

Product Note

HSBC Multi Cap Fund (HMCF)

(Multi Cap Fund - An open ended equity scheme investing across large cap, mid cap, small cap stocks)

February 2023

Fund Category	Fund Manager	Benchmark ¹	Inception Date	AUM
Multi Cap Fund	Venugopal Manghat and Kapil Punjabi	NIFTY 500 Multicap 50:25:25 TRI	30 Jan 2023	Rs. 1205.78 Cr

Access benefits in multiple market cycles through one fund



Opportunity across sizes - **LEAP**

Large Cap - **L**eader
Top 100 companies

Well established businesses

Matured players with long track record

High liquidity

Stable and less volatile

Source: HSBC Mutual Fund

Mid Cap - **E**merging **A**spirants
101st to 250th companies

Potential Large Caps

Proven track record with higher growth prospects

Comparatively higher volatile versus Large Caps

Potential valuation multiple re-rating candidates

Small Cap - **P**earls
251st company and beyond

Niche and emerging businesses

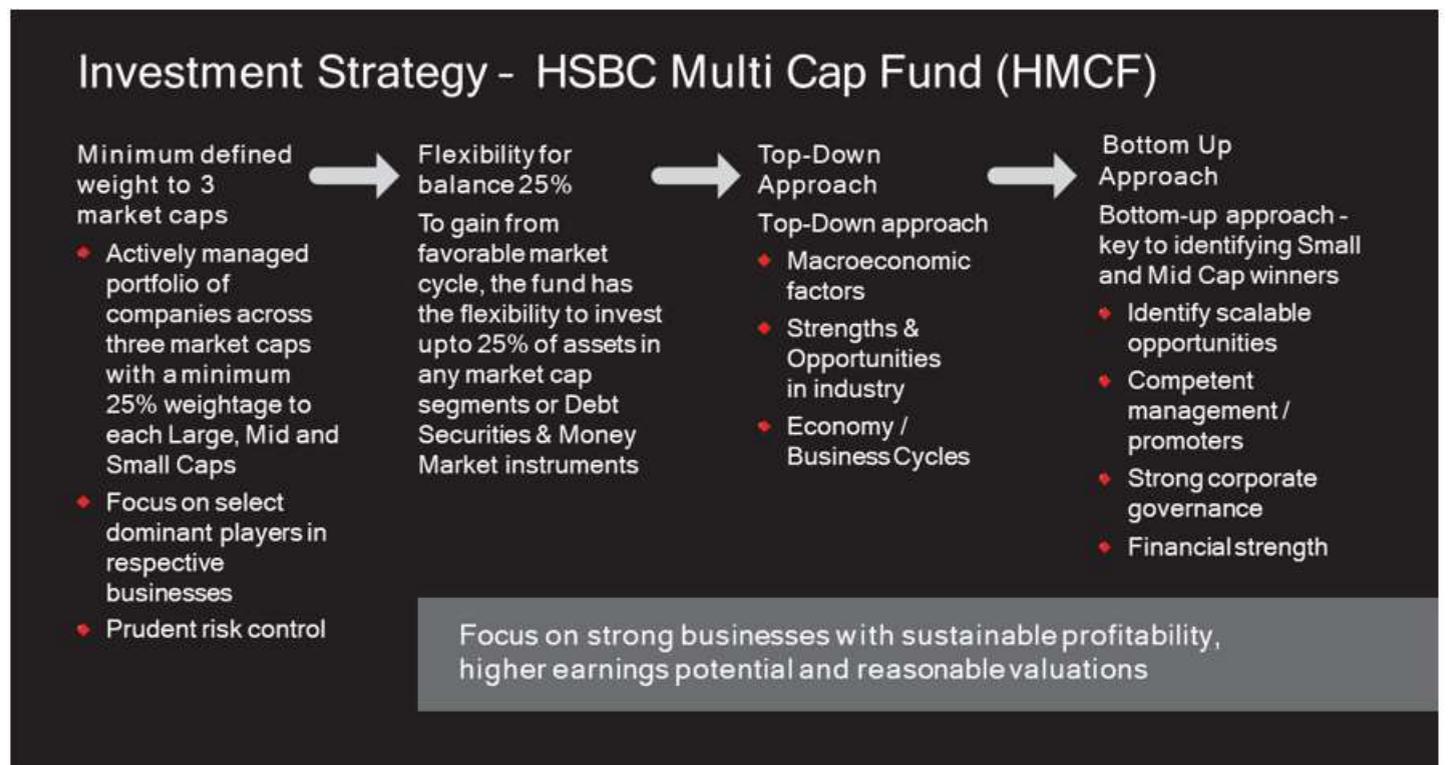
High potential for growth

Relatively more volatile and less liquidity

Higher research arbitrage



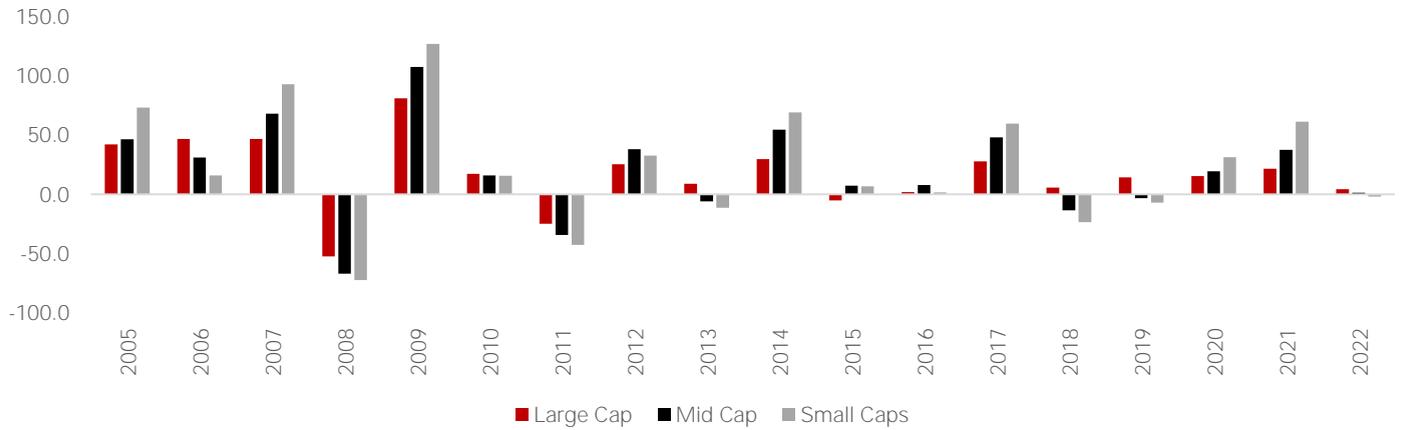
Large Cap (25%) + Mid Cap (25%) + Small Cap (25%) + Flexible[^] (25%) = Multi Cap advantage



Source - HSBC Mutual Fund, ^ Flexible - The fund can invest in any market cap or Debt Securities & Money Market instruments. The asset allocation and investment strategy will be as per Scheme Information Document (SID). Large-caps are represented by the top 100 stocks on full market capitalisation basis & Mid caps are represented by the next 150 stocks based on full market capitalisation and Small Cap stocks beyond 250th stock based on full market capitalisation basis .

Multi Cap strategy has potential to perform in the different market cycles

Performance across Market Caps



It can be seen historically, winners may change based on favourable or unfavorable market cycle

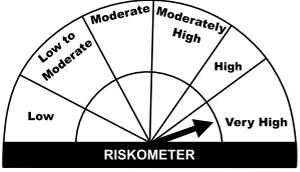
Large Cap stocks have outperformed / fallen less in 2006, 2008, 2010, 2011, 2013, 2018, 2019 and 2022

Mid Cap stocks have outperformed in 2012, 2015 & 2016

Small Cap stocks were the best performers in the year 2005, 2007, 2009, 2014, 2017 and 2020

Chart representation - Large cap – S&PBSE Sensex, Mid Cap – S&P BSE Midcap, Small Cap – S&P BSE Small Cap index.
Past performance may or may not be sustained in the future.

Product Label

HSBC Multi Cap Fund		
<p>Multi Cap Fund – An open ended equity scheme investing across large cap, mid cap, small cap stocks.</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> To create wealth over long-term Investment predominantly in equity and equity related securities across market capitalization (Benchmark: NIFTY 500 Multicap 50:25:25 TRI) 	 <p>RISKOMETER</p> <p>Investors understand that their principal will be at Very High risk</p>	<p>Benchmark Index: NIFTY 500 Multicap 50:25:25 TRI</p>  <p>RISKOMETER</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 Jan 2023, 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

Past performance may or may not be sustained in the future. Source: HSBC Asset Management India, data as at 31 Jan 2023

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