

23 July 2018

**HSBC GLOBAL ASSET MANAGEMENT (BERMUDA) LIMITED  
ANNOUNCES THE LAUNCH  
OF NEW OFFSHORE US TREASURY FUND**

Today, (23 July 2018) HSBC Global Asset Management (Bermuda) Limited, as manager of HSBC Corporate Money Funds Limited (“HCMF”), has announced the launch of its first offshore US Treasury Fund domiciled in Bermuda. Leveraging the global reach of HSBC, the US Treasury Fund will offer additional scale to investors by investing directly into a master HSBC Global Treasury Liquidity Fund.

The US Treasury Fund is targeted at institutional investors from the Insurance, Reinsurance, Captive and ILS market locally. The aim is to provide investors with security of capital and daily liquidity, together with an investment return which is comparable to normal, short-dated US Dollar denominated US Treasury returns. The US Treasury Fund seeks to achieve this through investing in a mix of short-term debt, including Treasury bills, bonds, and Repo.

“Our investment process combines a structured, methodical and globally consistent approach including a distinctive credit, liquidity and interest rate risk approval and limit setting process, adhering to global governance standards, whilst taking into account local market dynamics” said **Faith Outerbridge, Head of HSBC Global Asset Management (Bermuda) Limited**.

“Outerbridge continued “Oversight of the investment process is provided by the Global Liquidity Investment Committee, the Regional Liquidity Investment Committee and Global Liquidity Credit Committee taking account of liquidity fund guidelines, credit process and portfolio construction.

“We have seen appetite for an offshore USD Treasury fund grow amongst our Bermuda based clients and are proud Bermuda has become the impetus to launch this fund solution to HSBC clients globally” according to Outerbridge.”

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**Mark Watkinson, CEO HSBC Bank Bermuda Ltd.** added: “The launch of the new US Treasury Fund speaks to HSBC’s global breadth of capabilities and network our clients can rely on. We have been working closely with our colleagues in Europe as well as the US to continue to offer the best solutions possible in an everchanging regulatory environment. This fund is evidence of the benefits of an asset management product, the US Treasury Fund, linking directly to the banking systems by offering the convenience of a sweep facility for our institutional clients.”

Following a period of historical low interest rates the US Federal Reserve began gradually raising the target rate from 0-0.25% in December of 2015 to the current rate of 1.75-2.00%. Further gradual rate increases are expected in 2018 and through 2019, with the US Treasury Fund yielding 1.91% gross at the time of this press release. The net return to shareholders will depend upon the share class chosen. The Fund also offers investors the convenience of investing in a constant net asset value (CNAV) fund with exposure to US Treasury obligations, thus reducing credit exposure. Investors now have increased options when it comes to liquidity solutions within HSBC.

**Notes to Media:**

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**Notes to investors:**

HSBC Global Asset Management develops and manages investment management products and services for clients around the world, from individual retail customers to major multinational corporate clients, sovereign wealth funds and financial institutions. As of 31st March 2018, HSBC Global Asset Management has over \$470bn assets under management, \$144bn of which are insurance assets, making us an asset manager of choice for this industry. Bermuda contributes a significant portion, \$9bn, to the overall assets under management.

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