

# A fund with a range of shots.



## HSBC Multi Asset Allocation Fund

(An open ended scheme investing in Equity & Equity Related instruments, Debt & Money Market Securities and Gold / Silver ETFs)

# To face all market deliveries.

August 2024

A seasoned player has an arsenal of shots ready to be used as per pitch conditions and delivery. Similarly, every portfolio needs different asset classes that can combine to provide return potential while adjusting risk. Choose a fund that invests in equity for growth potential while debt and Gold / Silver can help to balance risks in volatile market conditions.

## Multi Asset Allocation strategy offers diversification, reduces volatility

Rolling Returns	Parameters	Multi Asset Strategy	Nifty 50 TRI	Debt (100%)	Gold (100%)	Silver (100%)
1 Year	Average ▶	11.9%	13.0%	7.6%	13.2%	11.9%
	Minimum ▶	-38.0%	-55.4%	-0.5%	-17.3%	-29.9%
	Maximum ▶	73.4%	100.2%	15.8%	55.1%	159.7%
	Volatility ▶	14.8%	22.9%	3.7%	15.1%	28.9%
3 Years	Average ▶	11.7%	12.1%	7.8%	11.5%	9.6%
	Minimum ▶	-0.1%	-4.5%	4.1%	-8.0%	-17.3%
	Maximum ▶	27.5%	32.4%	12.9%	35.4%	52.4%
	Volatility ▶	3.9%	6.1%	1.8%	9.3%	15.7%
5 Years	Average ▶	11.0%	11.4%	8.0%	10.3%	6.8%
	Minimum ▶	2.3%	-1.0%	5.5%	-2.0%	-11.6%
	Maximum ▶	19.4%	21.8%	10.4%	28.5%	28.0%
	Volatility ▶	2.5%	4.2%	1.1%	7.5%	9.9%

Multi Asset Allocation scenarios show reasonable risk adjusted performance

- ◆ Equity markets have delivered strong performance during positive market situations but also corrected sharply during major events such as Sub-prime, Chinese slowdown and Corona virus led global lockdown
- ◆ During such events, asset classes such as Gold or Debt or Silver may compensate for negative equity performance

Past performance may or may not be sustained in the future and is not indicative of future results.

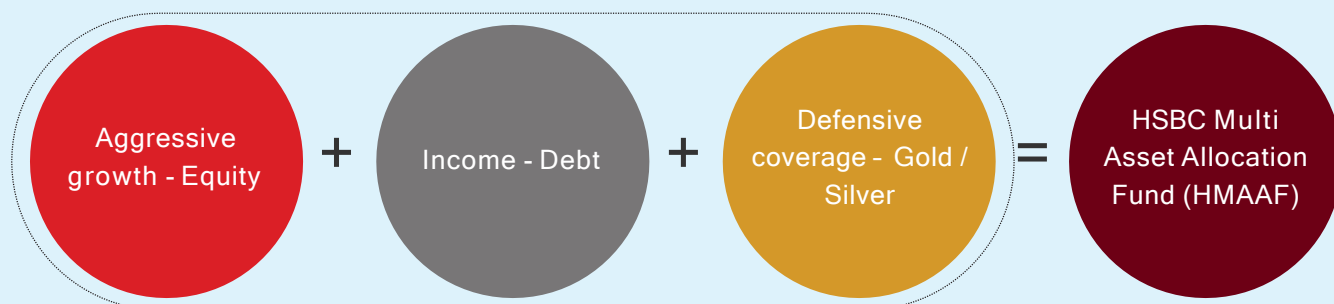
Equity represented by Nifty 50 TRI, Debt by CRISIL Composite Bond Fund Index, Gold by MCX/ spot gold prices (PM) (per 10 gram), Silver by MCX / spot silver prices (PM), Multi Asset Strategy = Equity (65%) + Debt (20%) + Gold (10%) + Silver (5%), Daily rolling performance with 1, 3 and 5-year rolling frequency / volatility, Volatility= Annualised Standard Deviation of daily weighted return,

Source: NSE, CRISIL, Data as on 31 December 2023. Performance results may have inherent limitations, and no representation is being made that any investor will or is likely to achieve. Data period 1 Jan 2007 to 31 Dec 2023.

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# Allrounder can grow through Ups and Downs

## HSBC Multi Asset Allocation Fund



While equity investments can be risky in the short term, they can drive long-term wealth creation.

Some debt instruments have potential to lower volatility and generate steady income.

Gold / Silver can help compensate volatility when situation arises and support growth over a long term.  
In case of extreme events, Arbitrage can also help reduce volatility.

With an efficient asset allocation HMAAF aims to spread the risk, optimise performance and reduce risk to deliver risk adjusted growth in long run.

Multi Asset Allocation scenarios show reasonable risk adjusted performance

Source - HSBC Mutual Fund, For illustration purpose only.

## Investment approach/ philosophy - HSBC Multi Asset Allocation Fund

Equity - 65% (minimum) to 80% allocation

- Actively managed portfolio of companies across market caps
- Typical equity allocation may range between 65% to 80%
- Asset re-allocation could be undertaken basis changes in a market / asset class outlook of the Fund House
- Approach: Blended -  
Top down + Bottom up
- Style: Blended :  
Growth and Value

Debt - 10% (minimum) to 25%

- Typical Debt allocation is likely to be around 10% to 25%
- Aims to invest in high quality assets including GOI securities, Corporate bonds, Money market instruments to generate alpha with active duration management
- Aims to build a liquid portfolio to enable positioning changes based on evolving scenario
- Focus on the short to medium end of the curve

Gold / Silver ETFs - 10% (minimum) to 25%

- Gold/Silver allocation is expected to be around 10% to 25%
- Aim to compensate volatility when situation arises and support growth over a long term through Gold / Silver
- Focus on the short to medium end of the curve

Arbitrage

- In certain market situations or if market outlook is negative, Equity portion can be used for arbitrage with an aim to lower a downside impact
- In case of extreme events Arbitrage can help reduce volatility and improve overall performance

The fund aims to capitalise on an optimum Multi Asset Allocation investment strategy

Source - HSBC Mutual Fund,

Note : Please refer to Scheme Information Document(SID) for more detail on Asset Allocation of the scheme

# Why HSBC Multi Asset Allocation Fund?

- ◆ With an efficient asset allocation HSBC Multi Asset Allocation Fund aims to spread the risk across three major asset classes i.e. Equity, Debt and Gold/Silver risk to deliver fair risk adjusted growth in long run.
- ◆ HMAAF's typical equity allocation may range between 65% to 80%.
- ◆ The fund aims to follow blended i.e. Top-down + Bottom-up approach and blended Growth and Value style investing.
- ◆ Fund will take flexicap approach and invest across market caps based on prevailing valuation comfort
- ◆ General Debt allocation of the fund is likely to be around 10% to 25%.
- ◆ Aims to invest in high quality assets including GOI securities, Corporate bonds, Money market instruments to generate alpha with active duration management.
- ◆ The fund also aims to allocate around 10% to 25% to Gold/Silver ETF to compensate for volatility and support long term growth.
- ◆ In case of extreme events the fund may explore Arbitrage opportunities to help reduce volatility and improve overall performance.
- ◆ Asset re-allocation could be undertaken basis changes in a market / asset class outlook of the Fund House.

HMAAF is a fund with a range of shots which aims to face all market deliveries

Fund Category	Fund Manager	Benchmark <sup>1</sup>	Inception Date	AUM <sup>&amp;</sup>
Multi Asset Allocation	Cheenu Gupta, Mahesh Chhabria, Kapil Punjabi. Dipan Parikh & Sonal Gupta <sup>#</sup>	BSE 200 TRI (65%) + NIFTY Short Duration Debt Index (20%) + Domestic Price of Gold (10%) + Domestic Price of Silver (5%)	28-Feb-24	Rs. 1,938.92 Cr

Portfolio	% to net assets	Industry - Allocation	% to net assets
Zomato Limited	3.21%	Electrical Equipment	11.35%
Suzlon Energy Limited	2.92%	GOLD EXCHANGE TRADED FUND	9.76%
Trent Limited	2.32%	Construction	9.17%
Sobha Limited	2.22%	Reverse Repos/TREPS	7.41%
Blue Star Limited	1.96%	Retailing	6.14%
Transformers And Rectifiers (India) Limited	1.94%	Government Securities	6.12%
GE TandD India Limited	1.76%	Banks	4.37%
Larsen & Toubro Limited	1.71%	Realty	4.22%
KPIT Technologies Limited	1.70%	IT - Software	4.13%
Bharat Electronics Limited	1.66%	Silver EXCHANGE TRADED FUND	3.81%

**Exit Load:** If units redeemed or switched out are upto 10% of the units purchased or switched in within 1 year from the date of allotment – Nil If units redeemed or switched out are over and above the limit within 1 year from the date of allotment – 1% If units are redeemed or switched out on or after 1 year from the date of allotment – Nil. In terms of 10.4.1.a. of SEBI Master Circular on Mutual Funds dated June 27, 2024, no entry load will be charged to the investor

**Month End Total Expenses Ratios (Annualized)<sup>2</sup>** – Regular<sup>3</sup>: 1.92%, Direct: 0.56%

<sup>#</sup> Sonal Gupta is dedicated fund manager for investments in foreign securities by all the schemes of HSBC Mutual Fund.

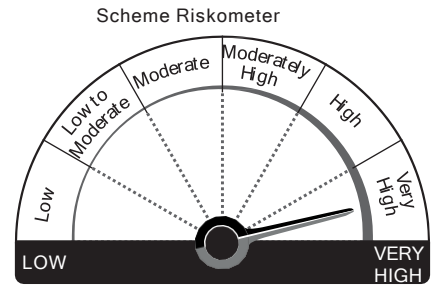
**Note:** The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments. The Fund/portfolio may or may not have any existing / future position in these sector(s)/stock(s)/issuer(s).

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This product is suitable for investors who are seeking:

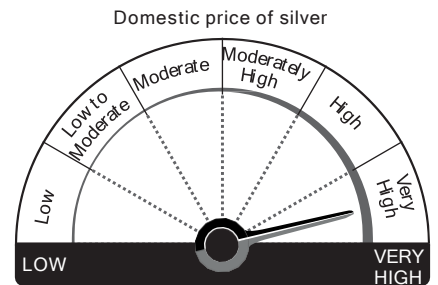
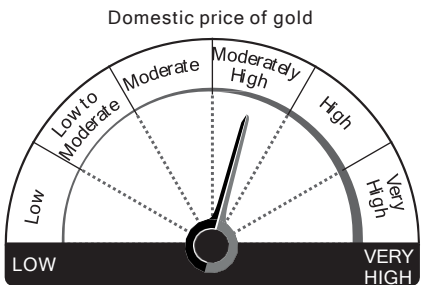
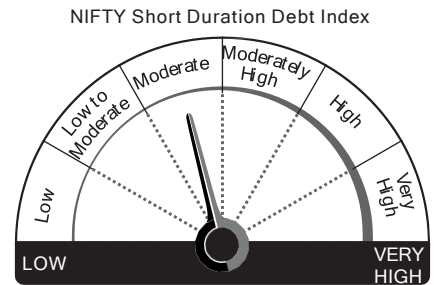
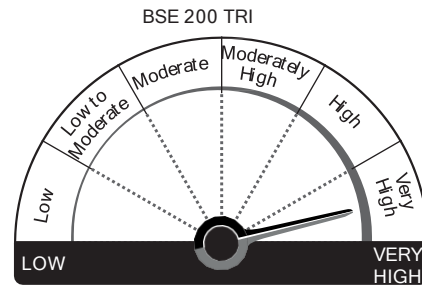
- Long term wealth creation
- Investment in equity and equity related securities, fixed income instruments and Gold / Silver ETFs.

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



Investors understand that their principal will be at Very High risk

As per AMFI Tier I. **Benchmark Index: BSE 200 TRI (65%) + NIFTY Short Duration Debt Index (20%) + Domestic Price of Gold (10%) + Domestic Price of Silver (5%)**



Refer to the Scheme Information Document (SID) of HSBC Multi Asset Allocation Fund for more details.

Past performance may or may not be sustained in the future and is not indicative of future results. Source: HSBC Mutual Fund, data as on 31 July, 2024

Views are personal and based on information available in the public domain at present. Investors should not consider the same as investment advice. Please consult your financial advisor for all your investment decision.

**Past performance may or may not be sustained in the future and is not indicative of future results.** Source: HSBC Mutual Fund, data as on 31 July 2024

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