

## Mutual Fund

# Invest in early signs

## HSBC Mid Cap Fund

Mid Cap Fund – An open ended equity scheme predominantly investing in mid cap stocks



Mid cap companies are essentially emerging businesses having potential to become the large caps of tomorrow. In addition, factors like economic restoration, expansionary policies and innovative disruption tend to benefit the growth of mid cap companies in the long run. But the value of investing in these stocks is before they enter the Largecap index (Nifty 50) and not after!



**HSBC Mid Cap Fund** primarily invests in quality midcaps at an early stage with an aim to make the most of these emerging businesses.

The scheme shall invest minimum 65% of AUM in those mid cap stocks which meets the criteria of Mid Cap Stocks as defined by SEBI i.e. 101st to 250th stocks in terms of total market capitalization of the respective stocks.

The fund identifies quality-driven mid cap companies basis **4Q investment approach**:

### Quality of Business:

Scalability of business, Competitive advantage, Market Share, Longevity, Pricing power, Brand strength

### Quality of Management:

Track record, Corporate governance, Promoter background, Capital allocation

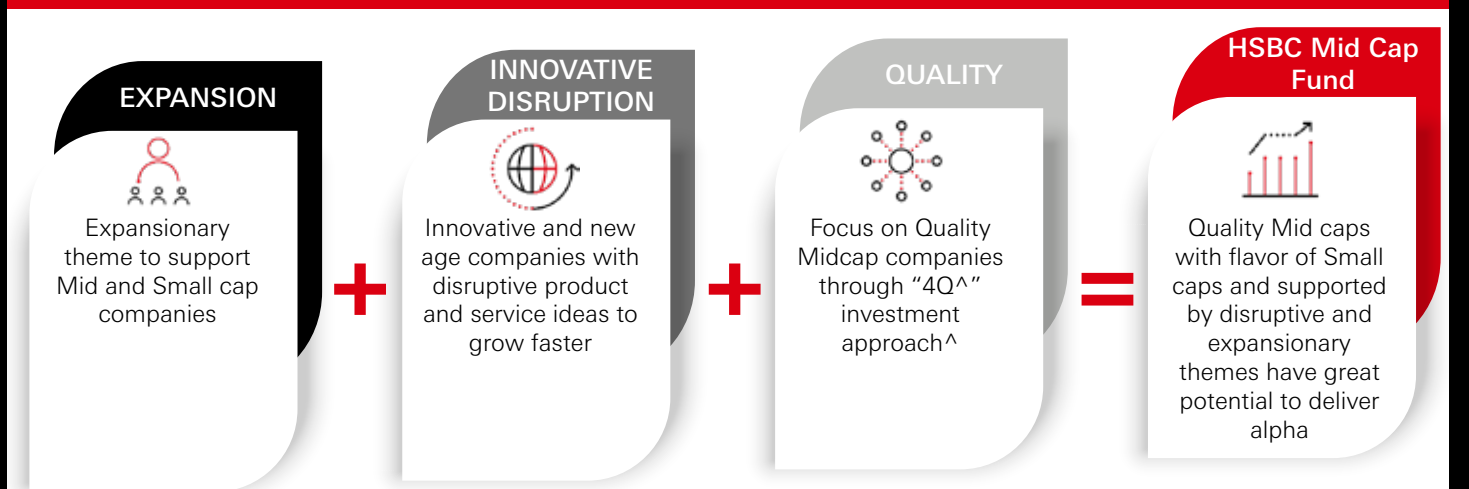
### Quality of Earnings:

Consistency in earnings, Capital intensity, Cashflow

**Quantum of Earning:**  
Strong growth in earnings



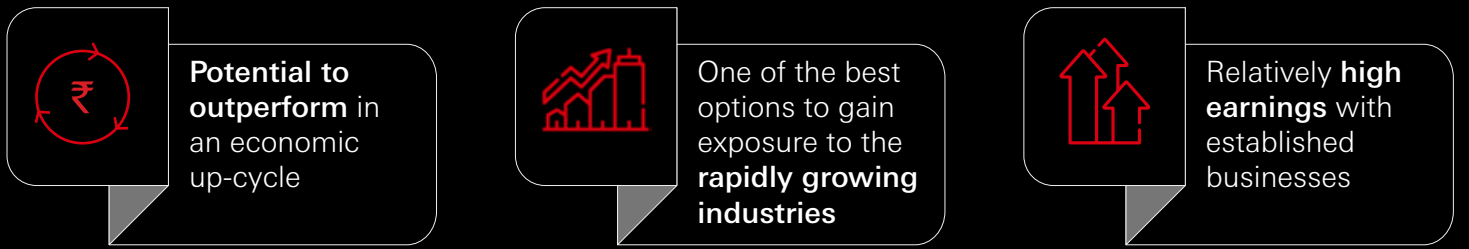
**Quality Mid caps with flavor of Small caps^ have great potential to generate alpha**



**Expansion, Disruption & focus on Quality can lead HSBC Mid Cap Fund (HMF) to generate alpha**

Source – HSBC Asset Management India, For illustration purpose only. 1. Mid Cap Fund – An open ended equity scheme predominantly investing in mid cap stocks ^The scheme has a flexibility to invest anywhere between 65% to 100% in mid cap stocks and upto 35% in debt & money market instruments and stocks other than mid cap stocks i.e. small and large cap stocks. Also the scheme has a provision to invest upto 10% in Units issued by REITs and InvITs. The above view/strategy is as per current view of the investment team and this is subject to change without any notice.

## Potential benefits offered by Midcaps



## Who should invest?



**So, if you wish to grow with tomorrow's market leaders from an early stage, you may consider investing in HSBC Midcap Fund**

**HSBC Mid Cap Fund**  
(Mid Cap Fund – An open ended equity scheme predominantly investing in mid cap stocks)  
This Product is suitable for investors who are seeking\*:

- Long term wealth creation
- Investment predominantly in equity and equity related securities of mid cap companies

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



Product labelling assigned during the NFO is based on internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made.

### Disclaimer:

This document has been prepared by HSBC Asset Management (India) Private Limited (AMIN) for information purposes only with an intent to provide market overview and should not be construed as an offer or solicitation of an offer for purchase of any of the funds of HSBC Mutual Fund. All information contained in this document (including that sourced from third parties), is obtained from sources, which AMIN/ third party, believes to be reliable but which it has not been independently verified by AMIN/ the third party. Further, AMIN/ the third party makes no guarantee, representation or warranty and accepts no responsibility or liability as to the accuracy or completeness of such information. The information and opinions contained within the document are based upon publicly available information and rates of taxation applicable at the time of publication, which are subject to change from time to time. Expressions of opinion are those of AMIN only and are subject to change without any prior intimation or notice. It does not have regard to specific investment objectives, financial situation and the particular needs of any specific person who may receive this document. Investors should seek financial advice regarding the appropriateness of investing in any securities or investment strategies that may have been discussed or recommended in this report and should understand that the views regarding future prospects may or may not be realized. Neither this document nor the units of HSBC Mutual Fund have been registered in any jurisdiction. The distribution of this document in certain jurisdictions may be restricted or totally prohibited and accordingly, persons who come into possession of this document are required to inform themselves about, and to observe, any such restrictions. This document is intended only for those who access it from within India and approved for distribution in Indian jurisdiction only. Distribution of this document to anyone (including investors, prospective investors or distributors) who are located outside India or foreign nationals residing in India, is strictly prohibited. Neither this document nor the units of HSBC Mutual Fund have been registered under Securities law/Regulations in any foreign jurisdiction. The distribution of this document in certain jurisdictions may be unlawful or restricted or totally prohibited and accordingly, persons who come into possession of this document are required to inform themselves about, and to observe, any such restrictions. If any person chooses to access this document from a jurisdiction other than India, then such person do so at his/her own risk and HSBC and its group companies will not be liable for any breach of local law or regulation that such person commits as a result of doing so.

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