HSBC Mutual Fund

Aim to Benefit from business cycles

HSBC Business Cycles Fund

Fund Lens

October 2025

HSBC Business Cycles Fund

Fund snapshot

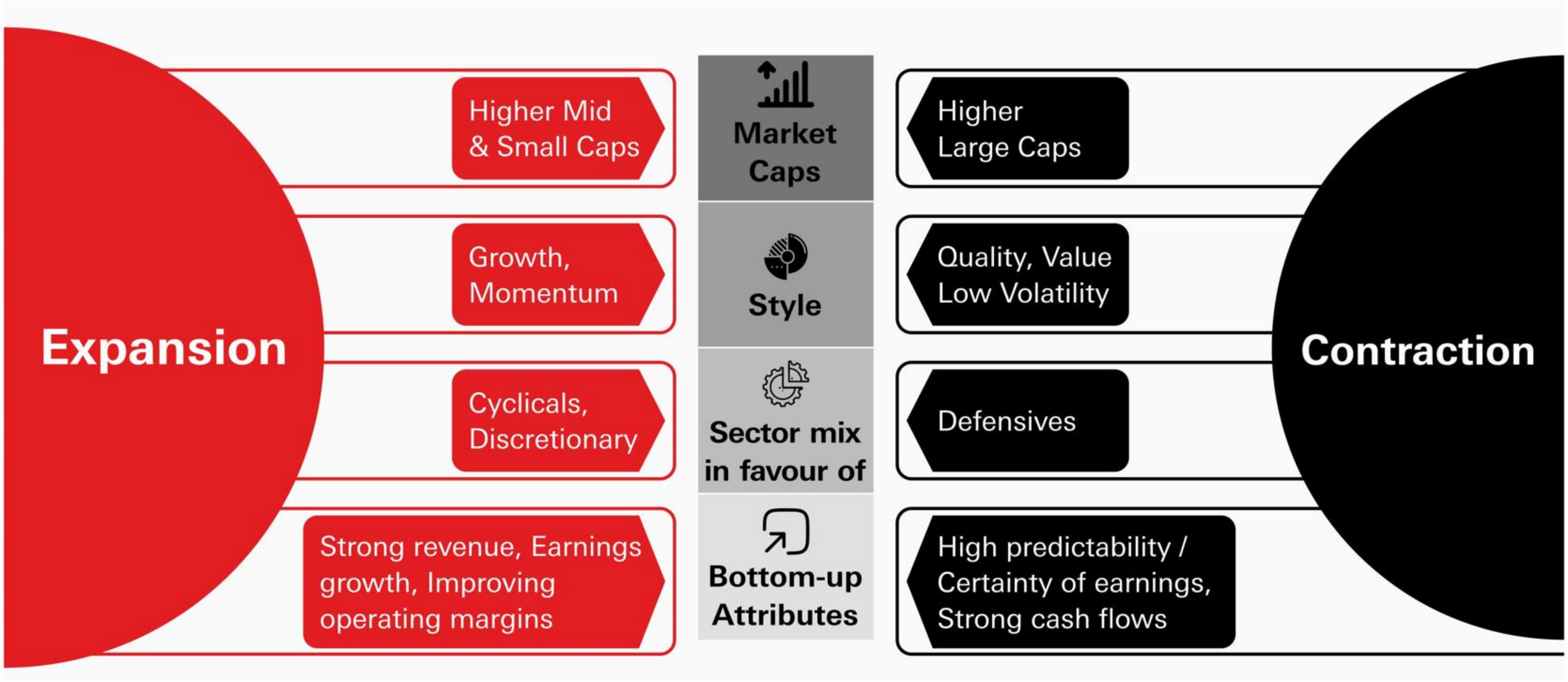
Fund Category	Fund Manager	Benchmark [1]	Inception Date*	AUM&
Thematic Fund	Gautam Bhupal, Mayank Chaturvedi#	NIFTY 500 TRI	20 Aug 2014	Rs. 1,117.47 Cr

Investment approach	• Business cycles approach
Parameters used	• Stage of economy or business cycle determines portfolio positioning
Key features	• Use medium term economic / business trends to position portfolio • Not swayed by short term movements in the market • Decisions based on forward looking business / market parameters

Source – HSBC Mutual Fund, Data as on 30 September 2025, * Since inception - 20 Aug 14
1 As per clause 1.9 of the SEBI Master Circular for Mutual Funds no. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2023/74 dated June 27, 2024, 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. Furthermore, the same is effective from 01 December 2021.
Mayank Chaturvedi is the fund manager for investments in foreign securities for all the schemes of HSBC Mutual Fund w.e.f. 1 October 2025.
&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#&accordion1446811090=4
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). Past performance may or may not be sustained in future and is not a guarantee of any future returns.

Portfolio construction approach

HSBC Business Cycles Fund



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.

Bottom-up investment approach

HSBC Business Cycles Fund

	M Management	A Adept	G Growth	I Interminable	C Cost
Key points considered	• Ethical • Track record • Communication with investors	• Vision • Strategy • Execution skills • Brand strength • Pricing power	• Company growth vs peers • Visibility and predictability of growth	• Long-term oriented • Sustainability of growth • Capital allocation skills	• Valuations compared with industry • Current vs average valuation • Valuations relative to growth
Measurability parameters	• Debt/ Equity • Pledge shares • Guidance vs actual	• Market share gains • Gross profit margins	• Volume growth • Revenue growth • Profit growth • Growth relative to industry	• Average Return on Equity/ Return on Capital employed	• Relative valuations • PEG ratio • Valuation premium or discount

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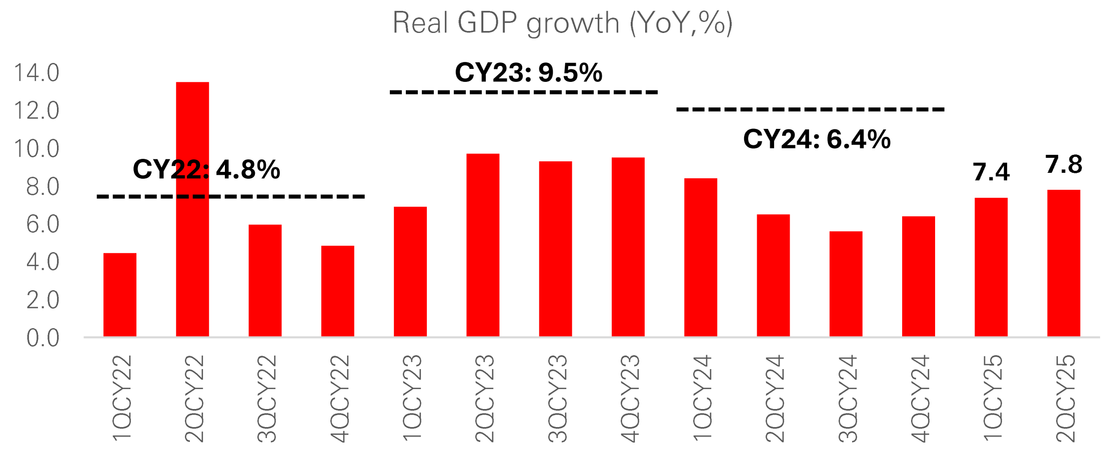
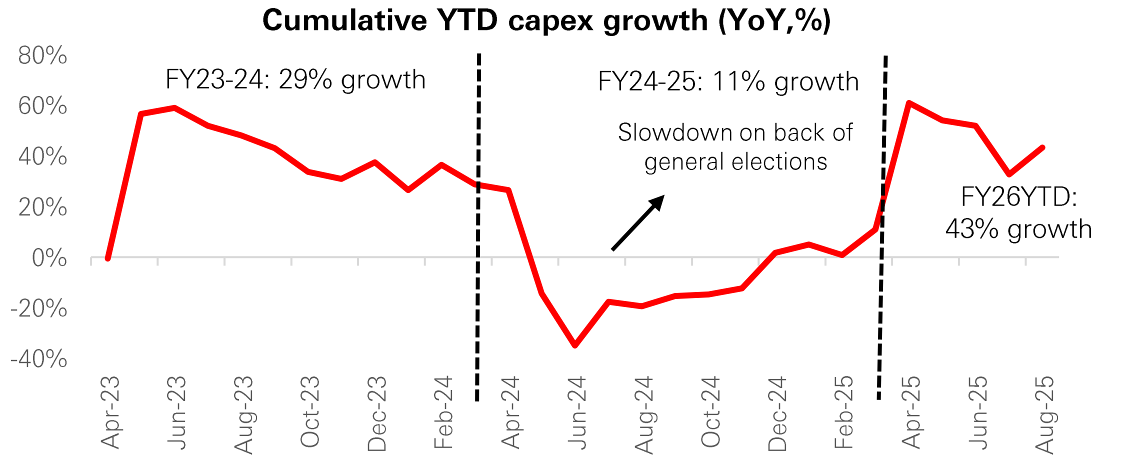
Economy continues to remains firmly in 'Expansion' phase

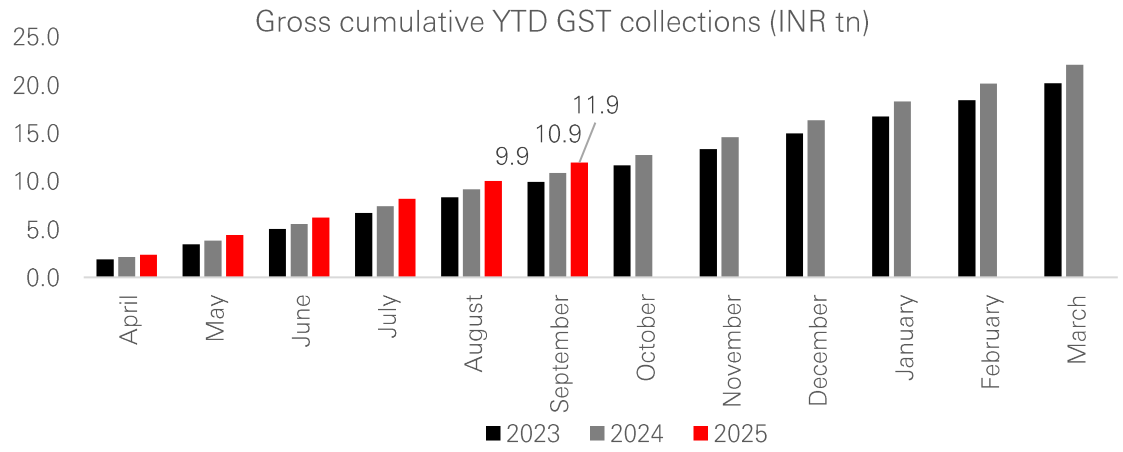
GDP growth continues to remain strong



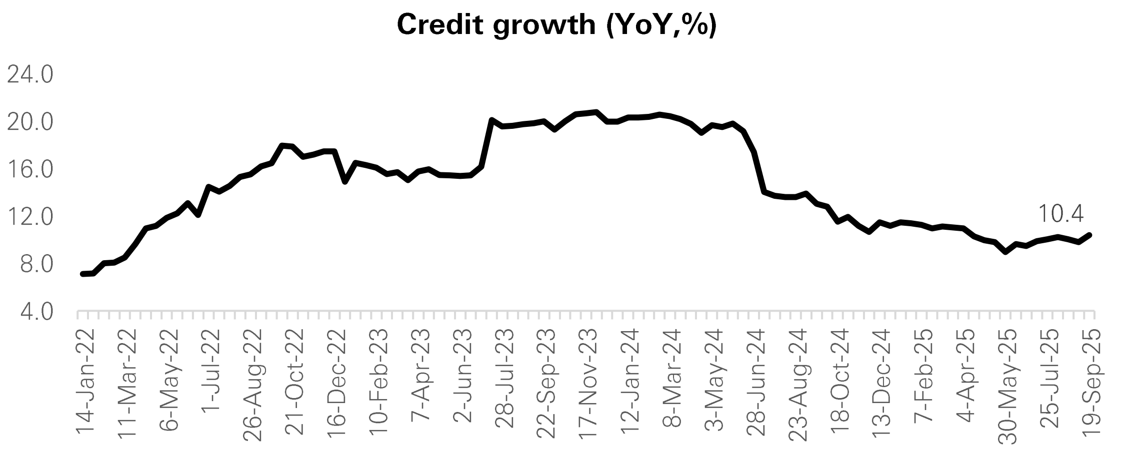
Strong capex growth in FY26, partly front-loaded



Consistent growth in GST collections



Credit growth slow, likely to pick-up with RBI measures



HSBC Mutual Fund

Source: Controller General of Accounts (CGA), RBI, Government of India, CEIC, HSBC Mutual Fund, Data as on 30 September 2025
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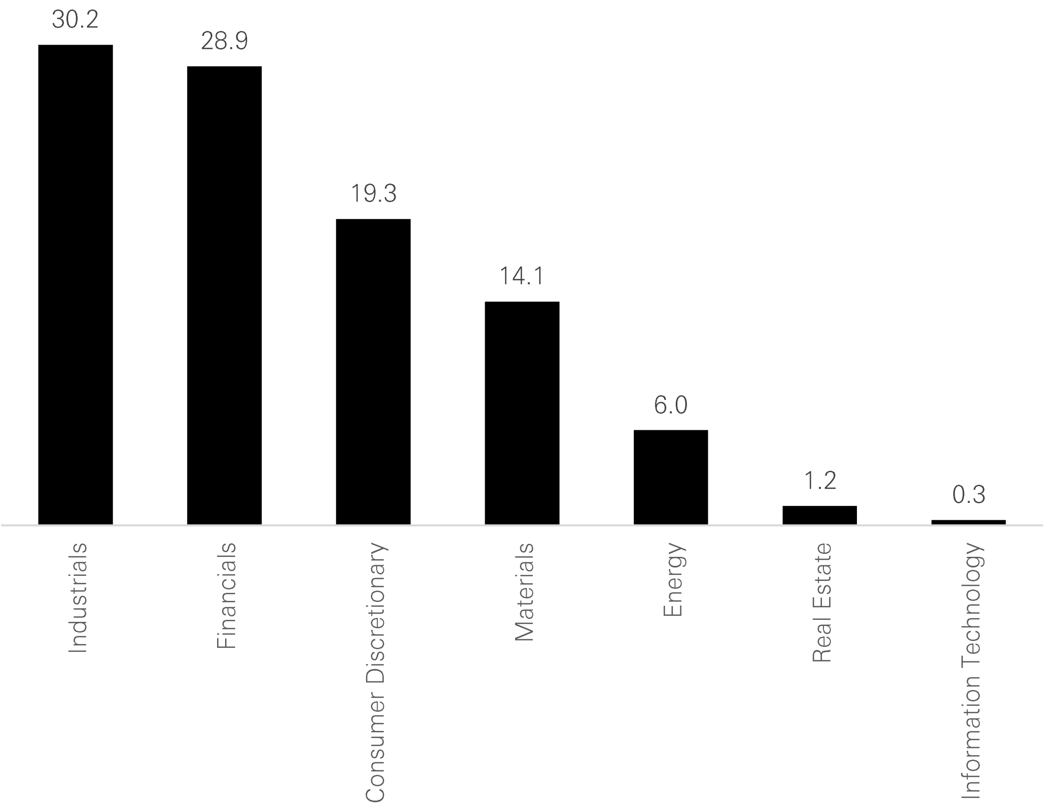
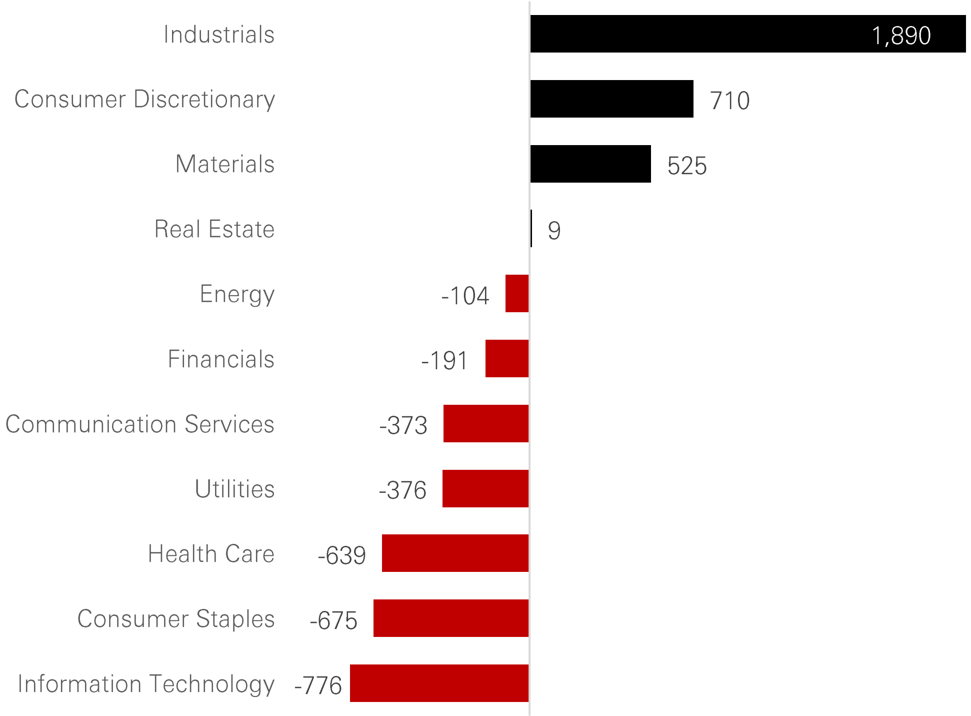
Sector allocation with active weights

HSBC Business Cycles Fund

Portfolio sector weights (%)



Active Sector weights (bps)



Source: Bloomberg, HSBC Mutual Fund, Data as on 30 September 2025

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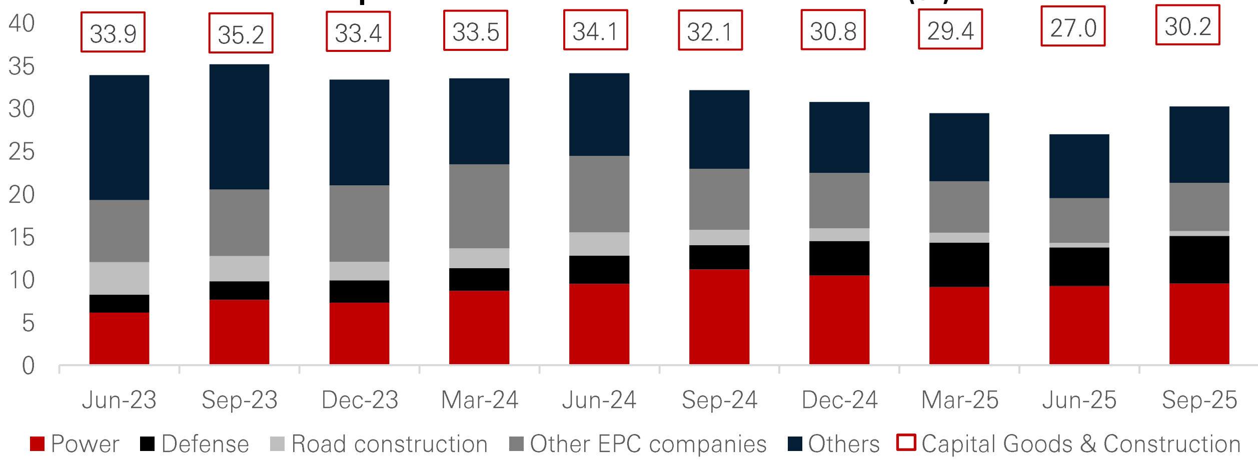
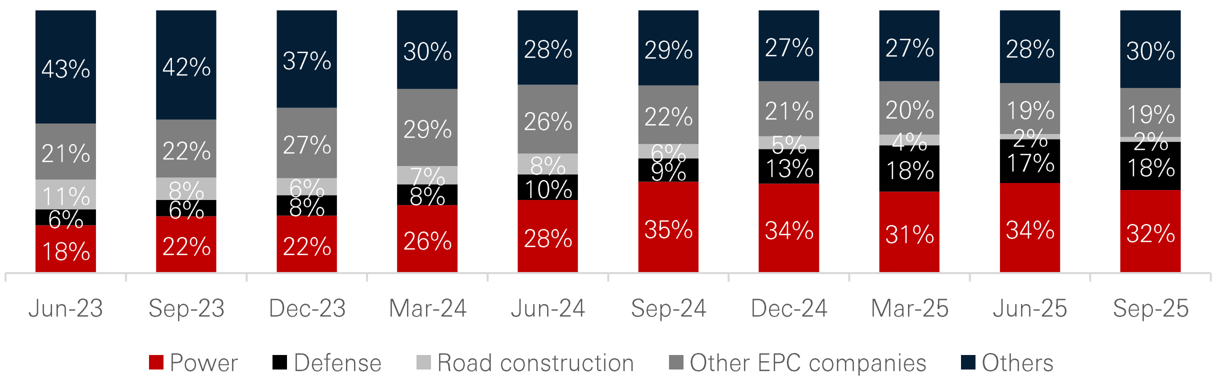
Industrials: Overweight stance on Capital Goods continues, remain selective

- Overall budgeted capex growth to be bit muted in FY26
  - Centre capex to show modest growth
  - Risk to State capex growth
  - Private capex is picking up and will continue to drive growth
- Medium to longer term growth driver remain intact
- Despite muted capex, expect select segments to do well
  - Defense
  - Power (especially T&D)
  - Industrial
- Defense expenditure as percentage to GDP steadily increasing driven by higher indigenization
- Power consumption will continue to increase driven by rising demand for appliances, AI, data centers, extreme weather changes, etc. Increasing share of renewables is driving capex in transmission for grid stability.

Capital Goods & Construction allocation (%)



Capital Goods & Construction mix (%)

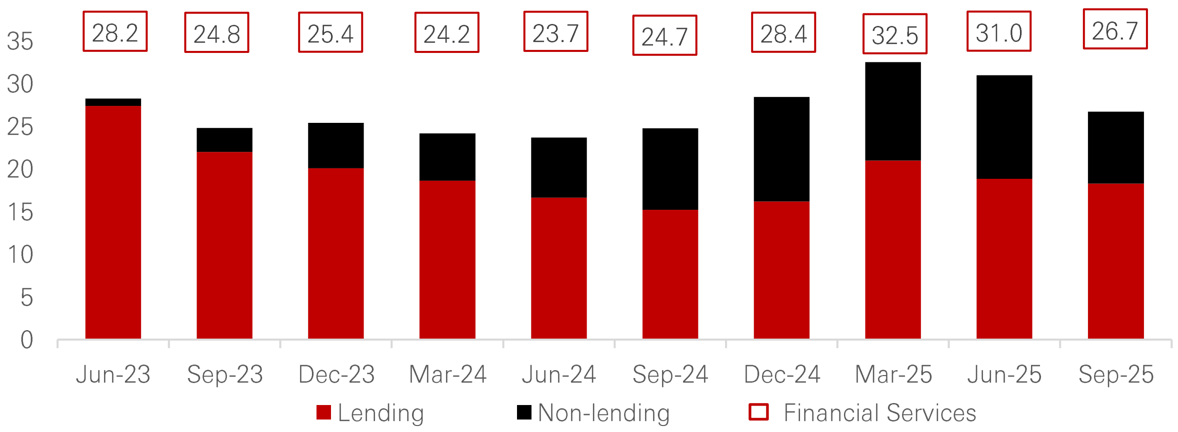


Source: Ace MF, HSBC Mutual Fund, Latest available data as on 30 September 2025. **Note:** The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this 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). Past performance may or may not be sustained in future and is not a guarantee of any future returns.

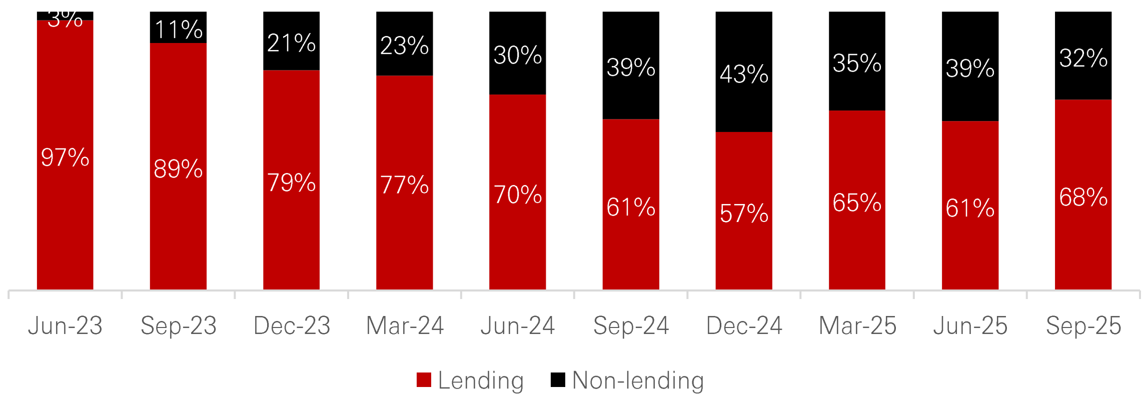
Financials: Liquidity infusion and financialization driving our weights in the sector

- **Lending**
  - Repo and CRR cut, easing of risk weights and other norms, increasing system liquidity, along with consumption boost will drive credit growth
  - Asset quality remain benign (barring micro finance segment)
  - Reasonable valuations
  - Positive on Banks and select NBFCs with visibility of healthy growth along with stable asset quality.
- **Non-lending**
  - Financialization of savings is a medium-term theme and will continue to play in India over next several years
  - Capital Markets, AMC, Exchanges and select Stockbrokers and Intermediaries will be biggest beneficiaries
  - Life insurers will continue to witness healthy APE growth along with VNB margin expansion on the back of 1) Growth recovery in non-linked products 2) Rationalized commission structure post new regulations and 3) ULIP growth on the back of higher sum assured and rider attachments.
  - The non-life industry is going through a rough patch, but landscape is continuously evolving and see potential in medium to long term.

Financial Services allocation (%)



Financial Services mix (%)



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Consumer Discretionary: Consumption seeing a big push from the Government

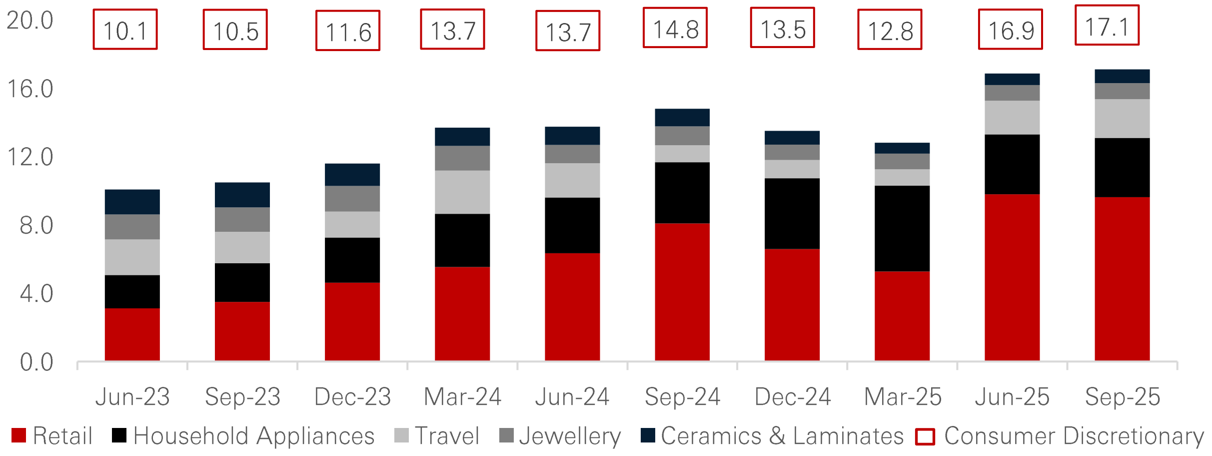
- Consumer basket is shifting from staples to discretionary consumption

- Consumption seeing nudge from the government
  - GST rationalization (~Rs 2.2 tn)
  - Income tax relief (~Rs 1 tn)
  - Social welfare schemes (~ Rs 2 tn)
  - Pay hike in 8th pay commission in 2026 (~Rs 4 tn)
  - Total stimulus of ~Rs 9.2 tn (2.5% of GDP)

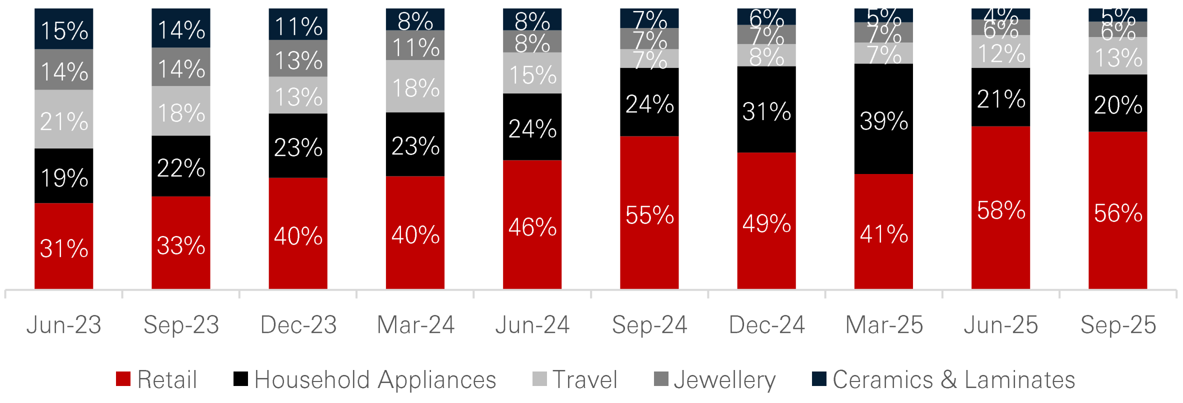
- Like multiple themes within the sector
  - Changing customer behavior, convenience and premiumization is driving Quick commerce and Retail
  - Social media awareness and preference to have unique experiences is driving need for higher travel
  - Household appliances demand likely to increase with above consumer trends

- Select exposure in Jewelry and Ceramics/ laminates

Consumer Discretionary allocation (%)



Consumer Discretionary mix (%)



Source: Ace MF, HSBC Mutual Fund, Latest available data as on 30 September 2025. **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). Past performance may or may not be sustained in future and is not a guarantee of any future returns.

Top stocks and active weights

HSBC Business Cycles Fund

Company name	Portfolio weights (%)	Benchmark weights (%)	Active weights (bps)
ICICI Bank	5.5	5.0	51
Multi Commodity Exchange of India	5.4	0.2	514
Reliance Industries	5.3	4.8	47
HDFC Bank	4.5	7.6	-305
Trent	3.1	0.5	252
Hindustan Aeronautics	2.9	0.5	245
Ahluwalia Contracts (India)	2.6	0.0	264
Bharat Electronics	2.6	0.8	187
Swiggy	2.6	0.2	241
Power Finance Corporation	2.4	0.3	208

Source: Bloomberg, HSBC Mutual Fund, Data as on 30 September 2025
The above sectors mentioned are for illustration purpose only. The above data/information represents historic performance of the sector and for illustration purpose only. The scheme may or may not have future positions in this sector. The above graphs/ analysis should not be construed as an investment advice or research report or recommendation to buy or sell in any sector mentioned above. Past performance may or may not be sustained in future and is not a guarantee of any future returns. 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

Key portfolio metrics

HSBC Business Cycles Fund

Number of equity stocks	Top 5 stocks weight (%)	Top 10 stocks weight (%)	Active Share (%)
64	22.03	34.25	70.28

Beta (Slope)	Sharpe Ratio	Standard Deviation (%)	Portfolio Turnover (1 year)^
1.08	0.88	16.59	0.17

Source: Bloomberg, HSBC Mutual Fund, Data as of 30 September 2025. Note - Quantitative Data disclosed are as per monthly returns (Annualized) for the last 3 years, Risk free rate: 5.52% (FIMMDA-NSE Mibor) Refer to the Fund's website, www.assetmanagement.hsbc.co.in for monthly portfolio disclosures.
^ 1 Year period 30 September 2024 to 30 September 2025.
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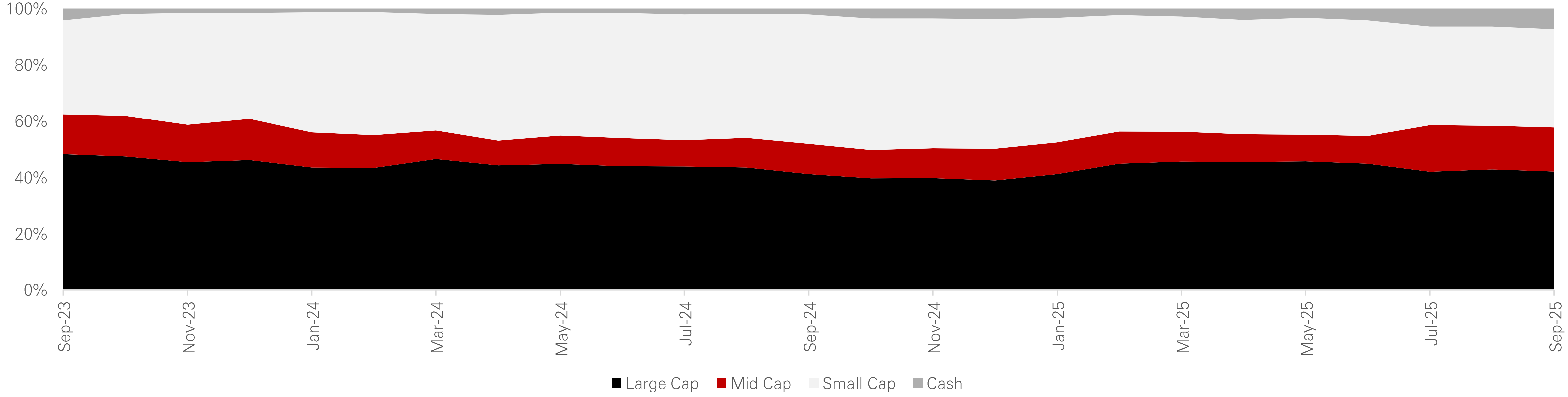
Market cap classification

HSBC Business Cycles Fund

With the slowdown in capex, we have reduced exposure to some small cap companies in Capital Goods / Infrastructure sector. Also, some increase in Mid Cap and reduction in Small Cap allocation since July 2025 has been due to SEBI's semi-annual revision of market capitalization rather than any active increase in allocation.

Market Cap (%)	August 2025	September 2025
Large Cap	42.8	42.1
Mid Cap	15.5	15.6
Small Cap	35.4	35.0
Cash	6.3	7.3

Market cap mix (%)



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Fund Snapshot

HSBC Business Cycles Fund (HBCF)
(An open ended equity scheme following business cycles based investing theme)

Investment Objective - The investment objective of the Scheme is to seek to generate long-term capital appreciation from a portfolio of predominantly equity and equity related securities, including equity derivatives, in the Indian market with focus on riding business cycles through dynamic allocation between various sectors and stocks at different stages of business cycles in the economy. The Scheme could also additionally invest in Foreign Securities. There is no assurance that the objective of the Scheme will be realised and the Scheme does not assure or guarantee any returns.

13.75%
CAGR since inception* [2]

4.1X
since inception* [2]

32,26,892
Value of SIP investment INR 10,000 p.m. since Inception* [3]

INR 4,18,800
Value of Lump Sum Investment INR 100,000 since inception* [2]

Source: HSBC Mutual Fund, Data as on 30 Sep 2025. [2] As on 30 Sep 2025 of Growth option regular plan. During the same period, scheme benchmark (Nifty 500 TRI) has moved by 4.0X to Rs 4,05,980 from Rs 100,000 and delivered return of 13.43%. Please refer performance slides for detailed performance of HSBC Business Cycles Fund. [3] During the same period, value of scheme benchmark (Nifty 500 TRI) has moved to 31,54,207. 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).

Lump Sum performance

HSBC Business Cycles Fund

Fund Manager - Gautam Bhupal Effective 01 Jun 2023. Total Schemes Managed – 7, Fund Manager - Mayank Chaturvedi Effective 01 Oct 2025. Total Schemes Managed - 20

Lump Sum Investment Performance											
Fund / Benchmark (Value of Rs 10,000 invested)	1 Year		3 Years		5 Years		10 Years		Since Inception		Inception Date
	Amount in ₹	Returns %	Amount in ₹	Returns %	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	Amount in ₹	Returns %	
HSBC Business Cycles Fund-Regular~~	9429	-5.71	17631	20.79	29607	24.23	35309	13.43	41880	13.75	20-Aug-14
Scheme Benchmark (Nifty 500 TRI)	9472	-5.28	15771	16.38	25630	20.70	38226	14.34	40598	13.43	
Additional Benchmark (Nifty 50 TRI)	9655	-3.45	14904	14.21	23241	18.36	35010	13.34	35741	12.14	
HSBC Business Cycles Fund-Direct~~	9536	-4.64	18217	22.11	31244	25.57	38657	14.47	46203	14.75	20-Aug-14
Scheme Benchmark (Nifty 500 TRI)	9472	-5.28	15771	16.38	25630	20.70	38226	14.34	40598	13.43	
Additional Benchmark (Nifty 50 TRI)	9655	-3.45	14904	14.21	23241	18.36	35010	13.34	35741	12.14	

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 as well as Direct 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 Aug 2025 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. Mayank Chaturvedi is the fund manager for investments in foreign securities for all the schemes of HSBC Mutual Fund w.e.f. 1 October 2025.
As per clause 5.9.1 of the SEBI Master Circular dated June 27, 2024, 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 dated June 27, 2024, 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
Source: HSBC Mutual Fund, data as on 30 Sep 2025

Click here **to check other funds performance managed by the Fund Manager**

SIP Performance

HSBC Business Cycles Fund

SIP Performance - HSBC Business Cycles Fund – Regular Plan					
Scheme Name & Benchmarks	**1 Year**	**3 Years**	**5 Years**	**Since Inception**	**Inception Date: 20-Aug-14**
Total amount invested (₹)	120000	360000	600000	1330000	
Market Value as on September 30, 2025 (₹)	1,21,641	4,65,563	9,65,421	32,26,892	
Scheme Returns (%)	2.56	17.45	19.10	15.13	
Nifty 500 TRI - Scheme Benchmark (₹)	1,23,094	4,40,087	8,72,144	31,54,207	
Nifty 500 TRI - Scheme Benchmark Returns (%)	4.84	13.50	14.95	14.75	
Nifty 50 TRI - Additional Benchmark (₹)	1,23,241	4,26,319	8,25,344	29,24,628	
Nifty 50 TRI - Additional Benchmark Returns (%)	5.07	11.30	12.72	13.50	

SIP Performance - HSBC Business Cycles Fund – Direct Plan					
Scheme Name & Benchmarks	**1 Year**	**3 Years**	**5 Years**	**Since Inception**	**Inception Date: 20-Aug-14**
Total amount invested (₹)	120000	360000	600000	1330000	
Market Value as on September 30, 2025 (₹)	1,22,385	4,74,499	9,97,200	34,44,227	
Scheme Returns (%)	3.72	18.80	20.44	16.20	
Nifty 500 TRI - Scheme Benchmark (₹)	1,23,094	4,40,087	8,72,144	31,54,207	
Nifty 500 TRI - Scheme Benchmark Returns (%)	4.84	13.50	14.95	14.75	
Nifty 50 TRI - Additional Benchmark (₹)	1,23,241	4,26,319	8,25,344	29,24,628	
Nifty 50 TRI - Additional Benchmark Returns (%)	5.07	11.30	12.72	13.50	

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 is the fund manager for investments in foreign securities for all the schemes of HSBC Mutual Fund w.e.f. 1 October 2025.
Source: HSBC Mutual Fund, data as on 30 Sep 2025
Click here **to check other funds performance managed by the Fund Manager**

Fund Manager Profile

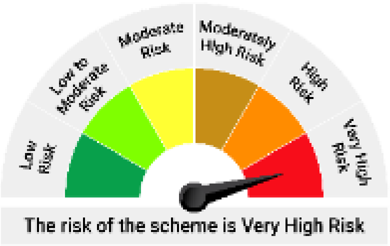
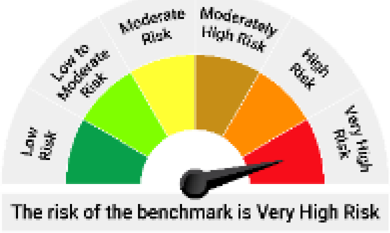
Gautam Bhupal

Senior Vice President & Fund Manager – Equity, HSBC Mutual Fund

Inv. Experience – 21 years

Gautam Bhupal is a Fund Manager with HSBC Asset Management, India. Currently, he manages HSBC Tax Saver Equity Fund, HSBC Infrastructure Fund, HSBC Business Cycle Fund and HSBC Managed Solutions. He has an experience of more than 21 years in the asset management industry and has been working with HSBC AMC for more than 15 years. Prior to joining HSBC in July 2008, Gautam worked as an Analyst with UTI Asset Management in India for more than 4 years.

Gautam received an MBA from the Management Development Institute, Gurgaon, India and is also a Chartered Accountant and Company Secretary.

Scheme name and Type of scheme	Scheme Risk-o-meter	Benchmark Risk-o-meter (as applicable)
HSBC Business Cycles Fund (An open ended equity scheme following business cycles based investing theme) **This product is suitable for investors who are seeking*:** • Long term capital appreciation • Investment predominantly in equity and equity-related securities, including equity derivatives in Indian markets with focus on riding business cycles through dynamic allocation between various sectors and stocks at different stages of business cycles in the economy.		As per AMFI Tier I Benchmark i.e. **Benchmark Index: NIFTY 500 TRI** 

* 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 30 Sep 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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Disclaimer

Investors are requested to note that as per SEBI (Mutual Funds) Regulations, 1996 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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GST - 27AABCH0007N1ZS, Email: investor.line@mutualfunds.hsbc.co.in | Website: www.assetmanagement.hsbc.co/in

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

CL 3322