



## Useful guide to get started

### HSBC World Elite<sup>®</sup> Mastercard<sup>®</sup>



**Flytrippers Valuation of  $\approx$  \$639**

Welcome bonus of  $\approx$  \$568 (1<sup>st</sup> year)

\$0 fee (1<sup>st</sup> year)

Renewal bonus of  $\approx$  \$220 (2<sup>nd</sup> year)

\$149 fee (2<sup>nd</sup> year)

#### **Rewards obtained**

98,000 HSBC points worth  $\approx$  0.6¢/pt + 2X \$100 travel credits (1 per year)

(limited-time offer ending October 31, 2022)

## Welcome

Here's the complete guide on **how to get started** with your new HSBC World Elite Mastercard.

More useful guides and pro tips about travel rewards will follow (including an ultimate guide to the HSBC Rewards program), so stay subscribed to this free mailing list.

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## 3 things to know before getting started

Before getting into your card's details, here are a few things you **absolutely** need to know first.

### 1. Warning for the future

First of all, congratulations: You've taken advantage of **one of the best welcome bonuses** in Canada. You'll definitely grow fond of great welcome bonuses, but having gotten such a great one comes with a risk.

The risk is thinking that all other bonuses will be as high as this one, and that they'll always have the first year fee waived!

It's easy to get a lot of travel rewards every year when you know how to do it, but typically, a welcome bonus worth  $\approx$  \$300 is very good. So **don't take this amazing deal for granted** too much and make sure to unlock the full bonus. And if you want to maximize its value, at least consider the option of transferring points instead of simply getting an easy travel credit.

### 2. Important reminder regarding bonus details for all cards

Many people are surprised that they can't find **the welcome bonus offer details anywhere** once they've received their card.

Indeed, for any card (from any issuer), the welcome offer details are never included in the documents. And they also disappear from the Internet as soon as the offer is over, including from [the Flytrippers website](#).

That's the way it is. Always. Because offers are constantly changing (that's why we do [a monthly ranking of the best offers](#)).

It's important to write down the details when you apply for a card. It's perfectly normal that you don't know this when you're first starting out, which is why we've created [a free checklist](#) to use **every time you apply for a new card**.

This guide will of course include the welcome bonus details to make your life easier. But for your next cards, following the [8 checklist items](#) will help you remember important things like that.

There are other equally important notes in the [free checklist](#), like a reminder not to cancel your OLD cards. To be very clear, this has nothing to do with the card you just got: we're talking about the old cards you already had (closing them is very bad for your credit score; never close them).

### 3. Last general piece of advice

**Being well organized** will definitely make your life easier throughout your travel rewards journey, so you can also [download our free card tracking template](#).

There are also some useful tools in there (in the 2<sup>nd</sup> tab in the file).

## Details of your welcome bonus offer

First, welcome bonuses usually have a much simpler structure. But because the bonus is so big, it actually has several components this time.

The 6 components are **completely independent and separate from one another**. But it's by combining all 6 that it gets very rewarding.

Here's a summary of your [HSBC World Elite Mastercard](#) welcome bonus (and we'll cover some tips and rules after).

**Important:** The welcome bonus offer is different if you're a Québec resident (see appendix for offer details in Québec).

## **1. INITIAL WELCOME BONUS**

Make any purchase = Get 20,000 points

## **2. ADDITIONAL WELCOME BONUS AFTER MINIMUM SPEND**

Spend \$6,000 in 6 months = Get 40,000 points

## **3. EARNINGS ON MINIMUM SPEND**

\$6,000 at the 3X base rate = Earn 18,000 points

## **4. 1<sup>ST</sup> YEAR TRAVEL CREDIT**

Card benefit = Get a \$100 travel credit

## **5. RENEWAL/ANNIVERSARY BONUS**

Renew your card = Get 20,000 points

## **6. 2<sup>ND</sup> YEAR TRAVEL CREDIT**

Card benefit = Get a \$100 travel credit

## TOTAL WELCOME BONUS

98,000 HSBC points

AND

2 travel credit worth \$100 each

Net return rate of  $\approx 11\%$  on \$6,000 (minimum spend required)

## Initial welcome bonus

(Make any purchase = Get 20,000 points)

It's really quite simple.

You just have to make a purchase (any amount, anywhere) to unlock that part of the bonus right away.

## Additional welcome bonus after minimum spend

(Spend \$6,000 in 6 months = Get 40,000 points)

It looks like a lot, but your \$6,000 in 6 months should be pretty easy to reach just with your regular spending. It's the equivalent of only \$231 per week.

If you can't reach the \$6,000 organically, here are our [5 tips to reach it more easily](#). With those tips, there's really no reason to miss out on this welcome bonus (or any other one after).

## Earnings on minimum spend

(\$6,000 at the 3X base rate = Earn 18,000 points)

Spending \$6,000 will give you a minimum of 18,000 points at the base rate of 3X. But you can earn even more for this portion if you spend it in the "travel" category at the 6X multiplier rate, as explained in the section on earn rates below.



## **1<sup>st</sup> year travel credit**

(Card benefit = Get a \$100 travel credit)

This is not related to the welcome bonus itself, but it's a card benefit that makes the offer even more enticing.

You'll see a \$100 travel credit appear in your rewards account and you can apply it to any travel expense.

Read all the details about this in the "Card benefits" section below.

## **Renewal/anniversary bonus**

(Renew your card = Get 20,000 points)

Sometimes, cards offer welcome bonuses that extend over 2 years. In some cases, the renewal portion isn't worth it.

But in this case, it's definitely profitable.

You'll get a renewal bonus the month after you renew your card without having to do anything.

## **2<sup>nd</sup> year travel credit**

(Card benefit = Get a \$100 travel credit)

Same as for the 1<sup>st</sup> year. After you renew, the travel credit will appear automatically.

## 3 basic reminders to unlock a welcome bonus

Here are **some very important reminders** about minimum spend requirements.

(These are all in [the free checklist](#) so you can easily remember them).

### 1. When the countdown starts

Your countdown to reach the minimum begins **the day your application is approved** (NOT when you receive your card and NOT when you activate it).

### 2. What counts as an expense

Be careful not to count your card fee in the amount in case it appears on your statement and therefore in your total balance due.

And you need purchases: not ATM withdrawals, not cash advances, not balance transfers. Not anything else: **only actual purchases**.

Be careful not to make returns/refunds that might make your drop below the required minimum spend amount.

### 3. Why it's important to be organized

There's no flexibility on the timing for the minimum spend. **None!**

Even if you miss the deadline by just one day and by just one dollar, there's absolutely no way to get the welcome bonus points back if you don't meet the requirements. Those are the rules.

So make sure you reach the required amount. We suggest you set up regular reminders to monitor your progress.

## What you can get with your welcome bonus

As mentioned, with the welcome bonus alone, you will have travel rewards worth  $\approx$  \$788 based on our Flytrippers Valuation.

But HSBC points are hybrid rewards, as they can be used as both types of rewards that exist:

- **Fixed**-value rewards
- **Variable**-value rewards

That means your 98,000 HSBC points can give you:

- \$490 as a travel credit applicable to **any travel expense**
- $\approx$  \$588 in discounts on **very specific reward flights**

In both cases, you also get the 2 separate \$100 travel credits that can be applied to any travel expense. That is unrelated (and in addition) to the actual rewards points. So let's focus on the points.

Variable-value rewards are more complicated, but offer the potential for outsized value and unlimited value. Fixed value rewards are less complicated, but can never give you more value.

As always, our Flytrippers Valuation of hybrid rewards is based on using them as variable-value rewards, but **the difference honestly isn't that huge with HSBC** if you prefer an easy travel credit (compared to American Express points that are so much more valuable by transferring for example).

Here are concrete examples of travel rewards you can get with your 98,000 HSBC points.

## As fixed-value rewards

It's very simple: you can apply your 98,000 HSBC points to any travel expense and you get a \$490 credit.

For example, you book one of the great [flight deals](#) Flytrippers spots and then apply the points to that purchase. That's it.

It's always going to be a \$490 credit. It **never changes**, it's fixed. Fixed-value.

## As variable-value rewards

It's less simple: you can use your 98,000 HSBC points on specific flights to get discounts worth  $\approx$  \$588 (that is based on our reasonable Flytrippers Valuation, but they can be worth \$900 or also be worth \$300).

For example, you book 2 roundtrip flights from Toronto to Miami and have just  $\approx$  \$90 in taxes to pay per roundtrip flight (you'll be short just a few points for this after the welcome bonus).

If the flight is expensive in cash, it gives you a bigger discount. If not, it gives you a smaller discount. It **always depends**, it's variable. Variable-value.

Other examples of rewards flights with your 98,000 HSBC points include:

- 9.5 one-ways for short-distance around Spain and other EU countries
- 6.5 one-ways in countless countries around the world
- 4 one-ways from many Canadian cities to select US cities
- 3 one-ways from Toronto to Dublin
- 1.5 one-ways in business class from Toronto to Dublin

To see more concrete examples, you can read our detailed post about [12 good uses of HSBC points](#) and also our introduction to the [HSBC Rewards program](#) while you await the ultimate guide and the Avios guide.

In short, you do all this **by transferring your HSBC points to airline rewards programs (like Avios).**

These airline rewards programs set a fixed amount of points required for each specific flight based on an award chart and they limit seat availability to be able to offer those fixed prices.

Those fixed prices are what give you outsized value and unlimited value because the price in points is independent from the price in cash.

If you use airline points right, they can be worth a lot. But they require more flexibility for sure.

Especially with HSBC's partners that aren't as interesting as the better-known [Aeroplan program](#) for example.

The most valuable HSBC transfer partner is Avios, with a transfer rate of 2.5 HSBC points to 1 Avios point. But there is a transfer bonus deal that increases this by 30%-40% (giving you a lot more value for your HSBC points) about once per year.

**So not all flights are good uses of Avios points.** Not at all. But some are very good.

## Logistics of creating your accounts to get started

First, you need to create **an HSBC account** after you receive your card (if you don't already have any other HSBC cards or accounts).

Create an account online on the HSBC website (red button in the upper right corner). They also have a convenient app.

You'll be able to make payments on your HSBC World Elite Mastercard by adding HSBC as a bill in your existing bank account, of course.

But creating an HSBC account will allow you to **manage your card and, more importantly, your rewards and your annual travel credit.**

If you like, you can always call HSBC using the phone number on the back of your card, but it's so much easier to do everything online in 2022.

And that's it for those who are sure they will always want to use HSBC Rewards points as a simple travel credit.

For others — and this is obviously optional — if you want to eventually transfer your points to the British Airways Avios program (the British Airways Executive Club, as it's officially called) to use them that way, you'll need to **create a British Airways Avios account** as well. This is separate.

Create an account for free on the British Airways Executive Club website.

We recommend creating it in advance. That way, it's ready in case you somehow need it and don't want to wait. You'll never regret being ready.

The Avios program is an essential rewards program for Canadian travel rewards enthusiasts anyway.

If you have time, you can also create a separate account online on the Iberia Plus website and on the Qatar Airways Privilege Club website (Qatar is even giving 1,000 Avios points for free now).

Make sure to use the exact same spelling of your name on all 3 (you should always use the exact spelling from your passport for everything that involves travel anyway).

This is unique feature of the Avios program: separate airline reward programs use Avios points. It gives you more options, so that's a plus... but it can be a bit more complicated than just creating a main account with British Airways (which is really by far the most important and most common).

We also recommend that you never transfer points out of a bank rewards program speculatively (without a specific use in mind), but you can at least start looking at how you might use your points this way.

And as you'll see in the upcoming HSBC Rewards guide, HSBC points can also be transferred to the Singapore Airlines KrisFlyer and Cathay Pacific Asia Miles programs, but we rarely recommend transferring them there since these are less valuable to most travelers.

## Your card's rewards earn rate

Here are the earn rates for your HSBC World Elite Mastercard (and the return rate if you use your HSBC points **through the Avios program**):

- **6 points per dollar** on travel purchases ( $\approx 3.6\%$ )
- **3 points per dollar** on all other purchases ( $\approx 1.8\%$ )

Here are the earn rates for your HSBC World Elite Mastercard (and the return rate if you use your HSBC points **as a simple travel credit**):

- **6 points per dollar** on travel purchases (**3.0%**)
- **3 points per dollar** on all other purchases (**1.5%**)

Of course, it's not with your regular purchases that you'll earn points quickly, but rather with welcome bonuses (which you probably figured out given the size of this welcome bonus).

But it's good to know your card earn rates so you can use the right card at the right place depending on which ones you have.

This is useful for times in the year when your expenses won't be used to unlock the extremely lucrative welcome bonuses on other cards (which you should get regularly, because you have spending that you'll have to do either way so you might as well get as many rewards as possible on that spending).

With earn rates, there are **always 2 important things** to pay attention to:

- The multiplier rates on specific categories
- The base earn rates



Your HSBC World Elite Mastercard's multiplier rate for travel **expenses is excellent**. The "travel" category includes travel booking sites, airlines, hotels, Airbnbs, car rentals, trains, cruise lines, tour operators, and travel agencies.

The HSBC World Elite Mastercard's base earn rate is **also very good**. It's a great card to use for any expenses that don't fall into a multiplier category on one of your other cards.

It's an especially great base earn rate for **your expenses in foreign currencies**, as you'll see below when you read the first card benefit. Whether it's while traveling or while shopping online.

And obviously, your HSBC World Elite Mastercard's earn rates could also potentially be worth even more, since Avios points are variable-value rewards that have the potential for outsized value and unlimited value.

## Your card benefits

In addition to travel rewards you get with your welcome bonus, you now enjoy **other valuable benefits** with your HSBC World Elite Mastercard.

Here's how each one works.

### No foreign transaction fee

Almost all cards in Canada charge a **2.5% fee on all foreign currency purchases** (commonly referred to as "FX fees").

Very few people are aware that they're paying this pretty huge amount. Because of these fees, all your foreign currency purchases are made at a loss for you, even with the rewards you earn.

Your HSBC World Elite Mastercard is one of the few cards with no foreign transaction fees, a 2.5% saving on everything you buy in currencies other than the Canadian dollar.

### \$100 annual travel credit

The \$100 annual travel credit that comes with your HSBC World Elite Mastercard is theoretically meant to pay for baggage fees, seat upgrades, or airport lounge access.

But in reality, the credit can be applied **to any travel expense**, so it's incredibly easy to use.

You can apply the credit to a travel expense in the 60 days after you charge the expense to your card. The travel credit is valid for one year (since it renews every year).

It's easy to apply the travel credit online with just a few clicks. You will be able to see how to use the travel credit step by step in our upcoming HSBC Rewards guide.

## **Additional card for \$50**

If a loved one also makes purchases in foreign currencies separately, you can also add an additional card to your account by paying a \$50 fee.

An additional or supplementary card is otherwise known as an authorized user. This is for people you trust so that they can help you earn more points (and have all your points in the same HSBC account) and so that they can benefit from the no-foreign-transaction-fee feature too.

Sometimes these cards are free. It isn't the case here, so with the fees, it's obviously not as interesting.

It doesn't count as a credit request for the additional cardholder, and they can still apply for their own [HSBC World Elite Mastercard](#) to get their own welcome bonus.

## Boingo global Wi-Fi access

You can access **1 million Boingo Wi-Fi hotspots** around the world for free.

You just have to register your card on the Boingo website.

## 10% discount on hotels with Expedia and Agoda

With this kind of discount, you should continue to follow the most basic rule for any travel booking: COMPARE.

**You should always compare**, because even with the 10% discount offered through the Expedia for HSBC and Agoda for HSBC platforms, the price could still be higher than what you can find on Momondo, Booking.com, Hotels.com or other hotel search sites. Always compare.

## Mastercard Airport Experiences (LoungeKey) program membership

Beware: Many cards give you a membership to airport lounge programs AND a certain amount of free visits per year.

The HSBC World Elite Mastercard is not one of them. It just gives you free membership, not free access.

Membership gives you a discount on access (US\$32 per access instead of often ~ US\$50 or more), but **we don't recommend paying for that!** If you want free access, just consider one of the cards with free airport lounge access for your next one.

## Your card's insurance coverage

One of the best benefits of credit cards, aside from the thousands of dollars in free travel rewards you get, is of course the **insurance coverage included**.

Here's what is included with your [HSBC World Elite Mastercard](#). You can [download your card's official insurance certificate](#) for the full details.

### Medical travel insurance

Your [HSBC World Elite Mastercard](#) has one of the best medical travel insurance policies, with **31 days** and \$1M of coverage.

That applies for those under 65, as is almost always the case (the card however doesn't offer shorter coverage for those 65 and older, unlike other cards). And unlike most cards, there is a specific exclusion for trips to Cuba.

Currently, COVID-19 invalidates some cards' medical insurance coverage. So, that's something to double-check.

Despite popular belief (there are many myths around travel rewards), you don't need to have paid for your trip with your card to be covered by its medical insurance, unlike other types of travel insurance.

So as long as you have this card, you're covered, **whether you pay for the trip with your card or not!** Spouses and dependent children are also covered if they travel with you.

## Car rental insurance

You'll be covered if you paid for your rental car with your card. You don't have to pay for the unnecessary insurance car rental companies offer, the one on your card is free.

Note that this applies to damage/loss/theft only; no card covers the liability insurance portion.

For that, your personal car insurance may cover you in some countries, and if not, liability insurance is often included by default with the basic price of car rentals in many countries.

Make sure to verify that. But at least, **don't pay for the damage insurance part.**

Coverage excludes cars worth more than \$65,000 and rentals of over 31 days (among other exclusions that are more standard, like pickup trucks).

## Trip cancellation and interruption insurance

If you have to cancel (or interrupt) your trip for a valid reason covered by the insurance, you're entitled to **\$2,000 per person** up to a total of \$5,000.

We'll soon have more details on travel insurance in general, especially regarding trip cancellation and interruption, which are hard for many travelers to understand.

## Insurance for baggage and personal effects while traveling

You also have insurance for lost, damaged, or stolen baggage during your trip (up to \$750 per person; \$500 per item).

In addition, you have insurance if you need to purchase essential items in case your baggage arrives late (up to \$200; minimum 12-hour delay required).

## Purchase assurance and extended warranty insurance

Finally, you also have an extended warranty on all your purchases (double the original warranty; up to 1 year) and protection against theft and damage within 90 days of any purchase, as with most cards.

Both protections have a combined maximum lifetime liability of \$60,000 per account.

## Insurance for flight delays

Beware! This is one of the few travel credit cards **that don't offer** flight delay insurance.

Therefore, we do not recommended using this card to pay for airplane tickets.

## HSBC Rewards points expiry

We'll talk more about this in our guide to the HSBC Rewards program, but we want to reconfirm that there's **no time limit** to use your HSBC points.

Some people seem to think that means the points don't expire. It's not that they don't expire, it's that you have no time limit for using them. It's not quite the same thing.

HSBC points expire if you cancel your card, as they almost always do with any points from a bank rewards program. But with the renewal bonus, it gives you 2 full years to use the points.

And even if you want to cancel your card after the 2<sup>nd</sup> year, there are 3 easy ways to not lose your points and not have to worry about expiry:

- Use your points before closing the card
- Keep your points by downgrading the card
- Keep your points by transferring them to partners

### Use your points before closing the card

You can use your points during the 2 years of course.

And here's a pro tip: if you were going to use them as fixed-value rewards anyway, you can book a fully-refundable hotel and then apply the points. Then you can refund the hotel and you'll get a statement credit that doesn't have to be used on travel. More flexibility. Works with the annual credit too.



## Keep your points by downgrading the card

By downgrading your card to the no-fee version (the [HSBC Travel Rewards Mastercard<sup>®</sup>](#)), you get to keep your points for free with no time limit whatsoever.

And it's a good idea to downgrade the first few new cards in your travel rewards journey instead of closing them, as explained in [our free checklist](#).

However, you won't be able to transfer your points to other programs if you do this (because your [HSBC World Elite Mastercard](#) is the only HSBC card with airline transfers as a card benefit).

So you'll have to use them as a simple travel credit.

## Keep your points by transferring them to partners

That's the other option to extend the validity of your points even if you cancel your card: transferring your points.

By transferring them to the Avios program, however, your points are then subject to the Avios expiry rules.

And you can obviously no longer use them as a simple travel credit or transfer them to the other HSBC partners.

## Conclusion and what's next

With this information, you'll be able to start your journey with your HSBC World Elite Mastercard and your HSBC Rewards points.

Feel free to email us at points@flytrippers.com if you have any questions about your card.

We'll soon help you maximize the value you get with your points with our ultimate guide to the HSBC Rewards program.

Thank you for following Flytrippers,

*Andrew & Kevin*

Flytrippers co-founders

*This guide is for the exclusive use of subscribers of Flytrippers' travel rewards newsletter.*

*The use of this guide is subject to terms & conditions.*

# Appendix

## Welcome bonus for Québec residents

If you are a Québec resident, the HSBC World Elite Mastercard's welcome offer is structured a little differently.

There is no minimum spending requirement and you get a little bit more points... but there's no 1<sup>st</sup> year annual fee waiver so the total net value of the offer is slightly lower.

Here's a summary of the offer outside Québec.

### **Flytrippers valuation of ≈ \$562**

Welcome bonus of ≈ \$640 (1<sup>st</sup> year)

\$149 fee (1<sup>st</sup> year)

Renewal bonus of ≈ \$220 (2<sup>nd</sup> year)

\$149 fee (2<sup>nd</sup> year)

### **Rewards obtained**

110,000 HSBC points worth ≈ 0.6¢/pt + 2X \$100 travel credits (1 per year)

Here are the details of the welcome bonus.

## 1. INITIAL WELCOME BONUS

Make any purchase = Get 20,000 points

## 2. ADDITIONAL WELCOME BONUS AFTER 180 DAYS

Keep your account open and in good standing = Get 70,000 points

## 3. 1<sup>ST</sup> YEAR TRAVEL CREDIT

Card benefit = Get a \$100 travel credit

## 4. RENEWAL BONUS

Renew your card = Get 20,000 points

## 5. 2<sup>ND</sup> YEAR TRAVEL CREDIT

Card benefit = Get a \$100 travel credit

## TOTAL WELCOME BONUS (FOR QUÉBEC)

110,000 HSBC points

AND

2 travel credit worth \$100 each (1 per year)

## Initial welcome bonus

(Make any purchase = Get 20,000 points)

It's really quite simple. You just have to make a purchase (any amount, anywhere) to unlock that part of the bonus right away.

## Additional welcome bonus after 180 days

(Keep your account open and in good standing = Get 70,000 points)

Another simple one, just longer. Instead of having to reach a minimum spend amount as is usually the case, you need to wait 6 months to get the biggest chunk of the bonus.

It's very beneficial because this way, you can use your spending to unlock the welcome bonus on another card that you apply for in 2-3 months... or on the same day as this one.

Because sending in 2 applications (for different cards obviously) in the same calendar day only counts is better than doing it with 1 month between cards, for your credit score.

This maximizes the earning aspect, it maximizes the rewards you get: obtaining the most rewards for the least spending.

That's really the key to the earning side of the wonderful world of travel rewards.

## **1<sup>st</sup> year travel credit**

(Card benefit = Get a \$100 travel credit)

This is not related to the welcome bonus itself, but it's a card benefit that makes the offer even more enticing.

You'll see a \$100 travel credit appear in your rewards account and you can apply it to any travel expense.

Read all the details about this in the "Card benefits" section.

## **Renewal/anniversary bonus**

(Renew your card = Get 20,000 points)

Sometimes, cards offer welcome bonuses that extend over 2 years. In some cases, the renewal portion isn't worth it.

But in this case, it's definitely profitable.

You'll get a renewal bonus the month after you renew your card without having to do anything.

## **2<sup>nd</sup> year travel credit**

(Card benefit = Get a \$100 travel credit)

Same as for the 1<sup>st</sup> year. After you renew, the travel credit will appear automatically.

Thank you!

