



Aim to benefit from business cycles

HSBC Business Cycles Fund

June 2026

HSBC Business Cycles Fund

Fund snapshot

Fund Category	Fund Manager	Benchmark ¹	Inception Date*	AUM ^{&}
Thematic Fund	Gautam Bhupal, Mayank Chaturvedi [#]	NIFTY 500 TRI	20 Aug 2014	Rs. 1,142.20 Cr

Investment approach

- Business cycles approach

Parameters used

- Stage of economy or business cycle determines portfolio positioning

Key features

- Use medium term economic / business trends to position portfolio
- Not swayed by short term movements in the market
- Decisions based on forward looking business / market parameters

Source – HSBC Mutual Fund, Data as on 31 May 2026, * Since inception - 20 Aug 14

¹ As per clause 7.22 of the SEBI Master Circular for Mutual Funds dated March 20, 2026 on Benchmarks for Mutual Fund Schemes' has two-tiered structure for benchmarking of certain categories of schemes. Accordingly, the benchmark has been classified as Tier 1 benchmark.

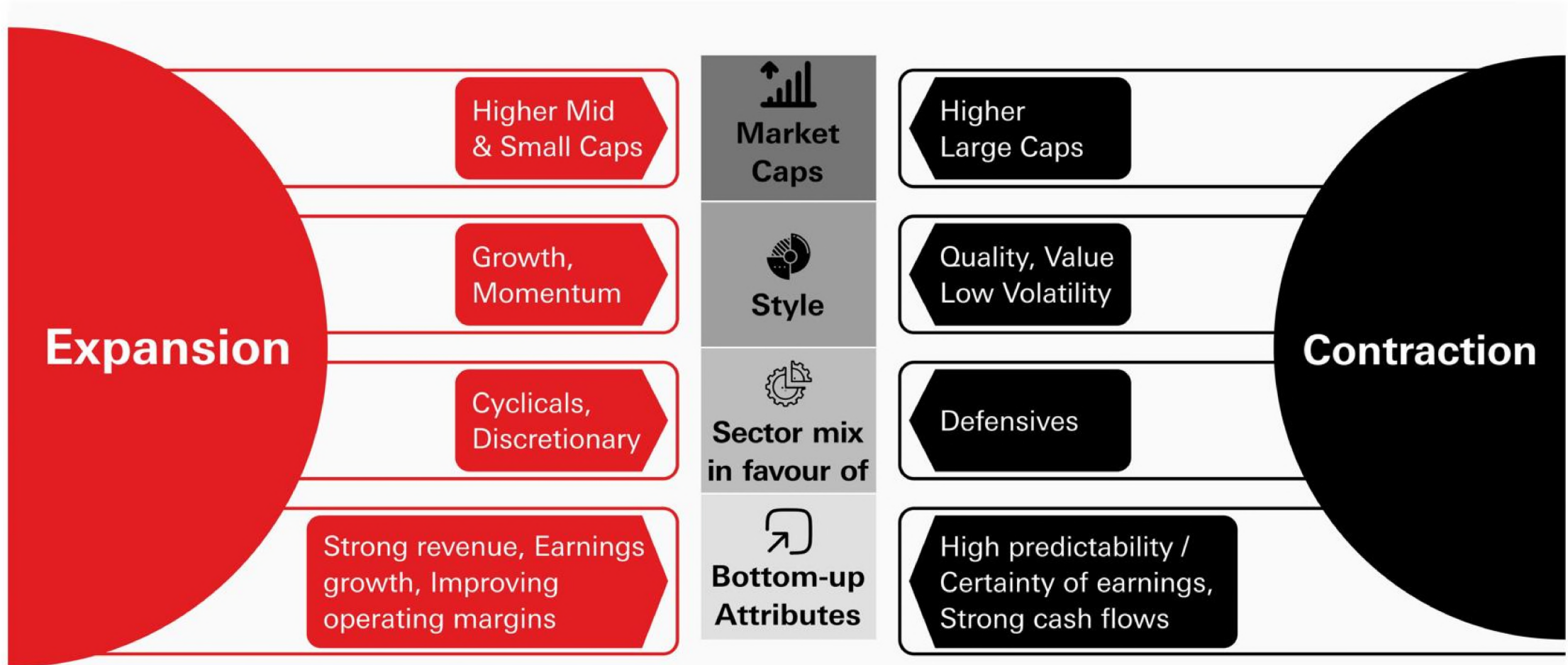
[#] Mayank Chaturvedi is the fund manager for investments in foreign securities for all the schemes of HSBC Mutual Fund w.e.f. 1 October 2025.

[&]For disclosure of quarterly AUM/AAUM and AUM by geography, please visit our website: <https://www.assetmanagement.hsbc.co.in/en/mutual-funds/investor-resources/information-library#&accordion1446811090=4>

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Portfolio construction approach

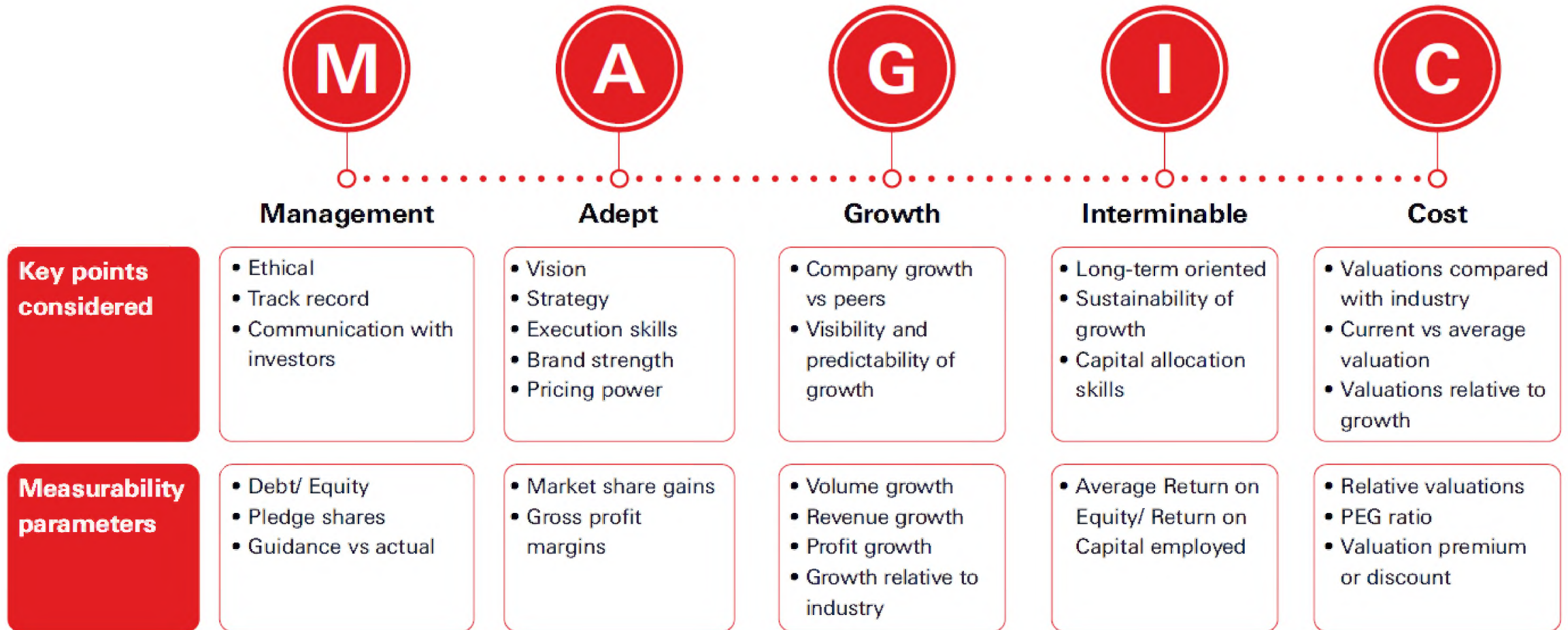
HSBC Business Cycles Fund



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Bottom-up investment approach

HSBC Business Cycles Fund

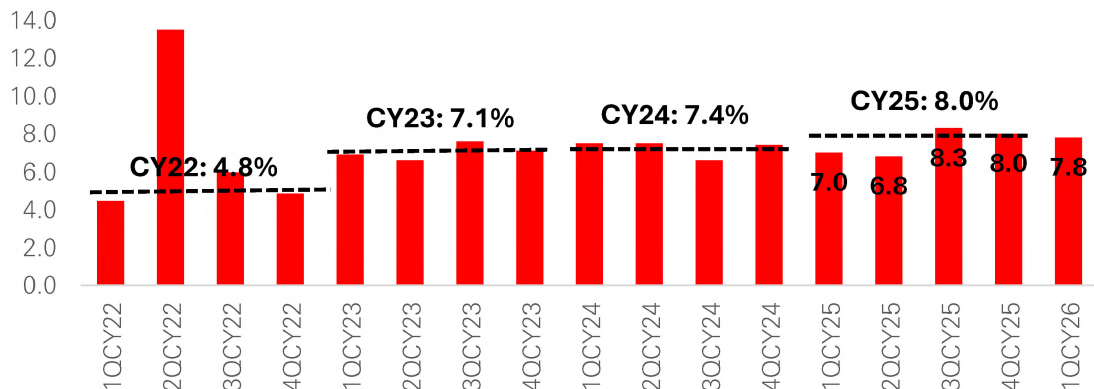


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Economy continues to remain in 'Expansion' phase

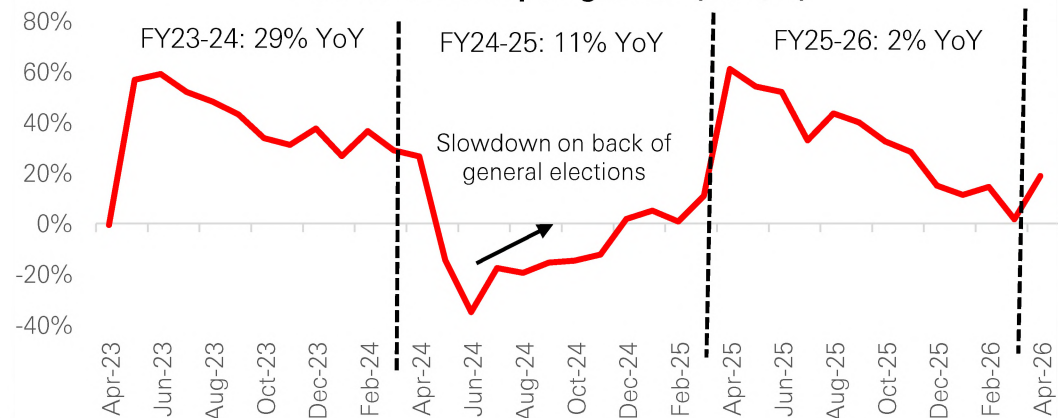
GDP growth continues to remain strong

Real GDP growth (YoY,%)



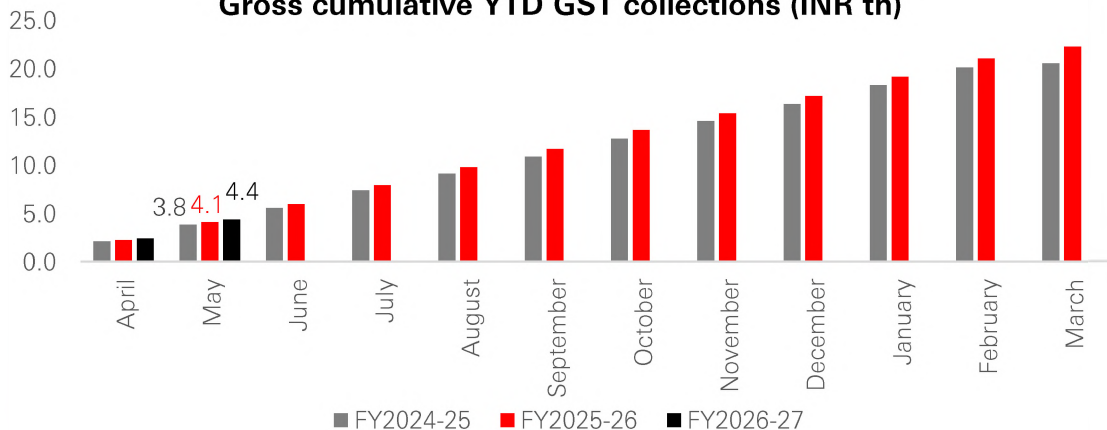
Muted capex growth in FY26; good start to FY27

Cumulative capex growth (YoY,%)



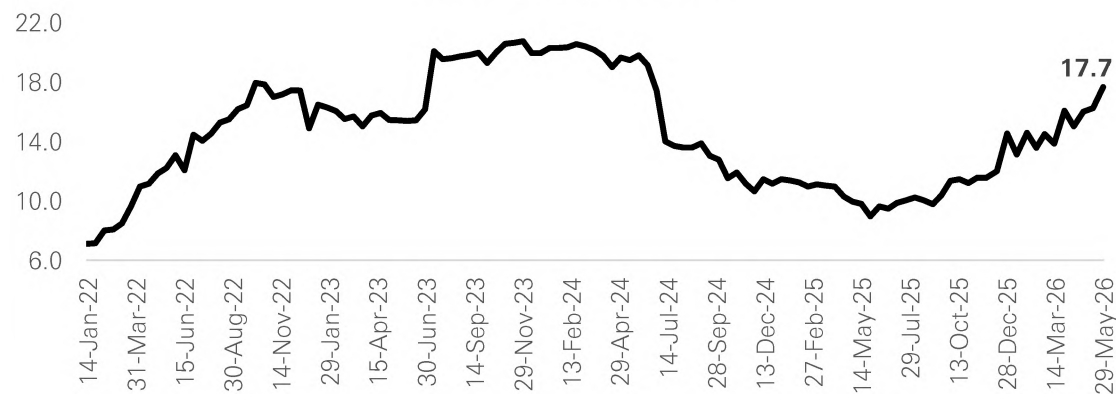
Consistent growth in GST collections

Gross cumulative YTD GST collections (INR tn)



Credit growth has seen sharp pick up from lows

Credit growth (YoY,%)



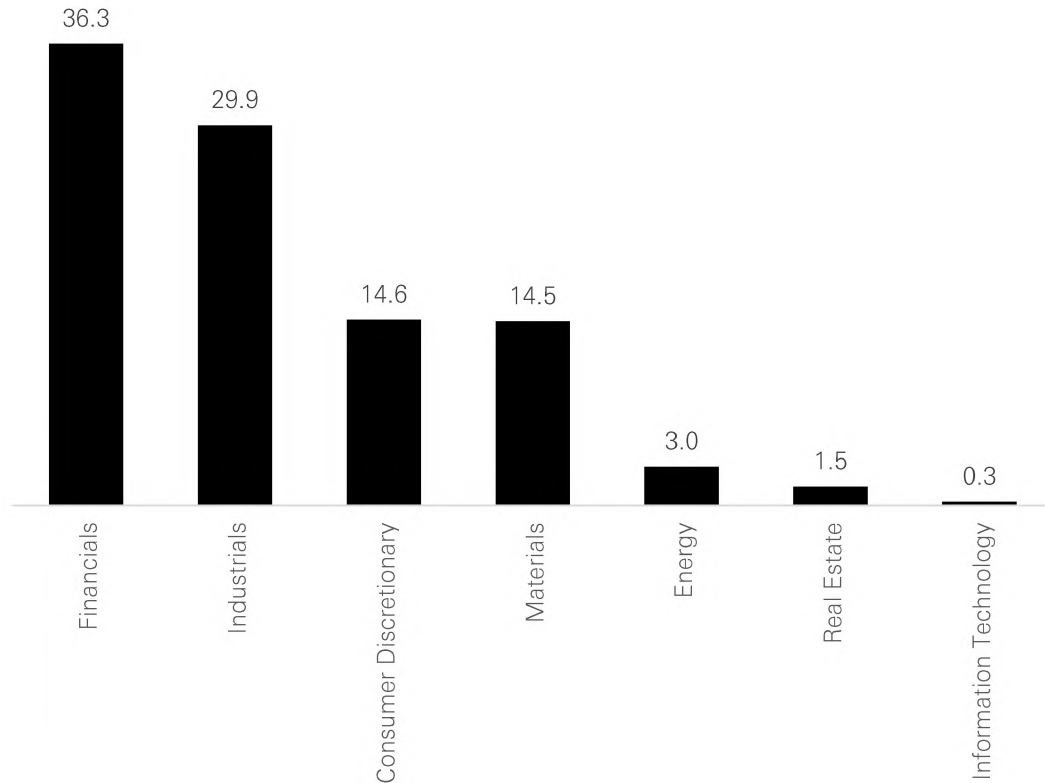
Source: Controller General of Accounts (CGA), RBI, Government of India, CEIC, HSBC Mutual Fund, Latest available data as on 31 May 2026

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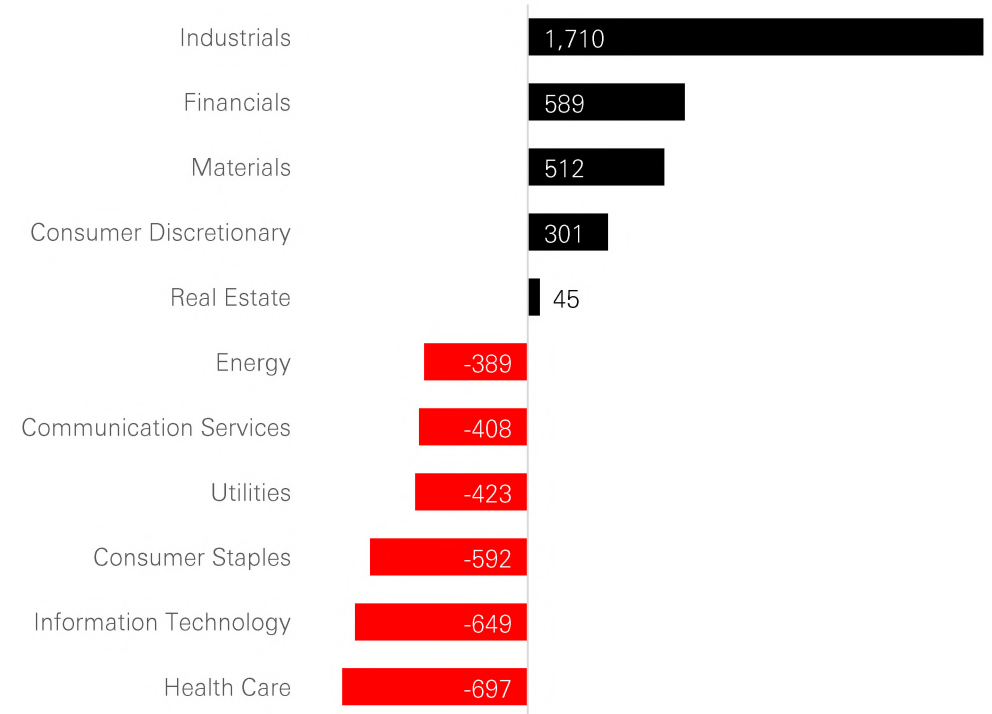
Sector allocation with active weights

HSBC Business Cycles Fund

Portfolio sector weights (%)



Active Sector weights (bps)



Source: Bloomberg, HSBC Mutual Fund, Data as on 31 May 2026

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Financials: Higher earnings predictability in banks and financialization drive our weights

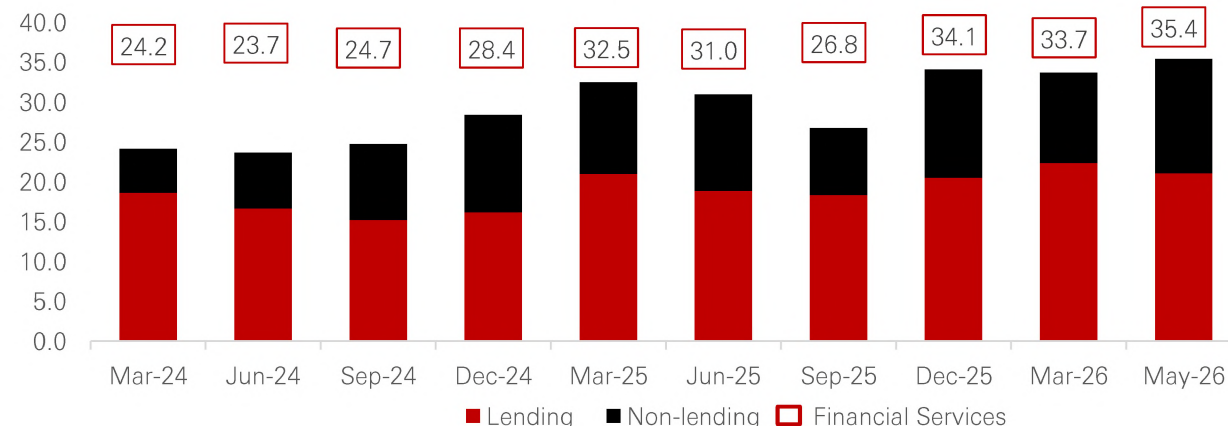
▪ Lending

- Repo and CRR cut, easing of risk weights and other norms, increasing system liquidity, along with consumption boost has started to drive credit growth
- Asset quality remain benign (barring micro finance segment) with reasonable valuations
- Exposure primarily through Large Banks and NBFCs with visibility of healthy growth along with stable asset quality.

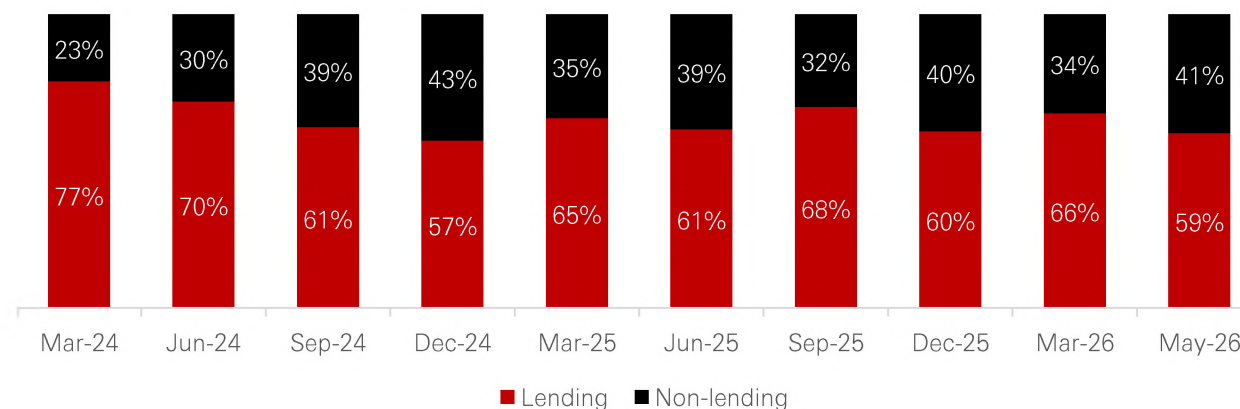
▪ Non-lending

- Financialization of savings is a medium-term theme and will continue to play in India over next several years
- AMC, Exchanges and select Stockbrokers and Intermediaries will be biggest beneficiaries and our portfolio has exposure to some of these Mid and Small cap companies.
- The non-life insurance industry penetration remains low and remains a medium to long term investment beneficiary. Regulatory interventions in some industries like Health insurance remains a short-term headwind and not a structural issue.

Financial Services allocation (%)



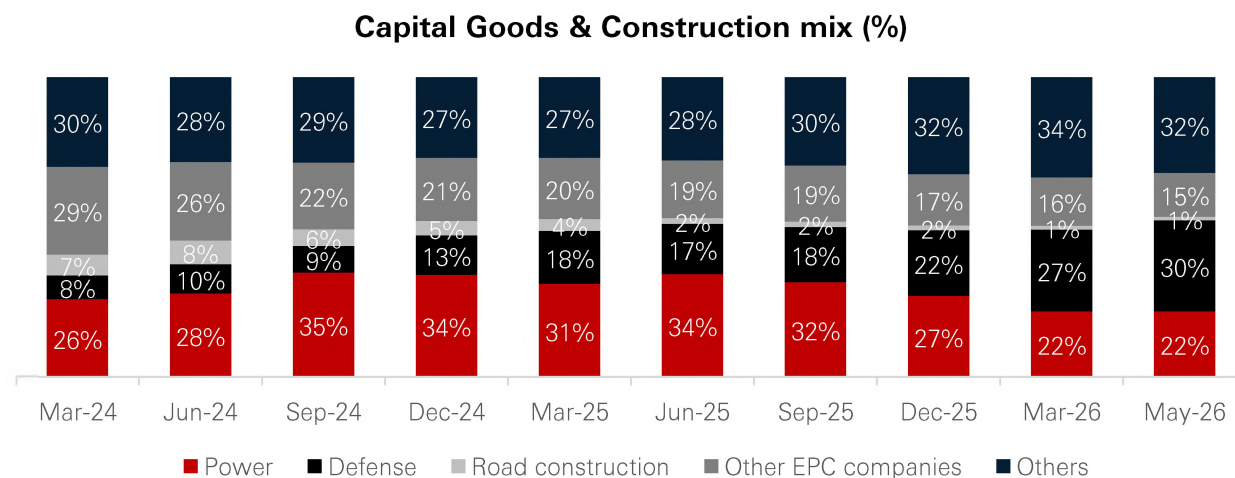
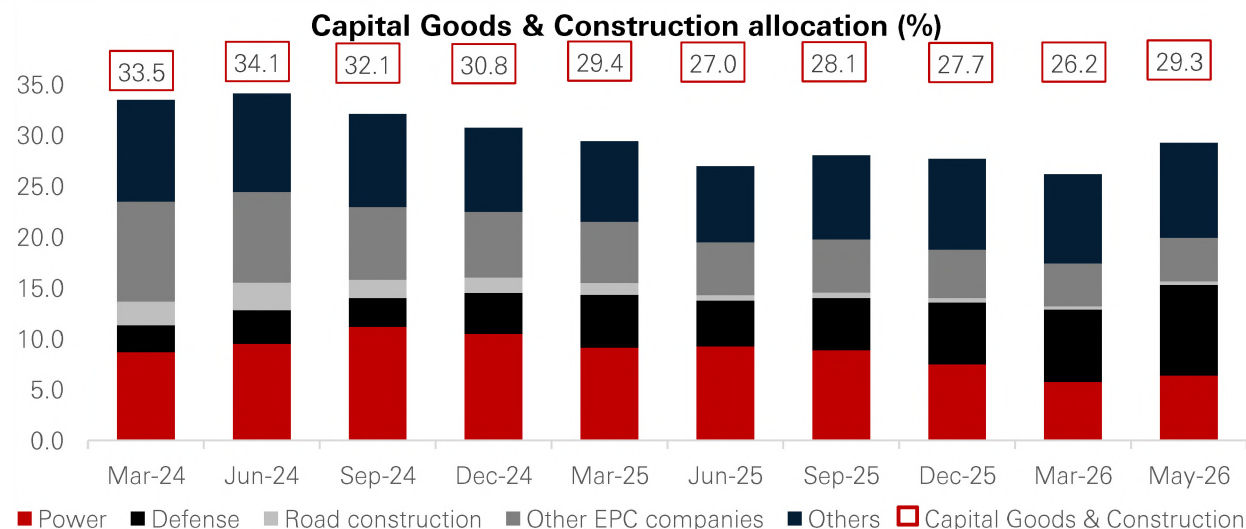
Financial Services mix (%)



Source: HSBC Mutual Fund, Latest available data as on 31 May 2026. **Note:** The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments. The Fund/portfolio may or may not have any existing / future position in these sector(s)/stock(s)/issuer(s). Past performance may or may not be sustained in future and is not a guarantee of any future returns.

Industrials: Remain selective with exposure to Defense and Power T&D

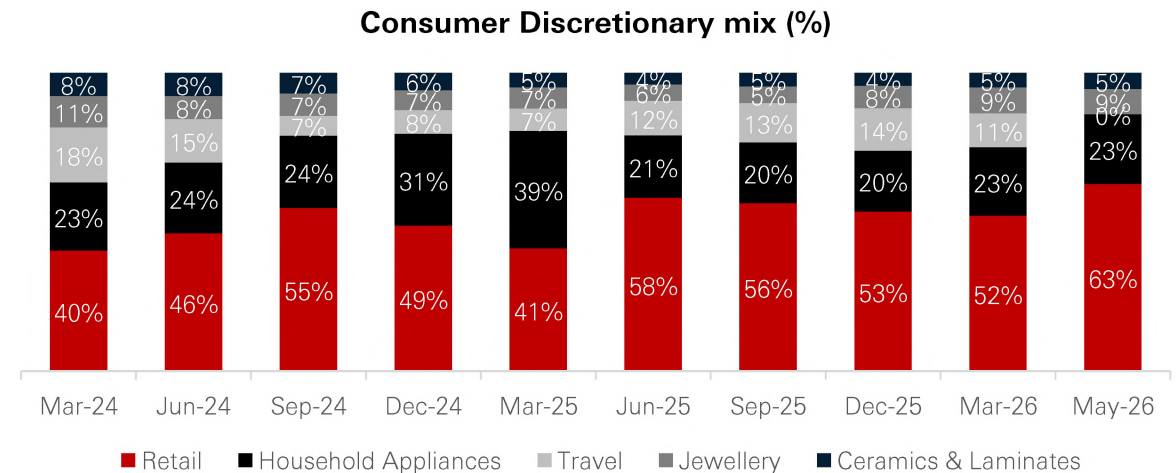
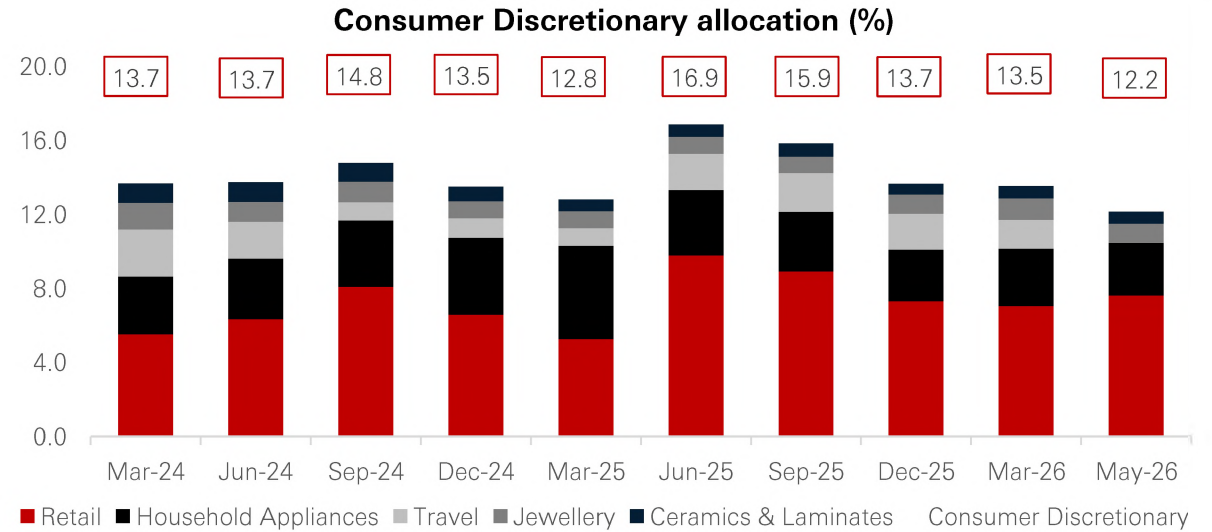
- Overall capex growth is expected to grow in-line with nominal GDP in FY27
 - Centre FY26YTD capex has normalized in line with our expectations
 - Risk to State capex growth
 - Private capex is picking up and will continue to drive growth
- Expect select segments in capex to do well
 - Aerospace & Defense
 - Power (especially T&D)
 - Industrial
- Reduced exposure in Road construction and other EPC companies on muted government capex.
- Geo-political concerns will continue to drive defense budget as a percentage of GDP higher
- Power consumption will continue to increase driven by rising demand for appliances, AI, data centers, etc. Weight reduction is due to reduced exposure in power developers, while exposure to T&D players continue.



Source: HSBC Mutual Fund, Latest available data as on 31 May 2026. **Note:** The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments. The Fund/portfolio may or may not have any existing / future position in these sector(s)/stock(s)/issuer(s). Past performance may or may not be sustained in future and is not a guarantee of any future returns.

Consumer Discretionary: Aspiration, convenience and higher incomes to drive category

- Consumer basket is shifting from staples to discretionary consumption. External geopolitical shocks and higher commodity prices has resulted in weight reduction in 2026 for the segment.
- Consumption seeing nudge from the government
 - GST rationalization (~Rs 2.2 tn)
 - Income tax relief (~Rs 1 tn)
 - Social welfare schemes (~ Rs 2 tn)
 - Pay hike in 8th pay commission in FY28 (~Rs 4 tn)
 - Total stimulus of ~Rs 9.2 tn (2.5% of GDP)
- Like multiple themes within the sector
 - Changing customer behavior, convenience and premiumization is driving Retail. Prefer exposure through platform companies over brick-and-mortar.
 - Increased fuel and air ticket costs coupled with gas issues may impact Travel theme in the short-term resulting in reduced weights.
 - Household appliances demand likely to increase, however, seasonality issues influences weightages
- Select exposure in Jewelry and Ceramics/ laminates



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Top stocks and active weights

HSBC Business Cycles Fund

Company name	Portfolio weights (%)	Benchmark weights (%)	Active weights (bps)
ICICI Bank	5.2	4.7	56
MTAR Technologies	4.1	0.0	406
HDFC Bank	3.2	5.9	-269
Multi Commodity Exchange of India	3.0	0.4	261
Reliance Industries	3.0	4.6	-166
GE Vernova T&D	2.7	0.3	233
Hindalco Industries	2.7	0.8	181
ICICI Prudential AMC	2.6	0.1	257
Bharat Electronics	2.4	0.8	166
Hindustan Aeronautics	2.4	0.4	198

Source: Bloomberg, HSBC Mutual Fund, Data as on 31 May 2026

The above sectors mentioned are for illustration purpose only. The above data/information represents historic performance of the sector and for illustration purpose only. The scheme may or may not have future positions in this sector. The above graphs/ analysis should not be construed as an investment advice or research report or recommendation to buy or sell in any sector mentioned above. Past performance may or may not be sustained in future and is not a guarantee of any future returns. The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report nor it should be considered as an investment research, investment recommendation or advice to any reader of this content to buy or sell any stocks / investments

Key portfolio metrics

HSBC Business Cycles Fund

Number of equity stocks	Top 5 stocks weight (%)	Top 10 stocks weight (%)	Active Share (%)
69	18.47	31.26	72.51
Beta (Slope)	Sharpe Ratio	Standard Deviation (%)	Portfolio Turnover (1 year)
1.18	0.58	18.47	0.29

Source: Bloomberg, HSBC Mutual Fund, Data as of 31 May 2026. Note - Quantitative Data disclosed are as per monthly returns (Annualized) for the last 3 years, Risk free rate: 5.52% (FIMMDA-NSE Mibor) Refer to the Fund's website, www.assetmanagement.hsbc.co.in for monthly portfolio disclosures. ^ 1 Year period.

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Market cap classification

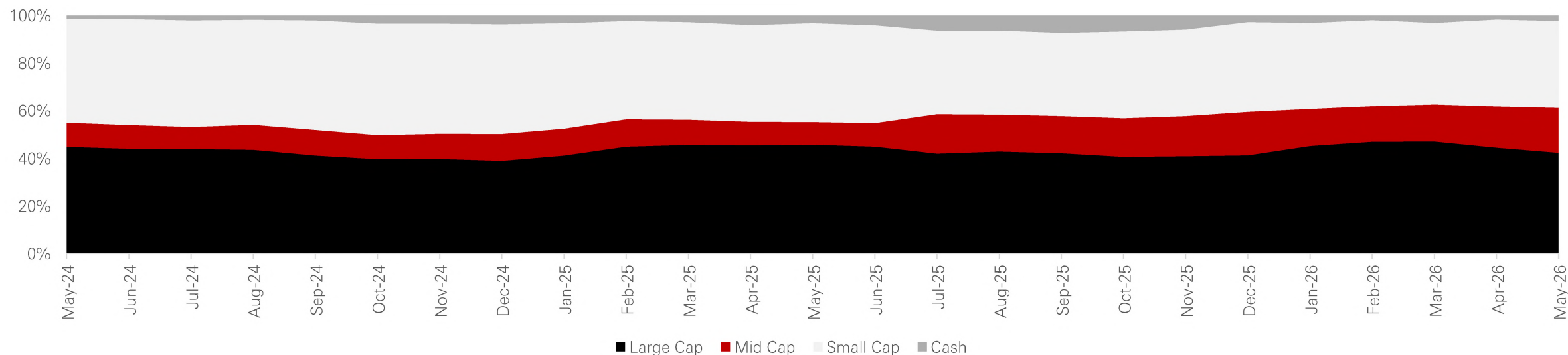
HSBC Business Cycles Fund

The changes in market cap allocation happens due to SEBI's semi-annual revision of market capitalization rather than any active increase in allocation. This normalizes over the next 2-3 months post the semi-annual revision.

Our small cap exposure has come down from its peak in 4Q24 driven by slowdown in government capex growth. We have reduced exposure to some of the small cap companies in Capital Goods / Infrastructure sector in 2025.

Market Cap (%)	May 2025	April 2026	May 2026
Large Cap	45.7	44.5	42.4
Mid Cap	9.4	17.3	18.8
Small Cap	41.6	36.5	36.5
Cash	3.3	1.7	2.3

Market cap mix (%)



Source: HSBC Mutual Fund, Data as on 31 May 2026

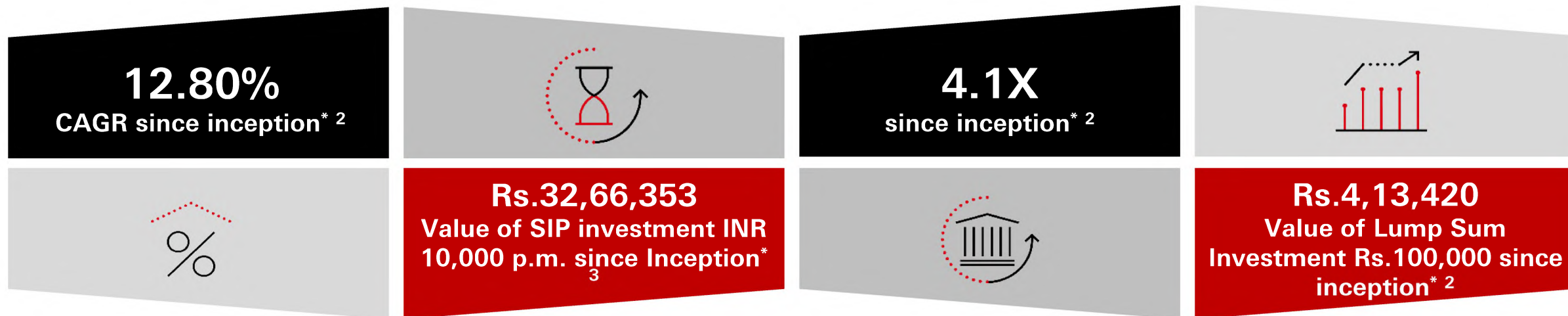
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Fund Snapshot

HSBC Business Cycles Fund (HBCF)

(An open ended equity scheme following business cycles based investing theme)

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



Source: HSBC Mutual Fund, Data as on 31 May 2026. ² Inception date - 20 Aug 2014 of Growth option regular plan. During the same period, scheme benchmark (Nifty 500 TRI) has moved by 4.0X to Rs 4,06,220 from Rs 100,000 and delivered return of 12.64%. Please refer performance slides for detailed performance of HSBC Business Cycles Fund. ³ During the same period, value of scheme benchmark (Nifty 500 TRI) has moved to 32,35,198. * Since inception - 20 Aug 14

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Lump Sum performance

HSBC Business Cycles Fund

Fund Manager - Gautam Bhupal Effective 01 Jun 2023. Total Schemes Managed – 7; Fund Manager - Mayank Chaturvedi Effective 01 Oct 2025. Total Schemes Managed - 19

Lump Sum Investment Performance											Inception Date
Fund / Benchmark (Value of Rs 10,000 invested)	1 Year		3 Years		5 Years		10 Years		Since Inception		
	Amount in ₹	Returns %	Amount in ₹	Returns %	Amount in Rs	PTP Returns %	Amount in Rs	PTP Returns %	Amount in ₹	Returns %	
HSBC Business Cycles Fund-Regular~~	9767	-2.34	15779	16.44	20514	15.46	35560	13.53	41342	12.80	20-Aug-14
Scheme Benchmark (Nifty 500 TRI)	10028	0.28	14778	13.92	18007	12.49	37165	14.03	40622	12.64	
Additional Benchmark (Nifty 50 TRI)	9616	-3.85	13140	9.54	16012	9.88	32593	12.54	34349	11.04	
HSBC Business Cycles Fund-Direct~~	9881	-1.19	16314	17.74	21672	16.74	39077	14.60	45967	13.82	20-Aug-14
Scheme Benchmark (Nifty 500 TRI)	10028	0.28	14778	13.92	18007	12.49	37165	14.03	40622	12.64	
Additional Benchmark (Nifty 50 TRI)	9616	-3.85	13140	9.54	16012	9.88	32593	12.54	34349	11.04	

Source: HSBC Mutual Fund, data as on 31 May 2026

Past performance may or may not be sustained in future and is not a guarantee of any future returns. The performance details provided herein are of Regular as well as Direct Plan - Growth Option. Returns on ₹10,000 are point-to-point returns for the specific time period, invested at the start of the period. The returns for the respective periods are provided as on last available NAV of March 2026 for the respective schemes. Returns for 1 year and above are Compounded Annualized. Returns for less than 1 year is Simple Annualized. Load is not taken into consideration for computation of performance. Different plans shall have a different expense structure. The expenses of the Direct Plan under the Scheme will be lower to the extent of the distribution expenses / commission charged to the Regular Plan. Mayank Chaturvedi is the fund manager for investments in foreign securities for all the schemes of HSBC Mutual Fund w.e.f. 1 October 2025.

As per clause 5.9.1 of the SEBI Master Circular dated June 27, 2024, the scheme returns vis-à-vis the benchmark return (Total Return Index) shall be disclosed are provided from the date of allotment of units. Post merger performance of the surviving scheme, arising out of merger of schemes with similar features, is computed as per the provisions of clause 13.4 of the SEBI Master Circular dated June 27, 2024, on Disclosure of Performance of Schemes post-merger using the weighted average performance of both transferor and transferee schemes. In other cases, performance is computed using the Applicable NAV of the surviving/continuing schemes ~~ Face value Rs 10

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

SIP Performance

HSBC Business Cycles Fund

SIP Performance - HSBC Business Cycles Fund – Regular Plan*					Inception Date: 20-Aug-14
Scheme Name & Benchmarks	1 Year	3 Years	5 Years	Since Inception	
Total amount invested (₹)	120000	360000	600000	1410000	
Market Value as on 29 May 2026 (₹)	1,19,350	4,03,617	8,38,301	32,66,353	
Scheme Returns (%)	-1.02	7.61	13.38	13.51	
Nifty 500 TRI - Scheme Benchmark (₹)	1,18,863	3,95,859	7,80,840	32,35,198	
Nifty 500 TRI - Scheme Benchmark Returns (%)	-1.78	6.30	10.51	13.37	
Nifty 50 TRI - Additional Benchmark (₹)	1,14,003	3,75,774	7,20,151	28,86,608	
Nifty 50 TRI - Additional Benchmark Returns (%)	-9.27	2.82	7.26	11.59	

SIP Performance - HSBC Business Cycles Fund – Direct Plan*					Inception Date: 20-Aug-14
Scheme Name & Benchmarks	1 Year	3 Years	5 Years	Since Inception	
Total amount invested (₹)	120000	360000	600000	1410000	
Market Value as on 29 May 2026 (₹)	1,20,087	4,11,244	8,65,836	35,07,834	
Scheme Returns (%)	0.14	8.89	14.69	14.62	
Nifty 500 TRI - Scheme Benchmark (₹)	1,18,863	3,95,859	7,80,840	32,35,198	
Nifty 500 TRI - Scheme Benchmark Returns (%)	-1.78	6.30	10.51	13.37	
Nifty 50 TRI - Additional Benchmark (₹)	1,14,003	3,75,774	7,20,151	28,86,608	
Nifty 50 TRI - Additional Benchmark Returns (%)	-9.27	2.82	7.26	11.59	

Past performance may or may not be sustained in future and is not a guarantee of any future returns. For SIP returns, monthly investment of Rs. 10,000/- invested on the 1st day of every month has been considered. SIP Return are calculated on XIRR basis. IDCW are assumed to be reinvested and bonus is adjusted. Load is not taken into consideration.

*Note - Mayank Chaturvedi shall be the fund manager for investments in foreign securities (wherever applicable) for all the schemes of HSBC Mutual Fund. w.e.f. October 01, 2025.

Source: HSBC Mutual Fund, data as on 31 May 2026

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

Product Label



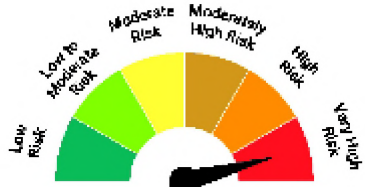
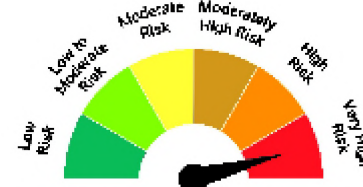
Gautam Bhupal

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

Inv. Experience – 21 years

Gautam Bhupal is a Fund Manager with HSBC Asset Management, India. He has an experience of more than 21 years in the asset management industry and has been working with HSBC AMC for more than 15 years. Prior to joining HSBC in July 2008, Gautam worked as an Analyst with UTI Asset Management in India for more than 4 years.

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

Scheme name and Type of scheme	Scheme Risk-o-meter	Benchmark Risk-o-meter (as applicable)
<p>HSBC Business Cycles Fund (An open ended equity scheme following business cycles based investing theme)</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> • Long term capital appreciation • Investment predominantly in equity and equity-related securities, including equity derivatives in Indian markets with focus on riding business cycles through dynamic allocation between various sectors and stocks at different stages of business cycles in the economy. 	 <p>The risk of the scheme is Very High Risk</p>	<p>As per AMFI Tier I Benchmark i.e. Benchmark Index: NIFTY 500 TRI</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 is as on 31 May 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.

Portfolio

HSBC Business Cycles Fund

Portfolio	% to net assets
ICICI Bank Limited	5.22%
Mtar Technologies Limited	4.06%
HDFC Bank Limited	3.22%
Multi Commodity Exchange of India Ltd.	3.00%
Reliance Industries Limited	2.97%
GE Vernova T&D India Limited	2.66%
Hindalco Industries Limited	2.66%
ICICI Prudential AMC Ltd	2.64%
Bharat Electronics Limited	2.42%
Hindustan Aeronautics Limited	2.40%

Industry - Allocation	% to net assets
Banks	14.37%
Capital Markets	11.55%
Electrical Equipment	8.59%
Construction	7.40%
Finance	6.69%
Retailing	6.17%
Consumer Durables	5.31%
Industrial Products	5.02%
Aerospace & Defense	4.82%
Petroleum Products	2.97%

Source: HSBC Mutual Fund, data as on 31 May 2026

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Disclaimer

Investors are requested to note that as per SEBI (Mutual Funds) Regulations, 2026 and guidelines issued thereunder, HSBC AMC, its employees and/or empaneled distributors/agents are forbidden from guaranteeing/promising/assuring/predicting any returns or future performances of the schemes of HSBC Mutual Fund. Hence please do not rely upon any such statements/commitments. If you come across any such practices, please register a complaint via email at investor.line@mutualfunds.hsbc.co.in.

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

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