

Fund Overview



HSBC Liquid Fund (Erstwhile HSBC Cash Fund)

Liquid Fund - An open-ended Liquid Scheme. Relatively Low interest rate risk and Low credit risk.

July 2023

Fund details

Launch Date	04 Dec 2002	Investor exit upon subscription	Exit Load as a % of redemption proceeds
Fund manager	Kapil Lal Punjabi / Shriram Ramanathan	Day 1	0.0070%
Fund Manager	HSBC Asset Management (I) Pvt. Ltd.	Day 2	0.0065%
Currency	INR	Day 3	0.0060%
Fund Domicile	India	Day 4	0.0055%
Benchmark	Nifty Liquid Index B-I ²	Day 5	0.0050%
Dealing	Every Business Day	Day 6	0.0045%
Cut-off Time ¹	13:30 for Subscriptions and Switch Ins, 15:00 for Redemption and Switch Outs	Day 7 Onwards	0.0000%
Settlement	T+1		

Following Exit Load shall be applicable if switched out/redeemed within 7 Calendar Days.

Overview

- ◆ Provides institutional investors with an opportunity to invest in short-term INR denominated money market instruments.
- ◆ Primary objectives/strategy includes:
 - Daily liquidity ^^
 - Active risk management
 - Extensive credit research

Notes:

(1) Subscription is subject to availability of funds for utilization before the cut-off time without availing any credit facility.

(2) SEBI vide its circular no. SEBI/HO/IMD/IMD-II DF3/P/CIR/2021/652 dated October 27, 2021, on 'Guiding Principles for bringing uniformity in Benchmarks of Mutual Fund Schemes' has introduced two-tiered structure for benchmarking of certain categories of schemes. Accordingly, the benchmark has been classified as Tier 1 benchmark. Furthermore, the same is effective from 01 December 2021

^^ Daily liquidity - As per the Regulations, the Fund shall dispatch the redemption proceeds within 10 Business Days from the date of acceptance of redemption request.

"As per SEBI circular dated November 25, 2022 or as amended from time to time, with effect from January 14, 2023, the Fund shall transfer the redemption / repurchase proceeds within 3 working Days, from the date of acceptance of redemption request." Under normal circumstances, the Fund will endeavour to dispatch the redemption proceeds 1 Business Day from the date of receiving a valid redemption request before the cut off time.

Document date : 14 July 2023

Portfolio characteristics

Yield to Maturity ²	6.97%
Current AUM (~INR m)	137476
Current WAM ³	53.49 Days
Maximum WAM ³	91 days
Maximum Maturity	91 days
Minimum Overnight Liquidity	20%
Maximum Issuer concentration banks/corporates ¹	10% / 5%

Fund Information

	Features
Current NAV	INR 2,264.4007
Settlement Date	T+1 ⁶

Fund Name	Total Expense Ratio (TER) (as of 30 June 2023)	Minimum Application Amount (Rs)	Minimum Redemption/ Switch Account (Rs)
HCF (Other than Direct plan) ⁵	0.22% ⁴	5,000	1,000
HCF Direct Plan	0.12% ⁴	5,000	1,000

HSBC Mutual Fund/HSBC Asset Management (India) Private Limited would update the current expense ratios (TER) on its website at least three working days prior to the effective date of the change. Details of such changes can be referred on the following link under the Daily TER section: <https://www.assetmanagement.hsbc.co.in/en/mutual-funds>

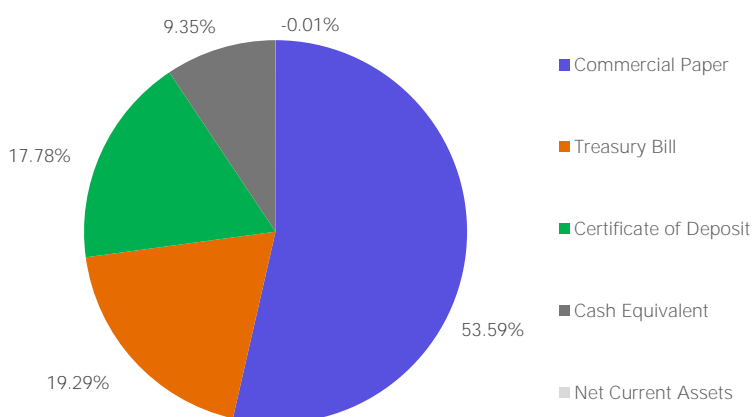
Source: HSBC Asset Management, data as of 30 June 2023

Notes:

1. Subject to change without notice.
2. YTM based on investment amount
3. The Weighted Average Maturity (WAM) of the fund
4. TER is annualized and Includes GST on Investment Management fees
5. Continuing plans
6. As per the local regulations, the fund shall dispatch the redemption proceeds within 10 business days from the date of acceptance of redemption request. Under normal circumstances, the Fund will endeavour to dispatch the redemption proceeds within 1 business day from the date of receiving redemption request.

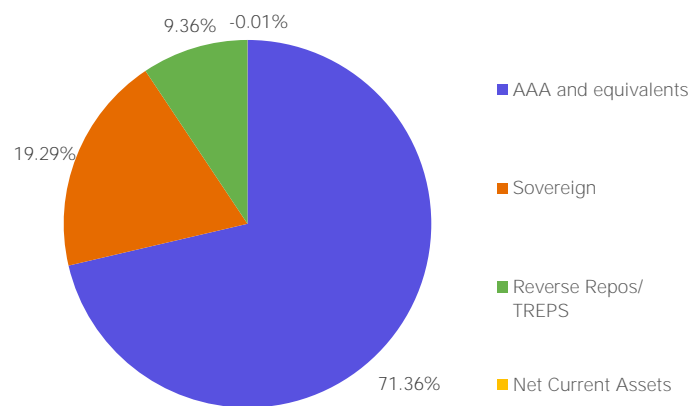
Portfolio Compositions¹

Instrument Mix



Credit Quality Mix – local*

credit rating agencies' short-term ratings



Top 10 issuers/counterparties

	% NAV
Canara Bank	6.12%
Small Industries Development Bank of India	5.42%
National Bank for Agriculture & Rural Development	5.40%
Reliance Retail Ventures Limited	5.05%
182 DAYS T-BILL 31AUG23	4.28%
91 DAYS T-BILL 20Jul23	3.62%
ICICI Securities Limited	3.61%
Bajaj Finance Limited	3.60%
HDFC Securities Limited	3.59%
Kotak Securities Limited	3.58%

Investment process and team

Our investment process is active, fundamental and value driven. It combines qualitative top-down analysis of macroeconomic and market dynamics, with structured bottom-up research into individual bond issuers and fixed income securities. While investment decisions are taken locally to ensure focus and accountability, our portfolio managers in India are able to access the expertise and experience of our investment professionals worldwide in order to gain a truly global perspective.

Notes:

* The rating mentioned above refers to the local credit rating in India. The rating criteria and methodology used by Indian local rating agencies may be different from those adopted by most of the established international credit rating agencies. Therefore, the Indian local credit rating system may not provide an equivalent standard for comparison with securities rated by international credit rating agencies.

1. Subject to change without notice.

Source: HSBC Asset Management, All data as on 30 June 2023 except otherwise mentioned

Lump sum Investment performance															
Fund / Benchmark (Value of Rs 10,000 invested)	7 Days		15 Days		30 Days		1 Year		3 Years		5 Years		Since Inception		Inception Date:
	Amount in Rs	Returns %	Amount In Rs	Returns %	Amount in Rs	Returns %	Amount in Rs	Returns (%)	Amount in Rs	Returns %	Amount in Rs	Returns %	Amount in Rs	Returns %	
HSBC Liquid Fund - Reg ⁷	10012	6.28	10024	6.53	10050	6.54	10640	6.40	11369	4.37	12888	5.20	22801	7.04	04-Dec-02
Scheme Benchmark (CRISIL Liquid Fund A-I Index)	10013	6.77	10026	6.95	10053	6.92	10668	6.68	11443	4.60	12973	5.34	23076	7.14	
Additional Benchmark (CRISIL 1 Year T Bill Index)	10013	8.50	10028	7.60	10053	6.86	10645	6.45	11355	4.33	13206	5.71	21632	6.57	

Performance of other funds managed by the Fund Manager										
Fund / Benchmark (Value of Rs 10,000 invested)	1 Year		3 Years		5 Years		Since Inception		Inception Date:	
	Amount in Rs	Returns %	Amount in Rs	Returns %	Amount in Rs	Returns %	Amount in Rs	Returns %		
HSBC Overnight Fund - Reg	10599	5.99	11288	4.12	NA	NA	11797	4.10	22-May-19	
Scheme Benchmark (NIFTY 1D Rate Index)	10617	6.17	11346	4.30	NA	NA	11928	4.38		
Additional Benchmark (CRISIL 1 Year T Bill Index)	10645	6.45	11355	4.33	NA	NA	12330	5.23		
HSBC Money Market Fund - Reg	10624	6.24	11275	4.08	13118	5.57	34316	7.13	10-Aug-05	
Scheme Benchmark (Nifty Money Market Index B-I)	10679	6.79	11461	4.65	13149	5.62	36037	7.43		
Additional Benchmark (CRISIL 1 Year T Bill Index)	10645	6.45	11355	4.33	13206	5.71	28547	6.04		
HSBC Low Duration Fund - Reg	10623	6.23	11711	5.41	12858	5.15	23903	7.17	04-Dec-10	
Scheme Benchmark (NIFTY Low Duration Debt Index B-I)	10719	7.19	11680	5.31	13669	6.44	25581	7.75		
Additional Benchmark (CRISIL 1 Year T Bill Index)	10645	6.45	11355	4.33	13206	5.71	22122	6.52		
HSBC Medium Duration Fund	10722	7.22	11874	5.89	13543	6.25	17485	6.87	02-Feb-15	
Scheme Benchmark (NIFTY Medium Duration Debt Index B-III)	10907	9.07	12295	7.13	14605	7.86	18661	7.70		
Additional Benchmark (CRISIL 10 year Gilt Index)	10928	9.28	10959	3.10	13872	6.76	16554	6.18		
HSBC Credit Risk Fund	10628	6.28	12075	6.49	12493	4.55	24968	6.89	08-Oct-09	
Scheme Benchmark (NIFTY Credit Risk Bond Index C-III)	11008	10.08	12695	8.28	15320	8.90	33189	9.13		
Additional Benchmark (CRISIL 10 year Gilt Index)	10928	9.28	10959	3.10	13872	6.76	22787	6.18		
HSBC Aggressive Hybrid Fund	12212	22.12	16328	17.75	15626	9.33	40388	11.92	07-Feb-11	
Scheme Benchmark (NIFTY 50 Hybrid Composite Debt 65:35 Index)	11784	17.84	16283	17.65	17807	12.22	36756	11.07		
Additional Benchmark (Nifty 50 TRI)	12291	22.91	19315	24.54	19018	13.70	41422	12.14		

Fund / Benchmark (Value of Rs10,000 invested)	1 Year		Since Inception		Inception Date:
	Amount in Rs	Returns %	Amount in Rs	Returns %	
HSBC CRISIL IBX 50-50 Gilt Plus Apr 2028 Index Fund	10784	7.84	10635	5.05	31-Mar-22
Scheme Benchmark (CRISIL IBX 50:50 Gilt Plus SDL Index – April 2028)	10857	8.57	10662	5.27	
Additional Benchmark (CRISIL 10 year Gilt Index)	10928	9.28	10655	5.21	

Name of Scheme	Fund Manager	No. of funds managed and Co-managed
HSBC Liquid Fund	Kapil Lal Punjabi - Since Mar 14, 2014 Shriram Ramanathan - Since Nov 26, 2022	Kapil Lal Punjabi-6 Shriram Ramanathan-11
HSBC Overnight Fund	Kapil Lal Punjabi - Since May 22, 2019 Mahesh Chhabria - Since Nov 26, 2022	Kapil Lal Punjabi-6 Mahesh Chhabria-4
HSBC Money Market Fund	Kapil Lal Punjabi - Since Nov 26, 2022 Shriram Ramanathan - Since Mar 21, 2020	Kapil Lal Punjabi-6 Shriram Ramanathan-11
HSBC Low Duration Fund	Shriram Ramanathan - Since Nov 24, 2012 Mahesh Chhabria - Since Nov 26, 2022	Shriram Ramanathan-11 Mahesh Chhabria-4
HSBC Medium Duration Fund	Shriram Ramanathan - Since Feb 02, 2015 Kapil Lal Punjabi - Since Nov 26, 2022	Shriram Ramanathan-11 Kapil Lal Punjabi-6
HSBC Credit Risk Fund	Shriram Ramanathan - Since Nov 24, 2012 Kapil Lal Punjabi - Since Nov 26, 2022	Shriram Ramanathan-11 Kapil Lal Punjabi-6
HSBC Aggressive Hybrid Fund	Cheenu Gupta (Equity) - Since July 02, 2021 Shriram Ramanathan (Fixed Income) - Since May 30, 2016	Cheenu Gupta-7 Shriram Ramanathan-11
HSBC CRISIL IBX 50-50 Gilt Plus Apr 2028 Index Fund	Ritesh Jain - Since Nov 26, 2022 Kapil Lal Punjabi - Since Mar 31, 2022	Ritesh Jain-5 Kapil Lal Punjabi-6

Since Inception returns are provided from the date of allotment of units. PTP returns – Point to Point returns.
The performance details provided herein is of Regular Plan - Growth Option. Returns on ₹10,000 are point-to-point returns for the specific time period, invested at the start of the period. The returns for the respective periods are provided as on last available NAV of June 2023 for the respective Schemes. Returns for 1 year and above are Compounded Annualized. Returns for less than 1 year is Simple Annualized. Load is not taken into consideration for computation of performance. Different plans shall have a different expense structure. The expenses of the Direct Plan under the Scheme will be lower to the extent of the distribution expenses / commission charged to the Regular Plan.
Pursuant to the transfer of schemes of L&T Mutual Fund to HSBC Mutual Fund, which was effective from the close of business hours of November 25, 2022, the performance of the Scheme (which is the surviving scheme out of the merger of schemes with similar features) provided above is computed as per the provisions of SEBI Circular No- SEBI/HO/IMD/DF3/CIR/P/2018/69 dated April 12, 2018 using the weighted average performance of both transferor and transferee schemes. The details of the transferor and transferee schemes please refer to our notice dated October 14, 2022 available on www.assetmanagement.hsbc.co.in. Past performance may or may not be sustained in the future. Refer note below.

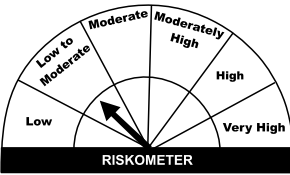

⁷ HSBC Liquid Fund: Since there was no continuous NAV history available for the surviving Plan of HSBC Liquid Fund prior to May 19, 2011, returns since the said date have been considered for calculating Since Inception performance. The inception date of HSBC Liquid Fund however is December 4, 2002.



Key risks

The value of investments and any income from them can go down as well as up and investors may not get back the amount originally invested.

- ◆ **Credit Risk:** Credit risk or default risk refers to the risk that an issuer of a fixed income security may default (i.e. will be unable to make timely principal and interest payments on the security).
- ◆ **Price-Risk or Interest Rate Risk:** As with all debt securities, changes in interest rates may affect the NAV of the Scheme(s) as the prices of securities increase as interest rates decline and decrease as interest rates rise.
- ◆ **Liquidity or Marketability Risk:** This refers to the ease with which a security can be sold at or near to its valuation yield-to-maturity (YTM). The primary measure of liquidity risk is the spread between the bid price and the offer price quoted by a dealer.
- ◆ **Reinvestment Risk:** This risk refers to the interest rate levels at which cash flows received from the securities in the Scheme(s) are reinvested. The additional income from reinvestment is the "interest on interest" component

For more risk factors check the KIM or visit <https://www.assetmanagement.hsbc.co.in/en/mutual-funds/investor-resources#>

HSBC Liquid Fund (Erstwhile HSBC Cash Fund)		
 <p>Investors understand that their principal will be at Low to Moderate risk</p>	<p>Liquid Fund - An open-ended Liquid Scheme. Relatively Low interest rate risk and Low credit risk.</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> • Overnight liquidity over short term • Investment in Money Market Instruments 	<p>Benchmark Index: Nifty Liquid Index B-I</p> 

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


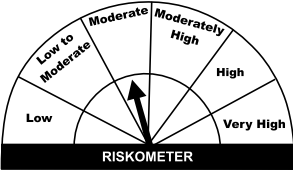
Potential Risk Class (HSBC Liquid Fund) & Potential Risk Class (HSBC Overnight Fund)

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

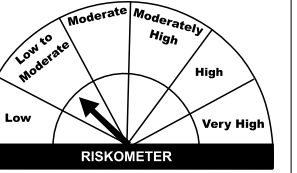
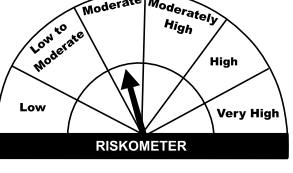
Potential Risk Class ('PRC') matrix indicates the maximum interest rate risk (measured by Macaulay Duration of the scheme) and maximum credit risk (measured by Credit Risk Value of the scheme) the fund manager can take in the scheme. PRC matrix classification is done in accordance with and subject to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

Past performance is not an indicator of future returns. Source: HSBC Asset Management India, data as at 30 June 2023

HSBC Money Market Fund (Erstwhile L&T Money Market Fund)

 <p>Investors understand that their principal will be at Low to Moderate risk</p>	<p>An open ended debt scheme investing in money market instruments. Relatively Low interest rate risk and Moderate credit risk.</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> • Generation of regular income over short to medium term • Investment in money market instruments 	<p>Benchmark Index: Nifty Money Market Index B-I</p> 
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HSBC Low Duration Fund (Erstwhile L&T Low Duration Fund)



 <p>Investors understand that their principal will be at Low to Moderate risk</p>	<p>Low Duration Fund - An open ended low duration debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 6 months to 12 months (for details on Macaulay's Duration please refer to the SID under the section "Asset Allocation Pattern"). A relatively low interest rate risk and moderate credit risk.</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> • Liquidity over short term • Investment in Debt / Money Market Instruments such that the Macaulay[^] duration of the portfolio is between 6 months to 12 months 	<p>Benchmark Index: NIFTY Low Duration Debt Index B-I</p> 
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Potential Risk Class (HSBC Money Market Fund) & (HSBC Low Duration Fund)

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

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

HSBC Medium Duration Fund (Erstwhile L&T Resurgent India Bond Fund)

 <p>Investors understand that their principal will be at Moderate risk</p>	<p>Medium Duration Fund - An open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 years to 4 years (for details on Macaulay's Duration please refer to the SID under the section "Asset Allocation Pattern"). A relatively high interest rate risk and moderate credit risk.</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> • Generation of income over medium term • Investment primarily in debt and money market securities 	<p>Benchmark Index: NIFTY Medium Duration Debt Index B-III</p> 
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Potential Risk Class (HSBC Medium Duration Fund)

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

A Scheme with Relatively High interest rate risk and Moderate credit risk.

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

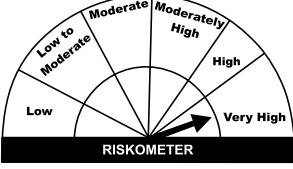
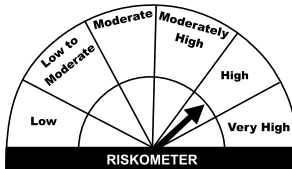
HSBC Credit Risk Fund (Erstwhile L&T Credit Risk Fund)

 <p>Investors understand that their principal will be at Moderate risk</p>	<p>Credit Risk Fund - An open ended debt scheme predominantly investing in AA and below rated corporate bonds (excluding AA+rated corporate bonds). A relatively high interest rate risk and relatively high credit risk.</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> • Generation of regular returns and capital appreciation over medium to long term • Investment in debt instruments (including securitized debt), government and money market securities 	<p align="center">Benchmark Index: NIFTY Credit Risk Bond Index C-III</p> 
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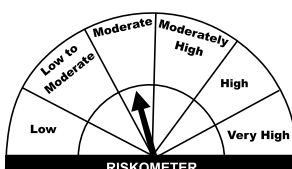
Potential Risk Class (HSBC Credit Risk Fund)

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

HSBC Aggressive Hybrid Fund (Erstwhile L&T Hybrid Equity Fund)

 <p>Investors understand that their principal will be at Very High risk</p>	<p>Aggressive Hybrid Fund - An open ended hybrid scheme investing predominantly in equity and equity related instruments..</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> • Long term wealth creation and income • Investment in equity and equity related securities and fixed income instruments 	<p align="center">Benchmark Index: Nifty 50 Hybrid composite debt 65:35 Index</p> 
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HSBC CRISIL IBX 50:50 Gilt Plus SDL Apr 2028 Index Fund

 <p>Investors understand that their principal will be at Moderate risk</p>	<p>Index Fund - An open-ended Target Maturity Index Fund tracking CRISIL IBX 50:50 Gilt Plus SDL Index – April 2028. Relatively High interest rate risk and Low credit risk.</p> <p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> • Income over target maturity period • Investment in constituents similar to the composition of CRISIL IBX 50:50 Gilt Plus SDL Index – April 2028 	<p align="center">Benchmark Index: CRISIL IBX 50:50 Gilt Plus SDL Index – April 2028</p> 
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HSBC CRISIL IBX 50:50 Gilt Plus SDL Apr 2028 Index Fund

Credit Risk →			
Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	AIII		
A Scheme with Relatively High interest rate risk and Low credit risk.			

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

^ The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price.

Note on Risk-o-meters: Riskometer is as on 30 June 2023. Any change in risk-o-meter shall be communicated by way of Notice cum Addendum and by way of an e-mail or SMS to unitholders of that particular scheme

Past performance may or may not be sustained in the future. Source: HSBC Asset Management India, data as at 30 June 2023

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