

# Resilience meet Opportunities

Market Deck



**HSBC** Mutual Fund

February 2026

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# Top-down macro thoughts



# Why continue to invest in “India Growth” story

Building blocks in place to make India a sustained growth country

Reforms implemented in the last decade have put India on a virtuous and structural growth runway

- ◆ India has become 4<sup>th</sup> largest economy in the world recently surpassing Japan’s GDP
- ◆ Real GDP for Q2 FY26\* expanded by a robust 8.2%, up from 7.8% in Q1 FY26 and 6.5% in Q2 FY25. India is expected to remain the world's fastest-growing major economy, with GDP growth outlook upwards to 7.4% in FY26, according to Fitch.
- ◆ Government remains on the path of fiscal consolidation with fiscal deficit to GDP of 4.3% in FY27 (-10bps YoY). Reiterated its medium-term Debt/GDP target of 50% (+/- 1%) by March 2031.
- ◆ Government and RBI have been implementing measures to boost growth. Earnings growth medium-term trajectory remains intact.
- ◆ India has executed significant trade deals with Europe, UK, New Zealand, Canada and now US, which have potential to give boost to the Indian economy.
- ◆ Valuations Nifty50 consensus EPS estimate for CY26/27 largely unchanged. Nifty trades on 20.4x 1-year forward PE. In-line with its 5-year average and a ~10% premium to its 10-year average.
- ◆ India is the 5th largest equity market in the world now and it was 10<sup>th</sup> largest in 2014.
- ◆ Reforms and policy stability bedrock for long sustainable growth.

Source: Bloomberg, HSBC Mutual Fund, \* July-September 2025, Past performance is not indicative of future returns. Any views expressed were held at the time of preparation and are subject to change without notice. While any forecast, projection or target where provided is indicative only and not guaranteed in any way. HSBC Asset Management accepts no liability for any failure to meet such forecast, projection or target. For illustrative purpose only.

# Growing potential to climb up the GDP ladder

Indian economy is estimated to add about \$1tn every 2 years going forward

Rank	2004	2009	2014	2019	2024	2025	2029E	GDP (\$ tn)
1	United States	35.7						
2	Japan	Japan	China	China	China	China	China	24.5
3	Germany	China	Japan	Japan	Germany	Germany	India	6.1
4	United Kingdom	Germany	Germany	Germany	Japan	India	Germany	5.4
5	France	France	United Kingdom	United Kingdom	India	Japan	Japan	4.8
6	China	United Kingdom	France	India	United Kingdom	United Kingdom	United Kingdom	4.7
7	Italy	Italy	Brazil	France	France	France	France	3.6
8	Spain	Brazil	Italy	Italy	Italy	Italy	Italy	2.7
9	Canada	Spain	Russia	Brazil	Canada	Russia	Canada	2.7
10	South Korea	Canada	India	South Korea	Brazil	Canada	Brazil	2.5
11	Mexico	India	Canada	Canada	Russia	Brazil	Russia	2.3
12	India	Russia	South Korea	Russia	South Korea	Spain	Spain	2.1

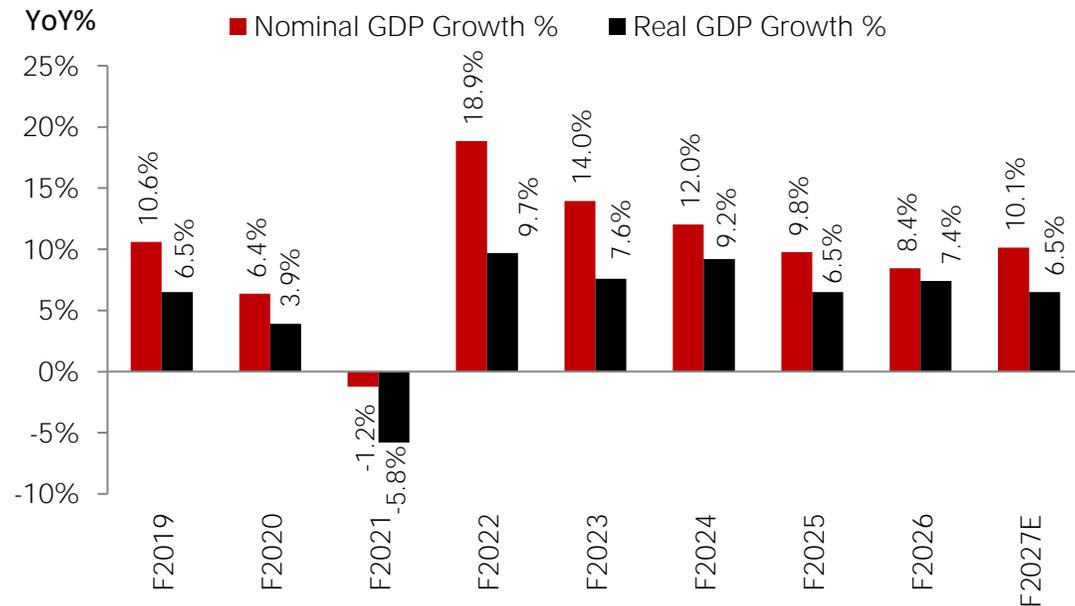
- Among top countries, India is the only one to witness double-digit nominal GDP growth over the next 5 years
- China moved from GDP of \$3.6tn in 2007 (similar to India's GDP currently) to \$10.5tn in 2014 (~3x in 7 years)

Source: IMF, Oxford Economics, The World Bank, RBI, BCG, Data as on 31 Dec 2025. Data based on GDP at current prices. 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 Strategy/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.

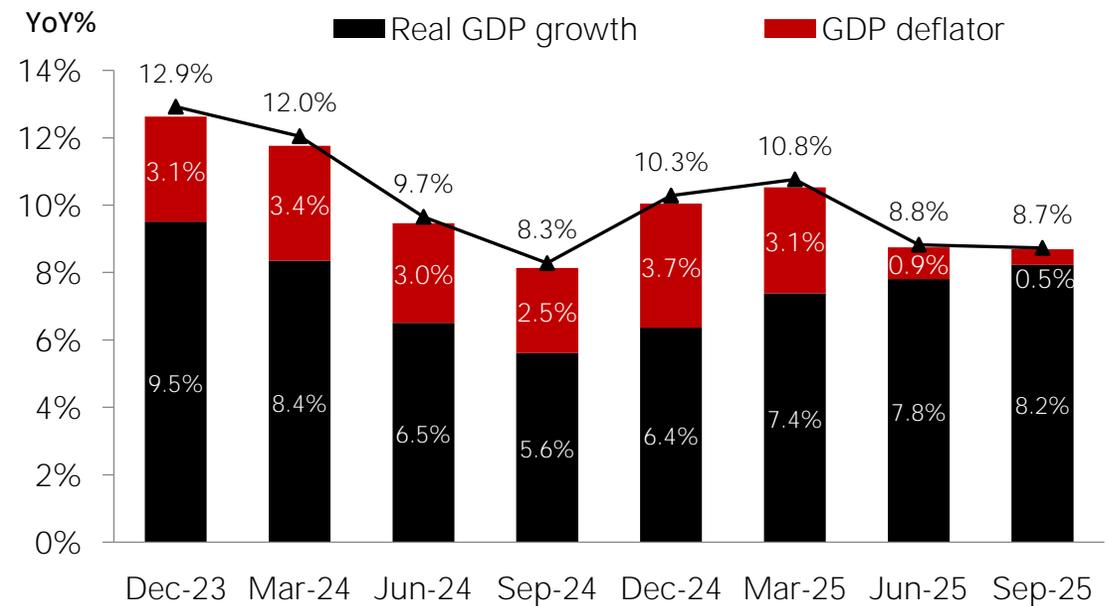
# Positives – Strong GDP growth trend

- ◆ Overall economic growth in India has remained strong post pandemic.
- ◆ H1FY25 saw some slowdown due to impact of elections and monsoon but recovered strongly from H2FY25
- ◆ Nominal GDP growth has seen some moderation since FY25 but is expected to pick-up in FY27.

Strong Real and Nominal GDP growth momentum



Nominal GDP growth needs some improvement



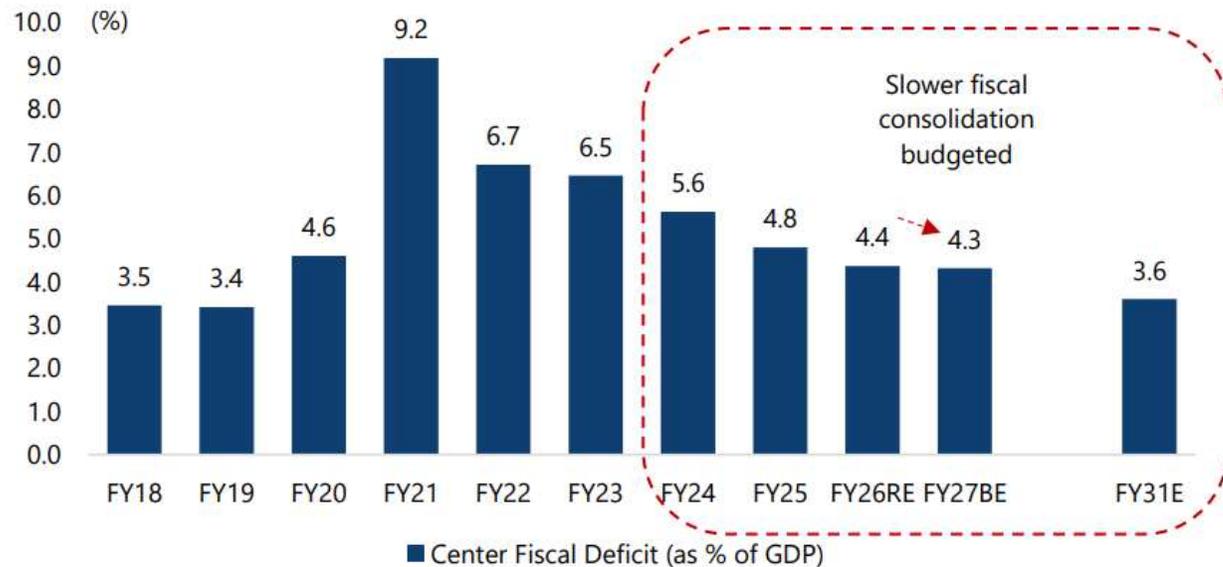
Source: CEIC, UBS estimates, HSBC Mutual Fund, Data as at December 2025.

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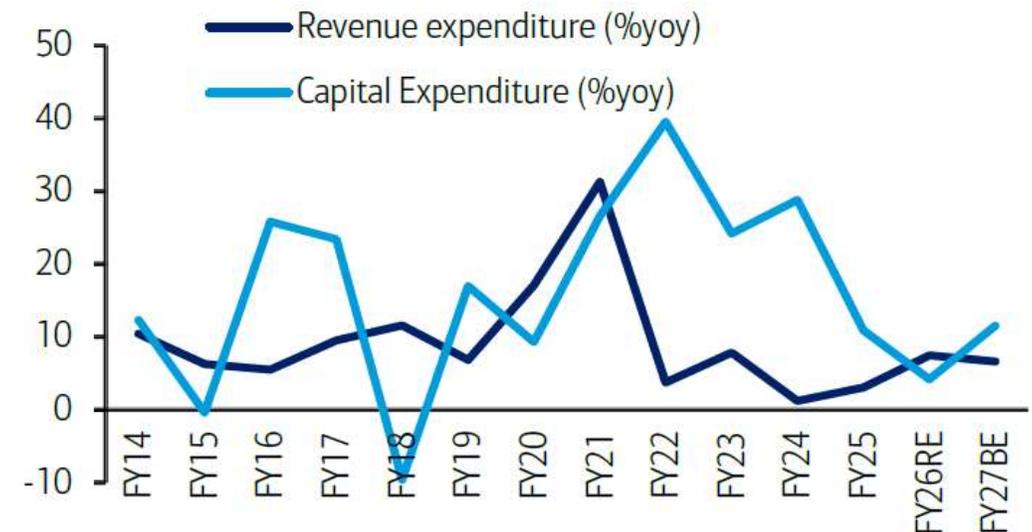
# Positive – Fiscal consolidation firmly in place

- Central government’s FY27 fiscal deficit (FD) pegged at 4.3% of GDP (versus 4.4% in FY26RE). The pace of fiscal consolidation has been reduced in FY27 with fiscal deficit down 10bps of GDP.
- Government’s debt to GDP ratio is estimated to be 55.6% of GDP in FY27BE, down 50bps from FY26RE. The government reiterated its commitment to keep reducing its debt to attain a debt to GDP level of ~50% (+/- 1%) by March 2031 end.
- The government remains balanced on its spending towards revenue and capital expenditure. Revenue expenditure YoY growth is expected to moderate to 6.6% in FY27, while capital expenditure grew 12% YoY.

Centre likely to stick to fiscal deficit target



Revenue vs capital expenditure YoY growth



Source: Budget documents, Jefferies, Haver, BofA Global Research, HSBC Mutual Fund

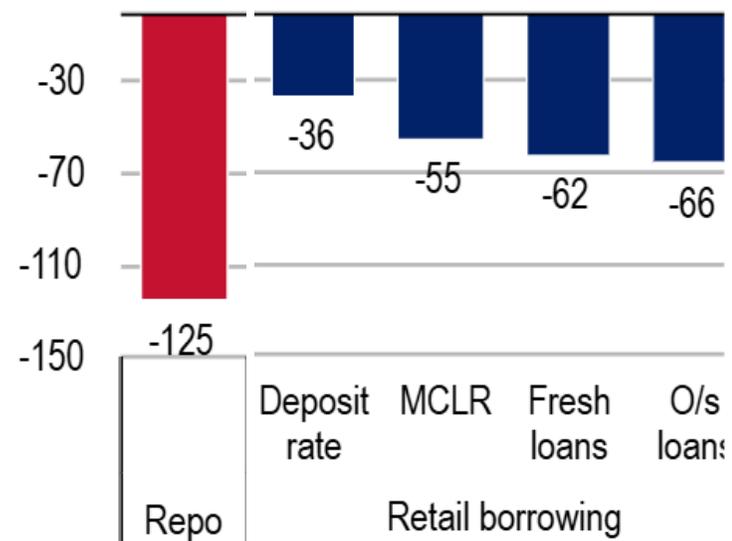
# Positive – Inflation continues to remain benign

- ◆ India's inflation remains within the RBI target range. While bulk of the fall in CPI is attributed to food inflation, even core inflation ex gold has been declining.
- ◆ India's repo rate has also come down steadily in line with inflation. RBI undertook 125bps rate cut in 2025, however, transmission of rates has been slower.

Inflation trending down



Rate cut full transmission yet to happen



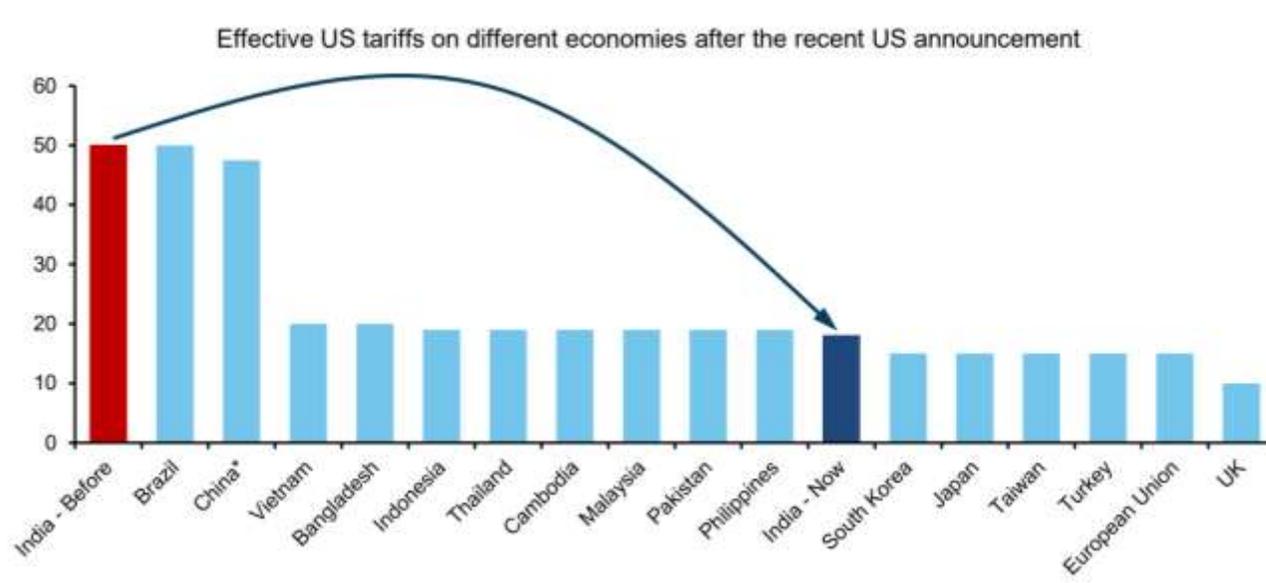
Source: BofA Global Research, CEIC, RBI, Bloomberg, HSBC Mutual Fund, Data as at December 2025.

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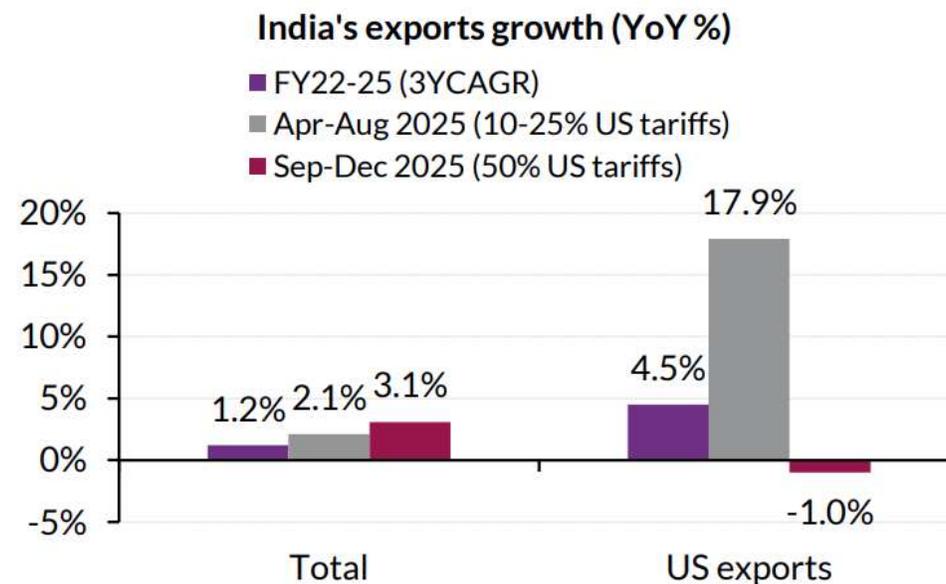
# Positive: Lower tariffs should provide boost to exports (1)

- As per latest announcements, effective tariff rate by US on India will come down to about 18% from earlier 35% (with exemptions; 50% without exemptions) and the revised rate will be close to Asian peers (mostly around 15 -19%)
- Between Apr-Aug 2025, when US tariffs were 10-25%, overall export growth was stronger than over FY22-25 and US grew very strongly as well. However, with 50% US tariffs from Sept-Dec 2025, India's exports to US registered a decline of 1% while India's overall exports increased to 3.1%

US tariff rates on India now lower than some Asian peers



India's exports growth to the US could return



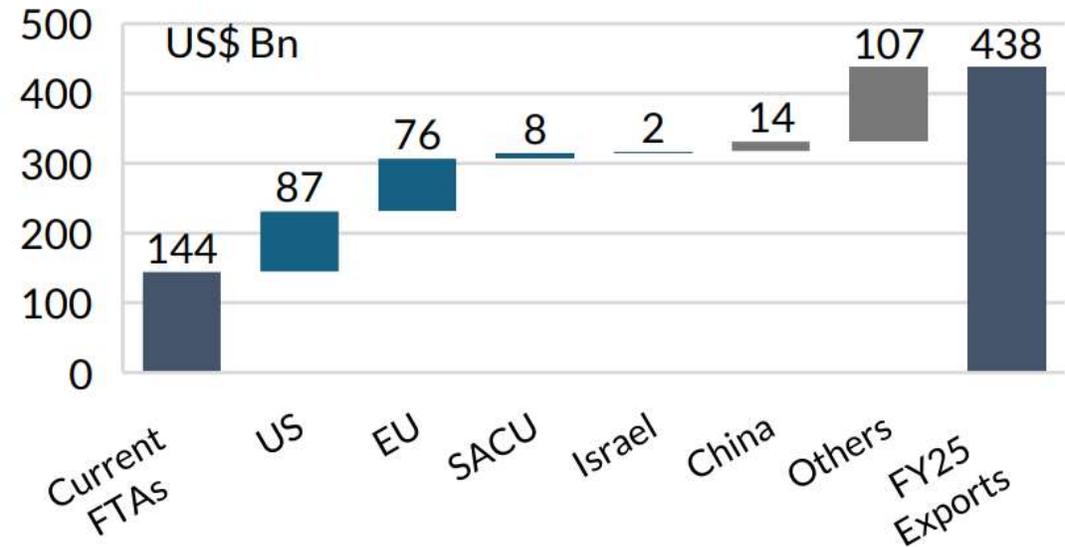
Source: White House Press Release, Petersen Institute for International Economics, Bernstein Analysis. Latest available data as February 2026. The tariffs on China are effective average tariffs accounting for suspensions during truce. Investment involves risks. Any views expressed were held at the time of preparation and are subject to change without notice. While any forecast, projection or target where provided is indicative only and not guaranteed in any way. HSBC Asset Management accepts no liability for any failure to meet such forecast, projection or target. Past performance may or may not be sustained in future and is not a guarantee of any future returns.

# Positive: Multipolar trade deals – Every setback is an opportunity in disguise (2)

- India has done 8 free trade agreement covering 37 developed countries over the past 5 years (excluding US). Further, the government is in talks with atleast 10 countries for much such bilateral or free trade agreements.
- Trade deals with EU and the US will take India's exports coverage under a trade deal to 70% for merchandise exports

Deals With Countries	Benefits
India - Mauritius (2021)	India's first-ever trade deal with Africa
India - UAE (2022)	India-UAE trade crossed \$100 billion in FY25
India - Australia (2022)	India got zero-tariff access to Australia
India - EFTA (2024/25)	Commitment of \$100 billion in FDI
India - UK (2025)	99% of Indian exports-tariff-free
India - Oman (2025)	India's biggest-ever tariff cover in the Gulf
India - New Zealand (2025)	India's fastest trade deal ever - just 9 months
India - EU (2026)	Reduce duties on 96.6% of EU goods exports

Potential 'Extensive Margin' of India's trade agreements



Source: DGCIS, Axis Bank Research, News article Latest available data as at January 2026

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# Neutral – Investment cycle remains steady

- ◆ Government capex saw an acceleration post Covid, however, is broadly moving in-line with GDP post FY24
- ◆ Power, Defence and Railways are likely bright spots for FY27. Transfer to States for capex also saw strong growth.
- ◆ There has been healthy growth in private capex in new-age sectors, however, traditional capex-heavy sector growth has been subdued. This has kept the overall private capex growth muted, despite capacity utilization levels being high.

Central Government capex growth steady



Segments (INR Bn)	FY25	FY26RE	FY27BE	FY27BE vs FY26RE (%)
Atomic Energy	124	121	100	-17%
Defense	1,706	1,974	2,310	17%
Housing and Urban Development	316	330	348	6%
Railways	2,519	2,520	2,778	10%
Road Transport and Highways	2,853	2,721	2,942	8%
Loans for Capex to States	1,495	1,500	2,000	33%
Others	1,505	1,792	1,740	-3%
<b>Budgetary capital expenditure</b>	<b>10,520</b>	<b>10,958</b>	<b>12,218</b>	<b>12%</b>
Capitalization of BSNL	719	69	285	
<b>Adjusted budgetary capital expenditure</b>	<b>9,800</b>	<b>10,889</b>	<b>11,933</b>	<b>10%</b>
IEBR	4,100	4,158	4,598	
<b>Total CAPEX</b>	<b>13,900</b>	<b>15,047</b>	<b>16,531</b>	<b>10%</b>

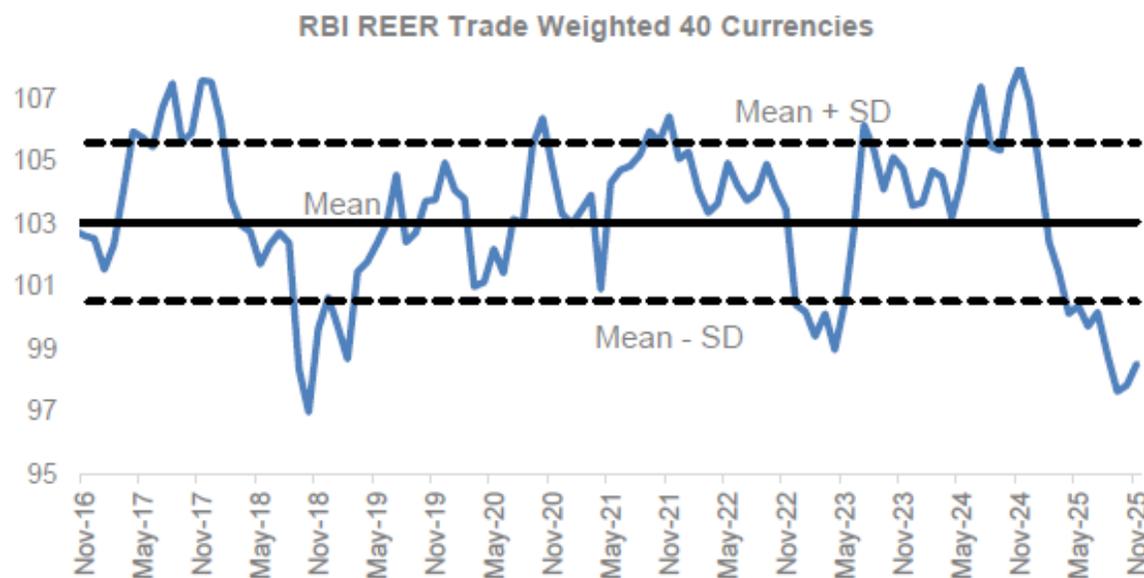
Source: Budget documents, Jefferies, HSBC Mutual Fund, Latest available data

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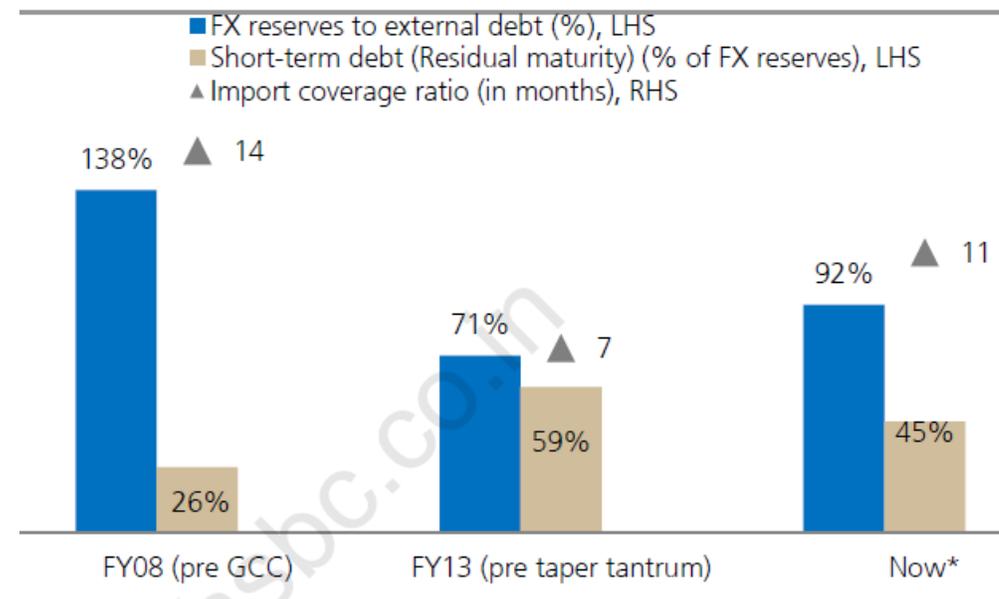
# Neutral – Bulk of INR depreciation done; external vulnerability low

- ◆ INR was one of the worst performing currencies in 2025 depreciating ~5%, despite other emerging market currencies appreciating during the same period. Weaker INR was a result of record FII outflows and concerns on the trade deal.
- ◆ On a REER basis, INR has moved below -1SD since April 2025 and now at 98 levels given the relative depreciation to its trading partners.
- ◆ External vulnerability remains low with forex reserves of more than \$700bn and covering more than 11 months of imports. Hence, there is no risk of sharp devaluation.

## INR based REER now in fair value zone



## India's external vulnerability remains contained

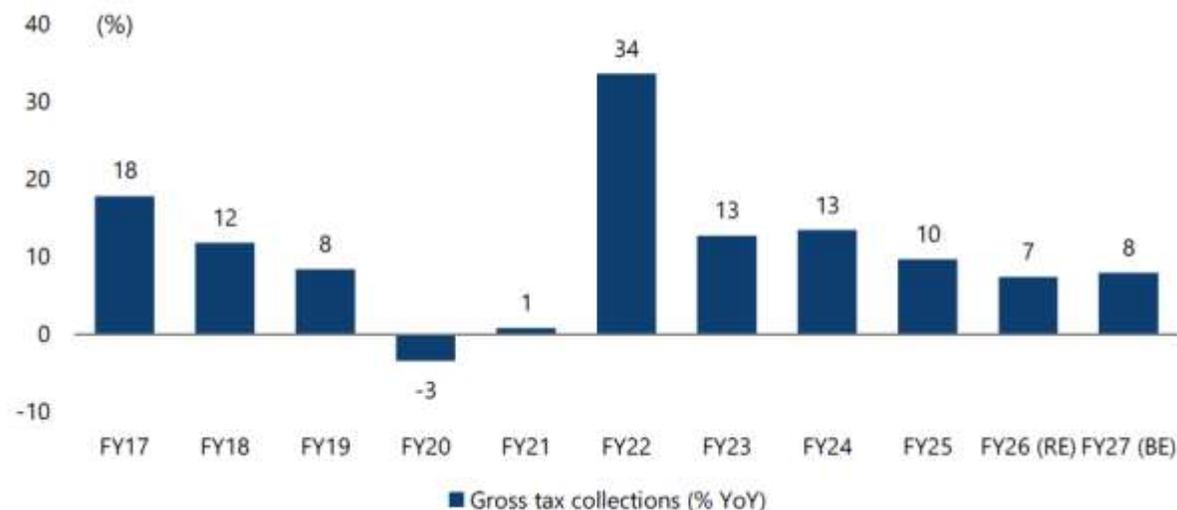


Source: CEIC, RBI, Bloomberg, Haver, UBS, Morgan Stanley Research estimates (estimate as on November 2025), HSBC Mutual Fund. External debt data as of June 2025, import cover is calculated on a 6-month trailing basis. Import data as of November 2025

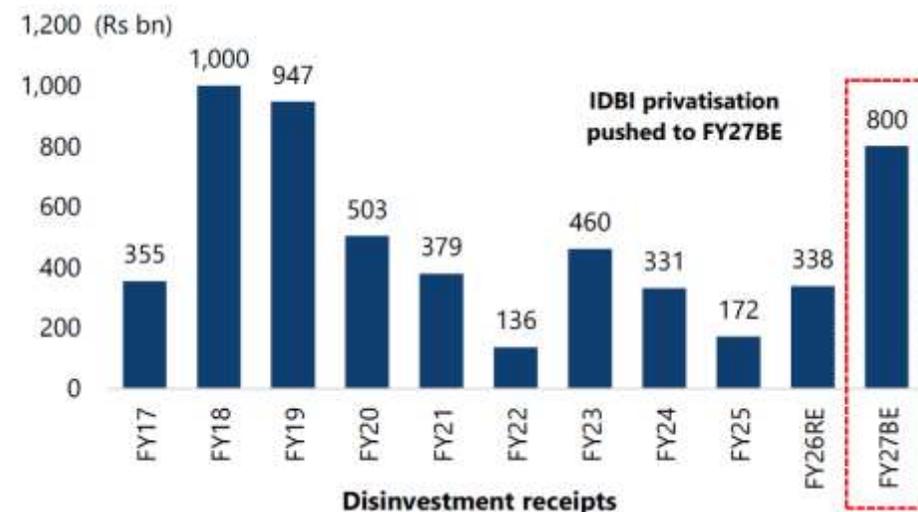
# Negative – Government revenue growth slower; boosted by non-tax revenues

- Central government's FY27 fiscal deficit (FD) pegged at 4.3% of GDP (versus 4.4% in FY26RE). The pace of fiscal consolidation has been reduced in FY27 with fiscal deficit down 10bps of GDP.
- Government's debt to GDP ratio is estimated to be 55.6% of GDP in FY27BE, down 50bps from FY26RE. The government reiterated its commitment to keep reducing its debt to attain a debt to GDP level of ~50% (+/- 1%) by March 2031 end.
- The government remains balanced on its spending towards revenue and capital expenditure. Revenue expenditure YoY growth is expected to moderate to 6.6% in FY27, while capital expenditure grew 12% YoY.

Gross tax collection growth trend



Disinvestment assumption for FY27E high



Source: Budget documents, DIPAM, Jefferies, HSBC Mutual Fund

# Crucial reforms paving the path for a structural recovery

## Bankruptcy Law

- Financial sector balance sheets are strong with impaired loans at a 12-year low to fund the capex cycle
- Corporate sector has repaired their balance sheets to bring down debt levels to a 15-year low

## Push for Manufacturing

- Production Linked Incentive Schemes (PLI) - \$34bn (around 1% of GDP) boost
- Capex push by the Government as public capex increases continuously
- Reduction of Corporate Income Tax to make them more competitive

## Startup Ecosystem

- India - the third largest start-up ecosystem in the world
- US, China and India are the countries with the maximum number of unicorns
- Growing PE and VC investments in India

## Improving liquidity conditions

- Slew of measures by RBI to boost liquidity, including rate cuts
- Transmission of front-loaded rate cut undergoing to boost credit growth

## One nation one tax (GST) simplified

- Rationalization of GST rates and simplification of the rate structure
- To support consumption and improve purchasing power
- Formalization of economy

## Labour code

- India implemented 4 comprehensive Labour Codes for Wages, Industrial Relations, Social Security, and Occupational Safety consolidating 29 central labor laws to modernize, simplify, and enhance worker protection.
- These reforms introduce universal minimum wages, gig worker recognition, digital compliance, and 8 - 12 hour workdays, aiming to balance employer flexibility with worker safety and social security.

## India Ratings Upgrade

Various rating agencies have raised India's long-term sovereign credit rating. Signifies strengthened fiscal management & commitment to meet fiscal deficit target.

Source: Gol, Bloomberg, HSBC Mutual Fund, Data as at Dec 2025 or latest available. 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 Strategy/portfolio may or may not have any existing / future position in these sector(s)/stock(s)/issuer(s).

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# Equity Market outlook



## Jan - Feb were amongst low performance months for Indian equities

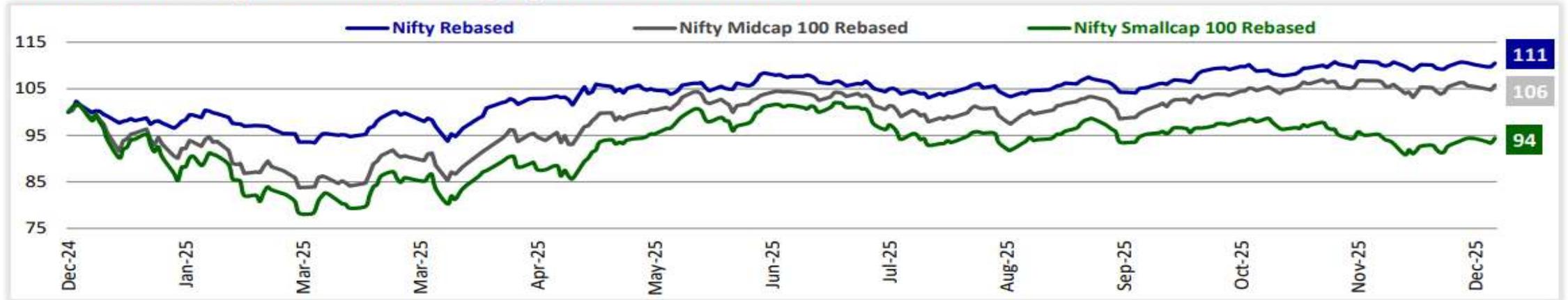
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2005	5.8	2.5	10.7	4.6	(13.7)	1.9	0.5	8.6	5.1	4.3	5.6	0.3
2006	2.9	(8.3)	2.0	7.0	5.1	0.5	4.9	(1.4)	12.5	17.5	(2.3)	6.5
2007	(16.3)	1.7	(9.4)	9.1	(5.7)	(17.0)	7.2	0.6	(10.1)	(26.4)	(4.5)	7.4
2008	(2.9)	(3.9)	9.3	15.0	28.1	(3.6)	8.1	0.6	9.1	(7.3)	6.8	3.4
2009	(6.1)	0.8	6.6	0.6	(3.6)	4.5	1.0	0.7	11.6	(0.2)	(2.6)	4.6
2010	(10.3)	(3.1)	9.4	(1.4)	(3.3)	1.6	(2.9)	(8.8)	(1.2)	7.8	(9.3)	(4.3)
2011	12.4	3.6	(1.7)	(0.9)	(6.2)	7.2	(1.0)	0.6	8.5	(1.5)	4.6	0.4
2012	2.2	(5.7)	(0.2)	4.4	0.9	(2.4)	(1.7)	(4.7)	4.8	9.8	(2.0)	2.1
2013	(3.4)	3.1	6.8	(0.1)	8.0	5.3	1.4	3.0	0.1	4.5	3.2	(3.6)
2014	6.4	1.1	(4.6)	(3.7)	3.1	(0.8)	2.0	(6.6)	(0.3)	1.5	1.6	(0.1)
2015	(4.8)	(7.6)	10.8	1.4	4.0	1.6	4.2	1.7	(2.0)	0.2	(4.7)	(0.5)
2016	4.6	3.7	3.3	1.4	3.4	(1.0)	5.8	(1.6)	(1.3)	5.6	(1.1)	3.0
2017	4.7	(4.9)	(3.6)	6.2	(0.0)	(0.2)	6.0	2.9	(6.4)	(5.0)	4.7	(0.1)
2018	(0.3)	(0.4)	7.7	1.1	1.5	(1.1)	(5.7)	(0.9)	4.1	3.5	1.5	0.9
2019	(1.7)	(6.4)	(23.3)	14.7	(2.8)	7.5	7.5	2.8	(1.2)	3.5	11.4	7.8
2020	(2.5)	6.6	1.1	(0.4)	6.5	0.9	0.3	8.7	2.8	0.3	(3.9)	2.2
2021	(0.1)	(3.2)	4.0	(2.1)	(3.0)	(4.9)	8.7	3.5	(3.7)	5.4	4.1	(3.5)
2022	(2.5)	(2.0)	0.3	4.1	2.6	3.5	2.9	(2.5)	2.0	(2.8)	5.5	7.9
2023	(0.0)	1.2	1.6	1.2	(0.3)	6.6	3.9	1.1	2.3	(6.2)	(0.3)	(2.0)
2024	(0.6)	(5.9)	6.3	3.5	1.7	3.1	(2.9)	(1.4)	0.8	4.5	1.9	(0.3)
2025	(0.6)	(1.0)	1.4	2.8	1.7	0.8	2.9	(0.6)	2.3	0.3	1.4	2.0
Positive instances	7	10	15	15	13	14	17	14	14	14	12	15
% of instances	33%	48%	71%	71%	62%	67%	81%	67%	67%	67%	57%	71%

Source: Bloomberg. Latest available data as at December 2025, Note : Views provided above are based on information available in public domain at this moment and subject to change. Investors should not consider the same as investment advice. Please consult your financial advisor for any investment decision. Past performance may or may not be sustained in future and is not a guarantee of any future returns.

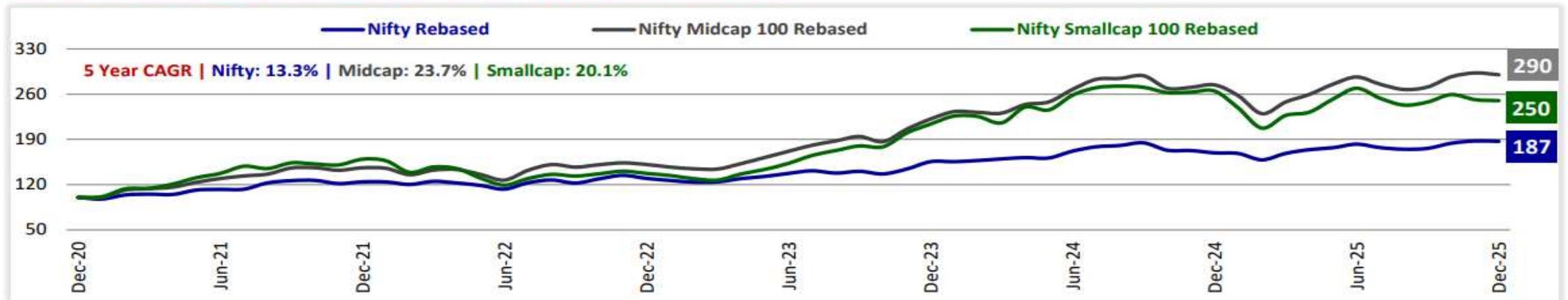
# Market cap performance across time frames

- During 2025, Small caps declined 6%, underperforming Large caps and Midcaps, which rose 11% and 6%, respectively.
- However, over the last five years, Mid caps and Small caps have significantly outperformed Large caps by 103% and 63% respectively.

**Performance of midcaps and smallcaps vs. largecaps over the last 12 months**



**Performance of midcaps and smallcaps vs. largecaps over the last five years**



Source: Bloomberg, Motilal Oswal Research, HSBC Mutual Fund, Data as at Dec 2025. 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 Strategy/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.

## Correction is much deeper and painful at broader market spectrum

Performance from recent 52W high

Nse 500	Nifty 500	Large Cap	Mid cap	Small cap
Above 50% fall	14	0	1	13
% of respective category	3%	0%	1%	5%
Above 30%-50% fall	94	4	20	70
% of respective category	19%	4%	13%	28%
Above 20% - 30% fall	132	17	39	76
% of respective category	26%	17%	26%	30%
Above 10%-20%	135	27	43	65
% of respective category	27%	27%	29%	26%
Above 0-10% fall	125	46	40	39
% of respective category	25%	46%	27%	16%

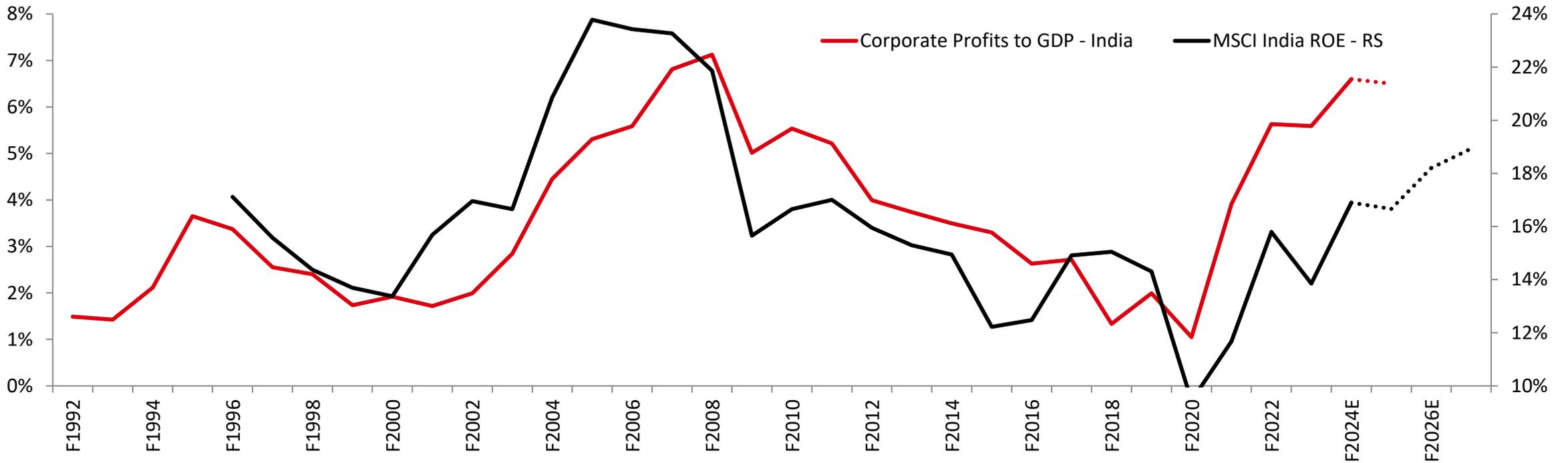
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# Corporate profit to GDP closer to all-time highs with improving RoEs

- ◆ Strong long-term correlation between GDP growth and corporate earnings
- ◆ The representation of corporate profits to GDP is closely following profitability measured by ROE

Corporate profits to GDP (%)

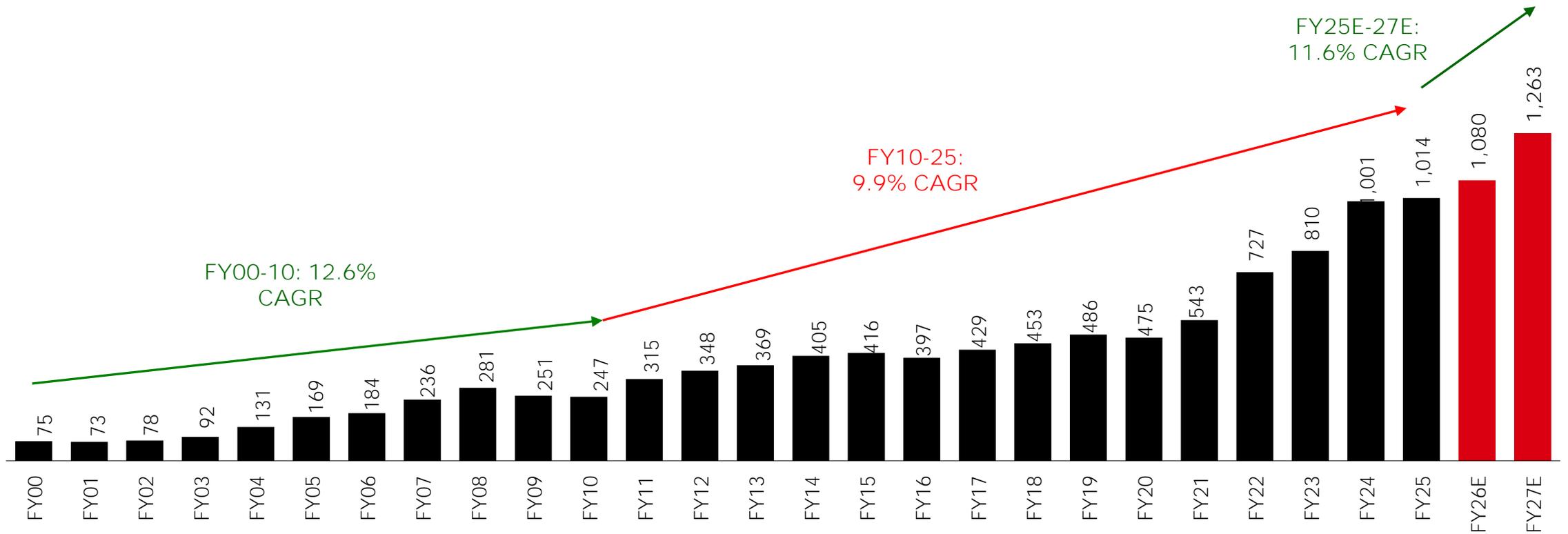


Source: RIMES, Worldscope, MSCI, CMIE, CEIC, Morgan Stanley Research (e) estimates, data as of December 2025

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# Corporate earnings to grow teens on low base

- ◆ Nifty 50 earnings delivered 11% CAGR over the period FY 2000-25
- ◆ Earnings growth to reaccelerate on a low base of FY25 with 12% growth over FY25-FY27 as per recent projections

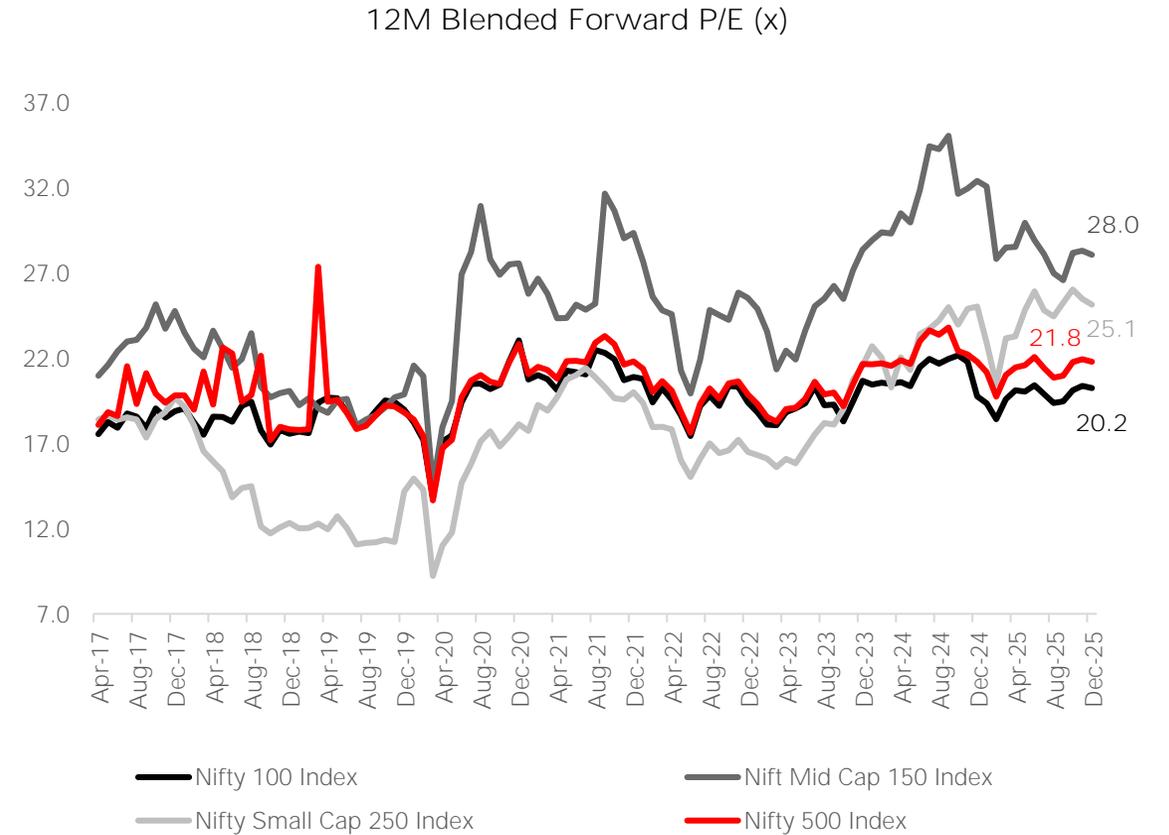
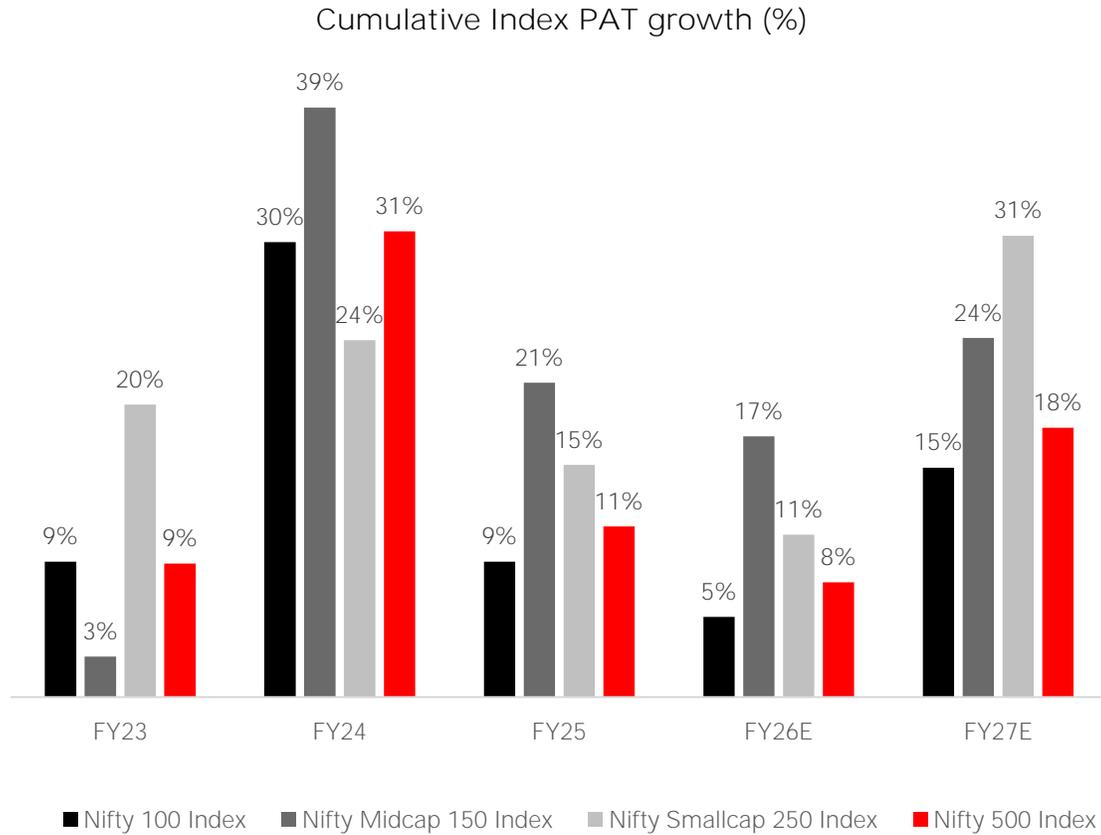


Source: MOSL, Bloomberg, Data as on 3 February 2026.

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# Growth pick up likely to happen across categories; valuations have corrected from peak



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# Earnings - FY27 expect much brighter earnings growth view across key sectors

Expect Nifty EPS to grow 9%/16% in FY26/27 respectively

## Banks and NBFCs

- NIMs have bottomed out in FY26 and will improve in FY27.
- Private banks asset quality will also improve driving a mid-teens earnings growth in FY27 after a slow FY26.
- NBFCs to deliver strong earnings growth driven by strong demand and improving margins on declining interest rates.

## Consumer staples

- Revival in earnings growth driven by GST reduction related volume growth.
- Commodity inflation is behind, helping drive double digit earnings growth.

## Consumer Discretionary (Internet, Retail, Autos) –

- Internet platforms benefit from strong shift in consumer behaviour towards Q-com.
- Strong 20%+ growth likely for Jewellery. Autos to also deliver mid-teens growth supported by GST cut related demand boost.

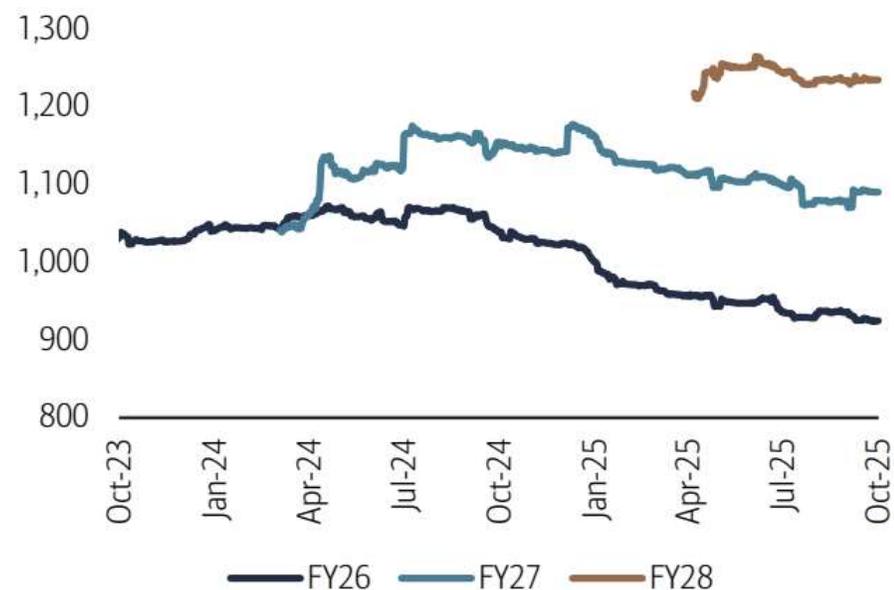
## IT

- FY27 earnings growth likely to be near double digits supported by increased Gen AI adoption and INR depreciation.
- Impact of Gen AI related price deflation already felt in FY26.

## Metals

- Aluminum is in a tight demand supply scenario globally.
- Steel price are also close to bottom with China prices in ~\$450/tn.
- Sector earnings are highly volatile but seems well placed for strong growth in FY27.

Broader NSE 500 EPS forecast also showing signs of stabilization

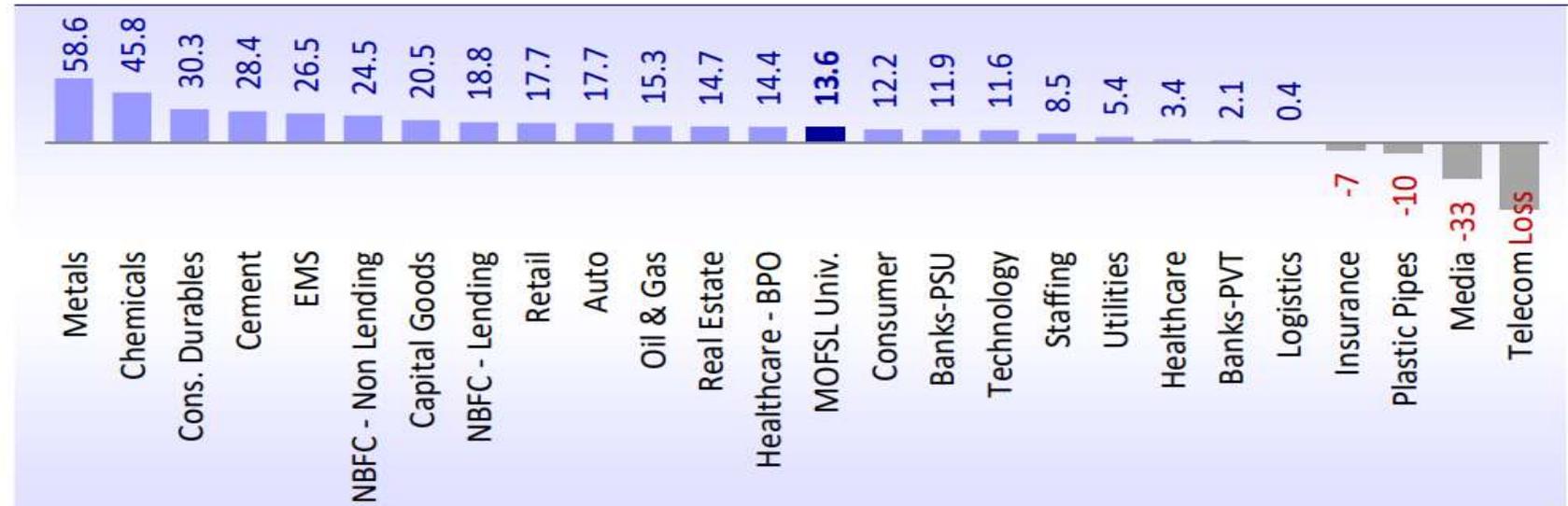


Source: Bloomberg, BofA Global Research estimates, HSBC Mutual Fund, Late. The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy 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. Latest available data as at December 2025. Note: PAT is weighted by free float market cap

# Earnings season scorecard – 3QFY26

- ◆ Earnings of 31 Nifty companies that have declared results so far have grown 7% YoY (vs. est. of +8% YoY), driven by HDFC Bank, TCS, Infosys, L&T, and Maruti. **Conversely, Cipla, ICICI Bank, and Interglobe Aviation dragged Nifty earnings lower. Six companies within the Nifty reported lower-than-expected profits**, while seven recorded a beat, and eighteen registered in-line results.
- ◆ Mid-caps (63 companies) have delivered earnings growth of 14% YoY although **lower than anticipation** dragged by Private Banks, Metals, Logistics, and Automobiles.
- ◆ Small-caps (86 companies) delivered in-line performance, underlying our belief that earnings are on upward trajectory from here on. Reported earnings grew by 24% YoY supported by Automobile, Cap goods, Durables, NBFC, EMS and Logistics.

**Of the 25 major sectors, 21 have experienced a YoY profit growth**



Source: MSOL, data as of Feb' 2026

Investment involves risks. Past performance does not predict future returns. Any views expressed were held at the time of preparation and are subject to change without notice. While any forecast, projection or target where provided is indicative only and not guaranteed in any way. HSBC Asset Management accepts no liability for any failure to meet such forecast, projection or target. For illustrative purpose only

# Issuances and FII outflows weigh on equity markets

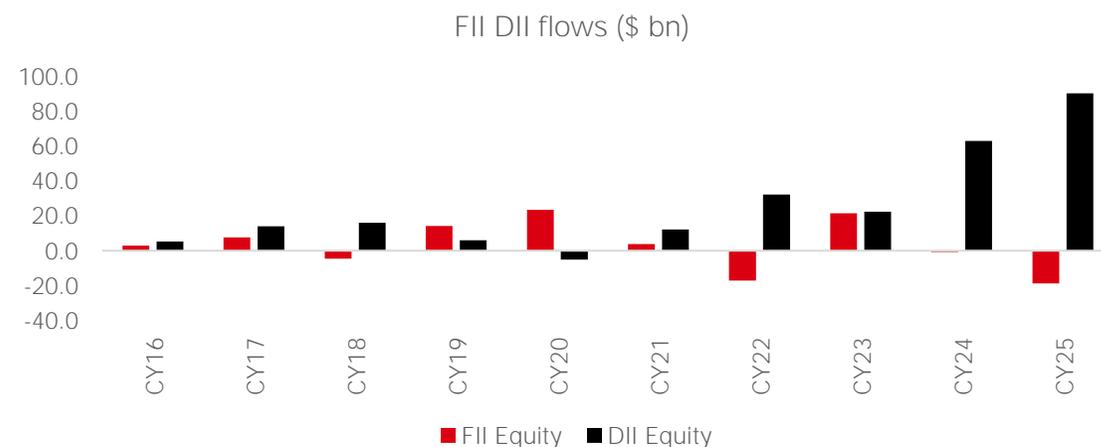
- During CY25, Indian equity markets have seen supply of ~\$70bn from IPO's or Promoters/ PEs blocks or QIPs.
- This, along with FII selling of \$19bn, has cumulatively sucked out nearly \$90bn from the equity markets.
- DII flows have offset this impact pumping ~\$90bn of inflows over the same period.
- We have a busy pipeline of upcoming IPOs which might result in healthy supply in the equity market.

Year	FII net flows (USD bn)	Nifty 50 Index	Midcap 100 Index	Smallcap 100 Index
CY08	-12.9	-52%	-59%	-71%
CY11	-0.5	-25%	-31%	-34%
CY18	-4.6	3%	-15%	-29%
CY22	-17.0	4%	4%	-14%
CY25	-18.8	12%	7%	-5%

Equity supply (US\$ bn)



Strong domestic inflows heavily outweighs FII selling (US\$ bn)



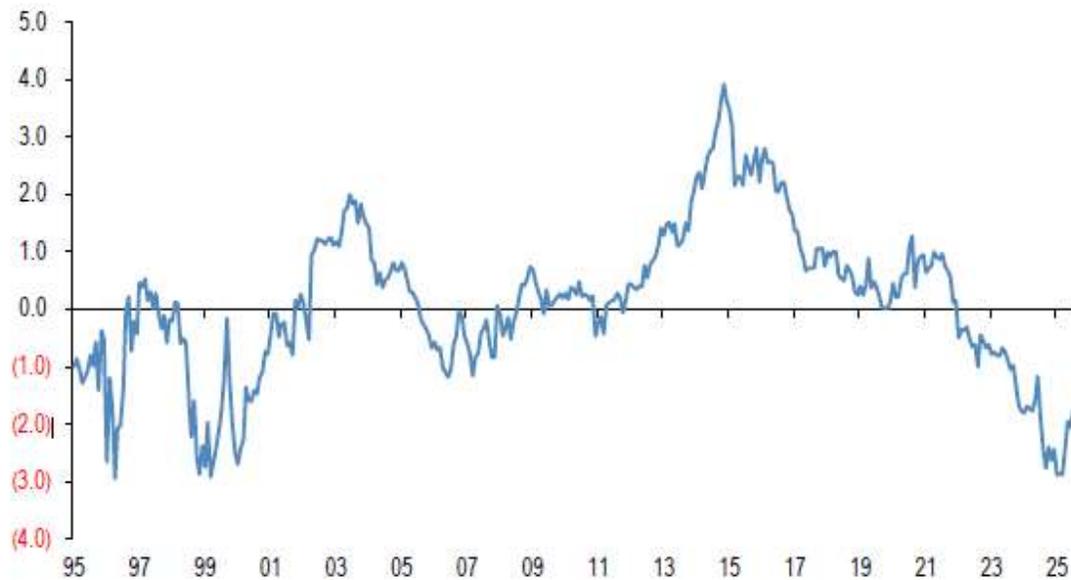
Source: NSE, BSE, Bloomberg, Prime Database, Jefferies, HSBC Mutual Fund, Latest available data as at December 2025, Note : Views provided above are based on information available in public domain at this moment and subject to change. Investors should not consider the same as investment advice. Please consult your financial advisor for any investment decision. Past performance may or may not be sustained in future and is not a guarantee of any future returns.



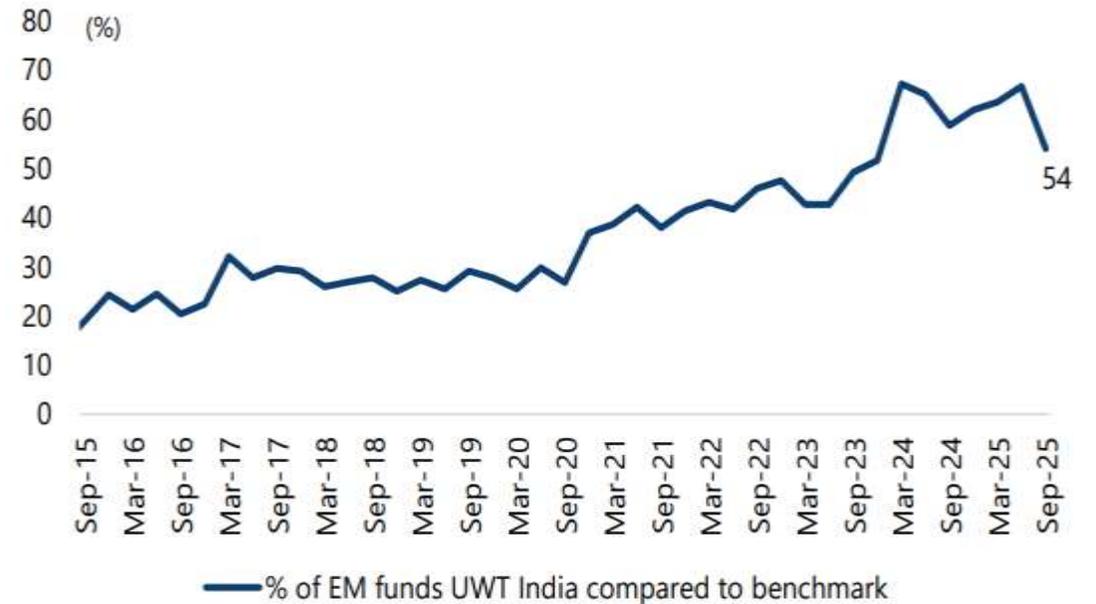
# FII positioning in India close to weakest ever

- India's weight in Global Emerging Market Funds (relative to India's weight in MSCI EM) closer to lowest point over the past 25 years
- More flows into Emerging markets as investors diversify out of US into EM on back of a weaker dollar
- Announcement of US trade deal could be a key potential catalyst

India average weight relative to MSCI benchmark in EM funds (%)



Percentage of funds UW on India compared to benchmark\*

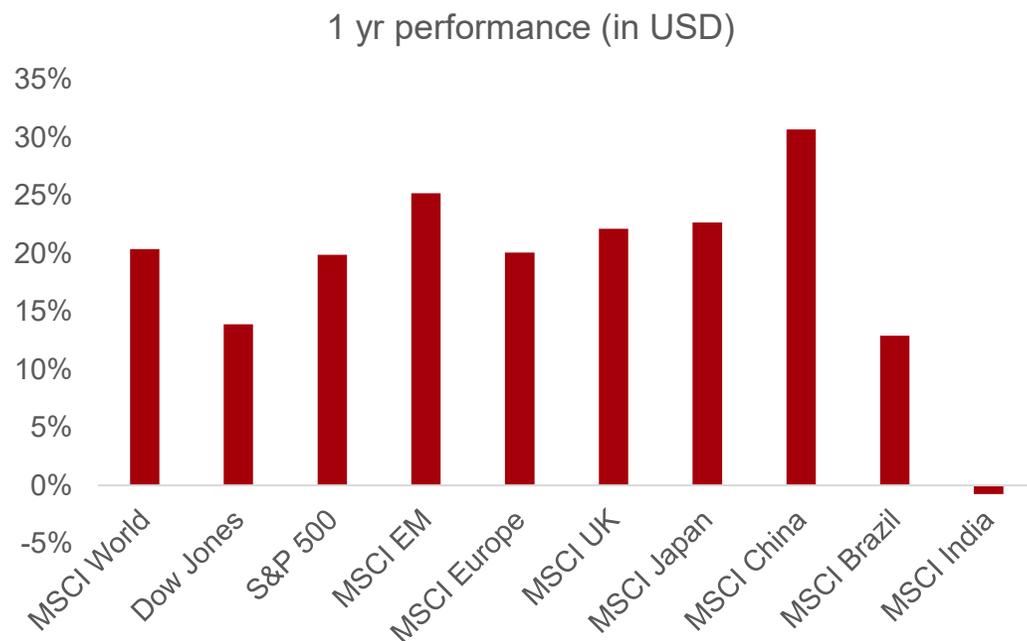


Source: MSCI, Refinitiv, EPFR Global, J.P. Morgan, Bloomberg, Jefferies, HSBC Mutual Fund. Latest available data as at December 2025. Sample of 63 large EM active funds with combined AUM of US\$310bn

# India looks relatively well-placed at current levels

- MSCI India has underperformed MSCI EM by 33ppt in the past 12 months (till Dec'25). Empirically, such underperformance have been succeeded by positive returns over the next 12 months.
- More flows into Emerging markets as investors diversify out of US into EM on back of a weaker dollar. US trade deal could be a key potential catalyst.

India has underperformed other major equity markets  
**(1 yr till Oct'25)**



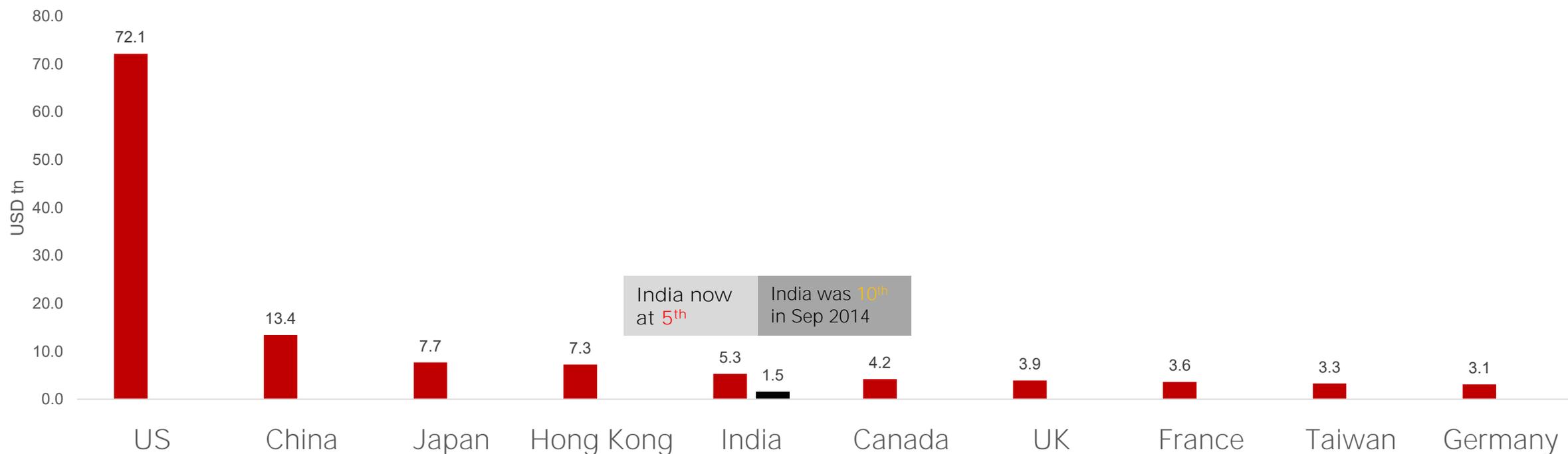
Rolling 365 days MSCI India OPF/(UPF) to MSCI EM



## Equity markets have kept pace with growing economy

- ◆ Indian equity markets are now 5<sup>th</sup> largest equity market in the world and briefly surpassed Hong Kong few months back.
- ◆ Decade ago, Indian equity markets were 10<sup>th</sup> largest with a size of US\$1.5 trillion.

The world's largest exchanges by countries (US\$ tn)



Source: Bloomberg, Data as at December 2025

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# Key pillars for growth



# Key pillars for growth

## 1 Consumption

- ◆ Taxation benefits - GST rate cuts and simplified GST structure; personal income tax cuts
- ◆ Lower inflation and higher disposable income
- ◆ Premiumization
- ◆ Formalization of economy (Unorganized to Organized movement)
- ◆ Improving penetration across discretionary categories
- ◆ Urbanization
- ◆ Nuclearization

## 2 Digitalization/ Platforms

- ◆ Higher smartphone and internet penetration with low data costs
- ◆ Convenience with faster access
- ◆ Scalability with low marginal costs
- ◆ Wide variety of choices
- ◆ Personalized selection and better customer targeting
- ◆ Rich data history along with data mining capabilities
- ◆ Network effect

## 3 Manufacturing and Infrastructure

- ◆ Rising power demand
- ◆ EMS (Equipment Manufacturing services)
- ◆ Indigenization in defence
- ◆ Government incentives and policies like PLIs, low corporate tax rate and tax rationalization (inverted duty structure)
- ◆ Certification standards for specific sectors
- ◆ Better connectivity with expenditure across various industries like roads, railways, airports, telecom, etc.
- ◆ Ease of doing business

## 4 Financialization

- ◆ Financial inclusion
- ◆ Faster growth of Ultra High Net-worth Individuals
- ◆ Investment into Digitisation ensuring ease of use, efficiency and protection
- ◆ Improved financial literacy
- ◆ High gross national savings
- ◆ Better asset quality and stronger balance sheet of financials and NBFCs

Source: HSBC Asset Management, Data as at December 2025, 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 Strategy/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.

# 'India 123' – True lens of Indian consumer stack

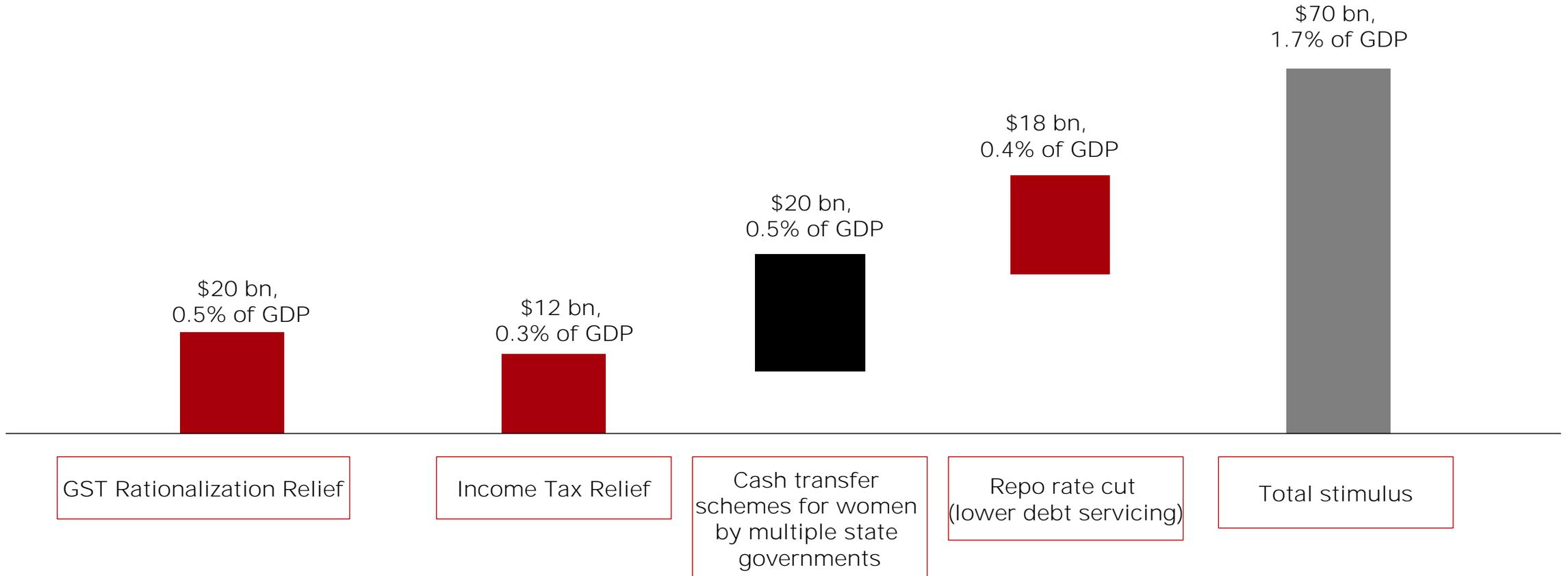
<p><b>India 1</b></p>	<p><b>The Consuming Class</b></p>	<p><b>30mn HH 140 mn people</b></p>	<p>\$15K per person (2/3<sup>rd</sup> share of discretionary spends)</p>	<p>iPhone (10m users), Netflix (~500k paid subscribers) and Amazon Prime (10m members), Demat Accounts</p> <p>Global Lifestyle, Premium Housing &amp; Cars, International Trips, replacing Electronics every alternate year, have Wealth RMs</p>
<p><b>India 2</b></p>	<p><b>The Aspirant Class</b></p>	<p><b>70mn HH 300 mn people</b></p>	<p>\$3K per person (1/3<sup>rd</sup> share of discretionary spends)</p>	<p>15L+ Car, Short-haul International trip, Dining Out/Food Delivery, Credit card users, Mutual Fund Investors</p> <p>Global Lifestyle, Comfortable House, Private schools, Just affluent enough to have staff, replacing Electronics every 3-4 years</p>
<p><b>India 3</b></p>	<p><b>The Less Monetisable Class</b></p>	<p><b>205mn HH 1000 mn people</b></p>	<p>\$1K per person (slightly negative share of discretionary spends)</p>	<p>No savings or take debt, Secondhand user, Rented House, Wedding spends are the only form of spends.</p>

Source: Blume Ventures, HSBC Asset Management. For illustration purpose only. <https://blume.vc/reports/indus-valley-annual-report-2025>

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# India: Consumption stimulus impact could be huge over coming years

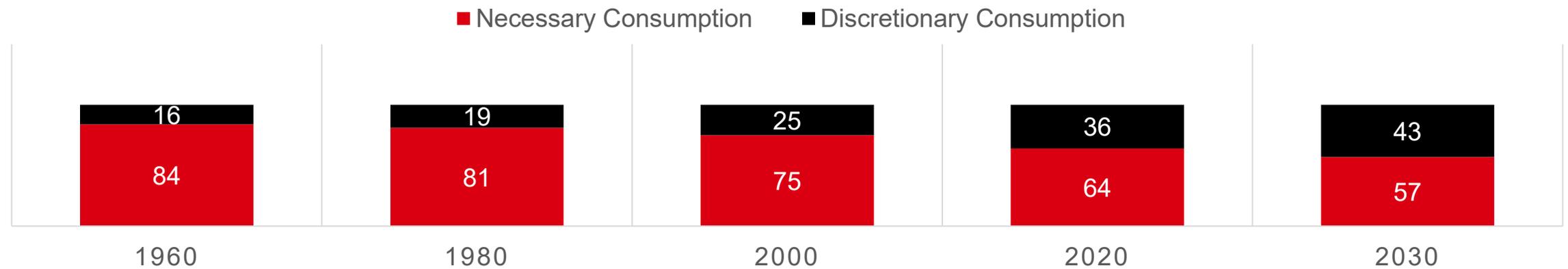
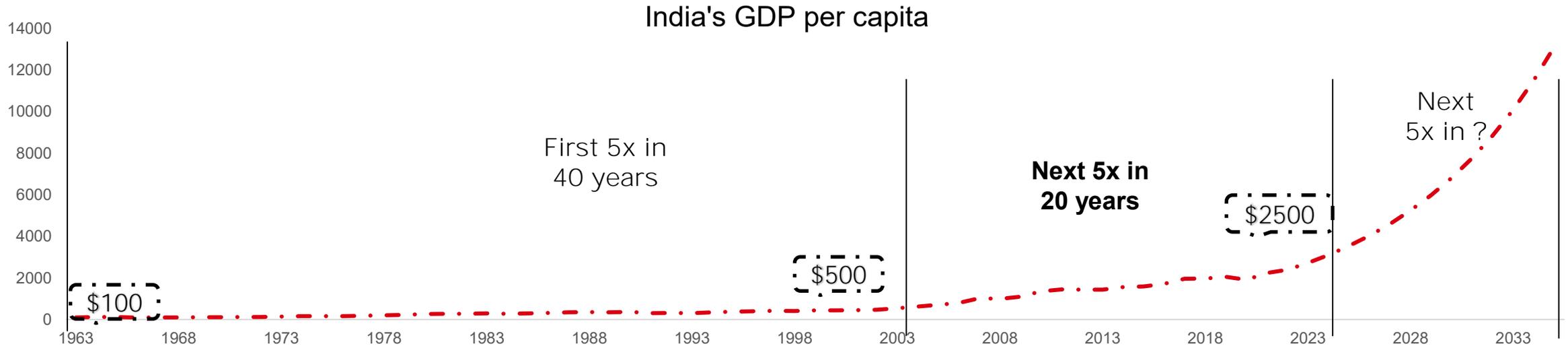
Net stimulus of around USD 70 bn to bolster growth



Source : UBS, HSBC Mutual Fund, Latest available data as at December 2025, Past performance may or may not be sustained in the future and is not indicative of future results. Note : Views provided above are based on information available in public domain at this moment and subject to change. Investors should not consider the same as investment advice. Please consult your financial advisor for any investment decision. 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).

# Consumption basket is at an inflection point

Wallet share moving towards discretionary spends



Source: World bank, NBS of PRC, Bloomberg, Euromonitor, Latest available data updated, Data as on 31 Mar 2025

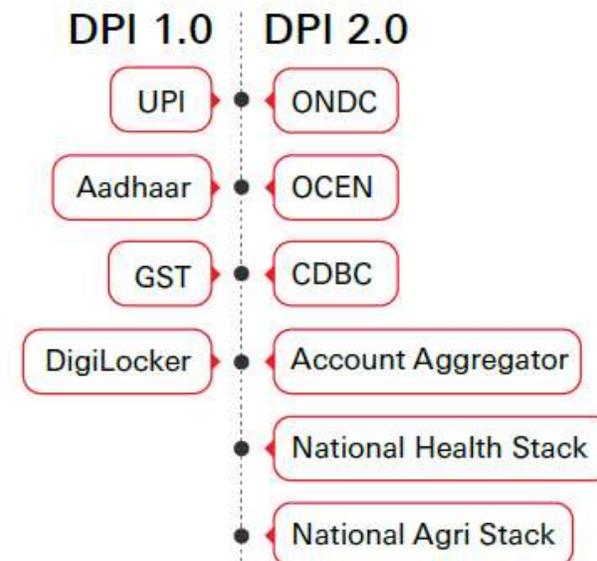
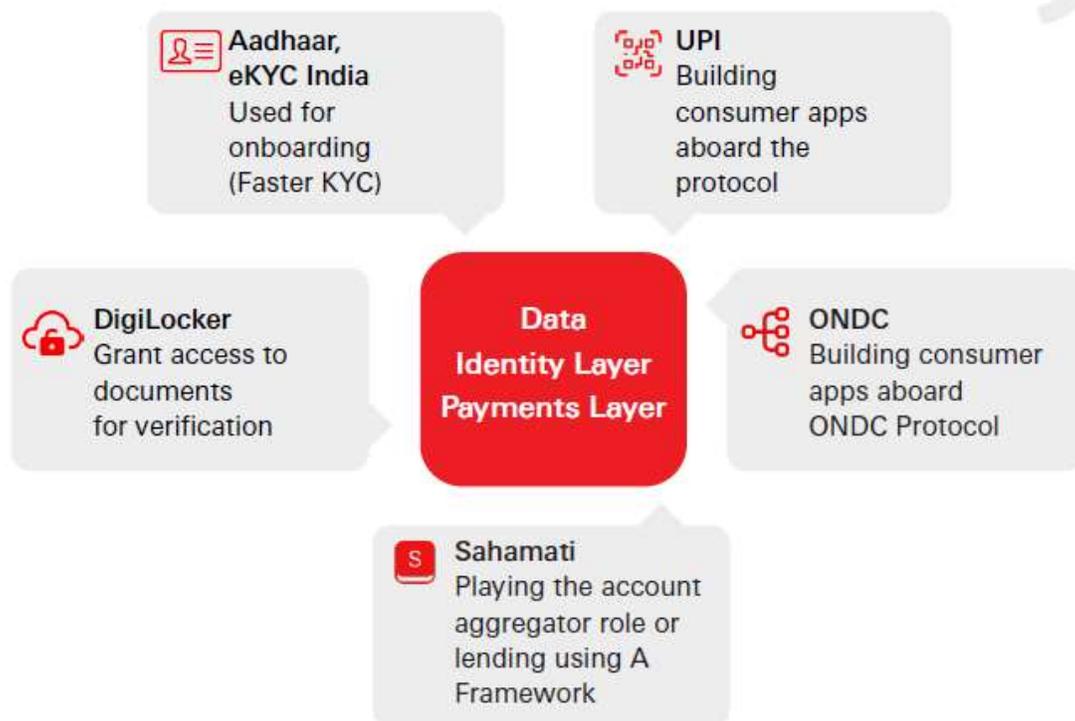
Source: BOFA, MOSPI, Morgan Stanley Research, Bloomberg. For illustration purpose only.

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# Government initiatives have accelerated the pace of growth in the sector

“It took us 6 years to get to our first 60k customers, each of whom had to sign and courier 40+ pages of forms and wait for days. We got to 1 crore customers in the next 6 years, entirely eliminating paper in the process. This was enabled by eKYC, digital signatures (esigns) and digital documents (Digilocker)”

– Founder & CEO at leading online brokerage firm



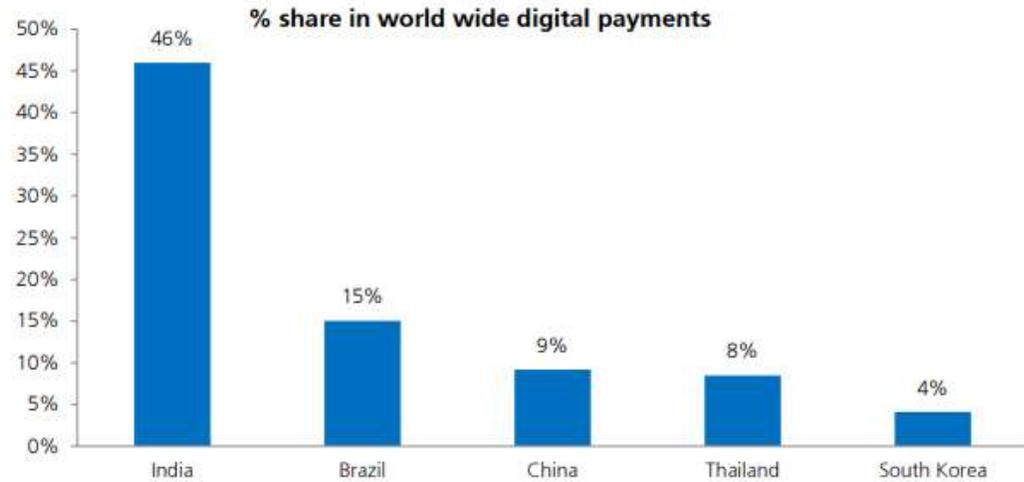
Transformed India's financial landscape, driving innovation and inclusion.

The next wave of innovation across sectors will be driven by this initiative.

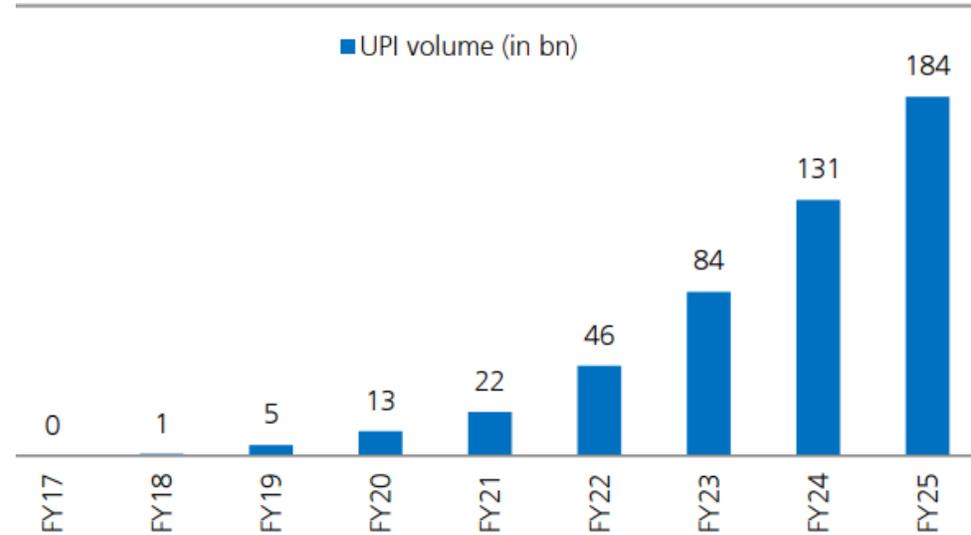
Sources: Beams Internal analysis, HSBC Mutual Fund. The above information is for illustrative purposes only. UPI - Unified Payments Interface, ONDC - Open Network for Digital Commerce, OCEN - Open Credit Enablement Network, CDDBC - Central bank digital currency, DPI – Digital Public Infrastructure. The 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.

# Digital payments have been key enabler for e-transactions

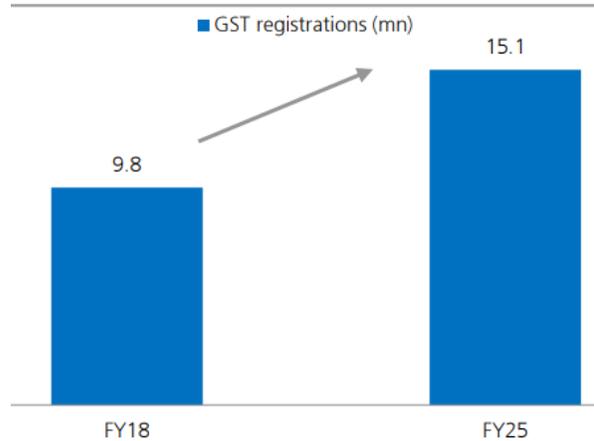
## India leading in digital payments



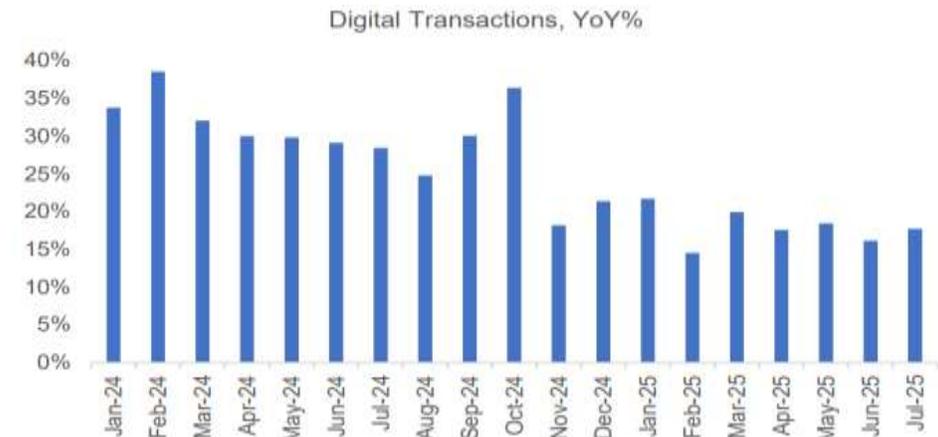
## UPI transactions saw exponential growth



## GST registrations driving formalization



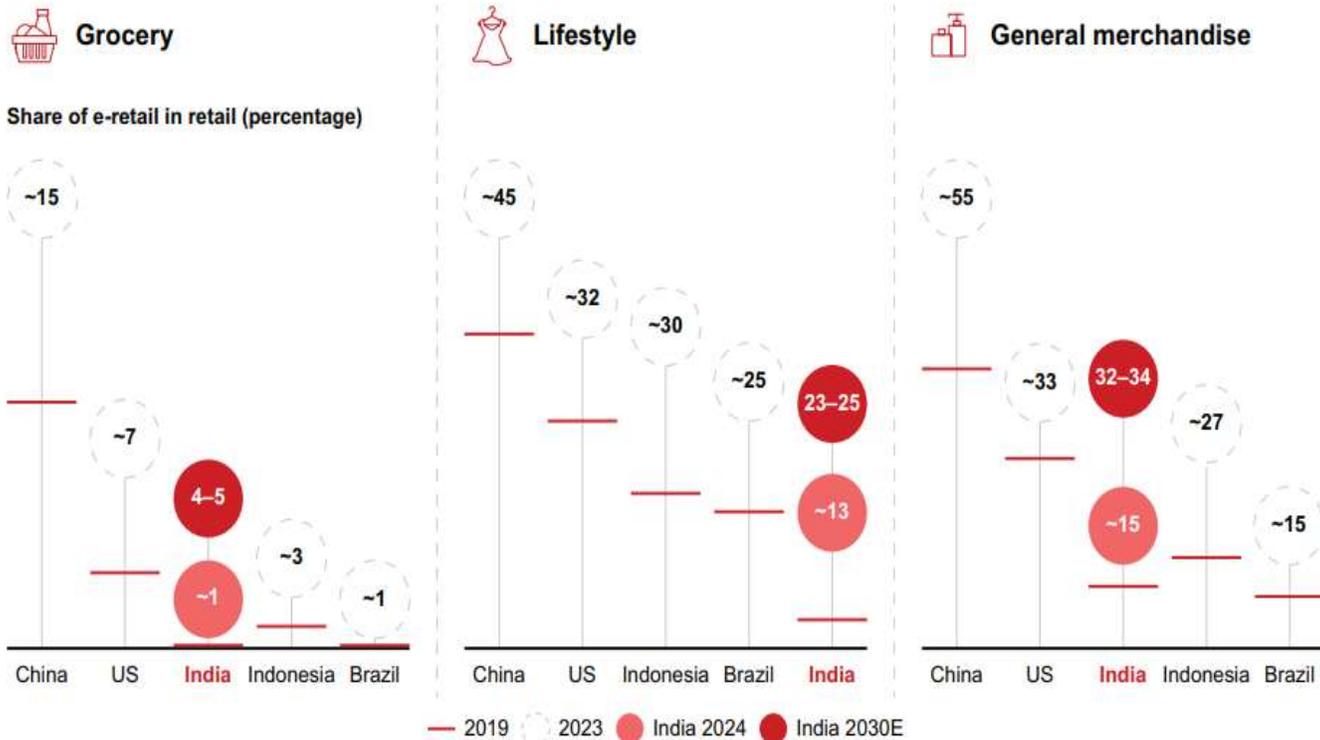
## Digital retail transaction growth has been strong



Source: Source: World Bank, IMF, ITU, Global Findex database, NPCI, GSTN, RBI, UIDAI, UBS, Morgan Stanley Research. Latest available data as at December 2025. 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. E refers to estimated.

# E-commerce and Quick commerce to see higher penetration and strong growth

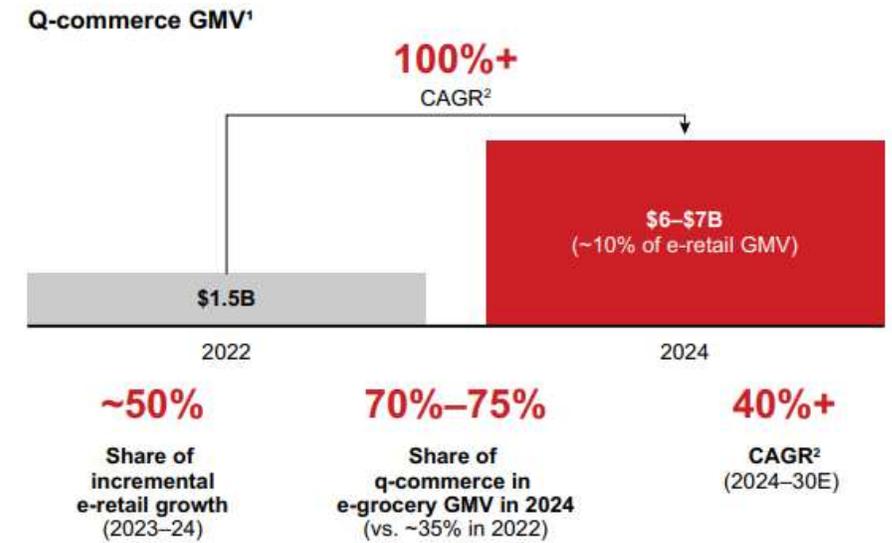
2-4x jump in penetration in high-frequency categories



## Q-COMMERCE

Key levers for q-commerce evolution over next three years:

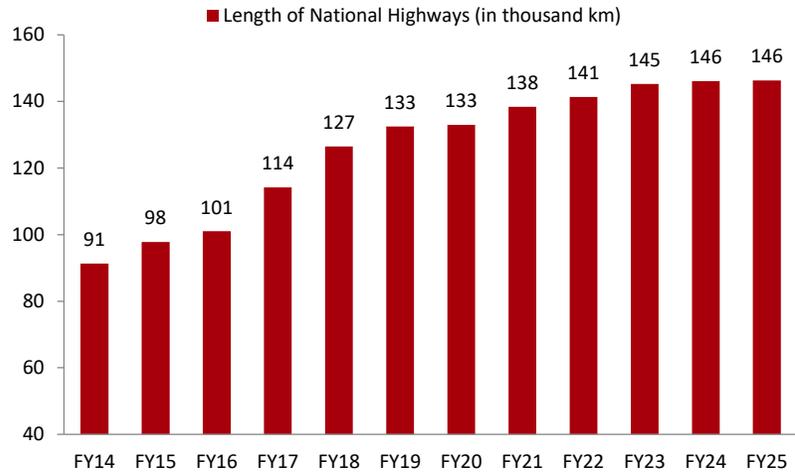
- Category scale-up (growth beyond grocery)
- Geographic footprint expansion
- Relevance across shopper segments
- Selection expansion (beyond legacy, national brands)



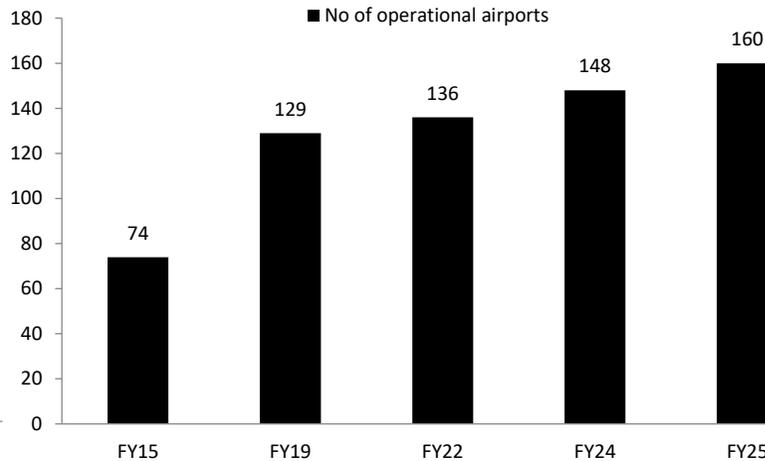
Source: Forrester; GlobalData; EMarketer; Company filings; Analyst reports; Market participant interviews; Bain analysis. Note: 1) Gross merchandise value at exchange rate: 1 USD = INR 82.6; 2) Compound annual growth rate, Latest available data as at December 2025. The above information is for illustrative 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.

# India's US\$1 trillion infrastructure building spree; core driver of India's growth story

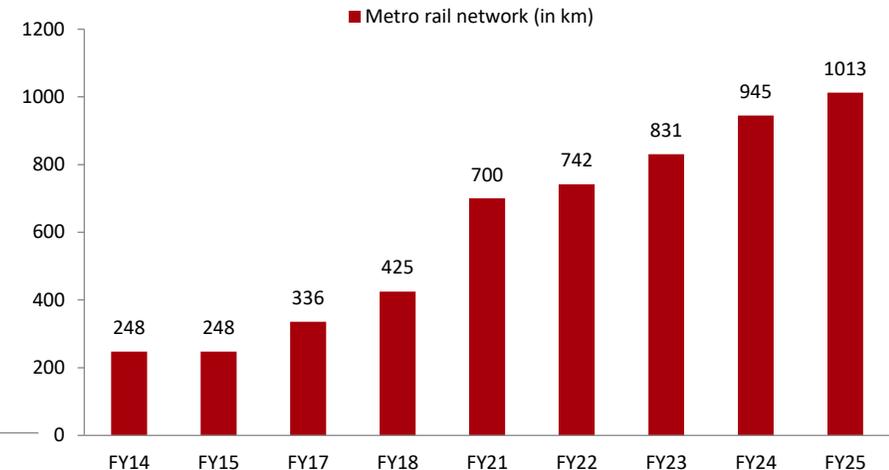
Roads: 28 km of roads being constructed every day



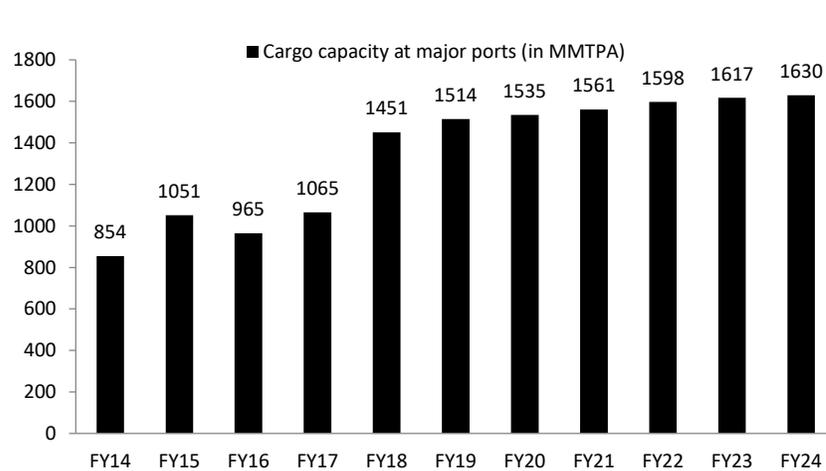
Aviation: 9 Airports are built every year



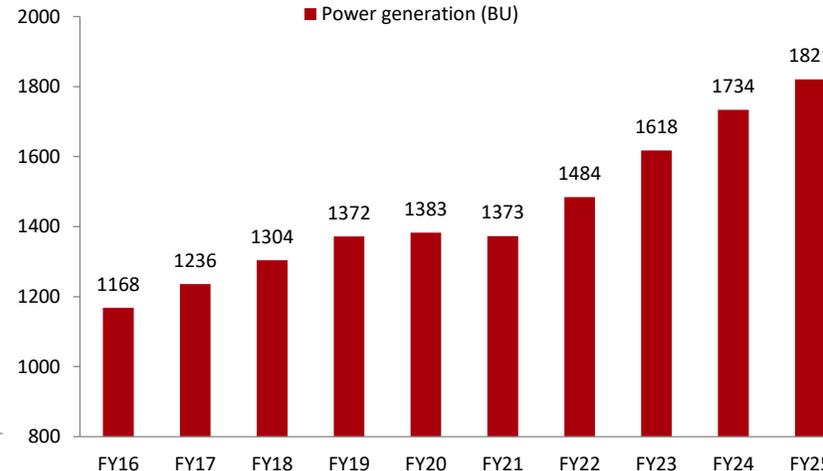
Metro rail: Network expanded 4x



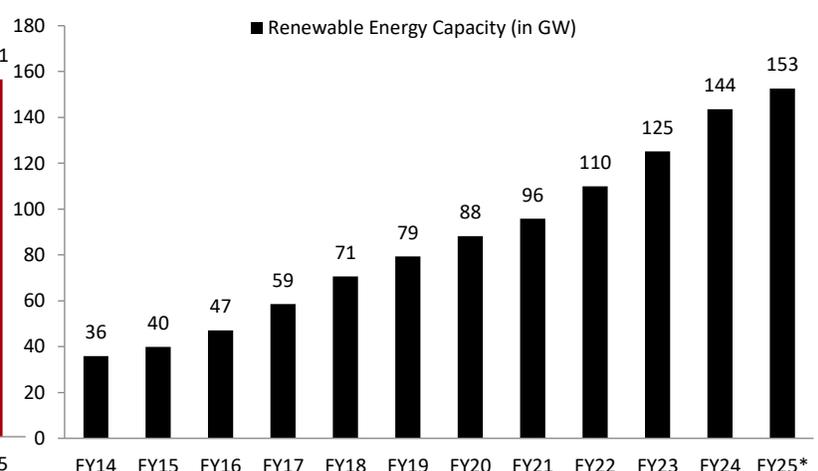
Port capacity increased c60% since FY14



Power generations increased significantly



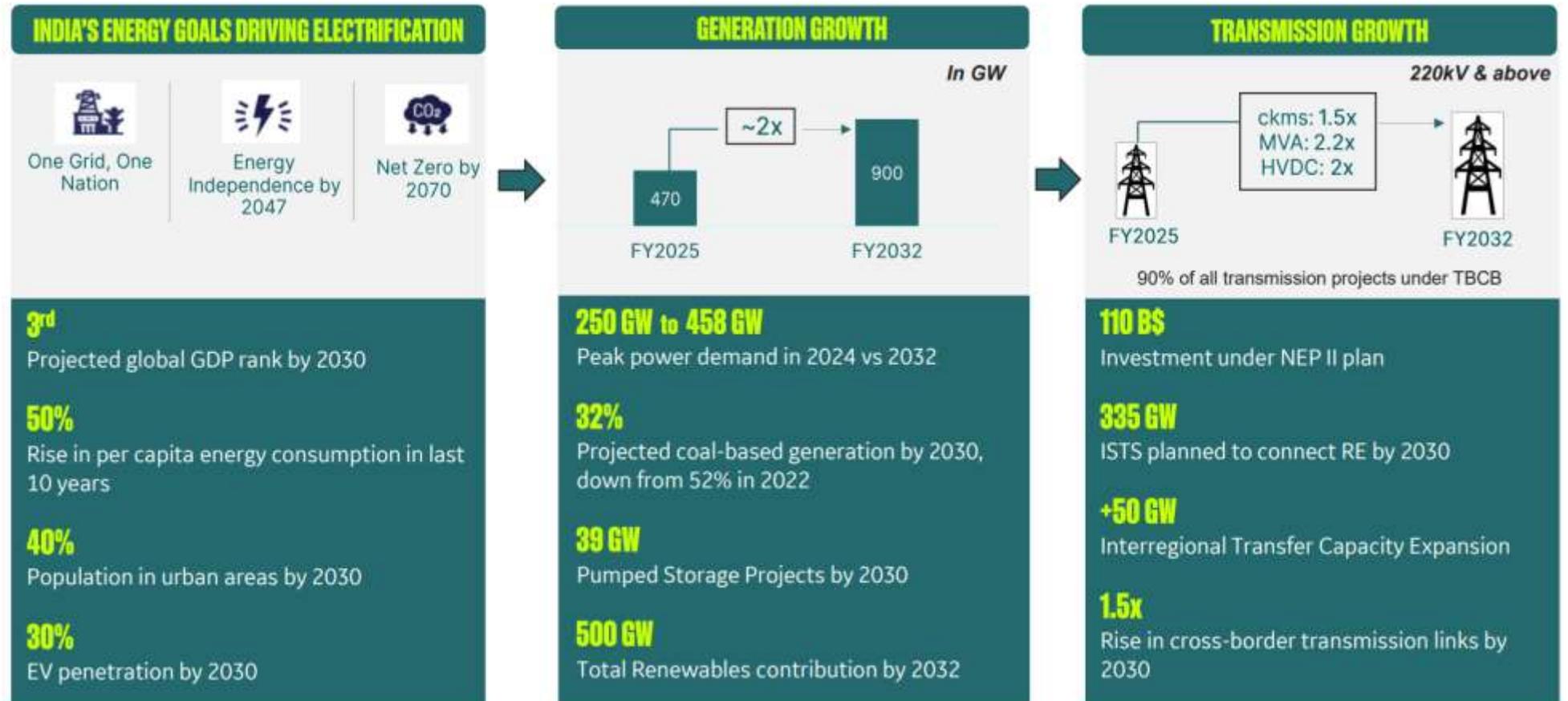
Renewable energy: now 42% of total energy capacity



Source: UBS, Ministry of Civil Aviation, Press Information Bureau, Ministry of New and Renewable Energy, Ministry of Road Transport and Highways of India data as of FY25. Investment involves risks. Past performance does not predict future returns. Any views expressed were held at the time of preparation and are subject to change without notice. While any forecast, projection or target where provided is indicative only and not guaranteed in any way. HSBC Asset Management accepts no liability for any failure to meet such forecast, projection or target. Latest available data as at December 2025. 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).

# Power – Strong demand across generation, transmission and distribution

Strong drivers for power demand and transmission growth over the coming years

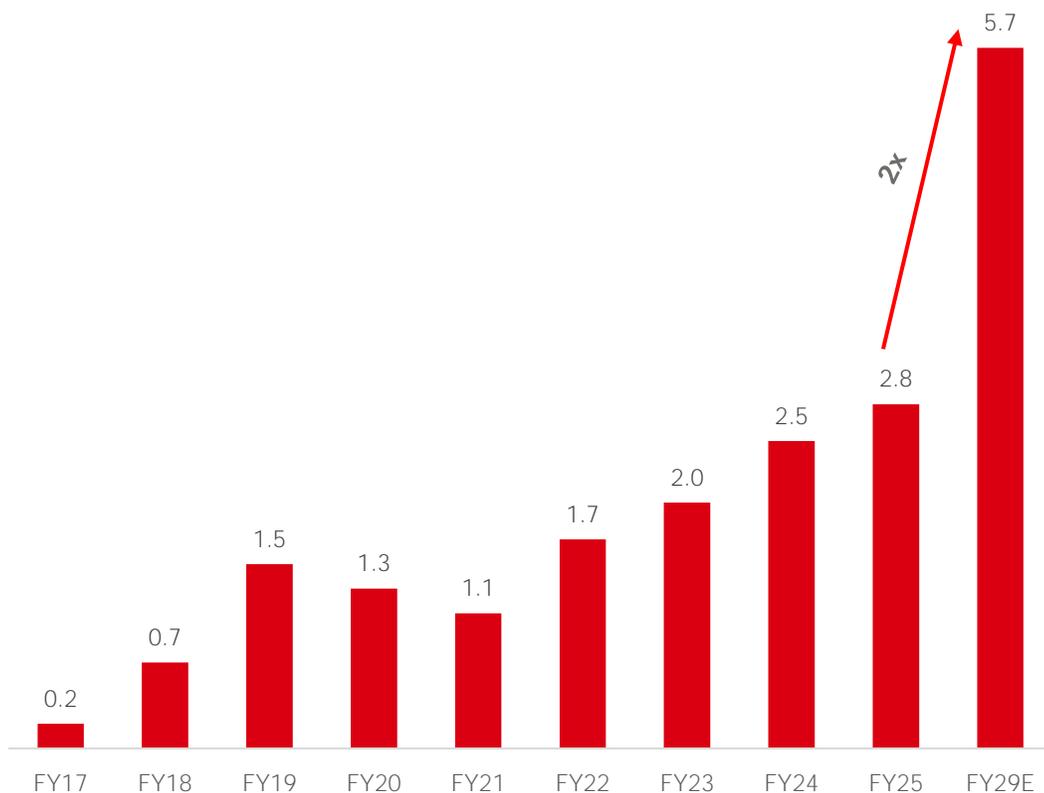


Source Investor Presentations, Central Electricity Authority, National Electricity Plan II, Ministry of Power, Ministry of New & Renewable Energy, Ministry of Defence, Company data, Goldman Sachs Global Investment Research, HSBC Asset Management, Latest available data as at December 2025. The sector(s)/stock(s)/issuer(s) 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. Note: Views provided above based on information provided in public domain at this moment and subject to change. Investors should not consider the same as investment advice.

# New engines of manufacturing

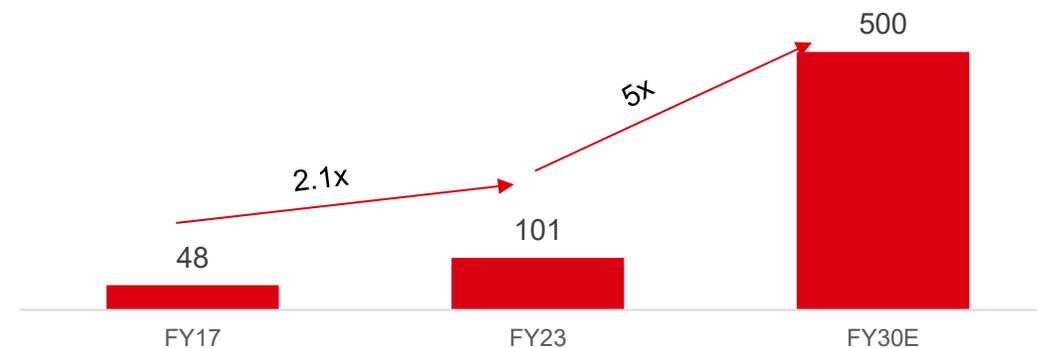
## India's Defence exports (\$ bn)

Defence exports (\$ bn)

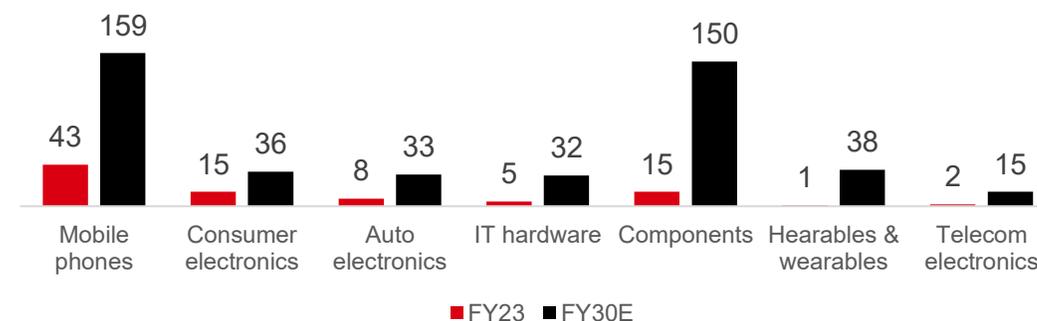


## Electronics Manufacturing

Electronics manufacturing (\$ bn)



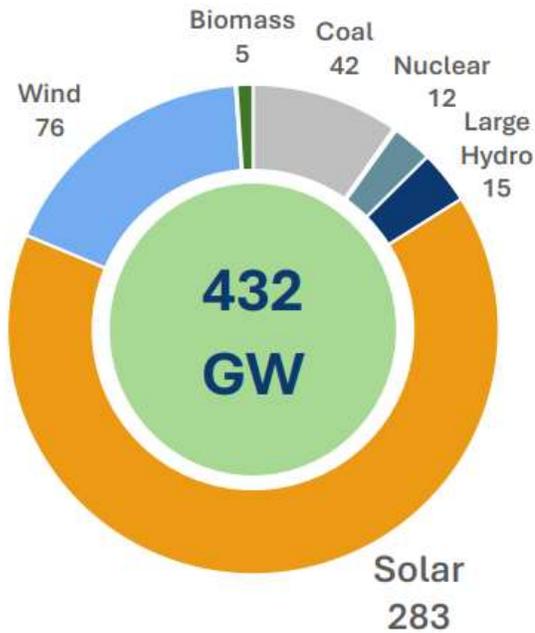
Electronics key product segments (\$ bn)



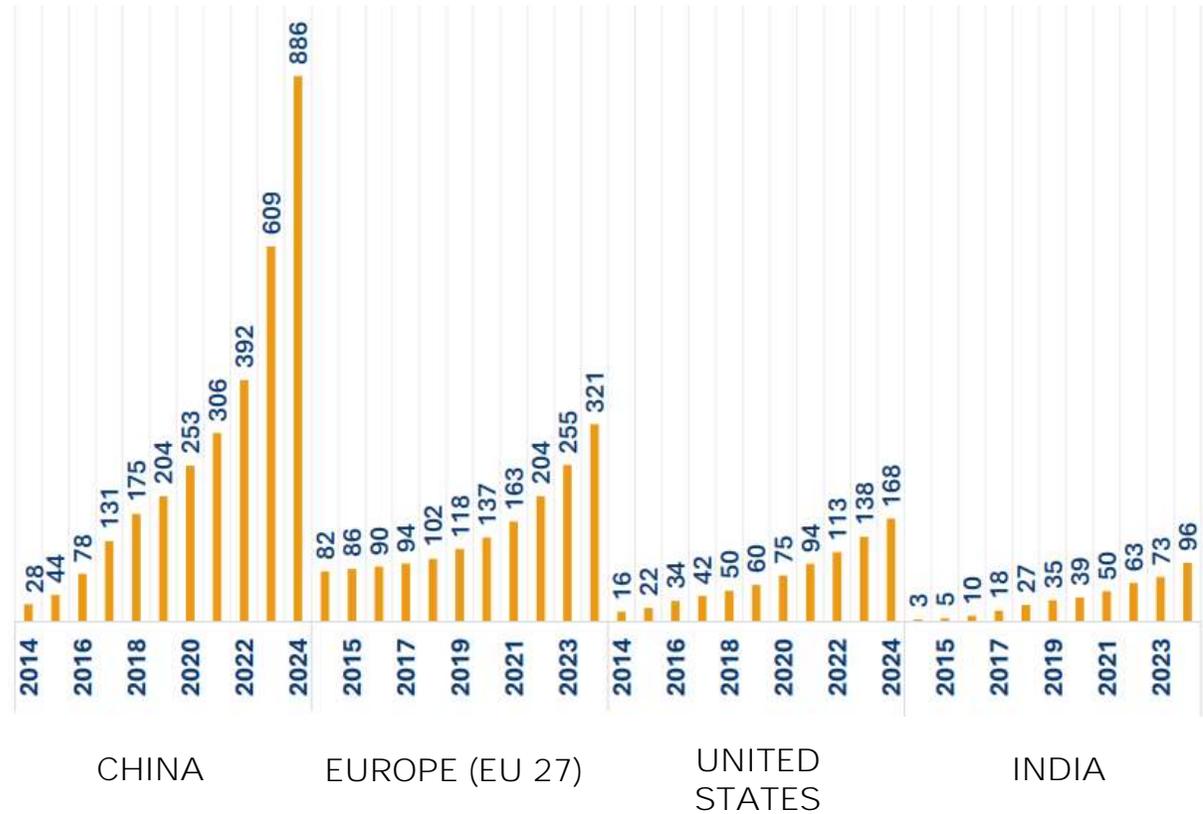
Source: Ministry of Defence, Niti Aayog, Project Analysis, S&P Global, IDC, Gartner, HSBC Asset Management, Latest available data as at December 2025, The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, 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. Note: Views provided above based on information provided in public domain at this moment and subject to change. Investors should not consider the same as investment advice.

# Power – Renewables gaining prominence

Power generation capacity addition in India from FY 2025-2032, GW



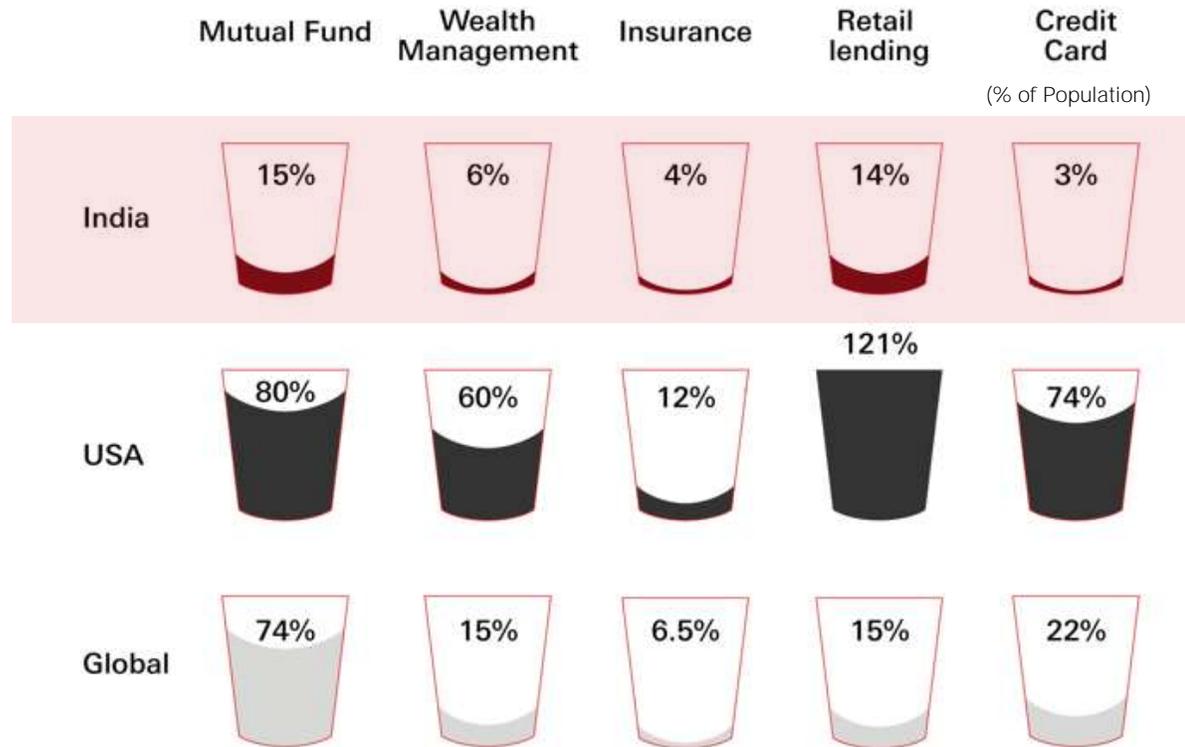
Solar PV installed capacity (GW) still small in India



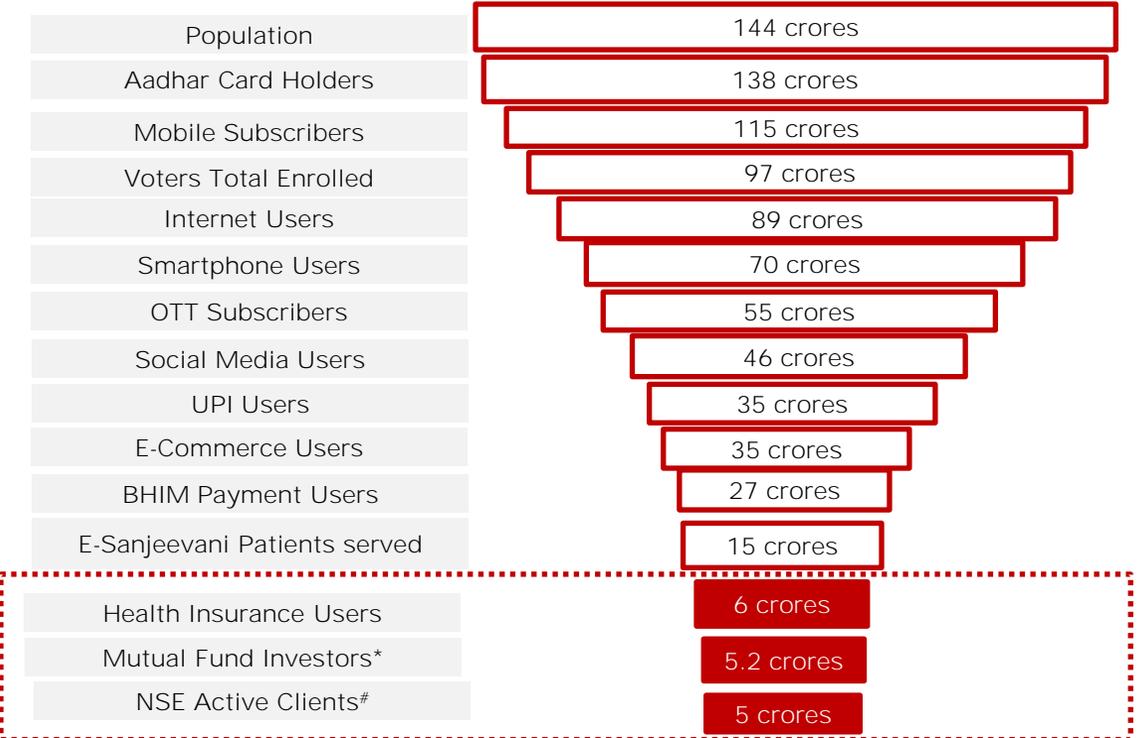
Source: IRENA, CEA, HSBC Asset Management, Latest available data as at December 2025, The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content 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. Note: Views provided above based on information provided in public domain at this moment and subject to change. Investors should not consider the same as investment advice.

# Financial services products still have low penetration in India

## Penetration as a % of GDP



## India stack



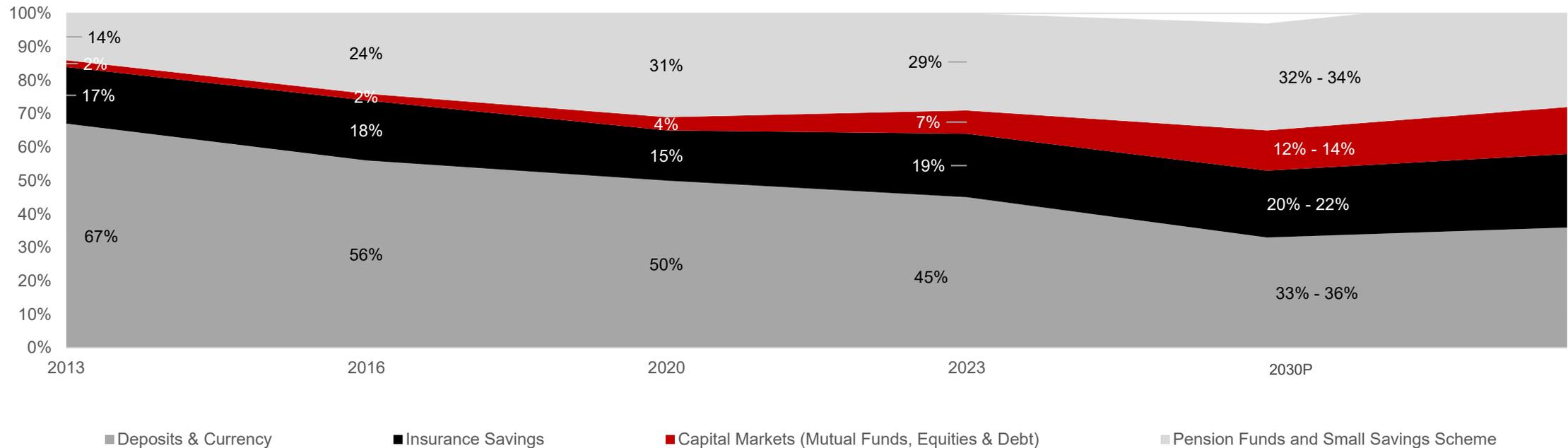
Source: Beams Fintech Internal analysis, RBI report, AMFI, NSE, SEBI, HSBC Mutual Fund. # Data as at December 2024, \* Data as at March 2025, other latest available data as at December 2025. The above details provided basis on sourced information only. The sector(s) mentioned in this document do not 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.

# Mix of Financial assets increasing

with capital markets and insurance gaining bulk share

- Bank deposit share of financial savings has reduced from two-thirds to less than half and could soon shrink to a third of gross savings
- Savings funneled into Pension & Savings schemes for long-term retirement planning & Capital Markets for long-term wealth creation

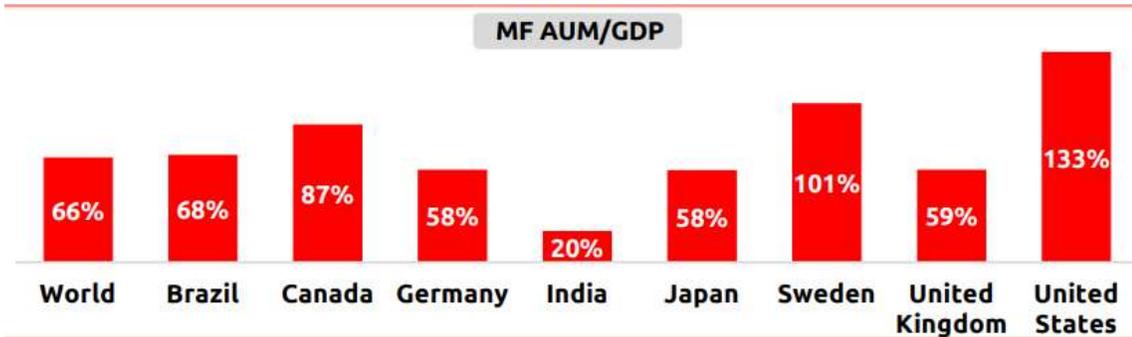
**Household Financial Savings:  
Annual allocation across classes**



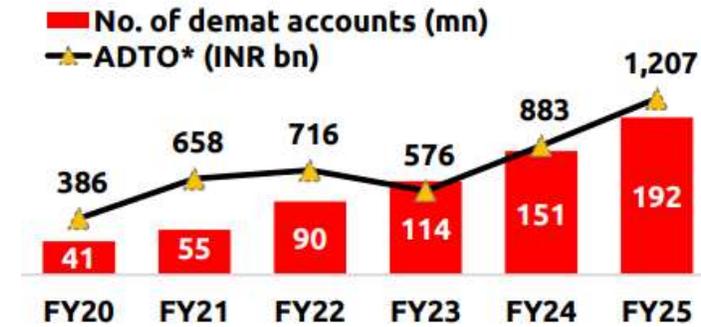
Sources: RBI, MoSPI, NSE, AMFI, NPS Trsu, Tracxn, BCG analysis. Note: 1. HH – Household 2. Physical assets include savings in gold and silver ornaments. The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, 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.

# Financialization of savings and domestic ownership trend remains healthy

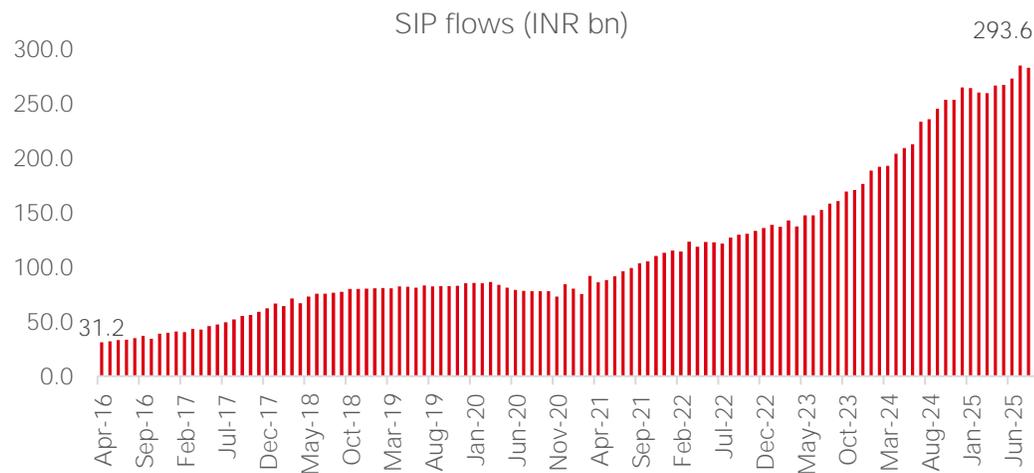
India remains underpenetrated compared to global peers



Demat accounts have increased 5x in 5 years



SIP flows from retail investors continue strongly



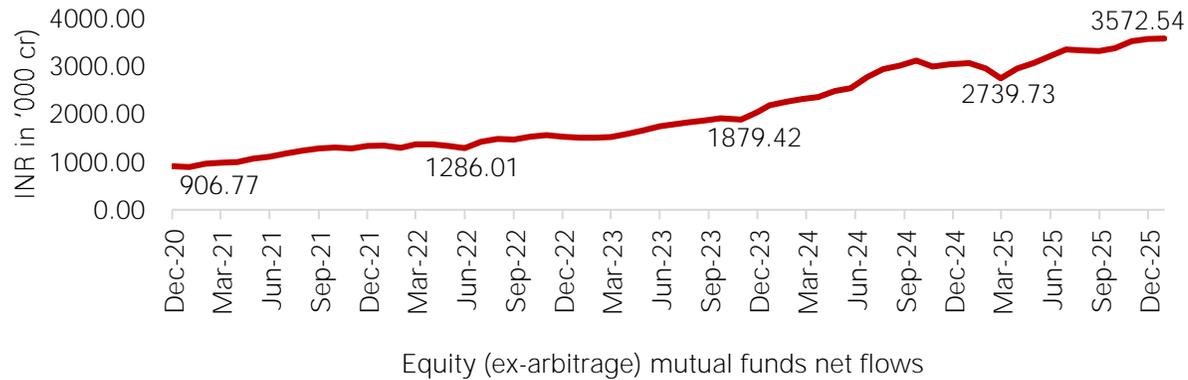
DII ownership overtakes FII share (BSE 500 Index)



Source: World Bank, Intl. Investment Funds Association, Statista GDP, AMFI, CMIE, Bloomberg, RBI, CEIC, MOSPI, NSE, BSE, NSDL, CDSL, JP Morgan calculations, HSBC Asset Management. MF AUM data as of 2024. Past performance may or may not be sustained in the future.

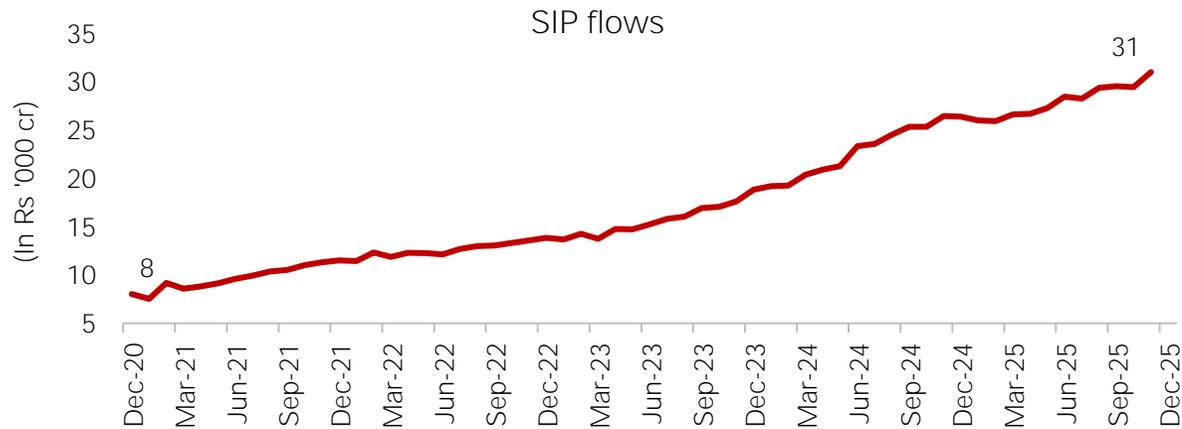
## Financialization: Consistent & Robust inflows

### India net inflows into equity mutual funds



- The AUM of open-ended equity funds is at about Rs. 35 lakh crore in December 2025.
- The overall domestic mutual fund (MF) industry's assets under management (AUM) are at about Rs. 80 lakh crore in December 2025.

### Inflows through SIPs rose in December 2025



- Collections through systematic investment plans (SIPs) increased to Rs 31,002 crore in December 2025
- The number of SIP accounts rose to 10.10 crore

Source: Crisil, AMFI, Data as on 31 December 2025, Past performance may or may not be sustained in future and is not a guarantee of any future returns.

Note-The details provided above is as per the information available in public domain at this moment and subject to change. Please consult your financial advisor for any investment decisions.

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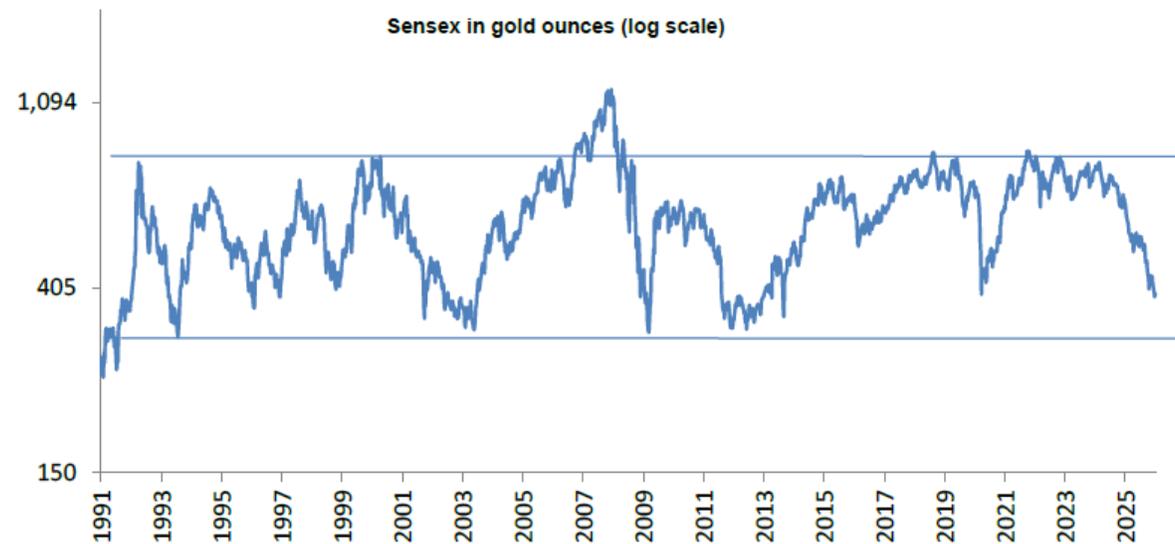
# Commodities rally – Observations



# Gold has been the best asset class for the past couple of years

CY	Gold	10-year treasuries	Bank fixed deposit	Property (7 cities)	Equities
2001	3	1	2	4	5
2002	1	2	4	3	5
2003	3	4	5	2	1
2004	4	5	3	2	1
2005	2	5	4	3	1
2006	3	5	4	2	1
2007	3	5	4	2	1
2008	2	1	4	3	5
2009	2	4	3	5	1
2010	1	5	4	3	2
2011	1	4	3	2	5
2012	2	3	4	5	1
2013	5	4	3	1	2
2014	5	2	3	4	1
2015	5	1	2	3	4
2016	2	1	3	5	4
2017	3	5	2	4	1
2018	1	3	4	5	2
2019	1	3	4	5	2
2020	1	3	4	5	2
2021	5	4	2	3	1
2022	2	5	4	1	3
2023	3	4	5	2	1
2024	1	2	4	5	3
2025	1	3	4	5	2

Sensex in gold terms lowest since 2012



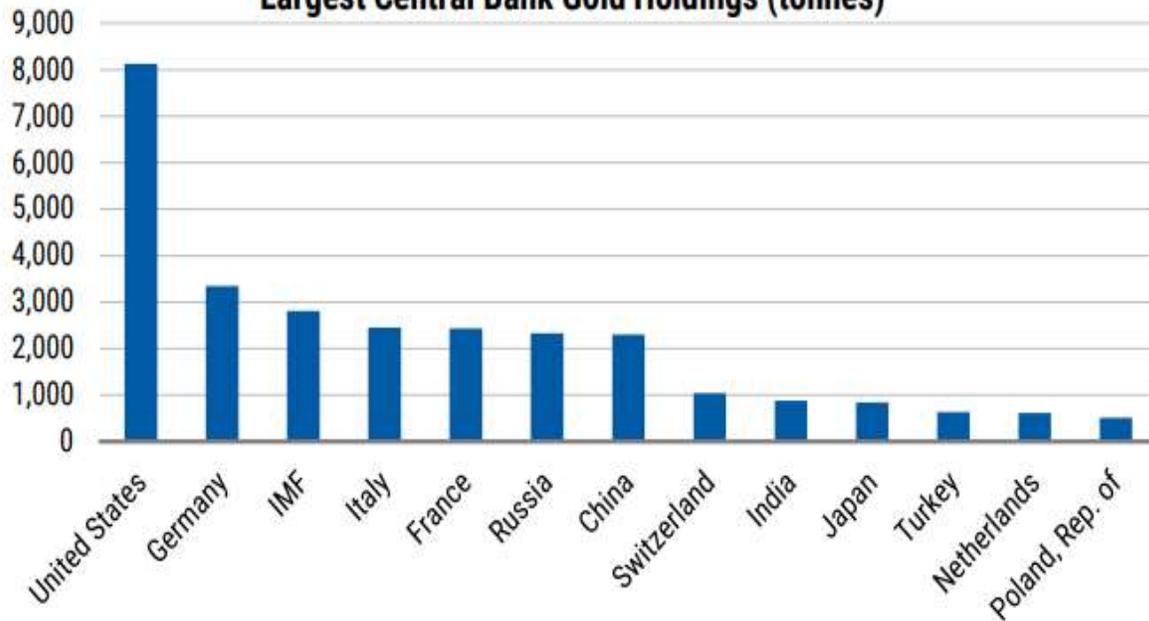
Source: Bloomberg, Rimes, MSCI, Morgan Stanley Research. Latest available data as at December 2025, Note : Views provided above are based on information available in public domain at this moment and subject to change. Investors should not consider the same as investment advice. Please consult your financial advisor for any investment decision. 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.

# Gold purchases by Central Banks

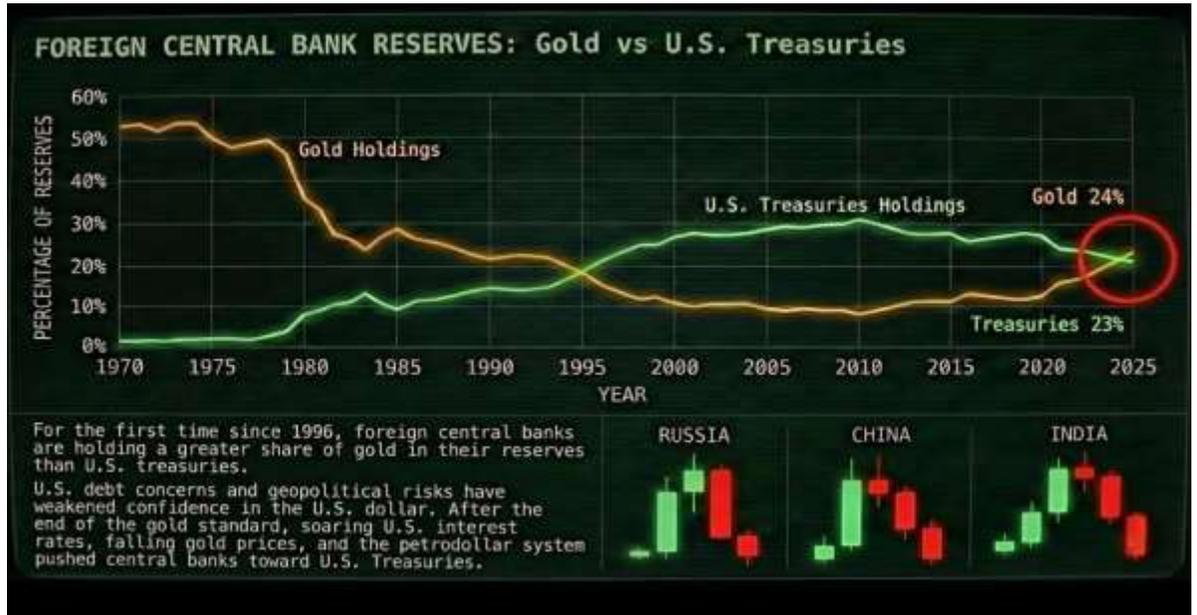
- Gold and the DXY had a strong inverse correlation as the USD weakness reflected many factors that support haven gold.
- The biggest shift in gold demand this year has been from ETFs, which have nearly fully reversed 4 years of net selling, adding the most gold since 2020.

## Top 10 Central Banks hold nearly 75% of total tonnage

Largest Central Bank Gold Holdings (tonnes)



## Central bankers are diversifying away from Dollar

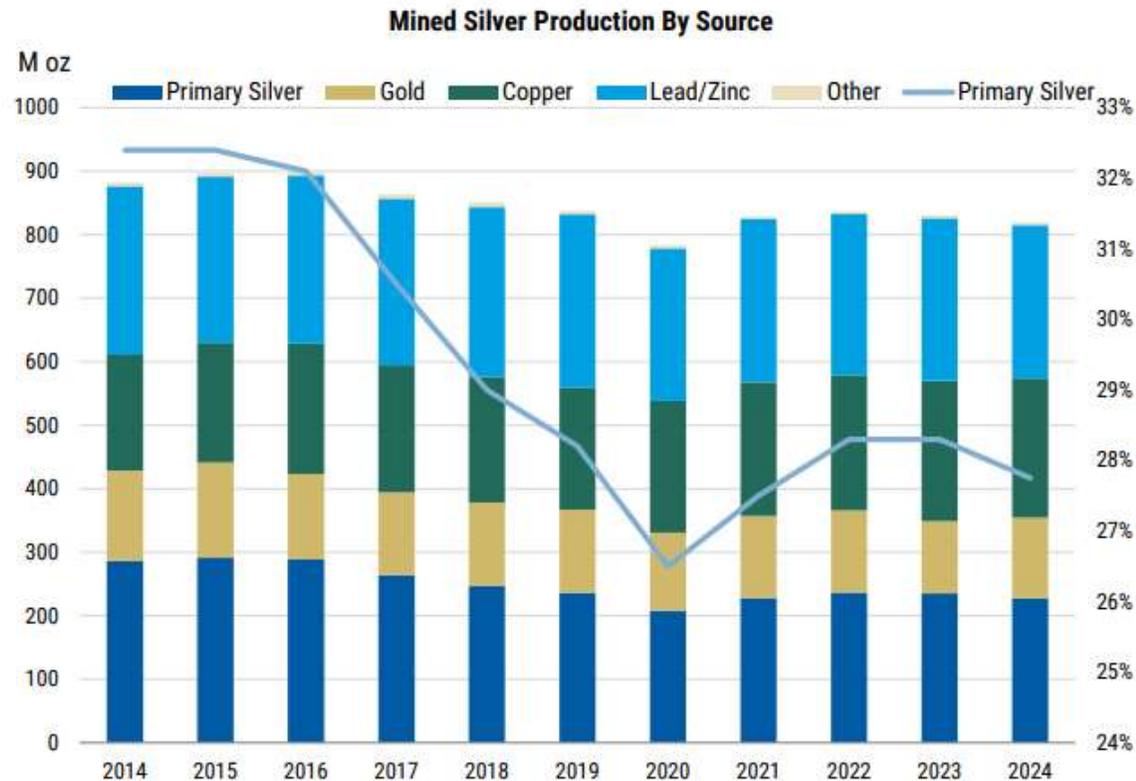


Source: World Gold Council. Latest available data as at December 2025, Note : Views provided above are based on information available in public domain at this moment and subject to change. Investors should not consider the same as investment advice. Please consult your financial advisor for any investment decision. 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.

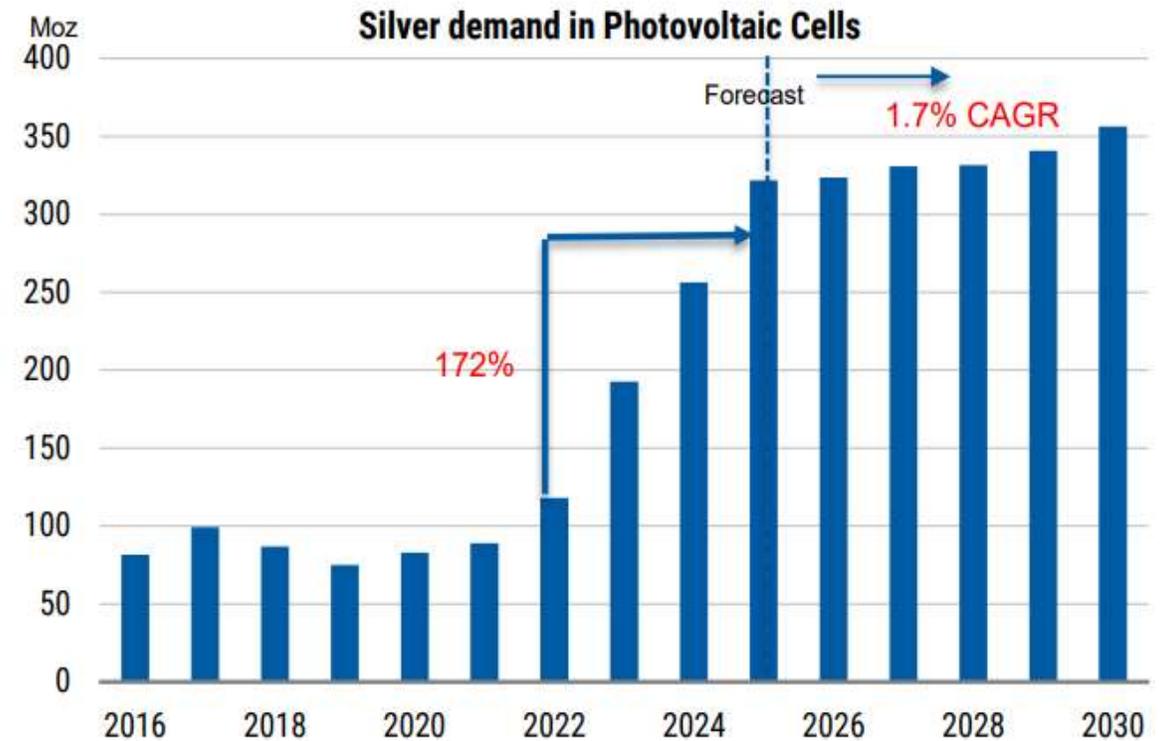
# Silver supply-demand situation

Silver has been in a deficit since 2021, with the 3.5 fold increase in demand from the solar sector driving demand growth of 7% CAGR between 2020 and 2025, while the supply growth CAGR has been 1%, leaving the market short

## Almost three-quarters of global mined supply comes as a by-product of other metal extraction



## Bulk of silver demand growth from solar is likely behind us



Source: The Silver Institute, Morgan Stanley Research. Latest available data as at December 2025, Note : Views provided above are based on information available in public domain at this moment and subject to change. Investors should not consider the same as investment advice. Please consult your financial advisor for any investment decision. 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.

# Key sectoral impact of India's Union Budget FY27



# Budget: Key sectoral impact & assessment

Sector	Measure	Likely impact
Consumption	Strong push for Wellness Tourism with focus on inter city connection, mountain trains, national grid, etc.	Positive for Hotel and Aviation sector
	<b>Reduction in TCS rate on the sale of overseas tour package to 2% from 5%</b>	Positive for Travel related companies
	No relief in excise duty taxation	Negative for Tobacco companies
	No increase in custom duty	Neutral for Jewelry companies
Banks and NBFCs	Higher than expected government borrowing estimate could result in hardening of bond yields	Marginally negative for Banks as it may impact treasury/ other income Negative for NBFCs as cost of wholesale liabilities may increase exerting pressure on margins
	Pradhan Mantri Awas Yojana (PMAY) - Urban 2.0 – Higher FY27BE vs FY26RE, however, FY26RE was only one-third of FY26BE	Neutral for Housing Finance Companies as offtake has been slower, unless the scheme picks up in FY27
	Propose to restructure PFC and REC to improve efficiencies	Contours are unknown to conclude impact
	Raising STT on futures from 0.02% to 0.05% STT on options premium and exercise of options raised to 0.15% from 0.1% and 0.125% respectively	Negative for Exchanges/ Brokerages

Source: Indian Union Budget Document, February 2026.

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# Budget: Key sectoral impact & assessment

Sector	Measure	Likely impact
Infrastructure	Road capex for FY27BE is 8% higher vs FY26RE	Positive for Road construction companies
	Railway capex for FY27BE is 10% higher vs FY26RE	Marginal positive for the rail sector companies as well as equipment suppliers
	Physical targets for rolling stock have increased marginally vs FY26RE. These include wagons, coaches and electric locomotives.	Negative for rolling stock manufacturer and related supply chain companies
Defence	Defence capex for FY26BE is higher by 17% vs FY26RE	Positive for companies in Defence sector
Power	Expenditure for Ministry of Renewable Energy is up 30% YoY	Positive for companies in Power sector and related supply chain companies
Metal and Mining	<b>Dedicated Rare Earth Corridor to promote mining, processing, research and manufacturing</b>	Positive for Metal companies
	<b>Proposed outlay of Rs 200bn over next 5 years for carbon capture utilization and storage (CCUS) technologies</b>	Positive for Steel (also benefits power, cement and chemical companies)
	<b>Jal Jeevan Mission allocation at Rs 677bn for FY27BE vs Rs 170bn for FY26RE</b>	Positive for Metal Pipe companies
Telecom	Provision for tax holiday on Data Centers	Positive for Telecom
Manufacturing	Electronic Component Manufacturing scheme outlay increased from Rs 229bn to Rs 400bn and ISM 2.0 (India Semiconductor Mission) introduced	Positive for Electronic Manufacturing Services companies

Source: Indian Union Budget Document, February 2026.

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# Budget: Key sectoral impact & assessment

Sector	Measure	Likely impact
Healthcare	Medical Value Tourism: 5 regional integrated hubs creating end-to-end care ecosystem	Positive for Hospitals attracting international patients
	Announced 5-year BioPharma Shakti program with outlay of Rs 100bn	Positive for Domestic Pharma with exposure to biologics
	Basic custom duty exemption for 17 cancer drugs and 7 additional rare diseases	Positive for MNC Pharma companies
Textiles	Mega Textile Parks, National Fibre scheme, Samarth 2.0 aimed at boosting export competitiveness and skill upgradation	Positive for Textile players, particularly with exposure to advanced textiles/ man-made fibres
Building Materials	Jal Jeevan Mission enhanced total outlay of Rs 67,670crs vs Rs 17,000crs in RE 2025-26	Positive for Plastic Pipe companies
	Higher capex outlay to Roads, Railways and Telecom	Positive for Cables companies
Technology	Buyback gains to be taxed as capital gains for minority shareholders. Corporate promoters to be taxed at 22% and non-corporate promoters at 30%	Positive for IT sector companies (having healthy cash balance)
	IT services companies can avail safe harbour margin of 15.5% with threshold increased to Rs 20bn	Positive for GCCs
Data Centre	Tax holiday up to 2047 for foreign companies who provide services to any part of the world by procuring data center services in India	Positive for Power, Real Estate and Infrastructure companies
Oil & Gas	No hike in excise duty on Petrol & Diesel	Neutral for Oil Marketing Companies (OMCs)

Source: Indian Union Budget Document, February 2026.

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# HSBC Mutual Fund



# Why HSBC Mutual Fund

What makes us different

## Global partner

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- Global investment trends focus
- Knowledge sharing through the global parent asset management business



## Growth approach

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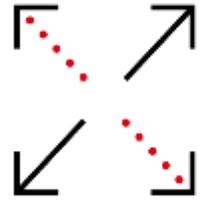
- Growth oriented approach with more focus on emerging Mid and Small Cap segments
- Focus on long-term business fundamentals led by a good quality management team



## Active share

---

- Aim for higher Active investment share over the fund benchmarks
- Conviction is backed with in-depth research capabilities performed by a stable and experienced research team



## Risk management

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- Stringent Risk management processes standardised globally
- Access to customised global investment tools and efficient operational processes



# A global network of local experts

## HSBC Asset Management



Presence in  
20 locations

64 Americas

690 investment professionals

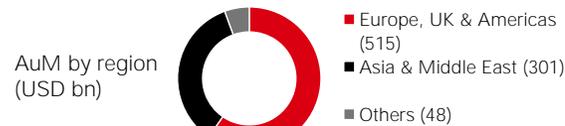
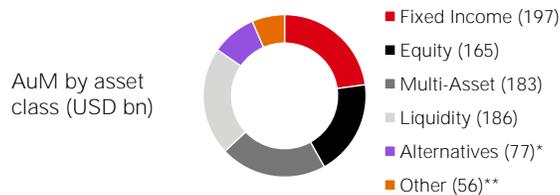
413 EMEA

213 Asia -Pacific<sup>1</sup>



● HSBC Asset Management offices - Countries and territories where our investment teams sit are in bold

### USD 864bn under management



1. Asia-Pacific includes employees of Hang Seng Bank, in which HSBC has a majority holding.  
2. HSBC Jintrust Fund Management company is a joint venture between HSBC Asset Management and Shanxi Trust Corporation Limited.

\*Alternatives assets excludes USD 3.6bn from committed capital ("dry powder") as well as advisory and oversight assets.

\*\*Other in asset class refers to HASE (USD 51.3bn as at Sep'25).

\*\*\*Other in client type refers to asset distributed by Hang Seng Bank and Hang Seng Qianhai.

The world map is not accurate and is for illustration purpose only.

Source: HSBC Asset Management on 30 September 2025. Assets under management presented on a distributed (AUD) basis. Any differences are due to rounding.

# Reach, Experience and Expertise

HSBC Asset Management India<sup>1</sup>



INR 1.82 trillion<sup>^</sup>  
(Domestic MF assets: INR  
1.35 trillion)  
AUM

29 Lakh+  
Customers\*

68,000+  
Distribution  
partners

60  
Locations

30  
Investment  
professionals

With the global reach, over 25 years of experience and expertise, HSBC Mutual Fund offers immense potential to support distribution partners / clients effectively and help achieve significant mutual milestones

<sup>^</sup> AUM – Assets Under Management + Advisory, Data as of 31 Dec 2025, Domestic MF Assets excludes Domestic FOFs.

Any differences are due to rounding, \* Customers = 29,15,703, Distribution Partners, 68176 <sup>1</sup> HSBC Asset Management (India) Private Limited

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>



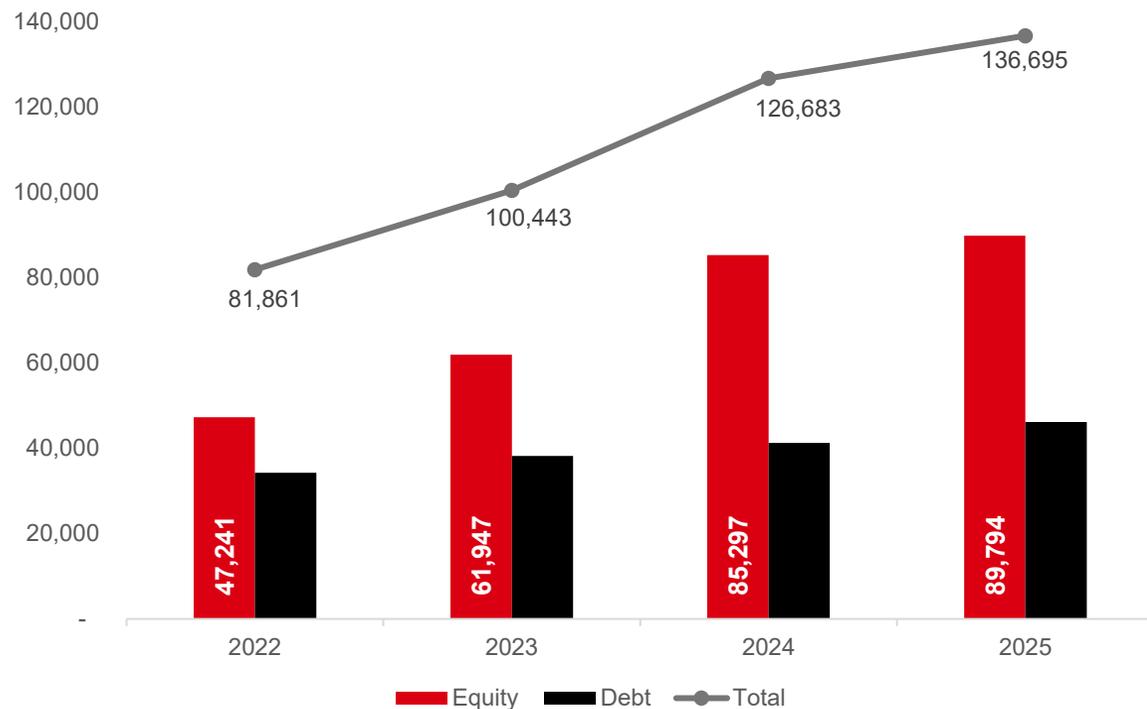
	2023	2025
<b>Customers</b>	<b>23 Lakhs +</b>	<b>29 Lakhs +</b>
<b>Distributors</b>	<b>56,239</b>	<b>67,000 +</b>
<b>Assets under management + Advisory^ (Rs Crores)</b>	<b>1,07,576</b>	<b>1,82,883</b>

**CIO and Fund Managers continuity & consistency for guidance on overall Investment Philosophy**

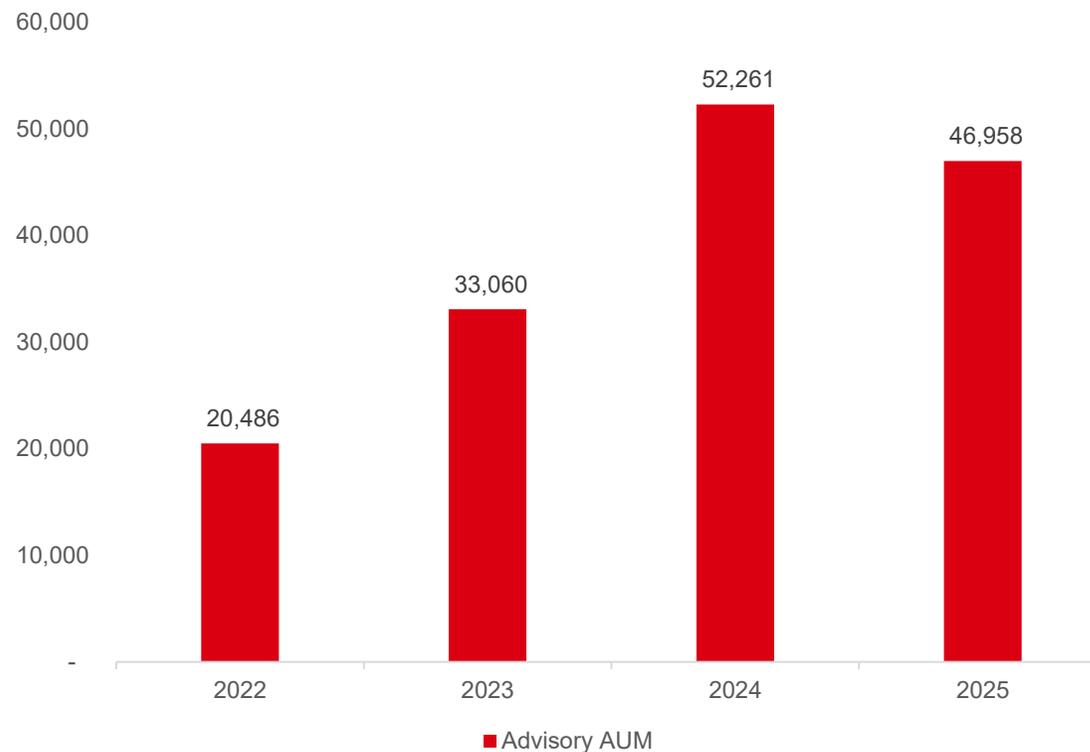
Source: HSBC Mutual Fund, 2023 : Data as of 31 Mar 2023, 2025 : Data as of 31 Dec 2025, Customers : 2023 - 23,65,988, 2025 - 29,14,136, Distributors : 2023 - 56,239, 2025 - 67,651, Any differences are due to rounding, Mutual Fund –MF, ^ Assets under management (MF) + Advisory of HSBC Asset Management India, 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>



## Assets Under Management AUM (Rs. Crore) - HSBC MF



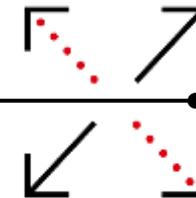
## Advisory AUM (Rs. Crore)



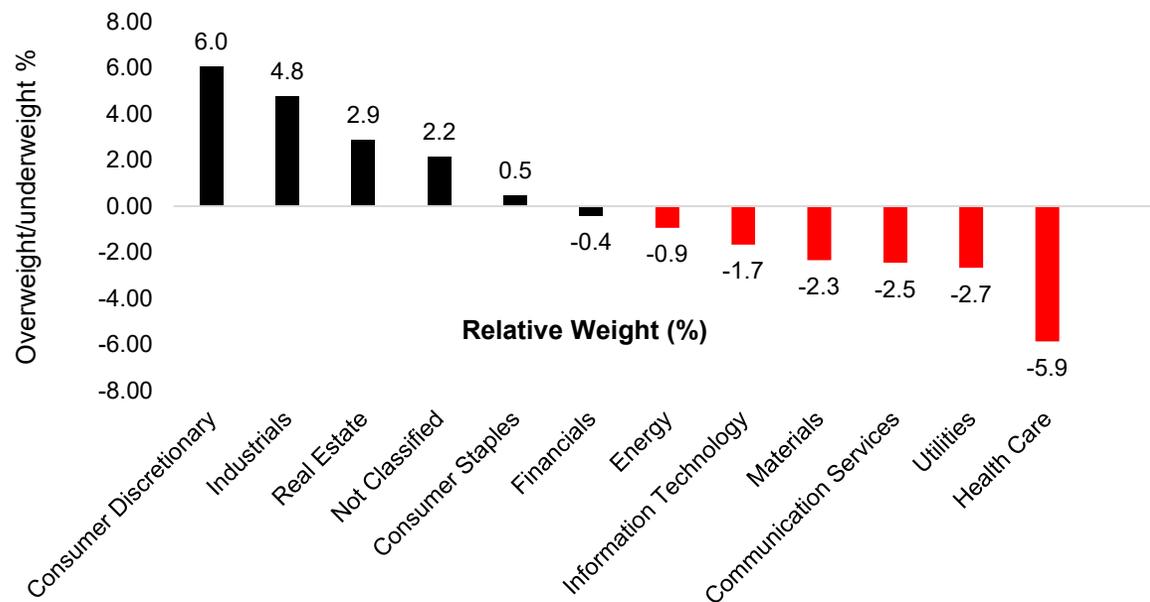
Data as of 31 Dec 2025, HSBC Mutual Fund (MF) AUM - Domestic MF Assets excludes Domestic FOFs. Any differences are due to rounding. For disclosure of quarterly AUM/AAUM and AUM by geography, please visit our website: <https://www.assetmanagement.hsbc.co.in/en/mutual-funds/investor-resources/information-library#&accordion1446811090=4>

# Active share

Aim for higher Active investment share

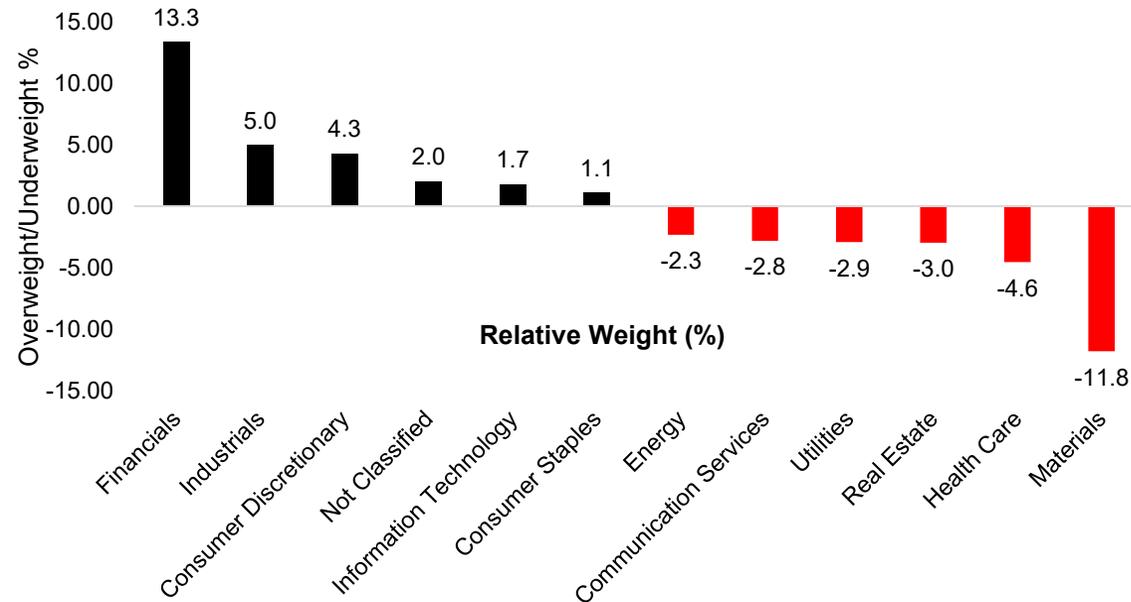


Sectoral allocation of HSBC Smallcap fund vs benchmark<sup>1</sup>



Fund's relative Active Portfolio Share vs Benchmark at about 70%

Sectoral allocation of HSBC Midcap fund vs benchmark<sup>2</sup>



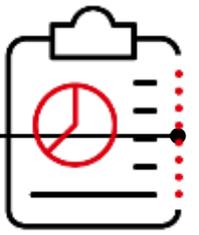
Fund's relative Active Portfolio Share vs Benchmark at about 77%

Shows the active nature of the fund and not a benchmark hugging strategy

Source: Bloomberg (Sectors as per GICS). HSBC Mutual Fund internal calculations; Data as on 31 Dec 2025, 1. Benchmark – Nifty Small Cap 250 TRI, 2. Benchmark – Nifty Mid Cap 150 TRI

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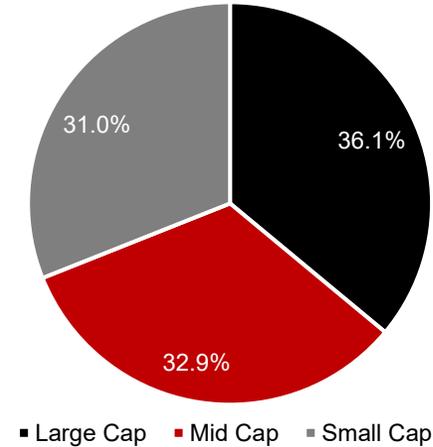
# Growth approach with Mid – Small Caps



Strong and stable team

- Equity investment Team
  - 7 Fund Managers\* (including CIO Equity)
  - 7 Equity Research Analysts
  - 5 Equity Dealers
  - 1 Investment Specialist
  - 1 Investment Coordinator

AUM SPLIT- MARKET CAP



Mix skewed towards the broad market with about 64%\* exposure to mid and small cap classification

**Leveraging the integrated team's expertise in broader markets**

Source: HSBC Asset Management India, Data as of 31 Dec '25, \* Exposure to Small and Mid Cap classification across all HSBC MF Equity and Hybrid funds (Excludes Domestic FOFs and Index Funds)

# Risk Management



## Governance Forums & Key risk drivers

### Central to product design & Investment process

#### Investment Management Committee (IMC)

- Provides 'front line' governance of investment and trading activities
- Responsible for overseeing people, process and performance

#### Risk Management Meeting (RMM)

- Risk governance forum established to review material risks
- Stress testing for all funds on a monthly basis
- Responsible for the oversight of risk and internal controls

### Effective monitoring of portfolio volatility and risk exposures

#### Investment Risk

- Monitoring & management through ex-ante tracking error
- Ex-ante tracking error ranges are reviewed and approved
- Measurement and monitoring of ex-ante portfolio volatility

#### Liquidity Risk

- Monitored using internal liquidity models
- Liquidity is assessed in normal and stressed market conditions

#### Portfolio Construction

- In line with stated investment objective / asset allocation
- Diversification across sectors and themes as per scheme objective
- Strict adherence to regulatory limits

#### Position sizing

- Due consideration of market segment weight in the benchmark
- Evaluation of market characteristics viz. Liquidity, market impact

Source: HSBC Mutual Fund, The views expressed above were held at the time of preparation and are subject to change without notice.

# Equity Investment approach



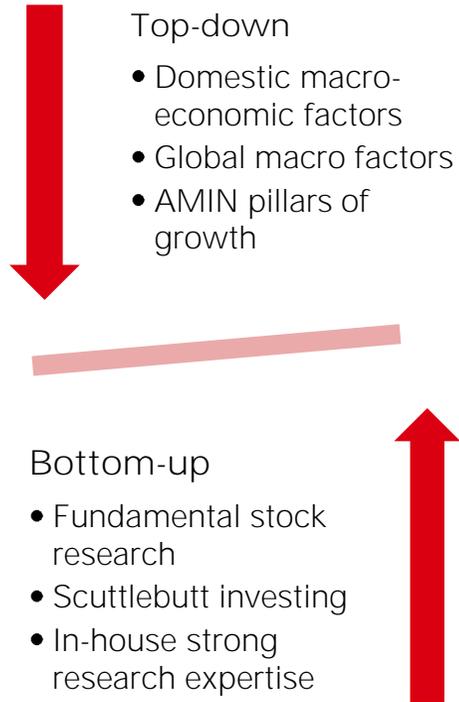
# Equity - Investment approach and brief process

Power of SAPM - Equity investment process comprises three stages



# Portfolio construction approach

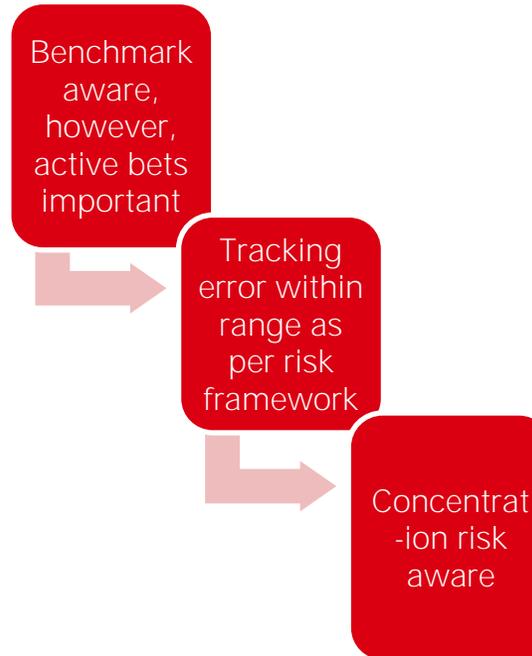
## Top Down / Bottom Up



## Diversification



## Active share

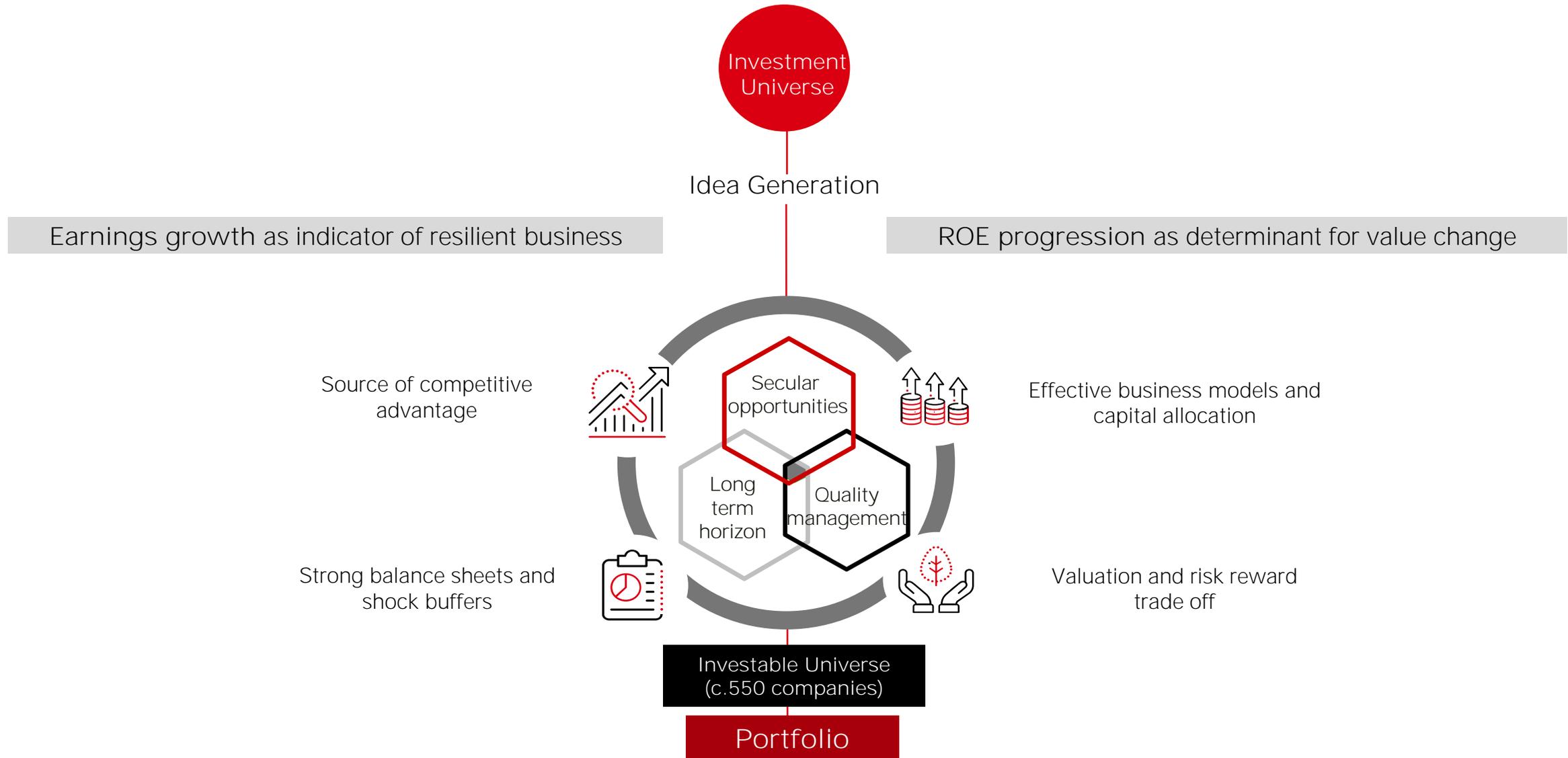


## Margin of safety

- Absolute valuations
- Relative valuations
- Liquidity considerations

Source: HSBC Asset Management India. Data as on 31 Dec '25, Note - The information above is provided by and represents the opinions of HSBC Asset Management India and it is a representative overview of the investment process, which may differ by product, mandate or market conditions and it is subject to change without notice. The information 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. Any views expressed were held at the time of preparation and are subject to change without notice. For illustrative purpose only. Representative overview of the process, which may differ by product, client mandate or market conditions. .

# Stock selection approach

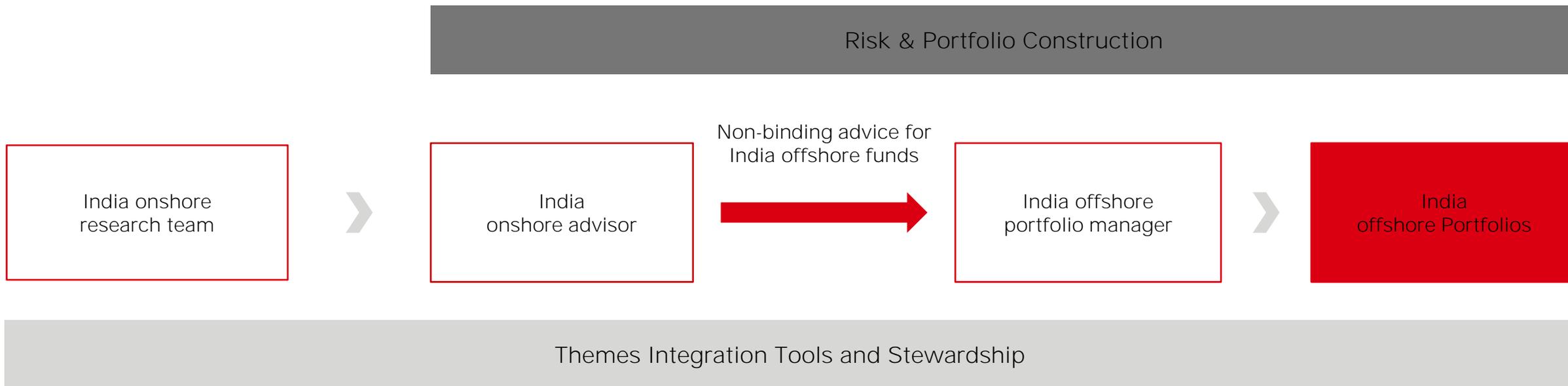


Source: HSBC Asset Management. Note - The information above is provided by and represents the opinions of HSBC Asset Management India and it is a representative overview of the investment process, which may differ by product, mandate or market conditions and it is subject to change without notice. The information 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. Any views expressed were held at the time of preparation and are subject to change without notice. For illustrative purpose only. Representative overview of the process, which may differ by product, client mandate or market conditions. .

# How India Onshore and Offshore Equity Teams Interact?

A wealth of local experience along with regional and global perspective

- ◆ India onshore team provides deep local insights through on the ground site visits, channel checks, and live interactions with stakeholders
- ◆ India onshore and offshore teams speak on daily research calls to share research insights and ideas
- ◆ HSBC Mutual Fund leverages wider platform resources for global sectoral and thematic insights, expertise, and risk management



Source: HSBC Asset Management India, Past performance may or may not be sustained in future and is not a guarantee of any future returns.

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# Deep coverage of Indian investment universe

## India Onshore capability

Portfolio Managers  
Research Analysts  
Advisor  
Equity CIO

## India Offshore capability

Portfolio Managers: 1

Research Analysts: 30

Onshore Indian  
Equity & Hybrid  
(HSBC Mutual  
Fund)  
INR 887 bn

Offshore Indian  
Equity  
INR 430 bn

550+ companies\* covered across sectors & market caps

Large-cap stocks  
coverage –  
93%\*

Mid-cap stocks  
coverage –  
87%\*

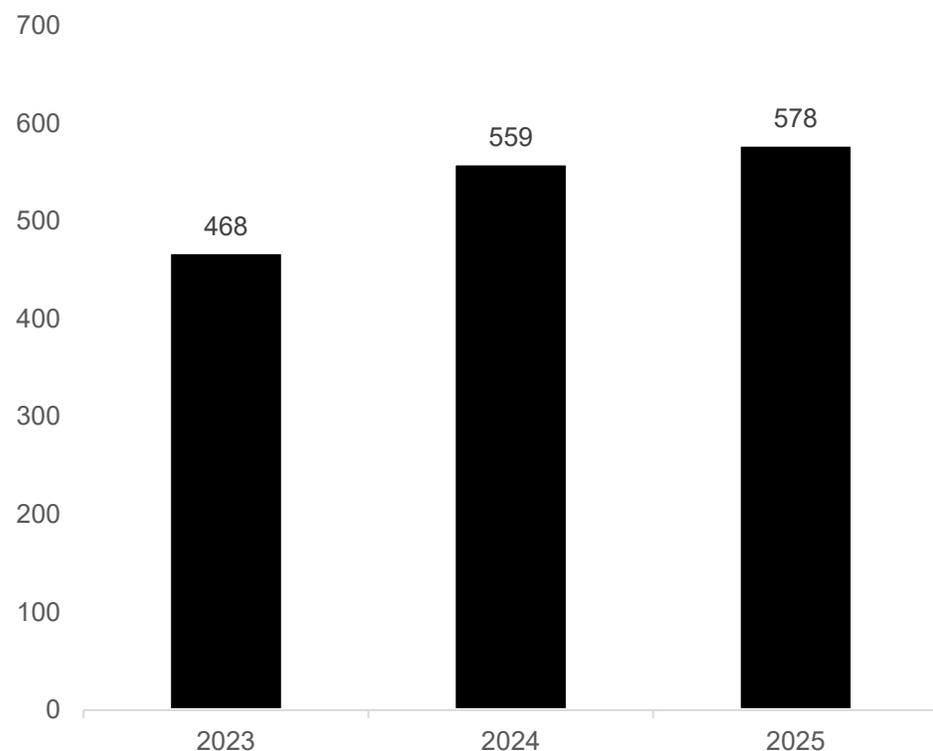
Small-cap stocks  
coverage –  
72%\*

Source – HSBC Mutual Fund, Bloomberg, Latest available data as on 31 Dec '25, Universe coverage as of 31 Dec '25, Sectors - Auto & Auto comps, Pharma & Healthcare, Paints, Media, Textiles, Consumer Staples, Consumer Discretionary, Durables and bldg materials, Real Estate, O&G Sugar Telecom, Capital Goods, Power & infra, Logistics, Tech Services, Metals, Cement, Banks and lenders, Financial services, Chemical and Paper. The AUM shown is for provisional purposes.

\*Large Cap: top 100 stocks on full market capitalisation basis; Mid caps - next 150 stocks based on full market capitalization; Small Cap: Stocks in Nifty 250 small cap index; 437 companies from NIFTY 500 TRI, remaining outside Nifty 500 TRI  
HSBC Mutual Fund is a brand used by HSBC Asset Management India (part of Global HSBC Asset Management company). 5% companies of the total selected universe not covered from a corporate governance perspective or based on internal policies etc.

# Investment universe: 2023 to 2025

Total Stocks in coverage



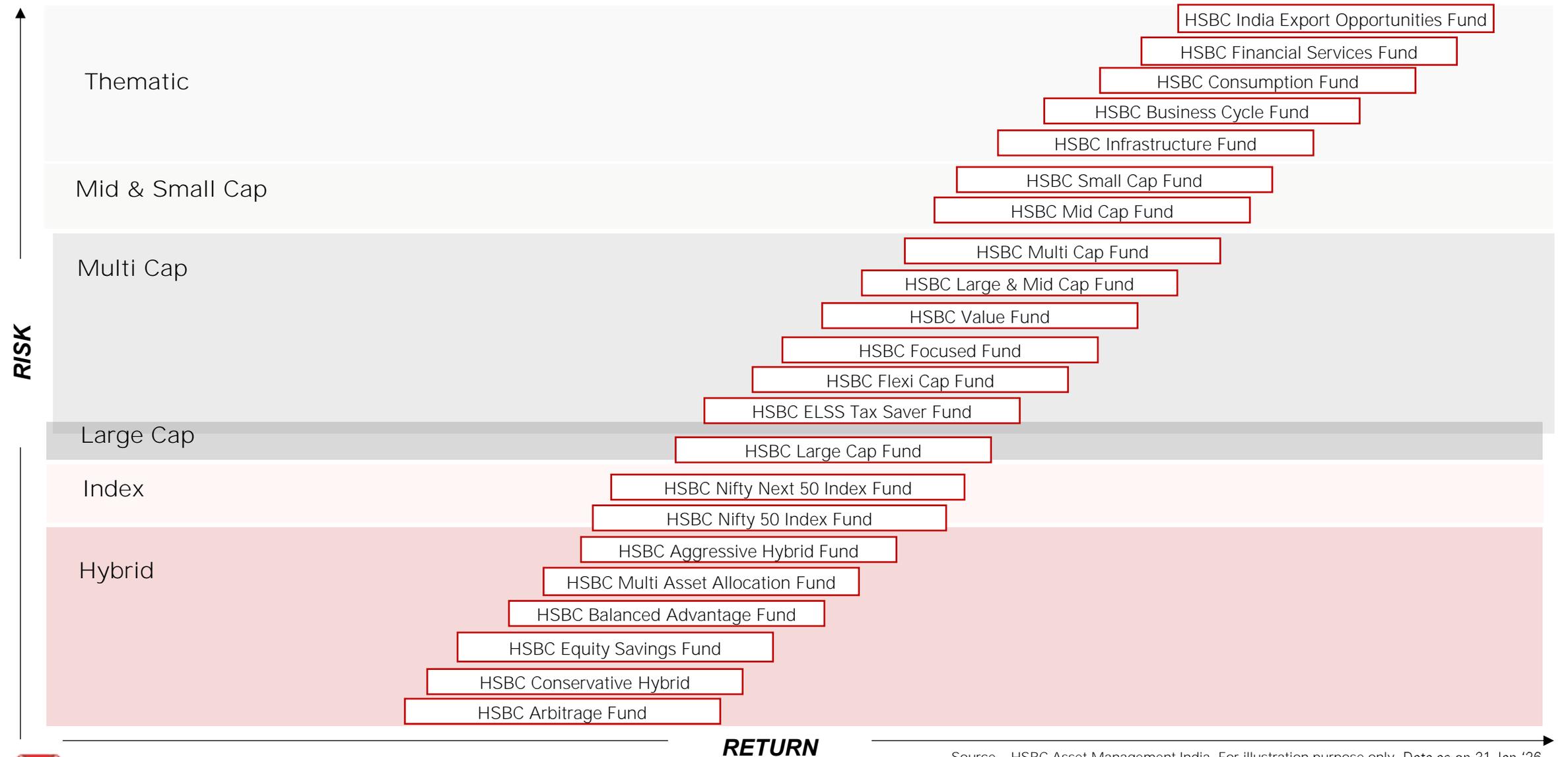
Focus on quality investment coverage across industries

Nifty 500 by Sectors (GICS)	2023	2025	2025 Total stocks
Financials	70	77	86
Information Technology	28	32	46
Materials	73	57	90
Consumer Discretionary	72	54	91
Energy	11	10	10
Consumer Staples	26	23	31
Industrials	71	69	110
Health Care	48	49	72
Utilities	14	13	13
Communication Services	13	10	11
Real Estate	11	10	18
<b>Total</b>	<b>437</b>	<b>404</b>	<b>578</b>

Source – HSBC Mutual Fund, Bloomberg, Latest available data as on 31 Dec '25, Sectors - Auto & Auto comps, Pharma & Healthcare, Paints, Media, Textiles, Consumer Staples, Consumer Discretionary, Durables and bldg materials, Real Estate, O&G Sugar Telecom, Capital Goods, Power & infra, Logistics, Tech Services, Metals, Cement, Banks and lenders, Financial services, Chemical and Paper. GICS - Global Industry Classification Standard

\*Large Cap: top 100 stocks on full market capitalisation basis; Mid caps - next 150 stocks based on full market capitalization; Small Cap: Stocks in Nifty 250 small cap index; 437 companies from NIFTY 500 TRI, remaining outside Nifty 500 TRI Coverage is 95% of both large cap and mid cap universe. 5% not covered – Do not cover some companies from a corporate governance perspective or based on internal policies etc.

# Equity, Hybrid & Index diverse strategies (14 Equity + 6 Hybrid + 2 Index)



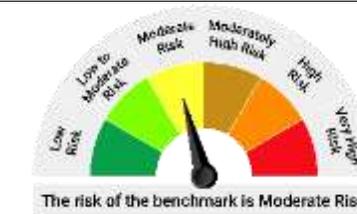
# Product Label

Scheme name and Type of scheme	Riskometer of the Scheme	Riskometer of the benchmark (as applicable)
<p>This product is suitable for investors who are seeking*:</p> <p><b>HSBC Large Cap Fund</b> (An open ended equity scheme predominantly investing in large cap stocks)</p> <ul style="list-style-type: none"> <li>To create wealth over long term.</li> <li>Investment in predominantly large cap equity and equity related securities. As per AMFI Tier I Benchmark i.e. Benchmark Index : <b>NIFTY 100 TRI</b></li> </ul> <p><b>HSBC Large and Mid Cap Fund</b> (An open ended equity scheme investing in both large cap and mid cap stocks)</p> <ul style="list-style-type: none"> <li>Long term wealth creation and income</li> <li>Investment predominantly in equity and equity related securities of Large and Mid cap companies As per AMFI Tier I Benchmark Index: <b>NIFTY Large Midcap 250 TRI</b></li> </ul> <p><b>HSBC Business Cycles Fund</b> (An open ended equity scheme following business cycles based investing theme)</p> <ul style="list-style-type: none"> <li>Long term capital appreciation</li> <li>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: <b>NIFTY 500 TRI</b></li> </ul> <p><b>HSBC Focused Fund</b> (An open ended equity scheme investing in maximum 30 stocks across market caps (i.e. Multi-Cap)</p> <ul style="list-style-type: none"> <li>Long term wealth creation</li> <li>Investment in equity and equity related securities across market capitalization in maximum 30 stocks. As per AMFI Tier I Benchmark i.e. Benchmark Index: <b>NIFTY 500 TRI</b></li> </ul>	 <p>The risk of the scheme is Very High Risk</p>	 <p>The risk of the benchmark is Very High Risk</p>
<p><b>HSBC Balanced Advantage Fund</b> (An open ended dynamic asset allocation fund)</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> <li>Long term capital appreciation and generation of reasonable returns</li> <li>Investment in equity and equity related instruments, derivatives and debt and money market instruments</li> </ul> <p>As per AMFI Tier I Benchmark Index : <b>Nifty 50 Hybrid composite debt 50:50 Index</b></p>	 <p>The risk of the scheme is Moderately High Risk</p>	 <p>The risk of the benchmark is High Risk</p>

\* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

**Note on Risk-o-meters: Riskometer as on 31 Jan 2026.** 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

# Product Label

Scheme name and Type of scheme	*Scheme Risk-o-meter	Benchmark Risk-o-meter of the benchmark (as applicable)
<p><b>HSBC ELSS Tax saver Fund</b> (An open ended equity linked saving scheme with a statutory lock in of 3 years and tax benefit)</p> <p><b>This product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"> <li>• Long term capital growth</li> <li>• Investment predominantly in equity and equity-related securities. As per AMFI Tier I Benchmark Index: <b>NIFTY 500 TRI</b></li> </ul> <p><b>HSBC Midcap Fund</b> (An open ended equity scheme predominantly investing in mid cap stocks)</p> <p><b>This product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"> <li>• Long term wealth creation</li> <li>• Investment in equity and equity related securities of mid cap companies. As per AMFI Tier I Benchmark i.e. Benchmark Index: <b>Nifty Midcap 150 TRI</b></li> </ul>	 <p>The risk of the scheme is Very High Risk</p>	 <p>The risk of the benchmark is Very High Risk</p>
Scheme name and Type of scheme	Scheme Risk-o-meter	Benchmark Risk-o-meter of the benchmark (as applicable)
<p><b>HSBC Aggressive Hybrid Fund</b> (An open ended hybrid scheme investing predominantly in equity and equity related instruments)</p> <p><b>This product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"> <li>• Long term wealth creation and income</li> <li>• Investment in equity and equity related securities and fixed income instruments</li> </ul> <p>As per AMFI Tier I Benchmark Index : <b>NIFTY 50 Hybrid Composite Debt 65:35 Index</b></p>	 <p>The risk of the scheme is Very High Risk</p>	 <p>The risk of the benchmark is High Risk</p>
Scheme name and Type of scheme	Scheme Risk-o-meter	Benchmark Risk-o-meter of the benchmark (as applicable)
<p><b>HSBC Equity Savings Fund</b> (An open ended scheme investing in equity, arbitrage and debt)</p> <p><b>This product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"> <li>• Generation of regular income by predominantly investing in arbitrage opportunities in the cash and derivatives segment and long-term capital appreciation through unhedged exposure to equity and equity related instruments.</li> <li>• Investment in equity and equity related instruments, derivatives and debt and money market instruments.</li> </ul> <p>As per AMFI Tier I Benchmark Index: <b>NIFTY Equity Savings Index</b></p>	 <p>The risk of the scheme is Moderately High Risk</p>	 <p>The risk of the benchmark is Moderate Risk</p>

\* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

**Note on Risk-o-meters: Riskometer as on 31 Jan 2026.** 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

# Product Label

Scheme name and Type of scheme	Scheme Risk-o-meter	Benchmark Risk-o-meter of the benchmark (as applicable)
<p><b>HSBC Small Cap Fund</b> (An open ended equity scheme predominantly investing in small cap stocks) <b>This product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"> <li>• Long term capital appreciation</li> <li>• Investment predominantly in equity and equity related securities, including equity derivatives in Indian markets with key theme focus being emerging companies (small cap stocks) and foreign securities As per AMFI Tier I Benchmark i.e. Benchmark Index: <b>Nifty Small Cap 250 TRI</b></li> </ul> <p><b>HSBC Value Fund</b> (An open ended equity scheme following a value investment strategy)</p> <ul style="list-style-type: none"> <li>• Long term capital appreciation</li> <li>• Investment predominantly in equity and equity-related securities in Indian markets and foreign securities with higher focus on undervalued securities. As per AMFI Tier I Benchmark i.e. Benchmark Index : <b>NIFTY 500 TRI</b></li> </ul> <p><b>HSBC Flexi Cap Fund</b> (An open ended dynamic equity scheme investing across large cap, mid cap, small cap stocks)</p> <ul style="list-style-type: none"> <li>• To create wealth over long term</li> <li>• Investment in equity and equity related securities across market capitalizations. As per AMFI Tier I. Benchmark Index : <b>NIFTY 500 TRI</b></li> </ul> <p><b>HSBC Infrastructure Fund</b> (An open-ended Equity Scheme following Infrastructure theme)</p> <ul style="list-style-type: none"> <li>• To create wealth over long term</li> <li>• Investment in equity and equity related securities, primarily in themes that play an important role in India's economic development As per AMFI Tier I Benchmark i.e. Benchmark Index: <b>NIFTY Infrastructure TRI</b></li> </ul> <p><b>HSBC Multi Cap Fund</b> (An open ended equity scheme investing across large cap, mid cap, small cap stocks)</p> <ul style="list-style-type: none"> <li>• To create wealth over long-term</li> <li>• Investment predominantly in equity and equity related securities across market capitalization As per AMFI Tier I. Benchmark Index : <b>NIFTY 500 Multi-cap 50:25:25 TRI</b></li> </ul> <p><b>HSBC Nifty 50 Index Fund</b> (An open ended Equity Scheme tracking Nifty 50 Index)</p> <ul style="list-style-type: none"> <li>• Long term capital appreciation</li> <li>• Investment in equity securities covered by the NIFTY 50. As per AMFI Tier I. Benchmark Index : <b>NIFTY 50 TRI</b></li> </ul> <p><b>HSBC Nifty Next 50 Index Fund</b> (An open ended Equity Scheme tracking Nifty Next 50 Index)</p> <ul style="list-style-type: none"> <li>• Long term capital appreciation</li> <li>• Investment in equity securities covered by the Nifty Next 50 As per AMFI Tier I. Benchmark Index : <b>Nifty Next 50 TRI</b></li> </ul>	 <p>The risk of the scheme is Very High Risk</p>	 <p>The risk of the benchmark is Very High Risk</p>

\* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

**Note on Risk-o-meters: Riskometer as on 31 Jan 2026.** 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

# Product Label

Scheme name and Type of scheme	Scheme Risk-o-meter	Benchmark Risk-o-meter of the benchmark (as applicable)
<p><b>This product is suitable for investors who are seeking*:</b></p> <p><b>HSBC Consumption Fund</b> (An open ended equity scheme following consumption theme)</p> <ul style="list-style-type: none"> <li>To create wealth over long term</li> <li>Investment predominantly in equity and equity related securities of companies engaged in or expected to benefit from consumption and consumption related activities</li> </ul> <p>As per AMFI Tier I Benchmark i.e. Benchmark Index : <b>Nifty India Consumption Index TRI</b></p>	 <p>The risk of the scheme is Very High Risk</p>	 <p>The risk of the benchmark is Very High Risk</p>
<p><b>HSBC Arbitrage Fund</b> (An open ended scheme investing in arbitrage opportunities)</p> <p><b>This product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"> <li>Generation of reasonable returns over short to medium term</li> <li>Investment predominantly in arbitrage opportunities in the cash and derivatives segments of the equity markets, and debt and money market instrument</li> </ul> <p>As per AMFI Tier I Benchmark i.e. Benchmark Index : <b>Nifty 50 Arbitrage Index</b></p>	 <p>The risk of the scheme is Low Risk</p>	 <p>The risk of the benchmark is Low Risk</p>

\* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

**Note on Risk-o-meters: Riskometer as on 31 Jan 2026.** 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

# Product Label

HSBC Multi Asset Allocation Fund		
<p><b>*Scheme Riskometer</b></p>  <p>The risk of the scheme is Very High Risk</p>	<p>(An open ended scheme investing in Equity &amp; Equity Related instruments, Debt &amp; Money Market Securities and Gold / Silver ETFs)</p> <p><b>This product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"> <li>• Long term wealth creation</li> <li>• Investment in equity and equity related securities, fixed income instruments and Gold / Silver ETFs.</li> </ul> <p>As per AMFI Tier I. <b>Benchmark Index:</b> BSE 200 TRI (65%) + NIFTY Short Duration Debt Index (20%) + Domestic Price of Gold (10%) + Domestic Price of Silver (5%)</p>	<div style="display: flex; justify-content: space-around;"> <div data-bbox="1472 254 1811 511"> <p><b>BSE 200 TRI</b></p>  <p>The risk of the benchmark is Very High Risk</p> <p>Domestic Price of Gold</p> </div> <div data-bbox="2015 254 2354 511"> <p><b>NIFTY Short Duration Debt Index</b></p>  <p>The risk of the benchmark is Low to Moderate Risk</p> <p>Domestic Price of Silver</p> </div> </div> <div style="display: flex; justify-content: space-around; margin-top: 10px;"> <div data-bbox="1472 525 1811 725">  <p>The risk of the benchmark is High Risk</p> </div> <div data-bbox="2015 525 2354 725">  <p>The risk of the benchmark is Very High Risk</p> </div> </div>

Scheme name and Type of scheme	Scheme Risk-o-meter	Benchmark Risk-o-meter (as applicable)
<p><b>HSBC India Export Opportunities Fund</b> (An open ended equity scheme following export theme)</p> <p><b>This product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"> <li>• To create wealth over long term.</li> <li>• Investment predominantly in equity and equity related securities of companies engaged in or expected to benefit from export of goods or Services</li> </ul> <p>As per AMFI Tier I Benchmark i.e. Benchmark Index: <b>Nifty 500 TRI</b></p> <p><b>HSBC Financial Services Fund</b> (An open-ended equity scheme investing in financial services sector)</p> <p><b>This product is suitable for investors who are seeking*:</b></p> <ul style="list-style-type: none"> <li>• To create wealth over long term</li> <li>• Investment predominantly in equity and equity related securities of companies engaged in financial services businesses</li> </ul> <p>As per AMFI Tier I Benchmark i.e. Benchmark Index: <b>BSE Financial Services TRI</b></p>	 <p>The risk of the scheme is Very High Risk</p>	 <p>The risk of the benchmark is Very High Risk</p>

\* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Note on Risk-o-meters: Riskometer as on 31 Jan 2026, 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

# Product Label

Scheme name and Type of scheme	Scheme Risk-o-meter	Benchmark Riskometer (as applicable)
<p><b>This product is suitable for investors who are seeking*:</b></p> <p><b>HSBC Global Equity Climate Change Fund of Fund</b> - (An open ended fund of fund scheme investing in HSBC Global Investment Funds – Global Equity Climate Change)</p> <ul style="list-style-type: none"> <li>• To create wealth over long-term</li> <li>• Investment predominantly in companies positioned to benefit from climate change through fund of funds route</li> </ul> <p>As per AMFI Tier I <b>Benchmark Index: MSCI AC World Index TRI</b></p> <p><b>HSBC Asia Pacific (Ex Japan) Dividend Yield Fund</b> – (An open ended fund of fund scheme investing in HSBC Global Investment Funds - Asia Pacific Ex Japan Equity High Dividend Fund)</p> <ul style="list-style-type: none"> <li>• To create wealth over long-term</li> <li>• Investment in equity and equity related securities of Asia Pacific countries (excluding Japan) through fund of funds route</li> </ul> <p>As per AMFI Tier I Benchmark i.e. <b>Benchmark Index: MSCI AC Asia Pacific ex Japan TRI</b></p> <p><b>HSBC Brazil Fund</b> - (An open ended fund of fund scheme investing in HSBC Global Investment Funds - Brazil Equity Fund)</p> <ul style="list-style-type: none"> <li>• To create wealth over long term</li> <li>• Invests in equity and equity related securities through feeder route in Brazilian markets</li> </ul> <p>As per AMFI Tier I Benchmark i.e. <b>MSCI Brazil 10/40 Index TRI</b></p> <p><b>HSBC Global Emerging Markets Fund</b> - (An open ended fund of fund scheme investing in HSBC Global Investment Funds - Global Emerging Markets Equity Fund)</p> <ul style="list-style-type: none"> <li>• To create wealth over long term</li> <li>• Investment predominantly in units of HSBC Global Investment Funds – Global Emerging Markets Equity Fund</li> </ul> <p>As per AMFI Tier I <b>Benchmark Index: MSCI Emerging Market Index TRI</b></p>	 <p>The risk of the scheme is Very High Risk</p>	 <p>The risk of the benchmark is Very High Risk</p>

\* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Note on Risk-o-meters: **Riskometer as on 31 Jan 2026**. 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

# Disclaimer

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Past performance may or may not be sustained in future and is not a guarantee of any future returns.

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Website: [www.assetmanagement.hsbc.co.in](http://www.assetmanagement.hsbc.co.in)

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