

Product Note

HSBC Overnight Fund (HOVF)

Overnight fund – An open ended debt scheme investing in overnight securities. Relatively low interest rate risk and relatively low credit risk. (L&T Overnight Fund has merged into HSBC Overnight Fund)

September 2023

Fund Category	Fund Manager	Benchmark ^{1, 2}	Inception Date	AUM ³
Overnight Fund	Kapil Lal Punjabi and Mahesh Chhabria	NIFTY 1D Rate Index	22 May 2019	Rs. 3635.41 Cr

Quantitative Data		Minimum Investment		
Average Maturity	1.65 Days	Lumpsum	SIP	Additional Purchase
Modified Duration	1.65 Days	₹ 5,000	₹ 500	₹ 1,000
Macaulay Duration	1.65 Days			
Yield to Maturity	6.63%			

Why HSBC Overnight Fund?

- Overnight funds offer relatively lower volatility compared to other fixed income funds
- Overnight funds carry low interest rate risk and lowest credit risk vs other fixed income funds
- Overnight funds are one of the most liquid investments available in the market with redemption availability on any working day
- Overnight funds can deliver reasonable risk adjusted performance vs. traditional saving products

Fund Strategy

- Primary objective of these funds is to seek to generate returns commensurate with low risk and providing high level of liquidity, through investments made primarily in overnight securities having maturity of up to 1 business day.
- The fund can invest in Tri party Repos (TREPS), reverse repos, CROMS and other eligible 1-day assets

Entry Load : NA, Exit Load: : Nil

¹ As per clause 1.9 of the SEBI Master Circular dated May 19, 2023, 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 effective from 01 December 2021.

² Fund's benchmark has changed with effect from April 01, 2022. Data as on 31 August 2023

³ AUM is as on 31 August 2023

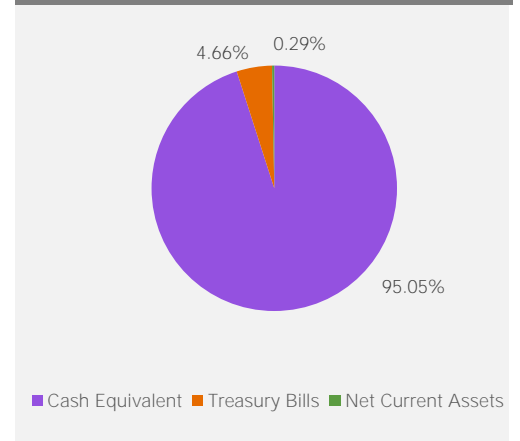
Portfolio

Issuer	Rating	% to Net Assets
Treasury Bills		4.66%
182 DAYS T-BILL 22SEP23	SOVEREIGN	2.47%
182 DAYS T-BILL 07SEP23	SOVEREIGN	1.37%
91 DAYS T-BILL - 07SEP2023	SOVEREIGN	0.82%
Cash Equivalent		95.34%
TREPS*		2.43%
Reverse Repos		92.62%
Net Current Assets:		0.29%
Total Net Assets as on 31-August-2023		100.00%

*TREPS : Tri-Party Repo



Asset Allocation



Investment Objective

The scheme aims to offer reasonable returns commensurate with low risk and high degree of liquidity through investments in overnight securities. However, there is no assurance that the investment objective of the Scheme will be achieved.

HSBC Overnight Fund		
<p>*Riskometer of the Scheme</p> <p>Investors understand that their principal will be at Low risk</p>	<p>Overnight fund – An open ended debt scheme investing in overnight securities. Relatively Low interest rate risk and Low credit risk.</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> Income over short term and high liquidity Investment in debt & money market instruments with overnight maturity <p>Benchmark Index: NIFTY 1D Rate Index</p>	<p>Riskometer of the benchmark</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 August 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

Potential Risk Class (HSBC Overnight Fund)

Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)	A-I		
Moderate (Class II)			
Relatively High (Class III)			

A Scheme with Relatively Low interest rate risk and Low credit risk.

Potential Risk Class ('PRC') matrix indicates the maximum interest rate risk (measured by Macaulay Duration of the scheme) and maximum credit risk (measured by Credit Risk Value of the scheme) the fund manager can take in the scheme. PRC matrix classification is done in accordance with and subject to the methodology/guidelines prescribed by SEBI to help investors take informed decision based on the maximum interest rate risk and maximum credit risk the fund manager can take in the scheme, as depicted in the PRC matrix.

Past performance may or may not be sustained in the future. Source: HSBC Mutual Fund, Data as on 31 August 2023

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