

HSBC Value Fund: Consistent Growth → 15.37% CAGR since inception

HSBC Mutual Fund

Discover.

Potential that's rare.

HSBC Value Fund
(An open ended equity scheme following a value investment strategy)

“Price is what you pay, value is what you get.” This timeless investing principle captures the essence of value investing. While markets often move with sentiment in the short term, over the long run, prices tend to reflect the intrinsic worth of businesses.

At HSBC Value Fund, this philosophy has remained central to the investment approach since inception. The fund focuses on identifying companies whose market price may not fully reflect their long-term fundamentals and growth potential.

THE CASE FOR VALUE INVESTING

Markets often move in cycles where certain styles dominate at different points in time. Periods of exuberance can lead to overvaluation in some pockets, while fundamentally strong companies may remain overlooked.

- Value investing seeks to capitalise on such inefficiencies by focusing on:
- Companies trading below their intrinsic value
- Businesses with strong fundamentals and sustainable earnings potential
- Opportunities where the market price does not reflect the company's long-term prospects

This disciplined approach allows investors to participate in potential upside as valuations gradually realign with fundamentals.

WHY HSBC VALUE FUND?

HSBC Value Fund follows a bottom-up stock selection approach with a strong value bias. The investment philosophy revolves around identifying stocks that are trading at a discount to their assessed intrinsic value.

Why HSBC Value Fund?

For those who seek for Long term capital appreciation through an exposure to value style companies



The fund aims to identify undervalued stocks having the potential to deliver long term risk-adjusted returns



The fund will focus on undervalued stocks which the Fund Managers believe are trading at less than their assessed values



Diversified equity fund with strong value bias that aims to deliver long term reasonable risk adjusted returns



Value style (Market price < Intrinsic value of stock) and Bottom-up approach with aim to invest across market caps and sectors



PORTFOLIO CONSTRUCTION APPROACH

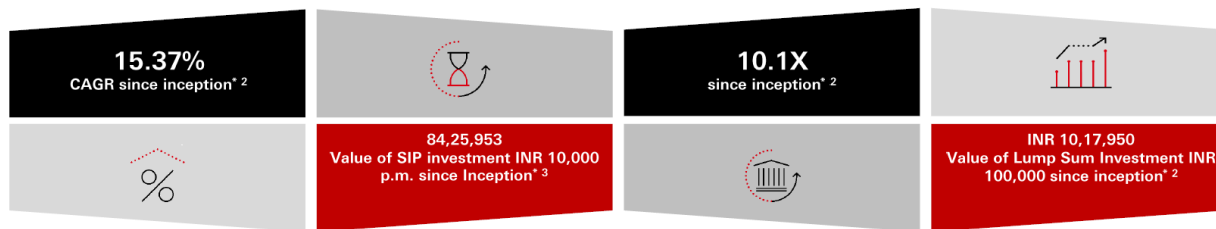
Category	'Value' vs 'Price'	Special Situations	Relative Valuations	Turnaround / Contra
Objective	<ul style="list-style-type: none"> Potential earnings / cash flow growth or asset value higher than prevailing market price Earnings at inflection, possible pricing action by companies, improving return on capital with mispricing in stock value Investing in undervalued companies with margin of safety 	<ul style="list-style-type: none"> Mergers and Acquisitions Demerger, Spin-offs Senior management/ Board of Director changes Buybacks Technical factors (forced selling by promoters, lock-up expiries, etc.) 	<ul style="list-style-type: none"> Valuations lower than long-term historical averages of the company Company valuation lower relative to average sector valuation Valuations attractive on normalized growth/ margins (vs peers) 	<ul style="list-style-type: none"> Quality companies hit by one-off/ external factors Sector has seen downcycle (regulation, competition, etc.) and witnessing business cycle improvement Credible management action plans including cost reduction, portfolio rationalization, pricing, working capital, etc.)
Holding period	<ul style="list-style-type: none"> Medium to long-term 	<ul style="list-style-type: none"> Short or medium-term 	<ul style="list-style-type: none"> Medium to long-term 	<ul style="list-style-type: none"> Short or medium-term

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.

HSBC VALUE FUND - PERFORMANCE SCORECARD

The journey of HSBC Value Fund highlights how staying invested through market cycles can potentially help investors benefit from compounding over time.

Since inception, the fund has delivered a CAGR of 15.37%, reflecting the potential of value-oriented investing over longer time horizons.



Investment Objective

The investment objective of the Scheme is to generate long-term capital appreciation from a diversified portfolio of predominantly equity and equity related securities, in the Indian markets with higher focus on undervalued securities. The Scheme could also additionally invest in Foreign Securities in international markets. There is no assurance that the investment objective of the scheme will be achieved.

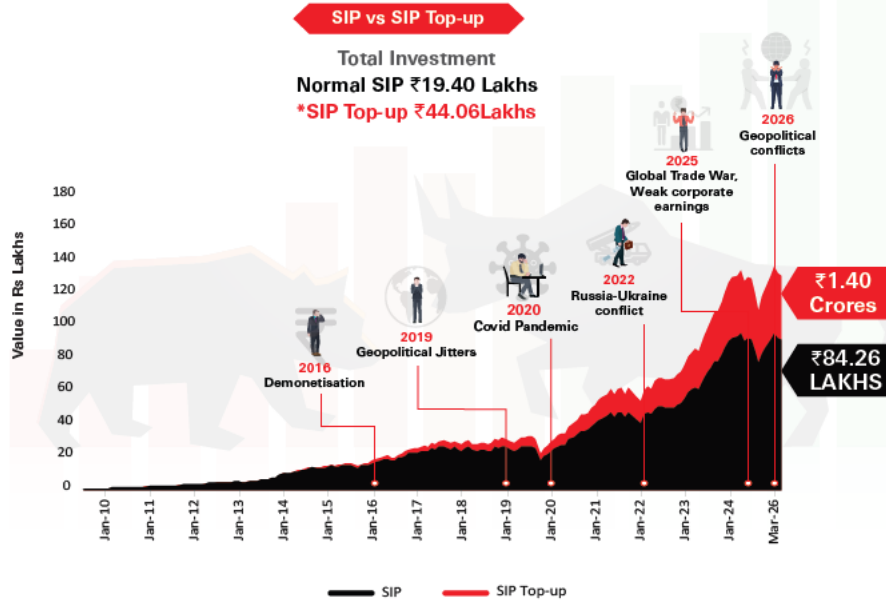
Source: HSBC Mutual Fund, Data as on 31 Mar 2026. 2 As on 31 March 2026 of Growth option regular plan. During the same period, scheme benchmark (Nifty 500 TRI) has moved by 5.5X to Rs. 5,56,480 from Rs.100,000 and delivered return of 11.15%. Please refer page no.3 for detailed performance of HSBC Value Fund. 3 During the same period, value of scheme benchmark (Nifty 500 TRI) has moved to 58,26,718. 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).

To depict the impact of disciplined investing:

- A lump sum investment of ₹1,00,000 since inception would have grown to approximately ₹10.17 lakh, translating to about 10.1 times growth.
- A monthly SIP of ₹10,000 since inception would have grown to approximately ₹84.26 lakh.
- A ₹10,000 SIP with periodic top-ups (increasing the investment amount over time) would have grown to approximately ₹1.40 crore, highlighting how gradually increasing investments may further potentially enhance long-term wealth creation.

These examples demonstrate how time in the market, disciplined investing and increasing investments as income grows can potentially help investors build meaningful wealth over the long term.

₹10,000 SIP in HSBC Value Fund#

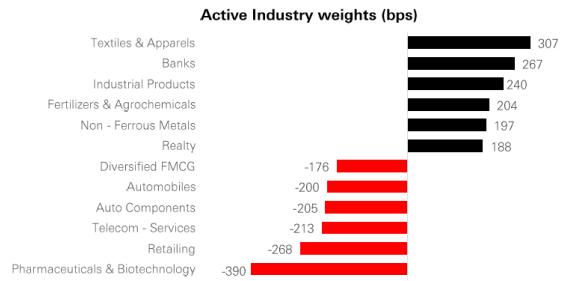
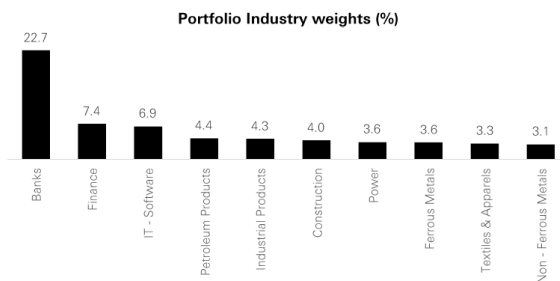


*Top up 10% annually since 08 Jan, 2010. #Regular Plan - Growth Option

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, CIBIL, 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.

SECTORAL ALLOCATION & TREND



Overweight

- Textiles & Apparels: Quality companies impacted by tariff reasons. Bilateral treaties with UK, EU and US should benefit these companies.
- Banks: Overweight PSU and Mid cap Private Banks due to strong credit growth, improving NIMs and stable asset quality
- Industrial Products and Fertilizers & Agrochemicals: Stock specific triggers
- Non-ferrous Metals: Higher aluminum prices and supply-demand mismatch should result in earnings upgrades

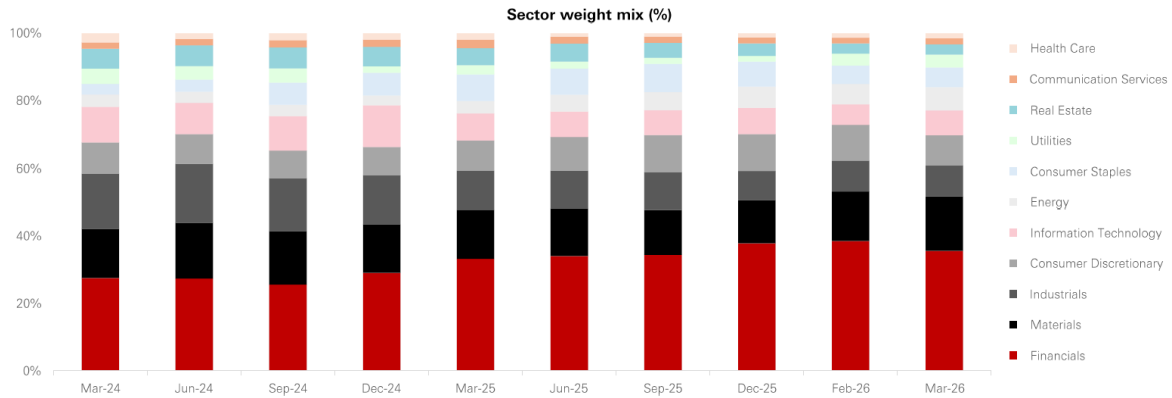
Underweight

- Pharmaceuticals & Biotechnology: Underweight generics and hospitals/diagnostics due to lack of value plays.
- Retailing: No value orientation in brick and mortar or platform companies
- Telecom: Larger weights in the industry have seen significant valuation re-rating on strong earnings and cash flow growth
- Automobiles and Auto Components: Strong rally post the GST cuts has resulted in consistent reduction in weights over the past six months

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

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- Marginal reduction in Financials weight in March 2026 on account of profit booking in some PSU banks
- Increase in Materials weight in 2026 due to higher exposure to steel and aluminum companies on account of supply chain issues and rising commodity costs
- Reduction in Consumer Discretionary in 2026 due to lowering weights in Automobile OEMs on account of some of these stocks moving out of 'value' bucket

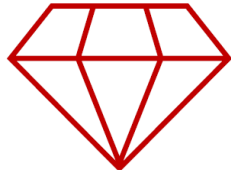


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FUND FACTS

Fund Category	Fund Manager	Benchmark ¹	Inception Date*	AUM ^{&}
Value Fund	Venugopal Manghat and Mayank Chaturvedi [#]	Nifty 500 TRI	8 Jan 2010	Rs. 13,371.21 Cr

Investment Objective - The investment objective of the Scheme is to generate long-term capital appreciation from a diversified portfolio of predominantly equity and equity related securities, in the Indian markets with higher focus on undervalued securities. The Scheme could also additionally invest in Foreign Securities in international markets. There is no assurance that the investment objective of the scheme will be achieved.



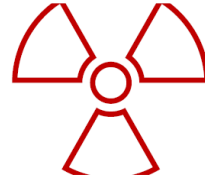
Value Investing

Aims to invest in stocks trading at significant discounts to their intrinsic value.



Bottom-up

Follows bottom-up stock selection



Risk

Aims to invest in stocks with adequate margin of safety to reduce risk in a volatile market environment

* Since inception - 08 Jan 10
¹ As per clause 7.2 of the SEBI Master Circular for Mutual Funds dated March 20, 2026, on Benchmarks for Mutual Fund Schemes¹ has introduced two-tiered structure for benchmarking of certain categories of schemes. Accordingly, the benchmark has been classified as Tier 1 benchmark.
² As on 31 March 2026 of Growth option regular plan. During the same period, scheme benchmark (Nifty 500 TRI) has moved by 5.5X to Rs. 5,56,480 from Rs.100,000 and delivered return of 11.19%. Please refer page no 3 for detailed performance of HSBC Value Fund.
³ During the same period, value of scheme benchmark (Nifty 500 TRI) has moved to 58,26,719
[#] 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.
[&] For disclosure of quarterly AUM/AUM and AUM by geography, please visit our website: <https://www.assetmanagement.hsbc.co.in/en/india/funds/investor-resources/information-library/#accordion1446811090-4>
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WHAT TO EXPECT IN HSBC VALUE FUND?

Number of stocks ~50-90	Investment process Bottom-up with top-down overlay for portfolio optimisation	Market cap Flexi cap approach with higher allocation to small caps vs benchmark	Position sizing Start small; size up as conviction and thesis delivers
Diversification Sector and market capitalisation	Active share High	Avoid Poor quality or high debt companies, even if valuations cheap	

When to Sell?

- Valuation re-rating has happened
- Special situation event played out
- When 'value' stocks become 'growth' stocks
- Realisation that stock is a 'value trap'

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WHY VALUE INVESTING MAY BE RELEVANT TODAY?

Market environments evolve and periods of strong performance in certain segments can often create valuation gaps across sectors and styles.

In such phases, value strategies may present opportunities by focusing on businesses where:

- Valuations appear reasonable relative to fundamentals
- Earnings potential remains underappreciated
- Long-term prospects remain intact

THE ROAD AHEAD

While markets may witness phases of volatility and style rotations, the principles of value investing remain rooted in discipline, patience and a focus on fundamentals.

By identifying companies trading below their intrinsic worth and maintaining a long-term perspective, strategies such as HSBC Value Fund aim to capture opportunities that may emerge across market cycles.

For investors seeking long-term capital appreciation through a value-oriented equity strategy, such an approach may offer a compelling way to participate in equity markets while maintaining valuation discipline.

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 Value Fund- Regular Plan--	10345	3.43	16816	18.92	22293	17.39	42551	15.58	101795	15.37	
Scheme Benchmark (Nifty 500 TRI)	9712	-2.87	14513	13.22	17531	11.88	35512	13.51	55648	11.15	08-Jan-2010
Additional Benchmark (Nifty 50 TRI)	9601	-3.97	13320	10.03	16113	10.01	32594	12.54	51689	10.65	

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-1/1/7602/2026 dated March 20, 2026., the scheme returns vis-à-vis the benchmark return (Total Return Index) shall be disclosed are 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-1/1/7602/2026 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 Value Fund - Regular - Growth Option

Scheme Name & Benchmarks	1 Year	3 Years	5 Years	Since Inception	Inception Date
Total amount invested (₹)	120000	360000	600000	1940000	
Market Value as on March 30, 2026 (₹)	1,11,889	3,95,985	8,35,911	84,25,953	
Scheme Returns (%)	-12.41	6.31	13.25	16.35	
Nifty 500 TRI - Scheme Benchmark (₹)	1,08,014	3,67,691	7,22,490	58,26,718	08-Jan-2010
Nifty 500 TRI - Scheme Benchmark Returns (%)	-18.16	1.38	7.38	12.46	
Nifty 50 TRI - Additional Benchmark (₹)	1,07,835	3,62,647	6,94,709	52,86,672	
Nifty 50 TRI - Additional Benchmark Returns (%)	-18.42	0.48	5.81	11.42	

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

Disclaimer

Investors are requested to note that as per SEBI (Mutual Funds) Regulations, 2026 and guidelines issued thereunder, HSBC AMC, its employees and/or empaneled distributors/agents are forbidden from guaranteeing/promising/assuring/predicting any returns or future performances of the schemes of HSBC Mutual Fund. Hence please do not rely upon any such statements/commitments. If you come across any such practices, please register a complaint via email at investor.line@mutualfunds.hsbc.co.in.

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

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