

HSBC Midcap Fund – An SIP of Rs 10,000 turns to 1.94 cr in 21 years



 **HSBC Mutual Fund**

**Powered by potential,
Driven by growth.**

**Invest in
HSBC Midcap Fund (HMCF)**
(An open ended equity scheme predominantly investing in mid cap stocks)

April 2026

Midcap funds are often known for their strong long-term growth potential within the equity market. This is largely because mid-cap companies are typically in an expansion phase of their business lifecycle, with the potential to grow revenues and profits faster than many mature businesses.

In India, this growth potential has been reflected in market performance as well. For instance, the Nifty Midcap 150 Index has delivered close to ~18–19% annualised returns over the last decade, highlighting the long-term growth potential of mid-sized companies in the Indian equity market.

WHY MIDCAP FUNDS?

Category scope: Midcap stocks are companies between rank 100 to 250 in terms of market capitalization. Based on the current SEBI classification, this ranges from around Rs 30,000 crs to Rs 90,000crs. At least 65% of the allocation should be made in Midcaps, while the balance can be deployed in Large or Small Cap companies.

Sweet spot: Midcap Fund can provide a good blend of growth in the portfolio. These are companies which have navigated phases of small companies' challenges and have a proven track record now. At the same time, they will be relatively aggressive growing companies and challenge the leaders in their respective sectors.

Growth-oriented and fairly diversified across sectors: Midcap stocks can have strong long growth potential which may help in a growth economy like India over long run. The category will include innovative and new age companies with disruptive product and service ideas to grow faster.

HSBC Midcap Fund taps into these opportunities with a disciplined and diversified approach, aiming to deliver potential wealth creation while helping investors navigate market cycles.

REASONS TO INVEST IN HSBC MIDCAP FUND

FUND STYLE

Fund manager uses a mix of top-down and bottom-up approach to investing. The fund follows blend style of investing with a growth bias. Hence, the fund may tend to outperform during times when growth outperforms value.

PORTFOLIO CONSTRUCTION APPROACH

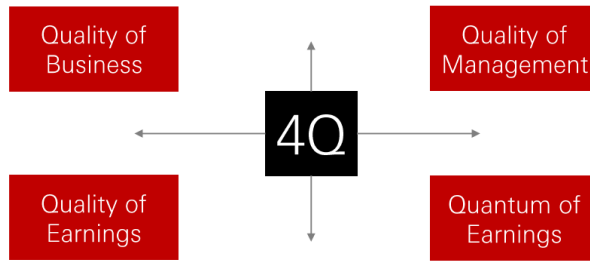
Category	Stable / Leaders	High growth / Challengers	Themes / turnarounds
Characteristics	<ul style="list-style-type: none"> • Good consistent track record, • Cash generating businesses, • Demonstrated better return ratios across various cycles 	<ul style="list-style-type: none"> • Good execution, gaining market share, • Better products / operating metrics, • Agile managements 	<ul style="list-style-type: none"> • Turnarounds – cyclical, change in management • Themes – Import substitution / Manufacturing (Engineering companies), Digital, Fintech
Role in portfolio	<ul style="list-style-type: none"> • Lends stability to portfolio 	<ul style="list-style-type: none"> • Key driver for portfolio 	<ul style="list-style-type: none"> • Helps in looking out for new ideas
Stock weights	<ul style="list-style-type: none"> • Equal weight to slight underweight 	<ul style="list-style-type: none"> • Prefer high overweight 	<ul style="list-style-type: none"> • Limited weights
Risk	<ul style="list-style-type: none"> • Low risk 	<ul style="list-style-type: none"> • Moderate risk 	<ul style="list-style-type: none"> • Relatively higher risk
Market cap	<ul style="list-style-type: none"> • Large cap 	<ul style="list-style-type: none"> • Large, Mid and Small cap 	<ul style="list-style-type: none"> • Mid and Small cap

Source – HSBC Mutual Fund. The above information is for illustrative purposes only. The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments. The Fund/portfolio may or may not have any existing / future position in these sector(s)/stock(s)/issuer(s). Past performance may or may not be sustained in future and is not a guarantee of any future returns.

KEY DIFFERENTIATOR

Fund manager believes in taking high conviction calls which is well reflected in the high active share of the fund. While we do take bold calls, reduced concentration through greater number of stocks in a particular sector and focus on liquidity in the portfolio is quintessential. Risk management along with potential alpha focus remains extremely important for long-term sustainable performance.

STOCK PICKING APPROACH



4Q Investment approach

1. **Quality of Business:** Scalability of business, Competitive advantage, Market share, Longevity, Pricing power, Brand strength
2. **Quality of Management:** Track record, Corporate governance, Promoter background, Capital allocation
3. **Quality of Earnings:** Consistency in earnings, Capital intensity, Cashflow
4. **Quantum of Earning:** Strong growth in earnings

4Q to support HMIF's investment journey while identifying investment opportunities and avoiding mistakes

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PORTFOLIO METRICS

Number of equity stocks *	Top 5 stocks weight (%)	Top 10 stocks weight (%)	Active Share (%)
57	21.61	38.90	71.95
Beta (Slope) ²	Sharpe Ratio ^{1 2}	Standard Deviation (%) ¹	Portfolio Turnover (1 year)
0.94	0.80	17.96	1.12

Source: Bloomberg, HSBC Mutual Fund, Data as of 31 March 2026. Note - Quantitative Data disclosed are as per monthly returns (Annualized) for the last 3 years, Risk free rate: 6.98% (FIMMDA-NSE Mibor) Refer to the Fund's website, www.assetmanagement.hsbc.co.in for monthly portfolio disclosures.

1. Quantitative Data disclosed are as per monthly returns (Annualized) for the last 3 years.

2. Risk free rate: 6.98% (FIMMDA-NSE Mibor)

Note: * Number of stocks with portfolio weight greater than 0.1%

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HSBC MIDCAP FUND - PERFORMANCE SCORECARD

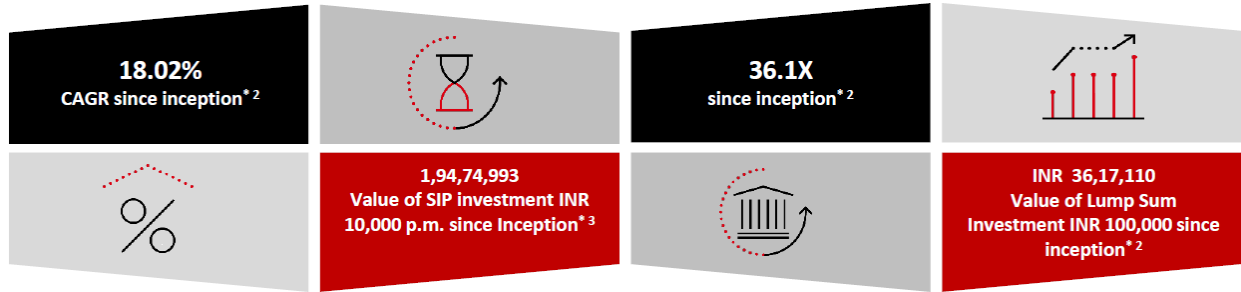
The journey of HSBC Midcap Fund reflects how investing in emerging businesses early—and staying invested as they scale—can potentially create meaningful long-term wealth.

Since inception, the fund has delivered a CAGR of ~18.02%, highlighting the long term wealth creation potential within the midcap segment over full market cycles.

To illustrate the impact of participating in midcap opportunities:

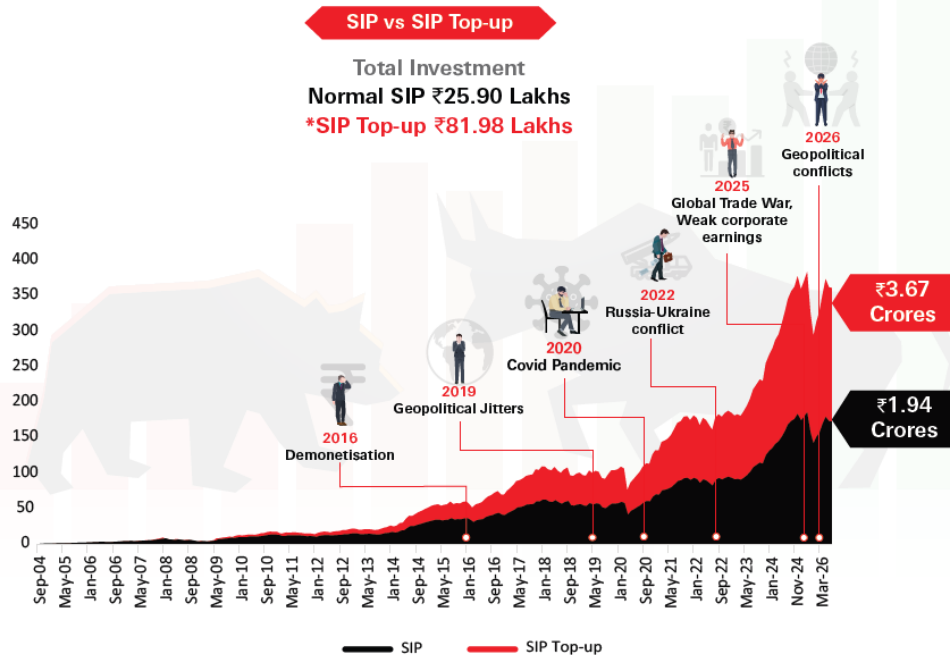
A monthly SIP of **Rs10,000** since inception would have grown to approximately **Rs1.94 crore**, reflecting the benefit of consistent participation in a potential high-growth segment.

A Rs10,000 SIP with periodic top-ups (increasing investment alongside income growth) would have grown to approximately Rs 3.67 crore, demonstrating how stepping up investments may help capture a larger share of the midcap growth cycle.



Source: HSBC Mutual Fund, Data as on 31 Mar 2026. ² As on 31 Mar 2026 of Growth option regular plan. During the same period, value of scheme benchmark (NIFTY Midcap 150 TRI) is not available. Please refer page detailed performance of HSBC Mid Cap Fund. ³ During the same period, value of scheme benchmark (NIFTY Midcap 150 TRI) is not available. Note: The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments. The Fund/portfolio may or may not have any existing / future position in these sector(s)/stock(s)/issuer(s).

₹10,000 SIP in HSBC Mid Cap Fund

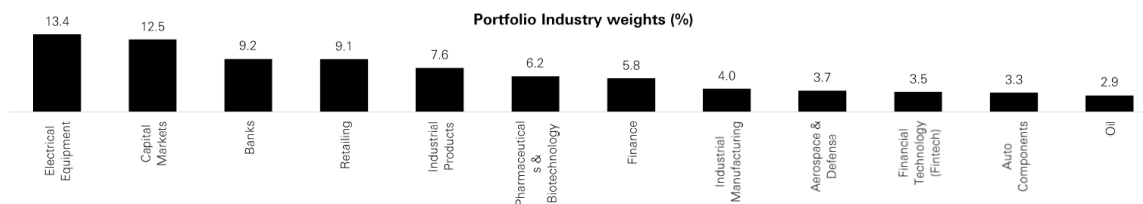


Top up SIP with 10% annual increments starting 09 Aug 2004. #Regular Plan - Growth Option

For SIP returns, monthly investment of Rs. 10,000/- invested on the 1st day of every month has been considered. Load is not taken into consideration.

Source: BSE, Cricil, HSBC Factsheet Data as on 31 March 2026. Past performance may or may not be sustained in future and is not a guarantee of any future returns. Note-The details provided above is as per the information available in public domain at this moment and subject to change. Please consult your financial advisor for any investment decisions.

SECTOR ALLOCATION & TRENDS



Overweight

- **Electrical Equipment:** Prefer companies in T&D segment, especially connecting power from generation sources onto the grid.
- **Capital Markets:** Financialization of savings and wealth effect. Exposure to Exchanges and Asset Management Companies.
- **Retailing:** Prefer Platforms over brick-and-mortar companies targeting customers, who prefer convenience and multiple choices.
- **Industrial Manufacturing:** Companies benefiting from 'Make in India' theme in new manufacturing segments.
- **Aerospace & Defense:** Geopolitical uncertainty along with steady increase in defense budget as a percentage of GDP

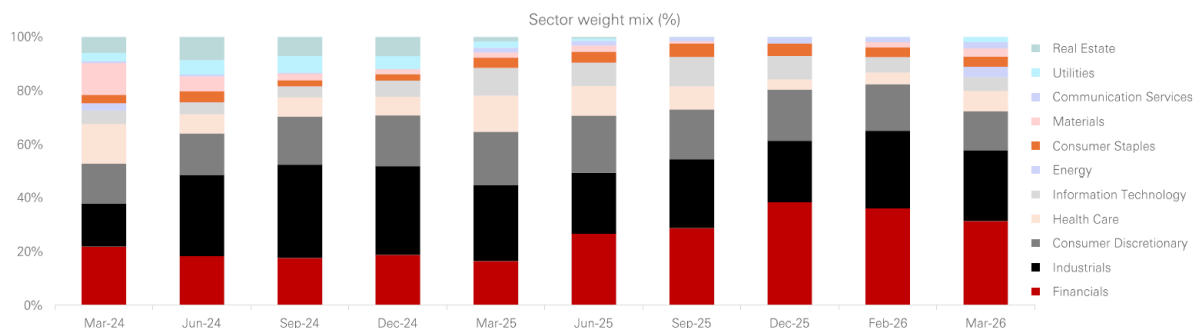
Underweight

- **IT-Software:** AI-related risks and concerns on terminal growth rate
- **Consumer Durables:** Rising commodity costs, higher inventory and possible slowdown in discretionary consumption
- **Pharmaceuticals & Biotechnology:** Limited exposure to domestic generic players and biotech companies
- **Realty:** Cyclically we could be closer to peak, hence, there could be some stagnation/ weakness
- **Fertilizers and Agrochemicals:** Gas supply issues, global uncertainty with respect to tariff and higher inventory levels

Source: Bloomberg, HSBC Mutual Fund, Data as on 31 March 2026

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- **Marginal reduction in Financials**, however, continue to **remain overweight**. Exited one of the insurance companies. We have exposure through Banks, NBFCs, Asset Management Companies and Exchanges.
- Reduced weight in quick commerce companies on rising competitive intensity resulting in **lower weight to the Consumer Discretionary segment**
- **IT weight has come down** in 2026 driven by AI-related risks and concerns on terminal growth rate
- **Increased exposure to Healthcare** in March 2026 through generic players on attractive valuations and higher earnings predictability



Source: Bloomberg, HSBC Mutual Fund, Data as on 31 March 2026

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FUND FACTS & SNAPSHOT

Fund Category	Fund Manager	Benchmark ¹	Inception Date*	AUM ⁶
Midcap Fund	Cheenu Gupta and Mayank Chaturvedi [#]	NIFTY Midcap 150 TRI	9 Aug 2004	Rs. 11,341.83 Cr



Well diversified portfolio with wide representation of sectors



Follows bottom-up stock selection with top-down view



No benchmark hugging with high active weights



Blend style with bias towards growth



Sizing of bets is based on conviction and opportunity



Exposure to Large/ Small cap stocks have traits similar to Mid caps

Source – HSBC Mutual Fund, Data as of 31 March 2026. * Since inception - 09 Aug 04

1. As per clause 1.3 of the SEBI Master Circular for Mutual Funds no. HO/24/13111/2026-IMD-POD-1/17602/2026 dated March 20, 2026, on "Guiding Principles for bringing uniformity in Benchmarks of Mutual Fund Schemes" has introduced two-tiered structure for benchmarking of certain categories of schemes. Accordingly, the benchmark has been classified as Tier 1 benchmark effective from 01 December 2021.

Mayank Chaturvedi shall be the fund manager for investments in foreign securities (wherever applicable) for all the schemes of HSBC Mutual Fund. w.e.f. October 01, 2025.

6 For disclosure of quarterly AUM/AAUM and AUM by geography, please visit our website: <https://www.assetmanagement.hsbc.co.in/en/mutual-funds/investor-resources/information-library/#accordion1448811000-d>

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THE ROAD AHEAD

Midcap companies often sit at a pivotal stage in their lifecycle—beyond early uncertainty but still in the midst of scaling up. This phase can be characterised by improving earnings visibility, expanding market share, and stronger operating leverage. As businesses transition from niche players to more established leaders, they may offer a combination of growth potential and evolving business stability.

Market cycles also tend to create windows where midcaps benefit from structural tailwinds such as domestic demand, formalisation, and sectoral shifts. For investors, this segment can represent an opportunity to participate in the journey of emerging leaders early, with the potential to benefit as these companies grow, re-rate, and potentially transition into tomorrow's large caps over time.

Lump Sum Investment Performance

Fund / Benchmark (Value of Rs 10,000 invested)	1 Year		3 Year		5 Year		10 Years		Since Inception		Since Date
	Amount (Rs)	Returns (%)	Amount (Rs)	Returns (%)	Amount (Rs)	Returns (%)	Amount (Rs)	Returns (%)	Amount (Rs)	Returns (%)	
HSBC Midcap Fund- Regular Plan ^{***}	10752	7.48	17993	21.63	20639	15.59	43722	15.89	361711	18.02	
Scheme Benchmark (Nifty Midcap 150 TRI)	10227	2.26	17427	20.34	22395	17.50	50192	17.50	NA	NA	09-Aug-2004
Additional Benchmark (Nifty 50 TRI)	9601	-3.97	13320	10.03	16113	10.01	32594	12.54	178023	14.22	

Past performance may or may not be sustained in future and is not a guarantee of any future returns. The performance details provided herein are of Regular Plan - Growth Option. Returns on ₹10,000 are point-to-point returns for the specific time period, invested at the start of the period. The returns for the respective periods are provided as on last available NAV of March 2026 for the respective schemes. Returns for 1 year and above are Compounded Annualized. Returns for less than 1 year is Simple Annualized. Load is not taken into consideration for computation of performance. Different plans shall have a different expense structure. The expenses of the Direct Plan under the Scheme will be lower to the extent of the distribution expenses / commission charged to the Regular Plan.

As per clause 5.9.1 of the SEBI Master Circular for Mutual Funds no. HO/24/13/11(1)2026-IMD-POD-1/17602/2026 dated March 20, 2026., the scheme returns vis-à-vis the benchmark return (Total Return Index) shall be disclosed as provided from the date of allotment of units.

Post merger performance of the surviving scheme, arising out of merger of schemes with similar features, is computed as per the provisions of clause 13.4 of the SEBI Master Circular for Mutual Funds no. HO/24/13/11(1)2026-IMD-POD-1/17602/2026 dated March 20, 2026., on Disclosure of Performance of Schemes post-merger using the weighted average performance of both transferor and transferee schemes. In other cases, performance is computed using the Applicable NAV of the surviving/continuing schemes. ~ Face value Rs 10. Returns for Equity & FOF schemes has been calculated as on last business day NAV provided as on 30 March 2026.

SIP Performance - HSBC Midcap Fund - Regular - Growth Option

Scheme Name & Benchmarks	1 Year	3 Years	5 Years	Since Inception	Inception Date
Total amount invested (₹)	120000	360000	600000	2590000	
Market Value as on March 30, 2026 (₹)	1,14,098	4,08,949	8,44,036	1,94,74,993	
Scheme Returns (%)	-9.08	8.49	13.65	16.10	
Nifty Midcap 150 TRI - Scheme Benchmark (₹)	1,10,357	3,90,054	8,26,891	NA	09-Aug-2004
Nifty Midcap 150 TRI - Scheme Benchmark Returns (%)	-14.70	5.30	12.81	NA	
Nifty 50 TRI - Additional Benchmark (₹)	1,07,835	3,62,647	6,94,709	1,09,70,549	
Nifty 50 TRI - Additional Benchmark Returns (%)	-18.42	0.48	5.81	11.83	

Past performance may or may not be sustained in future and is not a guarantee of any future returns. For SIP returns, monthly investment of Rs. 10,000/- invested on the 1st day of every month has been considered. SIP Return are calculated on XIRR basis. IDCW are assumed to be reinvested and bonus is adjusted. Load is not taken into consideration.

Mayank Chaturvedi shall be the fund manager for investments in foreign securities (wherever applicable) for all the schemes of HSBC Mutual Fund. w.e.f. October 01, 2025.

Source: HSBC Mutual Fund, data as on 31 March 2026

[Click here](#) to check other funds performance managed by the Fund Manager

Product label

Scheme name and Type of scheme	Scheme Risk-o-meter	Benchmark Risk-o-meter (as applicable)
HSBC Midcap Fund (An open ended equity scheme predominantly investing in mid cap stocks) This product is suitable for investors who are seeking*: <ul style="list-style-type: none"> Long term wealth creation Investment in equity and equity related securities of mid cap companies. 	<p>The risk of the scheme is Very High Risk</p>	As per AMFI Tier I Benchmark i.e. Benchmark Index: Nifty Midcap 150 TRI <p>The risk of the benchmark is Very High Risk</p>

* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Note on Risk-o-meters: Riskometer is as on 31 Mar 2025. Any change in risk-o-meter shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to unitholders of that particular scheme

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Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

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