases in the US and many European countries over the period, news of renewed restrictions on business activities related to COVID-19 seem to be having less market impact than the first half of 2020 (1H20). The high rates of success reported in a number of vaccines later last year provided support to the global markets with the hope of containing the virus spread. In policy front, continuous stimulus also supported financial markets' performance, especially for the riskier assets. Asian markets outperformed other parts of the world, which benefited from the advanced resumption of work and normal activities in most areas. Both vaccine development and unprecedented stimulus helped restore market sentiment and investors' optimism, resulting in remarkable growth in the global equity markets over the period. The performance of fixed income was also encouraging as corporate spreads narrowed further with on-track economic recovery.

Supported by the positive economic background, Asia Focused Income Fund delivered a favorable return across different asset classes over the period. Asia ex Japan Equity was particularly strong, being the main performance contributor amid better control of the virus in the region. Our tactical overweight in equities led to a positive asset allocation effect, which added further value to the portfolio in the past six months. Asian high yield bonds delivered a decent positive return with the credit spreads compressing. With the appreciation of major emerging market (EM) and Asian currencies against USD, both EMD and Asian local currency bonds in the portfolio returned positively.

Market Outlook and Investment Strategy [^]

Going ahead, further gains from global recovery will be harder going as the pace of decline in unemployment slows, corporate balance sheets remain stressed, and with consumer and business confidence still fragile. There is more cyclical upside in 2021 in Asia but, as elsewhere, growth momentum is set to moderate. The arrival of the vaccine and easing of restrictions on cross-border travel should, eventually, enable a catch-up story to play out in some areas of the world.

An important consequence of the crisis and fast rally in 2020 is that asset class expected returns are not high by historical standards. A better-managed health crisis, equity market exposure to tech and quality, as well as stronger macroeconomic resilience to the recession have all helped drive outperformance from Asia in 2020, and we can expect this to continue as the recovery takes hold in 2021. Policy measures are likely to become more targeted and differentiated across the world.

[^] Source: HSBC Global Asset Management (HK) Limited

FUND FACTS

Underlying Sub-Fund	HSBC Global Investment Funds – Managed Solutions - Asia Focused Income Fund
Fund Manager	HSBC Global Asset Management (Singapore) Limited
Launch Date	28 Jan 2013
CPFIS/SRS	SRS
CPFIS Risk	N.A.
Classification	

As at 31 December 2020

Offer Price	S\$ 1.34409
Bid Price	S\$ 1.27689
Fund Size	S\$ 8.63 mil
Units in Issue	6.76 mil

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception ^A
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Asia Focused Income Fund*	8.45	13.36	9.22	13.49	37.34	N.A.	34.41

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception ^A
	(%)	(%)	(%)	(%)
HSBC Insurance Asia Focused Income Fund*	4.31	6.55	N.A.	3.81

*This fund has no benchmark.

^AInception Date: 06 Feb 2013

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020 % of NAV	MV S\$ mil
HSBC Global Investment Funds – Managed Solutions - Asia Focused Income	100.35	8.66
Other assets	0.23	0.02
Other liabilities	(0.58)	(0.05)
Total	100.00	8.63

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	654,857
Redemption	1,117,329

C) Underlying Sub-Fund Disclosure (HSBC Global Investment Funds – Managed Solutions - Asia Focused Income)

I Allocation by Country

Country	As at 31 Dec 2020 % of NAV	MV S\$ mil
China	42.06	255.84
Korea, Republic of, (South Korea)	11.03	67.11
India	10.20	62.06
Taiwan	7.23	44.01
Indonesia	6.52	39.65
Singapore	5.89	35.84
Thailand	3.38	20.59
Others*	11.42	69.44
Cash	2.27	13.80
Total	100.00	608.34

*Includes other countries

II Allocation by Industry

Industry	As at 31 Dec 2020 % of NAV	MV S\$ mil
Asia ex Japan Equity	36.43	221.57
Asian Investment Grade Bond	26.21	159.46
Asian Local Currency Bonds	15.85	96.45
Asian High Yield Bond	13.77	83.77
Global Equities	3.01	18.33
Global Emerging Market Debt Local Currency	2.46	14.96
Liquidity	2.27	13.80
Total	100.00	608.34

III Allocation of Debt Securities by Credit Ratings

Rating

(For Debt securities portfolio only)

	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
AAA	3.89	23.69
AA+	0.63	3.86
AA	0.27	1.66
AA-	3.47	21.09
A+	4.78	29.08
A	3.76	22.86
A-	3.51	21.33
BBB+	11.76	71.52
BBB	8.46	51.49
BBB-	4.07	24.75
BB+	0.37	2.26
BB	2.04	12.44
BB-	3.08	18.75
Unrated	0.34	2.07
Others*	7.87	47.80
Total	58.30	354.65

*Includes lower rated debt securities

IV Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Samsung Electronics Co Ltd	3.56	21.67
Taiwan Semiconductor Co Ltd	3.43	20.86
HSBC FTSE All-World Index	3.01	18.33
HSBC GIF Global EM Local Dbt ZD	2.46	14.96
Mediatek Inc	1.74	10.61
AIA Group Ltd	1.74	10.57
Alibaba Group Holding Ltd	1.54	9.38
ITC Ltd	1.49	9.06
Tencent Holdings Ltd	1.47	8.93
Ping An Insurance Group Co-H	1.42	8.64

Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
Taiwan Semiconductor Mfg	3.07	16.37
HSBC GIF Global EM Local Dbt ZD	2.33	12.44
US Treasury N/B 3.0000 15-AUG-48	2.31	12.33
AIA Group Ltd	2.06	10.99
CNOOC Ltd	1.50	7.99
AIA Group Ltd	1.49	7.95
TELEKOMUNIKASI INDONESIA PER	1.36	7.27
LINK REIT	1.35	7.22
INFOSYS LTD	1.30	6.96
Samsung Electronics-Pref	1.19	6.33

V Exposure to Derivatives

	As at 31 Dec 2020
% of NAV	0.27%
Market value (S\$)	1,666,624
Realised Gains / (Losses) (S\$)	6,119,710
Unrealised Gains / (Losses) (S\$)	270,144

VI Borrowings of Net Asset Value

	As at 31 Dec 2020
N.A.	

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Asia Focused Income Fund		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.66%	1.66%	1.62%	1.63%
Turnover Ratio	17.93%	13.10%	As at 31-Dec-20 1.15%	0.67%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Global Investment Funds – Managed Solutions - Asia Focused Income for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance Asia Focused Income Fund invests S\$8.66 million, equivalent to 100.35% of its net asset value in HSBC Global Investment Funds – Managed Solutions - Asia Focused Income Fund, which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to S\$26,169.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 167.

**For more information, please contact your financial planner,
call our Customer Service Hotline on 6225 6111,
or visit our web site at www.insurance.hsbc.com.sg.**

HSBC Insurance Asian Bond Fund

Fund Objective

HSBC Insurance Asian Bond Fund seeks to maximize returns over the long-term by investing mainly in the bond markets of Asia's developing economies. There is no target industry or sector. Fund investments are by way of a feeder fund, which invests substantially all or all its assets in the Legg Mason Western Asset Asian Bond Trust.

Investment and Market Review [^]

Pan-Asian portfolios were mixed against their benchmarks in December with US Treasuries (USTs) seeing weakness, though Asian local markets were mostly stronger in local currency terms—especially when currency gains were taken into account. Our overweights in China onshore and the Philippines were positive, though underweights in Singapore, Malaysia, Thailand and Indonesia were negative for the portfolios. Asian currencies gained strength across the board, led by the Korean won, Indonesian rupiah and the Indian rupee, which resulted in our overweights being positive for the portfolios. The tightening of credit spreads in the USD space was a contributor, though USD-denominated Asian investment-grade credit detracted from performance.

Asia credit ended 2020 on strong footing as returns remained solidly in the black, capping off a strong comeback from the depths of the COVID-19 pandemic-induced losses seen in first quarter of 2020 (1Q20). With USTs largely a non-factor (for example, the 10-year UST yield ended December at 0.91% after having begun the month at 0.93%), and with credit spreads generally tighter across the board, we saw a decent finish during the Festive Season.

Market Outlook and Investment Strategy [^]

In spite of surges in COVID-19 infections and rounds of seemingly futile lockdowns and reopenings, the ability of economies, corporates and households to adapt have underpinned economic recoveries. Global exports are likely to pick up sharply in 2021 as economies open up and activity increases. US-China tensions may ease under the Biden administration given both countries' leadership inclination towards a breakthrough to regain domestic political capital. This should also mark the start of a more strategic approach in the relationship even as structural mistrust and economic and technological rivalry continues. Global export volumes will likely grow sharply by 20% year on year (YoY) in 2021 and by an average 8.3% YoY in first half of 2021 (1H21). COVID-19 is a reminder of the disruptive nature of events that can upend markets, supply chains and everyday life, including climate change, man-made or natural disasters and geopolitical machinations.

Asia has seen a rapid improvement in growth momentum in recent months. Asia will benefit from a broad-based recovery in 2021, led by still supportive monetary policy given negative output gaps and below target inflation.

Asia as a region continues to exert its dominance in global supply chains, with its share of global exports close to all-time highs of 17%—this as China climbed back to its historical peak of 15% in 2016. Strong exports growth and a positive equity outlook suggest North Asian currencies remain well placed to perform next year.

[^] Source: Legg Mason Asset Management Singapore Pte. Limited

FUND FACTS

Underlying Fund	Legg Mason Western Asset Asian Bond Trust
Fund Manager	Legg Mason Asset Management Singapore Pte. Limited
Launch Date	06 Oct 2008
CPFIS/SRS	SRS
CPFIS Risk	N.A.
Classification	
As at 31 December 2020	
Offer Price	S\$ 2.09380
Bid Price	S\$ 1.98911
Fund Size	S\$ 17.32 mil
Units in Issue	8.71 mil

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception ^A
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Asian Bond Fund	2.03	2.60	2.27	6.18	13.62	33.60	109.38
Benchmark*	1.20	1.05	1.49	5.07	7.26	10.46	72.70

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception ^A
	(%)	(%)	(%)	(%)
HSBC Insurance Asian Bond Fund	2.02	2.59	2.94	6.25
Benchmark*	1.66	1.41	1.00	4.59

* Benchmark Details:

Inception to Aug 2020 – US\$ 3-month LIBOR (hedged to S\$)

With effect from Aug 2020, the benchmark was changed to

'JPMACI INVESTMENT GRADE (CH)(SGD) -BLEND (SGD).

^AInception Date: 28 Oct 2008

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Legg Mason Western Asset Asian Bond Trust	100.81	17.46
Other assets	0.06	0.01
Other liabilities	(0.87)	(0.15)
Total	100.00	17.32

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	947,917
Redemption	2,225,471

C) Underlying Fund Disclosure (Legg Mason Western Asset Asian Bond Trust)

I Allocation by Country

Country	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
China	36.08	9.77
Hong Kong	24.82	6.72
Indonesia	8.16	2.21
Singapore	6.87	1.86
India	4.36	1.18
South Korea	3.10	0.84
Malaysia	2.55	0.69
Thailand	1.96	0.53
Others*	7.37	2.00
Cash	4.73	1.28
Total	100.00	27.08

*Includes other countries

II Allocation by Industry

Industry	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Financials	26.69	7.23
Real Estate	19.76	5.35
Miscellaneous	16.25	4.40
construction & materials	8.09	2.19
Electrical and Electronics	6.72	1.82
Oil & Gas	6.31	1.71
Government	5.28	1.43
Transportation	3.62	0.98
Hotel	1.55	0.42
Telecommunication	1.00	0.27
Cash	4.73	1.28
Total	100.00	27.08

III Allocation of Debt Securities by Credit Ratings

Rating	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
(For Debt securities portfolio only)		
Aa3	0.96	0.26
A+	2.88	0.78
A1	2.03	0.55
A	0.96	0.26
A2	6.50	1.76
A-	0.96	0.26
A3	3.06	0.83
BBB+	2.95	0.80
Baa1	12.11	3.28
BBB	4.69	1.27
Baa2	19.90	5.39
BBB-	10.78	2.92
Unrated	4.21	1.14
Others*	23.28	6.30
Cash	4.73	1.28
Total	100.00	27.08

*Includes lower rated debt securities

IV Top Ten Holdings of Underlying Fund

	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
China Aoyuan Group Ltd 7.9500% Mat 09/07/2021	3.17	0.86
Shim5.75%0321Re Mat 03/15/2021	2.36	0.64
Indo 3.5%0250 Mat 02/14/2050	2.22	0.60
Elec4.85%Perp R Mat 08/18/2099	2.14	0.58
Nan Fung Treasury III 5.0000% Mat 08/31/2099	2.10	0.57
Yuzhou Properties Co Ltd 7.9000% Mat 05/11/2021	2.07	0.56
Ccti3.625%0822R Mat 08/08/2022	2.07	0.56
Panth3.5%Perp R Mat 12/31/2049	2.07	0.56
Fuqin3.25%0625R Mat 06/23/2025	2.07	0.56
Republic Of The Philippines 3.9500% Mat 01/20/2040	1.85	0.50

Top Ten Holdings of Underlying Fund

	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
HSBC Holdings PLC SER EMTN (Reg S) Var Perpetual	4.09	1.27
Indonesia Eximbank SER OB 7.6% 15 Aug 2020	4.10	1.27
DBS Group Holdings Ltd Ser Reg S Var 11 Dec 2028	3.68	1.14
CHN Aoyuan Property Group (Reg S) 7.95% 7 Sep 2021	3.61	1.12
Yuzhou Properties Co Ltd (Reg S) 7.9% 11 May 2021	3.61	1.12
China SCE Group Holdings Ltd (Reg S) 8.75% 15 Jan 2021	3.58	1.11
Sembcorp Industries Ltd MTN Var Perp	3.26	1.01
Sembcorp Industries Ltd Ser MTN (Reg S) Var Perp	3.23	1.00
OUE CT Treasury Pte Ltd (Reg S) (BR) 3.03% 5 Sep 2020	3.23	1.00
Commonwealth Bank Australia (Reg S) (BR) Ser EMTN 4.2% 26 Oct 2020	3.16	0.98

V Exposure to Derivatives **As at 31 Dec 2020**
N.A.

VI Borrowings of Net Asset Value **As at 31 Dec 2020**
N.A.

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Asian Bond Fund		Underlying Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.36%	1.31%	1.32%	1.27%
			As at 31-Dec-20	
Turnover Ratio	9.25%	9.97%	77.50%	21.02%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of Legg Mason Western Asset Asian Bond Trust for the financial year ended 30 Dec 2020 is not available.

II Related-Party Transactions
N.A.

III Material Information that will adversely impact the valuation of the ILP sub-fund
N.A.

IV Soft Dollar Commission Arrangement
N.A.

E) Financial Statements
Refer to page 167.

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HSBC Insurance China Equity Fund

Fund Objective

HSBC Insurance China Equity Fund seeks to provide capital growth primarily through investment in equity and equity related securities of companies which are headquartered in and/or listed in or have a substantial business exposure to the People's Republic of China ("China"). Fund investments are made by way of a feeder fund through the Underlying Sub-Fund, Schroder China Opportunities Fund.

Investment and Market Review [^]

Chinese equities moved higher during the period, as news that COVID-19 vaccines were on the way provided a boost to the outlook for the world economy and spurred a significant rally in equity markets. China's economy continued to recover during the period, led mainly by investment and exports. Despite the global pandemic, exports have been holding up surprisingly well in 2020 due to strong global demand on healthcare products and China's fast resumption of industrial activities. China's solid economic recovery has also been supported by the unprecedented levels of fiscal and monetary stimulus by the government. This has, in turn, dramatically reduced bankruptcy risks and allowed investors to look through the current slump in earnings towards a more normal operating environment into 2021. Externally, earlier hopes of a win by the Democrats' Joe Biden in the US election and potentially a smoother road forward for US-China relations supported the overall sentiment of Chinese equities.

The Fund posted positive returns and outperformed the benchmark MSCI China index. Successful stock selection in the industrial and consumer discretionary sectors was the key driver behind the strong relative return. Sector allocation was also return accretive, especially the overweight positions in the technology and material sectors. At the regional level, stock selection in China contributed the most.

Market Outlook and Investment Strategy [^]

We have recently seen some rebounds in some of the stocks and sectors that were lagging in 2020. At the same time, some of the earlier 'winners' have lost momentum and lagged in the latest market rally. There remains a lot of uncertainty about the durability of this rotation. Positive news on vaccines should significantly reduce the downside risks over the next 1-2 years, and a rapid normalisation of activity could be apparent by late 2021. This would be positive for growth.

Moderating this positive outlook is that the government support that have propped up consumption may also wind down as we go into 2021. Also, while investors are keenly focused on the vaccine development, as it will determine the timing of the global recovery and alter inflation expectations, the vaccine would be more significant to countries where the pandemic is less well-controlled than it is in China. With this in mind, a vaccine may actually result in global investors changing their allocations, as they favour other economies that set to benefit more substantially.

Given this uncertainty, we remain cautious about rotating portfolios too far away from the more secular growth themes in favour of the near-term cyclical recovery trade. It does seem likely that in the coming months, performance in equity markets will be less polarized than last year. A broader range of stocks and sectors should participate in market upside as investor inflows continue to chase those firms with greater recovery potential. In this environment, we will continue to run relatively 'balanced' portfolios, without any major style bias.

[^] Source: Schroder Investment Management (Singapore) Ltd

FUND FACTS

Underlying Sub-Fund	Schroder International Opportunities Portfolio - Schroder China Opportunities Fund
Fund Manager	Schroder Investment Management (Singapore) Ltd
Launch Date	13 Nov 2003
CPFIS/SRS	SRS
CPFIS Risk Classification	N.A.

As at 31 December 2020

Offer Price	S\$ 4.21778
Bid Price	S\$ 4.00689
Fund Size	S\$ 93.13 mil
Units in Issue	23.24 mil

*Note: With effect from 31 Aug 2016, the Fund has been delisted from CPFIS

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance China Equity Fund	12.86	24.59	40.02	43.19	100.53	132.31	321.78
Benchmark*	7.66	18.52	27.28	28.26	87.82	N.A.	N.A.**

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance China Equity Fund	12.71	14.93	8.79	8.79
Benchmark*	8.65	13.44	N.A.	N.A.**

* Benchmark Details:

Inception to February 2009 – MSCI China Index

From February 2009 to March 2011 – MSCI China 10/40 Capped Net Index

From March 2011 to April 2013 – MSCI TR China Gross

With effect from April 2013, the benchmark was changed to 'MSCI TR China Net'.

** MSCI TR China Net was benchmark since April 2013; previous benchmark was MSCI China Index performance of composite Index is unavailable from 08 December 2003.

[^]Inception Date: 08 Dec 2003

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020 % of NAV	MV S\$ mil
Schroder International Opportunities Portfolio - Schroder China Opportunities Fund	100.08	93.20
Other assets	0.47	0.44
Other liabilities	(0.55)	(0.51)
Total	100.00	93.13

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	2,084,606
Redemption	10,055,168

C) Underlying Sub-Fund Disclosure (Schroder International Opportunities Portfolio - Schroder China Opportunities Fund)

I Allocation by Country

Country	As at 31 Dec 2020 % of NAV	MV S\$ mil
Luxembourg	98.41	165.67
Other net assets/(liabilities)	1.59	2.67
Total	100.00	168.34

*HSBC Insurance China Equity Fund feeds wholly into Schroder China Opportunities Fund (a feeder fund investing into a corresponding sub-fund in the Schroder International Selection Fund (SISF), an open-ended investment company incorporated in Luxembourg).

II Allocation by Industry

As at 31 Dec 2020

N.A. (The fund invests wholly into an underlying collective investment scheme.)

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

IV Top Ten Holdings of Underlying Sub-Fund*

As at 31 Dec 2020
% of NAV MV S\$ mil

Schroder International Selection Fund – China Opportunities C Accumulation Share Class	98.41	165.67
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Top Ten Holdings of Underlying Sub-Fund*

	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
Schroder International Selection Fund – China Opportunities C Accumulation Share Class	99.29	115.51

*The rest of the holdings of the underlying sub-fund are cash-in-transits and accruals.

V Exposure to Derivatives

	As at 31 Dec 2020
% of NAV	-
Market value (S\$)	-
Realised Gains / (Losses) (S\$)	(31,535)
Unrealised Gains / (Losses) (S\$)	-

VI Borrowings of Net Asset Value

	As at 31 Dec 2020
N.A.	

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance China Equity Fund		Underlying Sub-fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	2.02%	1.76%	1.69%	1.67%
			As at 31-Dec-20	
Turnover Ratio	3.23%	4.50%	16.14%	5.08%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of Schroder International Opportunities Portfolio - Schroder China Opportunities Fund for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

The Manager of the Fund is Schroder Investment Management (Singapore) Ltd. The Trustee is HSBC Institutional Trust Services (Singapore) Limited. With effect from 1 July 2020, The Hongkong and Shanghai Banking Corporation Limited replaces HSBC France, Luxembourg Branch, as the Registrar of the Fund. Both Trustee and Registrar are subsidiaries of the HSBC Group. The registration fees payable by the Fund to the Registrar has been waived by the Registrar. The management fees, net of any management fee rebates, paid to the Manager; trustee fees and valuation fees charged by the HSBC group are shown in the Statement of Total Return of the financial statements for the period ended 31 December 2020.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

The Fund invests substantially into the Schroder International Selection Fund China Opportunities. In the management of the underlying fund, the manager may enter into soft dollar commission arrangements only where there is a direct and identifiable benefit to their clients, and where the manager is satisfied that the transactions generating the soft dollar commissions are made in good faith, in strict compliance with applicable regulatory requirements and in the best interests of the underlying fund on terms that commensurate with best market practice.

In the management of the Fund, the Manager currently does not receive or enter into any soft dollar commissions or arrangements.

E) Financial Statements

Refer to page 168.

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or visit our web site at www.insurance.hsbc.com.sg.**

HSBC Insurance Chinese Equity Fund

Fund Objective

HSBC Insurance Chinese Equity Fund seeks long-term capital growth mainly through a diversified portfolio of investments in equity and equity equivalent securities of companies listed on a major stock exchange or other regulated market of the People's Republic of China ("China"), including Hong Kong SAR, as well as companies which carry out a preponderant part of their business activities in China. Fund investments are made by way of a feeder fund, which invests substantially all or all its assets in the HSBC Global Investment Funds – Chinese Equity Fund.

FUND FACTS

Underlying Sub-Fund	HSBC Global Investment Funds – Chinese Equity Fund	
Fund Manager	HSBC Global Asset Management (Singapore) Limited	
Launch Date	18 Jan 2016	
CPFIS/SRS	SRS	
CPFIS Risk Classification	N.A.	
As at 31 December 2020		
Offer Price	S\$	2.23274
Bid Price	S\$	2.12110
Fund Size	S\$	40.86 mil
Units in Issue		19.26 mil

Investment and Market Review ^

The Chinese Equity Fund rose by 25.85% over the 6 months as of Dec 31 2020 (SGD terms), while its benchmark, MSCI China 10/14 Net Total Return Index gained 22.01% (SGD terms) over the same period. Chinese equities rallied in the second half of 2020 (2H20) with expectation of a more accommodative US-China trade relationship compared to the Trump administration after Biden victory US election and a vaccine-driven global economic recovery. The unexpected suspended listing of the largest Fintech company in mainland China, Ant Group, and antitrust guidelines against the monopolistic practices in the Internet industry brought short term correction to the market in November. Vaccine development that herald an accelerating economic recovery triggered a notable Value rotation in November. The US President issued an Executive Order, which prohibits US citizens and legal entities from transacting in 31 allegedly military-backed Chinese companies, including three Chinese telecom operators, namely China Mobile, China Unicom and China Telecom.

The Chinese economy accelerated to a strong finish in 2020. Real GDP rose 6.5% YOY in Q4, beating market consensus. Full-year real GDP growth arrived at 2.3% YOY. December Purchasing Manager's Index (PMI) and trades data showed solid growth in exports and industrial production, while domestic demand (i.e. retail sales and fixed asset investment) came in below expectations. The fund outperformed the index mainly driven by successful sector allocation especially in underweighting Financials and overweighting IT. Our favourable stock selection in Industrials and Healthcare also helped.

Market Outlook and Investment Strategy ^

In 2021, we expect the macro recovery in mainland China to continue to lead global markets with a general rollout of effective vaccines. At company level, corporate earnings will be supported by an inventory restocking cycle and robust exports, which historically correlated positively with total industrial profit growth. To be sure, the consensus earnings estimates of onshore and offshore Chinese listed companies turned positive in August last year and has stayed positive since then, implying potentially more upward revisions from current levels. According to market consensus in January, the EPS growth for MSCI China is expected to rise 25% in 2021 and 15% in 2022, respectively.

In addition, we expect the Renminbi (RMB) appreciation to continue in 2021, supported by solid exports, fund inflows and a widening gap between China and US interest rates. As the RMB is expected to gain further against the greenback, foreign inflows into China's capital markets should continue.

In our view, the key theme to watch out for is the government policy in 2021. We are seeing the normalization in fiscal, monetary and credit policies, but there is no abrupt tightening. Policy tightening in the property market is likely to continue, and there is no sign of loosening in the near terms. In this benign environment, we think the key risk is whether the pace of tightening is too pre-mature or too strong, but at this moment we don't see the policymakers are tightening too aggressively given the uncertainty about the path of the global recovery.

^ Source: HSBC Global Asset Management (HK) Limited

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Chinese Equity Fund	14.28	25.72	36.52	34.35	N.A.	N.A.	112.11
Benchmark*	12.83	22.01	28.52	29.15	N.A.	N.A.	109.58

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance Chinese Equity Fund	10.34	N.A.	N.A.	16.45
Benchmark*	8.90	N.A.	N.A.	16.17

*MSCI China (10/40) Capped Net Index

[^]Inception Date: 25 Jan 2016

B) Fund Disclosure

I Allocation by Asset Class

	As at 31 Dec 2020	
Asset Class	% of NAV	MV S\$ mil
HSBC Global Investment Funds – Chinese Equity Fund	100.07	40.89
Other liabilities	(0.07)	(0.03)
Total	100.00	40.86

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	6,433,037
Redemption	2,333,610

C) Underlying Sub-Fund Disclosure (HSBC Global Investment Funds – Chinese Equity)

I Allocation by Country

	As at 31 Dec 2020	
Country	% of NAV	MV S\$ mil
A Shares (Shanghai)	28.06	510.43
P Chips (Hong Kong & China)	25.49	463.80
H Shares (Hong Kong)	16.91	307.57
Red Chips (Hong Kong)	2.88	52.38
Others*	25.00	455.00
Cash	1.66	30.19
Total	100.00	1,819.37

*Includes other countries

II Allocation by Industry

	As at 31 Dec 2020	
Industry	% of NAV	MV S\$ mil
Consumer Discretionary	36.07	656.29
Information Technology	12.10	220.22
Financials	11.14	202.75
Communication Services	11.00	200.10
Health Care	9.51	172.94
Industrials	8.61	156.67
Consumer Staples	6.21	112.98
Materials	1.70	30.85
Real Estate	0.97	17.65
Utilities	0.53	9.66
Energy	0.50	9.07
Cash	1.66	30.19
Total	100.00	1,819.37

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

IV Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Tencent Holdings Ltd	8.60	156.39
Alibaba Group Holding Ltd	7.15	130.07
Meituan-Class B	5.91	107.59
Kweichow Moutai Co Ltd-A	4.85	88.16
Ping An Insurance Group Co-H	4.25	77.38
Luxshare Precision Industr-A	4.16	75.70
New Oriental Education & Tec	4.07	73.96
Great Wall Motor Company-H	3.68	67.03
Contemporary Ampere Tech-A	3.33	60.63
Wuxi Biologics Cayman Inc	3.28	59.61

Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
Alibaba Group Holding Ltd	9.82	161.06
Tencent Holdings Ltd	9.21	151.05
Kweichow Moutai Co Ltd-A	5.53	90.71
New Oriental Education & Tec	5.04	82.72
Ping An Ins Grp Co of China Ltd	4.98	81.69
Meituan Dianping	3.96	64.90
China Merchants Bank	3.84	62.92
Luxshare Precision Industry Co	3.76	61.70
China Resources Enterprise Ltd	3.14	51.56
Sino Pharmaceutical Ltd	2.76	45.23

V Exposure to Derivatives

N.A.

As at 31 Dec 2020

VI Borrowings of Net Asset Value

N.A.

As at 31 Dec 2020

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Chinese Equity Fund		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.93%	1.94%	1.90%	1.90%
Turnover Ratio	8.18%	5.45%	1.10%	1.61%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Global Investment Funds – Chinese Equity Fund for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance Chinese Equity Fund invests S\$40.89 million, equivalent to 100.07% of its net asset value in HSBC Global Investment Funds – Chinese Equity Fund, which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to S\$132,170.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 168.

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or visit our web site at www.insurance.hsbc.com.sg.**

HSBC Insurance Emerging Markets Equity Fund

Fund Objective

HSBC Insurance Emerging Markets Equity Fund seeks to achieve capital growth primarily through investment in equity securities of emerging markets companies. Fund investments are made by way of a feeder fund, which invests substantially all, or all its assets in the Schroder Emerging Markets Fund.

Investment and Market Review [^]

Global equities registered a strong return over the 2H20, as economic growth gradually recovered from the impact of the COVID-19 pandemic. The outlook for a sustainable recovery was boosted by the discovery of effective COVID-19 vaccines. Global central banks and governments continued to provide substantial monetary and fiscal support. In the US, Congress passed a \$900 billion fiscal package. The European Union (EU) approved a €750 billion post-pandemic recovery package, which will begin distributions in 2021. The Federal Reserve's (Fed) new policy framework also supported risk appetite; the rate-setting committee will now target an average inflation rate of 2%, suggesting rates could remain low for longer. EMs equities recorded strong gains, with USD weakness amplifying gains. The MSCI EMs Index increased in value and outperformed the MSCI World Index. The fund outperformed the index (on a gross underlying basis) during the 2H20. Country allocation was positive, as was stock selection.

The overweight position to Korea, which outperformed, and zero-weight positions to Thailand, Saudi Arabia and Malaysia, all of which underperformed, added value. This was somewhat offset by the overweight position to Russia, which underperformed, and underweight position to India, which outperformed, detracting from relative returns. Cash held in a rising market also detracted. Stock selection was positive in China (o/w Midea Group and China Mengniu Dairy), Taiwan (o/w TSMC and Delta Electronics) and Korea (o/w Samsung SDI and Samsung Electronics). It was negative in India (o/w Bharti Airtel; u/w Infosys).

Market Outlook and Investment Strategy [^]

Our base case is for societal and economic normalisation across EM in 2022 with 2021 being a year of transition. Economic growth and earnings will rebound. However, we are seeing near term economic pressure from the resurgence in the virus and vaccine distribution will take time. The Democrat clean sweep provides President-elect Biden greater flexibility with regard to fiscal policy and regulation. Additional fiscal stimulus is now anticipated, which is expected to put upward pressure on the US 10 year bond yield and downward pressure on the USD. A soft dollar is typically supportive of financial conditions, nominal dollar growth, earnings and equity performance in EM. We expect US-China tensions to persist, however, Biden may adopt a more measured and potentially more multilateral approach. Global monetary and fiscal policy should remain supportive of the recovery in global growth throughout 2021. Inflation will rise in part due to base effects and recovering demand, but on a near term basis most central banks are likely to look through a near term increase in headline Consumer price Inflation (CPI). EM currencies look well supported on a near term basis. Current account deficits have narrowed or closed, economies are expected to recover and dollar liquidity is abundant.

We were rebalancing the portfolio through the 2H20, adding to cyclicals, funded from China. We are now more balanced between Growth and Value, but retain a bias to Quality and a moderate bias to Growth. Growth stocks have re-rated and could see a near term fade in earnings momentum, but many have a long term structural growth opportunity and valuations in certain areas remain reasonable. The market is looking through the near term virus stress. This bears monitoring as sentiment indicators have risen to elevated levels. In the second half of 2021 (2H21), as 2022 comes into perspective, focus may shift to the withdrawal of liquidity and how longer term monetary and fiscal policy has evolved as a result of the crisis.

[^] Source: Schroder Investment Management (Singapore) Ltd

FUND FACTS

Underlying Sub-Fund	Schroder International Choice Portfolio - Schroder Emerging Markets Fund
Fund Manager	Schroder Investment Management (Singapore) Ltd
Launch Date	06 Nov 2006
CPFIS/SRS*	SRS
CPFIS Risk Classification	N.A

As at 31 December 2020

Offer Price	S\$ 1.73519
Bid Price	S\$ 1.64843
Fund Size	S\$ 30.34 mil
Units in Issue	18.41 mil

*Note: With effect from 1 Oct 2008, the Fund has ceased to accept new monies under CPFIS.

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Emerging Markets Equity Fund	18.50	28.25	19.51	21.79	74.52	53.86	73.52
Benchmark*	15.89	24.24	16.28	18.37	70.20	47.34	81.15

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance Emerging Markets Equity Fund	6.79	11.78	4.40	3.98
Benchmark*	5.78	11.22	3.95	4.30

*MSCI Emerging Markets Index

[^]Inception Date: 21 Nov 2006

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Schroder International Choice Portfolio - Schroder Emerging Markets Fund	100.10	30.37
Other assets	0.23	0.07
Other liabilities	(0.33)	(0.10)
Total	100.00	30.34

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	852,157
Redemption	2,753,942

C) Underlying Sub-Fund Disclosure (Schroder International Choice Portfolio – Schroder Emerging Markets Fund)

I Allocation by Country

Country	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Luxembourg	99.32	166.20
Other net assets/(liabilities)	0.68	1.14
Total	100.00	167.34

*HSBC Insurance Emerging Markets Equity Fund feeds wholly into Schroder Emerging Markets Fund (a feeder fund investing into a corresponding sub-fund in the Schroder International Selection Fund (SISF), an open-ended investment company incorporated in Luxembourg).

II Allocation by Industry

As at 31 Dec 2020

N.A. (The fund invests wholly into an underlying collective investment scheme.)

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

IV Top Ten Holdings of Underlying Sub-Fund*

	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Schroder International Selection Fund - Emerging Markets A Accumulation Share Class	99.32	166.20

Top Ten Holdings of Underlying Sub-Fund*

	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
Schroder International Selection Fund - Emerging Markets A Accumulation Share Class	99.14	146.94

*The rest of the holdings of the underlying fund are cash-in-transits and accruals.

V Exposure to Derivatives	As at 31 Dec 2020
% of NAV	-
Market value (\$\$)	-
Realised Gains / (Losses) (\$\$)	(17,099)
Unrealised Gains / (Losses) (\$\$)	-

VI Borrowings of Net Asset Value	As at 31 Dec 2020
N.A.	

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Emerging Markets Equity Fund		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.62%	1.96%	1.93%	1.92%
			As at 31-Dec-20	
Turnover Ratio	5.68%	6.68%	75.67%	1.60%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of Schroder International Choice Portfolio - Schroder Emerging Markets Fund for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

The Manager of the Fund is Schroder Investment Management (Singapore) Ltd. The Trustee is HSBC Institutional Trust Services (Singapore) Limited. With effect from 1 July 2020, The Hongkong and Shanghai Banking Corporation Limited replaces HSBC France, Luxembourg Branch, as the Registrar of the Fund. Both Trustee and Registrar are subsidiaries of the HSBC Group. The management fees payable by the Fund to the Manager is currently waived by the Manager. The registration fees payable by the Fund to the Registrar has been waived by the Registrar. The trustee fees and valuation fees charged by the HSBC group are shown in the Statement of Total Return of the financial statements for the period ended 31 December 2020.

III Material Information that will adversely impact the valuation of the ILP sub-fund
N.A.

IV Soft Dollar Commission Arrangement

The Fund invests substantially into the Schroder International Selection Fund Emerging Markets. In the management of the underlying fund, the manager may enter into soft dollar commission arrangements only where there is a direct and identifiable benefit to their clients, and where the manager is satisfied that the transactions generating the soft dollar commissions are made in good faith, in strict compliance with applicable regulatory requirements and in the best interests of the underlying fund on terms that commensurate with best market practice.

In the management of the Fund, the Manager currently does not receive or enter into any soft dollar commissions or arrangements.

E) Financial Statements

Refer to page 168.

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HSBC Insurance Ethical Global Equity Fund

Fund Objective

HSBC Insurance Ethical Global Equity Fund seeks to generate capital appreciation by way of a feeder fund, which invests substantially all or all its assets into the Franklin Templeton Shariah Funds – Templeton Shariah Global Equity Fund. The Underlying Sub-Fund invests principally in Shariah-compliant equity and equity-related securities including common stocks of companies located anywhere in the world, including emerging markets.

Investment and Market Review ^

Global equities advanced in fourth quarter of 2020 (4Q20), with the bulk of gains concentrated in November following positive coronavirus vaccine trials. With the start of vaccinations, investors looked beyond spiking COVID-19 infections and continued economic shutdowns to imagine some restoration of normalcy in the not-so-distant future. Global value stocks outpaced global growth during the quarter. For the quarter, the fund's A (acc) USD shares returned 19.11%, and its benchmark, the MSCI AC World Islamic Index-NR, returned 12.50%. An overweight allocation and stock selection in communication services, and an overweight allocation in energy detracted from relative performance. Additionally, stock selection in real estate hurt relative performance. Regionally, stock selection in Europe hurt relative performance.

In the real estate sector few bargains exist in this late-cycle sector given expensive valuations and compressed capitalization rates. There are Idiosyncratic opportunities among mispriced Asian developers with catalysts.

Turning to contributors, stock selection in materials, IT, and health care contributed to relative performance.

Market Outlook and Investment Strategy ^

While we are encouraged by recent vaccine developments and are generally optimistic about their implications, much of the good news seems discounted by expensive valuations. Low interest rates may justify high valuations, but if the combination of stimulus and vaccination succeeds in reflation the global economy, rates should move higher, at least in nominal terms.

Governments burdened by debts they can never pay back cannot afford to let interest costs spike, leading us to expect continued state intervention into financial markets and the economy, with all the distortions that implies for pricing signals. The era of free markets and liberal democracy as we once knew it is likely over, in our view. The modern policy goal of engineering a permanent recovery will prove impossible.

We expect the push and pull between inflationary and deflationary forces to accelerate, cycles to compress and growth to be harder to come by.

Our continued efforts towards diversifying and upgrading the quality of the portfolio are intended to help us succeed in the challenging environment ahead. After all, uncertainty can be favourable for active investment managers with a long-term horizon and global opportunity set.

We are applying all our energies and talents to uncovering what we view as the best ideas in this environment and getting them into a sensible and balanced portfolio suitable for a future of increasing adversity and complexity.

^ Source: Templeton Asset Management Ltd.

FUND FACTS

Underlying Sub-Fund	Franklin Templeton Shariah Funds - Templeton Shariah Global Equity Fund	
Fund Manager	Templeton Asset Management Ltd.	
Launch Date	29 Sep 1995	
CPFIS/SRS	OA/SRS	
CPFIS Risk Classification	Higher Risk – Broadly Diversified	
As at 31 December 2020		
Offer Price	S\$	1.54594
Bid Price	S\$	1.46864
Fund Size	S\$	43.99 mil
Units in Issue		29.95 mil

Note: With effect from 18 Nov 2013, the underlying sub-fund of HSBC Insurance Ethical Global Equity Fund, HSBC Amanah Funds - HSBC Amanah Global Equity - Z Class was replaced with Franklin Templeton Shariah Funds – Templeton Shariah Global Equity Fund.

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Ethical Global Equity Fund	15.27	18.20	8.06	5.09	26.40	48.13	54.59
Benchmark*	8.91	14.91	9.12	20.80	49.30	99.11	N.A.**

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance Ethical Global Equity Fund	1.67	4.80	4.01	1.74
Benchmark*	6.50	8.35	7.13	N.A.**

*MSCI AC World Islamic Index - NR. The performance figures are based on the new benchmark MSCI AC World Islamic Index, due to change in the underlying sub-fund.

**Since inception figure is not available due to the change in underlying fund and following the takeover of index calculation by MSCI AC World Islamic Index on 18 November 2013.

[^]Inception Date: 04 Oct 1995

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Franklin Templeton Shariah Funds - Templeton Shariah Global Equity Fund	100.02	44.00
Other assets	0.36	0.16
Other liabilities	(0.38)	(0.17)
Total	100.00	43.99

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	391,999
Redemption	2,288,165

C) Underlying Sub-Fund Disclosure (Franklin Templeton Shariah Funds - Templeton Shariah Global Equity Fund)

I Allocation by Country

Country	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
United States	28.34	30.78
Japan	17.94	19.48
South Korea	10.54	11.45
China	8.21	8.92
Germany	6.08	6.60
France	4.85	5.27
Taiwan	3.54	3.84
Canada	3.25	3.53
Others*	13.79	14.98
Cash & Cash Equivalents	3.46	3.76
Total	100.00	108.61

*Includes other countries

II Allocation by Industry		As at 31 Dec 2020	
Industry	% of NAV	MV S\$ mil	
Information Technology	26.19	28.46	
Health Care	17.11	18.58	
Materials	17.07	18.54	
Consumer Discretionary	10.85	11.78	
Industrials	9.68	10.51	
Energy	9.23	10.02	
Communication Services	2.36	2.56	
Consumer Staples	2.05	2.23	
Utilities	2.00	2.17	
Cash & Cash Equivalents	3.46	3.76	
Total	100.00	108.61	
Information Technology	26.19	28.46	
III Allocation of Debt Securities by Credit Ratings		As at 31 Dec 2020	
N.A.			
IV Top Ten Holdings of Underlying Sub-Fund		As at 31 Dec 2020	
	% of NAV	MV S\$ mil	
Samsung Electronics Co Ltd	6.57	7.14	
Sumitomo Metal Mining Co Ltd	3.92	4.26	
Taiwan Semiconductor Manufacturing Co Ltd	3.54	3.84	
Freeport-Mcmoran Inc	2.93	3.18	
LG Chem Ltd	2.69	2.92	
Johnson & Johnson	2.69	2.92	
F5 Networks Inc	2.65	2.88	
Wheaton Precious Metals Corp	2.26	2.46	
Westinghouse Air Brake Technologies Corp.	2.25	2.44	
Total SE	2.23	2.42	
Top Ten Holdings of Underlying Sub-Fund		As at 31 Dec 2019	
	% of NAV	MV S\$ mil	
Exxon Mobil Corp	4.84	5.41	
Samsung Electronics Co Ltd	3.96	4.40	
Royal Dutch Shell Plc	3.94	4.38	
Allergan Plc	3.53	3.92	
Bp Plc	3.48	3.87	
Johnson & Johnson	3.39	3.77	
Roche Holding Ag	2.81	3.12	
Sanofi	2.55	2.83	
Total Sa	2.55	2.83	
Eni Spa	2.46	2.73	
V Exposure to Derivatives		As at 31 Dec 2020	
N.A.			
VI Borrowings of Net Asset Value		As at 31 Dec 2020	
N.A.			

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Ethical Global Equity Fund		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.73%	1.73%	1.75%	1.75%
			As at 30-Apr-20**	As at 31-Oct-19***
Turnover Ratio	1.39%	2.47%	43.37%	32.58%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of Franklin Templeton Shariah Funds - Templeton Shariah Global Equity Fund for the financial year ended 31 Dec 2020 is not available.

**Based on unaudited figure as at 30 Apr 2020 as the turnover ratio of Franklin Templeton Shariah Funds - Templeton Shariah Global Equity Fund for the financial year ended 31 Dec 2020 is not available.

***Based on audited figure as at 31 Oct 2019 as the turnover ratio of Franklin Templeton Shariah Funds - Templeton Shariah Global Equity Fund for the financial year ended 31 Dec 2019 is not available. Turnover ratio calculation is based on Luxembourg GAAP.

II Related-Party Transactions

N.A.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

For the period 1 January 2020 to 31 December 2020, The Franklin Templeton Shariah Fund - Templeton Shariah Global Equity Fund paid US\$20,445 in commission dollars generated from portfolio transactions to pay for goods or services provided by third parties under a soft dollar arrangement. All goods and services acquired with the soft dollar commission were for the benefit of the unit trust. The broker(s), who has executed trades for other funds managed by the Investment Manager, had executed the trades on best available terms and there was no churning of trades.

E) Financial Statements

Refer to page 169.

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or visit our web site at www.insurance.hsbc.com.sg.**

HSBC Insurance Ethical Global Sukuk Fund

Fund Objective

HSBC Insurance Ethical Global Sukuk Fund seeks to maximise, consistent with prudent investment management, total investment return, consisting of a combination of profit income and capital appreciation through the Franklin Templeton Shariah Funds – Franklin Global Sukuk Fund.

FUND FACTS

Underlying Sub-Fund*	Franklin Templeton Shariah Funds – Franklin Global Sukuk Fund
Fund Manager	Templeton Asset Management Ltd.
Launch Date	02 May 2002
CPFIS/SRS**	SRS
CPFIS Risk Classification	N.A.

Investment and Market Review [^]

After a mixed start to the 4Q20, markets rallied in November and December. Equity markets were strong, particularly EMs. In fixed income, EM bonds were buoyant. After a lacklustre October, market sentiment benefitted from news of three vaccines that showed efficacy against COVID 19. Markets were also bolstered by Joe Biden's victory in the US presidential election, despite the reluctance of President Donald Trump to concede. This general positivity continued into December, despite ongoing pandemic related issues in certain geographies, notably Europe and the United States (US). Another constructive factor was the agreement of a Britain Exit (Brexit) trade deal between the United Kingdom (UK) and EU towards period end. Elsewhere, China's economy continued to rebound, helped by the country's control of COVID 19 cases following the initial outbreak.

As at 31 December 2020

Offer Price	S\$ 1.32924
Bid Price	S\$ 1.26278
Fund Size	S\$ 14.25 mil
Units in Issue	11.28 mil

*Note: With effect from 18 Nov 2013, the underlying sub-fund of HSBC Insurance Ethical Global Sukuk Fund, HSBC Amanah Global Equity Index Fund was replaced with Franklin Templeton Shariah Funds – Franklin Global Sukuk Fund

**Note: With effect from 18 Nov 2013, the Fund has been delisted from CPFIS.

2020 proved to be a difficult and eventful year amid the COVID-19 pandemic and lockdowns worldwide, yet a year-end review of markets' performance suggests anything but difficulty. After the pandemic-related falls, equity markets rebounded strongly and fixed income indices performed well alongside them, benefitting from lower rates. The US 10 year Treasury yield rose 23 basis points (Bps) over the quarter, but the FTSE World Government Bond Index advanced robustly overall, gaining 2.77%. EM bonds (as measured by the JPMorgan EMs Bond Index Global Diversified (EMBIGD), which tracks hard currency EM government bonds) jumped 5.80%. Meanwhile, the Dow Jones Sukuk Index rose 1.94%, as the positive impact of tighter spreads outweighed the impact of higher benchmark yields.

Market Outlook and Investment Strategy [^]

As it stands, it looks like 2021 will also be eventful, particularly at the start of the year, amid rising COVID-19 cases and a rollout of the virus vaccines, a new US administration and the potential for improved global economic growth. Yet, although the outcomes are by no means certain, forecasters appear quite uniform in their views. We note that the collective wisdom of a broad swath of economic and strategy reports broadly favours positioning for a cyclical recovery that drives synchronized global growth as we return to normalcy, aided by vaccines, and boosted by supportive monetary and fiscal policies.

We remain positive in our outlook for several reasons: firstly, despite gains in some risk assets, we believe that EM high yield bonds still offer value and could outperform, having lagged in 2020. Secondly, there is still the potential for broad investor inflows into EMs, in our view. Thirdly, oil prices remain relatively low compared to their longer term history and the Gulf Cooperation Council (GCC) region should benefit from any potential recovery. It is also worth noting, that Sukuk markets tend to be resilient in downturns, with relatively low betas and low correlations to many risk asset classes, and these characteristics often prove to be beneficial for downside protection. In summary, we are optimistic about a likely cyclical recovery, but we remain watchful for threats to this position and continue to closely analyse tail risks that the markets may be underappreciating.

[^] Source: Templeton Asset Management Ltd.

A) Fund Performance

I Cumulative Total Returns

	3-Mth (%)	6-Mth (%)	1-Year (%)	3-Year (%)	5-Year (%)	10-Year (%)	Since Inception^ (%)
HSBC Insurance Ethical Global Sukuk Fund	(0.62)	0.02	4.09	13.44	13.81	51.55	32.92
Benchmark*	(1.31)	(0.97)	6.07	18.36	21.56	65.48	N.A.**

II Average Annual Compounded Returns

	3-Year (%)	5-Year (%)	10-Year (%)	Since Inception^ (%)
HSBC Insurance Ethical Global Sukuk Fund	4.29	2.62	4.25	1.55
Benchmark*	5.78	3.98	5.17	N.A.**

*Dow Jones Sukuk Index. The performance figures are based on the new benchmark Dow Jones Sukuk Index, due to change in the underlying sub-fund.

**The new benchmark Dow Jones Sukuk Index are not available when HSBC Insurance Ethical Global Sukuk Fund was inception.

^Inception Date: 01 Jul 2002

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020 % of NAV	MV S\$ mil
Franklin Templeton Shariah Funds - Franklin Global Sukuk Fund	100.00	14.25
Total	100.00	14.25

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	47,372
Redemption	526,385

C) Underlying Sub-Fund Disclosure (Franklin Templeton Shariah Funds - Franklin Global Sukuk Fund)

I Allocation by Country

Country	As at 31 Dec 2020 % of NAV	MV S\$ mil
United Arab Emirates	29.39	107.95
Saudi Arabia	22.83	83.83
Indonesia	14.33	52.63
Supranational	8.26	30.33
Kuwait	5.17	18.99
Qatar	5.08	18.64
Malaysia	4.06	14.91
Bahrain	2.10	7.72
Others*	3.44	12.63
Cash & Cash Equivalents	5.34	19.62
Total	100.00	367.25

*Includes other countries

II Allocation by Industry

Industry	As at 31 Dec 2020 % of NAV	MV S\$ mil
Government-Related Sovereign	29.36	107.80
Corporate Financial Institutions	24.93	91.57
Government-Related Agencies	22.16	81.38
Corporate Industrials	9.95	36.53
Government-Related Supranational	8.26	30.35
Cash & Cash Equivalents	5.34	19.62
Total	100.00	367.25

III Allocation of Debt Securities by Credit Ratings

Rating	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
AAA	2.22	8.15
AA	0.16	0.60
AA-	1.80	6.60
A+	3.00	11.03
A	16.90	62.05
A-	18.62	68.38
BBB+	1.40	5.15
BBB	20.67	75.90
BBB-	10.89	40.01
BB	2.76	10.13
B+	9.15	33.59
B	1.40	5.15
Unrated	3.43	12.61
Others*	2.26	8.28
Cash & Cash Equivalents	5.34	19.62
Total	100.00	367.25

*Includes lower rated debt securities

IV Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Perusahaan Penerbit SBSN Indonesia III, senior note, Reg S, 4.40%, 3/01/28	3.66	13.42
ARAB National Bank, sub. bond, 3.00% to 10/19/25, Reg S, FRN thereafter, 10/28/30	2.98	10.96
DP World Salaam, Perpetual Reg S, junior sub. bond, 6.00% to 1/01/26, FRN thereafter,	2.76	10.13
KSA Sukuk Ltd., senior bond, Reg S, 4.303%, 1/19/29	2.68	9.86
Saudi Electricity Global Sukuk Co. 2, senior bond, Reg S, 5.06%, 4/08/43	2.62	9.63
ICDPS Sukuk Ltd., senior note, Reg S, 1.81%, 10/15/25	2.54	9.34
SD International Sukuk II Ltd., senior note, Reg S, 6.9965%, 3/12/25	2.53	9.29
DAE Funding LLC, 3.00%, 11/16/25	2.46	9.02
Unity 1 Sukuk Ltd., senior note, Reg S, 3.86%, 11/30/21	2.20	8.07
Riyad Bank, sub. bond, Reg S, 3.174% to 2/25/25, FRN thereafter, 2/25/30	2.17	7.96

Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
Perusahaan Penerbit SBSN Indonesia III, senior note, Reg S, 4.40%, 3/01/28	5.57	12.73
Perusahaan Penerbit SBSN Indonesia III, senior note, Reg S, 4.325%, 5/28/25	3.50	7.99
Perusahaan Penerbit SBSN Indonesia III, Reg S, 4.55%, 3/29/26	3.31	7.56
QIB Sukuk Ltd., senior note, Reg S, 3.982%, 3/26/24	2.90	6.62
Saudi Electricity Global Sukuk Co. 3, senior bond, Reg S, 5.50%, 4/08/44	2.82	6.43
Saudi Electricity Global Sukuk Co. 2, senior bond, Reg S, 5.06%, 4/08/43	2.80	6.39
Nile Delta Sukuk Ltd., first lien, Reg S, 4.00%, 10/31/20	2.79	6.38
Equate Sukuk SPC Ltd., senior note, Reg S, 3.944%, 2/21/24	2.79	6.36
ESIC Sukuk Ltd., senior note, Reg S, 3.939%, 7/30/24	2.50	5.71
Perusahaan Penerbit SBSN Indonesia III, Reg S, 4.15%, 3/29/27	2.43	5.55

V Exposure to Derivatives

N.A.

As at 31 Dec 2020

VI Borrowings of Net Asset Value

N.A.

As at 31 Dec 2020

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Ethical Global Sukuk Fund		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.54%	1.54%	1.50%	1.50%
Turnover Ratio	4.80%	5.61%	As at 30-Apr-20** (4.12%)	As at 31-Oct-19*** 2.88%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of Franklin Templeton Shariah Funds - Franklin Global Sukuk Fund for the financial year ended 31 Dec 2020 is not available.

**Based on unaudited figure as at 30 Apr 2020 as the turnover ratio of Franklin Templeton Shariah Funds - Franklin Global Sukuk Fund for the financial year ended 31 Dec 2020 is not available. Turnover Calculation is based on Luxembourg GAAP.

***Based on unaudited figure as at 31 Oct 2019 as the turnover ratio of Franklin Templeton Shariah Funds - Franklin Global Sukuk Fund for the financial year ended 31 Dec 2019 is not available. Turnover Calculation is based on Luxembourg GAAP.

II Related-Party Transactions

N.A.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 169.

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HSBC Insurance Europe Dynamic Equity Fund

Fund Objective

HSBC Insurance Europe Dynamic Equity seeks to maximise long-term capital growth by investing primarily in an aggressively managed portfolio of European companies. Fund investments are made by way of a feeder fund, which invests substantially all or all its assets in the JPMorgan Funds – Europe Dynamic Fund.

Investment and Market Review ^

Not holding a position in SAP, the German software company, enhanced relative returns. The stock plunged sharply by over 20% on a single day in November after the company announced financial results for the third quarter of 2020 (3Q20), with revenue and earnings underperforming expectations. Furthermore, the firm lowered its outlook for profit for the next two years, claiming that the pandemic delayed customers from shifting to cloud services and caused other disruptions such as those to its travel expense tracking business. Our overweight position in ASM International, the Dutch semiconductor company, also contributed positively to performance. The company reported solid 3Q20 earnings, ahead of market estimates. Strong 4Q20 guidance, a robust pipeline of deliveries and a share buyback programme supported the stock price.

Not holding a position in ASML Holding, the Netherlands-based photolithography supplier to the semiconductor industry, detracted from relative returns. Investors reacted positively after the company announced better-than-estimated 3Q20 earnings, a raise in dividends, a share buyback programme and in-line guidance for the 4Q20. Our overweight position in Koninklijke Ahold Delhaize was also negative for relative returns during 4Q20. The multinational food retailer lagged the broad market as value cyclical stocks rallied on the positive COVID19 vaccine news flow.

Market Outlook and Investment Strategy ^

We are currently most overweight in capital goods and retailing. The largest underweight positions are in food beverage & tobacco and household & personal products. The largest increase at the sector level was in the capital goods sector. We added a position in Swedish industrials company Volvo during the quarter. Volvo continued its strong recent momentum, delivering an exceptional set of quarterly results, which surprised positively on margins and cash flows. Strong truck orders provided visibility and confidence for the company's outlook, prompting upgrades to consensus earnings estimates.

The largest decrease at the sector level was in the retailing sector. We sold out our position in global consumer internet group Prosus. The Dutch-listed stock had been a beneficiary of the COVID-19 pandemic, given its investment holdings in assets with end market exposure to internet and ecommerce. Following the positive vaccine announcement, we used it as a funding position for other attractive investment opportunities.

In the short term, economic growth will most likely remain uneven, coming in fits and starts depending on the path of the pandemic and the roll out of the COVID-19 vaccine. It is likely that the incoming US administration will look to normalise trade relations, and the Brexit breakthrough will also be a tailwind for businesses. It is crucial to differentiate cyclical from structural headwinds and tailwinds as the recovery takes shape in 2021.

^ Source: JPMorgan Asset Management (Singapore) Limited

FUND FACTS

Underlying Sub-Fund	JPMorgan Funds – Europe Dynamic Fund
Fund Manager	JPMorgan Asset Management (Singapore) Limited.
Launch Date	18 Jan 2016
CPFIS/SRS	SRS
CPFIS Risk Classification	N.A.

As at 31 December 2020

Offer Price	S\$ 1.43373
Bid Price	S\$ 1.36204
Fund Size	S\$ 29.05 mil
Units in Issue	21.33 mil

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Europe Dynamic Equity Fund	14.57	14.99	1.17	7.46	N.A.	N.A.	36.20
Benchmark*	11.29	11.76	(1.13)	13.88	N.A.	N.A.	52.31

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance Europe Dynamic Equity Fund	2.43	N.A.	N.A.	6.46
Benchmark*	4.43	N.A.	N.A.	8.90

*MSCI Europe Index (Total Return Net) Hedged to SGD

[^]Inception Date: 25 Jan 2016

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
JPMorgan Funds – Europe Dynamic Fund	100.00	29.05
Total	100.00	29.05

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	2,133,072
Redemption	4,585,126

C) Underlying Sub-Fund Disclosure (JPMorgan Funds – Europe Dynamic Fund)

I Allocation by Country

Country	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
United Kingdom	20.60	207.96
Germany	19.10	192.82
France	15.80	159.50
Switzerland	15.60	157.49
Sweden	5.80	58.55
Netherlands	5.20	52.50
Denmark	4.50	45.43
Italy	4.30	43.41
Others*	9.00	90.85
Cash	0.10	1.01
Total	100.00	1,009.52

*Includes other countries

II Allocation by Industry

Industry	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Capital Goods	15.70	158.49
Pharmaceuticals Biotechnology & Life Sci	8.60	86.82
Materials	8.10	81.77
Banks	7.40	74.70
Utilities	5.80	58.55
Insurance	5.20	52.50
Automobiles & Components	5.20	52.50
Semiconductors & Semiconductor Equipment	5.00	50.48
Others*	38.90	392.70
Cash	0.10	1.01
Total	100.00	1,009.52

*Includes other industries

III Allocation of Debt Securities by Credit Ratings

N.A.

As at 31 Dec 2020

IV Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Nestle	3.20	32.31
Novartis	2.70	27.26
Roche	2.40	24.23
Deutsche Telekom	2.20	22.21
ASM International	2.00	20.19
Siemens	1.90	19.18
BNP Paribas	1.80	18.17
Enel	1.80	18.17
Orsted	1.70	17.16
Schneider Electric	1.70	17.16

Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
Roche	5.10	60.52
Nestle	4.90	58.15
Novartis	4.20	49.84
Allianz	3.00	35.60
GlaxoSmithKline	2.90	34.41
Zurich Insurance	2.90	34.41
Total SA	2.60	30.85
SAP	2.50	29.67
LVMH	2.30	27.29
Linde	2.10	24.92

V Exposure to Derivatives

	As at 30 Jun 2020*
% of NAV	(0.08%)
Market value (S\$)	(738,312)
Realised Gains / (Losses) (S\$)	-
Unrealised Gains / (Losses) (S\$)	(738,312)

VI Borrowings of Net Asset Value

N.A.

As at 30 Jun 2020*

* Based on audited figures as at 30 Jun 2020 as the unaudited figures as at 31 Dec 2020 are not available.

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Europe Dynamic Equity Fund		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Jun-20*	As at 30-Jun-19**
Expense Ratio	1.84%	1.83%	1.80%	1.79%
Turnover Ratio	13.95%	16.15%	168.77%	79.57%

*Based on audited figure as at 30 Jun 2020 as the expense ratio of JPMorgan Funds - Europe Dynamic Fund for the financial year ended 31 Dec 2020 is not available.

**Based on audited figure as at 30 Jun 2019 as the expense ratio of JPMorgan Funds – Europe Dynamic Fund for the financial year ended 31 Dec 2019 is not available.

II Related-Party Transactions

N.A.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 169.

**For more information, please contact your financial consultant,
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or visit our web site at www.insurance.hsbc.com.sg.**

HSBC Insurance Global Bond Fund

Fund Objective

HSBC Insurance Global Bond Fund seeks to maximize total returns in Singapore Dollar terms over the longer term by investing in a portfolio of high quality debt securities of Singapore and major global bond markets such as the G10 countries and Australia and New Zealand. Fund investments are by way of a feeder fund, which invests substantially all or all its assets in the Legg Mason Western Asset Global Bond Trust.

Investment and Market Review ^

The rally in spread sectors continued in December despite rising COVID-19 infections and tighter restrictions aimed at containing the spread. Markets remained forward-looking as a number of vaccines with high efficacy levels began to receive regulatory approval, thus bringing forward the timing when economic activity should normalize. Further support for risk sentiment came from the approval of the EU's landmark €750 billion recovery plan, a new \$US900 billion relief package in the US, and a post-Brexit free trade agreement between the UK and the EU. Central banks continued to further support their respective economies as the European Central Bank (ECB) extended the Pandemic Emergency Purchase Program by €500 billion until at least March 2022. This led to spreads narrowing between core and peripheral European government bonds. Although the Fed committed to remain accommodative in its latest Federal Open Markets Committee meeting, US Treasury (UST) yields rose as growth and inflation expectations picked up as the fiscal package was signed into law. The UK saw renewed lockdown measures as a new strain of the virus caused a sharp rise in cases with containment measures imposed over the holiday period, including the closure of many retail, hospitality and leisure businesses adding to short-term headwinds. The strong risk-on tone saw local and hard currency EM bonds outperform. Similarly, spread sectors outperformed across all currencies. Inflation expectations rose as Organization of the Petroleum Exporting Countries (OPEC)+ decided to taper supply cuts more gradually than originally planned. The USD weakened on an improvement to the global growth outlook.

Market Outlook and Investment Strategy ^

The base case outlook is for a U-shaped global economic recovery, with an expectation that short-term growth challenges will be followed by a continuation of the global rebound thereafter. The recent sharp increase in new COVID-19 cases has led to tighter restrictions in many countries and this is likely to weigh on growth in the near term. However, recent regulatory approvals of various vaccines and an acceleration of the roll-out in many countries together with significant ongoing policy support should boost growth in the 2H21. Given this backdrop we expect central banks to remain extraordinarily accommodative, especially given ongoing subdued inflation pressures, a recognition that global growth remains fragile and the persistence of downside risks. Global portfolios remained positioned to benefit from our base case but also to withstand further market volatility, while remaining flexible enough to capture value opportunities as they emerge.

^ Source: Legg Mason Asset Management Singapore Pte. Limited

FUND FACTS

Underlying Fund	Legg Mason Western Asset Global Bond Trust
Fund Manager	Legg Mason Asset Management Singapore Pte. Limited
Launch Date	06 Oct 2008
CPFIS/SRS	OA/SA/SRS
CPFIS Risk Classification	Low to Medium Risk – Broadly Diversified
As at 31 December 2020	
Offer Price	S\$ 1.40478
Bid Price	S\$ 1.33454
Fund Size	S\$ 7.25 mil
Units in Issue	5.43 mil

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception^
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Global Bond Fund	0.96	2.14	8.15	15.00	17.60	45.14	40.48
Benchmark*	0.28	1.08	7.46	17.57	24.01	58.14	51.79

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception^
	(%)	(%)	(%)	(%)
HSBC Insurance Global Bond Fund	4.77	3.30	3.80	2.82
Benchmark*	5.54	4.40	4.69	3.47

*FTSE WGBI EX JAPAN (CH) (SGD) - BLEND (SGD)

^Inception Date: 09 Oct 2008

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020 % of NAV	MV S\$ mil
Legg Mason Western Asset Global Bond Trust	100.14	7.26
Other liabilities	(0.14)	(0.01)
Total	100.00	7.25

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	221,823
Redemption	502,393

C) Underlying Fund Disclosure (Legg Mason Western Asset Global Bond Trust)

I Allocation by Country

Country	As at 31 Dec 2020 % of NAV	MV S\$ mil
USA	41.55	145.72
Germany	11.24	39.43
Spain	7.61	26.68
Great Britain	6.46	22.65
France	6.06	21.26
Mexico	5.15	18.05
Italy	4.45	15.59
United Arab Emirates	2.83	9.94
Others*	6.93	24.33
Cash	7.72	27.08
Total	100.00	350.73

*Includes other countries

II Allocation by Industry

Industry	As at 31 Dec 2020 % of NAV	MV S\$ mil
Government	91.09	319.47
Financials	1.28	4.48
Others*	(0.09)	(0.30)
Cash	7.72	27.08
Total	100.00	350.73

*Includes other industries and a temporary negative position may be due to unsettled trade activity and/or the use of particular investment policies as allowed by the prospectus.

III Allocation of Debt Securities by Credit Ratings

Rating	As at 31 Dec 2020	
	% of NAV	MV \$ mil
Aaa	12.93	45.38
AA+	42.73	149.86
Aa1	0.40	1.41
Aa2	7.62	26.73
AA-	1.00	3.51
Aa3	7.16	25.10
A1	1.27	4.47
A	1.98	6.94
Baa1	7.61	26.68
BBB-	5.15	18.05
Baa3	4.45	15.59
Unrated	(0.02)	(0.07)
Cash	7.72	27.08
Total	100.00	350.73

IV Top Ten Holdings of Underlying Fund

	As at 31 Dec 2020	
	% of NAV	MV \$ mil
US Treasury N/B 2.125% 29/02/2024	6.94	24.38
US Treasury N/B 1.625% 15/11/2022	6.72	23.57
Bundesrepub. Deutschland (Br) 1.75% 15/02/2024	6.33	22.21
US Treasury N/B 2.250% 15/11/2024	4.50	15.78
US Treasury N/B 2% 31/10/2022	3.52	12.33
US Treasury 2.875% 15/05/2049	3.05	10.70
Bundesrepublik Deutschland Bundesanleihe (Reg S) (BR) .25% 15/02/2029	3.04	10.65
Mex Bonds Desarr Fix RT Ser M7.75% 13/11/2042	2.98	10.44
UK Treasury 4.25% 07/12/2040	2.72	9.53
Bonos Y Oblig Del Estado (Reg S) 5.9% 30/07/2026	2.57	9.02

Top Ten Holdings of Underlying Fund

	As at 31 Dec 2019	
	% of NAV	MV \$ mil
US Treasury Bond 1.625% 15/11/2022	8.35	23.33
Bundesrepub Deutschland (br) 1.75% 15/02/2024	7.54	21.04
US Treasury Bond 2.125% 29/02/2024	5.91	16.51
US Treasury Bond 2% 31/10/2022	4.39	12.26
Poland Govt Bond Ser 428 2.75% 25 /04/2028	3.77	10.52
UK Treasury 4.25% 07/12/2040	3.11	8.67
Bonos Y Oblig Del Estado (Reg S) 5.9% 30/07/2026	3.06	8.55
France (Govt of) Ser OATe FRN 25/07/2027	3.01	8.40
US Treasury Bond 0.5% 15/04/2024	2.86	7.97
Mex Bonds Desarr Fix RT Ser M 7.75% 13/11/2042	2.75	7.67

V Exposure to Derivatives

	As at 31 Dec 2020
% of NAV	(0.09%)
Market value (\$)	(304,813)
Realised Gains / (Losses) (\$)	-
Unrealised Gains / (Losses) (\$)	(304,813)

VI Borrowings of Net Asset Value

	As at 31 Dec 2020
N.A.	

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Global Bond Fund		Underlying Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	0.94%	0.93%	0.88%	0.87%
Turnover Ratio	9.67%	13.29%	As at 31-Dec-20 19.24%	51.26%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of Legg Mason Western Asset Global Bond Trust for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

N.A.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 170.

For more information, please contact your financial consultant,
call our Customer Service Hotline on 6225 6111,
or visit our web site at www.insurance.hsbc.com.sg.

HSBC Insurance Global Emerging Markets Bond Fund

Fund Objective

HSBC Insurance Global Emerging Markets Bond Fund invests for total return primarily in a diversified portfolio of Investment Grade and Non-Investment Grade rated fixed income (e.g. bonds) and other similar securities either issued by companies which have their registered office in emerging markets around the world, primarily denominated in USD, or which are issued or guaranteed by governments, government agencies and supranational bodies of emerging markets. Fund investments are made by way of a feeder fund, which invests substantially all, or all its assets in the PIMCO Emerging Markets Bond Fund.

FUND FACTS

Underlying Sub-Fund PIMCO Emerging Markets Bond Fund

Fund Manager PIMCO Global Advisors (Ireland) Limited

Launch Date 28 Jan 2013

CPFIS/SRS SRS

CPFIS Risk N.A.

Classification

As at 31 December 2020

Offer Price S\$ 1.15641

Bid Price S\$ 1.09859

Fund Size S\$ 1.98 mil

Units in Issue 1.80 mil

Investment and Market Review [^]

The 2H20 featured a rebound in economic data, vaccine approvals, more policy stimulus, and clarity on the U.S. election outcome – the joint impact of these bolstered market optimism and capped off a year of unprecedented volatility. Central banks and governments stayed the course with a bias for further support. In the U.S., Congress passed a \$900 billion pandemic relief bill as the Fed emphasized a commitment to both its low-rate policy regime through 2023 and its current pace of asset purchases. In Europe, the ECB increased its Pandemic Emergency Purchase Program by €500 billion.

U.S. equity markets largely looked past renewed lockdowns and deceleration in the pace of recovery – the Standard and Poor (S&P) 500 reached record highs and returned over 18% in 2020. Credit spreads tightened over the half, and the U.S. dollar weakened versus a broad developed market (DM) basket. Sovereign yields were largely mixed, but range-bound overall. In context of the full year, most types of broad credit spreads finished only modestly wider in 2020, though underlying dispersion was relatively high as sectors like energy remained plagued by demand concerns. Former Vice President Biden was affirmed the 26th President-elect by the Electoral College, with a Democratic majority in the House and a runoff to determine control of the Senate. Also of note, Washington hardened rhetoric and policy against China, fueling further tensions, and a U.K.-E.U. trade deal alleviated some lingering Brexit concerns.

Market Outlook and Investment Strategy [^]

PIMCO remains constructive on EMs. From a valuations point of view, EM is cheap relative to DM. EM currencies are cheap to the USD, and we expect the dollar to weaken. EM external debt, against a backdrop of diminishing attractiveness of EM IG, offers attractive opportunities in EM HY that is still lagging in recovery vs global corporate HY credit.

As for fundamentals, we think that unlike in previous bull cycles, in the year ahead, the capital flows into EM will be driven primarily by push factors: global liquidity, search for yield amid negative DM rates. With that being said, pull factors are also important. External balances have corrected meaningfully, and hardly any major EM economy is running a current account deficit. Debt servicing costs have come down thanks to record low interest rates, and a DM recovery should boost EM exports (if vaccines are distributed across EM soon after DM).

Finally, technical and capital flows should support asset prices. Portfolio flows into EM are often associated with a weaker dollar, higher commodity prices and stronger global growth. Furthermore, after -\$15bn outflows in 2020 (debt + equity), and historical precedents suggest a reversal of flows and provide another reason why we expect a supportive technical backdrop. Within the fund, we continue to focus on the higher quality part of EM where sovereigns and companies have strong balance sheets and income flows, while staying away from high yield EM names, which are fundamentally weaker.

[^] Source: PIMCO Global Advisors (Ireland) Limited

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Global Emerging Markets Bond Fund	6.11	9.37	2.04	3.75	19.15	N.A.	15.64
Benchmark*	5.39	7.72	N.A.	N.A.	N.A.	N.A.	N.A.**

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance Global Emerging Markets Bond Fund	1.24	3.57	N.A.	1.86
Benchmark*	N.A.	N.A.	N.A.	N.A.**

The performance figures are based on the new benchmark JPMorgan Emerging Markets Bond Index (EMBI) Global with effect from July 2020, due to change in the underlying sub-fund.

**Since inception figures are not available due to the change in underlying fund.

[^]Inception Date: 06 Feb 2013

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020 % of NAV	MV S\$ mil
PIMCO Emerging Markets Bond Fund Acc SGD Hedged	100.00	1.98
Total	100.00	1.98

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)
S\$

Subscription	166,391
Redemption	471,594

C) Underlying Sub-Fund Disclosure (PIMCO Emerging Markets Bond Fund Acc SGD Hedged)

I Allocation by Country

Country	As at 31 Dec 2020 % of NAV	MV S\$ mil
Mexico	8.26	573.97
Indonesia	7.20	500.32
South Africa	5.81	403.73
Brazil	5.26	365.51
Russia	5.02	348.83
Egypt	4.75	330.07
Turkey	4.69	325.90
China	3.88	269.61
Ukraine	3.19	221.67
Others*	51.94	3,609.23
Total	100.00	6,948.84

*Includes other countries

II Allocation by Industry

Industry	As at 31 Dec 2020 % of NAV	MV S\$ mil
EM External Sovereigns	57.30	3,981.93
EM External Quasi-Sovereigns	21.23	1,475.02
EM External Corporates	11.23	780.28
EM Local Sovereigns	4.78	332.07
EM Local Corporates	0.24	16.37
EM External Short Duration Instruments [^]	(0.42)	(29.14)
Others*	5.64	392.31
Total	100.00	6,948.84

*Includes other industries

[^]Negative position was due to reverse repurchase agreements

III Allocation of Debt Securities by Credit Ratings

Ratings	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
AAA	8.00	555.91
AA	11.00	764.37
A	11.00	764.37
BAA	30.00	2,084.65
BB	23.00	1,598.23
B	12.00	833.86
B-	2.00	138.98
CCC	3.00	208.47
Total	100.00	6,948.84

IV Top Ten Holdings of Underlying Sub-Fund

	As at 30 Sep 2020†	
	% of NAV	MV S\$ mil
Saudi International Bond Regs	1.22	84.71
Pemex Sr Unsec Regs **144A Exchange**	0.98	67.76
Russia Foreign Bond Sr Unsec Regs	0.81	56.47
Republic Of Argentina	0.81	56.47
Mexico Govt (Ums) Gbl Sr Nt	0.73	50.82
Republic Of Turkey Sr Unsec	0.73	50.82
Pemex Sr Unsec Regs **144A Exchange**	0.65	45.18
Pemex Sr Unsec Regs **144A Exchange**	0.65	45.18
Republic Of Argentina	0.57	39.53
Southern Gas Corridor Gov Gtd Unsec Reg	0.57	39.53

Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
Saudi Int Bond 5.000 17/04/49	2.09	81.50
Petroleos Mexico 5.350 12/02/28	1.85	72.18
Abu Dhabi Govt 3.125 30/09/49	1.84	71.77
Saudi Int Bond 5.250 16/01/50	1.67	65.35
United Mexican 4.500 22/04/29	1.57	61.27
Petroleos Mexico 6.625 15/06/35	1.51	58.99
Qatar State Of 4.817 14/03/49	1.35	52.86
Saudi Int Bond 4.375 16/04/29	1.21	47.39
Petroleos Mexico 6.350 12/02/48	1.16	45.46
Dominican Republ 6.500 15/02/48	1.16	45.18

V Exposure to Derivatives

As at 31 Dec 2020	
% of NAV	12.40%
Market value (S\$)	861,655,647
Realised Gains / (Losses) (S\$)	-
Unrealised Gains / (Losses) (S\$)	-

VI Borrowings of Net Asset Value

As at 31 Dec 2020
N.A.

† Based on unaudited figures as at 30 Sep 2020 as the unaudited figures as at 31 Dec 2020 are not available.

D) Other Disclosure Items

I) Expense/Turnover Ratios	HSBC Insurance Global Emerging Markets Bond Fund		Underlying Sub-Fund[^]	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Jun-20*	As at 31-Dec-19
Expense Ratio	1.69%	1.66%	1.65%	1.63%
			As at 31-Dec-19**	
Turnover Ratio	119.17%	16.92%	66.00%	1.45%

*Based on unaudited figure as at 30 Jun 2020 as the expense ratio of PIMCO Emerging Markets Bond Fund Acc SGD Hedged for the financial year ended 31 Dec 2020 is not available.

**Based on audited figure as at 31 Dec 2019 as the turnover ratio of PIMCO Emerging Markets Bond Fund Acc SGD Hedged for the financial year ended 31 Dec 2020 is not available.

[^]The underlying fund was replaced from HSBC GIF Global Emerging Markets Bond Fund to PIMCO Emerging Markets Bond Fund Acc SGD Hedged with effect from 20 July 2020.

II Related-Party Transactions

N.A.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 170.

For more information, please contact your financial consultant,
call our Customer Service Hotline on 6225 6111,
or visit our web site at www.insurance.hsbc.com.sg.

HSBC Insurance Global Emerging Markets Equity Fund

Fund Objective

HSBC Insurance Global Emerging Markets Equity Fund seeks to provide long-term capital growth by investing primarily in emerging market companies. Fund investments are made by way of a feeder fund, which invests substantially all or all its assets in the JPMorgan Funds – Emerging Markets Equity.

Investment and Market Review [^]

Stock selection in China added to performance in the period. WuXi Biologics was a leading contributor. The company's state-of-the-art facilities and a strong set of integrated services remain key advantages that have driven significant gains in market share this year. WuXi recently announced plans to expand production capacity in Europe, leasing a plant in Germany to manufacture drug substances for COVID-19 vaccines and other biologics. In India, stock selection and the portfolio's longstanding overweight drove performance. Our position in Housing Development Finance Corp (HDFC), a leading mortgage lender, was a top contributor in the quarter. Improvements in economic data, prompting broader investor optimism, and easing concerns over the fragility of the economic recovery have aided HDFC's performance. Additionally, HDFC Bank contributed to returns during the quarter.

Stock selection in Brazil was a headwind to performance in the period. XP Inc., a leading technology-driven financial services platform, detracted from returns. The share price underperformed a rising market, giving back some of its relative outperformance this year following Itau Unibanco's announcement that it would sell part of its stake in XP and spin off its remaining position into a separate company. In Belarus, EPAM Systems, a software services developer, underperformed a strongly rising market. There has been no change in our view of the company where growth looks to be constrained by supply rather than demand. This leaves long-term estimates of 20%+ organic revenue growth and steady margins over the next five years intact as businesses accelerate their moves online.

Market Outlook and Investment Strategy [^]

The fund uses our comprehensive research platform to identify high-quality businesses that compound earnings sustainably over long periods, resulting in a long-term, high-conviction portfolio with a quality and growth bias.

How long COVID-19 persists as a health risk is crucial for economies and financial markets. Medical developments could mean a path to normality is possible in 2021. A growing list of DM and EM economies are discussing vaccination plans. However, speeds of vaccine roll-outs differ greatly and uncertainties still remain, especially in the near term.

Valuations are slightly above average, but earnings revisions are turning positive across a broader range of sectors. The path of the dollar will be key, as it has weakened considerably over the past quarter. Further weakness would provide support to EM equities.

[^] Source: JPMorgan Asset Management (Singapore) Limited

FUND FACTS

Underlying Sub-Fund	JPMorgan Funds – Emerging Markets Equity Fund
Fund Manager	JPMorgan Asset Management (Singapore) Limited.
Launch Date	18 Jan 2016
CPFIS/SRS	SRS
CPFIS Risk Classification	N.A.
As at 31 December 2020	
Offer Price	S\$ 2.44295
Bid Price	S\$ 2.32080
Fund Size	S\$ 20.25 mil
Units in Issue	8.73 mil

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception ^A
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Global Emerging Markets Equity Fund	18.18	31.70	29.99	42.46	N.A.	N.A.	132.08
Benchmark*	15.89	24.24	16.28	18.37	N.A.	N.A.	86.44

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception ^A
	(%)	(%)	(%)	(%)
HSBC Insurance Global Emerging Markets Equity Fund	12.52	N.A.	N.A.	18.84
Benchmark*	5.78	N.A.	N.A.	13.63

*MSCI Emerging Markets Index (Total Return Net)

^AInception Date: 16 Feb 2016

B) Fund Disclosure

I Allocation by Asset Class

	As at 31 Dec 2020	
Asset Class	% of NAV	MV S\$ mil
JPMorgan Funds – Emerging Markets Equity Fund	100.00	20.25
Total	100.00	20.25

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	2,439,693
Redemption	817,760

C) Underlying Sub-Fund Disclosure (JPMorgan Funds – Emerging Markets Equity Fund)

I Allocation by Country

	As at 31 Dec 2020	
Country	% of NAV	MV S\$ mil
China	45.30	7,597.22
India	16.40	2,750.43
Taiwan	6.90	1,157.19
South Korea	6.60	1,106.88
Brazil	6.00	1,006.25
Singapore	3.30	553.44
Argentina	2.90	486.36
Belarus	2.60	436.04
Others*	9.00	1,509.39
Cash	1.00	167.71
Total	100.00	16,770.91

*Includes other countries

II Allocation by Industry

	As at 31 Dec 2020	
Industry	% of NAV	MV S\$ mil
Financials	22.50	3,773.46
Consumer Discretionary	22.00	3,689.60
Information Technology	21.00	3,521.89
Consumer Staples	10.80	1,811.26
Communication Services	10.30	1,727.40
Industrials	5.20	872.09
Health Care	4.00	670.84
Energy	1.50	251.56
Others*	1.70	285.10
Cash	1.00	167.71
Total	100.00	16,770.91

*Includes other industries

III Allocation of Debt Securities by Credit Ratings **As at 31 Dec 2020**
N.A.

IV Top Ten Holdings of Underlying Sub-Fund	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Samsung Electronics	5.20	872.08
Taiwan Semiconductor	5.20	872.09
Alibaba	4.70	788.23
Tencent	3.80	637.29
HDFC Bank	3.50	586.98
Sea	3.30	553.44
HDFC	3.10	519.90
WuXi Biologics	2.90	486.36
MercadoLibre	2.90	486.36
Meituan	2.80	469.59

Top Ten Holdings of Underlying Sub-Fund	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
Alibaba	5.60	644.01
AIA	4.40	505.99
HDFC	4.30	494.49
Tencent	4.20	482.99
HDFC Bank	4.10	471.49
Taiwan Semiconductor	4.10	471.49
Samsung Electronics	4.00	459.99
Ping An Insurance	2.40	276.00
Sberbank of Russia	2.20	253.00
Techtronic Industries	2.00	230.00

V Exposure to Derivatives	As at 30 Jun 2020*
% of NAV	0.01%
Market value (S\$)	1,004,503
Realised Gains / (Losses) (S\$)	-
Unrealised Gains / (Losses) (S\$)	1,004,503

VI Borrowings of Net Asset Value **As at 30 Jun 2020***
N.A.

* Based on audited figures as at 30 Jun 2020 as the unaudited figures as at 31 Dec 2020 are not available.

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Global Emerging Markets Equity Fund		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Jun-20*	As at 30-Jun-19**
Expense Ratio	1.84%	1.84%	1.80%	1.80%
			As at 31-Dec-20	As at 31-Dec-19
Turnover Ratio	11.11%	6.72%	17.05%	25.90%

*Based on audited figure as at 30 Jun 2020 as the expense ratio of JPMorgan Funds - Emerging Markets Equity Fund for the financial year ended 31 Dec 2020 is not available.

**Based on audited figure as at 30 Jun 2019 as the expense ratio of JPMorgan Funds – Emerging Markets Equity Fund for the financial year ended 31 Dec 2019 is not available.

II Related-Party Transactions
N.A.

III Material Information that will adversely impact the valuation of the ILP sub-fund
N.A.

IV Soft Dollar Commission Arrangement
N.A.

E) Financial Statements

Refer to page 170.

**For more information, please contact your financial consultant,
call our Customer Service Hotline on 6225 6111,
or visit our web site at www.insurance.hsbc.com.sg.**

HSBC Insurance Global Equity Fund

Fund Objective

HSBC Insurance Global Equity Fund seeks to achieve long-term growth of capital by investing in a portfolio of equity securities. Fund investments are made by way of a feeder fund, which invests substantially all, or all its assets in the AllianceBernstein - Global Equity Blend Portfolio.

Investment and Market Review [^]

Global equity markets advanced in the six-month period ended December 31, 2020, rising 23.0%, as measured by the MSCI World Index; year to date (YTD), the index is up 15.9%, all in US-dollar terms. Global equity markets advanced in the six-month period ended December 31, 2020, rising 23.0%, as measured by the MSCI World Index; YTD, the index is up 15.9%, all in US-dollar terms. Global equities recovered from lows triggered by the COVID-19 pandemic and recorded positive returns for the six-month period. Global economies rebounded from record GDP contractions, supported by extensive monetary and fiscal stimulus, expedited vaccine development, and improving economic data. Favorable news about the efficacy of coronavirus vaccination candidates helped offset market volatility prompted by an inability to control the spread of the virus in many countries, a potentially contested US presidential election and lack of additional US fiscal stimulus. At the end of the period—despite surging infection rates and the emergence of a seemingly more transmissible strain of the virus—optimism over the start of vaccine distribution, clarity following the US elections, and passage of both a US relief package and a post-Brexit trade deal fueled a broad-based rally. For the six-month period, small-cap stocks outperformed large-cap stocks significantly, while growth stocks outperformed value stocks by a wide margin in both the large- and small-cap categories.

Market Outlook and Investment Strategy [^]

We expect increased stability in 2021. With the US Presidential election behind us and Brexit having come to a conclusion, geopolitical concerns have receded. We are also seeing encouraging signs in the battle against COVID-19, with progress on both vaccines and treatments likely to accelerate into the year. Furthermore, the economy has shown some signs of an early recovery. However, concerns remain as COVID-19 cases in the US and Europe remain elevated and lockdowns are threatened to curb the spread.

The exceptional levels of style volatility we've seen are likely to persist as valuation spreads at historically wide levels continue to pull against immense economic uncertainty.

We find that in volatile market environments, overtrading could potentially lead to underperformance. Maintaining a strategic view on exposures to long-term cash flows is important in these environments. Our balanced style approach helps our portfolio perform well across a variety of economic environments and provides a more consistent premium. Not only do we continue to hold high-quality growth companies that should perform well in this low-growth environment, but we also are able to find companies trading at extremely attractive valuations.

Across our equity services, we believe that an active investment approach with differentiated research and high conviction can achieve superior long-term results, even if uncertainty increases in the short term.

[^] Source: AllianceBernstein (Luxembourg) S.à r.l.

FUND FACTS

Underlying Fund AllianceBernstein- Global Equity Blend Portfolio
Fund Manager AllianceBernstein (Luxembourg) S.à r.l.

Launch Date 06 Oct 2008
CPFIS/SRS* SRS
CPFIS Risk N.A.

Classification

As at 31 December 2020

Offer Price	S\$ 2.24164
Bid Price	S\$ 2.12956
Fund Size	S\$ 77.53 mil
Units in Issue	36.41 mil

*Note: With effect from 31 Aug 2016, the Fund has been delisted from CPFIS

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Global Equity Fund	11.56	19.72	18.48	28.37	58.67	113.79	124.16
Benchmark*	10.33	16.53	13.92	33.59	65.60	164.40	220.09 [^]

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance Global Equity Fund	8.68	9.67	7.89	6.83
Benchmark*	10.13	10.61	10.21	10.03 [^]

*MSCI World Net Index (in S\$)

**Performance of the benchmark is measured from closest month-end after inception through 31 December 2018

[^]Inception Date: 16 Oct 2008

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
AllianceBernstein - Global Equity Blend Portfolio, S1 class	100.15	77.65
Other assets	0.30	0.23
Other liabilities	(0.45)	(0.35)
Total	100.00	77.53

II Fund Movement

(01 Jul 2020 - 31 Dec 2020))

	S\$
Subscription	661,717
Redemption	4,054,826

C) Underlying Sub-Fund Disclosure (AllianceBernstein- Global Equity Blend Portfolio)

I Allocation by Country

Country	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
United States	53.43	82.85
Japan	4.57	7.08
Netherlands	4.53	7.02
France	4.02	6.24
United Kingdom	3.91	6.06
Denmark	3.44	5.34
Ireland	3.21	4.98
Switzerland	3.21	4.97
Germany	2.69	4.17
Others*	16.99	26.34
Total	100.00	155.05

*Includes other countries and other assets less liabilities

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Global Equity Fund		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 31-Aug-20*	As at 31-Aug-19**
Expense Ratio	1.74%	1.74%	0.80%	0.80%
Turnover Ratio	2.44%	2.78%	50.82%	42.68%

*Based on audited figures as at 31 Aug 2020 as the expense and turnover ratios of AllianceBernstein - Global Equity Blend Portfolio for the financial year ended 31 Dec 2020 are not available.

**Based on audited figures as at 31 Aug 2019 as the expense and turnover ratios of AllianceBernstein - Global Equity Blend Portfolio for the financial year ended 31 Dec 2019 are not available.

II Related-Party Transactions

N.A.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

For the period ended 31 December 2020, the Investment Manager does receive and has entered into soft-dollar commissions/arrangements with brokers relating to portfolios of the Underlying Fund that invest in equity securities, in respect of which certain goods and services used to support the investment decision making process were received. The soft commission arrangements were entered into on the basis that the execution of transactions on behalf of the Underlying Fund will be consistent with best execution standards and brokerage rates will not be in excess of customary institutional full-service brokerage rates. The goods and services received include specialist industry, company and consumer research, portfolio and market analysis and computer software used for the delivery of such services.

The nature of the goods and services received is such that the benefits provided under the arrangement must be those which assist in the provision of investment services to the Underlying Fund and may contribute to an improvement in the Underlying Fund's performance.

For the avoidance of doubt, such goods and services do not include travel, accommodations, entertainment, general administrative goods or services, general office equipment or premises, membership fees, employees' salaries or direct money payments. Disclosure of soft commission arrangements will be made in the periodic reports of the Underlying Fund.

E) Financial Statements

Refer to page 171.

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call our Customer Service Hotline on 6225 6111,
or visit our web site at www.insurance.hsbc.com.sg.**

HSBC Insurance Global Equity Portfolio Fund

Fund Objective

The Fund aims to provide long term total return by investing in a portfolio of developed market equities.

Invests in normal market conditions a minimum of 90% of its net assets in equities and equity equivalent securities of companies which are domiciled in, based in, carry out the larger part of their business activities in or are listed on a Regulated Market in, developed markets such as OECD countries. The Underlying Sub-Fund may also invest in eligible closed-ended Real Estate Investment Trusts (REITs).

Investment and Market Review [^]

Global equity markets rose in 2H20 of the year continuing to recover from the lows seen in March. In Q3, economies have continued to recover as COVID-19 containment measures were eased in light of slowing infection rates. US equities were the top performers amid accommodative monetary policy and positive macro data with unemployment figures coming lower than expected. Global equities continued their strong performance in Q4, with Investors returning to risky assets following positive COVID-19 vaccine developments from Pfizer and BioNTech, Moderna and AstraZeneca. The positive sentiment was further boosted by a \$900bn fiscal deal in the US.

On a 6-month basis, the fund outperformed its market cap weighed index. Both our asset allocation and stock selection contributed to performance. On a sector basis, our overweight allocations to Industrials and Consumer Discretionary coupled with our underweight exposures to Health Care and Real Estate contributed to performance. Conversely, our overweight allocations to Consumer Staples and Energy coupled with an underweight exposure to IT weighed on performance. On a country basis, our overweight allocations to Luxembourg, Sweden and the Netherlands coupled with an underweight exposure to Switzerland contributed to performance. Conversely, our overweight allocations to Germany and the UK coupled with an underweight exposure to the US weighed on performance. At the stock level, underweighting Microsoft Corp (IT, USA) coupled with overweighting General Electric (Industrials, USA) and Fedex Corp (Industrials, USA) contributed to performance. Conversely, overweighting Telefonica SA (Communication Services, Spain) coupled with underweighting Tesla Inc (Consumer Discretionary, USA) and Apple Inc (IT, USA) weighed on performance.

Market Outlook and Investment Strategy [^]

HSBC Economic Scale strategy aims to outperform the market cap index in the long run by using an alternatively weighting scheme which uses the contribution to Gross National Product (GNP). The strategy has implicit biases towards small cap and value stocks, which rallied in Q4.

Global growth prospects have materially improved on the back of recent vaccine developments. Substantial policy easing has reduced downside tail risks, while global geopolitical uncertainty is beginning to edge lower. However, there is still uncertainty about the timeline around vaccine rollouts and thus the speed of the recovery. Policy mistakes are also possible, including a premature withdrawal of fiscal support. Higher government bond yields also pose a risk to current pricing.

[^] Source: HSBC Global Asset Management (HK) Limited

FUND FACTS

Underlying Sub-Fund

HSBC Global Investment Funds – Economic Scale Global Equity Fund
HSBC Global Asset Management (Singapore) Limited

Fund Manager

Launch Date

18 Jan 2016

CPFIS/SRS

SRS

CPFIS Risk

N.A.

Classification

As at 31 December 2020

Offer Price

S\$ 1.53994

Bid Price

S\$ 1.46294

Fund Size

S\$ 14.29 mil

Units in Issue

9.77 mil

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Global Equity Portfolio Fund	14.30	18.24	2.46	10.40	N.A.	N.A.	46.29
Benchmark*	10.25	16.44	13.78	33.49	N.A.	N.A.	82.38

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance Global Equity Portfolio Fund	3.35	N.A.	N.A.	8.11
Benchmark*	10.11	N.A.	N.A.	13.00

*Benchmark Details:

Inception to October 2017 - HSBC Economic Scale Index World

With effect from October 2017, the benchmark was changed to 'MSCI World Net'.

[^]Inception Date: 02 Feb 2016

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020 % of NAV	MV S\$ mil
HSBC Global Investment Funds - Economic Scale Global Equity Fund	99.93	14.28
Other assets	0.28	0.04
Other liabilities	(0.21)	(0.03)
Total	100.00	14.29

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	1,665,087
Redemption	1,910,474

C) Underlying Sub-Fund Disclosure (HSBC Global Investment Funds - Economic Scale Global Equity Fund)

I Allocation by Country

Country	As at 31 Dec 2020 % of NAV	MV S\$ mil
United States	45.66	63.31
Japan	11.58	16.06
France	7.54	10.46
United Kingdom	7.36	10.20
Germany	6.87	9.53
Canada	3.28	4.55
Switzerland	2.47	3.43
Spain	2.14	2.97
Others*	12.45	17.24
Cash	0.65	0.90
Total	100.00	138.65

*Includes other countries

II Allocation by Industry		As at 31 Dec 2020	
Industry	% of NAV	MV S\$ mil	
Financials	17.60	24.40	
Industrials	15.59	21.61	
Consumer Discretionary	12.79	17.74	
Consumer Staples	9.95	13.80	
Information Technology	9.91	13.74	
Communication Services	9.16	12.70	
Health Care	8.40	11.65	
Materials	5.79	8.03	
Energy	5.08	7.04	
Utilities	3.83	5.31	
Real Estate	1.25	1.73	
Cash	0.65	0.90	
Total	100.00	138.65	

III Allocation of Debt Securities by Credit Ratings	As at 31 Dec 2020
N.A.	

IV Top Ten Holdings of Underlying Sub- Fund		As at 31 Dec 2020	
	% of NAV	MV S\$ mil	
Walmart Inc	1.69	2.34	
Apple Inc	1.09	1.51	
JPMorgan Chase & Co	0.82	1.14	
General Electric Co	0.82	1.14	
Wells Fargo & Co	0.82	1.13	
Volkswagen AG	0.81	1.12	
AT&T Inc	0.79	1.09	
Royal Dutch Shell PLC	0.76	1.06	
Bank of America Corp	0.74	1.03	
NTT	0.62	0.86	

Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
Walmart Inc	1.74	3.61
Apple Inc	0.99	2.03
General Electric Co	0.88	1.82
AT&T Inc	0.79	1.63
Wells Fargo & Co	0.75	1.54
JP Morgan Chase & Co	0.73	1.50
Royal Dutch Shell PLC	0.73	1.50
Volkswagen AG	0.67	1.38
Bank of America Corp	0.65	1.33
Nippon Telegraph & Tel Corp	0.62	1.27

V Exposure to Derivatives	As at 31 Dec 2020
% of NAV	0.07%
Market value (S\$)	102,834
Realised Gains / (Losses) (S\$)	229,631
Unrealised Gains / (Losses) (S\$)	22,905

VI Borrowings of Net Asset Value	As at 31 Dec 2020
N.A.	

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Global Equity Portfolio Fund		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	0.99%	0.99%	0.95%	0.95%
Turnover Ratio	18.42%	5.16%	As at 31-Dec-20 0.19%	0.25%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Global Investment Funds - Economic Scale Global Equity Fund for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance Global Equity Portfolio Fund invests S\$14.28 million, equivalent to 99.93% of its net asset value in HSBC Global Investment Funds - Economic Scale Global Equity Fund, which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to S\$20,093.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 171.

**For more information, please contact your financial consultant,
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HSBC Insurance Global Equity Volatility Focused Fund

Fund Objective

HSBC Insurance Global Equity Volatility Focused Fund aims to provide long term total return by investing in a portfolio of equities worldwide. The Fund invests in normal market conditions a minimum of 90% of its net assets in equities and equity equivalent securities of companies domiciled or operating in both developed markets, such as OECD countries, and Emerging Markets. It may also invest in eligible closed-ended Real Estate Investment Trusts (REITS). Fund investments are made by way of a feeder fund, which invests substantially all or all its assets in the HSBC Global Investment – Global Equity Volatility Focused.

FUND FACTS

Underlying Sub-Fund	HSBC Global Investment Funds – Global Equity Volatility Focused Fund		
Fund Manager	HSBC Global Asset Management (Singapore) Limited		
Launch Date	18 Jan 2016		
CPFIS/SRS	SRS		
CPFIS Risk Classification	N.A.		
As at 31 December 2020			
Offer Price	S\$	1.56786	
Bid Price	S\$	1.48947	
Fund Size	S\$	5.43	mil
Units in Issue		3.65	mil

Investment and Market Review ^

The period started with Global equities sustaining their strong momentum from Q2 with economies continuing to recover as COVID-19 containment measures were eased in light of slowing infection rates. Moving into the 4Q20, global equities continued to rebound from the lows seen in March.

Investors returned to risk assets following positive COVID-19 vaccine developments from Pfizer and BioNTech, Moderna and AstraZeneca. The positive sentiment was further boosted by a \$900bn fiscal deal in the US.

The fund marginally underperformed over the period. At the stock level, detractors included SAP, which fell after the company cut its revenue forecast for the year given fall in demand amid lockdown measures. Furthermore, Phillips 66, a US-based energy company, fell as oil prices saw a pullback in the 1Q20.

Contributors included Infineon, which rose with other semi manufacturers on the shift to working from home and the increased demand for cloud services. Additionally, Orsted, a Denmark-based offshore wind developer and operator, rose as investor interest for decarbonisation investment plays accelerated in the background of more supportive renewable energy commitments in Europe and China. Allocation effects, residual to stock selection were negative. At the sector level an underweight exposure to Consumer Discretionary was headwind, as to was an overweight exposure to the UK.

Market Outlook and Investment Strategy ^

While the COVID-19 pandemic represents a very significant challenge for the global economy, our measure of the global equity risk premium (excess return over cash) continues to look favourable. Market volatility will remain high and corporate profits will be under pressure from stoppages in economic activity to contain the COVID-19 virus, however, improved growth prospects on the back of vaccine developments and a much looser global policy setting has kept long-term prospective returns attractive.

However, investors should be aware of the risks. Is still uncertainty about the timelines around vaccine rollouts and thus the speed of the economic recovery. Global corporate earnings growth is expected to still be impacted by regional restrictions and requires close monitoring. Policy mistakes are also possible, including premature withdrawal of fiscal support. Higher government bond yields also pose a risk to current pricing.

The global equity portfolio aim is to deliver diversified global equity exposure, balancing return potential and risk exposure, by investing in companies with an attractive combination of profitability and valuation. These quality companies typically have sustainable business models, strong balance sheets and good management.

^ Source: HSBC Global Asset Management (HK) Limited

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Global Equity Volatility Focused Fund*	14.96	22.83	9.88	22.76	N.A.	N.A.	48.95

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance Global Equity Volatility Focused Fund *	7.07	N.A.	N.A.	8.44

*This fund has no benchmark.

[^]Inception Date: 01 Feb 2016

B) Fund Disclosure

I Allocation by Asset Class

	As at 31 Dec 2020	
Asset Class	% of NAV	MV S\$ mil
HSBC Global Investment Funds – Global Equity Volatility Focused	100.00	5.43
Total	100.00	5.43

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	288,655
Redemption	954,081

C) Underlying Sub-Fund Disclosure (HSBC Global Investment Funds - Global Equity Volatility Focused)

I Allocation by Country

	As at 31 Dec 2020	
Country	% of NAV	MV S\$ mil
United States	44.78	84.85
United Kingdom	12.42	23.53
Germany	8.90	16.86
Japan	5.73	10.85
France	4.08	7.73
Mainland China	3.50	6.64
Korea	3.23	6.12
Portugal	2.56	4.85
Others*	14.09	26.69
Cash	0.71	1.35
Total	100.00	189.47

*Includes other countries

II Allocation by Industry

	As at 31 Dec 2020	
Industry	% of NAV	MV S\$ mil
Information Technology	24.23	45.88
Industrials	16.28	30.85
Financials	14.17	26.85
Health Care	11.01	20.87
Consumer Staples	7.82	14.82
Communication Services	7.22	13.68
Utilities	6.25	11.84
Consumer Discretionary	5.00	9.48
Materials	4.47	8.47
Energy	2.58	4.88
Real Estate	0.26	0.50
Cash	0.71	1.35
Total	100.00	189.47

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

IV Top Ten Holdings of Underlying Sub-Fund

As at 31 Dec 2020

	% of NAV	MV S\$ mil
Apple Inc	3.42	6.48
Walt Disney Co/The	3.11	5.90
Infineon Technologies AG	2.93	5.56
Capgemini SE	2.67	5.05
EDP - Energias de Portugal SA	2.56	4.85
Ferguson PLC	2.56	4.85
Accenture PLC	2.50	4.74
IQVIA Holdings Inc	2.49	4.71
Microsoft Corp	2.44	4.63
Home Depot Inc/The	2.40	4.54

Top Ten Holdings of Underlying Sub-Fund

As at 31 Dec 2019

	% of NAV	MV S\$ mil
Apple Inc	2.78	5.62
Munchener Ruckvers AG	2.41	4.89
Microsoft Corp	2.41	4.89
Masco Corp	2.33	4.72
Nestle SA	2.18	4.42
Accenture PLC	2.17	4.40
United Technologies Corp	2.15	4.36
Walt Disney Co	2.15	4.36
Home Depot Inc	2.12	4.30
Phillips 66	2.11	4.27

V Exposure to Derivatives

As at 31 Dec 2020

% of NAV	0.97%
Market value (S\$)	1,842,910
Realised Gains / (Losses) (S\$)	3,365,236
Unrealised Gains / (Losses) (S\$)	1,377,132

VI Borrowings of Net Asset Value

As at 31 Dec 2020

N.A.

D) Other Disclosure Items

I Expense/Turnover Ratios

HSBC Insurance Global Equity Volatility Focused Fund

Underlying Sub-Fund

	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.91%	1.91%	1.87%	1.88%
Turnover Ratio	9.57%	10.16%	0.55%	0.22%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Global Investment Funds – Global Equity Volatility Focused for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance Global Equity Volatility Focused Fund invests S\$5.43 million, equivalent to 100.00% of its net asset value in HSBC Global Investment Funds – Global Equity Volatility Focused, which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to S\$19,776.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 171.

**For more information, please contact your financial consultant,
call our Customer Service Hotline on 6225 6111,
or visit our web site at www.insurance.hsbc.com.sg.**

HSBC Insurance Global High Income Bond Fund

FUND FACTS

Fund Objective

HSBC Insurance Global High Income Bond Fund invests for high income primarily in a diversified portfolio of higher yielding fixed income bonds and other similar securities from around the world denominated in a range of currencies. This may include Investment Grade bonds, high yield bonds and Asian and Emerging Markets debt instruments. Fund investments are made by way of a feeder fund, which invests substantially all or all its assets in the HSBC Global Investment Funds – Global High Income Bond Fund.

Underlying Sub-Fund

HSBC Global Investment Funds – Global High Income Bond Fund

Fund Manager

HSBC Global Asset Management (Singapore) Limited

Launch Date

18 Jan 2016

CPFIS/SRS

SRS

CPFIS Risk

N.A.

Classification

As at 31 December 2020

Offer Price

S\$ 1.35701

Bid Price

S\$ 1.28916

Fund Size

S\$ 5.78 mil

Units in Issue

4.48 mil

Investment and Market Review ^

The strategy delivered positive absolute performance over the period gross of fees. Overall the fund saw positive contribution to return across all asset classes. From an asset class perspective US IG and US HY were the best performing segments over the period while the Securitized Credit and EUR credit bonds lagged somewhat. All segment except EUR credit outperformed their investment universes.

Q3 started with risk assets continuing to perform and credit markets continued to enjoy spread tightening through August driven by good economic data and better than expected corporate earnings as well as positive vaccine news flow. Risk assets sold off in September and credit spreads widened ending a tightening streak which lasted 5 months. Concerns over rising infection rates from a 2nd wave and a slowing recovery sparked volatility as asset valuations looked less attractive following their run up in the recovery. Despite rising infection rates, increased hospitalizations and a return to lockdown measures in many parts of the world, market sentiment remained positive in Q4 as better than expected corporate earnings, strong economic data, the conclusion to the US presidential election and positive COVID-19 vaccine news prevailed in the minds of investors. This saw credit spreads move considerably tighter as risk asset rallied to new highs.

Market Outlook and Investment Strategy ^

In the short term however we expect there could be volatility as infection rates increase and vaccine efficacy against new virus strains is tested. For Investment Grade, while we still see the technical of government support remaining a positive for spreads in 2021, we have started to reduce beta into market strength given that spreads are touching historically tight valuations. We continue to focus on credits and sectors where we still see room for further compression. In High Yield spreads are also close to historically tight levels and we expect markets to be somewhat range bound near term. Default rates are now less of a concern as credit fundamentals are improving. We continue to rotate out of names that have outperformed to provide additional capacity for when markets sell off so we can rotate into names that have lagged in the recovery.

Regionally the strategy is 64% US, 17% Europe and 17% EM representing an overweight to the US and underweights to EUR and EM with an off benchmark allocation to structured credit of 4.5%. The strategy's average credit rating is in line with the benchmark at BB/BB- which represents an underweight in BB and an overweight to BBB, B and CCC bonds. The CCC exposure is largely in the US and in more defensive, less cyclical industries such as healthcare and packaging. The overall beta of the portfolio is now close to 1 while the duration is underweight the benchmark by 0.6 years on an options adjusted basis. The main sector overweights are to basic industry and technology while the main sector underweights are to financials and communications.

^ Source: HSBC Global Asset Management (HK) Limited

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Global High Income Bond Fund*	4.49	7.14	6.09	13.21	N.A.	N.A.	28.92

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance Global High Income Bond Fund*	4.22	N.A.	N.A.	5.28

*This fund has no benchmark.

[^]Inception Date: 25 Jan 2016

B) Fund Disclosure

I Allocation by Asset Class

	As at 31 Dec 2020	
Asset Class	% of NAV	MV S\$ mil
HSBC Global Investment Funds – Global High Income Bond Fund	100.00	5.78
Total	100.00	5.78

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	532,900
Redemption	714,613

C) Underlying Sub-Fund Disclosure (HSBC Global Investment Funds - Global High Income Bond Fund)

I Allocation by Country

	As at 31 Dec 2020	
Country	% of NAV	MV S\$ mil
United States	32.83	803.03
France	7.22	176.53
Germany	4.39	107.43
Mainland China	4.19	102.53
Brazil	3.95	96.73
Ireland	3.55	86.89
Mexico	2.89	70.60
Cayman Islands	2.53	61.89
Others*	36.67	896.70
Cash	1.78	43.64
Total	100.00	2,445.97

*Includes other countries

II Allocation by Industry

	As at 31 Dec 2020	
Industry	% of NAV	MV S\$ mil
Financial Institutions	20.15	492.77
Sovereign	14.73	360.39
Consumer Cyclical	9.80	239.61
Agencies	8.99	219.87
Communications	6.06	148.27
Energy	5.86	143.42
Consumer Non cyclical	5.61	137.20
Asset-Backed Securities	5.54	135.56
Basic Industry	5.30	129.69
Commercial Mortgage-backed Securities	3.57	87.26
Others*	12.61	308.29
Cash	1.78	43.64
Total	100.00	2,445.97

*Includes other industries

III Allocation of Debt Securities by Credit Ratings

Rating	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
AAA	1.59	38.72
AA	2.68	65.46
A	8.20	200.54
BBB	42.50	1,039.58
BB	26.24	641.84
B	13.77	336.91
CCC	2.17	53.06
D	0.06	1.49
Unrated	1.01	24.73
Cash	1.78	43.64
Total	100.00	2,445.97

IV Top Ten Holdings of Underlying Fund

	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Quatrim 5.875 15/01/24	0.96	23.79
Diversified Hlth 9.750 15/06/25	0.80	19.55
Abu Dhabi Govt 3.125 16/04/30	0.74	18.06
Bway Holding Co 4.750 15/04/24	0.70	17.09
Argentina 0.125 09/07/30	0.65	16.00
At&T Inc 3.300 01/02/52	0.65	15.89
Delta/Skymiles 4.750 20/10/28	0.63	15.35
Mileage Plus Hld 6.500 20/06/27	0.62	15.10
Eg Global 6.250 30/10/25	0.61	14.82
Philippines(Rep) 3.700 02/02/42	0.60	14.63

Top Ten Holdings of Underlying Fund

	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
Saudi Int Bond 4.500 26/10/46	0.75	22.35
US Treasury N/B 2.875 15/05/49	0.63	18.72
US Treasury N/B 1.500 31/10/21	0.60	17.63
Turkey Rep of 5.750 11/05/47	0.59	17.37
South Africa 4.850 30/09/29	0.55	16.20
Romania 5.125 15/06/48	0.50	14.77
Argentina 5.875 11/01/28	0.45	13.25
US Treasury N/B 1.500 30/09/21	0.44	13.03
Rep of Nigeria 7.143 23/02/30	0.39	11.49
Belfius Bank SA 0.375 13/02/26	0.34	10.05

V Exposure to Derivatives

	As at 31 Dec 2020
	% of NAV
Market value (S\$)	(0.19%)
Realised Gains / (Losses) (S\$)	(4,717,709)
Unrealised Gains / (Losses) (S\$)	(25,685,659)
	(41,425,765)

VI Borrowings of Net Asset Value

	As at 31 Dec 2020
N.A.	

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Global High Income Bond Fund		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.56%	1.56%	1.52%	1.53%
			As at 31-Dec-20	
Turnover Ratio	19.36%	9.31%	1.18%	0.65%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Global Investment Funds – Global High Income Bond Fund for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance Global High Income Bond Fund invests S\$5.78 million, equivalent to 100.00% of its net asset value in HSBC Global Investment Funds – Global High Income Bond Fund, which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to S\$18,227.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 172.

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HSBC Insurance Global Multi-Asset Fund

Fund Objective

HSBC Insurance Global Multi-Asset aims to provide a fixed income distribution of 5% per annum and capital growth over a market cycle by investing in a diversified range of assets and markets worldwide. The Sub-fund aims to provide a volatility (a measure of how much the Sub-Fund's returns may vary over a year) of between 5-7% per annum.

Investment and Market Review [^]

Equities were the largest contributor to returns, really picking up steam towards the end of the year as vaccine progress, a pickup in global trade and

completion of the US election propelled markets higher. Global equities were the standout performer, while Asian equities were also strong, as the region benefited from its relative success in managing COVID-19 and robust economic data, particularly from China. High yield bonds were another key driver of returns, particularly in the US, against a backdrop of investor appetite for risk and the ongoing search for yield. US Investment grade bonds were also positive, with the central bank backstop helping support healthy levels of issuance over the quarter. Within EMD, hard currency bonds were the standout, where we remain highly selective, focussing on quality issues paired with low interest rate sensitivity. Finally, hybrids were also positive contributors, led by preferred securities. Within preferreds we retain exposure to financials mostly in the US and Europe, while convertible bonds are spread across a diversified mix of industrials and technology names in Asia, Europe and the US.

Market Outlook and Investment Strategy [^]

The portfolio benefited from a step toward a more pro-risk stance over the period. While the core allocation within equities retains a quality bias towards companies that generate stable, recurring cash flows, we diversified some of this exposure by adding to cyclical positions, such as US small caps, EMs and US financials and energy stocks.

We selectively added to emerging local currency debt. In addition to healthy yields, a number of currencies are cheap providing another potential tailwind for returns. From a credit perspective, we rotated some exposure from the US to Europe where spreads are more attractive. Ongoing monetary and fiscal policy measures continue to underpin credit markets. However, we recognise that opportunities for further gains are limited given the significant tightening of credit spreads.

As we enter 2021, we remain hopeful that we will see a gradual, post- COVID-19 normalisation and that government policies will remain supportive. As a result, we maintain a pro-cyclical bias, preferring equities as a source of total return. However, we recognise that a number of short term headwinds remain, and therefore retain a core exposure to companies with high quality balance sheets, alongside more cyclical positions in regions that should benefit from a recovery in global trade. We expect to see a continuation of the trends in place towards the end of 2020, in particular a positive environment for Asian and EM assets, supported by the strong industrial recovery in Asia. We believe we are well positioned to capitalise on these trends.

[^] Source: Schroder Investment Management (Singapore) Ltd

FUND FACTS

Underlying Sub-Fund	Schroder International Selection Fund – Global Multi-Asset Income
Fund Manager	Schroder Investment Management (Singapore) Ltd
Launch Date	18 Jan 2016
CPFIS/SRS	SRS
CPFIS Risk Classification	N.A.

As at 31 December 2020

Offer Price	S\$ 1.24132
Bid Price	S\$ 1.17925
Fund Size	S\$ 1.75 mil
Units in Issue	1.49 mil

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Global Multi-Asset Fund*	7.45	11.57	1.87	6.49	N.A.	N.A.	17.93

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance Global Multi-Asset Fund*	2.12	N.A.	N.A.	3.51

*This fund has no benchmark.

[^]Inception Date: 21 Mar 2016

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020 % of NAV	MV S\$ mil
Schroder International Selection Fund - Global Multi-Asset Income	100.00	1.75
Total	100.00	1.75

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	249,213
Redemption	576,471

C) Underlying Sub-Fund Disclosure (Schroder International Selection Fund - Global Multi-Asset Income)

I Allocation by Country

Country	As at 31 Dec 2020 % of NAV	MV S\$ mil
North America	53.42	1,484.83
Emerging Markets	18.15	504.48
Europe ex UK	12.74	354.11
Asia Pacific ex Japan	5.63	156.49
UK	5.60	155.65
Japan	1.11	30.85
Cash	3.35	93.11
Total	100.00	2,779.52

II Allocation by Industry

Industry	As at 31 Dec 2020 % of NAV	MV S\$ mil
Financials	17.46	485.30
Consumer Discretionary	10.78	299.63
Information Technology	9.30	258.50
Communication Services	8.84	245.71
Energy	8.00	222.36
Government	7.62	211.80
Real Estate	7.50	208.46
Consumer Staples	7.40	205.68
Health Care	4.92	136.75
Materials	4.47	124.24
Others*	10.36	287.98
Cash	3.35	93.11
Total	100.00	2,779.52

*Includes other industries

III Allocation of Debt Securities by Credit Ratings

Rating

(For Debt securities portfolio only)

	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
AAA / Aaa	2.70	75.05
AA+ / Aa1	0.99	27.52
AA / Aa2	0.61	16.96
AA- / Aa3	0.04	1.11
A+ / A1	0.40	11.12
A / A2	1.36	37.80
A- / A3	2.38	66.15
BBB+ / Baa1	4.40	122.30
BBB / Baa2	6.97	193.73
BBB- / Baa3	6.22	172.89
BB+ / Ba1	5.28	146.76
BB / Ba2	6.84	190.12
BB- / Ba3	6.03	167.61
Unrated	2.36	65.60
Others*	9.72	270.15
Total	56.30	1,564.87

*Includes lower rated debt securities

IV Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Taiwan Semiconductor Manufacturing	1.07	29.75
Bank of America Corp Perp 7.25 31/12/2049	0.86	23.90
Bungle Ltd Perp 4.875 31/12/2049	0.77	21.40
Samsung Electronics Non Voting Pre Pref	0.73	20.29
AIA Group Ltd	0.52	14.45
Microsoft Corp	0.52	14.45
Facebook Class A Inc	0.50	13.90
Indonesia (Republic Of) FR82 7.0 15/09/2030	0.50	13.90
Alphabet Inc Class A	0.49	13.62
South Africa (Republic Of) 8.0 31/01/2030	0.47	13.06

Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
Avantor Inc 6.0 15/05/2022	0.65	24.88
Wells Fargo & Company Series L Perp 7.5 31/12/2049	0.61	23.35
Bank Of America Corp Perp 7.25 31/12/2049	0.59	22.59
Broadcom Inc 8.0 30/09/2022	0.53	20.29
Cheniere Energy Partners LP 5.625 01/10/2026 (Senior)	0.52	19.91
Tenet Healthcare Corporation 4.875 01/01/2026 144a (Secured)	0.48	18.38
Microsoft Corp	0.45	17.23
Sprint Capital Corporation 6.875 15/11/2028 (Senior)	0.44	16.85
CCO Holdings LLC 5.375 01/06/2029 144a (Senior)	0.44	16.85
AIA Group Ltd	0.39	14.93

V Exposure to Derivatives

	As at 31 Dec 2020
% of NAV	(0.53%)
Market value (S\$)	(14,792,006)
Realised Gains / (Losses) (S\$)	83,559,785
Unrealised Gains / (Losses) (S\$)	(14,792,006)

VI Borrowings of Net Asset Value

	As at 31 Dec 2020
N.A.	

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Global Multi-Asset Fund		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.62%	1.61%	1.58%	1.57%
Turnover Ratio	39.27%	12.01%	As at 31-Dec-20 89.87%	125.52%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of Schroder International Selection Fund - Global Multi-Asset Income for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

N.A.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

Each Investment Manager may enter into soft commission arrangements only where there is a direct and identifiable benefit to the clients of the Investment Manager, including the relevant Sub-Fund, and where the Investment Manager is satisfied that the transactions generating the soft commissions are made in good faith, in strict compliance with applicable regulatory requirements and in the best interests of the relevant Sub-Fund. Any such arrangements must be made by the Investment Manager on terms commensurate with best market practice.

E) Financial Statements

Refer to page 172.

**For more information, please contact your financial consultant,
call our Customer Service Hotline on 6225 6111,
or visit our web site at www.insurance.hsbc.com.sg.**

HSBC Insurance India Equity Fund

Fund Objective

HSBC Insurance India Equity Fund seeks long-term capital growth through a diversified portfolio of investments in equity and equity-equivalent securities of companies registered in, and/or with an official listing on a major stock exchange or other regulated market of India, as well as those with significant operations in India. Fund investments are made by way of a feeder fund through the HSBC Global Investment Funds - Indian Equity.

Investment and Market Review ^

The S&P IFCI/India Gross Index returned 40.77% over the 6m horizon and outperformed the broader MSCI Asia Pacific ex Japan market (+30.41%). In terms of sectors IT (+66.81%) is the top performing one followed by Materials (+52.12%), Real Estate (49.15%) and Industrials (+47.54%). With the gradual "unlocking phases" of the economy, the Indian stock market has continued to recover strongly owing to pent up demand and fund inflows (foreigners bought net \$23bn Indian Equities vs \$14.4bn last year) due to high level of liquidity globally, with India's interest rate being at 20-year low (4%).

The fund outperformed the benchmark on a 6-month basis. Positive stock selection effect in IT as well as overweight in Financials and Real Estates contributed to performance, partially offset by the unfavourable stock selection effect in the consumer discretionary and overweight in communications space.

The Largest relative contributors over the year is Infosys. The company continues to benefit from its strategic pivot over the last three years including greater focus on Digital services, emphasis on winning large deals and localization. Infosys is expanding its addressable market from IT to Ops spending aided by some of its platforms and large deals. The Largest relative detractors over the 2H20 is Bajaj Finance. We did not hold the company and the stock has sailed through the headwinds and emerged stronger with a leaner operating model and robust growth guidance. A few of the top detractors are names that we do not hold and have benefitted from pent up demand and faster than expected recovery from COVID-19. In terms of sector positioning, we are most overweight to Real Estate and Financials and most underweight to Materials and Utilities.

Market Outlook and Investment Strategy ^

Our portfolio is tilted toward cyclicals on the expectation of improved economic outlook in FY21 due to earnings recovery and optimism over possible broad-based availability of vaccine. While we would broadly continue with our current stance, we are looking to weed out the weak links in our portfolio, consolidate our existing holdings and enter new names which we earlier avoided due to rich valuations.

Potential risks ahead include: risks of slower than expected recovery from COVID-19 or vaccine rollout and distribution in India, credit risks in the financial sector should non-performing loans rise sharply, and potential sovereign ratings downgrades

^ Source: HSBC Global Asset Management (HK) Limited

FUND FACTS

Underlying Sub-Fund	HSBC Global Investment Funds - Indian Equity Fund
Fund Manager	HSBC Global Asset Management (Singapore) Limited
Launch Date	19 Apr 2004
CPFIS/SRS*	SRS
CPFIS Risk Classification	N.A.
As at 31 December 2020	
Offer Price	S\$ 2.91243
Bid Price	S\$ 2.76681
Fund Size	S\$ 55.10 mil
Units in Issue	19.91 mil

*Note: With effect from 1 Mar 2014, the Fund has been delisted from CPFIS.

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance India Equity Fund	19.71	31.93	5.50	(4.26)	27.16	5.72	191.24
Benchmark*	19.77	33.36	14.63	12.39	55.90	65.70	444.75

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance India Equity Fund	(1.44)	4.92	0.56	6.63
Benchmark*	3.97	9.29	5.18	10.72

*S&P/IFCI India Gross

[^]Inception Date: 14 May 2004

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
HSBC Global Investment Fund - Indian Equity Fund	100.00	55.10
Total	100.00	55.10

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	3,790,478
Redemption	5,892,062

C) Underlying Sub-Fund Disclosure (HSBC Global Investment Funds - Indian Equity Fund)

I Allocation by Country

Country	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
India	98.04	1,590.19
Cash	1.96	31.75
Total	100.00	1,621.94

II Allocation by Industry

Industry	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Financials	30.83	499.93
Information Technology	15.12	245.26
Energy	9.75	158.20
Materials	7.54	122.28
Consumer Discretionary	7.01	113.76
Consumer Staples	6.97	113.00
Health Care	6.11	99.11
Communication Services	5.31	86.18
Real Estate	4.60	74.53
Industrials	3.71	60.25
Utilities	0.97	15.66
Cash	2.08	33.78
Total	100.00	1,621.94

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

V Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2020	
	% of NAV	MV \$S mil
Infosys Ltd	9.12	148.05
Reliance Industries Ltd	7.98	129.39
ICICI Bank Ltd	7.24	117.41
HDFC Bank Ltd	5.64	91.48
Axis Bank Ltd	4.80	77.82
HCL Technologies Ltd	4.66	75.61
Housing Development Finance Co	4.28	69.41
Maruti Suzuki India Ltd	3.55	57.64
DLF Ltd	3.46	56.04
Bharti Airtel Ltd	2.89	46.84

Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2019	
	% of NAV	MV \$S mil
HDFC Bank Ltd	9.77	172.30
Infosys Ltd	8.27	145.90
ICICI Bank Ltd	7.17	126.49
Reliance Industries Ltd	6.85	120.75
Axis Bank Ltd	5.66	99.78
Housing Development Finance Corp	4.92	86.81
HCL Technologies Ltd	4.00	70.49
Maruti Suzuki India Ltd	3.72	65.68
Larsen & Toubro Ltd	3.62	63.75
ITC Ltd	3.56	62.69

V Exposure to Derivatives

N.A.

As at 31 Dec 2020

VI Borrowings of Net Asset Value

N.A.

As at 31 Dec 2020

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance India Equity Fund		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.93%	1.94%	1.90%	1.90%
Turnover Ratio	11.35%	10.23%	0.42%	0.26%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Global Investment Funds - Indian Equity Fund for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance India Equity Fund invests S\$55.10 million, equivalent to 100.00% of its net asset value in HSBC Global Investment Funds - Indian Equity Fund, which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to S\$124,791.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 172.

**For more information, please contact your financial consultant,
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HSBC Insurance Pacific Equity Fund

Fund Objective

HSBC Insurance Pacific Equity Fund aims to provide holders with medium to long-term capital growth from a diversified portfolio of Asian-Pacific equities excluding Japanese equities. Fund investments are made by way of a feeder fund, which invests substantially all, or all its assets in the Aberdeen Standard Select Portfolio – Aberdeen Standard Pacific Equity Fund.

Investment and Market Review [^]

Asian equities continued on its rebound from March lows as investors focused on the easing of lockdowns and the gradual recovery of economies across the region. The unprecedented policy support from governments and central banks globally buoyed sentiment too, alongside the global rollout of vaccines near the year-end. However, flaring geopolitical hotspots worldwide as well as a resurgence in infections across several countries tempered the mood. The Fund outperformed by 632 Bps over the six months, thanks mainly to positive stock picks in China, South Korea and Taiwan.

In China, China Tourism Group Duty Free fared well on news of its takeover of Hainan Duty Free, which strengthens its market leadership. Beijing's wide-ranging stimulus programme for the Hainan offshore duty-free market provided a further boost. Wuxi Biologics rallied as the contract research organisation continued to benefit from healthy demand for global outsourcing. These positives outweighed the negative impact of our holding in Tencent, which was hurt by an antitrust probe. We continue to like the internet firm, which we believe will benefit from long-term structural drivers such as 5G networks and cloud computing.

Elsewhere, core holdings Taiwan Semiconductor Manufacturing Co and Samsung Electronics were key contributors on a positive outlook for semiconductors. Our other Korean holding, LG Chem, saw good momentum in its electric-vehicle batteries business and improving profitability in its petrochemical business.

Conversely, our Australian holdings in hearing-implant maker Cochlear and specialty biotech firm CSL took a breather during the period.

Market Outlook and Investment Strategy [^]

Stock markets have run up on vaccine optimism, but the return of lockdown restrictions in many parts of the world is a stinging reminder that the pandemic is not yet behind us. We see cause for caution, as the rollout of vaccines at scale still poses challenges and new infection waves remain a risk. Nevertheless, these are partially buffered by the continued accommodative stance of governments and central banks.

Compared to other regions, Asian stock valuations remain reasonable, especially in view of expectations for a rebound in corporate earnings this year. In the longer term, many of the changes sparked by the pandemic could prove enduring and reinforce existing trends, including the increased adoption of cloud computing, electric vehicles and 5G networks. In addition, Asia's burgeoning middle class will fuel rising demand for healthcare services and wealth management, while the region's urbanisation and infrastructure needs remain vast.

We remain focused on quality Asian companies which have the fundamentals to benefit from a recovery and are also best-placed to capitalise on these structural growth opportunities.

[^] Source: Aberdeen Standard Investments (Asia) Limited

FUND FACTS

Underlying Sub-Fund	Aberdeen Standard Select Portfolio - Aberdeen Standard Pacific Equity Fund
Fund Manager	Aberdeen Standard Investments (Asia) Limited
Launch Date	01 Apr 2010
CPFIS/SRS	OA/SRS
CPFIS Risk Classification	Higher Risk – Narrowly Focused - Regional - Asia
As at 31 December 2020	
Offer Price	S\$ 1.97767
Bid Price	S\$ 1.87879
Fund Size	S\$ 161.39 mil
Units in Issue	85.90 mil

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Pacific Equity Fund	20.21	29.12	25.53	31.87	72.83	79.41	97.77
Benchmark*	15.41	23.74	20.65	25.20	73.39	93.50	100.57

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance Pacific Equity Fund	9.66	11.56	6.02	6.55
Benchmark*	7.78	11.64	6.82	6.69

*MSCI AC Asia Pacific ex Japan Index (in SGD)

[^]Inception Date: 06 Apr 2010

B) Fund Disclosure

I Allocation by Asset Class

	As at 31 Dec 2020	
Asset Class	% of NAV	MV S\$ mil
Aberdeen Standard Select Portfolio - Aberdeen Standard Pacific Equity Fund	100.03	161.44
Other assets	0.38	0.62
Other liabilities	(0.41)	(0.67)
Total	100.00	161.39

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	10,976,624
Redemption	28,514,657

Underlying Sub-fund Disclosure (Aberdeen Standard Select Portfolio - Aberdeen Standard Pacific

C) Equity Fund)

I Allocation by Country

	As at 30 Sep 2020 [†]	
Country	% of NAV	MV S\$ mil
China	33.13	484.96
South Korea	10.91	159.62
Australia	10.56	154.50
Taiwan	8.47	124.03
Hong Kong SAR	7.63	111.62
India	7.22	105.66
Singapore	5.09	74.49
United Kingdom	3.26	47.75
Indonesia	3.14	45.98
Others*	10.59	155.01
Total	100.00	1,463.62

*Includes other countries, cash and other payable/receivable.

[†] Based on audited figures as at 30 Sep 2020 as the unaudited figures as at 31 Dec 2020 are not available.

II Allocation by Industry	As at 30 Sep 2020†	
	% of NAV	MV S\$ mil
Information Technology	22.25	325.62
Financials	18.37	268.85
Consumer Discretionary	10.50	153.66
Unit Trusts	9.99	146.26
Healthcare	9.50	138.99
Communication Services	9.36	136.93
Real Estate	5.54	81.14
Materials	4.69	68.71
Industrials	3.90	57.05
Consumer Staples	3.49	51.11
Energy	0.87	12.77
Others*	1.54	22.53
Total	100.00	1,463.62

*Includes cash and other payable/receivable

III Allocation of Debt Securities by Credit Ratings	As at 30 Sep 2020†
N.A.	

IV Top Ten Holdings of Underlying Sub-Fund	As at 30 Sep 2020†	
	% of NAV	MV S\$ mil
Tencent	9.35	136.86
Samsung Electronics (Preference Shares)	8.69	127.21
Taiwan Semiconductor Manufacturing Company	8.47	123.95
Aberdeen Standard China Opportunities Fund	4.87	71.31
CSL	3.91	57.30
Ping An Insurance	2.93	42.88
AIA Group	2.64	38.59
New India Investment Trust Public Listed Company	2.31	33.78
China Resources Land	2.25	32.96
Aberdeen Standard Singapore Equity Fund	2.18	31.91

Top Ten Holdings of Underlying Sub-Fund	As at 30 Sep 2019&	
	% of NAV	MV S\$ mil
Aberdeen Standard SICAV I - Indian Equity Fund*	7.92	110.06
Tencent	6.41	89.03
Samsung Electronics (Preference Shares)	5.66	78.67
Taiwan Semiconductor Manufacturing Company	5.07	70.38
Aberdeen Standard Singapore Equity Fund	4.97	69.06
Aberdeen Standard China Opportunities Fund	4.90	68.13
Ping An Insurance	3.55	49.34
AIA Group	2.99	41.52
Aberdeen Standard Thailand Equity Fund	2.87	39.82
China Resources Land	2.81	39.07

* The underlying fund is not authorized for public sale in Singapore

V Exposure to Derivatives	As at 30 Sep 2020†
N.A.	

VI Borrowings of Net Asset Value	As at 30 Sep 2020†
N.A.	

† Based on audited figures as at 30 Sep 2020 as the unaudited figures as at 31 Dec 2020 are not available.

& Based on audited figures as at 30 Sep 2019 as the unaudited figures as at 31 Dec 2019 are not available.

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Pacific Equity Fund		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 30-Sep-19**
Expense Ratio	1.68%	1.73%	1.64%	1.69%
Turnover Ratio	13.77%	17.22%	33.42%	17.02%

*Based on audited figures as at 30 Sep 2020 as the expense and turnover ratios of Aberdeen Standard Select Portfolio - Aberdeen Standard Pacific Equity Fund for the financial year ended 31 Dec 2020 are not available.

**Based on audited figures as at 30 Sep 2019 as the expense and turnover ratios of Aberdeen Standard Select Portfolio - Aberdeen Standard Pacific Equity Fund for the financial year ended 31 Dec 2019 are not available.

II Related-Party Transactions

Cash balances maintained with HSBC Bank as at 31 December 2020 amounts to S\$34,727.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 173.

**For more information, please contact your financial consultant,
call our Customer Service Hotline on 6225 6111,
or visit our web site at www.insurance.hsbc.com.sg.**

HSBC Insurance Premium Balanced Fund

Fund Objective

HSBC Insurance Premium Balanced Fund seeks to achieve long-term capital growth by investing in a diversified portfolio of securities. Fund investments are made by way of a feeder fund, which invests substantially all or all its assets in the DWS Premier Select Trust.

Investment and Market Review [^]

As 2020 draw to a close, it is news that with an effective vaccine that will soon be available is transformative news to us, allowing light to be seen as the end of the tunnel approaches. The U.S. elections delivered a result that investors have been quick to welcome. A further boost for markets was that both macroeconomic data and corporate results in the 3Q20 were surprisingly positive. The world's major central banks have also committed themselves to not responding immediately to any rise in inflation.

Nevertheless, the world's stock markets are trading at record high and in our opinion, this is due to the expected strong recovery which, however, carries little risk of overheating and inflation as capacity remains very underutilized. With central banks making policy even looser while strengthening their commitment to avoiding monetary tightening, it leads us to expect low interest rates even beyond our forecast horizon. Having earnings growth and a low interest-rate environment, it forms the optimistic view on equities and allow us to reduce the risk premium and increase our target price to earnings ratio.

An optimistic capital-market outlook may come as a surprise in the middle of a pandemic. And, of course, there is no end of risks-among the ones that are predictable now. But we expect the markets to continue to be driven primarily by profit growth and low interest rates. With that, gives us the reason to be quite optimistic for 2021.

Market Outlook and Investment Strategy [^]

With effect from 3 April 2018, the focus and approach of the DWS Premier Select Trust was revised to allow it to invest into global equity and Singapore fixed income markets; via collective investment schemes (including exchange traded funds) and/or directly in securities, fixed income and money market instruments, deposits and/or other investments. DWS Premier Select Trust's current investment strategy is to invest into 2 ETFs i.e. more than 70% of its Net Asset Value (NAV) into the Xtrackers II Singapore Government Bond UCITS ETF ("SGB-ETF") and less than 30% into the Xtrackers MSCI World UCITS ETF ("MSCI ETF").

By investing into SGB-ETF, the Trust aims track the performance (before fees and expenses) of the underlying reference index (i.e. the FTSE Singapore Government Bond Index) which represents the performance of fixed-rate, local currency sovereign debt issued by the Singapore government.

Similarly, by investing into MSCI-ETF, the Trust aims to track the performance (before fees and expenses) of the underlying reference index (i.e. the MSCI Total Return Net World Index) which was designed to reflect the performance of the shares of certain companies in various developed countries. The companies making up the MSCI Total Return Net World Index are large and medium sized companies based on the combined value of a company's readily available shares as compared to other companies.

Although the intention is to maintain the above asset allocations, we intend to adopt a static allocation of the Trust's investments in each of the underlying ETFs and will re-adjust the investments at least on a semi-annual basis.

[^] Source: DWS Investments Singapore Limited

FUND FACTS

Underlying Fund	DWS Premier Select Trust
Fund Manager	DWS Investments Singapore Limited
Launch Date	02 Jan 2001
CPFIS/SRS*	SRS
CPFIS Risk Classification	N.A

As at 31 December 2020

Offer Price	S\$ 2.08426
Bid Price	S\$ 1.98005
Fund Size	S\$ 128.32 mil
Units in Issue	64.81 mil

*Note: With effect from 27 Mar 2017, the Fund has been delisted from CPFIS

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Premium Balanced Fund*	2.58	4.66	8.15	18.59	34.63	54.74	108.43

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance Premium Balanced Fund*	5.85	6.13	4.46	3.76

*This fund has no benchmark.

[^]Inception Date: 13 Feb 2001

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020 % of NAV	MV S\$ mil
DWS Premier Select Trust	100.02	128.34
Other assets	0.12	0.15
Other liabilities	(0.14)	(0.17)
Total	100.00	128.32

II Fund Movement

(01 Jul 2019 - 30 Jun 2020)

	S\$
Subscription	2,762,528
Redemption	5,269,459

C) Underlying Fund Disclosure (DWS Premier Select Trust)

I Allocation by Country

Country	As at 31 Dec 2020 % of NAV	MV S\$ mil
Luxembourg	69.98	125.49
Ireland	29.97	53.74
Other net assets	0.05	0.08
Total	100.00	179.31

II Allocation by Industry

Industry	As at 31 Dec 2020 % of NAV	MV S\$ mil
Exchange Traded Funds	99.96	179.23
Other net assets	0.04	0.08
Total	100.00	179.31

III Allocation of Debt Securities by Credit Ratings

	As at 31 Dec 2020
N.A.	

IV Top Ten Holdings of Underlying Fund [^]

	As at 31 Dec 2020 % of NAV	MV S\$ mil
Xtrackers II Singapore Government Bond UCITS ETF	69.98	125.49
Xtrackers MSCI World UCITS ETF	29.97	53.74

Top Ten Holdings of Underlying Fund [^]

	As at 31 Dec 2019 % of NAV	MV S\$ mil
Xtrackers II Singapore Government Bond UCITS ETF	70.30	120.99
Xtrackers MSCI World UCITS ETF	29.41	50.61

[^]Less than Ten Holdings in the Underlying Fund.

V Exposure to Derivatives	As at 31 Dec 2020
% of NAV	-
Market value (S\$)	-
Realised Gains / (Losses) (S\$)	(18,289)
Unrealised Gains / (Losses) (S\$)	-

VI Borrowings of Net Asset Value	As at 31 Dec 2020
N.A.	

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Premium Balanced Fund		Underlying Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.08%	1.06%	0.94%	0.92%
			As at 31-Dec-20	
Turnover Ratio	4.33%	5.10%	2.47%	0.26%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of DWS Premier Select Trust for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

N.A.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 173.

For more information, please contact your financial consultant,
call our Customer Service Hotline on 6225 6111,
or visit our web site at www.insurance.hsbc.com.sg.

HSBC Insurance Singapore Bond Fund

Fund Objective

HSBC Insurance Singapore Bond Fund seek to achieve long-term capital growth by investing in a portfolio of bonds denominated in or hedged into SGD. Fund investments are made by way of a feeder fund, which invests substantially all or all of its assets in the HSBC Global Investment Funds - Singapore Dollar Income Bond.

FUND FACTS

Underlying Fund

HSBC Global Investment Funds - Singapore Dollar Income Bond

Fund Manager

HSBC Global Asset Management (Singapore) Limited

Launch Date

02 May 2002

CPFIS/SRS

SRS

CPFIS Risk

N.A

Classification

Investment and Market Review [^]

The Singapore dollar bond market completed 2H20 higher amid lower bond yields and credit spread compression, with government bonds trailing non-government bonds. Singapore sovereign yield curve decoupled with UST curve to flatten. The short-end

of the curve underperformed due to robust bill issuance from the MAS to absorb the liquidity even taking into account a continued rise in foreign currency inflows. Elsewhere, primary corporate market was overall quiet while reinvestment activity was robust to drive spreads tighter. Coronavirus cases remained broadly under control, but the travel bubble arrangement came to a halt on the back of rising cases globally. Economic data wrapped up the year with a mixed bag. On one hand, servicing sector remained downbeat and retail sales were subdued, but manufacturing sector remains upbeat, led by a solid growth in industrial production and trade recovery globally.

Asian credit market generated decent returns, with Investment grade bonds underperformed high yield bonds as spreads narrowed across the board. Net bond issuance were overall better off compared with 1H20, but eased towards the year-end after certain Chinese issuers called off new financing plan following the negative headlines onshore. Meanwhile, inflows to the market remained robust given the ample liquidity and heightened optimism on wider vaccine distribution to underpin a cyclical recovery into 2021. Among segments, high yield corporate bonds including the cyclical sectors fared the best, while high yield sovereign bonds were lackluster due to elevated refinancing risks in Sri Lanka.

Market Outlook and Investment Strategy [^]

Looking ahead, we believe an early rollout in vaccine implementation to help drive a successful containment of the local COVID-19 outbreak and enable a further economic re-opening. Meanwhile a better global trade environment and robust global demand for tech/electronics and pharmaceuticals as well as sustained fiscal and monetary policy support should underpin Singapore's solid cyclical recovery after a sharp contraction in 2020. A negative fiscal impulse could be expected given 2020's aggressive easing, but carry-through spending of unused funds may help avert the risk of a fiscal cliff in 2021. MAS is likely to keep monetary policy settings unchanged through most of 2021 and is expected to play a complementary role as government's recovery plan may continue to focus on fiscal measures.

The fund's positioning has remained stable with duration being managed at around three years. It continues to hold a meaningful size of SGD denominated investment grade bonds. At the same time, it also diversifies into the USD Asian credit market which offers a wider selection of bonds across the credit rating spectrum than the SGD bond market. From a sectoral standpoint, the fund continues to prefer agencies and corporates over sovereign bonds. We prefer China property sector on a selective basis as we expect greater credit differentiation following the new tightening rules. The fund also has allocation to Singapore REITs for their stable income. We favour bank subordinated debt such as those from Singapore and broader Asia Pacific region given their relatively defensive nature and attractive yields.

[^] Source: HSBC Global Asset Management (HK) Limited

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception ^A
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Singapore Bond Fund*	2.09	3.79	5.21	8.51	13.46	23.65	53.55

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception ^A
	(%)	(%)	(%)	(%)
HSBC Insurance Singapore Bond Fund*	2.76	2.56	2.15	2.33

*This fund has no benchmark.

^AInception Date: 04 Jun 2002

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
HSBC GIF Singapore Dollar Bond Fund	100.00	24.94
Total	100.00	24.94

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	668,249
Redemption	2,293,414

C) Underlying Fund Disclosure (HSBC GIF Singapore Dollar Bond Fund)

I Allocation by Country

Country	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Singapore	39.58	133.29
Mainland China	27.85	93.80
India	6.81	22.94
Australia	5.88	19.81
Hong Kong SAR	4.69	15.78
South Korea	3.64	12.27
Indonesia	3.32	11.17
Thailand	3.14	10.57
Others*	4.32	14.53
Cash	0.77	2.60
Total	100.00	336.76

*Includes other countries and net assets

II Allocation by Industry

Industry	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Banks	24.30	81.83
Real Estate	20.15	67.87
Reits	13.19	44.41
Government	6.19	20.83
Diversified Finan serv	6.10	20.53
Energy	6.03	20.31
Communications	4.34	14.61
Industrial	4.32	14.55
Utilities	4.06	13.68
Consumer Cyclical	3.78	12.72
Others*	6.77	22.82
Cash	0.77	2.60
Total	100.00	336.76

*Includes other industries

III Allocation of Debt Securities by Credit Ratings	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Rating		
AAA	5.65	19.00
AA	4.81	16.19
A	29.64	99.82
BBB	33.99	114.48
BB	15.34	51.65
B	6.68	22.51
Unrated	3.12	10.51
Cash	0.77	2.60
Total	100.00	336.76

IV Top Ten Holdings of Underlying Fund	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
United Overseas 3.500 27/02/29	2.00	6.70
Mapletree Commer 3.110 24/08/26	1.84	6.21
Aust & NZ Bank 3.750 23/03/27	1.68	5.66
Logan Group Co 6.125 16/04/21	1.67	5.63
DBS Group Hldgs 3.800 20/01/28	1.66	5.60
Ascendas REIT 3.140 02/03/25	1.62	5.44
SMRT Capital Pte 3.072 11/06/24	1.60	5.40
Oversea-Chinese 1.832 10/09/30	1.60	5.39
Singtel Group Tr 2.720 03/09/21	1.60	5.38
Optus Finance 3.240 29/09/22	1.55	5.22

Top Ten Holdings of Underlying Fund	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
Government of Singapore 2% 01/02/2024	8.17	7.12
Petronas Global Sukuk Limited 2.707% 18/03/2020	4.63	4.04
Mapletree Treasury Services Series EMTN 2.888% 21/06/2021	4.62	4.03
United States Treasury Note 1.25% 31/08/2024	4.54	3.96
Export-Import Bank of Korea Series EMTN 2.318% 27/09/2022	4.37	3.81
United States Treasury Note 2.75% 31/08/2023	3.20	2.79
United States Treasury Note 2.125% 31/07/2024	3.14	2.74
United States Treasury Note 2.125% 30/11/2023	3.14	2.74
Exim Sukuk Malaysia Berhad 3.01% 28/01/2021	3.11	2.71
Korea Land & Housing Corporation Series GMTN FRN 24/07/2020	3.09	2.69

V Exposure to Derivatives	As at 31 Dec 2020	
	% of NAV	
Market value (S\$)		2,377,794
Realised Gains / (Losses) (S\$)		3,766,549
Unrealised Gains / (Losses) (S\$)		5,753,847

VI Borrowings of Net Asset Value	As at 31 Dec 2020	
	N.A.	

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Singapore Bond Fund		Underlying Fund ^A	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	0.85%	0.74%	0.96%	0.70%
			As at 31-Dec-20	
Turnover Ratio	108.14%	4.41%	0.46%	28.25%

*Based on unaudited figure at 30 Sep 2020 as the expense ratio of HSBC Global Investment Funds - Singapore Dollar Bond Fund for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance Singapore Bond Fund invests S\$24.94 million, equivalent to 100.00% of its net asset value in HSBC Global Investment Funds - Singapore Bond Fund, which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to S\$51,167.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 173.

**For more information, please contact your financial planner,
call our Customer Service Hotline on 6225 6111,
or visit our web site at www.insurance.hsbc.com.sg.**

HSBC Insurance Singapore Equity Fund

Fund Objective

HSBC Insurance Singapore Equity Fund seeks to achieve long-term capital growth primarily through investment in securities of companies listed on the Singapore Exchange Securities Trading Limited. The portfolio will be broadly diversified with no specific industry or sectoral emphasis. Fund investments are made by way of a feeder fund, which invests substantially all or all its assets in the Schroder Singapore Trust.

Investment and Market Review [^]

Over the period, risk assets were supported by positive newsflow over both the development and distribution of COVID-19 vaccines globally. The eventual confirmation of the US election outcome was also positive for sentiment. Locally (in Singapore), the announcement of 'Phase 3' opening up of the economy in December 2020 and approval of the Pfizer-BioNTech vaccine (with plans to vaccinate the entire population by Q3 2021) further bolstered risk sentiment. There was a marked sector rotation towards the cyclical parts of the market viz. to Banks, Transportation (i.e. Singapore Airlines), and Real Estate Developers, while the more defensive parts of the market such as Communication Services and REITs lagged.

The Fund posted positive returns but finished behind the benchmark. Negative allocation to banks (underweight) and cash drag was the main detractor to performance while strong stock selection in Diversified Financials contributed positively. Banks did well over the period, benefitting from the aforementioned rotation into recovery-related plays given the cyclical nature of the sector, while the Fund held a higher amount of cash in case of potential volatility towards the year end, when market liquidity can be potentially erratic. The Fund's exposure to iFAST was the top contributor to performance as shares performed strongly on expectations that it would be one of the finalists to digitise Hong Kong's retirement funds system.

Market Outlook and Investment Strategy [^]

Looking ahead, some key market drivers will include: (1) what policies the new US presidential team will implement and how far these will affect bond yields, trade and global growth, (2) whether vaccines can adequately defuse the "blunt tool" of draconian lockdowns, (3) whether dislocations in industries most affected by COVID-19 can be managed without too much pressure on employment and consumer spending. However, it is clear that the COVID-19-induced pivot to fiscal policy globally will continue apace.

While valuations are increasingly premised on growth or recovery "temporarily" postponed, we are monitoring some of these trends closely given the ramifications across many sectors. Near-term, the focus of upcoming semi-annual corporate results in Singapore will be on companies' outlook guidance, since 2020 earnings numbers will likely be clouded by many one-off items.

As relief measures (like loan moratoria as well as grants/subsidies for labour costs) begin to wind down, the economic impact on different sectors will become more apparent. Thus, our preference is for companies where underlying earnings recovery is not so heavily reliant on assumptions of global re-opening. Additionally, where we do see value is in companies that may benefit from a gradual resumption of domestic activity as a growing proportion of the population gets vaccinated. Some examples include residential developers where construction activity and earnings recognition had been earlier impacted by "Circuit Breaker" pauses, and selected REITs with a more cyclical component of Net Property Income.

[^] Source: Schroder Investment Management (Singapore) Ltd

FUND FACTS

Underlying Fund
Fund Manager

Schroder Singapore Trust
Schroder Investment
Management (Singapore) Ltd
03 August 2015
SRS
N.A.

Launch Date
CPFIS/SRS
CPFIS Risk
Classification

As at 31 December 2020

Offer Price	S\$ 1.21855
Bid Price	S\$ 1.15762
Fund Size	S\$ 19.01 mil
Units in Issue	16.43 mil

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception ^A
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Singapore Equity Fund	12.54	8.75	(10.59)	(6.33)	17.69	N.A.	15.76
Benchmark*	15.06	11.45	(9.05)	(4.67)	23.47	N.A.	16.22

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception ^A
	(%)	(%)	(%)	(%)
HSBC Insurance Singapore Equity Fund	(2.15)	3.31	N.A.	2.76
Benchmark*	(1.58)	4.31	N.A.	2.83

*MSCI Singapore Free Index

^AInception Date: 17 Aug 2015

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV \$ mil
Schroder Singapore Trust	100.32	19.07
Other assets	0.32	0.06
Other liabilities	(0.64)	(0.12)
Total	100.00	19.01

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	\$
Subscription	2,901,002
Redemption	2,590,771

C) Underlying Fund Disclosure (Schroder Singapore Trust)

I Allocation by Country

Country	As at 31 Dec 2020	
	% of NAV	MV \$ mil
Singapore	96.52	777.13
Other net assets/(liabilities)	3.48	28.05
Total	100.00	805.18

II Allocation by Industry

Industry	As at 31 Dec 2020	
	% of NAV	MV \$ mil
Bank	38.17	307.37
Real Estate	24.54	197.57
Telecommunications	10.96	88.26
Agriculture	5.97	48.07
Diversified Operations	5.42	43.64
Finance	4.07	32.76
Industrial And Transportation	2.22	17.88
Technology Hardware & Equipment	1.86	15.00
Food & Beverage	1.61	12.99
Health Care/Pharmaceuticals	0.62	5.03
Transportation & Logistics	0.59	4.78
Others*	3.97	31.83
Total	100.00	805.18

*Includes other industries and net assets and liabilities

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

IV Top Ten Holdings of Underlying Fund

	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
DBS Group Hldg Ltd	15.51	124.92
Oversea-Chinese Banking Corp Ltd	11.69	94.11
United Overseas Bank Ltd	10.97	88.35
Singapore Telecommunications Ltd	8.66	69.71
Wilmar Intl Ltd	5.12	41.21
Keppel Corp Ltd	4.77	38.43
CapitalLand Ltd	3.13	25.17
Singapore Exchange Ltd	3.05	24.53
Ascendas Real Estate Investment Trust	2.63	21.16
Fraser's Logistics & Industrial Trust	2.60	20.97

Top Ten Holdings of Underlying Fund

	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
DBS Group Hldg Ltd	16.04	133.12
Oversea-Chinese Banking Corp Ltd	14.28	118.51
United Overseas Bank Ltd	13.68	113.54
Singapore Telecommunications Ltd	11.25	93.33
Keppel Corp Ltd	5.83	48.36
City Developments Ltd	3.57	29.65
CapitalLand Ltd	2.95	24.52
Wilmar Intl Ltd	2.70	22.44
CapitalLand Mall Trust	2.65	21.95
Mapletree Industrial Trust	2.62	21.70

V Exposure to Derivatives

	As at 31 Dec 2020
% of NAV	0.00%*
Market value (S\$)	(1,313)
Realised Gains / (Losses) (S\$)	(16,775)
Unrealised Gains / (Losses) (S\$)	(1,313)

* Less than 0.01%

VI Borrowings of Net Asset Value

	As at 31 Dec 2020
N.A.	

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Singapore Equity Fund		Underlying Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.39%	1.36%	1.35%	1.32%
			As at 31-Dec-20	
Turnover Ratio	19.03%	19.81%	10.28%	15.16%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of Schroder Singapore Trust for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

The Manager of the Fund is Schroder Investment Management (Singapore) Ltd. The Trustee is HSBC Institutional Trust Services (Singapore) Limited. With effect from 1 July 2020, The Hongkong and Shanghai Banking Corporation Limited replaces HSBC France, Luxembourg Branch, as the Registrar of the Fund. Both Trustee and Registrar are subsidiaries of the HSBC Group. The management fees paid to the Manager and registration fees paid to the Registrar; trustee fees, valuation fees and custodian fees charged by the HSBC Group are shown in the Statement of Total Return of the financial statements for the financial period ended 31 December 2020.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 174.

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or visit our web site at www.insurance.hsbc.com.sg.**

HSBC Insurance US Equity Portfolio Fund

Fund Objective

The Fund aims to provide long term total return by investing in a portfolio of US equities.

Invests in normal market conditions a minimum of 90% of its net assets in equities and equity equivalent securities of companies which are domiciled in, based in, carry out the larger part of their business activities in or are listed on a Regulated Market in, the United States of America. The Underlying Sub-Fund may also invest in eligible closed-ended Real Estate Investment Trusts (REITs).

Investment and Market Review ^

Global equity markets rose in the 2H20 continuing to recover from the lows seen in March. In Q3, economies have continued to recover as COVID-19 containment measures were eased in light of slowing infection rates. US equities were the top performers amid accommodative monetary policy and positive macro data with unemployment figures coming lower than expected. Global equities continued their strong performance in Q4, with Investors returning to risky assets following positive COVID-19 vaccine developments from Pfizer and BioNTech, Moderna and AstraZeneca. The positive sentiment was further boosted by a \$900bn fiscal deal in the US.

On a 6-month basis, the fund outperformed its market cap weighed index. Both our asset allocation and stock selection contributed to performance.

On a sector basis, our overweight allocations to Industrials and Financials coupled with our underweight exposures to Health Care, Real Estate and Utilities contributed to performance. Conversely, our overweight allocations to Energy and Consumer Staples coupled with an underweight exposure to IT weighed on performance. At stock level, underweighting Microsoft Corp (IT) coupled with overweighting General Electric (Industrials) and Fedex Corp (Industrials) contributed to performance. Conversely, overweighting AT&T Inc (Communication Services) and Kroger Co (Consumer Staples) coupled with underweighting Apple Inc (IT) weighed on performance.

Market Outlook and Investment Strategy ^

HSBC Economic Scale strategy aims to outperform the market cap index in the long run by using an alternatively weighting scheme which uses the contribution to GNP. The strategy has implicit biases towards small cap and value stocks, which rallied in Q4.

US indices's exposure to big tech companies and quality names is beneficial. Cyclical parts of the market could benefit from fresh government stimulus measures and an economic rebound in 2021. However, signs that a rapid recovery is beginning to be priced in, implies a fairly high hurdle for positive surprises.

^ Source: HSBC Global Asset Management (HK) Limited

FUND FACTS

Underlying Sub-Fund	HSBC Global Investment Funds – Economic Scale US Equity Fund.		
Fund Manager	HSBC Global Asset Management (Singapore) Limited		
Launch Date	18 Jan 2016		
CPFIS/SRS	SRS		
CPFIS Risk Classification	N.A.		
As at 31 December 2020			
Offer Price	S\$	1.81553	
Bid Price	S\$	1.72475	
Fund Size	S\$	13.71	mil
Units in Issue		7.95	mil

A) Fund Performance

I Cumulative Total Returns

	3-Mth (%)	6-Mth (%)	1-Year (%)	3-Year (%)	5-Year (%)	10-Year (%)	Since Inception^ (%)
HSBC Insurance US Equity Portfolio Fund	14.99	22.29	6.35	20.99	N.A.	N.A.	72.48
Benchmark*	7.83	14.79	15.11	43.86	N.A.	N.A.	99.12

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception^
	(%)	(%)	(%)	(%)
HSBC Insurance US Equity Portfolio Fund	6.56	N.A.	N.A.	11.83
Benchmark*	12.89	N.A.	N.A.	15.00

*Benchmark Details:

Inception to October 2017 - HSBC Economic Scale US Net

With effect from October 2017, the benchmark was changed to 'S&P 500 Net'.

^Inception Date: 28 Jan 2016

B) Fund Disclosure

I Allocation by Asset Class

	As at 31 Dec 2020	
Asset Class	% of NAV	MV S\$ mil
HSBC Global Investment Funds – Economic Scale US Equity Fund	99.93	13.70
Other assets	0.29	0.04
Other liabilities	(0.22)	(0.03)
Total	100.00	13.71

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	1,422,558
Redemption	2,061,471

C) Underlying Sub-Fund Disclosure (HSBC Global Investment Funds – Economic Scale US Equity Fund)

I Allocation by Country

	As at 31 Dec 2020	
Country	% of NAV	MV S\$ mil
United States	99.23	321.91
Cash	0.77	2.50
Total	100.00	324.41

II Allocation by Industry

	As at 31 Dec 2020	
Industry	% of NAV	MV S\$ mil
Information Technology	15.49	50.28
Financials	15.36	49.84
Industrials	15.00	48.67
Consumer Discretionary	13.78	44.69
Health Care	9.86	31.98
Consumer Staples	9.80	31.78
Communication Services	8.28	26.85
Energy	4.61	14.94
Materials	3.79	12.31
Real Estate	1.80	5.84
Utilities	1.46	4.73
Cash	0.77	2.50
Total	100.00	324.41

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

IV Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Walmart Inc	2.99	9.67
Apple Inc	1.92	6.22
JP Morgan Chase & Co	1.45	4.72
General Electric Co	1.45	4.69
Wells Fargo & Co	1.44	4.68
AT&T Inc	1.38	4.49
Bank of America Corp	1.31	4.25
Verizon Communications Inc	1.07	3.46
Berkshire Hathaway Inc	1.00	3.26
Citigroup Inc	0.97	3.16

Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
Walmart Inc	3.08	41.99
Apple Inc	1.72	23.52
General Electric Co	1.55	21.27
AT&T Inc	1.39	18.97
Wells Fargo & Co	1.31	17.92
JP Morgan Chase & Co	1.27	17.45
Bank of America Corp	1.13	15.49
Verizon Communications Inc	1.06	14.48
Exxon Mobil Corp	1.00	13.74
United Parcel Service Inc	0.91	12.51

V Exposure to Derivatives

	As at 31 Dec 2020
% of NAV	0.65%
Market value (S\$)	2,102,151
Realised Gains / (Losses) (S\$)	2,920,899
Unrealised Gains / (Losses) (S\$)	3,025,090

VI Borrowings of Net Asset Value

	As at 31 Dec 2020
N.A.	

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance US Equity Portfolio Fund		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	0.79%	0.79%	0.75%	0.75%
Turnover Ratio	22.56%	9.07%	0.14%	0.17%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Global Investment Funds – Economic Scale US Equity Fund for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance US Equity Portfolio Fund invests S\$13.70 million, equivalent to 99.93% of its net asset value in HSBC Global Investment Funds – Economic Scale US Equity Fund, which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to S\$12,849.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 174.

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HSBC Insurance US Opportunities Equity Fund

Fund Objective

HSBC Insurance US Opportunities Equity Fund aims to achieve capital appreciation by investing principally in equity securities of US companies believed to possess sustainable growth characteristics and which meet growth, quality and valuation criteria. Fund investments are made by way of a feeder fund, which invests substantially all or all its assets in the Franklin US Opportunities Fund A.

Investment and Market Review [^]

FUND FACTS

Underlying Fund

Franklin US Opportunities Fund

Fund Manager

Templeton Asset Management Ltd.

Launch Date

18 Jan 2016

CPFIS/SRS

SRS

CPFIS Risk

N.A.

Classification

As at 31 December 2020

Offer Price

S\$ 2.60753

Bid Price

S\$ 2.47715

Fund Size

S\$ 12.87 mil

Units in Issue

5.20 mil

The optimism of many US investors backed strong 4Q20 equity-market activity as they generally looked beyond the year's historic economic disruption to eventual signs of post-pandemic normalcy. For the period, the fund's A (acc) USD shares returned 23.63%, and its benchmark, the Russell 3000 Growth Index, returned 26.86% in USD terms. An underweight position in Tesla undermined relative results in the consumer discretionary sector. Strong orders and news that the high-performance electric car company would be included in the S&P 500 Index boosted the stock.

In the real estate sector, wireless telecommunications tower operator SBA Communications reported an uptick in leasing activity in the 3Q20 but also faced headwinds against a backdrop of continuing COVID-19 conditions in its markets. We continue to believe that SBA is an attractive long-term investment opportunity given the tower industry's strong barriers to entry and increasing mobile carrier spending on 5G network upgrades.

In the IT sector, the COVID-19 environment has increased demand for Twilio's digital communication services from businesses in telehealth, online education and remote customer care, amongst others. Twilio's application programming interfaces allow the creation of programmatic email, text and voice communications, which have generated tremendous top-line growth for the company. We consider Twilio to be a key beneficiary of the ongoing digital transformation of businesses.

Market Outlook and Investment Strategy [^]

As we end the year, several prominent vaccines have been rolled out that should lift the dark cloud of COVID-19 that has overshadowed most of 2020. Equity markets have shown remarkable resilience since the pandemic-induced recession began in March. Even as our optimism builds, we maintain a cautiously optimistic outlook for the near term.

At this time, we see drivers of value creation across all industries, particularly in health care, fintech (financial technology), consumer retail, and manufacturing. The firms on the forefront have been showing they understand the state of their businesses and can meet their customers' needs faster than ever, leading the way in very dynamic business environments.

We believe the broad digital transformation that has been taking place will continue to accelerate. Companies that have embraced digital transformation as a key enabler of their businesses should deliver greater performance over the long run, in our view. We do not see this changing as we see digital transformation and its associated sub-themes continuing to gain relevance as we move into a post-pandemic world.

In the current environment, the importance of thoughtful, skilled fundamental analysis cannot be emphasised enough. We believe nimble and diversified positioning and active asset selection are crucial to any successful investment strategy. While we hold out hope for a return to normality in 2021, we stand ready to respond to any volatility by seeking to capitalise on the potential opportunities that may result.

[^] Source: Templeton Asset Management Ltd.

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance US Opportunities Equity Fund	10.63	23.22	41.25	78.93	N.A.	N.A.	147.72
Benchmark*	8.77	20.24	35.75	81.54	N.A.	N.A.	157.85

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance US Opportunities Equity Fund	21.40	N.A.	N.A.	20.21
Benchmark*	21.99	N.A.	N.A.	21.19

*Russell 3000 Growth Index

[^]Inception Date: 28 Jan 2016

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Franklin Templeton Investment Funds – Franklin U.S. Opportunities Fund	100.00	12.87
Total	100.00	12.87

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	3,047,359
Redemption	1,420,027

C) Underlying Fund Disclosure

(Franklin Templeton Investment Funds – Franklin U.S. Opportunities Fund)

I Allocation by Country

Country	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
United States	95.39	9,592.34
United Kingdom	1.86	187.20
Canada	1.10	111.03
China	0.60	60.73
Cash & Cash Equivalents	1.05	105.42
Total	100.00	10,056.72

II Allocation by Industry

Industry	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Information Technology	41.61	4,184.41
Health Care	16.38	1,647.58
Consumer Discretionary	14.55	1,463.23
Industrials	7.64	768.48
Communication Services	6.59	662.44
Financials	4.92	494.34
Consumer Staples	3.16	318.23
Real Estate	2.51	252.68
Materials	1.24	125.08
Utilities	0.35	34.83
Cash & Cash Equivalents	1.05	105.42
Total	100.00	10,056.72

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

IV Top Ten Holdings of Underlying Fund

	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
Amazon.Com Inc	8.26	831.12
Microsoft Corp	5.07	510.36
Mastercard Inc	4.35	437.76
Apple Inc	3.92	393.93
Visa Inc	3.51	352.77
Servicenow Inc	2.96	297.24
Costar Group Inc	2.36	237.56
Alphabet Inc	2.23	224.20
SBA Communications Corp	2.06	206.73
Adobe Inc	1.99	199.70

Top Ten Holdings of Underlying Fund

	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
Amazon.Com Inc	6.95	403.71
Microsoft Corp	6.02	349.16
Mastercard Inc	5.47	317.07
Visa Inc	4.12	238.90
Apple Inc	3.13	181.29
Alphabet Inc	2.97	172.21
SBA Communications Corp	2.73	158.15
Servicenow Inc	2.63	152.78
Costar Group Inc	2.39	138.37
Unitedhealth Group Inc	2.24	129.79

V Exposure to Derivatives

N.A.

As at 31 Dec 2020

VI Borrowings of Net Asset Value

N.A.

As at 31 Dec 2020

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance US Opportunities Equity Fund		Underlying Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.85%	1.85%	1.81%	1.81%
Turnover Ratio	14.33%	6.12%	As at 30-Jun-20** (74.14%)	As at 30-Jun-19*** (38.30%)

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of Franklin Templeton Investment Funds – Franklin U.S. Opportunities Fund for the financial year ended 31 Dec 2020 is not available.

**Based on audited figure as at 30 Jun 2020 as the turnover ratio of Franklin Templeton Investment Funds – Franklin U.S. Opportunities Fund for the financial year ended 31 Dec 2020 is not available. Turnover ratio calculation is based on Luxembourg GAAP.

***Based on unaudited figure as at 30 Jun 2019 as the turnover ratio of Franklin Templeton Investment Funds – Franklin U.S. Opportunities Fund for the financial year ended 31 Dec 2019 is not available. Turnover ratio calculation is based on Luxembourg GAAP.

II Related-Party Transactions

N.A.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

For the period 1 January 2020 to 31 Dec 2020, the Franklin Templeton Investment Funds – Franklin U.S. Opportunities Fund paid US\$292,542 in commission dollars generated from portfolio transactions to pay for goods or services provided by third parties under a soft dollar arrangement. All goods and services acquired with the soft dollar commission were for the benefit of the unit trust.

The broker(s), who has executed trades for other funds managed by the Investment Manager, had executed the trades on best available terms and there was no churning of trades.

E) Financial Statements

Refer to page 174.

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HSBC Insurance World Selection Funds

Fund Facts	HSBC Insurance World Selection 1 Fund	HSBC Insurance World Selection 2 Fund	HSBC Insurance World Selection 3 Fund
Launch Date	01 Apr 2010	05 Nov 2018	01 Apr 2010
Fund Manager	HSBC Global Asset Management (Singapore) Limited		
Underlying Sub-Fund	HSBC Portfolios – World Selection 1	HSBC Portfolios – World Selection 2	HSBC Portfolios – World Selection 3
CPFIS/SRS		SRS	
CPFIS Risk Classification		N.A.	
As at 31 December 2020			
Offer Price	S\$ 1.41958	S\$ 1.14959	S\$ 1.64428
Bid Price	S\$ 1.34860	S\$ 1.14959	S\$ 1.56207
Fund Size	S\$ 4.54 mil	S\$ 0.20 mil	S\$ 15.31 mil
Units in Issue	3.37 mil	0.17 mil	9.80 mil

Fund Facts	HSBC Insurance World Selection 4 Fund	HSBC Insurance World Selection 5 Fund
Launch Date	05 Nov 2018	01 Apr 2010
Fund Manager	HSBC Global Asset Management (Singapore) Limited	
Underlying Sub-Fund	HSBC Portfolios – World Selection 4	HSBC Portfolios – World Selection 5
CPFIS/SRS		SRS
CPFIS Risk Classification		N.A.

As at 31 December 2020		
Offer Price	S\$ 1.21868	S\$ 1.78300
Bid Price	S\$ 1.21868	S\$ 1.69385
Fund Size	S\$ 1.38 mil	S\$ 20.39 mil
Units in Issue	1.13 mil	12.04 mil

Fund Objectives

HSBC Insurance World Selection 1 Fund seeks to provide capital growth through investment in a broad range of asset classes across global markets, consistent with a low risk investment strategy.

HSBC Insurance World Selection 2 Fund seeks to provide capital growth through investment in a broad range of asset classes across global markets, consistent with a low to medium risk investment strategy.

HSBC Insurance World Selection 3 Fund seeks to provide capital growth through investment in a broad range of asset classes across global markets, consistent with a medium risk investment strategy.

HSBC Insurance World Selection 4 Fund seeks to provide capital growth through investment in a broad range of asset classes across global markets, consistent with a medium to high risk investment strategy.

HSBC Insurance World Selection 5 Fund seeks to provide capital growth through investment in a broad range of asset classes across global markets, consistent with a high risk investment strategy.

Investment and Market Review [^]

The MSCI ACWI global equity index gained 23.7% in USD terms over this period, which started with equity markets continuing to recover from their March lows, as coordinated fiscal and monetary policies helped to support the economic recovery from the COVID-19 pandemic. Lockdowns continued to be relaxed and economic activity picked up. At this point, some relative winners and losers emerged; China and other parts of industrialised Asia seeming to perform well, with smaller oil exporters, EM Asia and the UK lagging. September saw global equities fall, with concerns about growing COVID-19 case numbers, continuing geopolitical concerns and the upcoming US election weighing on investor sentiment.

Global equities continued to slide in October, amid a further decline in risk sentiment across financial markets from the highs seen towards the end of summer, as COVID-19 case counts began to pick up significantly across Europe and the US. However, risk sentiment picked up in November, with Joe Biden's victory in the US presidential election and positive news surrounding COVID-19 vaccines removing some of the uncertainties that had weighed on financial markets in 2020. Global equities pushed on to all-time highs in December, with markets looking through rising COVID-19 infection rates, as risk sentiment was supported by continued positive vaccine news, the announcement of a fresh fiscal relief package in the US and the agreement of a post-Brexit trade deal between the UK and the EU.

Market Outlook and Investment Strategy [^]

We started the period with a relatively neutral asset allocation before increasing our yen and euro exposure, relative to the USD, adding a mix of defensiveness and cyclicity to the portfolio. We also tilted our equity exposure to EMs relative to DMs. In October, as well as adding a small equities overweight, we increased the size of our existing overweight to sectors with more 'quality' characteristics, in the face of US presidential election risks. We subsequently closed these positions following Joe Biden's November victory. In December, ahead of perceived Brexit-induced volatility, on a short-term, tactical basis, we increased GBP exposure against EUR and JPY equally, before closing this position after the Brexit resolution removed a key catalyst for further significant GBP upside.

The global economy remains in a restoration phase, healing after 2020 saw the greatest recession since the Depression. Looking ahead, the speed of the recovery will vary in different regions and will depend on the vaccine and on policy support. The case remains that ultra-low interest rates and the market recovery have shifted expected returns from risk assets lower and investors need to be realistic about investment returns in the medium-term. We have a preference for corporate bonds over government bonds and are slightly overweight to global inflation linked bonds. In equities, we are modestly overweight overall and have a preference for EMs versus DMs. We also have exposure to diversifying asset classes such as liquid alternatives, gold and defensive currencies.

[^] Source: HSBC Global Asset Management (HK) Limited

A) Fund Performance

I Cumulative Total Returns

	3-Mth (%)	6-Mth (%)	1-Year (%)	3-Year (%)	5-Year (%)	10-Year (%)	Since Inception [^] (%)
HSBC Insurance World Selection 1 Fund*	3.40	5.41	4.24	13.57	17.76	47.33	41.96
HSBC Insurance World Selection 2 Fund*	5.69	9.25	5.17	N.A.	N.A.	N.A.	14.96
HSBC Insurance World Selection 3 Fund*	9.26	14.79	6.90	17.62	33.08	68.88	64.43
HSBC Insurance World Selection 4 Fund*	11.39	18.32	6.69	N.A.	N.A.	N.A.	21.87
HSBC insurance World Selection 5 Fund*	12.11	19.51	7.91	19.83	42.00	77.56	78.30

II Average Annual Compounded Returns

	3-Year (%)	5-Year (%)	10-Year (%)	Since Inception [^] (%)
HSBC Insurance World Selection 1 Fund*	4.33	3.32	3.95	3.35
HSBC Insurance World Selection 2 Fund*	N.A.	N.A.	N.A.	6.94
HSBC Insurance World Selection 3 Fund*	5.56	5.88	5.38	4.75
HSBC Insurance World Selection 4 Fund*	N.A.	N.A.	N.A.	10.59
HSBC Insurance World Selection 5 Fund*	6.21	7.26	5.91	5.55

*These Funds do not have a benchmark due to the diverse range of asset classes; some do not have indices that meet the criteria for inclusion in a representative composite benchmark of being both investable and replicable.

[^]HSBC Insurance World Selection 1 Fund Inception Date: 12 May 2010

HSBC Insurance World Selection 2 Fund Inception Date: 04 Dec 2018

HSBC Insurance World Selection 3 Fund Inception Date: 15 Apr 2010

HSBC Insurance World Selection 4 Fund Inception Date: 14 Jan 2019

HSBC Insurance World Selection 5 Fund Inception Date: 20 Apr 2010

HSBC Insurance World Selection 1 Fund

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020 % of NAV	MV S\$ mil
HSBC Portfolios - World Selection 1	100.66	4.57
Other liabilities	(0.66)	(0.03)
Total	100.00	4.54

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	1,094,031
Redemption	898,823

C) Underlying Sub-Fund Disclosure (HSBC Portfolios - World Selection 1)

I Allocation by Country

As at 31 Dec 2020

N.A., as the fund is a fund-of-funds.

II Allocation by Industry

As at 31 Dec 2020

N.A., as the fund is a fund-of-funds.

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

IV Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
HGIF GSD Bond ZQ	8.24	48.91
HSBC FTSE All-World Index Instl Acc	6.45	38.28
HGIF Global Asset Backed Bond ZC	3.81	22.61
HGIF GLBL I L BD ZQ	3.74	22.20
HSBC Multi Factor Worldwide Equity ETF	3.38	20.06
HSBC GIF Global EM Local Dbt ZQ1	3.28	19.47
HSBC US Dollar Liquidity Y	3.27	19.41
HSBC S&P 500 UCITS ETF (HSPD LN)	3.26	19.35
Struct GS Cross Asset Trend E USD Acc	3.09	18.34
HSBC GIF Global Govt Bd ZQ1	2.73	16.20

Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
Hsbc FTSE All World Index Instl Acc	12.08	83.84
Hsbc GIF Global Government Bond ZQ1	11.30	78.41
Hsbc GIF Global EM Mkts Local Debt ZQ1	5.54	38.44
Hsbc GIF Global Asset Backed Bond ZC	5.05	35.04
HSBC US Dollar Liquidity Y	4.28	29.70
HSBC GIF Global Real Estate Eq ZQ1	3.57	24.77
HSBC GIF Global Emerging Markets Bond ZQ1	3.52	24.43
HSBC GIF Multi-Asset Style Factors ZC	3.28	22.76
HSBC GIF Global High Yield Bond ZQ1	3.00	20.82
US Treasury N/B 2.0000 31-Oct-21	2.15	14.92

V Exposure to Derivatives

	As at 31 Dec 2020
% of NAV	2.26%
Market value (S\$)	13,440,531
Realised Gains / (Losses) (S\$)	18,235,527
Unrealised Gains / (Losses) (S\$)	3,957,021

VI Borrowings of Net Asset Value

	As at 31 Dec 2020
N.A.	

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance World Selection 1 Fund		Underlying Sub- Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.64%	1.69%	1.25%	1.30%
Turnover Ratio	42.50%	29.33%	0.94%	0.65%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Portfolios - World Selection 1 for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance World Selection 1 Fund invests S\$4.57 million, equivalent to 100.66% of its net asset value in HSBC Portfolios - World Selection 1, which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to S\$6,800.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 175.

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HSBC Insurance World Selection 2 Fund

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
HSBC Portfolios - World Selection 2	100.00	0.20
Total	100.00	0.20

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	100,493
Redemption	13,512

C) Underlying Sub-Fund Disclosure (HSBC Portfolios - World Selection 2)

I Allocation by Country

As at 31 Dec 2020

N.A., as the fund is a fund-of-funds.

II Allocation by Industry

As at 31 Dec 2020

N.A., as the fund is a fund-of-funds.

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

IV Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
HSBC GIF Global Govt BD ZQ1	16.41	128.23
HSBC FTSE All-World Index Instl Ac	14.63	114.32
HSBC US Dollar Liquidity Y	6.85	53.53
HSBC Multi Factor Worldwide Equity ETF	6.46	50.48
HSBC S&P 500 UCITS ETF (HSPD LN)	6.01	46.96
HGIF Global Asset Backed Bond ZC	4.92	38.44
HGIF GSD Bond ZQ	4.84	37.82
HSBC GIF Global EM Local DBT ZQ1	4.82	37.66
HSBC GIF Global RE EQ ZQ1	3.65	28.52
HGIF GLBL I L BD ZQ	2.45	19.14

Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
HSBC FTSE All World Index Instl Acc	18.68	162.95
HSBC GIF Global Government Bond ZQ1	7.67	66.91
HSBC GIF Global Em Mkts Local Debt ZQ1	6.58	57.40
HSBC GIF Global Real Estate Eq ZQ1	5.08	44.31
HSBC GIF Global Asset Backed Bond ZC	5.00	43.61
HSBC GIF Global Emerging Markets Bond ZQ1	4.46	38.90
HSBC US Dollar Liquidity Y	4.06	35.42
HSBC GIF Global High Yield Bond ZQ1	3.44	30.01
HSBC GIF Multi-Asset Style Factors ZC	2.19	19.10
HSBC Economic Scale Worldwide Equity ETF	2.09	18.23

V Exposure to Derivatives

As at 31 Dec 2020

% of NAV	3.34%
Market value (S\$)	26,121,114
Realised Gains / (Losses) (S\$)	32,386,220
Unrealised Gains / (Losses) (S\$)	2,462,054

VI Borrowings of Net Asset Value

As at 31 Dec 2020

N.A.

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance World Selection 2 Fund		Underlying Sub- Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.77%	2.06%	1.34%	1.34%
Turnover Ratio	27.27%	171.81%	As at 31-Dec-20 0.94%	0.53%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Portfolios - World Selection 2 for the financial year ended 31 Dec 2020 is not available.

Related-Party Transactions

HSBC Insurance World Selection 2 Fund invests S\$0.20 million, equivalent to 100.00% of its net asset value in HSBC Portfolios - World Selection 2, which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to S\$235.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 175.

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HSBC Insurance World Selection 3 Fund

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	% of NAV	As at 31 Dec 2020 MV S\$ mil
HSBC Portfolios - World Selection 3	100.07	15.32
Other assets	0.07	0.01
Other liabilities	(0.14)	(0.02)
Total	100.00	15.31

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	2,032,003
Redemption	2,153,676

C) Underlying Sub-Fund Disclosure (HSBC Portfolios - World Selection 3)

I Allocation by Country

As at 31 Dec 2020

N.A., as the fund is a fund-of-funds.

II Allocation by Industry

As at 31 Dec 2020

N.A., as the fund is a fund-of-funds.

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

IV Top Ten Holdings of Underlying Sub-Fund

	% of NAV	As at 31 Dec 2020 MV S\$ mil
HSBC FTSE All World Index Instl Acc	16.77	202.62
HSBC Multi Factor Worldwide Equity ETF	10.25	123.84
HSBC S&P 500 UCITS ETF (HSPD LN)	8.34	100.76
HSBC American Index Institutional Acc	6.89	83.25
HSBC GIF Global EM Local DBT ZQ1	6.61	79.86
HSBC GIF Global RE EQ ZQ1	6.06	73.22
HSBC US Dollar Liquidity Y	4.45	53.77
HSBC GIF Global Govt BD ZQ1	3.95	47.72
HSBC GIF Global EM BD ZQ1	2.75	33.23
HSBC GIF Global Hi Yld BD ZQ1	2.74	33.10

Top Ten Holdings of Underlying Sub-Fund

	% of NAV	As at 31 Dec 2019 MV S\$ mil
HSBC FTSE All World Index Instl Acc	17.60	225.51
HSBC American Index Institutional Acc	9.34	119.67
HSBC GIF Global Em Mkts Local Debt ZQ1	7.57	96.99
HSBC GIF Global High Yield Bond ZQ1	5.52	70.73
HSBC GIF Global Real Estate Eq ZQ1	5.01	64.19
HSBC GIF Global Emerging Mkts BD ZQ1	5.00	64.07
HSBC US Dollar Liquidity Y	4.43	56.76
HSBC Economic Scale Worldwide Equity ETF	4.11	52.66
HSBC European Index Institutional Acc	3.54	45.36
Ishares Core MSCI EM IMI ETF USD Acc	3.01	38.57

V Exposure to Derivatives

As at 31 Dec 2020

% of NAV	2.57%
Market value (S\$)	31,024,050
Realised Gains / (Losses) (S\$)	47,250,237
Unrealised Gains / (Losses) (S\$)	698,882

VI Borrowings of Net Asset Value

As at 31 Dec 2020

N.A.

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance World Selection 3 Fund		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.73%	1.76%	1.44%	1.47%
Turnover Ratio	21.54%	11.01%	0.73%	0.29%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Portfolios - World Selection 3 for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance World Selection 3 Fund invests S\$15.32 million, equivalent to 100.07% of its net asset value in HSBC Portfolios - World Selection 3, which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to S\$26,243.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 175.

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HSBC Insurance World Selection 4 Fund

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
HSBC Portfolios - World Selection 4	100.00	1.38
Total	100.00	1.38

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	S\$
Subscription	462,056
Redemption	-

C) Underlying Sub-Fund Disclosure (HSBC Portfolios - World Selection 4)

I Allocation by Country

As at 31 Dec 2020

N.A., as the fund is a fund-of-funds.

II Allocation by Industry

As at 31 Dec 2020

N.A., as the fund is a fund-of-funds.

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

IV Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2020	
	% of NAV	MV S\$ mil
HSBC Multi Factor Worldwide Equity ETF	13.68	141.96
HSBC FTSE All-World Index Instl Acc	13.27	137.71
HSBC S&P 500 UCITS ETF (HSPD LN)	12.17	126.29
Vanguard FTSE All-World UCITS ETF	10.69	110.94
HSBC GIF Global RE EQ ZQ1	7.90	81.98
HSBC American Index Institutional Acc	7.73	80.22
HSBC GIF Global EM Local DBT ZQ1	5.46	56.66
HSBC US Dollar Liquidity Y	4.60	47.74
HSBC MSCI Emerg Mkts ETF	4.00	41.51
HSBC European Index Institutional Acc	3.59	37.26

Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2019	
	% of NAV	MV S\$ mil
HSBC FTSE All World Index Instl Acc	15.19	153.10
HSBC American Index Institutional Acc	13.68	137.87
Vanguard FTSE All-World UCITS ETF	10.75	108.34
HSBC GIF Global EM Local DBT ZQ1	7.43	74.88
HSBC Economic Scale Worldwide Equity ETF	7.34	73.97
HSBC GIF Global RE EQ ZQ1	5.03	50.69
HSBC European Index Institutional Acc	4.99	50.29
HSBC Multi Factor Worldwide Equity ETF	4.43	44.65
Ishares Core MSCI EM IMI ETF USD Acc	4.11	41.42
Ishares Core S&P 500 ETF USD Acc	3.84	38.70

V Exposure to Derivatives

As at 31 Dec 2020

% of NAV	2.60%
Market value (S\$)	26,962,623
Realised Gains / (Losses) (S\$)	59,897,964
Unrealised Gains / (Losses) (S\$)	(3,612,502)

VI Borrowings of Net Asset Value

As at 31 Dec 2020

N.A.

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance World Selection 4 Fund		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.85%	2.41%	1.52%	1.53%
Turnover Ratio	2.51%	1.43%	As at 31-Dec-20 0.69%	0.19%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Portfolios - World Selection 4 for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance World Selection 4 Fund invests S\$1.38 million, equivalent to 100.00% of its net asset value in HSBC Portfolios - World Selection 4, which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to S\$3,211.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 176.

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HSBC Insurance World Selection 5 Fund

B) Fund Disclosure

I Allocation by Asset Class

Asset Class

HSBC Portfolios - World Selection 5

Total

	As at 31 Dec 2020
% of NAV	MV S\$ mil
100.00	20.39
100.00	20.39

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

S\$

Subscription

1,647,832

Redemption

2,456,986

C) Underlying Sub-Fund Disclosure (HSBC Portfolios - World Selection 5)

I Allocation by Country

As at 31 Dec 2020

N.A., as the fund is a fund-of-funds.

II Allocation by Industry

As at 31 Dec 2020

N.A., as the fund is a fund-of-funds.

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

IV Top Ten Holdings of Underlying Sub-Fund

HSBC S&P 500 UCITS ETF (HSPD LN)
HSBC Multi Factor Worldwide Equity ETF
HSBC FTSE All-World Index Instl Acc
HSBC GIF Global RE EQ ZQ1
iShares Core S&P 500 ETF USD Acc
HSBC MSCI Emerg Mkts ETF
HSBC European Index Institutional Acc
HSBC US Dollar Liquidity Y
HSBC American Index Institutional Acc
HSBC Japan Index Instl Acc

	As at 31 Dec 2020
% of NAV	MV S\$ mil
16.70	78.12
14.41	67.40
13.52	63.23
8.63	40.36
8.04	37.60
5.87	27.45
5.60	26.19
4.51	21.09
3.07	14.36
2.76	12.91

Top Ten Holdings of Underlying Sub-Fund

HSBC FTSE All-World Index Instl Acc
HSBC American Index Institutional Acc
iShares Core S&P 500 ETF USD Acc
HSBC Economic Scale Worldwide Equity ETF
HSBC European Index Institutional Acc
iShares Core MSCI EM IMI ETF USD Acc
HSBC Gif Global RE EQ ZQ1
HSBC Multi Factor Worldwide Equity ETF
HSBC Japan Index Instl Acc
HSBC GIF Global EM Local DBT ZQ1

	As at 31 Dec 2019
% of NAV	MV S\$ mil
16.32	71.47
12.71	55.67
12.52	54.84
7.64	33.46
7.47	32.72
6.60	28.91
4.81	21.07
4.72	20.67
4.03	17.65
3.92	17.17

V Exposure to Derivatives

% of NAV

As at 31 Dec 2020

2.78%

Market value (S\$)

13,012,154

Realised Gains / (Losses) (S\$)

27,064,307

Unrealised Gains / (Losses) (S\$)

(1,462,044)

VI Borrowings of Net Asset Value

As at 31 Dec 2020

N.A.

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance World Selection 5 Fund		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.81%	1.82%	1.52%	1.54%
			As at 31-Dec-20	
Turnover Ratio	19.76%	22.81%	0.83%	0.15%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Portfolios - World Selection 5 for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance World Selection 5 Fund invests S\$20.39 million, equivalent to 100.00% of its net asset value in HSBC Portfolios - World Selection 5, which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to S\$37,419.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 176.

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HSBC Insurance Europe Dynamic Equity Fund (USD)

Fund Objective

HSBC Insurance Europe Dynamic Equity (USD) seeks to maximise long-term capital growth by investing primarily in an aggressively managed portfolio of European companies. Fund investments are made by way of a feeder fund, which invests substantially all or all its assets in the JPMorgan Funds – Europe Dynamic Fund (USD).

Investment and Market Review ^

Not holding a position in SAP, the German software company, enhanced relative returns. The stock plunged sharply by over 20% on a single day in November after the company announced financial results for the 3Q20, with revenue and earnings underperforming expectations. Furthermore, the firm lowered its outlook for profit for the next two years, claiming that the pandemic delayed customers from shifting to cloud services and caused other disruptions such as those to its travel expense tracking business. Our overweight position in ASM International, the Dutch semiconductor company, also contributed positively to performance. The company reported solid 3Q20 earnings, ahead of market estimates. Strong 4Q20 guidance, a robust pipeline of deliveries and a share buyback programme supported the stock price.

Not holding a position in ASML Holding, the Netherlands-based photolithography supplier to the semiconductor industry, detracted from relative returns. Investors reacted positively after the company announced better-than-estimated 3Q20 earnings, a raise in dividends, a share buyback programme and in-line guidance for the 4Q20. Our overweight position in Koninklijke Ahold Delhaize was also negative for relative returns during the 4Q20. The multinational food retailer lagged the broad market as value cyclical stocks rallied on the positive COVID-19 vaccine news flow.

Market Outlook and Investment Strategy ^

We are currently most overweight in capital goods and retailing. The largest underweight positions are in food beverage & tobacco and household & personal products.

The largest increase at the sector level was in the capital goods sector. We added a position in Swedish industrials company Volvo during the quarter. Volvo continued its strong recent momentum, delivering an exceptional set of quarterly results, which surprised positively on margins and cash flows. Strong truck orders provided visibility and confidence for the company's outlook, prompting upgrades to consensus earnings estimates.

The largest decrease at the sector level was in the retailing sector. We sold out our position in global consumer internet group Prosus. The Dutch-listed stock had been a beneficiary of the COVID-19 pandemic, given its investment holdings in assets with end market exposure to internet and ecommerce. Following the positive vaccine announcement, we used it as a funding position for other attractive investment opportunities.

In the short term, economic growth will most likely remain uneven, coming in fits and starts depending on the path of the pandemic and the roll out of the COVID-19 vaccine.

It is likely that the incoming US administration will look to normalise trade relations, and the Brexit breakthrough will also be a tailwind for businesses. It is crucial to differentiate cyclical from structural headwinds and tailwinds as the recovery takes shape in 2021.

^ Source: JPMorgan Asset Management (Singapore) Limited

FUND FACTS

Underlying Sub-Fund JPMorgan Funds – Europe Dynamic Fund (USD)
Fund Manager JPMorgan Asset Management (Singapore) Limited.

Launch Date 17 Oct 2016
CPFIS/SRS Cash
CPFIS Risk N.A.
Classification

As at 31 December 2020

Offer Price	USD	1.27219
Bid Price	USD	1.27219
Fund Size	USD	3.19 mil
Units in Issue		2.51 mil

A) Fund Performance

I Cumulative Total Returns

	3-Mth (%)	6-Mth (%)	1-Year (%)	3-Year (%)	5-Year (%)	10-Year (%)	Since Inception^ (%)
HSBC Insurance Europe Dynamic Equity Fund (USD)	14.71	15.27	1.86	9.91	N.A.	N.A.	27.22
Benchmark*	11.59	12.05	(0.00)	16.93	N.A.	N.A.	44.01

II Average Annual Compounded Returns

	3-Year (%)	5-Year (%)	10-Year (%)	Since Inception^ (%)
HSBC Insurance Europe Dynamic Equity Fund (USD)	3.20	N.A.	N.A.	5.99
Benchmark*	5.35	N.A.	N.A.	9.21

*MSCI Europe Index (Total Return Net) Hedged to USD

^Inception Date: 11 Nov 2016

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV USD mil
JPMorgan Funds – Europe Dynamic Fund (USD)	100.00	3.19
Total	100.00	3.19

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	USD
Subscription	357,632
Redemption	21,925

C) Underlying Fund Disclosure (JPMorgan Funds – Europe Dynamic Fund (USD))

I Allocation by Country

Country	As at 31 Dec 2020	
	% of NAV	MV USD mil
United Kingdom	20.60	157.35
Germany	19.10	145.89
France	15.80	120.69
Switzerland	15.60	119.16
Sweden	5.80	44.30
Netherlands	5.20	39.72
Denmark	4.50	34.37
Italy	4.30	32.84
Others*	9.00	68.75
Cash	0.10	0.76
Total	100.00	763.83

*Includes other countries

II Allocation by Industry

Industry	As at 31 Dec 2020	
	% of NAV	MV USD mil
Capital Goods	15.70	119.92
Pharmaceuticals Biotechnology & Life Sci	8.60	65.69
Materials	8.10	61.87
Banks	7.40	56.52
Utilities	5.80	44.30
Insurance	5.20	39.72
Automobiles & Components	5.20	39.72
Semiconductors & Semiconductor Equipment	5.00	38.19
Others*	38.90	297.14
Cash	0.10	0.76
Total	100.00	763.83

*Includes other industries

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

IV Top Ten Holdings of Underlying Sub-Fund

As at 31 Dec 2020
% of NAV MV USD mil

Nestle	3.20	24.44
Novartis	2.70	20.62
Roche	2.40	18.33
Deutsche Telekom	2.20	16.80
ASM International	2.00	15.28
Siemens	1.90	14.51
BNP Paribas	1.80	13.75
Enel	1.80	13.75
Orsted	1.70	12.99
Schneider Electric	1.70	12.99

Top Ten Holdings of Underlying Sub-Fund

As at 31 Dec 2019
% of NAV MV USD mil

Roche	5.10	45.03
Nestle	4.90	43.24
Novartis	4.20	37.06
Allianz	3.00	26.47
GlaxoSmithKline	2.90	25.59
Zurich Insurance	2.90	25.59
Total SA	2.60	22.94
SAP	2.50	22.06
LVMH	2.30	20.30
Linde	2.10	18.53

V Exposure to Derivatives

As at 30 Jun 2020*

% of NAV	(0.08%)
Market value (USD)	(529,237)
Realised Gains / (Losses) (USD)	-
Unrealised Gains / (Losses) (USD)	(529,237)

VI Borrowings of Net Asset Value

As at 30 Jun 2020*

N.A.

*Based on audited figures as at 30 Jun 2020 as the unaudited figures as at 31 Dec 2020 are not available.

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Europe Dynamic Equity Fund (USD)		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Jun-20*	As at 30-Jun-19**
Expense Ratio	1.78%	1.77%	1.74%	1.73%
			As at 31-Dec-20	As at 31-Dec-19
Turnover Ratio	12.16%	17.41%	168.77%	79.57%

*Based on audited figure as at 30 Jun 2020 as the expense ratio of JPMorgan Funds – Europe Dynamic Fund (USD) for the financial year ended 31 Dec 2020 is not available.

**Based on audited figure as at 30 Jun 2019 as the expense ratio of JPMorgan Funds – Europe Dynamic Fund (USD) for the financial year ended 31 Dec 2019 is not available.

II Related-Party Transactions

N.A.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 177.

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HSBC Insurance Global Emerging Markets Bond Fund (USD)

Fund Objective

HSBC Insurance Global Emerging Markets Bond Fund (USD) invests for total return primarily in a diversified portfolio of Investment Grade and Non-Investment Grade rated fixed income (e.g. bonds) and other similar securities either issued by companies which have their registered office in emerging markets around the world, primarily denominated in USD, or which are issued or guaranteed by governments, government agencies and supranational bodies of emerging markets. Fund investments are made by way of a feeder fund, which invests substantially all, or all its assets in the PIMCO Emerging Markets Bond Fund (USD).

FUND FACTS

Underlying Sub-Fund PIMCO Emerging Markets

Bond Fund (USD)

Fund Manager PIMCO Global Advisors
(Ireland) Limited

Launch Date 17 Oct 2016

CPFIS/SRS Cash

CPFIS Risk N.A.

Classification

As at 31 December 2020

Offer Price USD 1.15580

Bid Price USD 1.15580

Fund Size USD 1.77 mil

Units in Issue 1.53 mil

Investment and Market Review ^

The 2H20 featured a rebound in economic data, vaccine approvals, more policy stimulus, and clarity on the U.S. election outcome – the joint impact of these bolstered market optimism and capped off a year of unprecedented volatility. Central banks and governments stayed the course with a bias for further support. In the U.S., Congress passed a \$900 billion pandemic relief bill as the Fed emphasized a commitment to both its low-rate policy regime through 2023 and its current pace of asset purchases. In Europe, the ECB increased its Pandemic Emergency Purchase Program by €500 billion.

U.S. equity markets largely looked past renewed lockdowns and deceleration in the pace of recovery – the S&P 500 reached record highs and returned over 18% in 2020. Credit spreads tightened over the half, and the U.S. dollar weakened versus a broad DM basket. Sovereign yields were largely mixed, but range-bound overall. In context of the full year, most types of broad credit spreads finished only modestly wider in 2020, though underlying dispersion was relatively high as sectors like energy remained plagued by demand concerns. Former Vice President Biden was affirmed the 26th President-elect by the Electoral College, with a Democratic majority in the House and a runoff to determine control of the Senate. Also of note, Washington hardened rhetoric and policy against China, fueling further tensions, and a U.K.-E.U. trade deal alleviated some lingering Brexit concerns.

Market Outlook and Investment Strategy ^

PIMCO remains constructive on EMs. From a valuations point of view, EM is cheap relative to DMs. EM currencies are cheap to the USD, and we expect the dollar to weaken. EM external debt, against a backdrop of diminishing attractiveness of EM IG, offers attractive opportunities in EM HY that is still lagging in recovery vs global corporate HY credit. As for fundamentals, we think that unlike in previous bull cycles, in the year ahead, the capital flows into EM will be driven primarily by push factors: global liquidity, search for yield amid negative DMs rates. With that being said, pull factors are also important. External balances have corrected meaningfully, and hardly any major EM economy is running a current account deficit. Debt servicing costs have come down thanks to record low interest rates, and a DM recovery should boost EM exports (if vaccines are distributed across EM soon after DM).

Finally, technical and capital flows should support asset prices. Portfolio flows into EM are often associated with a weaker dollar, higher commodity prices and stronger global growth. Furthermore, after -\$15bn outflows in 2020 (debt + equity), and historical precedents suggest a reversal of flows and provide another reason why we expect a supportive technical backdrop. Within the fund, we continue to focus on the higher quality part of EM where sovereigns and companies have strong balance sheets and income flows, while staying away from high yield EM names, which are fundamentally weaker.

^ Source: PIMCO Global Advisors (Ireland) Limited

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Global Emerging Markets Bond Fund (USD)	6.20	9.51	2.90	6.63	N.A.	N.A.	15.58
Benchmark*	5.49	7.89	5.88	15.56	N.A.	N.A.	28.10

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance Global Emerging Markets Bond Fund (USD)	2.16	N.A.	N.A.	3.58
Benchmark*	4.94	N.A.	N.A.	6.21

*JP Morgan EMBI Global

[^]Inception Date: 21 Nov 2016

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV USD mil
PIMCO Emerging Markets Bond Fund Acc USD share class	100.00	1.77
Total	100.00	1.77

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	USD
Subscription	122,704
Redemption	-

C) Underlying Sub-Fund Disclosure (PIMCO Emerging Markets Bond Fund Acc USD share class)

I Allocation by Country

Country	As at 31 Dec 2020	
	% of NAV	MV USD mil
Mexico	8.26	434.29
Indonesia	7.20	378.55
South Africa	5.81	305.47
Brazil	5.26	276.55
Russia	5.02	263.94
Egypt	4.75	249.74
Turkey	4.69	246.59
China	3.88	204.00
Ukraine	3.19	167.72
Others*	51.94	2,730.85
Total	100.00	5,257.70

*Includes other countries

II Allocation by Industry

Industry	As at 31 Dec 2020	
	% of NAV	MV USD mil
EM External Sovereigns	57.30	3,012.84
EM External Quasi-Sovereigns	21.23	1,116.05
EM External Corporates	11.23	590.39
EM Local Sovereigns	4.78	251.25
EM Local Corporates	0.24	12.39
EM External Short Duration Instruments [^]	(0.42)	(22.05)
Others*	5.64	296.83
Total	100.00	5,257.70

*Includes other industries

[^]Negative position was due to reverse repurchase agreements

III Allocation of Debt Securities by Credit Ratings

	As at 31 Dec 2020	
	% of NAV	MV USD mil
AAA	8.00	420.62
AA	11.00	578.35
A	11.00	578.35
BAA	30.00	1,577.31
BB	23.00	1,209.27
B	12.00	630.92
B-	2.00	105.15
CCC	3.00	157.73
Total	100.00	5,257.70

IV Top Ten Holdings of Underlying Sub-Fund

	As at 30 Sep 2020†	
	% of NAV	MV USD mil
Saudi International Bond Regs	1.22	64.10
Pemex Sr Unsec Regs **144A Exchange**	0.98	51.27
Russia Foreign Bond Sr Unsec Regs	0.81	42.73
Republic Of Argentina	0.81	42.73
Mexico Govt (Ums) Gbl Sr Nt	0.73	38.45
Republic Of Turkey Sr Unsec	0.73	38.45
Pemex Sr Unsec Regs **144A Exchange**	0.65	34.18
Pemex Sr Unsec Regs **144A Exchange**	0.65	34.18
Republic Of Argentina	0.57	29.91
Southern Gas Corridor Gov Gtd Unsec Reg	0.57	29.91

Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2019	
	% of NAV	MV USD mil
Saudi Int Bond 5.000 17/04/49	2.09	60.61
Petroleos Mexico 5.350 12/02/28	1.85	53.68
Abu Dhabi Govt 3.125 30/09/49	1.84	53.37
Saudi Int Bond 5.250 16/01/50	1.67	48.60
United Mexican 4.500 22/04/29	1.57	45.57
Petroleos Mexico 6.625 15/06/35	1.51	43.87
Qatar State Of 4.817 14/03/49	1.35	39.31
Saudi Int Bond 4.375 16/04/29	1.21	35.24
Petroleos Mexico 6.350 12/02/48	1.16	33.81
Dominican Republ 6.500 15/02/48	1.16	33.60

V Exposure to Derivatives

	As at 31 Dec 2020	
% of NAV	12.40%	
Market value (USD)	651,954,486	
Realised Gains / (Losses) (USD)	-	
Unrealised Gains / (Losses) (USD)	-	

VI Borrowings of Net Asset Value

	As at 31 Dec 2020	
N.A.		

† Based on unaudited figures as at 30 Sep 2020 as the unaudited figures as at 31 Dec 2020 are not available.

D) Other Disclosure Items

I) Expense/Turnover Ratios	HSBC Insurance Global Emerging Markets Bond Fund (USD)		Underlying Sub-Fund^	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Jun-20*	As at 31-Dec-19
Expense Ratio	1.69%	1.64%	1.64%	1.60%
			As at 31-Dec-19**	
Turnover Ratio	101.21%	50.17%	66.00%	1.45%

*Based on unaudited figure as at 30 Jun 2020 as the expense ratio of PIMCO Emerging Markets Bond Fund Acc USD share class for the financial year ended 31 Dec 2020 is not available.

**Based on audited figure as at 31 Dec 2019 as the turnover ratio of PIMCO Emerging Markets Bond Fund Acc USD share class for the financial year ended 31 Dec 2020 is not available.

^The underlying fund was replaced from HSBC GIF Global Emerging Markets Bond Fund to PIMCO Emerging Markets Bond Fund Acc USD share class with effect from 20 July 2020.

II Related-Party Transactions

N.A.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 177.

For more information, please contact your financial consultant,
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or visit our web site at www.insurance.hsbc.com.sg.

HSBC Insurance Global Emerging Markets Equity Fund (USD)

Fund Objective

HSBC Insurance Global Emerging Markets Equity Fund (USD) seeks to provide long-term capital growth by investing primarily in emerging market companies. Fund investments are made by way of a feeder fund, which invests substantially all or all its assets in the JPMorgan Funds – Emerging Markets Equity (USD).

Investment and Market Review [^]

Stock selection in China added to performance in the period. WuXi Biologics was a leading contributor. The company's state-of-the-art facilities and a strong set of integrated services remain key advantages that have driven significant gains in market share this year. WuXi recently announced plans to expand production capacity in Europe, leasing a plant in Germany to manufacture drug substances for COVID-19 vaccines and other biologics. In India, stock selection and the portfolio's longstanding overweight drove performance. Our position in HDFC, a leading mortgage lender, was a top contributor in the quarter. Improvements in economic data, prompting broader investor optimism, and easing concerns over the fragility of the economic recovery have aided HDFC's performance. Additionally, HDFC Bank contributed to returns during the quarter.

Stock selection in Brazil was a headwind to performance in the period. XP Inc., a leading technology-driven financial services platform, detracted from returns. The share price underperformed a rising market, giving back some of its relative outperformance this year following Itau Unibanco's announcement that it would sell part of its stake in XP and spin off its remaining position into a separate company. In Belarus, EPAM Systems, a software services developer, underperformed a strongly rising market. There has been no change in our view of the company where growth looks to be constrained by supply rather than demand. This leaves long-term estimates of 20%+ organic revenue growth and steady margins over the next five years intact as businesses accelerate their moves online.

Market Outlook and Investment Strategy [^]

The fund uses our comprehensive research platform to identify high-quality businesses that compound earnings sustainably over long periods, resulting in a long-term, high-conviction portfolio with a quality and growth bias.

How long COVID-19 persists as a health risk is crucial for economies and financial markets. Medical developments could mean a path to normality is possible in 2021. A growing list of DM and EM economies are discussing vaccination plans. However, speeds of vaccine roll-outs differ greatly and uncertainties still remain, especially in the near term.

Valuations are slightly above average, but earnings revisions are turning positive across a broader range of sectors. The path of the dollar will be key, as it has weakened considerably over the past quarter. Further weakness would provide support to EM equities.

[^] Source: JPMorgan Asset Management (Singapore) Limited

FUND FACTS

Underlying Sub-Fund	JPMorgan Funds – Emerging Markets Equity Fund (USD)
Fund Manager	JPMorgan Asset Management (Singapore) Limited.
Launch Date	17 Oct 2016
CPFIS/SRS	Cash
CPFIS Risk Classification	N.A.
As at 31 December 2020	
Offer Price	USD 2.04160
Bid Price	USD 2.04160
Fund Size	USD 6.89 mil
Units in Issue	3.37 mil

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Global Emerging Markets Equity Fund (USD)	22.47	39.25	32.32	44.56	N.A.	N.A.	104.16
Benchmark*	19.70	31.14	18.31	19.69	N.A.	N.A.	69.42

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance Global Emerging Markets Equity Fund (USD)	13.07	N.A.	N.A.	18.86
Benchmark*	6.17	N.A.	N.A.	13.61

*MSCI Emerging Markets Index (Total Return Net)

[^]Inception Date: 14 Nov 2016

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV USD mil
JPMorgan Funds - Emerging Markets Equity Fund (USD)	100.00	6.89
Total	100.00	6.89

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	USD
Subscription	730,189
Redemption	31,973

C) Underlying Fund Disclosure (JPMorgan Funds – Emerging Markets Equity Fund (USD))

I Allocation by Country

Country	As at 31 Dec 2020	
	% of NAV	MV USD mil
China	45.30	5,748.29
India	16.40	2,081.06
Taiwan	6.90	875.57
South Korea	6.60	837.50
Brazil	6.00	761.36
Singapore	3.30	418.75
Argentina	2.90	367.99
Belarus	2.60	329.92
Others*	9.00	1,142.04
Cash	1.00	126.89
Total	100.00	12,689.37

*Includes other countries

II Allocation by Industry

Industry	As at 31 Dec 2020	
	% of NAV	MV USD mil
Financials	22.50	2,855.11
Consumer Discretionary	22.00	2,791.66
Information Technology	21.00	2,664.77
Consumer Staples	10.80	1,370.45
Communication Services	10.30	1,307.01
Industrials	5.20	659.85
Health Care	4.00	507.57
Energy	1.50	190.34
Others*	1.70	215.72
Cash	1.00	126.89
Total	100.00	12,689.37

*Includes other industries

III Allocation of Debt Securities by Credit Ratings **As at 31 Dec 2020**
N.A.

IV Top Ten Holdings of Underlying Sub-Fund	As at 31 Dec 2020	
	% of NAV	MV USD mil
Samsung Electronics	5.20	659.85
Taiwan Semiconductor	5.20	659.85
Alibaba	4.70	596.40
Tencent	3.80	482.20
HDFC Bank	3.50	444.13
Sea	3.30	418.75
HDFC	3.10	393.37
WuXi Biologics	2.90	367.99
MercadoLibre	2.90	367.99
Meituan	2.80	355.30

IV Top Ten Holdings of Underlying Sub-Fund	As at 31 Dec 2019	
	% of NAV	MV USD mil
Alibaba	5.60	478.93
AIA	4.40	376.30
HDFC	4.30	367.75
Tencent	4.20	359.20
HDFC Bank	4.10	350.64
Taiwan Semiconductor	4.10	350.64
Samsung Electronics	4.00	342.09
Ping An Insurance	2.40	205.26
Sberbank of Russia	2.20	188.15
Techtronic Industries	2.00	171.05

V Exposure to Derivatives	As at 30 Jun 2020*
% of NAV	0.01%
Market value (USD)	760,037
Realised Gains / (Losses) (USD)	-
Unrealised Gains / (Losses) (USD)	760,037

VI Borrowings of Net Asset Value **As at 30 Jun 2020***
N.A.

*Based on audited figures as at 30 Jun 2020 as the unaudited figures as at 31 Dec 2020 are not available.

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Global Emerging Markets Equity Fund (USD)		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Jun-20*	As at 30-Jun-19**
Expense Ratio	1.77%	1.77%	1.73%	1.73%
			As at 31-Dec-20	As at 31-Dec-19
Turnover Ratio	6.41%	14.73%	17.05%	25.90%

*Based on audited figure as at 30 Jun 2020 as the expense ratio of JPMorgan Funds - Emerging Markets Equity Fund (USD) for the financial year ended 31 Dec 2020 is not available.

**Based on audited figure as at 30 Jun 2019 as the expense ratio of JPMorgan Funds - Emerging Markets Equity Fund (USD) for the financial year ended 31 Dec 2019 is not available.

II Related-Party Transactions
N.A.

III Material Information that will adversely impact the valuation of the ILP sub-fund
N.A.

IV Soft Dollar Commission Arrangement
N.A.

E) Financial Statements

Refer to page 177.

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HSBC Insurance Global Equity Portfolio Fund (USD)

Fund Objective

The Fund aims to provide long term total return by investing in a portfolio of developed market equities.

Invests in normal market conditions a minimum of 90% of its net assets in equities and equity equivalent securities of companies which are domiciled in, based in, carry out the larger part of their business activities in or are listed on a Regulated Market in, developed markets such as OECD countries. The Underlying Sub-Fund may also invest in eligible closed-ended Real Estate Investment Trusts (REITs).

FUND FACTS

Underlying Sub-Fund	HSBC Global Investment Funds – Economic Scale Global Equity Fund (USD)		
Fund Manager	HSBC Global Asset Management (Singapore) Limited		
Launch Date	17 Oct 2016		
CPFIS/SRS	Cash		
CPFIS Risk Classification	N.A.		
As at 31 December 2020			
Offer Price	USD	1.41944	
Bid Price	USD	1.41944	
Fund Size	USD	5.53	mil
Units in Issue		3.89	mil

Investment and Market Review ^

Global equity markets rose in the 2H20 continuing to recover from the lows seen in March. In Q3, economies have continued to recover as COVID-19 containment measures were eased in light of slowing infection rates. US equities were the top performers amid accommodative monetary policy and positive macro data with unemployment figures coming lower than expected. Global equities continued their strong performance in Q4, with Investors returning to risky assets following positive COVID-19 vaccine developments from Pfizer and BioNTech, Moderna and AstraZeneca. The positive sentiment was further boosted by a \$900bn fiscal deal in the US.

On a 6-month basis, the fund outperformed its market cap weighed index. Both our asset allocation and stock selection contributed to performance.

On a sector basis, our overweight allocations to Industrials and Consumer Discretionary coupled with our underweight exposures to Health Care and Real Estate contributed to performance. Conversely, our overweight allocations to Consumer Staples and Energy coupled with an underweight exposure to IT weighed on performance. On a country basis, our overweight allocations to Luxembourg, Sweden and the Netherlands coupled with an underweight exposure to Switzerland contributed to performance. Conversely, our overweight allocations to Germany and the UK coupled with an underweight exposure to the US weighed on performance. At the stock level, underweighting Microsoft Corp (IT, USA) coupled with overweighting General Electric (Industrials, USA) and Fedex Corp (Industrials, USA) contributed to performance. Conversely, overweighting Telefonica SA (Communication Services, Spain) coupled with underweighting Tesla Inc (Consumer Discretionary, USA) and Apple Inc (IT, USA) weighed on performance.

Market Outlook and Investment Strategy ^

HSBC Economic Scale strategy aims to outperform the market cap index in the long run by using an alternatively weighting scheme which uses the contribution to GNP. The strategy has implicit biases towards small cap and value stocks, which rallied in Q4.

Global growth prospects have materially improved on the back of recent vaccine developments. Substantial policy easing has reduced downside tail risks, while global geopolitical uncertainty is beginning to edge lower. However, there is still uncertainty about the timeline around vaccine rollouts and thus the speed of the recovery. Policy mistakes are also possible, including a premature withdrawal of fiscal support. Higher government bond yields also pose a risk to current pricing.

^ Source: HSBC Global Asset Management (HK) Limited

A) Fund Performance

I Cumulative Total Returns

	3-Mth (%)	6-Mth (%)	1-Year (%)	3-Year (%)	5-Year (%)	10-Year (%)	Since Inception^ (%)
HSBC Insurance Global Equity Portfolio Fund (USD)	18.18	24.99	4.58	11.49	N.A.	N.A.	41.94
Benchmark*	13.79	22.81	15.99	34.88	N.A.	N.A.	75.50

II Average Annual Compounded Returns

	3-Year (%)	5-Year (%)	10-Year (%)	Since Inception^ (%)
HSBC Insurance Global Equity Portfolio Fund (USD)	3.69	N.A.	N.A.	8.78
Benchmark*	10.49	N.A.	N.A.	14.47

*Benchmark Details:

Inception to October 2017 - HSBC Economic Scale Index World

With effect from October 2017, the benchmark was changed to 'MSCI World Net'.

^Inception Date: 03 Nov 2016

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV USD mil
HSBC Global Investment Funds - Economic Scale Global Equity Fund (USD)	100.00	5.53
Total	100.00	5.53

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	USD
Subscription	649,199
Redemption	277,459

C) Underlying Sub-Fund Disclosure (HSBC Global Investment Funds - Economic Scale Global Equity Fund(USD))

I Allocation by Country

Country	As at 31 Dec 2020	
	% of NAV	MV USD mil
United States	45.66	47.90
Japan	11.58	12.15
France	7.55	7.92
United Kingdom	7.35	7.71
Germany	6.87	7.21
Canada	3.29	3.45
Switzerland	2.48	2.60
Spain	2.14	2.25
Others*	12.43	13.04
Cash	0.65	0.68
Total	100.00	104.91

*Includes other countries

II Allocation by Industry

Industry	As at 31 Dec 2020	
	% of NAV	MV USD mil
Financials	17.61	18.47
Industrials	15.58	16.35
Consumer Discretionary	12.79	13.42
Consumer Staples	9.95	10.44
Information Technology	9.91	10.40
Communication Services	9.16	9.61
Health Care	8.41	8.82
Materials	5.79	6.07
Energy	5.07	5.32
Utilities	3.83	4.02
Real Estate	1.25	1.31
Cash	0.65	0.68
Total	100.00	104.91

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

IV Top Ten Holdings of Underlying Sub- Fund

	As at 31 Dec 2020	
	% of NAV	MV USD mil
Walmart Inc	1.69	1.77
Apple Inc	1.09	1.14
JPMorgan Chase & Co	0.83	0.87
General Electric Co	0.82	0.86
Wells Fargo & Co	0.82	0.86
Volkswagen AG	0.81	0.85
AT&T Inc	0.78	0.82
Royal Dutch Shell PLC	0.76	0.80
Bank of America Corp	0.74	0.78
NTT	0.62	0.65

Top Ten Holdings of Underlying Sub- Fund

	As at 31 Dec 2019	
	% of NAV	MV USD mil
Walmart Inc	1.74	2.66
Apple Inc	0.99	1.51
General Electric Co	0.88	1.35
AT&T Inc	0.80	1.22
Wells Fargo & Co	0.75	1.15
JP Morgan Chase & Co	0.73	1.12
Royal Dutch Shell PLC	0.72	1.11
Volkswagen AG	0.67	1.03
Bank of America Corp	0.65	0.99
Nippon Telegraph & Tel Corp	0.62	0.95

V Exposure to Derivatives

As at 31 Dec 2020

% of NAV	0.07%
Market value (USD)	77,808
Realised Gains / (Losses) (USD)	173,746
Unrealised Gains / (Losses) (USD)	17,330

VI Borrowings of Net Asset Value

As at 31 Dec 2020

N.A.

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Global Equity Portfolio Fund (USD)		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	0.98%	0.99%	0.95%	0.95%
			As at 31-Dec-20	
Turnover Ratio	8.77%	12.13%	0.19%	0.25%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Global Investment Funds - Economic Scale Global Equity Fund (USD) for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance Global Equity Portfolio Fund (USD) invests USD5.53 million, equivalent to 100.00% of its net asset value in HSBC Global Investment Funds - Economic Scale Global Equity Fund (USD), which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to USD 7,279.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 178.

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HSBC Insurance Global Equity Volatility Focused Fund (USD)

Fund Objective

HSBC Insurance Global Equity Volatility Focused Fund (USD) aims to provide long term total return by investing in a portfolio of equities worldwide. The Fund invests in normal market conditions a minimum of 90% of its net assets in equities and equity equivalent securities of companies domiciled or operating in both developed markets, such as OECD countries, and Emerging Markets. It may also invest in eligible closed-ended Real Estate Investment Trusts (REITs). Fund investments are made by way of a feeder fund, which invests substantially all or all its assets in the HSBC Global Investment – Global Equity Volatility Focused (USD).

FUND FACTS

Underlying Sub-Fund	HSBC Global Investment Funds – Global Equity Volatility Focused Fund (USD)		
Fund Manager	HSBC Global Asset Management (Singapore) Limited		
Launch Date	17 Oct 2016		
CPFIS/SRS	Cash		
CPFIS Risk Classification	N.A.		
As at 31 December 2020			
Offer Price	USD	1.47480	
Bid Price	USD	1.47480	
Fund Size	USD	0.29	mil
Units in Issue		0.20	mil

Investment and Market Review [^]

The period started with Global equities sustaining their strong momentum from Q2 with economies continuing to recover as COVID-19 containment measures were eased in light of slowing infection rates.

Moving into the 4Q20, global equities continued to rebound from the lows seen in March. Investors returned to risk assets following positive COVID-19 vaccine developments from Pfizer and BioNTech, Moderna and AstraZeneca. The positive sentiment was further boosted by a \$900bn fiscal deal in the US.

The fund marginally underperformed over the period.

At the stock level, detractors included SAP, which fell after the company cut its revenue forecast for the year given fall in demand amid lockdown measures. Furthermore, Phillips 66, a US-based energy company, fell as oil prices saw a pullback in the 1Q20.

Contributors included Infineon, which rose with other semi manufacturers on the shift to working from home and the increased demand for cloud services. Additionally, Orsted, a Denmark-based offshore wind developer and operator, rose as investor interest for decarbonisation investment plays accelerated in the background of more supportive renewable energy commitments in Europe and China. Allocation effects, residual to stock selection were negative. At the sector level an underweight exposure to Consumer Discretionary was headwind, as to was an overweight exposure to the UK.

Market Outlook and Investment Strategy [^]

While the COVID-19 pandemic represents a very significant challenge for the global economy, our measure of the global equity risk premium (excess return over cash) continues to look favourable. Market volatility will remain high and corporate profits will be under pressure from stoppages in economic activity to contain the COVID-19 virus, however, improved growth prospects on the back of vaccine developments and a much looser global policy setting has kept long-term prospective returns attractive.

However, investors should be aware of the risks. Is still uncertainty about the timelines around vaccine rollouts and thus the speed of the economic recovery. Global corporate earnings growth is expected to still be impacted by regional restrictions and requires close monitoring. Policy mistakes are also possible, including premature withdrawal of fiscal support. Higher government bond yields also pose a risk to current pricing.

The global equity portfolio aim is to deliver diversified global equity exposure, balancing return potential and risk exposure, by investing in companies with an attractive combination of profitability and valuation. These quality companies typically have sustainable business models, strong balance sheets and good management.

[^] Source: HSBC Global Asset Management (HK) Limited

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Global Equity Volatility Focused Fund (USD)	15.13	23.28	11.70	27.21	N.A.	N.A.	47.48
Benchmark*	14.51	23.82	16.26	33.11	N.A.	N.A.	62.93

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance Global Equity Volatility Focused Fund (USD)	8.35	N.A.	N.A.	10.22
Benchmark*	10.00	N.A.	N.A.	13.01

*MSCI AC World Net

[^]Inception Date: 04 Jan 2017

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV USD mil
HSBC Global Investment Funds – Global Equity Volatility Focused (USD)	100.00	0.29
Total	100.00	0.29

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	USD
Subscription	55,297
Redemption	-

C) Underlying Sub-Fund Disclosure (HSBC Global Investment Funds – Global Equity Volatility Focused (USD))

I Allocation by Country

Country	As at 31 Dec 2020	
	% of NAV	MV USD mil
United States	44.78	64.20
United Kingdom	12.42	17.80
Germany	8.90	12.76
Japan	5.73	8.21
France	4.08	5.85
Mainland China	3.50	5.02
Korea	3.23	4.63
Portugal	2.56	3.67
Others*	14.09	20.20
Cash	0.71	1.02
Total	100.00	143.36

*Includes other countries

II Allocation by Industry

Industry	As at 31 Dec 2020	
	% of NAV	MV USD mil
Information Technology	24.22	34.72
Industrials	16.28	23.34
Financials	14.17	20.31
Health Care	11.01	15.79
Consumer Staples	7.83	11.22
Communication Services	7.22	10.35
Utilities	6.25	8.96
Consumer Discretionary	5.00	7.17
Materials	4.47	6.41
Energy	2.58	3.70
Real Estate	0.26	0.37
Cash	0.71	1.02
Total	100.00	143.36

III Allocation of Debt Securities by Credit Ratings

	As at 31 Dec 2020
N.A.	

IV Top Ten Holdings of Underlying Fund

	As at 31 Dec 2020	
	% of NAV	MV USD mil
Apple Inc	3.43	4.90
Walt Disney Co/The	3.12	4.47
Infineon Technologies AG	2.93	4.20
Capgemini SE	2.66	3.82
EDP - Energias de Portugal SA	2.56	3.67
Ferguson PLC	2.56	3.67
Accenture PLC	2.50	3.59
IQVIA Holdings Inc	2.48	3.56
Microsoft Corp	2.44	3.50
Home Depot Inc/The	2.40	3.44

Top Ten Holdings of Underlying Fund

	As at 31 Dec 2019	
	% of NAV	MV USD mil
Apple Inc	2.76	4.15
Munchener Ruckvers AG	2.41	3.64
Microsoft Corp	2.41	3.64
Masco Corp	2.33	3.51
Nestle SA	2.18	3.29
Accenture PLC	2.17	3.27
United Technologies Corp	2.16	3.25
Walt Disney Co	2.16	3.25
Home Depot Inc	2.12	3.20
Phillips 66	2.11	3.18

V Exposure to Derivatives

	As at 31 Dec 2020
% of NAV	0.97%
Market value (USD)	1,394,401
Realised Gains / (Losses) (USD)	2,546,238
Unrealised Gains / (Losses) (USD)	1,041,980

VI Borrowings of Net Asset Value

	As at 31 Dec 2020
N.A.	

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Global Equity Volatility Focused Fund (USD)		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.88%	1.89%	1.85%	1.85%
Turnover Ratio	52.11%	89.91%	As at 31-Dec-20 0.55%	0.22%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Global Investment Funds – Global Equity Volatility Focused (USD) for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance Global Equity Volatility Focused Fund (USD) invests USD 0.29 million, equivalent to 100.00% of its net asset value in HSBC Global Investment Funds – Global Equity Volatility Focused (USD), which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to USD 891.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 178.

**For more information, please contact your financial consultant,
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or visit our web site at www.insurance.hsbc.com.sg.**

HSBC Insurance Global High Income Bond Fund (USD)

Fund Objective

HSBC Insurance Global High Income Bond Fund (USD) invests for high income primarily in a diversified portfolio of higher yielding fixed income bonds and other similar securities from around the world denominated in a range of currencies. This may include Investment Grade bonds, high yield bonds and Asian and Emerging Markets debt instruments. Fund investments are made by way of a feeder fund, which invests substantially all or all its assets in the HSBC Global Investment Funds – Global High Income Bond Fund (USD).

FUND FACTS

Underlying Sub-Fund	HSBC Global Investment Funds – Global High Income Bond Fund (USD)		
Fund Manager	HSBC Global Asset Management (Singapore) Limited		
Launch Date	17 Oct 2016		
CPFIS/SRS	Cash		
CPFIS Risk Classification	N.A.		
As at 31 December 2020			
Offer Price	USD	1.22899	
Bid Price	USD	1.22899	
Fund Size	USD	2.20	mil
Units in Issue		1.79	mil

Investment and Market Review [^]

The strategy delivered positive absolute performance over the period gross of fees. Overall the fund saw positive contribution to return across all asset classes. From an asset class perspective US IG and US HY were the best performing segments over the period while the Securitized Credit and EUR credit bonds lagged somewhat. All segment except EUR credit outperformed their investment universes.

Q3 started with risk assets continuing to perform and credit markets continued to enjoy spread tightening through August driven by good economic data and better than expected corporate earnings as well as positive vaccine news flow. Risk assets sold off in September and credit spreads widened ending a tightening streak which lasted 5 months. Concerns over rising infection rates from a 2nd wave and a slowing recovery sparked volatility as asset valuations looked less attractive following their run up in the recovery. Despite rising infection rates, increased hospitalizations and a return to lockdown measures in many parts of the world, market sentiment remained positive in Q4 as better than expected corporate earnings, strong economic data, the conclusion to the US presidential election and positive COVID-19 vaccine news prevailed in the minds of investors. This saw credit spreads move considerably tighter as risk asset rallied to new highs.

Market Outlook and Investment Strategy [^]

In the short term however we expect there could be volatility as infection rates increase and vaccine efficacy against new virus strains is tested. For Investment Grade, while we still see the technical of government support remaining a positive for spreads in 2021, we have started to reduce beta into market strength given that spreads are touching historically tight valuations. We continue to focus on credits and sectors where we still see room for further compression. In High Yield spreads are also close to historically tight levels and we expect markets to be somewhat range bound near term. Default rates are now less of a concern as credit fundamentals are improving. We continue to rotate out of names that have outperformed to provide additional capacity for when markets sell off so we can rotate into names that have lagged in the recovery.

Regionally the strategy is 64% US, 17% Europe and 17% EM representing an overweight to the US and underweights to EUR and EM with an off benchmark allocation to structured credit of 4.5%. The strategy's average credit rating is in line with the benchmark at BB/BB- which represents an underweight in BB and an overweight to BBB, B and CCC bonds. The CCC exposure is largely in the US and in more defensive, less cyclical industries such as healthcare and packaging. The overall beta of the portfolio is now close to 1 while the duration is underweight the benchmark by 0.6 years on an options adjusted basis. The main sector overweights are to basic industry and technology while the main sector underweights are to financials and communications.

[^] Source: HSBC Global Asset Management (HK) Limited

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception ^A
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance Global High Income Bond Fund (USD)	4.58	7.36	7.17	16.41	N.A.	N.A.	22.90
Benchmark*	2.78	4.63	8.26	19.63	N.A.	N.A.	27.74

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception ^A
	(%)	(%)	(%)	(%)
HSBC Insurance Global High Income Bond Fund (USD)	5.19	N.A.	N.A.	5.08
Benchmark*	6.16	N.A.	N.A.	6.06

* Benchmark Details:

Inception to August 2019 – 35% EMD Barclays Emerging Markets USD Index +20% Barcap U.S Corp Baa + 15% Barcap US High Yield Ba + 15% BarCap EuroAgg Corporate BaaUSD Hedged + 15% BarCap Euro HY BB Rating Only USD Hedged

With effect from 01 September 2019, the benchmark was changed to 'Barclays Global Aggregate Corporate USD Hedged'.

^AInception Date: 02 Nov 2016

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV USD mil
HSBC Global Investment Funds – Global High Income Bond (USD)	100.00	2.20
Total	100.00	2.20

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)
USD

Subscription	189,280
Redemption	34,191

C) Underlying Sub-Fund Disclosure (HSBC Global Investment Funds – Global High Income Bond (USD))

I Allocation by Country

Country	As at 31 Dec 2020	
	% of NAV	MV USD mil
United States	32.83	607.60
France	7.22	133.57
Germany	4.39	81.29
Mainland China	4.19	77.58
Brazil	3.95	73.19
Ireland	3.55	65.74
Mexico	2.89	53.42
Cayman Islands	2.53	46.83
Others*	36.67	678.45
Cash	1.78	33.02
Total	100.00	1,850.69

*Includes other countries

		As at 31 Dec 2020	
II Allocation by Industry	Industry	% of NAV	MV USD mil
	Financial Institutions	20.15	372.84
	Sovereign	14.73	272.68
	Consumer Cyclical	9.80	181.30
	Agencies	8.99	166.36
	Communications	6.06	112.19
	Energy	5.86	108.51
	Consumer Non cyclical	5.61	103.81
	Asset-Backed Securities	5.54	102.57
	Basic Industry	5.30	98.13
	Commercial Mortgage-backed Securities	3.57	66.03
	Others*	12.61	233.25
	Cash	1.78	33.02
	Total	100.00	1,850.69

*Includes other industries

		As at 31 Dec 2020	
III Allocation of Debt Securities by Credit Ratings	Rating	% of NAV	MV USD mil
	AAA	1.59	29.28
	AA	2.68	49.53
	A	8.20	151.73
	BBB	42.50	786.58
	BB	26.24	485.63
	B	13.77	254.92
	CCC	2.17	40.15
	D	0.06	1.13
	Unrated	1.01	18.72
	Cash	1.78	33.02
	Total	100.00	1,850.69

		As at 31 Dec 2020	
IV Top Ten Holdings of Underlying Sub-Fund		% of NAV	MV USD mil
	Quatrim 5.875 15/01/24	0.96	18.01
	Diversified Hlth 9.750 15/06/25	0.80	14.79
	Abu Dhabi Govt 3.125 16/04/30	0.74	13.67
	Bway Holding Co 4.750 15/04/24	0.70	12.93
	Argentina 0.125 09/07/30	0.65	12.10
	At&T Inc 3.300 01/02/52	0.65	12.03
	Delta/Skymiles 4.750 20/10/28	0.63	11.61
	Mileage Plus Hld 6.500 20/06/27	0.62	11.42
	Eg Global 6.250 30/10/25	0.61	11.21
	Philippines(Rep) 3.700 02/02/42	0.60	11.07

		As at 31 Dec 2019	
Top Ten Holdings of Underlying Sub-Fund		% of NAV	MV USD mil
	Saudi Int Bond 4.500 26/10/46	0.75	16.63
	US Treasury N/B 2.875 15/05/49	0.63	13.92
	US Treasury N/B 1.500 31/10/21	0.60	13.11
	Turkey Rep of 5.750 11/05/47	0.59	12.92
	South Africa 4.850 30/09/29	0.55	12.05
	Romania 5.125 15/06/48	0.50	10.98
	Argentina 5.875 11/01/28	0.45	9.85
	US Treasury N/B 1.500 30/09/21	0.44	9.69
	Rep of Nigeria 7.143 23/02/30	0.39	8.55
	Belfius Bank Sa 0.375 13/02/26	0.34	7.47

V Exposure to Derivatives	As at 31 Dec 2020
% of NAV	(0.19%)
Market value (USD)	(3,569,560)
Realised Gains / (Losses) (USD)	(19,434,539)
Unrealised Gains / (Losses) (USD)	(31,343,975)

VI Borrowings of Net Asset Value	As at 31 Dec 2020
N.A.	

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Global High Income Bond Fund (USD)		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.54%	1.54%	1.50%	1.50%
			As at 31-Dec-20	
Turnover Ratio	1.81%	4.14%	1.18%	0.65%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Global Investment Funds – Global High Income Bond (USD) for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance Global High Income Bond Fund (USD) invests USD 2.20 million, equivalent to 100.00% of its net asset value in HSBC Global Investment Funds – Global High Income Bond (USD), which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to USD 6,506.

III Material Information that will adversely impact the valuation of the ILP sub-fund
N.A.

IV Soft Dollar Commission Arrangement
N.A.

E) Financial Statements
Refer to page 178.

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HSBC Insurance India Equity Fund (USD)

Fund Objective

HSBC Insurance India Equity Fund (USD) seeks long-term capital growth through a diversified portfolio of investments in equity and equity-equivalent securities of companies registered in, and/or with an official listing on a major stock exchange or other regulated market of India, as well as those with significant operations in India. Fund investments are made by way of a feeder fund through the HSBC Global Investment Funds - Indian Equity (USD).

Investment and Market Review ^

The S&P IFCI/India Gross Index returned 40.77% over the 6m horizon and outperformed the broader MSCI Asia Pacific ex Japan market (+30.41%). In terms of sectors, IT (+66.81%) is the top performing one followed by Materials (+52.12%), Real Estate (49.15%) and Industrials (+47.54%). With the gradual "unlocking phases" of the economy, the Indian stock market has continued to recover strongly owing to pent up demand and fund inflows (foreigners bought net \$23bn Indian Equities vs \$14.4bn last year) due to high level of liquidity globally, with India's interest rate being at 20-year low (4%).

The fund outperformed the benchmark on a 6-month basis. Positive stock selection effect in IT as well as overweight in Financials and Real Estates contributed to performance, partially offset by the unfavourable stock selection effect in the consumer discretionary and overweight in communications space.

The largest relative contributors over the year is Infosys. The company continues to benefit from its strategic pivot over the last three years including greater focus on Digital services, emphasis on winning large deals and localization. Infosys is expanding its addressable market from IT to Ops spending aided by some of its platforms and large deals. The largest relative detractors over the 2H20 is Bajaj Finance. We did not hold the company and the stock has sailed through the headwinds and emerged stronger with a leaner operating model and robust growth guidance. A few of the top detractors are names that we do not hold and have benefitted from pent up demand and faster than expected recovery from COVID-19. In terms of sector positioning, we are most overweight to Real Estate and Financials and most underweight to Materials and Utilities.

Market Outlook and Investment Strategy ^

Our portfolio is tilted toward cyclical on the expectation of improved economic outlook in FY21 due to earnings recovery and optimism over possible broad-based availability of vaccine. While we would broadly continue with our current stance, we are looking to weed out the weak links in our portfolio, consolidate our existing holdings and enter new names which we earlier avoided due to rich valuations.

Potential risks ahead include: risks of slower than expected recovery from COVID-19 or vaccine rollout and distribution in India, credit risks in the financial sector should non-performing loans rise sharply, and potential sovereign ratings downgrades

^ Source: HSBC Global Asset Management (HK) Limited

FUND FACTS

Underlying Sub-Fund	HSBC Global Investment Funds - Indian Equity Fund (USD)		
Fund Manager	HSBC Global Asset Management (Singapore) Limited		
Launch Date	17 Oct 2016		
CPFIS/SRS	Cash		
CPFIS Risk	N.A.		
Classification			
As at 31 December 2020			
Offer Price	USD	1.26105	
Bid Price	USD	1.26105	
Fund Size	USD	3.11	mil
Units in Issue		2.47	mil

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Insurance India Equity Fund (USD)	23.64	39.25	7.20	(3.26)	N.A.	N.A.	26.11
Benchmark*	23.71	40.77	16.63	13.65	N.A.	N.A.	54.18

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception [^]
	(%)	(%)	(%)	(%)
HSBC Insurance India Equity Fund (USD)	(1.10)	N.A.	N.A.	5.73
Benchmark*	4.36	N.A.	N.A.	10.96

* S&P / IFCI India Gross

[^]Inception Date: 02 Nov 2016

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV USD mil
HSBC Global Investment Funds - Indian Equity Fund (USD)	100.00	3.11
Total	100.00	3.11

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	USD
Subscription	337,456
Redemption	126,209

C) Underlying Fund Disclosure (HSBC Global Investment Funds - Indian Equity Fund (USD))

I Allocation by Country

Country	As at 31 Dec 2020	
	% of NAV	MV USD mil
India	98.04	1,203.19
Cash	1.96	24.02
Total	100.00	1,227.21

II Allocation by Industry

Industry	As at 31 Dec 2020	
	% of NAV	MV USD mil
Financials	30.84	378.26
Information Technology	15.12	185.57
Energy	9.75	119.70
Materials	7.54	92.52
Consumer Discretionary	7.01	86.07
Consumer Staples	6.97	85.50
Health Care	6.11	74.99
Communication Services	5.31	65.21
Real Estate	4.59	56.39
Industrials	3.71	45.59
Utilities	0.97	11.85
Cash	2.08	25.56
Total	100.00	1,227.21

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

IV Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2020	
	% of NAV	MV USD mil
Infosys Ltd	9.13	112.02
Reliance Industries Ltd	7.98	97.90
ICICI Bank Ltd	7.24	88.84
HDFC Bank Ltd	5.64	69.22
Axis Bank Ltd	4.80	58.88
HCL Technologies Ltd	4.66	57.21
Housing Development Finance Co	4.28	52.52
Maruti Suzuki India Ltd	3.55	43.61
DLF Ltd	3.45	42.40
Bharti Airtel Ltd	2.89	35.44

Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2019	
	% of NAV	MV USD mil
HDFC Bank Ltd	9.77	128.15
Infosys Ltd	8.27	108.51
ICICI Bank Ltd	7.17	94.07
Reliance Industries Ltd	6.85	89.80
Axis Bank Ltd	5.66	74.20
Housing Development Finance Corp	4.92	64.56
HCL Technologies Ltd	4.00	52.42
Maruti Suzuki India Ltd	3.72	48.84
Larsen & Toubro Ltd	3.62	47.41
ITC Ltd	3.56	46.62

V Exposure to Derivatives

N.A.

As at 31 Dec 2020

VI Borrowings of Net Asset Value

N.A.

As at 31 Dec 2020

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance India Equity Fund (USD)		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.93%	1.94%	1.90%	1.90%
Turnover Ratio	7.25%	6.73%	0.42%	0.26%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Global Investment Funds - Indian Equity Fund (USD) for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance India Equity Fund (USD) invests USD 3.11 million, equivalent to 100.00% of its net asset value in HSBC Global Investment Funds - Indian Equity Fund (USD), which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to USD 6,491.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 179.

**For more information, please contact your financial consultant,
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HSBC Insurance Pacific Equity Fund (USD)

Fund Objective

HSBC Insurance Pacific Equity Fund (USD) aims to provide holders with medium to long-term capital growth from a diversified portfolio of Asian-Pacific equities excluding Japanese equities. Fund investments are made by way of a feeder fund, which invests substantially all, or all its assets in the Aberdeen Standard Select Portfolio – Aberdeen Pacific Equity Fund (USD).

Investment and Market Review ^

Asian equities continued on its rebound from March lows as investors focused on the easing of lockdowns and the gradual recovery of economies across the region. The unprecedented policy support from governments and central banks globally buoyed sentiment too, alongside the global rollout of vaccines near the year-end. However, flaring geopolitical hotspots worldwide as well as a resurgence in infections across several countries tempered the mood. The Fund outperformed by 632 Bps over the six months, thanks mainly to positive stock picks in China, South Korea and Taiwan.

In China, China Tourism Group Duty Free fared well on news of its takeover of Hainan Duty Free, which strengthens its market leadership. Beijing's wide-ranging stimulus programme for the Hainan offshore duty-free market provided a further boost. Wuxi Biologics rallied as the contract research organisation continued to benefit from healthy demand for global outsourcing. These positives outweighed the negative impact of our holding in Tencent, which was hurt by an antitrust probe. We continue to like the internet firm, which we believe will benefit from long-term structural drivers such as 5G networks and cloud computing.

Elsewhere, core holdings Taiwan Semiconductor Manufacturing Co and Samsung Electronics were key contributors on a positive outlook for semiconductors. Our other Korean holding, LG Chem, saw good momentum in its electric-vehicle batteries business and improving profitability in its petrochemical business.

Conversely, our Australian holdings in hearing-implant maker Cochlear and specialty biotech firm CSL took a breather during the period.

Market Outlook and Investment Strategy ^

Stock markets have run up on vaccine optimism, but the return of lockdown restrictions in many parts of the world is a stinging reminder that the pandemic is not yet behind us. We see cause for caution, as the rollout of vaccines at scale still poses challenges and new infection waves remain a risk. Nevertheless, these are partially buffered by the continued accommodative stance of governments and central banks.

Compared to other regions, Asian stock valuations remain reasonable, especially in view of expectations for a rebound in corporate earnings this year. In the longer term, many of the changes sparked by the pandemic could prove enduring and reinforce existing trends, including the increased adoption of cloud computing, electric vehicles and 5G networks. In addition, Asia's burgeoning middle class will fuel rising demand for healthcare services and wealth management, while the region's urbanisation and infrastructure needs remain vast.

We remain focused on quality Asian companies which have the fundamentals to benefit from a recovery and are also best-placed to capitalise on these structural growth opportunities.

^ Source: Aberdeen Standard Investments (Asia) Limited

FUND FACTS

Underlying Sub-Fund	Aberdeen Standard Select Portfolio -Aberdeen Standard Pacific Equity Fund (USD)
Fund Manager	Aberdeen Standard Investments (Asia) Limited
Launch Date	17 Oct 2016
CPFIS/SRS	Cash
CPFIS Risk Classification	N.A.
As at 31 December 2020	
Offer Price	USD 1.67015
Bid Price	USD 1.67015
Fund Size	USD 18.07 mil
Units in Issue	10.82 mil

A) Fund Performance

I Cumulative Total Returns

	3-Mth (%)	6-Mth (%)	1-Year (%)	3-Year (%)	5-Year (%)	10-Year (%)	Since Inception^ (%)
HSBC Insurance Pacific Equity Fund (USD)	24.19	36.25	27.74	33.24	N.A.	N.A.	67.02
Benchmark*	19.21	30.61	22.75	26.60	N.A.	N.A.	69.94

II Average Annual Compounded Returns

	3-Year (%)	5-Year (%)	10-Year (%)	Since Inception^ (%)
HSBC Insurance Pacific Equity Fund (USD)	10.04	N.A.	N.A.	13.11
Benchmark*	8.18	N.A.	N.A.	13.58

*MSCI AC Asia Pacific ex Japan TR USD

^Inception Date: 02 Nov 2016

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV USD mil
Aberdeen Standard Select Portfolio - Aberdeen Standard Pacific Equity Fund (USD)	100.00	18.07
Total	100.00	18.07

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	USD
Subscription	1,926,417
Redemption	465,656

C) Underlying Sub-fund Disclosure (Aberdeen Standaard Select Portfolio - Aberdeen Pacific Equity Fund (USD))

I Allocation by Country

Country	As at 30 Sep 2020†	
	% of NAV	MV USD mil
China	33.13	355.25
South Korea	10.91	116.93
Australia	10.56	113.18
Taiwan	8.47	90.86
Hong Kong SAR	7.63	81.77
India	7.22	77.40
Singapore	5.09	54.56
United Kingdom	3.26	34.98
Indonesia	3.14	33.68
Others*	10.59	113.56
Total	100.00	1,072.17

*Includes other countries, cash and other payable/receivable

† Based on audited figures as at 30 Sep 2020 as the unaudited figures as at 31 Dec 2020 are not available.

II Allocation by Industry	As at 30 Sep 2020†	
	% of NAV	MV USD mil
Information Technology	22.25	238.54
Financials	18.37	196.95
Consumer Discretionary	10.50	112.56
Unit Trusts	9.99	107.14
Healthcare	9.50	101.81
Communication Services	9.36	100.31
Real Estate	5.54	59.44
Materials	4.70	50.34
Industrials	3.90	41.79
Consumer Staples	3.49	37.44
Energy	0.87	9.35
Others*	1.53	16.50
Total	100.00	1,072.17

*Includes cash and other payable/receivable

III Allocation of Debt Securities by Credit Ratings	As at 30 Sep 2020†
N.A.	

IV Top Ten Holdings of Underlying Sub-Fund	As at 30 Sep 2020†	
	% of NAV	MV USD mil
Tencent	9.34	100.25
Samsung Electronics (Preference Shares)	8.69	93.18
Taiwan Semiconductor Manufacturing Company	8.47	90.80
Aberdeen Standard China Opportunities Fund	4.87	52.24
CSL	3.92	41.98
Ping An Insurance	2.93	31.41
AIA Group	2.64	28.27
New India Investment Trust Public Listed Company	2.31	24.74
China Resources Land	2.25	24.15
Aberdeen Standard Singapore Equity Fund	2.18	23.38

IV Top Ten Holdings of Underlying Sub-Fund	As at 30 Sep 2019&	
	% of NAV	MV USD mil
Aberdeen Standard SICAV I - Indian Equity Fund*	7.92	79.57
Tencent	6.41	64.38
Samsung Electronics (Preference Shares)	5.66	56.89
Taiwan Semiconductor Manufacturing Company	5.07	50.89
Aberdeen Standard Singapore Equity Fund	4.97	49.94
Aberdeen Standard China Opportunities Fund	4.90	49.27
Ping An Insurance	3.55	35.68
AIA Group	2.99	30.03
Aberdeen Standard Thailand Equity Fund	2.87	28.80
China Resources Land	2.81	28.25

* The underlying fund is not authorized for public sale in Singapore

V Exposure to Derivatives	As at 30 Sep 2020†
N.A.	

VI Borrowings of Net Asset Value	As at 30 Sep 2020†
N.A.	

† Based on audited figures as at 30 Sep 2020 as the unaudited figures as at 31 Dec 2020 are not available.
& Based on audited figures as at 30 Sep 2019 as the unaudited figures as at 31 Dec 2019 are not available.

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance Pacific Equity Fund (USD)		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 30-Sep-19**
Expense Ratio	1.69%	1.74%	1.65%	1.70%
Turnover Ratio	11.13%	17.14%	33.42%	17.02%

*Based on audited figures as at 30 Sep 2020 as the expense and turnover ratios of Aberdeen Standard Select Portfolio - Aberdeen Standard Pacific Equity Fund (USD) for the financial year ended 31 Dec 2020 are not available.

**Based on audited figures as at 30 Sep 2019 as the expense and turnover ratios of Aberdeen Standard Select Portfolio - Aberdeen Standard Pacific Equity Fund (USD) for the financial year ended 31 Dec 2019 are not available.

II Related-Party Transactions

Cash balances maintained with HSBC Bank as at 31 December 2020 amounts to USD 1,086.9.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 179.

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HSBC Insurance US Equity Portfolio Fund (USD) FUND FACTS

Fund Objective

The Fund aims to provide long term total return by investing in a portfolio of US equities.

Invests in normal market conditions a minimum of 90% of its net assets in equities and equity equivalent securities of companies which are domiciled in, based in, carry out the larger part of their business activities in or are listed on a Regulated Market in, the United States of America. The Underlying Sub-Fund may also invest in eligible closed-ended Real Estate Investment Trusts (REITs).

Underlying Sub-Fund	HSBC Global Investment Funds – Economic Scale US Equity Fund (USD)		
Fund Manager	HSBC Global Asset Management (Singapore) Limited		
Launch Date	17 Oct 2016		
CPFIS/SRS	Cash		
CPFIS Risk Classification	N.A.		
As at 31 December 2020			
Offer Price	USD	1.54270	
Bid Price	USD	1.54270	
Fund Size	USD	4.95	mil
Units in Issue		3.21	mil

Investment and Market Review ^

Global equity markets rose in the 2H20 continuing to recover from the lows seen in March. In Q3, economies have continued to recover as COVID-19 containment measures were eased in light of slowing infection rates. US equities were the top performers amid accommodative monetary policy and positive macro data with unemployment figures coming lower than expected. Global equities continued their strong performance in Q4, with Investors returning to risky assets following positive COVID-19 vaccine developments from Pfizer and BioNTech, Moderna and AstraZeneca. The positive sentiment was further boosted by a \$900bn fiscal deal in the US.

On a 6-month basis, the fund outperformed its market cap weighed index. Both our asset allocation and stock selection contributed to performance.

On a sector basis, our overweight allocations to Industrials and Financials coupled with our underweight exposures to Health Care, Real Estate and Utilities contributed to performance. Conversely, our overweight allocations to Energy and Consumer Staples coupled with an underweight exposure to IT weighed on performance. At stock level, underweighting Microsoft Corp (IT) coupled with overweighting General Electric (Industrials) and Fedex Corp (Industrials) contributed to performance. Conversely, overweighting AT&T Inc (Communication Services) and Kroger Co (Consumer Staples) coupled with underweighting Apple Inc (IT) weighed on performance.

Market Outlook and Investment Strategy ^

HSBC Economic Scale strategy aims to outperform the market cap index in the long run by using an alternatively weighting scheme which uses the contribution to GNP. The strategy has implicit biases towards small cap and value stocks, which rallied in Q4.

US indices's exposure to big tech companies and quality names is beneficial. Cyclical parts of the market could benefit from fresh government stimulus measures and an economic rebound in 2021. However, signs that a rapid recovery is beginning to be priced in, implies a fairly high hurdle for positive surprises.

^ Source: HSBC Global Asset Management (HK) Limited

A) Fund Performance

I Cumulative Total Returns

	3-Mth (%)	6-Mth (%)	1-Year (%)	3-Year (%)	5-Year (%)	10-Year (%)	Since Inception^ (%)
HSBC Insurance US Equity Portfolio Fund (USD)	18.70	29.18	8.14	22.03	N.A.	N.A.	54.27
Benchmark*	11.29	21.07	17.34	45.35	N.A.	N.A.	85.99

II Average Annual Compounded Returns

	3-Year (%)	5-Year (%)	10-Year (%)	Since Inception ^A (%)
HSBC Insurance US Equity Portfolio Fund (USD)	6.86	N.A.	N.A.	10.97
Benchmark*	13.28	N.A.	N.A.	16.07

*Benchmark Details:

Inception to October 2017 - HSBC Economic Scale US Net

With effect from October 2017, the benchmark was changed to 'S&P 500 Net'.

^AInception Date: 02 Nov 2016

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV USD mil
HSBC Global Investment Funds - Economic Scale US Equity Fund (USD)	100.81	4.99
Other liabilities	(0.81)	(0.04)
Total	100.00	4.95

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	USD
Subscription	704,738
Redemption	204,552

C) Underlying Sub-Fund Disclosure (HSBC Global Investment Funds - Economic Scale US Equity Fund (USD))

I Allocation by Country

Country	As at 31 Dec 2020	
	% of NAV	MV USD mil
United States	99.23	243.57
Cash	0.77	1.89
Total	100.00	245.46

II Allocation by Industry

Industry	As at 31 Dec 2020	
	% of NAV	MV USD mil
Information Technology	15.51	38.05
Financials	15.36	37.71
Industrials	15.00	36.82
Consumer Discretionary	13.77	33.81
Health Care	9.86	24.20
Consumer Staples	9.80	24.05
Communication Services	8.27	20.31
Energy	4.61	11.31
Materials	3.79	9.31
Real Estate	1.80	4.42
Utilities	1.46	3.58
Cash	0.77	1.89
Total	100.00	245.46

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

IV Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2020	
	% of NAV	MV USD mil
Walmart Inc	2.98	7.33
Apple Inc	1.92	4.71
Jpmorgan Chase & Co	1.45	3.57
General Electric Co	1.45	3.55
Wells Fargo & Co	1.44	3.54
At&T Inc	1.38	3.39
Bank Of America Corp	1.31	3.21
Verizon Communications Inc	1.07	2.62
Berkshire Hathaway Inc	1.01	2.47
Citigroup Inc	0.97	2.39

Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2019	
	% of NAV	MV USD mil
Walmart Inc	3.07	31.21
General Electric Co	1.72	17.49
AT&T Inc	1.55	15.82
Wells Fargo & Co	1.39	14.11
Apple Inc	1.31	13.33
Bank of America Corp	1.28	12.98
JP Morgan Chase & Co	1.13	11.52
United Parcel Service Inc	1.06	10.77
Exxon Mobil Corp	1.00	10.22
Berkshire Hathaway Inc	0.91	9.31

V Exposure to Derivatives

	As at 31 Dec 2020
% of NAV	0.65%
Market value (USD)	1,590,551
Realised Gains / (Losses) (USD)	2,210,039
Unrealised Gains / (Losses) (USD)	2,288,873

VI Borrowings of Net Asset Value

	As at 31 Dec 2020
N.A.	

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance US Equity Portfolio Fund (USD)		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	0.79%	0.79%	0.75%	0.75%
Turnover Ratio	12.99%	4.65%	0.14%	0.17%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Global Investment Funds - Economic Scale US Equity Fund (USD) for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance US Equity Portfolio Fund (USD) invests USD 4.99 million, equivalent to 100.81% of its net asset value in HSBC Global Investment Funds - Economic Scale US Equity Fund (USD), which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to USD 4,238.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 179.

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HSBC Insurance World Selection Funds (USD)

Fund Facts	HSBC Insurance World Selection 1 Fund (USD)			HSBC Insurance World Selection 2 Fund (USD)*			HSBC Insurance World Selection 3 Fund (USD)		
Launch Date	17 Oct 2016			05 Nov 2018			17 Oct 2016		
Fund Manager	HSBC Global			Asset Management (Singapore) Limited					
Underlying Sub-Fund	HSBC Portfolios – World Selection 1 USD			HSBC Portfolios – World Selection 2 USD			HSBC Portfolios – World Selection 3 USD		
CPFIS/SRS				Cash					
CPFIS Risk Classification				N.A.					
As at 31 December 2020									
Offer Price	USD	1.17468		USD	1.0000		USD	1.32169	
Bid Price	USD	1.17468		USD	1.0000		USD	1.32169	
Fund Size	USD	1.04	mil		N.A.		USD	2.86	mil
Units in Issue		0.89	mil		N.A.			2.16	mil
Fund Facts	HSBC Insurance World Selection 4 Fund (USD)			HSBC Insurance World Selection 5 Fund (USD)					
Launch Date	05 Nov 2018			17 Oct 2016					
Fund Manager	HSBC Global Asset Management (Singapore) Limited			HSBC Global Asset Management (Singapore) Limited					
Underlying Sub-Fund	HSBC Portfolios - World Selection 4 USD			HSBC Portfolios - World Selection 5 USD					
CPFIS/SRS				Cash					
CPFIS Risk Classification				N.A.					
As at 31 December 2020									
Offer Price	USD	1.22459		USD	1.42752				
Bid Price	USD	1.22459		USD	1.42752				
Fund Size	USD	0.16	mil	USD	2.56	mil			
Units in Issue		0.13	mil		1.79	mil			

*Fund is yet to be incepted.

Fund Objectives

HSBC Insurance World Selection 1 Fund (USD) seeks to provide capital growth through investment in a broad range of asset classes across global markets, consistent with a low risk investment strategy.

HSBC Insurance World Selection 2 Fund (USD) seeks to provide capital growth through investment in a broad range of asset classes across global markets, consistent with a low to medium risk investment strategy.

HSBC Insurance World Selection 3 Fund (USD) seeks to provide capital growth through investment in a broad range of asset classes across global markets, consistent with a medium risk investment strategy.

HSBC Insurance World Selection 4 Fund (USD) seeks to provide capital growth through investment in a broad range of asset classes across global markets, consistent with a medium to high risk investment strategy.

HSBC Insurance World Selection 5 Fund (USD) seeks to provide capital growth through investment in a broad range of asset classes across global markets, consistent with a high risk investment strategy.

Investment and Market Review [^]

The MSCI ACWI global equity index gained 23.7% in USD terms over this period, which started with equity markets continuing to recover from their March lows, as coordinated fiscal and monetary policies helped to support the economic recovery from the COVID-19 pandemic. Lockdowns continued to be relaxed and economic activity picked up. At this point, some relative winners and losers emerged; China and other parts of industrialised Asia seeming to perform well, with smaller oil exporters, EM Asia and the UK lagging. September saw global equities fall, with concerns about growing COVID-19 case numbers, continuing geopolitical concerns and the upcoming US election weighing on investor sentiment.

Global equities continued to slide in October, amid a further decline in risk sentiment across financial markets from the highs seen towards the end of summer, as COVID-19 case counts began to pick up significantly across Europe and the US. However, risk sentiment picked up in November, with Joe Biden's victory in the US presidential election and positive news surrounding COVID-19 vaccines removing some of the uncertainties that had weighed on financial markets in 2020. Global equities pushed on to all-time highs in December, with markets looking through rising COVID-19 infection rates, as risk sentiment was supported by continued positive vaccine news, the announcement of a fresh fiscal relief package in the US and the agreement of a post-Brexit trade deal between the UK and the EU.

Market Outlook and Investment Strategy [^]

We started the period with a relatively neutral asset allocation before increasing our yen and euro exposure, relative to the USD, adding a mix of defensiveness and cyclical to the portfolio. We also tilted our equity exposure to EMs relative to DMs. In October, as well as adding a small equities overweight, we increased the size of our existing overweight to sectors with more 'quality' characteristics, in the face of US presidential election risks. We subsequently closed these positions following Joe Biden's November victory. In December, ahead of perceived Brexit-induced volatility, on a short-term, tactical basis, we increased GBP exposure against EUR and JPY equally, before closing this position after the Brexit resolution removed a key catalyst for further significant GBP upside.

The global economy remains in a restoration phase, healing after 2020 saw the greatest recession since the Depression. Looking ahead, the speed of the recovery will vary in different regions and will depend on the vaccine and on policy support. The case remains that ultra-low interest rates and the market recovery have shifted expected returns from risk assets lower and investors need to be realistic about investment returns in the medium-term. We have a preference for corporate bonds over government bonds and are slightly overweight to global inflation linked bonds. In equities, we are modestly overweight overall and have a preference for EMs versus DMs. We also have exposure to diversifying asset classes such as liquid alternatives, gold and defensive currencies.

[^] Source: HSBC Global Asset Management (HK) Limited

A) Fund Performance

I Cumulative Total Returns

	3-Mth (%)	6-Mth (%)	1-Year (%)	3-Year (%)	5-Year (%)	10-Year (%)	Since Inception [^] (%)
HSBC Insurance World Selection 1 Fund (USD)*	3.49	5.61	5.08	11.55	N.A.	N.A.	17.47
HSBC Insurance World Selection 2 Fund (USD)*	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
HSBC Insurance World Selection 3 Fund (USD)*	9.41	15.01	8.05	16.43	N.A.	N.A.	32.17
HSBC insurance World Selection 4 Fund (USD)*	11.83	18.95	8.80	N.A.	N.A.	N.A.	22.46
HSBC insurance World Selection 5 Fund (USD)*	12.25	20.11	9.11	17.94	N.A.	N.A.	42.75

II Average Annual Compounded Returns

	3-Year	5-Year	10-Year	Since Inception ^A
	(%)	(%)	(%)	(%)
HSBC Insurance World Selection 1 Fund (USD)*	3.71	N.A.	N.A.	4.18
HSBC Insurance World Selection 2 Fund (USD)*	N.A.	N.A.	N.A.	N.A.
HSBC Insurance World Selection 3 Fund (USD)*	5.20	N.A.	N.A.	6.93
HSBC Insurance World Selection 4 Fund (USD)*	N.A.	N.A.	N.A.	11.14
HSBC Insurance World Selection 5 Fund (USD)*	5.66	N.A.	N.A.	9.01

*These Funds do not have a benchmark due to the diverse range of asset classes; some do not have indices that meet the criteria for inclusion in a representative composite benchmark of being both investable and replicable.

^AHSBC Insurance World Selection 1 Fund (USD) Inception Date: 27 Jan 2017

HSBC Insurance World Selection 2 Fund (USD) does not have performance figures as it is not inceptioned.

HSBC Insurance World Selection 3 Fund (USD) Inception Date: 03 Nov 2016

HSBC Insurance World Selection 4 Fund (USD) Inception Date: 31 Jan 2019

HSBC Insurance World Selection 5 Fund (USD) Inception Date: 15 Nov 2016

HSBC Insurance World Selection 1 Fund (USD)

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV USD mil
HSBC Portfolios - World Selection 1 (USD)	100.00	1.04
Total	100.00	1.04

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	USD
Subscription	62,652
Redemption	-

C) Underlying Sub-Fund Disclosure (HSBC Portfolios - World Selection 1 (USD))

I Allocation by Country

N.A., as the fund is a fund-of-funds. As at 31 Dec 2020

II Allocation by Industry

N.A., as the fund is a fund-of-funds. As at 31 Dec 2020

III Allocation of Debt Securities by Credit Ratings

N.A. As at 31 Dec 2020

IV Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2020	
	% of NAV	MV USD mil
HGIF GSD Bond ZQ	8.24	36.99
HSBC FTSE All-World Index Instl Acc	6.45	28.97
HGIF Global Asset Backed Bond ZC	3.81	17.11
HGIF GLBL I L BD ZQ	3.74	16.80
HSBC Multi Factor Worldwide Equity ETF	3.38	15.18
HSBC GIF Global EM Local Dbt ZQ1	3.28	14.73
HSBC US Dollar Liquidity Y	3.27	14.69
HSBC S&P 500 UCITS ETF (HSPD LN)	3.26	14.64
Struct GS Cross Asset Trend E USD Acc	3.09	13.88
HSBC GIF Global Govt Bd ZQ1	2.73	12.26

Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2019	
	% of NAV	MV USD mil
HSBC FTSE All World Index Instl Acc	12.08	62.33
HSBC GIF Global Government Bond ZQ1	11.30	58.32
HSBC GIF Global Em Mkts Local Debt ZQ1	5.54	28.59
HSBC GIF Global Asset Backed Bond ZC	5.05	26.06
Hsbc Us Dollar Liquidity Y	4.28	22.09
HSBC GIF Global Real Estate Eq ZQ1	3.57	18.42
HSBC GIF Global Emerging Markets Bond ZQ1	3.52	18.17
HSBC GIF Multi-Asset Style Factors ZC	3.28	16.93
HSBC GIF Global High Yield Bond ZQ1	3.00	15.48
Us Treasury N/B 2.0000 31-Oct-21	2.15	11.10

V Exposure to Derivatives

	As at 31 Dec 2020
% of NAV	2.26%
Market value (USD)	10,169,509
Realised Gains / (Losses) (USD)	13,797,546
Unrealised Gains / (Losses) (USD)	2,994,001

VI Borrowings of Net Asset Value

	As at 31 Dec 2020
N.A.	

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance World Selection 1 Fund (USD)		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.57%	1.61%	1.18%	1.22%
			As at 31-Dec-20	
Turnover Ratio	36.40%	3.42%	0.94%	0.65%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Portfolios - World Selection 1 (USD) for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance World Selection 1 Fund (USD) invests USD 1.04 million, equivalent to 100.00% of its net asset value in HSBC Portfolios - World Selection 1 (USD), which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to USD 1,486.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 180.

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HSBC Insurance World Selection 2 Fund (USD)

B) Fund Disclosure*

I Allocation by Asset Class

Asset Class

HSBC Portfolios - World Selection 2 (USD)

As at 31 Dec 2020
% of NAV MV USD mil
N.A.

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

Subscription

USD

Redemption

N.A.

N.A.

*Stated as N.A. as fund is yet to be inceptioned.

C) Underlying Sub-Fund Disclosure (HSBC Portfolios - World Selection 2 (USD))

I Allocation by Country

N.A., as the fund is a fund-of-funds.

As at 31 Dec 2020

II Allocation by Industry

N.A., as the fund is a fund-of-funds.

As at 31 Dec 2020

III Allocation of Debt Securities by Credit Ratings

N.A.

As at 31 Dec 2020

IV Top Ten Holdings of Underlying Sub-Fund

HSBC GIF Global Govt BD ZQ1
HSBC FTSE All-World Index Instl Acc
HSBC US Dollar Liquidity Y
HSBC Multi Factor Worldwide Equity ETF
HSBC S&P 500 UCITS ETF (HSPD LN)
HGIF Global Asset Backed Bond ZC
HGIF GSD Bond ZQ
HSBC GIF Global EM Local DBT ZQ1
HSBC GIF Global RE EQ ZQ1
HGIF GLBL I L BD ZQ

As at 31 Dec 2020
% of NAV MV USD mil
16.41 97.02
14.63 86.50
6.85 40.50
6.46 38.19
6.01 35.53
4.92 29.09
4.84 28.62
4.82 28.50
3.65 21.58
2.45 14.48

Top Ten Holdings of Underlying Sub-Fund

HSBC FTSE All World Index Instl Acc
HSBC GIF Global Government Bond ZQ1
HSBC GIF Global Em Mkts Local Debt ZQ1
HSBC GIF Global Real Estate Eq ZQ1
HSBC GIF Global Asset Backed Bond ZC
HSBC GIF Global Emerging Markets Bond ZQ1
Hsbc US Dollar Liquidity Y
HSBC GIF Global High Yield Bond ZQ1
HSBC GIF Multi-Asset Style Factors ZC
HSBC Economic Scale Worldwide Equity ETF

As at 31 Dec 2019
% of NAV MV USD mil
18.68 121.16
7.67 49.76
6.58 42.69
5.08 32.95
5.00 32.44
4.46 28.93
4.06 26.34
3.44 22.32
2.19 14.21
2.09 13.56

V Exposure to Derivatives

% of NAV

Market value (USD)

Realised Gains / (Losses) (USD)

Unrealised Gains / (Losses) (USD)

As at 31 Dec 2020

3.34%

19,764,017

24,504,385

1,862,864

VI Borrowings of Net Asset Value

N.A.

As at 31 Dec 2020

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance World Selection 2 Fund (USD)		Underlying Sub-Fund	
	As at 31-Dec-20*	As at 31-Dec-19	As at 31-Dec-20	As at 31-Dec-19
Expense Ratio	N.A.	N.A.	1.21%	1.20%
Turnover Ratio	N.A.	N.A.	0.69%	0.53%

*Stated as N.A. as fund is yet to be incepted

II Related-Party Transactions

N.A.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 180.

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HSBC Insurance World Selection 3 Fund (USD)

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
% of NAV	MV USD mil	
HSBC Portfolios - World Selection 3 (USD)	100.00	2.86
Total	100.00	2.86

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	USD
Subscription	398,785
Redemption	44,273

C) Underlying Sub-Fund Disclosure (HSBC Portfolios - World Selection 3 (USD))

I Allocation by Country

As at 31 Dec 2020

N.A., as the fund is a fund-of-funds.

II Allocation by Industry

As at 31 Dec 2020

N.A., as the fund is a fund-of-funds.

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

IV Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2020	
	% of NAV	MV USD mil
HSBC FTSE All-World Index Instl Acc	16.77	153.30
HSBC Multi Factor Worldwide Equity ETF	10.25	93.70
HSBC S&P 500 UCITS ETF (HSPD LN)	8.34	76.24
HSBC American Index Institutional Acc	6.89	62.99
HSBC GIF Global EM Local DBT ZQ1	6.61	60.43
HSBC GIF Global RE EQ ZQ1	6.06	55.40
HSBC US Dollar Liquidity Y	4.45	40.68
HSBC GIF Global Govt BD ZQ1	3.95	36.11
HSBC GIF Global EM BD ZQ1	2.75	25.14
HSBC GIF Global Hi Yld BD ZQ1	2.74	25.05

Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2019	
	% of NAV	MV USD mil
HSBC FTSE Ftse All World Index Instl Acc	17.60	167.73
HSBC American Index Institutional Acc	9.34	89.00
HSBC GIF Global Em Mkts Local Debt ZQ1	7.57	72.13
HSBC GIF Global High Yield Bond ZQ1	5.52	52.60
HSBC GIF Global Real Estate Eq ZQ1	5.01	47.74
HSBC GIF Global Emerging Mkts Bd ZQ1	5.00	47.64
HSBC US Dollar Liquidity Y	4.43	42.21
HSBC Economic Scale Worldwide Equity ETF	4.11	39.16
HSBC European Index Institutional Acc	3.54	33.73
Ishares Core MSCI EM IMI ETF USD Acc	3.01	28.68

V Exposure to Derivatives

As at 31 Dec 2020

% of NAV	2.57%
Market value (USD)	23,473,726
Realised Gains / (Losses) (USD)	35,750,945
Unrealised Gains / (Losses) (USD)	528,795

VI Borrowings of Net Asset Value

As at 31 Dec 2020

N.A.

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance World Selection 3 Fund (USD)		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.69%	2.30%	1.41%	1.42%
Turnover Ratio	0.86%	5.79%	As at 31-Dec-20 0.73%	0.29%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Portfolios - World Selection 3 (USD) for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance World Selection 3 Fund (USD) invests USD 2.86 million, equivalent to 100.00% of its net asset value in HSBC Portfolios - World Selection 3 (USD), which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to USD 4,565.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 180.

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HSBC Insurance World Selection 4 Fund (USD)

B) Fund Disclosure

I Allocation by Asset Class

Asset Class

HSBC Portfolios - World Selection 4 (USD)

Total

	As at 31 Dec 2020
% of NAV	MV USD mil
100.00	0.16
100.00	0.16

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

USD

Subscription

49,968

Redemption

-

C) Underlying Sub-Fund Disclosure (HSBC Portfolios - World Selection 4 (USD))

I Allocation by Country

As at 31 Dec 2020

N.A., as the fund is a fund-of-funds.

II Allocation by Industry

As at 31 Dec 2020

N.A., as the fund is a fund-of-funds.

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

IV Top Ten Holdings of Underlying Sub-Fund

HSBC Multi Factor Worldwide Equity ETF
HSBC FTSE All-World Index Instl Acc
HSBC S&P 500 UCITS ETF (HSPD LN)
Vanguard FTSE All-World UCITS ETF
HSBC GIF Global RE EQ ZQ1
HSBC American Index Institutional Acc
HSBC GIF Global EM Local DBT ZQ1
HSBC US Dollar Liquidity Y
HSBC MSCI Emerg Mkts ETF
HSBC European Index Institutional Acc

	As at 31 Dec 2020
% of NAV	MV USD mil
13.68	107.41
13.27	104.19
12.17	95.56
10.69	83.94
7.90	62.03
7.73	60.70
5.46	42.87
4.60	36.12
4.00	31.41
3.59	28.19

Top Ten Holdings of Underlying Sub-Fund

HSBC FTSE All-World Index Instl Acc
HSBC American Index Institutional Acc
Vanguard FTSE All-World Ucits ETF
HSBC GIF Global EM Local DBT ZQ1
HSBC Economic Scale Worldwide Equity ETF
HSBC GIF Global RE EQ ZQ1
HSBC European Index Institutional Acc
HSBC Multi Factor Worldwide Equity ETF
Ishares Core MSCI EM IMI ETF USD Acc
Ishares Core S&P 500 ETF USD Acc

	As at 31 Dec 2020
% of NAV	MV USD mil
15.19	113.87
13.68	102.53
10.75	80.57
7.43	55.69
7.34	55.01
5.03	37.70
4.99	37.40
4.43	33.20
4.11	30.80
3.84	28.78

V Exposure to Derivatives

As at 31 Dec 2020

% of NAV

2.60%

Market value (USD)

20,400,728

Realised Gains / (Losses) (USD)

45,320,594

Unrealised Gains / (Losses) (USD)

(2,733,327)

VI Borrowings of Net Asset Value

As at 31 Dec 2020

N.A.

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance World Selection 4 Fund (USD)		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.73%	2.29%	1.40%	1.39%
			As at 31-Dec-20	
Turnover Ratio	15.56%	251.65%	0.69%	0.19%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Portfolios - World Selection 4 (USD) for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance World Selection 4 Fund (USD) invests USD 0.16 million, equivalent to 100.00% of its net asset value in HSBC Portfolios - World Selection 4 (USD), which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to USD 366.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 181.

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HSBC Insurance World Selection 5 Fund (USD)

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV USD mil
HSBC Portfolios - World Selection 5 (USD)	100.00	2.56
Total	100.00	2.56

II Fund Movement

(01 Jul 2020 - 31 Dec 2020)

	USD
Subscription	416,116
Redemption	-

C) Underlying Sub-Fund Disclosure (HSBC Portfolios - World Selection 5 (USD))

I Allocation by Country

As at 31 Dec 2020

N.A., as the fund is a fund-of-funds.

II Allocation by Industry

As at 31 Dec 2020

N.A., as the fund is a fund-of-funds.

III Allocation of Debt Securities by Credit Ratings

As at 31 Dec 2020

N.A.

IV Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2020	
	% of NAV	MV USD mil
HSBC S&P 500 UCITS ETF (HSPD LN)	16.70	59.10
HSBC Multi Factor Worldwide Equity ETF	14.41	50.99
HSBC FTSE All-World Index Instl Acc	13.52	47.85
HSBC GIF Global RE EQ ZQ1	8.63	30.54
iShares Core S&P 500 ETF USD Acc	8.04	28.45
HSBC MSCI Emerg Mkts ETF	5.87	20.77
HSBC European Index Institutional Acc	5.60	19.82
HSBC US Dollar Liquidity Y	4.51	15.96
HSBC American Index Institutional Acc	3.07	10.86
HSBC Japan Index Instl Acc	2.76	9.77

Top Ten Holdings of Underlying Sub-Fund

	As at 31 Dec 2019	
	% of NAV	MV USD mil
HSBC FtTSE All-World Index Instl Acc	16.32	53.16
HSBC American Index Institutional Acc	12.71	41.40
Ishares Core S&P 500 ETF USD Acc	12.52	40.78
HSBC Economic Scale Worldwide Equity ETF	7.64	24.89
HSBC European Index Institutional Acc	7.47	24.33
Ishares Core MSCI EM Imi ETF USD Acc	6.60	21.50
HSBC GIF Global RE EQ ZQ1	4.81	15.67
HSBC Multi Factor Worldwide Equity ETF	4.72	15.37
HSBC Japan Index Instl Acc	4.03	13.13
HSBC GIF Global EM Local DBT ZQ1	3.92	12.77

V Exposure to Derivatives

As at 31 Dec 2020

% of NAV	2.78%
Market value (USD)	9,845,385
Realised Gains / (Losses) (USD)	20,477,666
Unrealised Gains / (Losses) (USD)	(1,106,226)

VI Borrowings of Net Asset Value

As at 31 Dec 2020

N.A.

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Insurance World Selection 5 Fund (USD)		Underlying Sub-Fund	
	As at 31-Dec-20	As at 31-Dec-19	As at 30-Sep-20*	As at 31-Dec-19
Expense Ratio	1.82%	1.80%	1.54%	1.51%
			As at 31-Dec-20	
Turnover Ratio	11.04%	8.75%	0.83%	0.15%

*Based on unaudited figure as at 30 Sep 2020 as the expense ratio of HSBC Portfolios - World Selection 5 (USD) for the financial year ended 31 Dec 2020 is not available.

II Related-Party Transactions

HSBC Insurance World Selection 5 Fund (USD) invests USD2.56 million, equivalent to 100.00% of its net asset value in HSBC Portfolios - World Selection 5 (USD), which is managed by HSBC Global Asset Management (Singapore) Ltd.

The management fees earned by HSBC Global Asset Management (Singapore) Ltd from 01 July 2020 to 31 December 2020 amounts to USD 4,169.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 181.

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HSBC Life FlexConcept Fund (USD)

Fund Objective

HSBC Insurance FlexConcept Fund (USD) (the "ILP Sub-Fund") invests all or substantially all of its assets into MEAG FlexConcept – BEST 10 USD (the "Underlying Sub-Fund") which is set up under Luxembourg law. The Underlying Sub-Fund's objective is to achieve sustainable capital growth in the mid to long term by maintaining exposure to equity and bond markets using a rule-based investment strategy with the objective to participate in the performance of the Systematix BEST 10% RC USD Index.

FUND FACTS

Underlying Sub-Fund	MEAG FlexConcept - BEST10USD
Fund Manager	MEAG Luxembourg S.a r.l.
Launch Date	20 Jan 2020
CPFIS/SRS	Cash
CPFIS Risk	N.A.
Classification	

As at 31 December 2020

Offer Price	USD	1.01795
Bid Price	USD	1.01795
Fund Size	USD	3.21 mil
Units in Issue		3.15 mil

Investment and Market Review ^

On the pandemic, no more lockdowns are expected. COVID-19 is still spreading but the global momentum is stabilizing. In addition, the overall situation seems to be under better control as fatality rates are coming down globally. National lockdowns are not the method of choice.

Base effects push Q3. Within the adjustment process, the endogenous weaknesses will become increasingly visible over time and those will be a burden in the quarters to come. Q3, however, could well see record growth numbers due to large base effects.

Central banks are working on providing a safety net. Global central banks keep their overall dovish stance and are shifting from a pure crisis mode to a support of the recovery. The momentum peak of monetary easing should have been passed, any tightening is far off.

Market Outlook and Investment Strategy ^

The fiscal stimulus is essential for the recovery. The EU recovery fund is a gamechanger as direct transfer payments are finally introduced. This opens the box, supports growth in the weakest countries and reduces tail risks. In the US, talks are stalling but some compromise is expected ahead of the elections.

Risks: Politics takes a center stage. US election uncertainty including stimulus uncertainty, UK brinkmanship in Brexit negotiations and snapback sanctions for Iran pose political risks. Main fundamental risk is that the long-term economic damage by Corona is underestimated and fiscal stimulus scaled back.

The conviction is still at "Pit Stops": We keep a high conviction (90%) in our "Pit Stops" scenario, as the hurdle for renewed broad based lockdowns remains high. Markets seem to have priced in the economic recovery, but various political events could well keep volatility high until the end of the year.

^ Source: MEAG Luxembourg S.a r.l.

A) Fund Performance

I Cumulative Total Returns

	3-Mth	6-Mth	1-Year	3-Year	5-Year	10-Year	Since Inception ^A
	(%)	(%)	(%)	(%)	(%)	(%)	(%)
HSBC Life FlexConcept Fund (USD)	2.35	7.23	N.A.	N.A.	N.A.	N.A.	1.79
Benchmark*	5.86	8.57	N.A.	N.A.	N.A.	N.A.	4.52

* Systematix BEST 10% RC USD Index

^AInception Date: 20 Jan 2020

B) Fund Disclosure

I Allocation by Asset Class

Asset Class	As at 31 Dec 2020	
	% of NAV	MV USD mil
MEAG FlexConcept – BEST10USD	100.00	3.21
Total	100.00	3.21

II Fund Movement

(01 Jul 2020- 31 Dec 2020)

	USD
Subscription	66,152
Redemption	750,000

C) Underlying Fund Disclosure (MEAG FlexConcept – BEST10USD)

I Allocation by Country

Country	As at 30 Sep 2020†	
	% of NAV	MV USD mil
United States	100.00	3.79
Total	100.00	3.79

II Allocation by Industry

Industry	As at 30 Sep 2020†	
	% of NAV	MV USD mil
Government Bonds	82.32	3.12
Cash	17.68	0.67
Total	100.00	3.79

III Allocation of Debt Securities by Credit Ratings

Rating	As at 30 Sep 2020†	
	% of NAV	MV USD mil
AAA	82.32	3.12
Total	82.32	3.12

IV Top Ten Holdings of Underlying Sub-Fund

	As at 30 Sep 2020†	
	% of NAV	MV USD mil
USA 2.375% 18-15.04.21 /TBO	8.46	0.32
US TREA 2.625% 18-15.6.21 /TBO	5.28	0.20
USA 2.625% 18-15.05.21 /TBO	5.28	0.20
USA 2.25% 14-30.04.21 /TBO	5.28	0.20
USA 2.375% 18-15.03.21 /TBO	5.28	0.20
USA 1.375% 16-31.05.21 /TBO	5.28	0.20
USA 2.5% 31.01.21 /TBO	5.28	0.20
USA 1.125% 16-28.02.21 /TBO	5.28	0.20
USA 2.625% 10-15.11.20 TBO	5.28	0.20
USA 1.625% 17-15.10.20 /TBO(RBG)	5.28	0.20

V Exposure to Derivatives

	As at 30 Sep 2020†
% of NAV	93.03%
Market value (USD)	3,464,977
Realised Gains / (Losses) (USD)	-
Unrealised Gains / (Losses) (USD)	(58,815)

VI Borrowings of Net Asset Value

	As at 30 Sep 2020†
N.A.	

† Based on audited figures as at 30 Sep 2020 as the unaudited figures as at 31 Dec 2020 are not available.

D) Other Disclosure Items

I Expense/Turnover Ratios	HSBC Life FlexConcept Fund (USD)	Underlying Sub-Fund
	As at 31-Dec-20	As at 30-Sep-20*
Expense Ratio	1.92%	1.68%
Turnover Ratio	29.99%	As at 30-Sep-20** 4.03%
*Based on audited figure as at 30 Sep 2020 as the expense ratio of MEAG FlexConcept – BEST10USD (USD) for the financial year ended 31 Dec 2020 is not available.		
**Based on unaudited figure as at 30 Sep 2020 as the turnover ratio of MEAG FlexConcept – BEST10USD (USD) for the financial year ended 31 Dec 2020 is not available.		

II Related-Party Transactions

N.A.

III Material Information that will adversely impact the valuation of the ILP sub-fund

N.A.

IV Soft Dollar Commission Arrangement

N.A.

E) Financial Statements

Refer to page 181.

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The Statements of Assets and Liabilities and Capital and Income Accounts of the following Investment-Linked Funds are covered in this report:

HSBC Insurance Asia Equity Fund	HSBC Insurance Global High Income Bond Fund
HSBC Insurance Asia Focused Income Fund	HSBC Insurance Global Multi-Asset Fund
HSBC Insurance Asian Bond Fund	HSBC Insurance India Equity Fund
HSBC Insurance China Equity Fund	HSBC Insurance Pacific Equity Fund
HSBC Insurance Chinese Equity Fund	HSBC Insurance Premium Balanced Fund
HSBC Insurance Emerging Markets Equity Fund	HSBC Insurance Singapore Bond Fund
HSBC Insurance Ethical Global Equity Fund	HSBC Insurance Singapore Equity Fund
HSBC Insurance Ethical Global Sukuk Fund	HSBC Insurance US Equity Portfolio Fund
HSBC Insurance Europe Dynamic Equity Fund	HSBC Insurance US Opportunities Equity Fund
HSBC Insurance Global Bond Fund	HSBC Insurance World Selection 1 Fund
HSBC Insurance Global Emerging Markets Bond Fund	HSBC Insurance World Selection 2 Fund
HSBC Insurance Global Emerging Markets Equity Fund	HSBC Insurance World Selection 3 Fund
HSBC Insurance Global Equity Fund	HSBC Insurance World Selection 4 Fund
HSBC Insurance Global Equity Portfolio Fund	HSBC Insurance World Selection 5 Fund
HSBC Insurance Global Equity Volatility Focused Fund	

The Statements of Assets and Liabilities and Capital and Income Accounts of the following Investment-Linked Funds are covered in this report (Cont) :

HSBC Insurance Europe Dynamic Equity Fund (USD)	HSBC Insurance US Equity Portfolio Fund (USD)
HSBC Insurance Global Emerging Markets Bond Fund (USD)	HSBC Insurance World selection 1 Fund (USD)
HSBC Insurance Global Emerging Markets Equity Fund (USD)	HSBC Insurance World Selection 2 Fund (USD)
HSBC Insurance Global Equity Portfolio Fund (USD)	HSBC Insurance World Selection 3 Fund (USD)
HSBC Insurance Global Equity Volatility Focused Fund (USD)	HSBC Insurance World Selection 4 Fund (USD)
HSBC Insurance Global High Income Bond Fund (USD)	HSBC Insurance World Selection 5 Fund (USD)
HSBC Insurance India Equity Fund (USD)	HSBC Life FlexConcept Fund (USD)
HSBC Insurance Pacific Equity Fund (USD)	

Financial Statements

	HSBC Insurance Asia Equity Fund S\$	HSBC Insurance Asia Focused Income Fund S\$	HSBC Insurance Asian Bond Fund S\$
Capital and Income Account			
Period From 1 July 2020 to 31 December 2020			
Value of Fund as at 1 July 2020	85,600,889	8,051,106	18,140,024
Amounts received by the Fund for creation of units	2,701,471	654,857	947,917
Amounts paid by the Fund for liquidation of units	(10,448,862)	(1,117,329)	(2,225,471)
Net cash into/(out of) Fund	(7,747,391)	(462,472)	(1,277,554)
Unrealised appreciation/(diminution) in value of investments	15,072,334	1,009,479	313,161
Gain/(Loss) on sale of investments	3,904,595	88,279	238,104
Management fees	(694,390)	(52,337)	(90,038)
Other expenses	(17,337)	(1,568)	(3,372)
Increase/(Decrease) in net asset value for the period	10,517,811	581,381	(819,699)
Value of Fund as at 31 December 2020	96,118,700	8,632,487	17,320,325
Statement of Assets and Liabilities			
As at 31 December 2020			
<u>Assets</u>			
Investments in funds	96,184,937	8,657,601	17,459,738
Other debtors	362,911	23,283	10,730
Total assets	96,547,848	8,680,884	17,470,468
<u>Liabilities</u>			
Other creditors	(429,148)	(48,397)	(150,143)
Value of Fund as at 31 December 2020	96,118,700	8,632,487	17,320,325

The accompanying notes form an integral part of these financial statements.

Financial Statements (Cont)

	HSBC Insurance China Equity Fund	HSBC Insurance Chinese Equity Fund	HSBC Insurance Emerging Markets Equity Fund
	S\$	S\$	S\$
Capital and Income Account			
Period From 1 July 2020 to 31 December 2020			
Value of Fund as at 1 July 2020	81,738,458	28,910,501	25,347,745
Amounts received by the Fund for creation of units	2,084,606	6,433,037	852,157
Amounts paid by the Fund for liquidation of units	(10,055,168)	(2,333,610)	(2,753,942)
Net cash into/(out of) Fund	(7,970,562)	4,099,427	(1,901,785)
Unrealised appreciation/(diminution) in value of investments	15,410,766	7,766,256	6,423,171
Gain/(Loss) on sale of investments	4,640,619	356,562	690,503
Management fees	(676,157)	(264,340)	(209,875)
Other expenses	(16,881)	(6,600)	(5,240)
Increase/(Decrease) in net asset value for the period	11,387,785	11,951,305	4,996,774
Value of Fund as at 31 December 2020	93,126,243	40,861,806	30,344,519
Statement of Assets and Liabilities			
As at 31 December 2020			
<u>Assets</u>			
Investments in funds	93,202,698	40,892,123	30,368,462
Other debtors	438,425	-	69,349
Total assets	93,641,123	40,892,123	30,437,811
<u>Liabilities</u>			
Other creditors	(514,880)	(30,317)	(93,292)
Value of Fund as at 31 December 2020	93,126,243	40,861,806	30,344,519

The accompanying notes form an integral part of these financial statements.

Financial Statements (Cont)

	HSBC Insurance Ethical Global Equity Fund S\$	HSBC Insurance Ethical Global Sukuk Fund S\$	HSBC Insurance Europe Dynamic Equity Fund S\$
Capital and Income Account			
Period From 1 July 2020 to 31 December 2020			
Value of Fund as at 1 July 2020	38,988,458	14,719,182	27,612,983
Amounts received by the Fund for creation of units	391,999	47,372	2,133,072
Amounts paid by the Fund for liquidation of units	(2,288,165)	(526,385)	(4,585,126)
Net cash into/(out of) Fund	(1,896,166)	(479,013)	(2,452,054)
Unrealised appreciation/(diminution) in value of investments	6,983,679	(195,326)	4,156,631
Gain/(Loss) on sale of investments	221,156	15,051	(55,141)
Dividend Income	-	285,984	-
Management fees	(308,423)	(95,802)	(210,846)
Other expenses	-	(2,760)	(5,264)
Increase/(Decrease) in net asset value for the period	5,000,246	(471,866)	1,433,326
Value of Fund as at 31 December 2020	43,988,704	14,247,316	29,046,309
Statement of Assets and Liabilities			
As at 31 December 2020			
<u>Assets</u>			
Investments in funds	44,000,925	14,248,575	29,054,755
Other debtors	164,284	13,239	41,287
Total assets	44,165,209	14,261,814	29,096,042
<u>Liabilities</u>			
Other creditors	(176,505)	(14,498)	(49,733)
Value of Fund as at 31 December 2020	43,988,704	14,247,316	29,046,309

The accompanying notes form an integral part of these financial statements.

Financial Statements (Cont)

	HSBC Insurance Global Bond Fund S\$	HSBC Insurance Global Emerging Markets Bond Fund S\$	HSBC Insurance Global Emerging Markets Equity Fund S\$
Capital and Income Account			
Period From 1 July 2020 to 31 December 2020			
Value of Fund as at 1 July 2020	7,373,400	2,098,316	13,960,667
Amounts received by the Fund for creation of units	221,823	166,391	2,439,693
Amounts paid by the Fund for liquidation of units	(502,393)	(471,594)	(817,760)
Net cash into/(out of) Fund	(280,570)	(305,203)	1,621,933
Unrealised appreciation/(diminution) in value of investments	107,762	442,848	4,611,468
Gain/(Loss) on sale of investments	78,103	(239,331)	192,665
Management fees	(29,428)	(17,110)	(129,665)
Other expenses	(1,378)	(387)	(3,237)
Increase/(Decrease) in net asset value for the period	(125,511)	(119,183)	6,293,164
Value of Fund as at 31 December 2020	7,247,889	1,979,133	20,253,831
Statement of Assets and Liabilities			
As at 31 December 2020			
<u>Assets</u>			
Investments in funds	7,263,930	1,979,555	20,246,878
Other debtors	-	7	28,992
Total assets	7,263,930	1,979,562	20,275,870
<u>Liabilities</u>			
Other creditors	(16,041)	(429)	(22,039)
Value of Fund as at 31 December 2020	7,247,889	1,979,133	20,253,831

The accompanying notes form an integral part of these financial statements.

Financial Statements (Cont)

	HSBC Insurance Global Equity Fund S\$	HSBC Insurance Global Equity Portfolio Fund S\$	HSBC Insurance Global Equity Volatility Focused Fund S\$
Capital and Income Account			
Period From 1 July 2020 to 31 December 2020			
Value of Fund as at 1 July 2020	67,854,528	12,312,594	5,023,331
Amounts received by the Fund for creation of units	661,717	1,665,087	288,655
Amounts paid by the Fund for liquidation of units	(4,054,826)	(1,910,474)	(954,081)
Net cash into/(out of) Fund	(3,393,109)	(245,387)	(665,426)
Unrealised appreciation/(diminution) in value of investments	11,516,295	2,057,654	1,016,218
Gain/(Loss) on sale of investments	2,155,435	(17,613)	98,039
Dividend income	-	221,650	-
Management fees	(586,894)	(40,185)	(39,551)
Other expenses	(13,737)	(2,508)	(988)
Increase/(Decrease) in net asset value for the period	9,677,990	1,973,611	408,292
Value of Fund as at 31 December 2020	77,532,518	14,286,205	5,431,623
Statement of Assets and Liabilities			
As at 31 December 2020			
<u>Assets</u>			
Investments in funds	77,645,401	14,281,445	5,431,175
Other debtors	225,482	40,317	12,896
Total assets	77,870,883	14,321,762	5,444,071
<u>Liabilities</u>			
Other creditors	(338,365)	(35,557)	(12,448)
Value of Fund as at 31 December 2020	77,532,518	14,286,205	5,431,623

The accompanying notes form an integral part of these financial statements.

Financial Statements (Cont)

	HSBC Insurance Global High Income Bond Fund S\$	HSBC Insurance Global Multi-Asset Fund S\$	HSBC Insurance India Equity Fund S\$
Capital and Income Account			
Period From 1 July 2020 to 31 December 2020			
Value of Fund as at 1 July 2020	5,565,836	1,880,579	43,466,586
Amounts received by the Fund for creation of units	532,900	249,213	3,790,478
Amounts paid by the Fund for liquidation of units	(714,613)	(576,471)	(5,892,062)
Net cash into/(out of) Fund	(181,713)	(327,258)	(2,101,584)
Unrealised appreciation/(diminution) in value of investments	376,230	201,137	13,496,813
Gain/(Loss) on sale of investments	57,749	11,884	619,404
Management fees	(36,453)	(11,514)	(374,373)
Other expenses	(1,092)	(345)	(9,347)
Increase/(Decrease) in net asset value for the period	214,721	(126,096)	11,630,913
Value of Fund as at 31 December 2020	5,780,557	1,754,483	55,097,499
Statement of Assets and Liabilities			
As at 31 December 2020			
<u>Assets</u>			
Investments in funds	5,780,641	1,754,508	55,102,454
Other debtors	53,748	32	307,177
Total assets	5,834,389	1,754,540	55,409,631
<u>Liabilities</u>			
Other creditors	(53,832)	(57)	(312,132)
Value of Fund as at 31 December 2020	5,780,557	1,754,483	55,097,499

The accompanying notes form an integral part of these financial statements.

Financial Statements (Cont)

	HSBC Insurance Pacific Equity Fund S\$	HSBC Insurance Premium Balanced Fund S\$	HSBC Insurance Singapore Bond Fund S\$
Capital and Income Account			
Period From 1 July 2020 to 31 December 2020			
Value of Fund as at 1 July 2020	140,822,422	125,054,034	25,621,891
Amounts received by the Fund for creation of units	10,976,624	2,762,528	668,249
Amounts paid by the Fund for liquidation of units	(28,514,657)	(5,269,459)	(2,293,414)
Net cash into/(out of) Fund	(17,538,033)	(2,506,931)	(1,625,165)
Unrealised appreciation/(diminution) in value of investments	33,108,819	4,341,794	1,016,953
Gain/(Loss) on sale of investments	6,145,279	1,905,653	34,282
Management fees	(1,120,940)	(448,100)	(102,333)
Other expenses	(27,986)	(23,973)	(4,790)
Increase/(Decrease) in net asset value for the period	20,567,139	3,268,443	(681,053)
Value of Fund as at 31 December 2020	161,389,561	128,322,477	24,940,838
Statement of Assets and Liabilities			
As at 31 December 2020			
<u>Assets</u>			
Investments in funds	161,438,900	128,339,213	24,940,161
Cash and bank balances	34,727	-	-
Other debtors	584,401	151,348	169,100
Total assets	162,058,028	128,490,561	25,109,261
<u>Liabilities</u>			
Other creditors	(668,467)	(168,084)	(168,423)
Value of Fund as at 31 December 2020	161,389,561	128,322,477	24,940,838

The accompanying notes form an integral part of these financial statements.

Financial Statements (Cont)

	HSBC Insurance Singapore Equity Fund S\$	HSBC Insurance US Equity Portfolio Fund S\$	HSBC Insurance US Opportunities Equity Fund S\$
Capital and Income Account			
Period From 1 July 2020 to 31 December 2020			
Value of Fund as at 1 July 2020	17,176,526	11,789,351	8,993,584
Amounts received by the Fund for creation of units	2,901,002	1,422,558	3,047,359
Amounts paid by the Fund for liquidation of units	(2,590,771)	(2,061,471)	(1,420,027)
Net cash into/(out of) Fund	310,231	(638,913)	1,627,332
Unrealised appreciation/(diminution) in value of investments	1,762,088	2,327,193	2,040,781
Gain/(Loss) on sale of investments	(385,807)	139,932	293,992
Dividend Income	255,991	116,551	-
Management fees	(100,900)	(25,697)	(83,124)
Other expenses	(3,359)	(2,406)	(2,075)
Increase/(Decrease) in net asset value for the period	1,838,244	1,916,660	3,876,906
Value of Fund as at 31 December 2020	19,014,770	13,706,011	12,870,490
Statement of Assets and Liabilities			
As at 31 December 2020			
<u>Assets</u>			
Investments in funds	19,065,881	13,704,262	12,867,232
Other debtors	56,959	44,037	96,948
Total assets	19,122,840	13,748,299	12,964,180
<u>Liabilities</u>			
Other creditors	(108,070)	(42,288)	(93,690)
Value of Fund as at 31 December 2020	19,014,770	13,706,011	12,870,490

The accompanying notes form an integral part of these financial statements.

Financial Statements (Cont)

	HSBC Insurance World Selection 1 Fund S\$	HSBC Insurance World Selection 2 Fund S\$	HSBC Insurance World Selection 3 Fund S\$
Capital and Income Account			
Period From 1 July 2020 to 31 December 2020			
Value of Fund as at 1 July 2020	4,113,038	96,590	13,447,404
Amounts received by the Fund for creation of units	1,094,031	100,493	2,032,003
Amounts paid by the Fund for liquidation of units	(898,823)	(13,512)	(2,153,676)
Net cash into/(out of) Fund	195,208	86,981	(121,673)
Unrealised appreciation/(diminution) in value of investments	225,963	13,278	1,933,721
Gain/(Loss) on sale of investments	37,657	593	163,702
Management fees	(30,600)	(1,056)	(105,700)
Other expenses	(849)	(28)	(2,730)
Increase/(Decrease) in net asset value for the period	427,379	99,768	1,867,320
Value of Fund as at 31 December 2020	4,540,417	196,358	15,314,724
Statement of Assets and Liabilities			
As at 31 December 2020			
<u>Assets</u>			
Investments in funds	4,570,848	196,819	15,322,250
Other debtors	-	-	9,039
Total assets	4,570,848	196,819	15,331,289
<u>Liabilities</u>			
Other creditors	(30,431)	(461)	(16,565)
Value of Fund as at 31 December 2020	4,540,417	196,358	15,314,724

The accompanying notes form an integral part of these financial statements.

Financial Statements (Cont)

	HSBC Insurance World Selection 4 Fund S\$	HSBC Insurance World Selection 5 Fund S\$
Capital and Income Account		
Period From 1 July 2020 to 31 December 2020		
Value of Fund as at 1 July 2020	739,821	17,817,808
Amounts received by the Fund for creation of units	462,056	1,647,832
Amounts paid by the Fund for liquidation of units	-	(2,456,986)
Net cash into/(out of) Fund	462,056	(809,154)
Unrealised appreciation/(diminution) in value of investments	184,494	3,319,839
Gain/(Loss) on sale of investments	239	211,916
Management fees	(8,028)	(148,715)
Other expenses	(200)	(3,593)
Increase/(Decrease) in net asset value for the period	638,561	2,570,293
Value of Fund as at 31 December 2020	1,378,382	20,388,101
Statement of Assets and Liabilities		
As at 31 December 2020		
<u>Assets</u>		
Investments in funds	1,376,308	20,392,542
Other debtors	2,457	13,874
Total assets	1,378,765	20,406,416
<u>Liabilities</u>		
Other creditors	(383)	(18,315)
Value of Fund as at 31 December 2020	1,378,382	20,388,101

The accompanying notes form an integral part of these financial statements.

Financial Statements (Cont)

	HSBC Insurance Europe Dynamic Equity Fund (USD) US\$	HSBC Insurance Global Emerging Markets Bond Fund (USD) US\$	HSBC Insurance Global Emerging Markets Equity Fund (USD) US\$
Capital and Income Account			
Period From 1 July 2020 to 31 December 2020			
Value of Fund as at 1 July 2020	2,450,724	1,498,432	4,362,141
Amounts received by the Fund for creation of units	357,632	122,704	730,189
Amounts paid by the Fund for liquidation of units	(21,925)	-	(31,973)
Net cash into/(out of) Fund	335,707	122,704	698,216
Unrealised appreciation/(diminution) in value of investments	425,419	110,228	1,846,271
Gain/(Loss) on sale of investments	(57)	50,672	22,106
Management fees	(20,679)	(13,601)	(41,971)
Other expenses	(516)	(310)	(1,048)
Increase/(Decrease) in net asset value for the period	739,874	269,693	2,523,574
Value of Fund as at 31 December 2020	3,190,598	1,768,125	6,885,715
Statement of Assets and Liabilities			
As at 31 December 2020			
<u>Assets</u>			
Investments in funds	3,190,489	1,768,498	6,885,412
Other debtors	209	-	518
Total assets	3,190,698	1,768,498	6,885,930
<u>Liabilities</u>			
Other creditors	(100)	(373)	(215)
Value of Fund as at 31 December 2020	3,190,598	1,768,125	6,885,715

The accompanying notes form an integral part of these financial statements.

Financial Statements (Cont)

	HSBC Insurance Global Equity Portfolio Fund (USD) US\$	HSBC Insurance Global Equity Volatility Focused Fund (USD) US\$	HSBC Insurance Global High Income Bond Fund (USD) US\$
Capital and Income Account			
Period From 1 July 2020 to 31 December 2020			
Value of Fund as at 1 July 2020	4,070,046	186,740	1,898,606
Amounts received by the Fund for creation of units	649,199	55,297	189,280
Amounts paid by the Fund for liquidation of units	(277,459)	-	(34,191)
Net cash into/(out of) Fund	371,740	55,297	155,089
Unrealised appreciation/(diminution) in value of investments	999,012	50,974	154,919
Gain/(Loss) on sale of investments	27,599	-	4,009
Dividend Income	74,564	-	-
Management fees	(14,558)	(1,782)	(13,011)
Other expenses	(909)	(44)	(390)
Increase/(Decrease) in net asset value for the period	1,457,448	104,445	300,616
Value of Fund as at 31 December 2020	5,527,494	291,185	2,199,222

Statement of Assets and Liabilities
As at 31 December 2020

<u>Assets</u>			
Investments in funds	5,526,613	291,149	2,198,488
Other debtors	1,052	46	804
Total assets	5,527,665	291,195	2,199,292
<u>Liabilities</u>			
Other creditors	(171)	(10)	(70)
Value of Fund as at 31 December 2020	5,527,494	291,185	2,199,222

The accompanying notes form an integral part of these financial statements.

Financial Statements (Cont)

	HSBC Insurance India Equity Fund (USD)	HSBC Insurance Pacific Equity Fund (USD)	HSBC Insurance US Equity Portfolio Fund (USD)
	US\$	US\$	US\$
Capital and Income Account			
Period From 1 July 2020 to 31 December 2020			
Value of Fund as at 1 July 2020	2,043,413	11,952,544	3,375,426
Amounts received by the Fund for creation of units	337,456	1,926,417	704,738
Amounts paid by the Fund for liquidation of units	(126,209)	(465,656)	(204,552)
Net cash into/(out of) Fund	211,247	1,460,761	500,186
Unrealised appreciation/(diminution) in value of investments	865,070	4,608,303	1,021,748
Gain/(Loss) on sale of investments	9,238	160,159	29,412
Dividend Income	-	-	34,784
Management fees	(19,472)	(112,629)	(8,475)
Other expenses	(486)	(2,812)	(793)
Increase/(Decrease) in net asset value for the period	1,065,597	6,113,782	1,576,862
Value of Fund as at 31 December 2020	3,109,010	18,066,326	4,952,288
Statement of Assets and Liabilities			
As at 31 December 2020			
<u>Assets</u>			
Investments in funds	3,108,723	18,065,585	4,988,053
Cash and bank balances	-	1,087	-
Other debtors	382	46,213	2
Total assets	3,109,105	18,112,885	4,988,055
<u>Liabilities</u>			
Other creditors	(95)	(46,559)	(35,767)
Value of Fund as at 31 December 2020	3,109,010	18,066,326	4,952,288

The accompanying notes form an integral part of these financial statements.

Financial Statements (Cont)

	HSBC Insurance World Selection 1 Fund (USD) US\$	HSBC Insurance World Selection 2 Fund (USD)* US\$	HSBC Insurance World Selection 3 Fund (USD) US\$
Capital and Income Account			
Period From 1 July 2020 to 31 December 2020			
Value of Fund as at 1 July 2020	924,291	N.A.	2,155,075
Amounts received by the Fund for creation of units	62,652		398,785
Amounts paid by the Fund for liquidation of units	-		(44,273)
Net cash into/(out of) Fund	62,652		354,512
Unrealised appreciation/(diminution) in value of investments	60,266		366,908
Gain/(Loss) on sale of investments			991
Management fees	(6,685)		(18,386)
Other expenses	(185)		(475)
Increase/(Decrease) in net asset value for the period	116,048		703,550
Value of Fund as at 31 December 2020	1,040,339		2,858,625
Statement of Assets and Liabilities			
As at 31 December 2020			
<u>Assets</u>			
Investments in funds	1,040,433		2,859,308
Other debtors	244		2,951
Total assets	1,040,677		2,862,259
<u>Liabilities</u>			
Other creditors	(338)		(3,634)
Value of Fund as at 31 December 2020	1,040,339		2,858,625

*Stated as N.A. as fund is yet to be inceptioned.

The accompanying notes form an integral part of these financial statements.

Financial Statements (Cont)

	HSBC Insurance World Selection 4 Fund (USD) US\$	HSBC Insurance World Selection 5 Fund (USD) US\$	HSBC Life FlexConcept Fund (USD) US\$
Capital and Income Account			
Period From 1 July 2020 to 31 December 2020			
Value of Fund as at 1 July 2020	88,300	1,752,347	3,613,196
Amounts received by the Fund for creation of units	49,968	416,116	66,152
Amounts paid by the Fund for liquidation of units	-	-	(750,000)
Net cash into/(out of) Fund	49,968	416,116	(683,848)
Unrealised appreciation/(diminution) in value of investments	21,829	392,554	261,673
Gain/(Loss) on sale of investments	-	11,131	24,588
Management fees	(916)	(16,571)	(9,411)
Other expenses	(23)	(400)	(705)
Increase/(Decrease) in net asset value for the period	70,858	802,830	(407,703)
Value of Fund as at 31 December 2020	159,158	2,555,177	3,205,493
Statement of Assets and Liabilities			
As at 31 December 2020			
<u>Assets</u>			
Investments in funds	159,550	2,556,015	3,206,885
Total assets	159,550	2,556,015	3,206,885
<u>Liabilities</u>			
Other creditors	(392)	(838)	(1,392)
Value of Fund as at 31 December 2020	159,158	2,555,177	3,205,493

The accompanying notes form an integral part of these financial statements.

Notes to the Financial Statements

These notes form an integral part of the financial statements.

1. HSBC Insurance (Singapore) Pte. Limited Investment-Linked Funds

- 1.1 The Investment-Linked Funds of HSBC Insurance (Singapore) Pte. Limited (HSBC Insurance Investment-Linked Funds) comprise:

Funds	Units in issue as at 31 December 2020
HSBC Insurance Asia Equity Fund	24,816,427
HSBC Insurance Asia Focused Income Fund	6,760,565
HSBC Insurance Asian Bond Fund	8,707,555
HSBC Insurance China Equity Fund	23,241,521
HSBC Insurance Chinese Equity Fund	19,264,414
HSBC Insurance Emerging Markets Equity Fund	18,408,138
HSBC Insurance Ethical Global Equity Fund	29,951,935
HSBC Insurance Ethical Global Sukuk Fund	11,282,497
HSBC Insurance Europe Dynamic Equity Fund	21,325,536
HSBC Insurance Global Bond Fund	5,430,987
HSBC Insurance Global Emerging Markets Bond Fund	1,801,513
HSBC Insurance Global Emerging Markets Equity Fund	8,727,088
HSBC Insurance Global Equity Fund	36,407,713
HSBC Insurance Global Equity Portfolio Fund	9,765,388
HSBC Insurance Global Equity Volatility Focused Fund	3,646,688
HSBC Insurance Global High Income Bond Fund	4,483,958
HSBC Insurance Global Multi-Asset Fund	1,487,791
HSBC Insurance India Equity Fund	19,913,757
HSBC Insurance Pacific Equity Fund	85,900,899
HSBC Insurance Premium Balanced Fund	64,807,570
HSBC Insurance Singapore Bond Fund	16,574,706
HSBC Insurance Singapore Equity Fund	16,425,770
HSBC Insurance US Equity Portfolio Fund	7,946,662
HSBC Insurance US Opportunities Equity Fund	5,195,679
HSBC Insurance World Selection 1 Fund	3,366,768
HSBC Insurance World Selection 2 Fund	170,807
HSBC Insurance World Selection 3 Fund	9,804,113
HSBC Insurance World Selection 4 Fund	1,131,047
HSBC Insurance World Selection 5 Fund	12,036,556

HSBC Insurance (Singapore) Pte. Limited Investment-Linked Funds (Cont)

<u>Funds</u>	<u>Units in issue as at 31 December 2020</u>
HSBC Insurance Europe Dynamic Equity Fund (USD)	2,507,961
HSBC Insurance Global Emerging Markets Equity Fund (USD)	3,372,698
HSBC Insurance Global Equity Portfolio Fund (USD)	3,894,132
HSBC Global Equity Volatility Focused Fund (USD)	197,441
HSBC Insurance Global High Income Bond Fund (USD)	1,789,454
HSBC Insurance Global Emerging Markets Bond Fund (USD)	1,529,791
HSBC Insurance India Equity Fund (USD)	2,465,420
HSBC Insurance Pacific Equity Fund (USD)	10,817,213
HSBC Insurance US Equity Portfolio Fund (USD)	3,210,153
HSBC Insurance World selection 1 Fund (USD)	885,638
HSBC Insurance World Selection 2 Fund (USD)	0
HSBC Insurance World Selection 3 Fund (USD)	2,162,854
HSBC Insurance World Selection 4 Fund (USD)	129,968
HSBC Insurance World Selection 5 Fund (USD)	1,789,941
HSBC Life FlexConcept Fund (USD)	3,148,960

2. Summary of significant accounting policies

2.1 Basis of preparation

The financial statements of the HSBC Insurance Investment-Linked Funds are presented in the currencies of the respective underlying funds, which includes Singapore and United States Dollars. The financial statements have been prepared on the historical cost basis, except for investments which are measured at fair value.

2.2 Investments

All purchases of investments, which only comprise of unit trusts, are recognised on their trade dates, i.e. the date the commitment exists to purchase the investments. The investments are initially recorded at cost, being the consideration given and excluding acquisition charges associated with the investments. After initial recognition, the investments are subsequently measured at fair value. The unrealised gains or losses on re-measurement to fair value are taken to the Capital and Income Account within unrealised appreciation/ (diminution) in value of investments after being adjusted for management fees at the underlying invested unit trust. The fair value is determined by using open market valuation at the reporting date. The quoted market price used for these investments is the quoted net asset value per unit of the unit trusts.

2.3 Amounts received by the funds for creation of units

The amounts received by the funds comprise the gross premiums received by the Company (after deducting charges which include bid-offer spread) and switches by the policyholders from other funds.

2.4 Amounts paid by the funds for liquidation of units

The amounts paid by the funds for liquidation of units comprise of the sale of units in the investment-linked funds for the payment of death claims or surrenders and for switches by the policyholders to the other funds.

2.5 The amount due to and due from unitholders are calculated based on net amount basis.

2.6 The amount due to and due from brokers are calculated based on net amount basis.

2.7 Policy fees, mortality charges and other administrative fees

Policy fees, mortality charges and other administrative fees are charged to the Capital and Income Accounts by way of unit deductions.

2.8 Gains/losses from sale of investments

All sales of investments are recognised on their trade dates, the date the fund commits to sell the investments. The cost of disposal of investments is determined on the weighted-average cost basis. Realised gains/losses from the sale of investments are taken to the Capital and Income Account.

2.9 Income and expenses recognition

Dividend income is recognised in the Capital and Income Account when the right to receive payment is established.

Expenses are recognised on an accrual basis.

2.10 Foreign currencies

Transactions in foreign currencies are translated into their functional currencies being Singapore dollars or United States Dollars at the exchange rate at the date of the transaction. Financial assets and liabilities denominated in foreign currencies at the reporting date are translated into their respective functional currencies at the exchange rate at the reporting date. Foreign currency differences are recognised in Other expenses in the Capital and Income Account.

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