

Product Note

HSBC Banking and PSU Debt Fund (HBPF)

(An open ended debt scheme primarily investing in debt instruments of banks, public sector undertakings, public financial institutions and municipal bonds. A relatively high interest rate risk and relatively low credit risk.)

June 2025

Fund Category	Fund Manager	Benchmark ^{1, 2}	Inception Date	AUM ^{3&}
Banking and PSU Fund	Mahesh Chhabria and Mohd. Asif Rizwi	Nifty Banking & PSU Debt Index A-II	12 Sep 2012	Rs. 4,294.57 Cr

Quantitative Data		Minimum Investment		
Average Maturity	3.72 years	Lumpsum	SIP	Additional Purchase
Modified Duration	2.99 year	. 5,000	. 500	. 1,000
Macaulay Duration	3.15 year			
Yield to Maturity	6.53%			

Why HSBC Banking and PSU Debt Fund?

- The scheme is ideally suited for investors seeking a high portfolio quality and targeting higher returns through accrual
- The fund offers a prudent portfolio considering the risk appetite whilst seeking optimal returns
- HSBC Banking and PSU Debt Fund is predominantly positioned in the ~2 – 5 -year segment to seek opportunity in spreads in this part of the curve.

Fund Approach

- The Fund follows an active strategy to invest across the curve and maintain the duration around 3 years
- The fund predominantly invests in debt and money market securities that are issued by Banks, Public Sector Undertakings .
- Continues to maintain the high credit quality with the portfolio in AAA or equivalent securities

Exit Load: NIL, No entry load will be charged to the investor.
Month End Total Expenses Ratios (Annualized)⁴ – Regular⁵: 0.61%, Direct: 0.23%.

¹ As per clause 1.9 of the SEBI Master Circular 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 effective from 01 December 2021.

² Fund's benchmark has changed with effect from May 01, 2024.

³ AUM is as on 31 May 2025.

⁴ TER Annualized TER including GST on Investment Management Fees

⁵ Continuing plans.

&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).

Source – HSBC Mutual Fund, Data as of 31 May 2025.

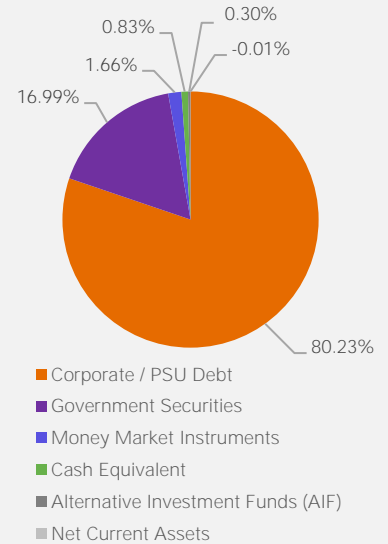
Past performance may or may not be sustained in the future and is not indicative of future results.

Portfolio

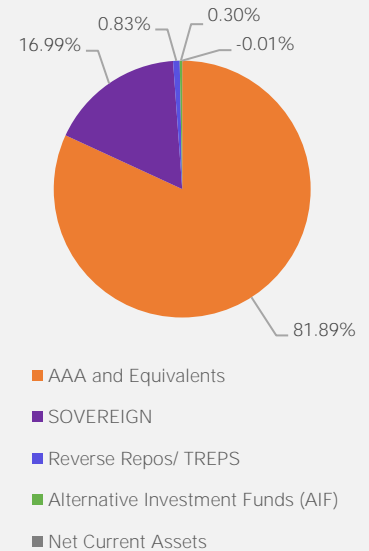
Issuer	Rating	% to Net Assets
Corporate Bonds / Debentures		80.23%
Export Import Bank of India	CRISIL AAA	8.67%
Indian Railway Finance Corporation Limited	CRISIL AAA	8.06%
Power Finance Corporation Limited	CRISIL AAA	8.02%
Small Industries Development Bank of India	CRISIL AAA	7.91%
National Housing Bank	CRISIL AAA / IND AAA / CARE AAA	9.65%
Indian Oil Corporation Limited	CRISIL AAA	5.18%
Bajaj Finance Limited	CRISIL AAA	4.81%
NTPC Limited	CRISIL AAA	4.73%
National Bank for Agriculture & Rural Development	ICRA AAA / CRISIL AAA	8.11%
Power Grid Corporation of India Limited	CRISIL AAA	2.62%
Rec Limited	ICRA AAA / CRISIL AAA	4.90%
LIC Housing Finance Limited	CRISIL AAA	2.45%
Axis Bank Limited	CRISIL AAA	2.42%
Embassy Office Parks REIT	CRISIL AAA	1.41%
Bajaj Housing Finance Limited	CRISIL AAA	1.18%
Kotak Mahindra Bank Limited	CRISIL AAA	0.12%
Money Market Instruments		
Certificate of Deposit		1.66%
Canara Bank	CRISIL A1+	1.66%
Government Securities		16.99%
6.75% GOI 23-Dec-2029	SOVEREIGN	5.33%
7.04% GOI 03JUN29 G-SEC	SOVEREIGN	3.63%
6.33% GOI 05MAY2035 GSEC	SOVEREIGN	2.84%
6.79% GOI 07OCT2034 GSEC	SOVEREIGN	2.07%
7.10% GOI 08-Apr-2034	SOVEREIGN	1.86%
7.26% GOI 06FEB33	SOVEREIGN	1.26%
Alternative Investment Funds (AIF)		0.30%
CDMDF CLASS A2	AIF	0.30%
Cash Equivalent		0.82%
TREPS*		0.83%
Net Current Assets		-0.01%
Total Net Assets as on 31-May-2025		100.00%

*TREPS : Tri-Party Repo fully collateralized by G-Sec
*Portfolio has 3.49% exposure to Interest Rate Swaps

Asset Allocation



Rating Portfolio



Ratings allocation in HBPF

Currently HBPF has invested ~81.89% in instruments (AAA and equivalent), while ~16.99% held in Sovereign.

Investment Objective

The investment objective of the Scheme is to generate reasonable returns by primarily investing in debt and money market securities that are issued by Banks, Public Sector Undertakings (PSUs) and Public Financial Institutions (PFIs) in India. There is no assurance that the objective of the Scheme will be realised and the Scheme does not assure or guarantee any returns.

Fund Manager - Mahesh Chhabria Effective 26 Nov 2022. Total Schemes Managed - 16
Fund Manager - Mohd Asif Rizwi Effective 01 May 2024. Total Schemes Managed - 15

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.	Returns %	Amount in Rs.	Returns %	Amount in Rs.	Returns %	Amount in Rs.	Returns %	
HSBC Banking and PSU Debt Fund - Regular Plan~~	10915	9.17	12350	7.29	13153	5.63	24304	7.23	12-Sep-12
Scheme Benchmark (Nifty Banking & PSU Debt Index A-II)	10886	8.88	12384	7.39	13365	5.97	25278	7.56	
Additional Benchmark (CRISIL 10 year Gilt Index)	11171	11.75	13106	9.43	13076	5.50	23637	7.00	
HSBC Banking and PSU Debt Fund - Direct Plan~~	10956	9.59	12492	7.70	13407	6.03	24962	7.65	01-Jan-13
Scheme Benchmark (Nifty Banking & PSU Debt Index A-II)	10886	8.88	12384	7.39	13365	5.97	24581	7.51	
Additional Benchmark (CRISIL 10 year Gilt Index)	11171	11.75	13106	9.43	13076	5.50	22764	6.85	

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 May 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. 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 31 May 2025

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

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.

Product Label

Scheme name and Type of scheme	*Scheme Risk-o-meter	Benchmark Risk-o-meter (as applicable)
HSBC Banking and PSU Debt Fund (An open ended debt scheme primarily investing in debt instruments of banks, public sector undertakings, public financial institutions and municipal bonds. A relatively high interest rate risk and relatively low credit risk.) This product is suitable for investors who are seeking*: <ul style="list-style-type: none">• Generation of reasonable returns and liquidity over short term• Investment predominantly in securities issued by Banks, Public Sector Undertakings and Public Financial Institutions and municipal corporations in India		As per AMFI Tier 1. Benchmark Index: NIFTY Banking & PSU Debt Index A-II 

* 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 May 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

Potential Risk Class (HSBC Banking and PSU Debt Fund)			
Credit Risk →	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Interest Rate Risk ↓			
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	A-III		
A Scheme with Relatively High interest rate risk and Low credit risk.			

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 May 2025

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