

The complaint

Mrs D complains to HSBC UK Bank Plc about the performance of an investment she has with them. After comparing hers to her husband's, Mrs D is concerned about the differences in how her money is being managed.

What happened

Mrs D has an ISA with HSBC – she first began investing with them in the 2006/07 tax year after taking advice in her local branch. After investing £3,000, she has continued to add £100 a month since then, but for a pause during the pandemic. For a number of years Mrs D was investing into a 'cautious' fund, until September 2010 when she moved it to a 'balanced world selection' fund. In November 2017, Mrs D changed the fund again, this time to the 'emerging markets' fund that she remains in now.

Last year, Mrs D was comparing her investments with her husband's, and they noticed that while they were both in the same emerging markets fund, his seemed to be performing much better than hers – his growth was around 55% but hers was around 21%. Mrs D was concerned about this and also noticed her husband's fund seemed to have much more movement than hers – she worried that her investment wasn't being as actively managed as his and she was suffering financially as a result.

HSBC sent Mrs D their final response but didn't comment on why Mr D's investment might be worth more than Mrs D's as they said they couldn't speak about their other customer's investments. That said, they explained that perhaps the share price at the time Mrs D began investing into the fund in 2017 was higher than when others might have bought in. They pointed to an investment she made in March 2021 and noted how the share price had risen from ~£8 to ~£14 in the year prior, so investing sooner would have allowed her to get in at a lower price and go on to experience higher growth.

HSBC also assured Mrs D that she was invested in the same emerging markets fund as her husband and shared some information about it. They explained the fluctuation in the share price of the fund over the last three months – while this would have swayed her investment valuation by around £2,000, they said that her husband's might sway more or less depending on how much exposure his investment had to this one fund.

Mrs D remained unhappy. She told us that she'd taken advice from HSBC and worried that if they weren't monitoring her investments, she wouldn't have agreed to invest as she isn't an expert. She also reiterated that her husband's account sees much more movement than hers does. She cited customer service issues too and attributes them to her poor fund performance.

One of our investigators had a look at what had happened but didn't agree HSBC had done anything wrong. She noted HSBC gave the initial advice to Mrs D to invest in the cautious fund, but that they didn't have any ongoing agreement with Mrs D to continually review her investments. It also didn't appear the later fund switches were based on HSBC's advice. Our investigator hasn't seen Mr D's fund performance but echoed what HSBC had said about this differing depending on when he'd first invested, how much he invested and similar

variables. She also didn't think the customer service frustrations were failings on HSBC nor had they resulted in financial loss. So she didn't uphold the complaint.

Mrs D remained unhappy. Given her investments are accessed through a HSBC bank portal, and that paperwork about them is on HSBC letterhead, she asked why HSBC wouldn't have any ongoing responsibility post the advice – she thought that ought to have been made very clear. Mrs D said that the customer service issue in delaying her investment in 2020 will have had great impact and still questioned the lack of movement within her emerging markets fund compared to her husband's.

Our investigator had another look at things but remained of the view HSBC hadn't done anything wrong. She couldn't see there was any sort of ongoing advisory relationship and pointed out differences in asset exposure between Mr and Mrs D's investments. Mrs D wasn't satisfied so the complaint was passed to an ombudsman for review.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

When I began looking at Mrs D's concerns, given the comparisons she was making I obtained her husband's consent for HSBC to share details of his investments with us. Having done so, I wish to make it clear that while I have considered the history and composition of his portfolio, my decision here solely relates to Mrs D's account and the concerns she's raised.

Having carefully considered the history of Mr and Mrs D's accounts, I do not share the same concerns as Mrs D – in short, from what I have seen the difference in their positions is a combination of factors which I will go on to detail, but importantly I will say at the outset that I haven't seen HSBC have done anything wrong.

Firstly, the relationship Mrs D had with HSBC wasn't one of ongoing advice – she took investment advice in the 2006/07 tax year but since then, has made fund switches without advice. I can see she may have been advised with other products such as a pension, but no further advice in relation to this investment was given.

In 2006, I can see Mrs D wanted a lower risk investment with a view to capital growth over the longer term and that she was disappointed with cash savings rates. The initial advice to invest in the cautious fund appears to have been suitable based upon hers and her family's financial circumstances and experience at the time.

Thereafter, in August 2010 Mrs D instructed HSBC to move the investment and monthly contributions to the balanced world selection fund. In November 2017, Mrs D instructed HSBC to move both the investment and contributions again, this time to the emerging markets fund. Thereafter, around the time of the pandemic, HSBC made some changes to how investments could be funded which resulted in Mrs D's monthly contributions stopping for around a year – though something she's mentioned now, I can see we dealt with this point as a complaint in 2021 so I make no further comment.

As Mrs D receives no ongoing advice from HSBC, they had no involvement in whether the fund switches she made were suitable for her or not. They also have no involvement or oversight of the running of funds that are run by other companies, such as her emerging markets fund with another investment management house. Instead, HSBC facilitate Mrs D's ISA, enabling her to hold such a fund within the wrapper on their platform and any ancillary services around that. I appreciate Mrs D's concerns around HSBC not being involved with

the investment choices within the fund and her not feeling as though she is any sort of expert, but should she wish, she could seek advice from them or from an independent adviser.

Looking to the specific issues, one of Mrs D's key concerns the performance of her investment compared to her husband's. She's told us they invested the same way, over the same term, but the following two points highlight key differences:

1. Mr D began investing £200 a month, compared to Mrs D's £100 a month, fifteen years ago – this heavily contributes to his portfolio being worth much more and added diversity to the account given he has exposure to two funds
2. Mr D swapped his cautious fund for the emerging markets fund in September 2011 – this was around six years earlier than Mrs D investing into it in November 2017 and during that time the share price increased considerably

So although the couple began investing identically in 2007, Mr D began out investing Mrs D and began taking more risk earlier than she did.

The emerging markets fund, while riskier, performed well before Mrs D invested, and indeed performed well during the year she wasn't contributing. That's why Mr D's fund shows a 56% gain with the share price rising from around £1.14 in 2011 to £13.36 last year. This is further illustrated by Mr D's average book cost being £7.38 compared to Mrs D's £9.48 – using Mrs D's screenshots from February 2025, both Mr and Mrs D had around £29,000 each in the same fund, but Mr D's capital contribution to that was £18,600 compared to Mrs D's £24,000.

When it comes to the fund movements and asset allocations, the differences here is that Mrs D's money is invested in one fund and Mr D's is spread across two funds. The screenshots Mrs D shared highlighting the Asia equity exposure differences illustrate the point well – hers is 65.68% and her husband's is 34.75%. But that's because the view the platform is showing her is at account level rather than fund level. The funds are identical and the factsheet HSBC provided applies to both. Instead, the confusion seems to be that the pie chart for Mrs D is solely her emerging markets fund while Mr D's is both that fund and a worldwide fund – naturally the latter includes developed markets which will reduce the overall Asia exposure. And if there's more daily movement and fluctuation, again activity in Mr D's other fund will be contributing to that.

So from everything I've seen, I hope Mrs D is reassured that I'm satisfied the discrepancies she reports are justifiable differences between hers and her husband's accounts, rather than evidence that HSBC has done anything wrong.

My final decision

For the reasons explained, I don't uphold Mrs D's complaint.

Under the rules of the Financial Ombudsman Service, I'm required to ask Mrs D to accept or reject my decision before 16 March 2026.

Aimee Stanton
Ombudsman

