

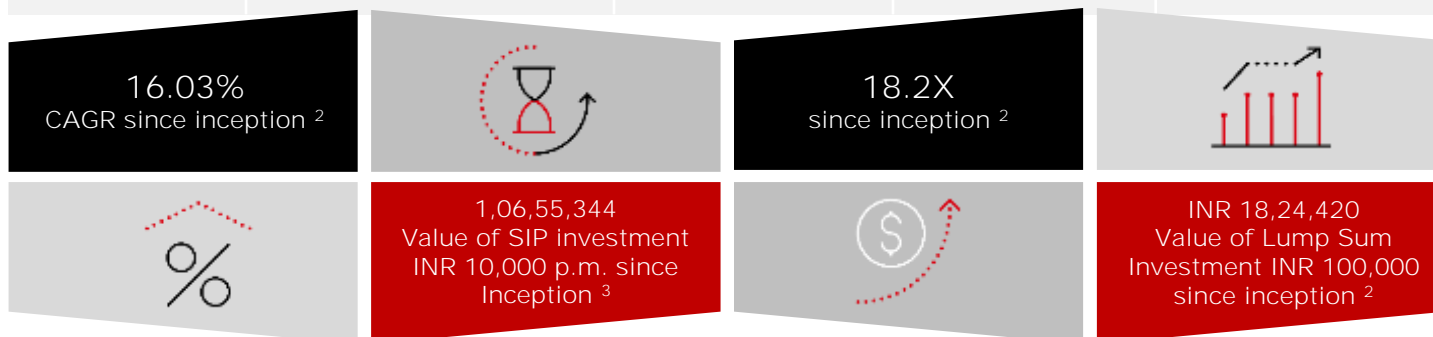
Product Note

HSBC Flexi Cap Fund (HFCF)

Flexi cap fund - An open ended dynamic equity scheme investing across large cap, mid cap, small cap stocks
(L&T Flexicap Fund has merged into HSBC Flexi Cap Fund)

September 2023

Fund Category	Fund Manager	Benchmark ¹	Inception Date	AUM
Flexi Cap Fund	Vihang Shankar Naik and Venugopal Manghat	NIFTY 500 TRI	24 Feb 2004	Rs. 3534.10 Cr



Portfolio	% of net assets
HDFC Bank Limited	5.87%
Reliance Industries Limited	4.32%
Infosys Limited	4.22%
ITC Limited	3.95%
ICICI Bank Limited	3.86%
Apar Industries Limited	3.01%
Tata Consultancy Services Limited	2.74%
Larsen & Toubro Limited	2.30%
NTPC Limited	2.20%
Bajaj Holdings & Investments Limited	2.16%

Sector - Allocation	% of net assets
Banks	17.29%
IT - Software	10.88%
Pharmaceuticals & Biotechnology	7.47%
Electrical Equipment	5.53%
Diversified FMCG	5.52%
Petroleum Products	4.97%
Cement & Cement Products	4.84%
Auto Components	4.63%
Automobiles	4.10%
Finance	4.09%

Risk Ratios ⁴	
Standard Deviation	12.20%
Beta	0.80
Sharpe Ratio ⁵	1.09
R2	0.95

Load / Month End Total Expenses Ratios (Annualized) ⁷	
Entry Load	NA
Exit load – NIL (after 1 year), 1% (before 1 year) ⁶	
Expense ratio (Other than Direct) ⁸	1.98%
Expense ratio (Direct)	1.19%

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 As on 31 August 2023 of Growth option regular plan. During the same period, scheme benchmark (Nifty 500 TRI) has moved by 14.8x to Rs. 14,89,180 from Rs.100,000 and delivered return of 14.83%. Please refer page no. 3 for detailed performance of HSBC Flexi Cap Fund.

³ During the same period, value of investments in scheme benchmark (Nifty 500 TRI) has moved to 1,04,34,333

⁴ Quantitative Data disclosed are as per monthly returns (Annualized) for the last 3 years.

⁵ Risk free rate: 6.69% (FIMMDA-NSE MIBOR) as on August 31, 2023

Refer to the Fund's website, www.assetmanagement.hsbc.co.in for monthly portfolio disclosures.

⁶ Exit Load - If the units redeemed or switched out are upto 10% of the units purchased or switched in ("the limit") 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

⁷ TER Annualized TER including GST on Investment Management Fees

⁸ Continuing plans

Data as on 31 August 2023, HSBC Mutual Fund

Why HSBC Flexi Cap Fund?

- To seek an exposure to any one or all across market capitalisations in the portfolio to get a value from opportunities in small, mid and or large cap segments
- True to label fund – The fund will stay true to its objective in keeping with the mandate reposed by the investor whilst investing in the fund
- To create a corpus through generating inflation-adjusted returns to cater to long-term goals

Fund Philosophy

- Prefer dominant and scalable businesses available at reasonable valuations
- Profit pool consolidation with dominant players to continue and disruption to accelerate this shift
- Stock selection focuses on earnings growth trajectory and within that, the emphasis lies on earnings surprises

Investment Objective

To seek long term capital growth through investments made dynamically across market capitalization (i.e., Large, Mid, and Small Caps). The investment could be in any one, two or all three types of market capitalization. The Scheme aims to predominantly invest in equity and equity related securities. However, in line with the asset allocation pattern of the Scheme, it could move its assets between equity and fixed income securities depending on its view on these markets. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.

Fund Managers - Vihang Shankar Naik (No of Schemes Managed – 4) - Managing Fund Since 26 Nov 2022 and Venugopal Manghat (No of Schemes Managed – 6) - Managing Fund Since 26 Nov 2022 and Sonal Gupta (No of Schemes Managed - 6, for investment in foreign securities)

Lump Sum Investment Performance									Inception Date
Fund / Benchmark (Value of Rs 10,000 Invested)	1 Year		3 Years		5 Years		Since Inception		
	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	
HSBC Flexi Cap Fund-Regular	11632	16.27	17778	21.14	16503	10.53	182442	16.03	24-Feb-04
Scheme Benchmark (Nifty 500 TRI)	11142	11.39	18655	23.10	17893	12.33	148918	14.83	
Additional Benchmark (Nifty 50 TRI)	10953	9.50	17532	20.58	17495	11.83	136038	14.30	

PTP returns – Point to Point returns. As per clause 5.9.1 of the SEBI Master Circular dated May 19, 2023 the scheme returns vis-à-vis the benchmark return (Total Return Index) shall be disclosed are provided from the date of allotment of units. | IDCW are assumed to be reinvested and Bonus is adjusted. | The performance details provided herein is of Regular 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 August 2023 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. Considering the varying maturities of the close ended schemes, the performance of close-ended schemes is not provided as it is strictly not comparable with that of open-ended schemes.

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 May 19, 2023 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.

Note - Sonal Gupta is dedicated fund manager for investments in foreign securities by all the schemes of HSBC Mutual Fund. Past performance may or may not be sustained in the future. Source: HSBC Mutual Fund, data as on 31 August 2023

Past performance may or may not be sustained in the future.

SIP Performance - HSBC Flexi Cap Fund - Regeular					Inception Date: 24-Feb-04
Scheme Name & Benchmarks	1 Year	3 Years	5 Years	Since Inception	
Total amount invested (₹)	120000	360000	600000	2340000	
Market Value as on August 31, 2023 (₹)	135,851	459,705	900,063	10,655,344	
Scheme Returns (%)	25.42	16.55	16.24	13.78	
Nifty 500 TRI - Scheme Benchmark (₹)	132,388	455,037	925,645	10,381,248	
Nifty 500 TRI - Scheme Benchmark Returns (%)	19.72	15.83	17.38	13.56	
Nifty 50 TRI - Additional Benchmark (₹)	128,540	439,512	882,930	9,836,702	
Nifty 50 TRI - Additional Benchmark Returns (%)	13.48	13.41	15.45	13.10	

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.



As per clause 5.9.1 of the SEBI Master Circular dated May 19, 2023 the scheme returns vis-à-vis the benchmark return (Total Return Index) shall be disclosed are provided from the date of allotment of units

The performance details provided herein is of Regular 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 August 2023 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. Considering the varying maturities of the close ended schemes, the performance of close-ended schemes is not provided as it is strictly not comparable with that of open-ended schemes.

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 May 19, 2023 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.

[Click here](#) to check other funds performance managed by the Fund Manager

Product Label

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

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.